International Centre for Dispute Resolution

New gTLD String Confusion Panel

RE: 50 504 T 00261 13

Commercial Connect LLC, OBJECTOR

vs

Amazon EU S.à r.l., APPLICANT

String: <.通販>

EXPERT DETERMINATION

The Parties:

The Objector is Commercial Connect LLC, 1418 South 3rd Street, Louisville, Kentucky 40208 USA and is represented by Jeffrey S. Smith.

The Applicant is Amazon EU S.à r.l., 5 Rue Plaetis L-2338 Luxembourg, and is represented by Flip Petillion, Crowell & Moring, rue Joseph Stevens 7, Brussels 1000 Belgium.

The New gTLD String Objected To:

The new gTLD string applied for and objected to is: **<.通販>**

Prevailing Party:

The Objector has prevailed and the Objection is sustained.

Background:

Module 3 of the ICANN gTLD Applicant Guidebook ("Guidebook") contains Objection Procedures and the New gTLD Dispute Resolution Procedure ("the Procedure").

Article 1(b) of the Procedure states that "The new gTLD program includes a dispute resolution procedure, pursuant to which disputes between a person or entity who applies for a new gTLD and a person or entity who objects to that gTLD are resolved in accordance with this New gTLD Dispute Resolution Procedure."

Section 3.1 of the Guidebook provides: "The independent dispute resolution process is designed to protect certain limited interests and rights. The process provides a path for formal

objections during evaluation of the applications. It allows a party with standing to have its objection considered before a panel of qualified experts."

Article 3(a) of the Procedure states that "String Confusion Objections shall be administered by the International Centre for Dispute Resolution".

A formal objection initiates a dispute resolution proceeding. In filing an application for a gTLD, the applicant agrees to accept the applicability of the gTLD dispute resolution process. Similarly, an objector accepts the applicability of the gTLD dispute resolution process by filing its objection.

Article 4(b)(i) of the Procedure provides that the applicable Dispute Resolution Service Provider ("DRSP") Rules are the ICDR Supplementary Procedures for ICANN's New gTLD Program.

A formal objection can be filed on four enumerated grounds, only one of which is relevant here. Specifically, as expressed in the Guidebook, and the Procedure, one of the grounds expressed is "String Confusion." Article 2(e)(i) of the Procedure provides: "(i) 'String Confusion Objection' refers to the objection that the string comprising the potential gTLD is confusingly similar to an existing top-level domain or another string applied for in the same round of applications."

A panel hearing a string confusion objection will consider whether the applied-for gTLD string is likely to result in string confusion. String confusion exists where a string so nearly resembles another that it is likely to deceive or cause confusion. For a likelihood of confusion to exist, it must be probable, not merely possible that confusion will arise in the mind of the average, reasonable Internet user. Mere association, in the sense that the string brings another string to mind, is insufficient to find a likelihood of confusion. Guidebook, Section 3.4.1.

Standing and Other Procedural Matters:

Objectors must satisfy standing requirements to have their objections considered. Standing requirements for objections on the grounds of string confusion require that the Objector be existing TLD operators or TLD applicants in the current round.

An existing TLD operator may file a string confusion objection to assert string confusion between an applied-for gTLD and the TLD that the Objector currently operates.

Any gTLD applicant in the same application round may file a string confusion objection to assert string confusion between an applied-for gTLD and the gTLD for which it has applied, where string confusion between the two applicants has not already been found. That is, an applicant does not have standing to object to another application with which it is already in a contention set.

Here, Objector has applied for the gTLD string <.shop>. Applicant has applied for the gTLD string <.通販(Online Shopping)> aka <.xn--gk3at1e (Online Shopping)>. Accordingly, Objector has standing to file this string confusion objection.

In the case where an existing TLD operator successfully asserts string confusion with an applicant, the application will be rejected.

In the case where a gTLD applicant successfully asserts string confusion with another applicant, the only possible outcome is for both applicants to be placed in a contention set and to be referred to a contention resolution procedure (refer to Module 4, String Contention Procedures). If an objection by one gTLD applicant to another gTLD applicant is unsuccessful, the applicants may both move forward in the process without being considered in contention with one another.

Article 21(d) of the Procedure provides: "The Expert Determination shall be in writing, shall identify the prevailing party and shall state the reasons upon which it is based. The remedies available to an Applicant or an Objector pursuant to any proceeding before a Panel shall be limited to the success or dismissal of an Objection and to the refund by the DRSP to the prevailing party, as determined by the Panel in its Expert Determination, of its advance payment(s) of Costs pursuant to Article 14(e) of this Procedure and any relevant provisions of the applicable DRSP Rules."

Applicant asks that the Objection be denied because Objector allegedly did not properly serve the objection on Applicant in accord with applicable rules set out in the Procedure. However, Applicant acknowledges that it previously has been provided with a copy of Objector's application for the <.shop> gTLD string, the Objector's Demand for Arbitration and other materials. Applicant's able counsel also has submitted a detailed brief in support of its application, and the panel has reviewed and considered all of Applicant's submissions, arguments and contentions. Thus, it appears that Applicant received actual notice of the Objection, and has been accorded a full and fair opportunity to be heard on its application. Applicant also has not shown that it was prejudiced by any alleged defects in the filing of the Objection. As the procedures for String Confusion Objections are relatively new, in the absence of a showing of actual prejudice to the applicant, the panel is of the view that the Objection should be evaluated on the merits. Consequently, Applicants procedural objections are denied.

Parties' Contentions:

Objector asserts that confusing similarity exists because the Applicant's proposed string has a similar meaning to the Objector's string. The Object further asserts that visual or aural similarity is not required, if the two strings have the same meaning, even if in different languages using different characters.

Applicant responds by contending that the objection should be denied because its application will promote innovation and competition among domain name registries. Applicant asserts that such competition advances the program's goals, to expand consumer choice in the gTLD space.

Applicant also asserts that the string it has applied for will not create confusion. Applicant argues that the strings have a different meaning, because the word “shop” means “commercial establishment” or “store” and is a noun, while “online shopping” refers either to an action of purchasing something online or to order something for delivery via mail.

Lastly, Applicant asserts that the likelihood of confusion is merely possible, not probable, because the two strings are in different languages and the characters used by the two languages for the two strings have no visual similarity.

Discussion and Findings:

Here, the issue is whether the string <.通販(Online Shopping)> aka <.xn--gk3at1e (Online Shopping)> comprising the potential gTLD is confusingly similar to <.shop>.

There are three distinct, but related issues to be determined. The first issue is whether the root of a word in a string should be accorded protection from usage of variations of the root word, including participles. For example, there are several variations of the root word “shop” in the English language, including the plural “shops,” (when used as a noun), the participle “shopping” and the past tense of the verb “shopped.”

The second issue is whether the addition of the word “online” before the word “shopping” makes the two strings sufficiently distinct as to avoid string confusion.

The third issue is whether the use of Japanese characters and language (or any other language) instead of the English alphabet and language for the same word avoids the possibility of confusion.

As noted above, the applicable standard of review is the following: “String confusion exists where a string so nearly resembles another that it is likely to deceive or cause confusion. For a likelihood of confusion to exist, it must be probable, not merely possible that confusion will arise in the mind of the average, reasonable Internet user. Mere association, in the sense that the string brings another string to mind, is insufficient to find a likelihood of confusion.”

Generally speaking, “confusion” may include jumbled or disorganized thought. A person who is confused may have difficulty solving problems or tasks, especially those known to have been previously easy for the person, or the inability to recognize familiar objects or locations, and uncertainty about what is happening, intended, or required. Confusion may include the state of being unclear in one’s mind about something, or the mistaking of one person or thing for another, including the inability to differentiate between similar words. In the context of internet searches, confusion can arise if the user is unable to differentiate between top level domain names, and becomes unable to access information using a logical, organized thought process. A confused internet user will be unable to find his or her way around the domain in a definite or familiar manner.

Here, the word “shop” can be used either as a noun, designating a physical establishment where one can buy goods or services, or as a verb. The concurrent use of “shopping”, the

participle of the root word “shop”, in a gTLD string will result in probable confusion by the average, reasonable Internet user, because the two strings have virtually the same sound, meaning, look and feel. The average Internet user would not be able to differentiate between the two strings, and in the absence of some other external information (such as an index or guidebook) would have to guess which of the two strings contains the information the user is looking to view.

Likewise, the addition of the word “online” before “shopping” does not add sufficient uniqueness to the string. The meaning of the string arises from the use of the root word “shop”, not the modifier “online.” The meaning of the string remains the same if the word “online”, or some other similar modifier such as “internet,” “digital” or “virtual”, appears or not.

The adopters of the applicable standard of review for string confusion hypothetically could have allowed an unlimited number of top level domain names using the same root, and simply differentiate them by numbers, e.g., <.shop1>, <.shop2>, <.shop3>, etc., or other modifiers, including pluralization, or other similar variations of a root word, or other modifiers before or after the root word. While that might allow for increased competition, as argued by Applicant, it would only lead to a greater level of confusion and uncertainty among average, reasonable Internet users. Accordingly, the Applicant’s argument that the concurrent use of a root word and its participle version in a string increases competition is not persuasive in this context, and is rejected.

Finally, the Applicant has not persuaded the panel that simply using a foreign language or foreign characters in a gTLD string is a sufficient basis to differentiate two strings with essentially the same meaning when the string is translated from one language to the other. Many Internet users speak more than one language, including English. The use of essentially the same word in two different languages is sufficient to cause string confusion among the average, reasonable Internet user.

Accordingly, the Applicant’s arguments do not appear to be consistent with the applicable standard of review, the apparent purpose or goal of implementing gTLD’s, or the purpose or goal in allowing a string confusion objection.

Determination:

Therefore, the Objector has prevailed and the Objection is sustained.

DATED: August 21, 2013

ROBERT M. NAU,
Sole Expert Panelist