VERDICT

The Municipal Court in Prague decided on 29 April 2004 (the ruling came into effect on 9 June 2004) in the legal matter of the Plaintiff N.G. against the Defendants: 1) CZ.NIC and 2) I.K. concerning the transfer of an Internet domain as follows:

I. I. Defendant No. 2 is obliged, within 5 days of the coming into legal effect of this Ruling, to transfer at his own expense the domain of the second level "x+y+z.cz", registered under the domain of the highest level "cz", to the Plaintiff and Defendant No. 1 is obliged to carry out the change in the owner of the domain "x+y+z.cz" within 24 hours of the delivery of the request of Defendant No. 2 for the transfer of the domain of the second level "x+y+z.cz" registered under the domain of the highest level "cz".

II. II. The Plaintiff and Defendant No. 1 do not have any right against one another to compensation for the costs of proceedings.

III.III. Defendant No. 2 is obliged to pay the Plaintiff compensation for the costs of proceedings into the hand of the legal representative within 3 days of this Ruling coming into force.

The Plaintiff is one of the largest non-profit institutions in the world, it is the owner, among other things, of the trademark with registration No. 198366 in the wording "x+y+z" with priority since 6 December 1994, which is protected for the class of products and services 9 and 16, among other things for books, periodicals and brochures. In the interest of the "spreading of geographical knowledge" the Plaintiff began in October 1888 to publish a periodical with the title X+Y+Z, part of which are maps, posters and photographs, and according to the statement from the National Library of the Czech Republic it has been distributed in the Czech Republic in the English version since 1912, interrupted only for the period of the Second World War. It is now also published in a Czech mutation.

Defendant No. 2 had a domain of the second level registered on 29 October 2000 in the wording "x+y+z.cz" in a version that can be confused with the Plaintiff's trademark and with his world-famous commercial firm. Through this speculative action he encroached upon the trademark rights of the Plaintiff and made it impossible for the Plaintiff to execute them properly. He also rendered impossible the use of the Internet by the Plaintiff in using a domain with the same name as his commercial firm and his trademark, taking into account that the Internet network is an important worldwide means of communication and of opportunities to acquire information about the Plaintiff and getting in contact with him. However, if one enters the address of www.x+y+z.cz a page appears that has nothing to do with the Plaintiff and is not authorised by the Plaintiff and therefore anyone interested in information has no access to it.

Defendant No. 1 is a registrar of domain names and a party authorised to make a change in the registration of a domain.

Defendant No. 1 stated that it is a special-interest association of legal entities administering the so-called domain of the highest level cz and that it keeps a register of the domain names of the second level existing within the framework of the cz domain. It does not, however, allocate domain names, it does not check in any way for the possible infringement of the rights of third parties and it depends in registration on the obligation of the applicants for the registration of domain names accepting this obligation on concluding the agreement with Defendant No. 1. Defendant No. 1 therefore refuses responsibility for the infringement of rights with regard to third parties on the grounds that it is not endowed with the authority to make decisions on the rights and obligations of the holders of domain names with regard to these third parties. For the above reasons it has not stated an opinion on the merit of the case.

Defendant No. 2 did not express himself in any way on the charge.

It was ascertained from the extract from the Register of Trademarks kept by the Office of Industrial Ownership of the Czech Republic that the Plaintiff is the owner of the combined trademark No. 198366 in the wording X+Y+Z in a frame with priority right as of 6 December 1994 and according to the Ruling of the Office of Industrial Ownership of the Czech Republic of 2 April 2003, Ref. No. 76309/2002 this trademark was designated in accordance with the provisions of Par. 9 section 1 letter b) of Law No. 137/1995 Coll. (Collection of Laws) on Trademarks in its current wording as generally known. According to the statement of the National Library of the Czech Republic the periodical with the name of A+B+C has been distributed in the Czech Republic since 1912, the existence and appearance of which the Plaintiff demonstrated by means of the title pages of many issues of the periodical. According to the extract from the register of domains kept by Defendant No. 1 it was demonstrated that the registration of the domain name "x+y+z.cz" took place on 29 November 2000 and that the holder of the registration is Defendant No. 2. The legal status of Defendant No. 1 was proven by the Affirmation of the Prague Magistrát (Municipal Authority) of 28 January 2004 on the recording of Defendant No. 1 in the Register of Special-interest Associations of Legal Entities.

The court considers it proven that Defendant No. 2 registered the domain name "x+y+z.cz" on 29 November 2000 through Defendant No. 1, who is the registrar of domain names and is charged with their administration, as emerges from the affirmation of the Prague Municipal Authority of 28 January 2004 on the recording of Defendant No. 1 in the Register of Special-interest Associations of Legal Entities. It was ascertained that the Plaintiff is the owner of the trademark combined with the name "X+Y+Z" registered by the Office of Industrial Ownership of the Czech Republic under number 198366 with priority right as of 6 December 1994.

In comparing the wording of the domain "x+y+z.cz" with the wording of the trademark of the Plaintiff it is evident that they are identical. The same applies in comparison with the name of the firm of the Plaintiff as an internationally known and acknowledged subject.

On the basis of the transitional provisions of Par. 52 of Law No. 441/2003 Coll. on trademarks, specifically section 8, where the rights based on trademarks registered in the register before this Law comes into force are judged according to the regulations applicable at the time of their establishment, the consideration of the relations arising from trademarks recorded in the register before the coming into force of this Law are nevertheless governed by the provisions of this Law. With regard to the nature of the violation of the right to the trademark it is therefore decisive for the assessment of the matter what was the situation at the time if the issue of the decision and it is therefore necessary to investigate the content of the rights of the participants according to the arrangement valid today according to Law No. 441/2003 Coll.

The provision of Par. 8 section 1 of Law No. 441/2003 Coll. stipulates the exclusive right of the owner of the trademark to utilise the trademark in connection with the products or services for which it is protected. According to section 2 letter c) of the provision quoted no-one may use in trade relations a designation identical to or similar to the trademark without the consent of the owner of the trademark for products and services which, although they are not similar to those for which the trademark is registered, nevertheless through its use there would be dishonest advantage gained from the distinguishing capacity or good name of a trademark, which has acquired a good name in the Czech Republic, or it would be to its detriment. According to section 4 of the provision quoted the owner of the trademark has the right, in the case of unauthorised interference with his rights, to demand in court the prohibition of the infringement or threatening of rights and to demand that the consequences of the infringement be removed. From the above there emerges the undoubted right of the Plaintiff to demand of Defendant No. 2 the obligation to transfer the domain with the name "x+y+z.cz" identical to the trademark of the Plaintiff to the benefit of the Plaintiff. With regard to Defendant No. 1, whose status in the dispute is deduced from the result of the dispute against Defendant No. 2, the court also concurred with the charge because Defendant No. 1 has the authority to carry out a change in the

registration from Defendant No. 2 to the Plaintiff.

The decision on the costs of proceedings is governed by the provisions of Par. 142 section 1 of the Civic Court Code and the successful Plaintiff in the case has been acknowledged the costs of proceedings against Defendant No. 2.

The participants in the proceedings, with the exception of the association of CZ.NIC are designated only by the first letter of their surname or commercial firm. The domain names concerned are replaced by the sequence x+y+z.cz. If there is mention in the text of further domain names, these have been replaced at random by other sequences of symbols. With the exception of data enabling the identification of the participants in the proceedings or other persons and domain names there has been the least possible interference with the text of the rulings. Any connection of the abbreviations and substitute symbols used with persons or domain names that actually use designations with the use of such abbreviations or substitute symbols is purely coincidental.

In the study of the rulings it is necessary to bear in mind the fact that the decision contains not only the actual statement of the court and its substantiation, but also a summary of the statements of the individual parties, some of which statements the court need not have taken into account at all in the decision (e.g. in the issue of a preventive measure) and these statements therefore represent only the legal opinion of the party concerned and not the conclusion of the court.

A court ruling cannot be automatically applied to other cases (albeit the basic facts are the same) and the CZ.NIC association recommends that a concrete case be consulted with experts on domain names and with lawyers.