

International Centre for Dispute Resolution
New gTLD String Confusion Panel

Re: 50 504 T 00223 13

Verisign, Inc., OBJECTOR

and

Afilias Limited, APPLICANT

String: <.pet>

EXPERT DETERMINATION

I The Parties

Way, Reston, Virginia, 20190,USA. Verisign operates a number of TLDs including .COM and .NET.

The Applicant in this proceeding is *Afilias Limited*, an Irish limited company, established in the Republic of Ireland, with its principal place of business located at 2 La Touche House, IFSC, Dublin 1, Ireland.

II The New gTLD String Objected To is

The new gTLD string applied for and objected to be: <.pet>

III Objector's TLD String serving as the basis for its objection is:

Objector's string serving as the basis for its confusion claims is ".net."

IV Prevailing Party:

The Applicant has prevailed and the Objection is dismissed.

V The New gTLD String Confusion Process

Article 1(b) of the New gTLD Dispute Resolution Procedure (the "*Procedure*")¹ states that "[t]he 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 DRP 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) of the *Procedure* mandates that "String Confusion Objections shall be administered by the ICDR."

VI Procedural History of this Case

In accordance with the *Procedure*, Applicant *Afilias* filed its Application for the new gTLD ".pet"; Objector Verisign Inc. timely filed its Objection based on alleged confusion with its gTLD ".net." Applicant then timely filed its Response and the dispute based on the category "String Confusion Objection" was referred to the ICDR, who appointed the undersigned Expert to render a ruling on the issue of String Confusion between the TLDs in question in accordance with the *Procedure* and the ICDR's *Supplementary Procedures for String Confusion Objections*.²

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

Under Article 8 of the *Procedure*, the Objection filed by the Objector is to contain, *inter alia*, a statement of the Objector's basis for standing, a description of the basis of the Objection, a statement of the ground(s) upon which the Objection is being filed (in this proceeding, String Confusion), and an explanation of the validity of the Objection and why it should be upheld.

A. Objector's Basis for Standing/Ground for Filing/String Confusion

In its Objection and accompanying affidavits, Objector Verisign claims standing in this proceeding as the existing TLD operator for the .net TLD. (*Objection*, Paragraph III; Also see *Decl.*

¹ The Procedure is an Attachment to Module 3 of the gTLD Applicant Guidebook (the "Guidebook") approved by the Internet Corporation for Assigned Names and Numbers ("ICANN") on June 20, 2011 and as updated on June 4, 2012.

² See *Procedure*, Articles 3 (a), 4 (b) (i), 8, 11 and 13.

of Joseph Waltron on Behalf of Verisign Inc. ["Waldman Deal"]) and asserts its objection to Applicant's application on the basis that the latter's proposed gTLD, pet string is confusingly similar to the .net TLD.

B. Legal Standard

1. String Confusion:

According to the *Procedure* "[string confusion exists where a string so nearly resembles another that it is *likely* to deceive or cause confusion." *gTLD Applicant Guidebook* (v. 2012-06-04), Module 3, Section 3.5.1.) *The Applicant Guide book states that, "[i]n this Applicant Guidebook, 'similar' means strings so similar that they create a probability of user confusion if more than one of the strings is delegated into the root zone." Id. Module 1, Section 1.1.2.10. "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." Id. Module 3, Section 3.5.1.³ *The Applicant Guidebook* also states that mere association, in the sense that string brings another string to mind, is insufficient to find a likelihood of confusion.*

2. Burden of Proof

Article 20 (c) of the *Procedure* provides that "[t]he Objector bears the burden of proving that its Objection should be sustained in accordance with the applicable standards."⁴ Accordingly, Objector has the burden of establishing by a preponderance of the evidence that the gTLD applied for by Applicant so nearly resembles Objectors' TLD that it is **likely** to deceive or

³As noted further by Objector:

The standards articulated in the ICANN *Dispute Resolution Procedure* reflect and parallel long-established standards governing likelihood of confusion that have developed under U.S. trademark law and trademark law more broadly. Indeed, the ICANN standards expressly refer to the trademark law concept of "likelihood of confusion." See *gTLD Applicant Guidebook*, Module 3, Section 3.5.1. Similarly, the ICANN standards require a probability of confusion, which reflects trademark law standards.

As under trademark law, the Applicant Guidebook makes it clear that the likelihood of confusing similarity must consider more than mere visual similarity, although visual similarity is an important consideration. The Applicant Guidebook expressly states that with regard to objections based on string confusion, "[s]uch 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." *gTLD Applicant Guidebook*, Module 2, Section 2.2.1.1.3 (emphasis added).

This is essentially the same test for similarity applied under U.S. trademark law. See, e.g., *In re E. I. DuPont DeNemours & Co.*, 476 F.2d 1357, 1361 (C.C.P.A. 1973); *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 351 (9th Cir. 1979), abrogated on other grounds by *Mattel, Inc. v. Walking Mountain Prods.*, 353 F.3d 792 (9th Cir. 2003). As explained below, similar standards also are applied under the Uniform Domain Name Dispute Resolution Policy ("UDRP") adopted by ICANN.

⁴ The standards referred to are set forth in Legal Standard above.

cause confusion." *gTLD Applicant Guidebook* (v. 2012-06-04), Module 3, Section 3.5. Objector bears the burden of proving that the strings are so similar that they create a probability of user confusion if more than one of the strings is delegated into the root zone." *Id.* Module 1, Section 1.1.2.10. "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.*" *Id.* Module 3. (Emphasis added by Designated Expert.)

VIII Factual Background

Objector Verisign is the existing TLD operator of .net, a domain, established in 1985, that is one of the most well-known and identifiable of any TLD in the world. The .net TLD has over 10,000,000 registered names and is served by approximately 1000 ICANN accredited registrars. (*See Verisign Objection* p. 2.)

Applicant Afilias is a global leader in advanced registry services that power domains. Afilias began operations in July 2001 with the launch of the domain registry for .INFO, which it states is the most successful of the seven new top-level domains (TLDs) selected by ICANN in 2001. Afilias claims to support a more diverse base of TLDs than any other registry services provider.

IX Parties' Contentions

1. Objector's Contentions Regarding Confusing Similarity

Objector contends that its Objection should be upheld based on (i) similarity (visual and phonetic) between Applicant's proposed gTLD and Objector's TLD, (ii) similarity based on context and overall impressions, and (iii) confusion and harm to both users and the Objector based on the similarity between the two TLD strings at issue. Objector claims it will suffer economic harm as well as damage to its brand if users have negative experiences if they erroneously believe the applied-for gTLD is associated with its TLD .PET.

2. Applicant's Response

In its Response, Applicant Afilias asserts that there is ample evidence that *no confusion* would exist between .net and .pet, since there are substantial differences between the two visually, aurally and conceptually (i.e. they have different meanings in English) such that their co-existence in the internet marketplace is unlikely to "deceive and cause confusion and thus be detrimental to the public interest and to the existing TLD.NET. (*See Afilias' String Confusion Response*, p. 11.)

In arguing its position, Applicant asserts that there is a "consensus that a global assessment, i.e. visual and aural and conceptual, must be applied when taking decisions on the likelihood of confusion between terms, whether such terms are trademarks or TLDs like in the present proceedings." Applicant also notes the Court of Justice of the European Union has interpreted the concept of likelihood of confusion and held " that the "global appreciation of the

visual, aural or conceptual similarity of the marks in question must be based on the overall impression given by the marks, bearing in mind their distinctive and dominant components." (ECJ, Sabèl BV v Puma AG, Rudolf Dassler Sport, case C-251/95, 11 November 1997, paragraph 23). See Annex 4. Applicant also cites to the multi-factor test set forth in *In re E. I. DuPont DeNemours & Co*, cited in footnote 3 above, is the appropriate framework to analyze whether there is the potential for confusion between the two TLDs in question in the mind of the average reasonable Internet user.

X Findings

After having carefully reviewed and considered the facts, law, applicable rules, opinions and allegations set forth in the briefs, affidavits and other documents submitted by the parties appearing in this proceeding, I find that Objector has failed to meet its burden of proof to establish by a preponderance of the evidence that Applicant's use of the gLTD .pet would be confusingly similar to its TLD .net. Consequently, as noted above, Applicant is declared the prevailing party in this proceeding, the Objection is dismissed and Applicant/ shall be refunded its deposit for this matter made to the ICDR.

XI Discussion and Reasons for Determination

The parties agree that under the *Procedure*, in order for the Objector to prevail, Objector must prove that the co-existence of the two TLDs in question would *probably* result in user confusion.⁵

I find that the visual, phonetic (aural) and conceptual differences between the two TLDs .pet and .net are sufficiently great to conclude that the public would probably not be confused or deceived by the existence of the two TLDs in the marketplace. Consequently, I find that Objector has failed to meet its burden of proof regarding the *probability* of such confusion. I note that while the co-existence of the two TLDs that are the subject of this proceeding *may* possibly result in confusion by users, Objector has failed to meet its burden of proof to establish the *likelihood or probability* that users will be confused. I also find that Objector has failed to meet its burden of establishing its claims that it will suffer damages if users are diverted to .pet because they erroneously believe the applied-for gTLD is associated with its TLD .net.

In considering the parties' arguments, I was persuaded, in part, by Applicant's arguments relating to the overall impression of the .pet TLD, including the proof offered by Applicant as to

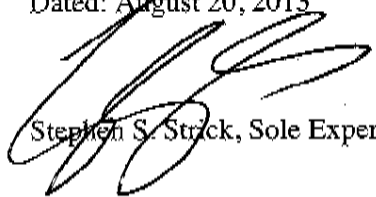
⁵ Objector's Expert IGail Stygall found linguistic similarities between .pet and .net in appearance and sound, but not conceptual similarities but concluded that based on her experience, internet users who encounter .pet would probably be confused.

the dissimilarity of sound, visual impression and meaning between .pet and the existing TLD .net. (See Afiliias' *String Confusion Response*, paragraphs 3.3-3.5.)

XII Determination

The Applicant has prevailed and the Objection is dismissed.

Dated: August 20, 2013



Stephen S. Strick, Sole Expert Panelist