

International Centre for Dispute Resolution
New gTLD String Confusion Panel

Re: 50 504 00245 13

< Neustar, Inc.>, OBJECTOR

and

< Charleston Road Registry >, APPLICANT

String: < .gbiz >

EXPERT DETERMINATION

The parties

The Objector is Neustar, Inc., with principal place of business in Washington, D.C, USA, represented by J. Beckwith Burr, Esq., Deputy General Counsel of Neustar.

The Applicant is Charleston Road Registry, Inc., a corporation incorporated in the state of Delaware, USA with principal place of business in Mountain View, California, USA, represented by Brian J. Winterfeldt, Esq. who prepared the Response while at the law firm Steptoe & Johnson in Washington, D.C. He is now with the law firm Katten Muchin Rosenman LLP in Washington, D.C.

The New gTLD String Objected To

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

Prevailing Party

The Applicant has prevailed and the Objection is dismissed.

The New gTLD String Confusion Process

Module 3 of the ICANN gTLD Applicant Guidebook contains Objection Procedures and the New gTLD Dispute Resolution Procedure (“the Procedure” or “DRP”).

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 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) states that “String Confusion Objections shall be administered by the International Centre for Dispute Resolution”.

Procedural History of this Case

The Objection was filed online with the ICDR on March 18, 2013

On March 18, 2013 the ICDR sent a letter to the Objector, with copy to the Applicant and/or its representative in this proceeding, acknowledging receipt of its Objection to the gTLD string which Applicant applied for. On April 4, 2013 the ICDR sent a letter to the Objector stating that there were administrative deficiencies in the Complaint in terms of its non-compliance with the requirements set forth in Articles 5 – 8 of the New gTLD DRP and the ICDR Rules. Specifically, the ICDR requested the Objector to provide, within five days, proof or a statement that copies of the Objection were sent to the Applicant for the new gTLD being objected to.

In this letter the ICDR invited the Objector to amend the Complaint to satisfy the formal requirements referenced in the preceding paragraph. In a letter to the Objector dated April 11, 2013 the ICDR verified that the Complaint and the Amended Complaint have satisfied these requirements. This served as a “Proceed letter”, authorizing the continuation of the process following the ICDR’s administrative verification as described above.

In accordance with the New gTLD DRP and the ICDR Rules, the ICDR formally notified the Applicant of the Complaint in a letter dated April 17, 2013 and invited the Applicant to file a Response within 30 days of this letter. In accordance with the New gTLD DRP and ICDR Rules, Applicant submitted its Response in a timely manner, which was duly acknowledged by the ICDR on May 23, 2013. The ICDR also confirmed in this letter that the Response complied with provisions of Article 11 of the New gTLD DRP and the ICDR Rules.

The ICDR appointed Paul E. Mason as the Expert Panelist in this matter on July 30, 2013. The Panel finds that it was properly constituted under Article 13(b)(1) of the New gTLD DRP. The Panel has made a statement of acceptance and declaration of impartiality and independence as required by Article 13(c) of the New gTLD DRP and Article 1 of the ICDR Rules.

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

Pursuant to Paragraph 3.2.2.1 of the ICANN Guidebook, two types of entities have standing to object:

- An existing TLD operator may file a string confusion objection to assert string confusion between an applied-for gTLD and the TLD that it currently operates.
- Any gTLD applicant in this 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 in the Initial Evaluation. That is, an applicant does not have standing to object to another application with which it is already in a contention set as a result of the Initial Evaluation.

Neustar is the operator for the <.biz> gTLD and therefore has standing to object in this case.

Factual Background

According to Neustar, the GTLD <.biz>, which has been operated by Neustar since 2001, is a specialty TLD marketed to online entrepreneurs, small businesses and other self-starters. The focus is on business-to-business online use of the domain.

The string <.biz> is powerfully associated with the TLD operated by Neustar, and is strongly associated with business productivity offerings online.

These facts are not disputed by the Applicant.

Parties' Contentions

Objector

Neustar has presented both policy and legal arguments as follows:

- ICANN's launching of new gTLD programs and policies in 2003, 2008 and 2011 contained a *caveat* that new gTLDs should not be confusingly similar to existing gTLDs.

- Rejecting the application on string confusion grounds would not constitute an unreasonable exclusion of top-level labels, constrain competition or result in unnecessary depletion of available names.

- The proposed use of the applied-for string <.gbiz> is very similar to the manner in which the existing gTLD <.biz> is being marketed and used today. I.e., the two basic words (both denotations and connotations) are practically identical.

- The ICANN String Similarity Assessment Tool algorithm ("SWORD") cited by Neustar shows a similarity coefficient of 70% between the two strings.

- Applicant is a wholly-owned subsidiary of Google. According to Applicant's gTLD application, the "g" prefix to <.gbiz> supposedly refers to using this new gTLD only for Google apps related to online business. But broader users are hinted at in some of the applicant's documents.

- The two strings are visually similar

- Many internet domain name decisions under the UDRP (ICANN's Uniform Dispute Resolution Policy which is applicable to domain name registration disputes between domain name registrants and trademark or service mark holders) have held that variation of just one letter in the domain name does not affect its similarity to a UDRP complainant's trademark.

- The reasonable internet user does not associate "all things g" with Google.

- Confusing similarity does not turn on bad faith or fraud, as UDRP domain name cases do.

- The use of the phonetically and visually catchy letter "z" in <.biz> is distinctive and has been associated with Neustar's <.biz> registry in which Neustar has invested, and so deserves protection.

Applicant

Charleston Road Registry (CRR) has asserted that Neustar may have shown some possibility of similarity between <.gbiz> and <.biz>, but has not met its burden of establishing probability, rather than mere possibility, of string confusion in the mind of the average reasonable internet user. Its principal arguments are as follows:

- According to the UK Trademark Office at least, the string confusion standard also requires an expectation that the strings in confusion be under the control of a single trade source, ie that the average reasonable internet user would mistakenly think that the string <.gbiz> in this case is controlled by the same entity as the <.biz> string.
- According to EU trademark law cited by ICANN, small differences in short strings like <.biz> or <.gbiz> result in more marked differences in overall commercial impressions than do similar changes in longer strings.
- The ICANN String Similarity Assessment Tool algorithm cited by Neustar at 70% ultimately found that the two strings were sufficiently dissimilar to allow the <.gbiz> application to go forward. There are also numerous visually similar secondary country-level ccTLDs already coexisting with <.biz> to which Neustar has not objected, such as <.biz.et>, <.biz.iq>, etc.
- Visually, in determining whether two terms sound alike, courts often focus on the first letters or syllables which are different here.
- Commercial strength of <.biz> is irrelevant to the case because “biz” is a generic term which is not eligible for trademark protection. Any “edgy” or “catchy” characteristics of the phrase are attributable to its origin and history, rather than to Neustar or the <.biz> gTLD *per se*.
- By contrast, the prefix letter “g” on the internet is widely associated with specific Google programs such as gmail.
- Reasonable internet users are prudent and check the online marketplace at several sources, and so would not likely rely on typing in a single URL without double-checking further.

Discussion and Findings

Under Paragraph 3.5 of the ICANN Guidebook - “Dispute Resolution Principles (Standards)”, the Objector bears the burden of proof in each case.

Paragraph 3.5.1 of the ICANN Guidebook provides the applicable standard on which to rule on these cases:

“3.5.1. String Confusion Objection

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.”

The quantum of proof necessary to sustain a string confusion objection is therefore established at the level of probability, not mere possibility.

A. Identical or Confusingly Similar Strings

First, the Panel must establish the legal and factual standards to determine whether the strings are identical or confusingly similar to each other.

These are cases of first impression where no bright line yet exists to define precisely which if any particular national law(s) are applicable. Since both parties are from the United States, it would not be inappropriate to consider U.S. law, particularly trademark law, as a point of legal reference. Since these cases may also have international impact because the New gTLD Program is worldwide in scope accompanying growth of the internet, it would not be incorrect to also take into consideration applicable laws and standards from other national and regional authorities cited by the parties.

The UDRP and U.S. trademark cases can be helpful but not determinative. UDRP cases involve rights of trademark holders and also contain obligatory elements of bad faith by domain name registrant respondents. None of these aspects are present in New gTLD String Confusion cases. Trademark law standards do not entirely fit here either, because the Objector's string <.biz> is generic and hence ineligible for trademark protection.

The legal standards for burden and quantum of proof have been set forth by ICANN in its Applicant Guidebook, Module 3, Paragraph 3.5 as quoted above.

There is a factual standard involving exactly what is meant by "similarity" found in the ICANN Applicant Guidebook, Module 2, Paragraph 2.2.1.1.3:

"An application that passes the [initial visual] 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...**" [emphasis added]

Therefore, it is possible under this provision for a party to launch an objection to a newly-applied for gTLD based on any of these three types of similarity – visual, aural, or in meaning – between the string applied for by Objector and the string applied for by Applicant. Having said that, it does not logically follow that any one of these grounds of similarity *alone* would *automatically* result in having such an objection granted. For example, ".car" and ".automobile" may have the same meaning in English. An objection to a <.car> string based on similarity of meaning alone with an <.automobile> string would not show a real probability that confusion between the two terms would arise in the mind of the average internet user, since these strings look and sound entirely different. It is when there is a confluence of all three types of similarity (visual, aural, meaning) that it becomes most probable that such confusion will occur.

Unlike some of the earlier gTLD string confusion cases, this one is more complex even though many of the arguments presented here have also been made in simpler gTLD String Confusion Cases.

The policy arguments cut both ways. There is an ICANN policy not to allow confusingly similar gTLDs to be registered. But there is also an ICANN policy to encourage such registrations to widen the scope of internet use.

The legal arguments also cover both sides of the fence. Although <.biz> is indeed catchy, it is a generic term and cannot be legally protected as a mark. So trademark related arguments do not fit like a glove. Nor do the UDRP "typosquatting" cases cited by Neustar, because they turn on protecting legitimate trademarks, which does not apply to <.biz>. UDRP cases also require a bad faith element which is not present in New gTLD String Confusion cases. There is also an argument by Applicant that internet users must somehow believe that both strings come from a common trade source. However this would appear to require a considerable amount of mind-reading.

There are factual arguments on both sides as well – whether <.gbiz> looks or sounds confusingly similar to <.biz>. This Panel finds that the two strings are not visually or aurally similar to each other.

Other key issues to be considered in this case are:

- 1) Do both strings impart similar meanings? and
- 2) Does the prefix letter "g" meaningfully distinguish the applicant's string <.gbiz> from the Objector's string <.biz> ?

On question 1) above, this Panel finds that both strings do indeed convey similar meanings, *i.e.* use for domain names and websites relating to online business transactions.

On question 2) above, this Panel finds that the prefix letter "g" may impart the suggestion of Google applications when used in an online context because addresses such as someone@gmail.com are very well-known. It is a

factually close question which may in part depend on the kind of average internet user involved. For those browsing for internet domain names on the web generally, the level of sophistication is probably lower than for those involved in specific e-business applications which are the subject of both strings in this case. The latter type of internet user would most likely associate the “g” prefix with a Google application, product or service online. But even the average general internet user today could well associate the “g” prefix with Google because of the high level of use of gmail addresses worldwide.

B. Probability, not mere possibility, that confusion will arise in the mind of the average reasonable internet user

This Panel finds that both strings do impart similar meanings and that for this reason it is possible that some confusion on the part of internet users could arise with respect to the two strings. However it is also possible that the prefix letter “g” in the string <.gbiz> would impart an air of distinctiveness implying an affiliation with Google.

The Panel must emphasize that the quantum of proof necessary to sustain an objection to a proposed new gTLD is “probable” and not merely “possible” that string confusion will arise in the mind of the average reasonable internet user. This standard was purposely set at a high level by ICANN in order to encourage the introduction of new gTLDs. Aside from the issue of similarity of meaning between the two strings, the Objector has not met its burden of proof of probability of visual and/or aural similarity between them.

The Panel finds that although Neustar as Objector has shown a possibility of confusion in the mind of the average reasonable internet user, such a probability has not been proven.

Determination

For the foregoing reasons, in accordance with Article 21 of the New gTLD Procedure and the ICDR Rules, the Panel orders that the Objection be dismissed.

by: Panelist Paul E. Mason

A handwritten signature in black ink that reads "Paul E. Mason". The signature is written in a cursive, flowing style with a long horizontal line extending to the left from the start of the name.

Date: August 9, 2013