International Centre for Dispute Resolution

New gTLD String Confusion Panel

Re: 50 504 000243 13

Charleston Road Registry Inc., OBJECTOR

and

Foggy Beach, LLC, APPLICANT

String: <**.games**>

EXPERT DETERMINATION

The parties

The Objector is Charleston Road Registry Inc. (1600 Amphitheatre Parkway Mountain View, CA 94043) and is represented by Brian Winterfeldt, Katten Muchin Rosenman LLP (2900 K Street NW, North Tower Suite 200 Washington, DC 20007-5118) - brian.winterfeldt@kattenlaw.com.

The Applicant is Foggy Beach, LLC (10500 NE 8th Street Suite 350 Bellevue, WA 98004) and is represented by John M. Genga Esq. and Don Moody of New gTLD Disputes (15260 Ventura Boulevard Suite 1810 Sherman Oaks, CA 91403) - jgenga@gengalaw.com and don@newgtlddisputes.com.

The New gTLD String Objected To

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

Prevailing Party

The <u>Objector</u> has prevailed and the Objection is <u>sustained</u>.

The New gTLD String Confusion Process

Module 3 of the ICANN gTLD Applicant Guidebook (the 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.

As expressed in the Guidebook, and the Procedure, there are four (4) grounds to object to the registration of new gTLDs. One of these grounds expressed String Confusion, as described in the Procedure Article 2(e)(i): **"(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."**

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

Procedural History of this Case

On June 13, 2012, Charleston Road Register Inc. (the Objector) submitted a detailed new gTLD application to ICANN for the string .game (Application ID: 1-1138-34539).

Foggy Beach, LLC (the Applicant) filed a new gTLD application for .games (Application ID: 1-1470-40168).

On or about March 13, 2013, the Objector filed a gTLD String Confusion Objection to the gTLD application of the Applicant for .games on the grounds that .games "so nearly resembles .game that it is likely to deceive or cause confusion in the mind of the average reasonable internet user".

On March 18, 2013, the ICDR acknowledged receipt of the Objection and conducted an administrative review of the Objection.

On April 3, 2013, following the administrative review, the ICDR advised the parties that the Objection complied with Article 5-8 of the Procedure and the applicable Dispute Resolution Provider Rules (the DRSP Rules) and the Objection was registered for processing.

On April 17, 2013, the Applicant was advised that it shall file a response to the Objection in 30 days from that date.

On June 5, 2013, the Applicant was advised that there was a deficiency in the Response to the Objection.

On June 11, 2013, the parties were advised that the Applicant had remedied the deficiencies noted on June 5, 2013 and that the Response to the Objection complied with Article 11 of the Procedure and applicable DRSP Rules.

On June 17, 2013, I was appointed as the Expert to determine the Objection and the parties were to submit comments and challenges, if any, to the appointment by June 20, 2013. No comments or challenges to my appointment were received.

Basis for Objector's Standing to Object based on String Confusion

The Objector submitted its new gTLD application for .game on June 13, 2012. It bases its claim to standing on the Guidebook s. 3.2.2.1 and the Procedure Article 8. Its objection is based on the allegation of string confusion, on the basis that "the string comprising the potential gTLD is confusingly similar to ... another string applied for in the same round of application", relying on the Procedure Article 2 (i) and that its objection complies with Article 8 (a). It references the Guidebook s. 3.2.2.1, based on the fact that string confusion was not found in the Initial Evaluation by ICANN's string similarity review between the gTLD for which it has applied and the applied for gTLD to which it objects and claims standing on the basis that its .game string was not placed into a string similarity contention with the Applicant's .games string.

In my view the Objector has standing to object based on the allegation of string confusion.

Factual Background

The Objector, an American company, is a wholly owned subsidiary of Google Inc. (Google), established to provide registry services to the internet public. The Objector's business is to manage Google's gTLD portfolio and Google's registry operation business, to provide, *inter alia*, services and tools for internet users and advertisers of all sizes.

The Applicant is a subsidiary of Donuts Inc., both American corporations. With its parent, the Applicant has applied for multiple other TLDs. It claims in its application for .games that, along with other TLDs in the Donuts Inc. family, it "will provide internet users with opportunities for online identities and expressions that do not already exist".

2

Parties' Contentions

(a) Objector

The Objector is an Applicant for the .game string in this new gTLD program round. It contends that an impermissible confusion will result if both the .game and .games gTLDs are permitted to come into existence.

The Objection is based on four grounds:

1. The strings are virtually identical in appearance.
2. The strings are virtually identical in phonetic sound.
3. The strings are virtually identical in meaning.
4. The strings so resemble each other that they are likely to deceive or cause confusion.

The Objector also contends that gTLDs that differ only by the addition of a final "s" will cause recollection difficulties for all Internet users because of the limits of human recollection, and will cause further difficulties for non-English speakers. These grounds are supplemented by extensive argument, examples and authorities that I will discuss in the Discussion and Findings section of this Expert Determination.

(b) Applicant's Response

The Applicant contends that the Objection fails because the burden of proof that the strings are so similar that the average reasonable internet user would confuse them is not met. Rather, it contends, its applied for string is "readily distinguishable".

It argues that the Objection seeks to stifle fair competition by its use of the ICANN objection process to obstruct the path of applicants applying for distinct TLD names by relying on irrelevant materials, hyperbole, conjecture and conclusory assertions.

The Applicant contends that the Objection contravenes the letter and spirit of the gTLD Program, goals which include increased choice and competition in the domain name industry.

The Applicant expands on these contentions under the following headings, which it supports by extensive argument and evidence:

    A. The Objector fails to prove the substantive elements required for its Objection.
        1. The Objector does not prove .games and .game are so similar in appearance as to result in a likelihood of Internet user confusion.
        2. Objector's similarity arguments are defeated by the fact that plurals are routinely used and coexist peacefully in the DNS.
        3. Objector does not prove .games and .game are so similar in sound as to result in a likelihood of internet user confusion.
        4. Objector does not prove .games and .game so similar in meaning as to result in a likelihood of Internet user confusion.
        5. The Objection fails to show the high level of similarity needed to succeed.

    B. Objector makes arguments irrelevant to the elements in the Guidebook standard.

The Applicant concludes by submitting that "the Objection falls short of its heavy burden to prove "'probable' confusion among 'average reasonable Internet users' that would undermine confidence in the DNS itself. Objector offers no evidence supporting its conclusory assertions even though it bears the burden of proof. Rather, most of the Objection raises issues wholly irrelevant to a string confusion determination".

The Applicant argues that in considering whether the burden of proof that rests upon the Objector has been satisfied, it is relevant that the ICANN Initial Review did not find that there was sufficient similarity between .game and .games to cause probable confusion among Internet users.

Discussion and Findings

(a) The Standard and the Burden of Proof

The issue in this Expert Determination is whether the applied for gTLD string (.games) is likely to result in string confusion with the Objector's proposed string (.game).

The Guidebook s. 3.5.1 defines String Confusion Objection and the standard to be applied on the Expert Determination as follows:

> A DRSP 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.

S. 3.5 provides that "the objector bears the burden of proof in each case". Thus, there is a presumption in favour of granting new gTLDs to applicants who satisfy the requirements.

The Procedure Article 2 (e) (i) defines a string confusion objection as "the objection that the string comprising the potential gTLD (in this case .games) is confusingly similar to ... another string applied for in the same round of applications" (in this case .game).

Article 20 (c) provides that "the Objector bears the burden of proving that its objection should be sustained in accordance with applicable standards that have been defined by ICANN" (in this case s. 3.5.1 of the Guidebook, quoted above).

Thus, the burden of proof is the civil standard of a balance of probabilities. It may be stated as follows: has the Objector demonstrated that it is more likely than not that there will be string confusion as defined?

(b) (i) The Issue of Visual Similarity

It is obvious that .game and .games are visually similar (according to the Objector nearly identical both visually and orthographically) and thus there is the potential for confusion. The Objector provides as evidence the ICANN String Similarity Assessment Tool, which assesses the similarity at 78%. This tool is "intended to provide an approximation of similarity" between two gTLDs.

It is unnecessary in my view to consider the precedents in intellectual property law supplied by the Objector to conclude that there is indeed a visual similarity between the two applied for gTLDs.

The Applicant argues that the addition of one letter to a short word such as "game" with that letter located on a different row on a typewriter keyboard does not equal visual similarity. I do not find this to be a persuasive argument.

The more substantive response of the Applicant is with reference to the claimed similarity of 78% as determined by the String Similarity Assessment Tool.

The Applicant meets the 78% similarity found by the ICANN assessment tool by referring to other terms which result in a higher score such as "Google" and "Goggle" and "post-game" and "post-fame".

In every such example, the two words are different and none are the plural of the other.

The Applicant notes that the degree of similarity did not result in the ICANN String Similarity Panel concluding in the initial review that there was sufficient similarity between .game and .games to find probable confusion among Internet users. The Applicant argues that the Initial Evaluation amounts to an affirmative finding that there was not sufficient similarity between the two strings to cause probable confusion. This argument requires an analysis of the

4

Initial Evaluation that is conducted under s. 2.2 of Module 2 of the Guidebook, which I will discuss below, since it is related to the visual similarity issue.

(b)(ii) The Initial Evaluation

The Objector relies on the Initial Evaluation as one of the bases to found its standing, while the Applicant relies on it as an affirmative finding in its favour.

The Initial Evaluation is provided for in s. 2.2 of Module 2 of the Guidebook, under the heading "String Review". It is described as a "first review" focusing on "whether the applied-for gTLD string is so similar to other strings that it would create a probability of user confusion".

S. 2.2.1.1 describes the Initial Evaluation as a "preliminary comparison of each applied for gTLD string" against, *inter alia*, other applied for strings. The objective is "to prevent user confusion and loss of confidence in the DNS resulting from delegation of many similar strings". The section notes the definition of "similar" for purposes of the Guidebook. It adds "[T]he visual similarity check that occurs during Initial Evaluation is intended to augment the objection and dispute resolution process that addresses all types of similarity".

S. 2.2.1.1.1 describes the String Similarity Panel's task as "to identify visual string similarities that would create a probability of user confusion".

With respect to applied-for gTLD strings, the task is described as "[A]ll applied-for gTLD strings will be reviewed against one another to identify any similar strings. In performing this review, the String Similarity Panel will create contention sets that may be used in later stages of evaluation".

The Review Methodology provided for in s. 2.2.1.2 is important and I quote it in full (footnotes omitted):

> The String Similarity Panel is informed in part by an algorithmic score for the visual similarity between each applied-for string and each of other existing and applied for TLDs and reserved names. The score will provide one objective measure for consideration by the panel, as part of the process of identifying strings likely to result in user confusion. In general, applicants should expect that a higher visual similarity score suggests a higher probability that the application will not pass the String Similarity review. However, it should be noted that the score is only indicative and that the final determination of similarity is entirely up to the Panel's judgment.
>
> The algorithm, user guidelines, and additional background information are available to applicants for testing and informational purposes. Applicants will have the ability to test their strings and obtain algorithmic results through the application system prior to submission of an application.
>
> The algorithm supports the common characters in Arabic, Chinese, Cyrillic, Devanagari, Greek, Japanese, Korean, and Latin scripts. It can also compare strings in different scripts to each other.
>
> The panel will also take into account variant characters, as defined in any relevant language table, in its determinations. For example, strings that are not visually similar but are determined to be variant TLD strings based on an IDN table would be placed in a contention set. Variant TLD strings that are listed as part of the application will also be subject to the string similarity analysis.
>
> The panel will examine all the algorithm data and perform its own review of similarities between strings and whether they rise to the level of string confusion. In cases of strings in scripts not yet supported by the algorithm, the panel's assessment process is entirely manual.

This portion of the section concludes by providing that the panel will use the common standard to test for string confusion quoted earlier in these reasons.

S. 2.2.1.1.3 deals with Outcomes of the String Similarity Review. The relevant portions are:

> An application for a string that is found too similar to another applied-for gTLD string will be placed in a contention set.

5

An application that passes the String Similarity review is still subject to objection by an existing TLD operator or by another gTLD applicant in the current application round. That process requires that a string confusion objection be filed by an objector having the standing to make such an objection. Such category of objection is not limited to visual similarity. Rather, confusion based on any type of similarity (including visual, aural, or similarity of meaning) may be claimed by an objector. Refer to Module 3, Dispute Resolution Procedures, for more information about the objection process.

It is thus apparent that the Initial Evaluation is primarily a preliminary review, focusing on visual string similarity, for the purpose of determining whether, as relevant to this case, two applied-for strings should be placed in a contention set. Where, as here, that was not the result of the Initial Evaluation, it is open to an applicant to file a string confusion objection and such an objection is not limited to visual similarity, but rather, confusion based on any type of similarity, including visual, may be claimed by an objector.

Thus, in my view, that the Initial Evaluation did not find visual string confusion between .game and .games, such as to result in a contention set, is relevant, but not conclusive with respect to the issue of visual similarity in a string confusion objection, but otherwise the Initial Evaluation has no other relevance to the resolution of the Objection.

(c) The Issue of Phonetic Similarity

The Objector focuses on the phonetic pronunciation as "geym" and "geyms". The Objector notes that both are one syllable words, with a similar suress pattern, the primary accent being on the initial "gey" portion of the phonetic word. The Objector also relies on jurisprudence in intellectual property law as supporting its position.

It argues that potential users hearing the proposed TLDs in advertising or conversation will not readily distinguish between the two and thus will be likely to be confused. The Objector gives examples of likely confusion between for instance "buyer@video.game" and "seller@video.games" and "board.game" and "board.games".

The Applicant argues that the addition of the "s" in .games makes the two sounds "very distinguishable". It notes that the mere similarity of sounds, for example as in "cite" and "sights" or "burrow" and "boroughs" are unlikely to confuse users. However, in both of those examples, the spelling is so different as to minimize any possible confusion, and the context in which the words would be used is also different.

In my view, there is a phonetic similarity between .game and .games that has the potential to cause confusion.

(d) The Identity or Meaning and the Addition of the Plural "s"

The Objector relies on the argument that there is no material difference in commercial meaning between .game and .games or the terms "game" and "games".

It also bases its position on the vagaries and limits of human recollection and the potential for those for whom English is a second language, particularly for those in which the plural form is not used in their native language, or, as in French, often not pronounced.

The Applicant notes that singular and plural words commonly exist in different in different IP addresses. Jonathan Nevett, a founder and executive vice president of Donuts Inc. deposes (paragraph 16) that a review of various public sources demonstrates the existence of more than 50,000 singular/plural pairs that do not refer to the same Internet protocol (IP) address, compared to only 1,330 pairs that do refer to the same IP address.

The most pertinent of the examples provided by the Applicant of such IP addresses are game.com and games.com; game.co.uk and games.co.uk; game.co.in and games.co.in, each of which has different registrants as the operator.

The Applicant relies as well on the many singular and plural trademarks in different ownership. Mr. Nevett deposes that the Applicant's search of the United States Patent and Trademark Office (USPTO) disclosed only 2,054 of 351,812 unique word marks that have plural matches. However, none of the specific examples cited by the Applicant resemble "game" and "games", the closest being "sport" and "sports".

The Objector relies on intellectual property law jurisprudence relating to the impermissibility of the addition of a plural "s" to a name or description to obtain a competing trademark.

6

My view is that intellectual property jurisprudence is of very limited relevance to the issue I am to determine. As the Applicant points out, string confusion is based solely on similarity, while intellectual property law is much more complex and uses different criteria in comparisons.

I agree that there is no material difference in the commercial meaning of "games" as opposed to "game", and there is at least the potential for confusion by Internet users of all types, given that the intended use of .game and .games will be aimed at a similar market.

The existence of IP addresses owned by different registrants using "game" and "games is an argument in the Applicant's favour, but there is no evidence of the regime under which this was permitted to occur.

Both parties mention the possibility of "cybersquatting" on similar potential gTLDs by adding an "s" to an existing TLD to gain an advantage. I agree with the Applicant that given the process presently existing for obtaining new gTLDs and the cost of entry, this is not a significant consideration.

(e) Other Arguments Advanced by the Applicant

The Applicant argues that the Objector, by this and other objections to strings that use the plural "s", contravenes the letter and spirit of the New gTLD Program, which includes increased choice and competition in the domain name industry. It refers to the Guidebook Module 1 reference to ICANN's dedication to "preserving the operational security and stability of the Internet, promoting competition".

The Applicant points to the other possible meanings of the word, for instance as a noun meaning a non-domesticated animal or a description of a character trait.

It argues that interfering its ability to use its applied for string will negate its free speech rights, and impede growth and competition, setting a dangerous precedent and will effect a loss of confidence in the DNS.

It refers as well to the coexistence of for instance co. and .com, used separately or together in some countries, and to what it demonstrates could be, but are not, confusing domains, such as .lt (Lithuania) and .it or .IT (Italy).

(f) Resolution 2.d of the New gTLD Program Committee

I was referred to Resolution 2.d of ICANN's New gTLD Program Committee (NGPC) approved on June 25, 2013. This resolution dealt with the issue of "Singular & Plural Versions of the Same String as a TLD". It reads in part:

> Whereas, the NGPC met on 11 June 2013 to consider the GAC Beijing advice regarding singular and plural versions of the same string; and
>
> Whereas, after careful consideration of the issues, review of the comments raised by the community, the process documents of the expert review panels, and deliberations by the NGPC, the NGPC has determined that no changes to the ABG are needed to address potential consumer confusion specifically resulting from allowing singular and plural versions of the same strings;
>
> ...
>
> Resolved (2013.06.25.NG07), the NGPC has determined that no changes are needed to the existing mechanisms in the Applicant Guidebook to address potential consumer confusion resulting from allowing singular and plural versions of the same string.

The publication of the resolution included a discussion of the rationale for it. The review was prompted by the Beijing Communiqué of the Government Advisory Committee (GAC) on April 13, 2013 that asked that the Board of ICANN, due to potential consumer confusion, "reconsider its decision to allow singular and plural versions of the same strings". The NGPC met on June 11, 2013 to consider the issue, after seeking input from applicants and considering the applicant responses.

It noted that the concerns raised by the applicant community highlight the difficulty of the issue and the tension that exists between minimizing user confusion, while encouraging creativity, expression and competition.

7

In its deliberations, the NGPC reviewed a number of factors. These factors included, *inter alia*, the work of expert review panels, the objectives of the string similarity review in the Guidebook, the objective function of the string similarity algorithm in the Guidebook (s. 2.2.1.1.2), the alternative methods available to applicants, including the string confusion objection mechanism in the Guidebook, and the standard for assessing string confusion, referred to earlier in these reasons. The NGPC noted that:

> "... the objective of the string similarity review is to prevent user confusion and loss of confidence in the DNS resulting from delegation of many similar strings. A full consideration of potential consumer confusion issues is built into the procedures that have been applied in the analysis of the strings. The adoption of the proposed resolution will assist with continuing to resolve the GAC advice in manner that permits the greatest number of new gTLD applications to continue to move forward as soon as possible."

In my view, the effect of the Resolution is that while the NGPC rejected the call to prevent entirely singular and plural version of the same strings, it left open the very issue that arises in this case, that is, whether in a particular case allowing a plural string would likely cause consumer confusion.

Analysis

The issue for determination is whether the Objector has established on a balance of probabilities that the Application applied for string is likely to result in string confusion, in the sense that it is likely to deceive or cause confusion in the mind of the average, reasonable Internet user, keeping always in mind in the analysis that the mere possibility of confusion and mere association in the sense that the string brings another to mind is insufficient to satisfy the burden on the Objector.

The Objector and the Applicant are both highly sophisticated and well-resourced organizations, and have raised every possible argument and counter argument that could be raised for and against the Objection. Most of these arguments have been summarized in the discussion section of this Expert Determination above. I have not attempted in the discussion to provide the full detail of all of the comprehensive submissions put forward, but I have carefully considered all of them.

It is, in my view, clear that it is at least *possible* that the existence of gTLDs for both .game and .games will deceive or cause confusion in the minds of the average, reasonable Internet user, given the visual resemblance of the two strings, their phonetic sounds, their meanings, and the market to which their use is likely to be directed.

The question for me is whether the Objector has established that the similarity of the two strings in the sense mentioned above will *likely* deceive or cause confusion in the minds of the average, reasonable Internet user, with the reservation that merely that one string brings the other to mind is not sufficient to support the likelihood of confusion.

I have found that there is visual similarity between the two strings. This finding is tempered by the fact that the Initial Evaluation did not find that similarity sufficient to put both strings into a contention set. When visual similarity is considered along with the phonetic similarity, the balance tips in favour of confusion.

The proposed new strings .game and .games will likely be directed at the same commercial market i.e. those persons interested in purchasing a game or games or playing a game or games online. The string .game is unlikely to be used in connection with the other possible meanings of "game" listed by the Applicant, such as wild animals or character traits.

As I noted earlier in these reasons, I do not find the reference by either party to examples of patent or trademark jurisprudence to be of much assistance. The regimes under which they are granted are very different, as are the uses to which patents or trademarks are put and the criteria used when comparing one application with another or an existing trademark. In the case of trademarks in particular, there are a myriad of ways that they can be presented and dressed up, while a gTLD string can only be presented in one way, visually and phonetically.

While the NGPC resolution declined to prohibit singular and plural versions of the same string, the Beijing Communiqué of the GAC did highlight the issue, the potential for confusion and the difficulty of the issue of which this case is a paradigm example.
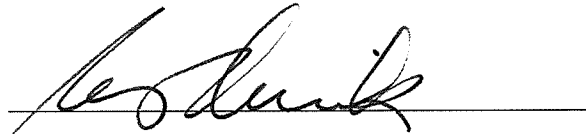
In my opinion, in this case the balance tips in favour of the Objection when the visual and phonetic similarity is combined with the consideration of the commercial market at which both strings will be aimed, those persons interested in purchasing or accessing a game or games for fun, competition or chance. For the average, reasonable Internet user in that market, there will, in my view, be a likelihood of confusion, and not merely a realization of association between the two strings.

I do not see that so to conclude unduly interferes with the free speech rights of the Applicant, or stifles completion in the DNS. The purpose of the New gTLD String Confusion Process and the Procedure is to prevent confusion of Internet users in the new expanded regime for domain names, while providing wide scope for the proliferation of new domain names. While the contest between .game and .games is not an easy one to resolve, I am satisfied that the Objector has met the burden on it to establish the likelihood of string confusion as defined in the Guidebook and the Procedure.

Determination

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

September 19, 2013

Earl A. Cherniak, Q.C.
Sole Expert Panelist