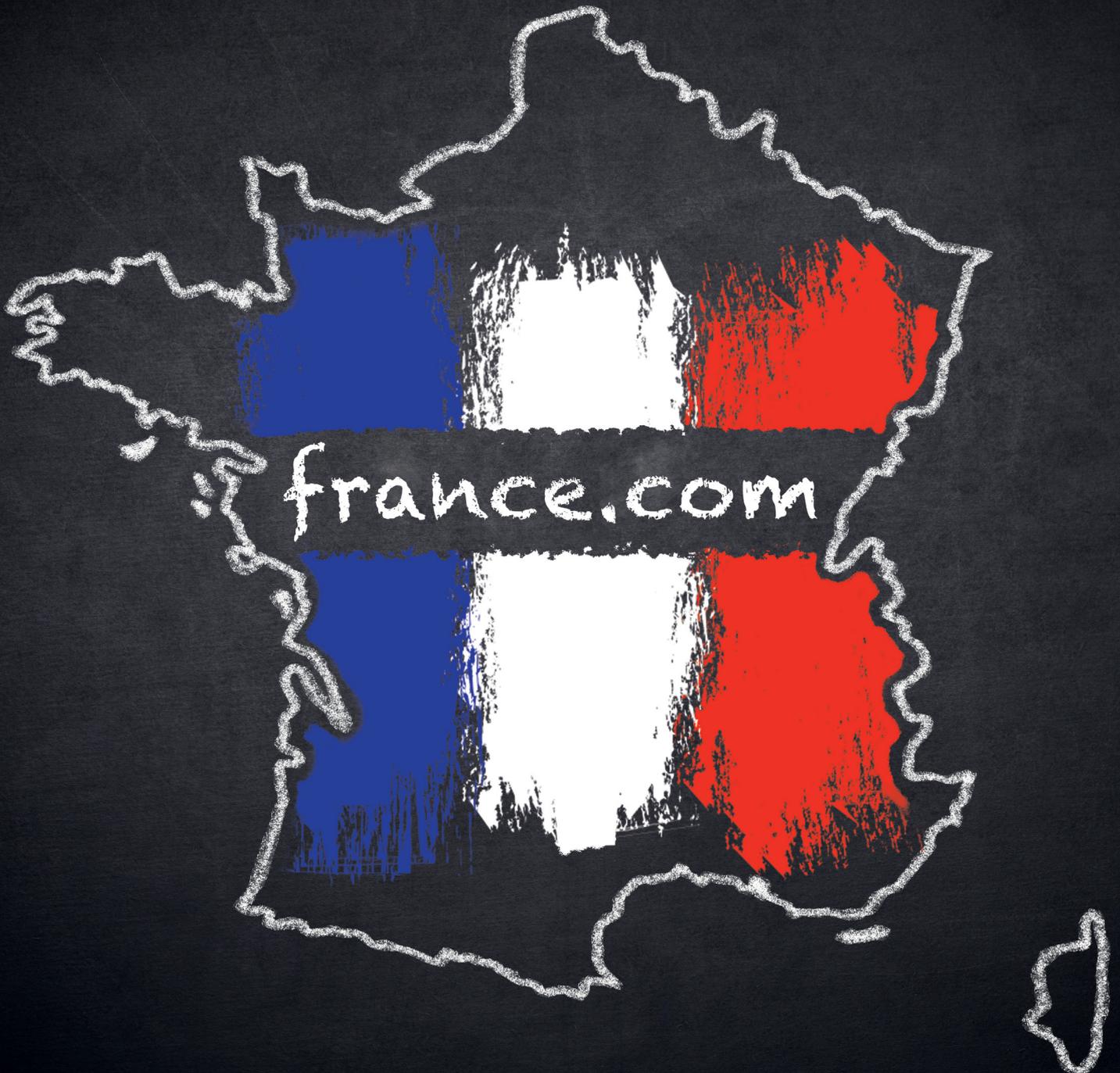




# The Case of France.com: When sovereignty and digital identity collide

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## Summary

In November 2015, the Tribunal de Grande Instance de Paris (later confirmed by the Court of Appeals of Paris) ordered the transfer of a privately-registered domain name (<France.com>) to the French Republic (<France>). This decision was based on the French State's right to the name of its country. In 2016, France.com Inc. failed to register the EU trademark based on a pre-existing trademark registered by the French Government. The EU General Court reasoned that there was a particularly high degree of phonetic and conceptual similarity between "France.com" and the pre-existing EU trademark for "France".

As a result, "France.com" automatically redirects users to "France.fr".

The case of France.com is a curious example of the inconsistency that country names face in international law, both in relation to trademarks, as well as domain names. The French courts recognised the French Republic's inherent right to its name, similarly to "the family name of a natural person" albeit in regard to the non-official name of the country, and denied the private business the right to continue operating under the domain name of France.com. At the same time, there is no consistent basis in international law for such a stringent protection of country names, while both trademark and domain name disputes show disparaging views on the matter.

## Background

In 1994, French-born American citizen Jean-Noël Frydman registered the domain name "France.com", to serve as a digital gateway for the French-speaking audience in the United States. In 1995, Frydman released a website with information about French culture, the Francophile community and a small section on tourism to France.

In 2009, the Dutch company Traveland Resorts applied to register the French and the EU trademarks for "France.com", which the US company France.com Inc. objected to in 2014. France.com Inc. initiated proceedings against the Dutch company in France for having fraudulently applied to register the respective trademarks. France.com Inc. sought to obtain the transfer of these trademarks, as well as to be awarded damages. The case was settled by an agreement between the parties to assign relevant trademarks from Traveland Resorts to France.com Inc.

France.com Inc. proceeded to file the application for the EU trademark before the EUIPO in 2014 (see Graph 2).

In 2015, the French state voluntarily joined the proceedings with a demand to obtain the transfer of the domain name "France.com" (without compensation) from the US company, based on a right to the name of its territory.

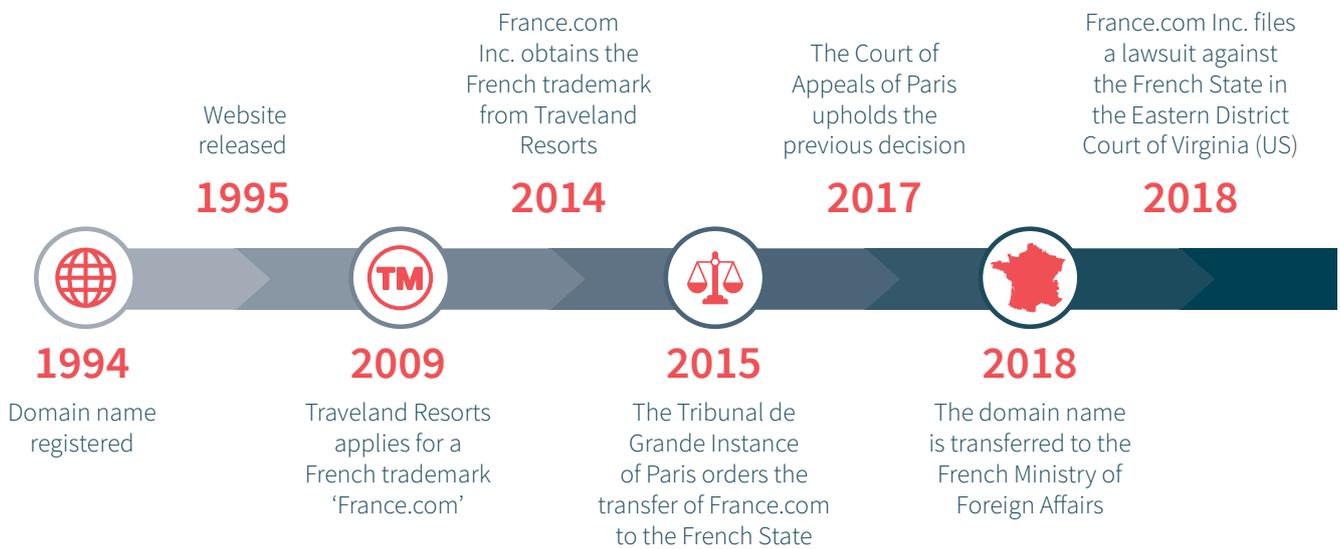
In 2015, the Tribunal de Grande Instance (Paris) ordered the transfer of the domain name "France.com" to the French Republic. In 2017, the Court of Appeals in Paris upheld the decision of the Court of First Instance.

In 2016, the EUIPO rejected France.com Inc.'s application for the EU trademark based on its phonetical and conceptual high similarity with an earlier trademark registered by the French government in 2010 (see Graph 1). France.com Inc. sought the annulment of that decision before the EU General Court<sup>1</sup>. In 2018, the EU General Court dismissed the action filed by France.com Inc. and confirmed that the respective trademark could not be registered as an EU trademark.

In April 2018, France.Com Inc. filed a lawsuit against the French State in the Eastern District Court of Virginia. In May 2019, the Court dismissed the case.

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<sup>1</sup> The Court of Justice of the European Union (CJEU) consists of two courts: the General Court and the Court of Justice. The General Court rules on actions for annulment brought by individuals, companies and, in some cases, EU governments. In practice, this means that this court deals mainly with competition law, State aid, trade, agriculture, trademarks.



### Tribunal de Grande Instance de Paris

The French State objected to the assignment of the trademarks from Traveland Resorts to France.com Inc. based on “public policy and supranational rules”. Furthermore, the French State claimed that the use of the domain name France.com exclusively for tourism in France breached the state’s rights to the name and image of its territory and “adversely affected the state’s sovereignty”.

The French lower court [found](#) that the domain name “France.com” “unduly privatises the name of the community in favour of its proprietor” France.com Inc., whereas “by nature the name should be available for public and collective use”.

The court also found that the use of “France.com” infringes on the rights of the French State to its name and cultural, historical, geographic, economic identity that should serve the interests of the national community. Furthermore, the court reasoned that the sole use of the country name without any additional indicators would suggest that an official body had approved that use.

In addition, the court found that the ownership of the domain name creates possibilities to have associated e-mail addresses, which gives the owner of the domain name “privileged and monopolistic access to the detriment of other operators”, as well as giving a high level of “apparent reliability and credibility” to the address which can be attributed to a service of the French State.

### Court of Appeals of Paris

The case was appealed to a higher court, where France.com Inc. argued that the French State cannot have any rights to the word “France” due to the fact that this is not the official name of the country (i.e. the French Republic).

The Court of Appeals [found](#) that the designation of “France” constitutes an element of identity similar to “the family name of a natural person” for the French State. Furthermore, the .com extension “does not in substance modify the perception of the trademark”, according to the Court of Appeals.

### EU General Court

France.com Inc. argued before the EU General Court that the latter should request a preliminary ruling from the European Court of Justice (CJEU) to give guidance on whether the French State had any kind of prior intellectual property right in the word ‘France’. The EU General Court [dismissed](#) the applicant’s request since only national courts can refer questions to the CJEU.

On the merits, France.com Inc. argued that they have prior rights to “France.com” due to the long-standing business activity of [www.france.com](http://www.france.com), and the obtained figurative EU trademarks from Traveland Resorts. The EU General Court ruled that all prior rights are irrelevant in the present case, while the only rights relevant to the proceedings are the earlier existing mark and the mark applied for by France.com Inc. in 2014. As the EU trademark registration system is based on the ‘first-to-file’ principle, the previously-registered trademark takes precedence.

Secondly, France.com Inc. argued that the earlier registered trademark “France” by the French State is distinctively different from the applied “France.com” both visually and conceptually, including the stress on the TLD. The EU General Court found that although visually the two trademarks are different, phonetically and conceptually they are identical, as the extension .com merely refers to the fact that the services are offered online, and would mean little for the average consumer.

## Legal issues

The case raises several interesting legal questions when it comes to the ownership of a domain name; states’ rights to their identity, as well as trademark law.

### Domain name as a property right?

Although the France.com Inc. was able to operate [www.france.com](http://www.france.com) for over 20 years, basing its business model on the promotion of French culture and tourism, the French State managed to secure its right to the transfer of the domain name based on its “non-proprietary” right to the name of its territory. At the same time, the French courts found that the mere operation of [www.france.com](http://www.france.com) did not have any negative or detrimental consequences on the reputation of the French State, leaving the argument of France’s allegedly affected sovereignty open for further interpretation. Furthermore, the French authorities have even publicly supported the “infringing” domain name throughout the years.<sup>2</sup> One could potentially question the actions of the French State in completely disrupting a private business without any imminent damage to its national interests and without any compensation to the affected business, under the freedom to conduct business recognised in the EU.

Additionally, the European Court of Human Rights (ECtHR) has recognised that the right to use a domain name can be considered a “possession” under Article 1 of Protocol 1 of the European Convention of Human Rights (i.e. “right to property”) (Paeffgen GmbH v. Gemany). As with the majority of human rights, the right to property is, however, not limitless, and according to Art 1 of the ECHR, a state can enforce laws to control the use of property “in accordance with the general interest”. Simultaneously, the state’s interference with one’s right to property needs to be necessary and proportionate, and one could argue that the use of france.com in bona fide for over 20 years and the measures taken by the French State which resulted in the prohibition of the use of the domain name by France.com Inc. might not have met the proportionality criteria established by the ECtHR. It is noteworthy that in the aforementioned domain name case before the EctHR, the measures to cancel domain names infringing third parties’ trademarks were found to be proportionate due to the fact that the “company had hardly used the domains in question by posting contents on the websites under the respective domain names”.

In the analogous case of Barcelona.com v. the City Council of Barcelona, Spain the US court found that Bcom, Inc.’s registration and use of the name “Barcelona” in its domain name “Barcelona.com” was lawful under US law, even though Spanish law prohibits registering a trademark of geographical areas. Under US law the court reversed Barcelona city’s successful transfer of the domain name, which had been achieved under the alternative dispute resolution procedure in WIPO UDRP. This clearly indicates that the outcome of geographic domain name disputes can rely on the chosen jurisdiction, and especially because trademark law is territorial. However, the consequences of the territorial application of trademarks or any national legislation when it comes to domain name disputes reach beyond one state’s decision, due to the borderless nature of the internet.

Additionally, France.com Inc. filed another lawsuit in the U.S. District Court in the Eastern District of Virginia in April 2018, where it [argued](#) that the French Republic had “overreached their rights to the geographic term “France” and wrongfully asserted a claim to the <France.com> domain name.” Furthermore, the complaint argues that the French Republic “misused the French judicial system to seize the domain [...]without compensation, under the erroneous theory that Defendants were inherently entitled to take the domain because it included the word “France”. In May 2019, the court [dismissed](#) the case on the basis that the France.com Inc. complaint “lacks factual allegations”.<sup>3</sup>

2 The service received some attention when growing as a resource for promoting tourism to France from French partners, including the French embassy in Washington DC, and France’s Ministry of Culture which endorsed the resource.

3 By the time of writing this article, the case is currently making its way through the US court system, so we are yet to see what the outcome of this case will be under US jurisdiction.

With regard to the debate on whether a domain name can be considered property, some case-law in the US [suggests](#) that “a domain name that is not a trademark arguably entails only contract, not property rights. Thus, a domain name registration is the product of a contract for services between the registrar and registrant” (DORER v. AREL [1999]).

In contrast, The Supreme Court of Canada ruled in 2011 that domain names are “personal property”. The Court concluded that there is a bundle of rights in the domain name that constituted a new type of intangible property under Canadian law (Tucows.Com Co. v. Lojas Renner S.A.). The Court based its analysis on several cases within international jurisprudence and legal literature in the field. In particular, citing a statement that, while a domain name is based on a service contract with a registrar, “a domain name, however, can infringe upon trademarks or copyrights in a way that other service contracts cannot”<sup>4</sup>. Furthermore, that bundle of rights can be enforced against all others, including to “exclude everyone else from using the same name”.

It is clear, however, that there is no international consensus over this contentious topic, whether a domain name can constitute a property or a service, and even the DORER v. AREL case alludes that domain name can have some characteristics of property rights being associated with it when there is, for example, a trademark involved in it.

As one scholar has argued, there is an “intellectual deficit, fed and supported by [...] a certain degree of legal incapacity to distinguish domain names as autonomous, sui generis, rights from domain names exemplifying trademark characteristics.”<sup>5</sup> Furthermore, according to Komaitis, “domain names do not always perform the same functions as trademarks”, and for these “considerable differences domain names should find their own place and individuality within legal theory”<sup>6</sup>.

### Country names as part of domain names and trademarks?

The case raises the question as to whether a country name can be trademarked by its holding country. In the “France.com” case, the pre-existing EU trademark for “France” was a figurative mark, made up of multiple distinguishable characteristics and used for promoting tourism to France. Hence the word “France” was not trademarked *per se* (see Graph 1). However, the French courts dismissed any ability to trademark a geographical name, even with a .com extension by private parties (see Graph 2 for comparison). This raises the question of whether a country name (not necessarily official, and shortened) belongs to a state on the basis of some sui generis non-proprietary right, similarly to a natural person’s right to a last name. It is also unclear what happens to the name when the country changes its name or ceases to exist, and whether a corresponding trademark can be registered then.



Graph 1



Graph 2

4 Daniel Hancock, “You Can Have It, But Can You Hold It? Treating Domain Names as Tangible Property” (2010), 99 Ky. L.J.185, at pp. 193-94.

5 Konstantinos Komaitis, “The Current State of Domain Name Regulation: Domain names as second-class citizens in a mark-dominated world” (2010), Routledge Research in IT and e-Commerce Law, at pp. 12 -13.

6 *ibid*

Another notable domain name dispute between a trademark holder and a private person with an identical name is the case of “G. A. Modefine S.A. v. A.R. Mani”, where a private person’s name by birth corresponded with the trademark of a well-known luxury brand. The private person, who trades his services under the name “A.R.Mani” and within his corresponding domain name [armani.com](http://armani.com) was able to successfully retain his domain name in a dispute with a trademark owner who claimed that Mr. Mani had no legitimate interest in his domain name as the domain name “does not correspond neither to the name, nor to the surname of the respondent; nevertheless to its name or surname”. The UDRP Panel that handled the case [found](#) that the registration of <Armani.com> by Mr. Mani was not done in bad faith and that the domain name was used legitimately as a variant of his own name which is a common practice when registering a domain name.

The dispute in the case of <Armani.com> clearly shows that the trademark protection, including in the case of a well-known brand that relied on a possible consumer confusion, is not absolute and in the context of a domain name can be overruled by the legitimate interest of another private business based on a similar (not identical) name of an individual.

Similarly to individual names, trademark law seems to recognise, to some extent, public interest when it comes to geographic names.

The cornerstone of trademark protection is the Paris Convention for the Protection of Industrial Property. Article 6ter of the convention [prohibits](#) the registrability of state flags, emblems, official signs and hallmarks as trademarks but says nothing about country names. According to a [survey](#) by the World Intellectual Property Organisation (WIPO) Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications, states generally do not allow country names to be trademarked, without there being any specific basis for such a reservation in international trademark law.

Additional work at WIPO level also [shows](#) that states use pre-defined lists of states (such as the [United Nations members’ list](#)) to assess trademark registrations of the country names within the list, and are free to use “all types of evidence at their disposal, including searches on the Internet and their own knowledge and culture” when determining the use of a country name within the context of a trademark registration. According to the WIPO, “the key question” is usually that of the primary significance of the term to the average consumer: “For instance, depending on the context, the same name can be perceived by consumers as a country name, or as a name without any geographic significance (e.g., France is both a country name and a woman’s name)”.

Comparatively, in the case of Monaco v OHIM, the EU General Court [ruled](#) that Monaco State could not register an EU trademark “MONACO” for particular goods and services due to the fact that it is in the public interest for known geographical names to remain publicly available, including for other undertakings to offer goods and services associated with the geographical area. In France.com, interestingly, the French court cited public interest to make sure that only the French State could advertise its online tourism platform, disallowing competing private platforms to operate on similar premises.

Another illustrative case of public-private trademark disputes when it comes to country names is the case of Iceland Food v Iceland, where the Icelandic State successfully objected to the EU trademark of a UK-based supermarket chain specialising in frozen food before the EUIPO. In this case, the chain had managed to trademark the word “Iceland” (the company was established back in 1970, the EU trademark was filed for in 2002, the trademark was registered in 2014) which consequently proved to cause difficulties for the Icelandic State to do business and brand itself in the EU. After years of proceedings, in April 2019 the EUIPO [cancelled](#) the trademark that had previously been registered by Iceland Food, on the basis of the fact that the word ‘ICELAND’ is the English word for the island republic in the North Atlantic. Therefore, according to EUIPO assessment, it would certainly be understood as such by native-English speakers in the EU, as well as the public in Sweden, Denmark, the Netherlands, and Finland.

Furthermore, under EU law, the registration of geographical names as trademarks is not possible, when the geographical name is already famous or is known for the category of goods concerned. In the case of the supermarket chain operating under the name of ‘Iceland’, it can generally be perceived that the goods (e.g. at least related to agricultural products, meat and poultry, milk products, animal feeds etc) might originate from the Icelandic State and thus be misleading for consumers.

It is noteworthy that the EUIPO in principle disagreed with the Icelandic State's argument that country names should belong to the public domain. According to the EUIPO assessment, a trademark consisting of a country name can acquire 'distinctiveness' (and hence legitimacy for a registration) through its use. Notably, multiple registered domain names in several ccTLDs were used, amongst other things, by Iceland Foods to prove the required distinctiveness of their branding through the use.

In the case of Iceland Foods, the required distinctiveness of the term 'ICELAND' was not proven to be the case<sup>7</sup>, but nevertheless, the EUIPO statement that the use of a country name in a particular trademark can in principle acquire the required distinctiveness shows that a state's right to its country name cannot be absolute under EU law.

## Domain name as a public online identity?

Consequently, if public interest governs the non-proprietary nature of a country name, including its availability to the community, the country name should not be allowed to be monopolised by private commercial entities. However, did the French courts go too far by ordering the transfer of the domain name France.com to the French State, instead of just refusing to register the French trademark, and allowing the existence of France.com as it had been doing for over 20 years before the proceedings?

Furthermore, the term "available for public use" is also open for further discussion. Does it mean that it is available only for the state's exclusive use? Or could it also mean that any member of the "community" is entitled to use a common term for their own business and profit? In the latter case, who is considered to be a member of the community: a person who considers themselves part of the community culturally and linguistically, or citizens/residents of that state? Can that also include businesses?

In 2015, Switzerland passed through a so-called "[Swissness](#)" legislation that aims to strengthen the protection for the 'Made in Switzerland' designation and the Swiss cross. The "Swissness" legislation came into force on 1 January 2017. It does not preclude anybody from using a "Swiss" label, as long as their product or service satisfies the legal criteria codified in the national Trade Mark Protection Act, regarding the origin of the product or the service that must be in Switzerland<sup>8</sup>. No prior authorisation for using the label is needed, however, in the case of a legal dispute, proof of "Swissness" is needed. Regarding the ownership of "Swissness", the label is owned collectively and is not a registered mark. It has been argued<sup>9</sup> that the sui generis property protection such as the "Swissness" regime in Switzerland may offer a new type of IP protection to country names.

In the case of France.com, the French State did not only "label" the use of a domain name as part of a private business as appropriate but actively promoted it as a show-case of good practice in promoting French culture abroad. In general, the type of protection offered by "Swissness" legislation offers safeguards only for the geographic origin of particular goods and services that can benefit from the country's reputation. Comparatively, in the case of France.com no similar connection to the French State, either based on the headquarters or the domiciliation of the domain name holder, can be established in order to justify the running of foreign business under a country's name.

As the Report of the Second WIPO Internet Domain Name Process (2001) [concludes](#) its analysis on the international protection of geographic identifiers within the Domain Name System, "the problem of applicable law highlights the lack of a multilateral system for the recognition of geographical indications." At the same time, the Report highlights the fact that "there is widespread dissatisfaction with the use of geographical indications as domain names by persons unconnected to the locality to which the geographical indications relate." Almost two decades after this conclusion, we see that the situation has not changed much and dissatisfaction, together with the lack of multilateral system prevail.

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7 No explicit assessment regarding the registered domain names across ccTLDs was made by the EUIPO.

8 Food products may be labelled "Swiss" if at least 80% (by weight) of the raw material of the ingredients originates from Switzerland. For milk products, 100% of the milk must be of Swiss origin. For industrial products, at least 60% of the manufacturing costs must be incurred in Switzerland. In relation to services: the company headquarters must be located in Switzerland. A trademark is allowed if the specification of the goods is limited to goods "coming from Switzerland". In relation to services, a trademark is allowed, provided that the trademark owner is domiciled in Switzerland.

9 Natalie G.S. Corthésy, "Trade Marks, Country Names And Misappropriation of National Identity" (2016), Journal of Intellectual Property Law & Practice, Volume 12, Issue 4, at pp. 297-306. The pdf is also available here: [https://www.inta.org/Academics/Documents/2017/Corth%C3%A9sy\\_Student%20Winner.pdf](https://www.inta.org/Academics/Documents/2017/Corth%C3%A9sy_Student%20Winner.pdf)

Furthermore, more challenges with regards to geographical name protection within the DNS emerge, namely on top-level, with a <.amazon> application dispute being the primary example of tensions between a recognised trademark holder (Amazon corporation) and collective sovereign interests of the Amazonian region and countries within, who all claim a legitimate interest in the .amazon top-level domain name. [ICANN's recent decision](#) to approve the <.amazon> application in favour of the Amazon corporation creates a precedent in shifting the decision-making over what constitutes a geographic region (or rather what does not constitute one) away from state-level (i.e. United Nations) towards a private technical actor that ultimately decides which top-level domain names are permitted online.

## Conclusion

While there is no explicit treaty-based protection of country names within international law, many states extend their sovereign rights towards country names, irrespective of language, or whether it is a shortened version of the official name or a nickname referring to their sovereign territory. Businesses can rely on the reputation of states and register a distinctive trademark in some cases. However, it is unlikely that a trademark, consisting solely of a country name can be registered for an exclusive use, either privately or publicly. Furthermore, according to existing EU case-law, existing trademark registrations by private parties consisting of country names can be revoked. When it comes to the use of a country name as part of a domain name, EU courts have argued that a TLD extension (e.g. .com) is not enough to make it distinctive for consumers when used as a trademark. Furthermore, in the case of France.com, a territorial scope of French trademark law was de facto applied globally due to the global nature of the internet and as a result of a French court decision that ordered the transfer of a privately-registered domain name (<France.com>) to the French Republic, as part of a trademark dispute. The same case is being challenged before the US courts and we are yet to see how it will be resolved under US jurisdiction. Nevertheless, France.com is now part of global case-law when private and public interests collide in the domain name space.



## Council of European National Top-Level Domain Registries

CENTR is the association of European country code top-level domain (ccTLD) registries, such as .de for Germany or .si for Slovenia. CENTR currently counts 54 full and 8 associate members – together, they are responsible for over 80% of all registered domain names worldwide. The objectives of CENTR are to promote and participate in the development of high standards and best practices among ccTLD registries. Full membership is open to organisations, corporate bodies or individuals that operate a country code top level domain registry.

This paper is part of a series of articles covering industry research, historical data analysis and the future of technologies such as digital IDs, published over the course of 2019 to mark CENTR's 20th Anniversary. These publications do not necessarily present the views of CENTR or of the CENTR community.

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