

EXPERT DETERMINATION LEGAL RIGHTS OBJECTION

Starbucks (HK) Limited v. XYZ.com LLC

Case No. LRO2013-0029

1. The Parties

The Objector/Complainant (the “Objector”) is Starbucks (HK) Limited of Hong Kong, China, represented by Dechert LLP, the United Kingdom of Great Britain and Northern Ireland.

The Applicant/Respondent (the “Applicant”) is XYZ.com LLC of Carson City, Nevada, the United States of America, represented by John Berryhill of the United States.

2. The applied-for gTLD string

The applied-for gTLD string is <.now>.

3. Procedural History

The Legal Rights Objection (the “Objection”) was filed with the WIPO Arbitration and Mediation Center (the “WIPO Center”) on March 13, 2013 pursuant to the New gTLD Dispute Resolution Procedure (the “Procedure”).

In accordance with Article 9 of the Procedure, the WIPO Center has completed the review of the Objection on March 21, 2013 and has determined that the Objection complies with the requirements of the Procedure and the World Intellectual Property Organization Rules for New gTLD Dispute Resolution for Existing Legal Rights Objections (the “WIPO Rules for New gTLD Dispute Resolution”).

In accordance with Article 11(a) of the Procedure, the WIPO Center formally notified the Applicant of the Objection, and the proceedings commenced on April 17, 2013. In accordance with Article 11(b) and relevant communication provisions of the Procedure, the Response was timely filed with the WIPO Center on March 17, 2013.

The WIPO Center appointed Dr. Thomas Legler as the Panel in this matter on June 15, 2013. The Panel finds that it was properly constituted. The Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the WIPO Center to ensure compliance with Article 13(c) of the Procedure and Paragraph 9 of WIPO Rules for New gTLD Dispute Resolution.

4. Factual Background

The Objector in this proceeding is Starbucks (HK) Limited, a company incorporated in the Hong Kong, China whose registered office is in Hong Kong, China. It is a non-trading, asset holding company wholly owned by PCCW Ltd (“PCCW”), which is also incorporated in Hong Kong.

The Objector has registered numerous trademarks with different designs containing NOW or NOW TV. Its trade mark portfolio includes registrations in Hong Kong (allegedly assigned from another group company to the Objector), China, India, Canada, United States, Japan, Indonesia, Kuwait, the Philippines, Taiwan Province of China, Thailand and Saudi Arabia.

These design trademarks have been registered for various classes but mainly for products and services in the area of telecommunication, Internet, TV and IT.

The Objector also owns a portfolio of 153 active domain names which consist of or include the word “now”.

Little is known about the Applicant XYZ.com LLC. It follows from the Applicant’s New gTLD application published on 13 June 2012 that XYZ.com is a limited liability company with seat in Carson City, Nevada, United States (Objector’s Annex 1).

Six applications for the <.now> string have been submitted to ICANN including the applications by the Objector and the Applicant. The Objector has filed objections against each of the other five applications for the <.now> string. None of those objections has been consolidated and thus far only one objection has been the subject of a published determination, *i.e. Starbucks (HK) Limited v. One.com A/S*, WIPO Case No. LRO2013-0028 (objection rejected).

5. Parties’ Contentions

In the following, the Panel summarizes the Parties’ respective arguments.

A. Objector

According to the Objector, it is (within the PCCW group) a non-trading, asset holding company who owns all of the group’s rights in and to the trademarks registered, acquired through use or otherwise.

In the present proceedings, the Objector bases its objections in particular on the following trademarks:

Territory	Trade Mark	Registration Number	Registration Date
Hong Kong	NOW	300391266AB	March 23, 2005
Hong Kong	NOW TV	300038132	June 25, 2003
Hong Kong	NOW TV	300608607AB	March 28, 2006
China	NOW	1505733	January 14, 2001
China	NOW	1455984	October 7, 2000
Kuwait	NOW	37833	June 28, 2000

The Objector’s parent company, PCCW, was established in August 2000 when it acquired Cable & Wireless HKT. PCCW group *inter alia* provides television and media services under the trademark NOW to subscribers in Hong Kong and a number of others jurisdictions, including Malaysia, mainland China, Canada, the United Kingdom and on international air carriers with distribution of television content under the trademark in Thailand and the United States to begin later this year.

The Objector indicates that the PCCW Group employs approximately 20,000 people across the globe and has a presence in Europe, the Americas, the Middle East, mainland China and other Asian locations as well

as in Hong Kong.

PCCW shares are listed on The Stock Exchange of Hong Kong Limited and traded in the form of American Depositary Receipts on the OTC Markets Group Inc. in the United States. As part of its multimedia and entertainment offerings, PCCW operates a highly successful IPTV (Internet Protocol Television) operation in Hong Kong called NOW TV. Now TV offers over 190 channels of local, Asian and International programming, including premium sports and movies and a range of interactive services. These channels include 9 "Now Sports" channels and "Now News". PCCW has registered trade marks for both of these channel names in Hong Kong.

PCCW's IPTV platform was launched in 2003 under the name "Now Broadband TV". The name of the platform was changed to "Now TV" in or around March 2006.

Up until at least 2007 PCCW's Now TV platform was the world leader in IPTV and was publically recognized as such (Objector's Annex 4).

As at 2009, PCCW's Now TV platform was apparently the eighth largest IPTV operation in the world in terms of number of users (Objector's Annex 5).

According to the Objector, at present Now TV is the largest pay TV operator in Hong Kong and reaches more than 1,165,000 subscribers, which is more than 50% of the estimated 2.3 million households in Hong Kong.

In terms of reputation of PCCW's Now TV platform brand, the Objector refers to various case studies, reports and press articles (Objector's Annexes 8, 2 and 12).

PCCW's Now TV platform is also accessible from the domain names <now.com> and <now-tv.com> (both owned by the Objector, Annex 13).

PCCW also offers its Now TV service through its NowPlayer application available through desktop and laptop computers and on mobile devices such as smartphones and tablets.

PCCW's total turnover in respect of TV and content and its media business reached USD 361,980,545 in 2012.

PCCW has also incurred significant expenditure in advertising and marketing the Now TV brand. In 2012, this expenditure amounted to USD 8,000,000.

Pursuant to the Objector's indications, PCCW has received numerous accolades and awards for which it submits its respective exhibits (Objector's Annex 14).

Furthermore, PCCW's Now TV programming has been shown on various international airlines.

The Objector is of the opinion that the foregoing shows that the Objector is the owner of substantial reputation and goodwill in the trademark NOW in Hong Kong and internationally.

The Objector sustains that its Objection is valid and should be upheld for various reasons.

The Objector's mission purpose at paragraph 18(a) of its own application for the gTLD <.now> has been formulated as follows:

"[A]n important part of the <.now> proposal is to properly safeguard and to expand the 'now' brand that has been firmly established since the launch of now TV in 2003. With a customer base of over 1.1 million, it is now the largest pay TV platform in Hong Kong (over 50% penetration of the market) and one of the largest IPTV service providers in the world... The mission of the '.now' registry is...to

leverage and expand from the well established 'now' brand from its Hong Kong and Asia base, as well as services, reach and customer base across its parent and related companies, to promote the '.now' TLD to become a globally recognized gTLD as an innovative and online media and infotainment platform."

At paragraph 18(b) of its Mission Statement, the Objector goes on to say:

"An important primary goal of the TLD is the safeguard of the intellectual property right of the "now" brand... The establishment of the '.now' TLD on the internet safeguards our brand's intellectual property rights and enables opportunities for the potential expansion of the business."

The Objector indicates that the applied-for gTLD is identical to its trademark NOW and confusingly similar to its trademark NOW TV. Furthermore, the Objector's use of its rights in the trademark NOW has clearly been *bona fide*.

The Objector has also built up a significant and outstanding international reputation with its trademark. There is recognition of the trademark in the relevant sector of the public. Up until at least 2007, PCCW's Now TV platform was the world leader in IPTV. The Objector is of the opinion that the trademark NOW is globally recognized as one of the leading trademarks in the IPTV market. On the other side, the Applicant has made no preparations to use the mark NOW in connection with any offering of goods or services or a *bona fide* provision of information.

In the Objector's view, there is no reference whatsoever in the Applicant's mission statement of any use of the NOW mark. Therefore, it is submitted by the Objector that the Applicant has no rights or legitimate interests in respect of the trademark NOW. In addition, the Applicant does not own any registered trademarks which consist of or include the word NOW nor does Applicant's name include the trademark NOW or anything similar. Also, the Applicant is not commonly known by the trademark in question. Finally, the Objector has not licensed or otherwise permitted or authorized the Applicant to use its trademark.

The Objector is of the opinion that by the use of the <.now> gTLD by the Applicant will take unfair advantage of the distinctive character of the trademark at issue because it will be associated with the Objector's well-recognized and remembered trademark. Moreover, the services which the Applicant will be providing in relation to the Application are Internet related and are therefore highly similar, if not identical to the IPTV services provided by PCCW under the trademark. Applicant's proposed use of the <.now> gTLD would draw business to the Applicant as a result of the goodwill and reputation in the trademark thereby taking unfair advantage of the Objector's rights. In addition, it would be open for third parties to register second-level domain names on the <.now> gTLD for words such as "tv", "iptv", "sports" and "news" which are so readily associated with the trademark and PCCW's Now TV service.

The Applicant's use of the <.now> gTLD would in addition lessen the Objector's ability to identify and distinguish its services from its competitors and prejudices the distinctive character of the trademark thereby unjustifiably impairing the distinctive character of the Objector's mark. The mere registration alone of the <.now> gTLD by the Applicant and not the Objector would cause detriment to the trademark by diluting its distinctive character.

Furthermore, there is no guarantee whatsoever that the services proposed to be provided by the Applicant under the <.now> gTLD will be at the same level that the relevant public have come to expect from and associate with the services provided under the trademark.

Also, given that the Applicant would manage the registration of second-level domain names under the <.now> gTLD, the Objector would lose a significant amount of control over its trademark. The loss of control over a trademark in this manner is unwarranted and unfair. The Objector's competitors could also try to register their trademarks as second-level domain names on the <.now> TLD.

As regards the likelihood of confusion, the Objector indicates that the identity between the trademark and the

<.now> gTLD and the identity or high similarity between the services provided under the trademark and the services to be provided by the Applicant leads to an inevitable likelihood of confusion between the trademark and the <.now> gTLD as to the source, sponsorship, affiliation, or endorsement of the gTLD.

Moreover, the proposed use of the <.now> gTLD by the Applicant will allow third parties to register second-level domain names on the <.now> gTLD for words such as “tv”, “iptv”, “sports” and “news” which will inevitably lead to a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the gTLD.

The Objector concludes that the likelihood of confusion is also significantly elevated given the enhanced distinctiveness of the trademark which has been acquired through vast use over more than a decade. Where there is use of an identical mark to a distinctive mark in relation to identical or highly similar services, it is submitted there can be no reasonable prospect of successfully arguing there is no likelihood of confusion.

B. Applicant

The Applicant indicates that this proceeding concerns a remarkable claim by the Objector which essentially consists of an assertion that it owns a right-in-gross in the common English word “now”, such that the use of this common English word by any party in the context of a gTLD string would necessarily violate its rights. The Applicant points to the fact that the Objector fails to present competent evidence of owning a textual mark, even limited to certain goods and services, consisting of the word “now”. The Applicant also underlines the fact that the Objector Starbucks (HK) Limited has not any relation to the international coffee shop chain of the same name. According to the Objector, should the Objector prevail and proceed to operate a TLD registry as “Starbucks”, there would be a palpable danger that the Objector’s activity would be more likely to result in consumer confusion as to the source of such registry services in relation to that mark which, in contrast to the Objector’s claim in relation to the word “now”, is inherently distinctive and world famous.

The Applicant underlines that the term at issue is the word “now”, which conveys to every speaker a primary meaning connoting immediacy, modernity and alacrity. The word “now” is a generic, dictionary word, which is not inherently distinctive. In circumstances such as this, where the Objector is claiming what amounts to a global exclusionary right as to all uses relating to the primary connotation of the word, which is the aim of the applicant’s proposed gTLD, the Objector bears a heavy burden to demonstrate rights of a strong distinctive character in the word. The Objector has not carried this burden.

The Applicant indicates that on the basis of the Objector’s Annexes 2 and 3 in no jurisdiction anywhere does the Objector own rights in a trade or service mark registration solely of the word “now” itself. In each instance, the word “now” is accompanied by other words or indications, and in the bulk of them, the Objector’s trademark registration comprises some variation of the graphical logo “now”.

In other words, the Objector has not shown as an initial matter that it has rights in “now” apart from other words or graphical presentations, in any jurisdiction.

Hence, the question becomes whether the word “now” is, or is not, otherwise exclusive or distinctive to the Objector.

In this case, the Objector’s home jurisdiction, and the basis for the bulk of Objector’s undocumented assertions about its commercial activities, is Hong Kong. It cannot be said that “now” is at all exclusive or distinctive of the Objector, even if consideration is limited to Hong Kong. The Applicant shows, in this respect, that there are some 107 registered trade or service marks in force in the Objector’s home jurisdiction which incorporate the word “now” in one form or another.

Likewise, the Objector claims a single figurative registration in the United States in international Classes 35, 41 and 42. As the Applicant shows in Exhibit C, there are 1,276 registered or pending trademark

registrations issued in the same classes which include the word “now”. Consequently, the Objector, in the relevant context, is absolutely not uniquely or distinctively associated with the word “now”.

The Objector has not shown it has trade or service mark rights in the word “now” apart from graphical presentations or in combination with other words and symbols, for the goods and services it claims to provide. The word “now” has innumerable meanings and associations, including use by competitors with the Objector, such as FOX or EMI, to such well-known organizations as the United States National Organization for Women, commonly known as “NOW”.

Under consideration 3 in subsection 3.5.2 of the Procedure one must start from the TLD string itself, <.now>, and determine whether that sign alone would be recognized as the Objector’s mark. The Objector’s evidence of trademark rights does not establish that the TLD string <.now> would likely be recognized to signify the Objector. In the Applicant’s view, the criteria of the Procedure concerning “distinctive character” are not met. Furthermore, the specific consideration under the Procedure of whether the gTLD string itself would be substantially recognized as the Objector’s mark is not met.

The Applicant indicates that it is seeking to promote use of the TLD in connection with concepts of “an inherent call to action” and “meaningful urgency” as the word “now” refers to the immediate moment. Regardless of whether the Objector has limited rights in connection with specific goods or services of some kind, trademark law does not permit the monopolization of common words. There is no principle of trademark law which renders it “impermissible” to market, use and exploit a dictionary word for its primary meaning.

A certain level of confusion would be understandable in the case of marks having a strong distinctive character, such as for short acronyms like “IBM”, “VW”, “ITV”, “FOX” or “HSBC”, or marginally descriptive marks such as IPHONE, all of which call to mind, among broad populations, specific and well-known corporations. The word “now” simply does not rise to that level. The likelihood that the TLD string would be identified as primarily signifying an Asian cable television company is, in the general picture of things, vanishingly so small as to be statistically non-existent.

As open generic TLDs, common words embodied in TLD strings do not convey a source-indicating purpose. The circumstances would differ for marks of high distinctive character such as those noted above. When one goes to “www.google.com” or “www.amazon.com”, one goes to obtain services from Google or Amazon. The “.com” portion of the address does not signify to the consumer goods or services originating with Verisign, the “.com” registry. Accordingly, the adoption of <.now> as a TLD string would not, in the first instance, be seen primarily or substantially, or even marginally, by consumers as identifying any of the myriad entities who may have a claim of some sort to a secondary meaning as a mark. Rather, the TLD string <.now> would overwhelmingly be perceived as indicating a type of service, specifically services of any kind which call to mind a sense of immediacy, urgency, modernity, and other direct connotations of the word “now”.

The Applicant also points to the fact that prior to initiation of this dispute, the Applicant was aware that Objector was one of several contending applicants for this common word, but had never heard of the Objector before, and had not dreamed that any party was the exclusive beneficiary of a global right to use the word “now” on the Internet. Given the tens of thousands of words in the English language, it is remarkable that out of only a few hundred distinct words applied for as TLDs that several applicants would have happened upon “now” as a desirable word for generic registration of domain names.

It cannot be deemed reasonable to believe that the generic use of the word “now” would be likely to adversely affect the Objector’s narrow and limited alleged trade or service mark claims in what is otherwise a generic word.

The Applicant therefore concludes that the Objector has not carried its burden of demonstrating by competent evidence that the balance of considerations under the Procedure weighs in the Objector’s favor. The Applicant submits that the law, the Procedure, and common sense all require that the Objection not be

sustained.

6. Discussion and Findings

Subsection 3.2.2.2 of Module 3 of the New gTLD Applicant Guidebook (“the Guidebook”) states that a “rightsholder” has standing to file a legal rights objection and that the “source and documentation of the existing legal rights the objector is claiming (which may include either registered or unregistered trademarks) are infringed by the applied-for gTLD, must be included in the filing.”

Here, the Objector has included in the Objection references to a number of trademark registrations that consist of or include NOW or NOW TV in a relatively prominent manner within a device mark, *i.e.* a mark with graphic elements. The Objector heavily relies in this regard on six trademarks, *i.e.* three in its principal market Hong Kong, two in China and one in Kuwait. However, the three Hong Kong marks are not registered in the name of the Objector but in the name of an entity “PCCW-HKT Datacom Services Limited” (this is also true for many other registrations that the Objector listed in Annex 2 of its Objection). The Objector does not produce any evidence of its relationship with this company. In most cases, it refers to an assignment between these two companies but fails to produce the respective evidence.

However, as at least three out of the six mainly invoked trademarks are registered by the Objector, the Panel is in this respect satisfied with the Objector’s standing. In addition, other trademarks listed in Annex 2 to the Objection have directly been registered by the Objector.

Accordingly, the Panel finds that the Objector has satisfied the standing requirement for this proceeding.

Pursuant to subsection 3.5.2 of Module 3 of the Guidebook (“The Standards”), this Panel must determine “whether the potential use of the applied-for gTLD by the applicant (i) takes unfair advantage of the distinctive character or the reputation of the Objector’s registered or unregistered trademark or service mark (“mark”) [...] or (ii) unjustifiably impairs the distinctive character or the reputation of the Objector’s mark [...] or (iii) otherwise creates an impermissible likelihood of confusion between the applied-for gTLD and the Objector’s mark [...].”

Where, like in the case at hand, the Objection is based on trademark rights, the Panel will consider the following non-exclusive factors:

(i) Whether the applied-for gTLD is identical or similar, including in appearance, phonetic sound, or meaning, to the Objector’s existing mark.

(ii) Whether the Objector’s acquisition and use of rights in the mark has been *bona fide*.

(iii) Whether and to what extent there is recognition in the relevant sector of the public of the sign corresponding to the gTLD, as the mark of the Objector, of the Applicant or of a third party.

(iv) Applicant’s intent in applying for the gTLD, including whether the Applicant, at the time of application for the gTLD, had knowledge of the Objector’s mark, or could not have reasonably been unaware of that mark, and including whether the applicant has engaged in a pattern of conduct whereby it applied for or operates TLDs or registrations in TLDs which are identical or confusingly similar to the marks of others.

(v) Whether and to what extent the Applicant has used, or has made demonstrable preparations to use, the sign corresponding to the gTLD in connection with a *bona fide* offering of goods or services or a *bona fide* provision of information in a way that does not interfere with the legitimate exercise by the Objector of its mark rights.

(vi) Whether the Applicant has marks or other intellectual property rights in the sign corresponding to the gTLD, and, if so, whether any acquisition of such a right in the sign, and use of the sign, has been *bona fide*, and whether the purported or likely use of the gTLD by the Applicant is consistent with such acquisition or

use.

(vii) Whether and to what extent the Applicant has been commonly known by the sign corresponding to the gTLD, and if so, whether any purported or likely use of the gTLD by the Applicant is consistent therewith and *bona fide*.

(viii) Whether the Applicant's intended use of the gTLD would create a likelihood of confusion with the Objector's mark as to the source, sponsorship, affiliation, or endorsement of the gTLD.

The Panel must therefore address each of these factors, noting that they are "non-exclusive" and that there are three material qualifications in the Standards embodied in the three phrases "unfair advantage", "unjustifiably impairs" and "impermissible likelihood of confusion".

As the use of a generic term as a gTLD is in the center of the present dispute, it is appropriate to consider item (viii) (likelihood of confusion with the Objector's mark) not at the end of the Panel's considerations but already as item (iv).

(i) Whether the applied-for gTLD is identical or similar, including in appearance, phonetic sound, or meaning, to the objector's existing mark.

The two Chinese and the Kuwait trademark registered in the name of the Objector are – like all other marks of the Objector – design marks. The sign prominently shows the word "now" in small letters whereas the "o" in the word looks like a sun with its streams.

It is the Panel's view that a design mark can hardly be "identical" to a wordmark although it may contain in full the word to be compared with. This is true, like in the present case, where the graphic element is not only a variation of the policy of the letters (logo) but an addition to the word which remains the primary sign of the mark.

Consequently, and as far as a word sign is comparable to a design mark, the applied-for gTLD <.now> is similar to the Objector's design marks NOW and NOW TV as described above.

(ii) Whether the objector's acquisition and use of rights in the mark has been *bona fide*.

The Objector is according to its own statement a non-trading company that, among other things, administers some (but, as shown above, not all) of the PCCW Group's trademarks.

The Applicant does not specifically claim that the Objector would have acquired or used the trademarks held in its name in a manner which is not *bona fide*. The facts before the Panel do not show any irregularity in this respect. Quite to the contrary, the PCCW Group to which the Objector belongs, has shown that it has run for more than a decade a successful IPTV business using the mark NOW which corroborates the finding of an acquisition and use of the respective rights in the mark in good faith.

(iii) Whether and to what extent there is recognition in the relevant sector of the public of the sign corresponding to the gTLD, as the mark of the objector, of the applicant or of a third party.

The evidence submitted to the Panel shows that the Objector's marks NOW and NOW TV are well known to its customers in Hong Kong where the center of the PCCW's group activities lies. The trademarks NOW and NOW TV may also have a certain recognition in areas near to Hong Kong and, as shown by the Objector, for the users of certain international airlines.

The Objector has submitted various documents referring to the commercial activities and reputation of the IPTV service and the PCCW group. The Objector has however failed to adduce before the Panel evidence which would support a finding that the trademarks NOW and NOW TV are known by a significant portion of the public concerned. In particular, the Objector has not submitted any survey evidence showing the

recognition of the trademark in the relevant sector of the public.

In this respect, the Panel is of the opinion that a local or regional reputation may not be sufficient under the Standards. In the Panel's view, the mark of an objector should enjoy a certain global knowledge threshold amongst a geographically widespread public. That threshold is not met here to the extent that it is not likely that the average user of the global internet community would make any association between the <.now> gTLD and the NOW and NOW TV trademarks.

Accordingly, although the Panel does not question that the Objector's mark has a certain value and is widely used in its home market Hong Kong and surrounding areas, the record contains no evidence as to the extent to which there is sufficient recognition in the relevant sector of the public of "now" as the mark of the Objector, of the Applicant or of a third party.

There is otherwise no evidence that there is recognition of "now" or <.now> as the mark of the Applicant or of a third party.

(iv) Whether the applicant's intended use of the gTLD would create a likelihood of confusion with the objector's mark as to the source, sponsorship, affiliation, or endorsement of the gTLD.

As stated above, in the Panel's view this issue is in the center of the present dispute as the case deals with a trademark containing a generic term.

It is a global principle of trademark law that generic terms should as far as possible not be monopolized. This is particularly the case for words of the common language which shall remain at the free disposal of the commercial actors. Many courts have confirmed that principle, for example the Swiss Supreme Court on March 7, 2013 (ATF 4A 619/2012) holding that the term "you" (without any fanciful graphic) cannot be monopolized as it is a word of the common English language and lacks the required distinctiveness, in that case in relation to cosmetics and medical products.

This is basically also true for the common English word "now". This being said and as the record does not show any decision of invalidation by a court or administrative body the Panel has to base its decision on the assumption that the Objector's mark NOW is valid in the respective territories as reflected in the documents attached in Annexes 2 and 3 of the Objection.

There is however no doubt for the Panel that as a mark, the word "now" is not strong in terms of its distinctiveness. This is also shown by the fact that the Objector has not registered NOW as a pure word mark but only as a device mark in the various respective jurisdictions as reflected in Annexes 2 and 3 of the Objection.

According to its application filed with ICANN and Response, the Applicant intends to use the sign "now" corresponding to the new gTLD <.now> in its generic sense, *i.e.* expressing a sense of immediacy, urgency, modernity and other similar connotations of that word. There is no evidence in the file that the Applicant would engage in competitive actions with regard to the Objector, in particular by offering IPTV services or the like.

In addition, as the Applicant shows in Exhibits A-D of its Response, the word "now" is component of hundreds of marks owned by various entities, including competitors in the Objector's jurisdiction. It therefore cannot be said that the TLD string <.now> itself would be substantially recognized as the Objector's mark. For the rest and to the extent that some Internet users would be likely to associate the string <.now> with the Objector, this risk naturally arises as a result of the trademark owner's decision to incorporate a generic term into its trademark.

As to the Objector's fear that second-level domains on the <.now> gTLD for words such as "tv", "iptv", etc. could one day be registered by third parties, the Panel notes that if such second-level domain registration were to take place and create any likelihood of confusion with the Objector's marks, the Objector might have

access to other dispute resolution mechanisms adopted by ICANN. The Panel is of the opinion that the fact that such disputes at the second level may arise is not in the circumstances of this case sufficient to uphold the present Objection (see: *Scripps Networks Interactive, Inc. v. Dot Food LLC*, WIPO Case No. LRO2013-0020).

The Panel therefore concludes that there will be no likelihood of confusion between the Applicant's intended use of the <.now> gTLD and the Objector's marks as to the source, sponsorship, affiliation, or endorsement of the gTLD.

(v) Applicant's intent in applying for the gTLD, including whether the applicant, at the time of application for the gTLD, had knowledge of the objector's mark, or could not have reasonably been unaware of that mark, and including whether the applicant has engaged in a pattern of conduct whereby it applied for or operates TLDs or registrations in TLDs which are identical or confusingly similar to the marks of others.

The Applicant indicates that until the Objection was filed, it has never heard of the Objector's trademark and its IPTV services. The Panel accepts that disavowal as credible, all the more that the Applicant convincingly argues that its sole motivation for choosing the <.now> string was that the term connotes immediacy and the like to the majority of the English-speaking world. In the Panel's view, this motivation is supported by the fact that four other applicants besides the Parties to this proceeding have chosen to submit an application for the <.now> string.

In addition, there is nothing in the record that would suggest that the Applicant has engaged in a pattern of abusive TLD applications or registrations.

(vi) Whether and to what extent the applicant has used, or has made demonstrable preparations to use, the sign corresponding to the gTLD in connection with a *bona fide* offering of goods or services or a *bona fide* provision of information in a way that does not interfere with the legitimate exercise by the objector of its mark rights.

The Applicant indicates that it chose the word "now" as gTLD because its future customers would like to register a second-level domain name under a gTLD which expresses immediacy, urgency and modernity. As the Applicant always started from the idea that "now" is a generic term lacking distinctiveness and could therefore in any event not properly be registered as a word mark, it can be assumed that it never thought to register it as a trademark.

That the envisaged service of offering second-level domain names under a new gTLD is regarded as *bona fide* is without a doubt. Finally, such offering of services is not likely to interfere with the legitimate exercise by the Objector of its mark rights as has been shown above at (iv).

(vii) Whether the applicant has marks or other intellectual property rights in the sign corresponding to the gTLD, and, if so, whether any acquisition of such a right in the sign, and use of the sign, has been *bona fide*, and whether the purported or likely use of the gTLD by the applicant is consistent with such acquisition or use.

As stated above (vi), the Applicant has not asserted having any intellectual property rights in the sign "now". In view of the above mentioned circumstances, the registration of the generic word "now" has never been an issue for the Applicant which intention is to administer a gTLD consisting of a short English term with an appealing character. The Panel therefore finds that factor (vii) is not particularly relevant in the circumstances.

(viii) Whether and to what extent the applicant has been commonly known by the sign corresponding to the gTLD, and if so, whether any purported or likely use of the gTLD by the applicant is consistent therewith and *bona fide*.

The record contains no evidence that the Applicant has been commonly known by the sign “now” and the Applicant itself has not suggested otherwise. Again, like above at (vii), this factor is not particularly relevant in the present circumstances, given that the Applicant’s intention is to administer an appealing generic term as a gTLD.

In the light of the foregoing considerations, the Panel finds that the Response is valid and should be upheld because the potential use of the applied-for gTLD by the Applicant does not:

- (i) take unfair advantage of the distinctive character or the reputation of the NOW mark; nor
- (ii) unjustifiably impair the character or reputation of the NOW mark; nor
- (iii) create an impermissible likelihood of confusion between the applied-for gTLD and the NOW mark.

7. Decision

For all the foregoing reasons, the Panel rejects the Objection.

[signed]

Thomas Legler
Sole Panel Expert
Date: August 9, 2013