

## **EXPERT DETERMINATION LEGAL RIGHTS OBJECTION**

Defender Security Company v. Dot Home LLC

Case No. LRO2013-0033

### **1. The Parties**

The Objector/Complainant (“Objector”) is Defender Security Company of Indianapolis, Indiana, United States of America, represented by Maginot, Moore & Beck, United States.

The Applicant/Respondent (“Respondent”) is Dot Home LLC of Cleveland, Ohio, United States, represented internally.

### **2. The applied-for gTLD string**

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

### **3. Procedural History**

The Legal Rights Objection (“Objection”) was filed by 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 26, 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 Respondent 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 May 16, 2013.

The WIPO Center appointed William R. Towns as the Panel in this matter on June 13, 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<sup>1</sup>

The Objector is an Indiana corporation with its principle place of business in Indianapolis, Indiana, United States. The Objector claims ownership of several United States trademark registrations and applications for the marks TRUE HOME and TRUE.HOME, as well as ownership of a European Community trademark registration for .HOME, through a wholly owned subsidiary. The Objector asserts legal rights in the following marks, arising from trademark registrations, applications, or under common law:

(1) European Community Trademark (“CTM”) Registration No.010535201 for the mark .HOME (and Design), for use with domain name reservation, registration, maintenance and management services; domain name searching services; domain names and address space; and legal research relating to Internet domain names. The mark is registered in the name of DotHome Limited, of Limassol, Cyprus. The application was filed on December 30, 2011, and registered on June 22, 2012.

(2) United States Trademark Registration No. 3,404,246 for the mark TRUE HOME for use with “environmental testing and inspecting consulting services, including evaluation of heating, ventilation, air conditioning energy requirements and energy efficiency ratings of new and existing structures; designs for others in the field of ducting and heating, ventilation and air conditioning equipment.” The Objector acquired the mark by assignment on or about August 26, 2012.<sup>2</sup>

(3) United States Trademark Registration No. 4,310,530 for the mark TRUE.HOME (and Design) for use with “advertising, promotion, and marketing services of the goods and services of others in the field of residential and commercial security systems and alarms; negotiation and conclusion of commercial transactions in the field of residential and commercial security systems and alarms for third parties via telecommunications system.” The Objector filed this application on April 3, 2012 on an intent to use basis, subsequently submitting a statement of use, which was accepted by the USPTO.<sup>3</sup> The mark registered on March 26, 2013, subsequent to the filing of the Objection. The Objector claims a first use date of April 30, 2012. The Objector has disclaimed “the exclusive right to use ‘HOME’ apart from the mark as shown.”

(4) Allowed United States Trademark Application Serial No. 85/588,382 for the mark TRUE.HOME (and Design) for use with “advertising, promotion, and marketing services of the goods and services of others in the field of residential and commercial security systems and alarms; negotiation and conclusion of commercial transactions in the field of residential and commercial security systems and alarms for third parties via telecommunications systems.” The Objector also filed this application on April 3, 2012 on an intent to use basis, but no statement of use has been submitted. The Objector has disclaimed “the exclusive right to use ‘HOME’ apart from the mark as shown.”

(5) Allowed United States Trademark Application Serial No. 85/721,544 for the word mark TRUE HOME for use with “advertising, promotion, and marketing services for the goods and services of others in the field of residential and commercial security systems and alarms and in the field of satellite television products and services” and “installation, repair, and maintenance of plumbing, heating, air conditioning, geothermal, electrical, and security systems.” The Objector filed this application on September 5, 2012 on an intent to use basis. The Objector subsequently filed a statement of use accepted by the USPTO on July 18, 2013.

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<sup>1</sup> This factual recitation is based on the parties’ allegations, the documentary evidence submitted by the parties, and the Panel’s review of public documents available through the United States Patent and Trademark Office (“USPTO”) Trademark Electronic Search System (“TESS”) database, and the Panel’s review of the gTLD application documents on the ICANN website.

<sup>2</sup> The initial registrant of the mark was an individual, Carl Simpson, of Wylie, Texas. The application was filed on December 21, 2006, and claimed first use of the mark in commerce on June 15, 2006. According to publicly available information on the USPTO TESS database, the assignment was executed on August 26, 2012, and recorded by the USPTO on August 29, 2012.

<sup>3</sup> Under United States law trademark rights are established by use in commerce. An allowed trademark application initially filed on an intent to use basis is entitled to registration only after filing of an acceptable statement of use.

The Objector claims first use of April 10 and 29, 2013. The Objector has disclaimed “the exclusive right to use ‘HOME’ apart from the mark as shown.”

(6) Allowed United States Trademark Application Serial No. 85/721,554 for the word mark TRUE.HOME for use with “advertising, promotion, and marketing services for the goods and services of others in the field of residential and commercial security systems and alarms and in the field of satellite television products and services;” and “installation, repair, and maintenance of plumbing, heating, air conditioning, geothermal, electrical, and security systems.” The Objector filed this application on September 5, 2012 on an intent to use basis. The Objector subsequently filed a statement of use accepted by the USPTO on July 12, 2013. The Objector claims first use dates of April 30, 2012 and April 10, 2013. The Objector has disclaimed “the exclusive right to use ‘HOME’ apart from the mark as shown.”

A “disclaimer” is a statement in the trademark application record that the applicant does not claim exclusive rights to an unregistrable component of a mark, which includes wording that is merely descriptive or generic with respect to the claimed goods and services. See, e.g., *Defender Security Company v. Lifestyle Domain Holdings, Inc.*, WIPO Case No. LRO2013-0035.

Based on the Panel’s review of gTLD applications for <.home> on ICANN’s website, the owner of the .HOME (and Design) CTM registration likely is also an applicant for the gTLD <.home> string. The application of Dothome Ltd., a Cyprus limited liability company with its principal place of business in Limassol, Cypress, was originally posted on June 13, 2012, and designated as Application ID: 1-2021-47438. The application states that Dothome Ltd. is wholly owned by Dothome Acquisition Group, LLC, an Indiana limited liability company. Elsewhere in the application Dothome Ltd.’s “parent company” is identified as “Defender Security.” The application describes Dothome Ltd.’s mission/purpose for the proposed <.home> gTLD as follows:

“To establish an online extension that is immediately identifiable, secure, and exclusive for entities and individuals showcasing their online identity under a TLD that directly communicates residential home and home services-related content; and managing the domain name in a manner fitting the high integrity and home services policy requirements in .HOME.”

The Dothome Ltd. application further provides that the proposed gTLD will benefit registrants, Internet users and others as follows:

“The .HOME TLD will benefit the registrants and internet users by providing an immediately identifiable, secure, and exclusive domain for home and home-services related entities and individuals, especially if their preferred domain name selection is not currently available under .COM or another TLD of their choice.”

The Respondent is a limited liability company organized under the laws of the State of Delaware, with its principle place of business in Cleveland, Ohio, United States. The Respondent’s application for the <.home> gTLD was originally posted on June 13, 2012, and designated as Application ID: 1-907-28623. The application indicates that the Respondent’s mission/purpose for the proposed gTLD is related to the National Association of Realtors (NAR), described therein as “the world’s largest professional association, representing greater than one million members over approximately 1,400 local associations/boards.” According to the Respondent’s application, NAR strives to be the collective force influencing and shaping the real estate, home buying and home selling industry. The Respondent further describes the mission/purpose for the proposed gTLD as follows:

“The mission/purpose of .HOME is to create a name space wherein users can come to find trusted sources for home and other real estate information and ethical real estate, home buying and home selling services. With the intent to accomplish this purpose, NAR will permit NAR, REALTORS®, NAR members, NAR affiliates, NAR licensees and parties otherwise in a contractual relationship with NAR, the opportunity to register

and/or use domain names in .HOME under terms, policies and guidelines as NAR so determines in its sole discretion, consistent with any applicable ICANN Consensus Policies, ICANN's registry agreement, any applicable rules of law and NAR-approved guidelines.”

The Respondent's application further provides that the proposed gTLD will benefit registrants, Internet users and others as follows:

“The proposed .HOME gTLD will benefit registrants, Internet users and others by, among other reasons, providing a trusted and valued space for NAR, REALTORS®, NAR members, NAR affiliates, NAR licensees and other NAR-contracted parties to provide home buying and home selling related information ... For example, a REALTOR® will be able to use a domain for marketing their services comprising a term which is inherently associated with the professional services offered, including the geographic location(s) of such offerings. Such an appropriate domain may not be available in other TLD's.”

## 5. Parties' Contentions

### A. Objector

The Objector maintains the potential use of the applied-for gTLD <.home> string by the Respondent will take unfair advantage of the distinctive character and reputation of the Objector's marks, unjustifiably impair the distinctive character or reputation of the Objector's marks, and create an impermissible likelihood of confusion between applied-for gTLD and the Objector's marks. The Objector submits it since 1998 it has grown to be the second-largest provider of residential security systems in the United States, markets, sells and installs residential heating, cooling, ventilation and plumbing services, and offers domain name services through the website “www.dothome.net”. The Objector states that its business is driven by more than eight billion pieces of print media annually, millions of inbound customer calls each year, and millions of visitors to its various websites.

According to the Objector, it recently acquired the marks .HOME and TRUE.HOME as *bona fide* natural extensions of its branding strategy typified by its earlier use of the TRUE HOME and TRUE BLUE marks. The Objector submits that the .HOME and TRUE.HOME marks also are a natural extension of its branding into services different from those associated with its earlier marks. The Objector asserts that it has a history of actual and *bona fide* use of the HOME-formative and .HOME-formative marks in association with its home services, domain name services and advertising of those services.

The Objector maintains that since December 2011 the .HOME CTM registration has served as its brand for Internet registry and registrar services, through its subsidiary Dothome Ltd. The Objector explains that while Dothome Ltd. has elected not to market actual .HOME domain registrations until it is awarded the rights to the gTLD <.home>, Dothome Ltd. continues to receive unsolicited requests from the general public to pre-register for .home domains, and is extensively followed on Twitter and Facebook in the United States, Europe, and “numerous other territories throughout the world.” As a result, according to the Objector, consumers clearly associate these marks with the Objector's services. In addition, the Objector states that it has spent more than USD 500,000 since early 2011 for expert brand research and analysis to develop brand recognition strategies using its marks.

Given the Respondent's stated mission for the applied-for gTLD <.home> string, the Objector asserts that the Respondent's use of the gTLD “will obviously relate to registry services and the registration of domain names.” Specifically, the Objector submits that the Respondent intends to utilize a closed registry for the members of the National Association of Realtors (NAR). The Objector contends that the Respondent has clearly defined the relevant sector for the applied-for gTLD as domain name registry services targeted to providers of services and products within the home services industry. According to the Objector, by targeting

its gTLD to this sector, the Respondent by its own admission is seeking to impermissibly trade on the Objector's goodwill in the .HOME mark.

The Objector states that while it owns multiple applications and registrations including HOME-formative and .HOME-formative marks, the Respondent appears to have sought no applications or registrations for any similar marks. The Objector maintains it is unaware of any use or demonstrable preparations by the Respondent to use a sign corresponding to the applied-for gTLD string, and that to the Objector's knowledge the Respondent is not commonly known by a name including the HOME formative.

The Objector contends that the Respondent's use of the applied-for gTLD <.home> will create a likelihood of confusion with the Objector's marks. The Objector observes that when marks are identical or similar in terms of appearance, sound and connotation, and the services for which the marks are used are closely related, there can be no doubt that a likelihood of confusion exists. The Objector argues that the <.home> gTLD applied for by the Respondent is substantially identical in sight, sound and connotation to "the most significant formative" of each of the Objector's marks. Further, according to the Objector, the Respondent intends to use the applied-for gTLD to provide information to individuals interested in home services or home improvement "through Internet transmission." The Objector submits, based on the Respondent's intent to "combine domain registry services with home services marketing," a likelihood of confusion is inevitable, as is actual confusion.

The Objector further asserts that the Respondent's use of the <.home> gTLD would take unfair advantage of the EU Community .HOME mark and its reputation and devalue the mark. The Objector submits that if the applied-for gTLD is delegated to the Respondent, the Objector's rights will be impaired, and the Respondent will be unjustly enriched at the Objector's expense. Conversely, the Objector argues that since the Respondent has made no prior use of the .HOME or HOME formative, the refusal of the Respondent's application will not harm any rights the Respondent may allege in a sign corresponding to the gTLD. Finally, the Objector asserts it would be harmed by the delegation of the applied-for gTLD to the Respondent because the Respondent's use of the gTLD with a closed registry would be monopolistic.

## **B. Respondent**

The Respondent contends that Objection should be rejected because (1) the Objector lacks standing for one of its marks; (2) "home" is a generic, dictionary term; (3) the Objector attempts to unfairly circumvent ICANN's allocation process; (4) the Objector has failed to make a claim under international law; and (5) there is no likelihood of confusion between the applied for gTLD <.home> and the Objector's marks.

The Respondent asserts that the Objector lacks standing to assert the CTM registration for .HOME because the Objector failed to submit with the Objection any documentation of its "rightsholder" status as required by Section 3.2.2.2 of the New gTLD Applicant Guidebook (v. 2012-06-04) ("Guidebook"). The Respondent submits that the Objector has provided no substantiation for its claim that the owner of the EU mark is a wholly owned subsidiary of the Objector, or that the Objector is authorized to represent the interests of the EU mark owner in this Legal Rights Objection. The Respondent observes that the Objector offers no assignment, purchase agreement, license or other documents evidencing ownership, rights or transfer, including of goodwill, of the EU mark or the EU mark owner. The Respondent further asserts that publicly-available information indicates that the Objector is not the mark owner, and that the Objector's own references to the "www.dothome.net" website make no mention or reference to the Objector, listing ownership instead as "dotHOME."

The Respondent asserts that the Objector has made no claim that the use of the applied-for gTLD <.home> would take unfair advantage or unjustifiably impair the distinctive character or reputation of the Objector's marks. The Respondent submits that the only issue presented by the Objection is whether the potential use of the gTLD <.home> string will create an impermissible likelihood of confusion between the Objector's marks and the source, sponsorship, affiliation, or endorsement of the gTLD.

The Respondent argues that potential use of applied-for <.home> gTLD (including use by any other entity seeking delegation of the gTLD) will not cause a likelihood of confusion because <.home> is incapable of serving as an indicator of source. The Respondent maintains that “home” is a very common, generic, dictionary term that has many meanings, citing multiple definitions of “home” by Merriam-Webster<sup>4</sup> and Dictionary.com.<sup>5</sup> The Respondent also references the SSAC report of November 15, 2010, regarding domain queries at the root level of the DNS (“SAC045”).<sup>6</sup> According to the Respondent, SSAC recognizes that networks, and particularly private networks, routinely use “home” in functional DNS context. The Respondent also submits that it is generally recognized that TLDs, and in particular gTLDs, do not function as source identifiers, citing *Image Online Design v. ICANN*, 2013 U.S. Dist. LEXIS 16896, 24-25 (C.D. Cal. 2013).

The Respondent submits that the Objector has obtained a U.S. registration for only one of its marks,<sup>7</sup> and that the other U.S. marks have proceeded only to the application stage. The Respondent explains that the Objector’s U.S. marks are comprised of TRUE HOME or TRUE.HOME, either alone or with a stylized design, and all relate to the advertising or promotion of residential or commercial security systems, or heating, ventilation and air conditioning products or services. According to the Respondent, the dominant element of the Objector’s U.S. marks is TRUE, because HOME is a generic term in which the Objector has disclaimed exclusive rights. The Respondent concludes that there is a significant difference in the overall impression created by the Objector’s U.S. marks and the use of the word “home” as a generic TLD, and that there is “virtually no similarity” between the Objector’s U.S. marks and the applied-for gTLD <.home> string.

The Respondent contends that the .HOME CTM registration is not similar to the Respondent’s applied-for <.home> gTLD string because the mark is design-dominated, and without the figurative elements all that remains is the non-source indicating and generic term “home”. The Respondent explains that the mark is comprised of a cartoon image of a house contained within a cartoon balloon attached to the “dot” preceding “HOME”, which itself is highly stylized. The Respondent submit that, when read left to right, the cartoon house appears in the initial, left, dominant position compared to the secondary, right, subservient, position of the term “HOME.” The Respondent contends that the “cartoonish” .HOME mark and the “utilitarian” <.home> gTLD present significantly different commercial impressions.

In addition to asserting that the Objector lacks “rightsholder” standing respecting the .HOME mark, the Respondent maintains that the Objector’s acquisition of this mark has not been *bona fide*. According to the Respondent, the Objector acquired the CTM registration for the sole purpose of attempting to circumvent and to game ICANN’s new gTLD allocation process. The Respondent submits that the Objector cannot legitimately use .HOME with Internet domain registrations services unless the <.home> gTLD is delegated to the Objector, and that the owner/operator of www.dothome.net is deceptively mis-describing services offered under the .HOME mark, soliciting second level domain pre-registration enquiries in direct contradiction to ICANN’s and GAC’s warnings regarding deceptive “pre-registrations.”

The Respondent further argues that the Objector has failed to document its assertions of “unsolicited requests” to pre-register .HOME domains, claims of purported followers of the Objector’s .HOME brand on Twitter and Facebook, or expenditures in excess of USD 500,000 for branding analysis related to the EU mark. The Respondent maintains that as the string “home” when used as a TLD is a generic term, and that the Objector has failed to show any recognition of “.home” corresponding to the Objector in any relevant sector of the public. The Respondent further asserts that the Objector’s claim of actual confusion lacks any credible factual foundation.

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<sup>4</sup> Response, Annex C.

<sup>5</sup> Response, Annex D.

<sup>6</sup> Response, Annex E.

<sup>7</sup> The Panel notes parenthetically that, as discussed above, the Objector now has U.S. registrations for two of its marks, TRUE HOME, U.S. Reg. No. 3,404,246, and TRUE.HOME, U.S. Reg. No. 4,310,530, the latter being obtained subsequent to the filing of the Objection.

The Respondent characterizes as misplaced the Objector's attempt to label the Respondent as monopolistic. The Respondent submits that the substance of a Legal Rights Objection does not encompass whether "closed" applications should be allowed, and that a Legal Rights Objection is not a proper forum for this issue. Further, the Respondent maintains that the Objector's use of the "closed" label is incorrect. According to the Respondent, while the NAR will provide usage and registration guidelines to improve accountability and reliability in the gTLD space, the Respondent will operate an "open" registry.

## 6. Discussion and Findings

As set forth in the Guidebook, the New gTLD Dispute Resolution Procedure is triggered by a formal objection to a gTLD application by a third party. A formal objection can be filed on one of four enumerated grounds described in Section 3.2.1 of the Guidebook. A Legal Rights Objection is one of those grounds. Under Article 2(e)(ii) of the Procedure, a Legal Rights Objection is defined as an objection that the string comprising a potential new gTLD infringes existing third-party legal rights that are recognized or enforceable under generally-accepted and internationally-recognized principles of law.

Objectors must satisfy standing requirements to have their objections considered. Section 3.2.2.2 of the Guidebook provides that only a "rightsholder" has standing to object on the grounds that its existing legal rights are infringed by the applied-for gTLD. The source and documentation of the existing legal rights the objector is claiming are infringed must be included in the filing. *Id.* Such legal rights may include rights asserted in either registered or unregistered trademarks. *Id.* The expert panel presiding over the case is responsible under Section 3.2.2 of the Guidebook for determining whether the standing requirements have been met.

As provided for in Section 3.5.2 of the Guidebook, an expert panel presiding over a Legal Rights Objection will consider whether, under generally accepted and internationally recognized principles of law, the applied-for gTLD takes unfair advantage of or unjustifiably impairs the distinctive character of the objector's registered or unregistered mark, IGO name or acronym, or otherwise creates an impermissible likelihood of confusion between the applied-for gTLD and the objector's mark, IGO name or acronym. In reaching a determination respecting trademark rights, the expert panel is to be guided by eight non-exclusive factors set out in Section 3.5.2 of the Guidebook. Pursuant to Section 3.5 of the Guidebook, the objector bears the burden of proof as to all elements of its legal rights objection.

### A. Objector's Standing Requirement

#### (i) .HOME

The Respondent challenges the Objector's standing respecting the CTM registration for .HOME (and Design) on the grounds that the Objector has provided no substantiation for its claim of rights in this mark through a wholly owned subsidiary, or any evidence that the Objector is authorized to represent the interests of the owner of the CTM registration in this Legal Rights Objection. The Panel agrees the Objector could and should have submitted documentation with the Objection. As noted above, however, the owner of record of the .HOME mark, Dothome Ltd., is by all appearances an applicant for the <.HOME> gTLD, and "Defender Security" is referred to several times as the application as Dothome Ltd.'s "parent company." Further, it seems evident that the Respondent was aware of this, given the Respondent's arguments that the Objector is attempting to "game" ICANN's new gTLD allocation process and has engaged in allegedly deceptive solicitation of "pre-registration" inquires respecting the proposed <.home> name space.

Although the standing issue in this case is a close one, and one on which other Panels have reached divergent conclusions, the Panel in light of the foregoing concludes that the Objector has standing in this proceeding based on the CTM registration for .HOME. In trademark systems with which the Panel is familiar, licensees and affiliates or constituents of the trademark owner generally are considered to have legal rights in the mark. See *I-REGISTRY Ltd v. Vipospace Enterprises LLC*, WIPO Case No. LRO2013-0014 (referencing paragraph 1.9, WIPO Overview of WIPO Panel Views on Selected UDRP Questions (Second

Edition)). While it is the Objector's burden to demonstrate standing, the requisites for standing under the Guidelines and the Procedure are relatively straightforward, *Motorola Trademark Holdings LLC v. United TLD Holdco Ltd*, WIPO Case No. LRO2013-0054; and as explained in *Defender Security Company v. Lifestyle Domain Holdings, Inc.*, *supra*, the burden imposed on the Objector is not a heightened one. Moreover, in the present circumstances a finding of "no standing" would not obviate the Respondent from having to respond on the merits, and the issues raised in this standing claim are also relevant in the determination of the merits. See *id. Cf. Defender Security Co. v. Merchant Law Group LLP*, WIPO Case No. LRO2013-0036.

Based on a review of the gTLD <.home> applications submitted by the Respondent and Dothome Ltd., and having regard for the respective intended uses of the proposed top level domain as indicated therein, the Panel considers that both applicants make use the word "home" in a strongly descriptive sense. The Respondent states that the applied-for gTLD will be used in connection with "real estate, home buying and home selling services," and that eligible second level registrants "will be able to use a domain for marketing their services comprising a term which is inherently associated with the professional services offered." Dothome Ltd. for its part represents that the applied-for gTLD will be an "immediately identifiable" and "exclusive domain for home and home-services related entities and individuals," which "directly communicates residential home and home services-related content."

The Panel notes, however, that the recitation of services in the CTM .HOME registration refers to domain name services generally, and not specifically to Dothome Ltd.'s proposed use of the gTLD <.home> with home and home-related services. While it is unclear to the Panel whether the Objector will be able to use .HOME should the <.home> gTLD be delegated to the Respondent or one of the other applicants for this gTLD, use is not a requirement for the CTM registration, and the Panel is not prepared for purposes of its standing determination to disregard the presumptive force of the registration. See *I-REGISTRY Ltd v. Vipspace Enterprises LLC*, *supra*.

## **(ii) TRUE HOME and TRUE.HOME**

For purposes of the standing determination, there remains for discussion a threshold issue as to when the "existing legal rights" claimed by the Objector must have arisen with respect to the asserted marks. The Guidebook does not speak directly to this question. The panel in *Defender Security Company v. Lifestyle Domain Holdings, Inc.*, *supra*, held that to be considered in the standing analysis, trademark rights must exist at the time the Objection is filed, as the Guidebook specifically requires the source and documentation of "existing legal rights" to be filed with the Objection. The Panel in *Defender Security Company v. .HOME REGISTRY INC.*, WIPO Case No. LRO2013-0039, arrived at the same conclusion, finding it to be consistent with the approach under the Uniform Domain Name Dispute Resolution Policy (UDRP). For the sake of completeness, however, the *HOME REGISTRY INC.* panel nonetheless considered what rights would accrue to the Objector if the pending applications proceeded to registration.

This Panel concurs with the view that the appropriate date for determining whether an objector has "existing legal rights" is the filing date of the objection. Given that the framers of the Guidebook could have but chose not to establish a specific cut-off date for the determination of "existing legal rights", it may be postulated that a panel has discretion to consider trademark applications that were first asserted in an objection and then acquired rights through registration (or use) prior to the panel appointment. Nonetheless, the Panel determines in this case that the Objector has standing based only on the CTM .HOME, registered on June 22, 2012, and TRUE HOME, in assigned to the Objector on August 26, 2012. For the sake of completeness, in addressing the merits the Panel will also consider as appropriate the TRUE.HOME mark, registered by the USPTO on March 26, 2013, and the allowed pending applications for TRUE HOME and TRUE.HOME included in the Objection.

## **B. The Panel's Multi-Factor Analysis**

Where the Objection is based on trademark rights, Section 3.5.2 of the Guidebook directs the Panel to consider eight non-exclusive factors in connection with the determination of whether the objection should be



sustained. It is to be noted that the eight factors are not a scorecard and that a panel's view on them does not, by itself, determine the outcome of the Objection, but, rather, that they are factors to be considered. The Panel addresses these factors below.

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

The Panel finds that the applied-for gTLD string <.home> is similar to the Objector's .HOME, TRUE.HOME, and TRUE HOME marks, to the extent the text of the applied-for gTLD string appears in its entirety in the Objector's marks. The Panel notes that confusing similarity is not required under this factor. *The DirecTV Group Inc. v. Dish DBS Corporation*, WIPO Case No. LRO2013-0005.

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

In *Defender Security Co. v. Charleston Road Registry Inc.*, WIPO Case No. LRO2013-0032, the panel found the Objector's acquisition and use of rights was not *bona fide*. Based on substantially the same facts and circumstances presented in the present case, the panel voiced concerns over the timing of the Objector's acquisition of the trademark rights in issue, finding that the "acquisition of trademark rights appears to have been undertaken to create a basis for filing the Objection, or defending an application." A number of panels since have also expressed these concerns in finding that the Objector's acquisition and use of rights was not *bona fide*. See *Defender Security Co. v. Merchant Law Group LLP*, WIPO Case No. LRO2013-0036; *Defender Security Company v. Top Level Domain Holdings Limited*, WIPO Case No. LRO2013-0037; *Defender Security Co. v. Uniregistry Corp.*, WIPO Case No. LRO2013-0038; *Defender Security Company v. .HOME REGISTRY INC.*, WIPO Case No. LRO2013-0039.

The concerns were voiced as well by the panel in *Defender Security Company v. Lifestyle Domain Holdings, Inc.*, *supra*; but the panel noted that the relevant inquiry, strictly speaking, is whether the Objector acquired the rights on which it is relying in a *bona fide* manner; and not whether the Objector acquired such rights for strategic purposes to bolster its ability to file objections or defend Dothome Ltd.'s gTLD application, even if the Objector is guilty of bad faith in its conduct in the proceeding. See also *I-REGISTRY Ltd v. Vipospace Enterprises LLC*, *supra*.

Based on the timeline in this case, as set forth below, it is evident to this Panel as it has been to other panels that the Objector sought to acquire the rights in question primarily in an attempt to bolster Dothome Ltd.'s gTLD <.home> application and for purposes of filing legal rights objections to challenge competing applications for the proposed gTLD. The Panel, however, concurs in the view that the Objector's strategic maneuvering does not mean that its acquisition of rights otherwise has not been *bona fide*. The Panel based on the record before it is constrained to find that the Objector's acquisition of the rights at issue was *bona fide*. But the Panel also agrees with the panel in *Lifestyle Domain Holdings* that it is an abuse of the process to invoke an Objection against an applicant whose proposed use is clearly a fair use of a string for its descriptive meaning and not a use designed to infringe.

Date	Event
December 29, 2011	<dothome.net> domain name is registered
December 30, 2011	CTM application filed for .HOME (and Design)
January 12, 2012	Application period for new gTLD strings opens
April 3, 2012	Objector files two U.S. applications for TRUE.HOME (and Design) ("HOME" disclaimed)
June 13, 2012	Respondent's and Dothome Ltd.'s applications for new gTLD <.home> published
June 22, 2012	CTM .HOME (and Design) registered

August 26, 2012	TRUE HOME, U.S. Reg. No. 3,404,246, assigned to Objector from individual Carl Simpson
September 5, 2012	Objector files U.S. applications for TRUE HOME and TRUE.HOME (word marks) ("HOME" disclaimed)
March 13, 2013	Objection filed in WIPO Case No. LRO2013-0033
March 26, 2013	TRUE.HOME (and Design), U.S. Reg. No. 4,310,530 registered ("HOME" disclaimed)

**(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 Respondent, or of a third party.**

There is little or no persuasive evidence in the record before the Panel that a relevant sector of the public recognizes a sign corresponding to the <.home> gTLD as the mark of the Objector, the Respondent, or of any third party. The word "home" is a common, dictionary word. The Panel is not persuaded by the Objector's mostly conclusory and unsubstantiated assertions in the record that the CTM .HOME has acquired meaningful recognition in any relevant sector of the public. The Panel does find that the term "home" as used in the context of the Objector's registrations and applications is descriptive in relation to the the claimed goods or services, a conclusion underscored by the Objector's disclaimer of "home" in all four of its U.S trademark applications for TRUE HOME and TRUE.HOME. While the Objector claims that the "www.doathome.net" website has attracted a significant following, the Panel again finds such conclusory and unsubstantiated claims unpersuasive.

**(iv) Respondent's intent in applying for the gTLD, including whether the Respondent, 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 Respondent 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.**

There is nothing in the record before the Panel to suggest that the Respondent at the time it applied for the gTLD <.home> string knew or reasonably could have known of the marks in which the Objector is asserting rights, as the timeline provided above illustrates. There is no evidence that the Respondent has engaged in a pattern of conduct in applying or operating TLDs or registrations in TLDs which are identical or confusingly similar to the marks of others.

**(v) Whether and to what extent the Respondent 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.**

There is no indication in the record that the Respondent has used or made demonstrable preparations to use a sign corresponding to the proposed gTLD <.home> string, other than as the gTLD itself.

**(vi) Whether the Respondent 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 Respondent is consistent with such acquisition or use.**

There is no indication in the record that the Respondent has marks or other intellectual property rights in any sign corresponding to the applied-for gTLD <.home> string.

**(vii) Whether and to what extent the Respondent 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 Respondent is consistent therewith and *bona fide*.**

There is no indication in the record that the Respondent has been commonly known by a sign corresponding to the applied-for gTLD <.home> string.

**(viii) Whether the Respondent'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 in assessing this non-exclusive factor considers whether the Respondent's intended use of the applied-for gTLD string would create a likelihood of confusion between the gTLD and the marks in which the Objector has demonstrated existing legal rights. The issue as framed is whether the Respondent's prospective use of the gTLD <.home> is likely to cause confusion with the Objector's marks as to the source, sponsorship, affiliation, or endorsement of the gTLD.

As discussed earlier, in the context of the Respondent's gTLD application, the Panel considers "home" to be a strongly descriptive term. The Respondent's stated intention is to use the <.home > gTLD string in connection with home buying, home selling, and other real estate services. The Respondent's application further indicates that only NAR, REALTORS®, NAR members, NAR affiliates, NAR licensees and parties otherwise in a contractual relationship with NAR will be allowed to register second level domains in the <.home> gTLD name space. As also discussed earlier, the Panel considers "home" to be strongly descriptive as used in Dothome Ltd.'s gTLD application in relation to residential "home and home services-related content." The Objector does not have an exclusive right to use "home" in its descriptive or generic sense, and has disclaimed exclusive rights in "home" in its recent U.S. applications for TRUE HOME and TRUE.HOME.

In most trademark systems with which the Panel is familiar, the truthful use of a dictionary word is a permissible fair use and is unlikely to be found to infringe another's mark comprised of the term. See *I-REGISTRY Ltd v. Vipospace Enterprises LLC, supra*. The Panel finds further support for this principle in international agreements, for example, Article 17 of TRIPS, which recognizes that members may provide exceptions to rights conferred by a trademark, such as fair use of descriptive terms, provided such exceptions take into account the legitimate interests of the trademark owner and of third parties.

As stated by the High Court of Australia in *Hornsby Building Information Centre Pty Ltd v. Sydney Building Information Centre Ltd*, [1978] HCA 11:

There is a price to be paid for the advantages flowing from the possession of an eloquently descriptive trade name. Because it is descriptive it is equally applicable to any business of a like kind, its very descriptiveness ensures that it is not distinctive of any particular business.

The United States Supreme Court further reinforced this fair use principle in *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S.111, 122 (2004), stating: "[i]f any confusion results, that is a risk the plaintiff accepted when it decided to identify its product with a mark that uses a well-known descriptive phrase." See also *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U. S. 189, 201 (1985) (noting safeguards in Lanham Act to prevent commercial monopolization of language); *Car-Freshner Corp. v. S. C. Johnson & Son, Inc.*, 70 F. 3d 267, 269 (2d Cir. 1995) (noting importance of "protect[ing] the right of society at large to use words or images in their primary descriptive sense").

In view of the foregoing, the Panel finds that Respondent's intended use of the applied-for gTLD <.home> is unlikely to cause confusion with the Objector's marks as to the source, sponsorship, affiliation or endorsement of the gTLD. The mere possibility of such a risk does not establish a likelihood of confusion between the applied-for gTLD string and the Objector's marks. As the Supreme Court further explained in *KP Permanent Make-Up*, 543 U.S. at 121, "some possibility of consumer confusion must be compatible with

fair use, and so it is.” In addition, the Panel notes that the rights protective mechanisms mandated by ICANN for all new gTLDs afford an additional degree of protection against abusive second level domain registrations. See *Defender Security Company v. Baxter Pike LLC*, WIPO Case No. LRO2013-0031.

### C. Panel’s Findings

As has already been noted, the eight factors discussed above are not exclusive, and are not intended as a rote checklist. The relative importance of individual factors may vary with the particular facts and circumstances of each case, and it is possible that not all factors will be applicable in every case. The Panel considers these factors, along with any others factors the Panel deems relevant, in deciding the ultimate issue: whether the proposed string takes unfair advantage or unjustifiably impairs the distinctive character or the reputation of the Objector’s marks, or whether it otherwise creates an impermissible likelihood of confusion.

The language used in Section 3.5.2 of the Guidebook makes this dichotomy clear, for while the Panel is directed to “consider” the eight non-exclusive factors, it is mandated that the Panel “determine whether the potential use of the applied-for gTLD by the applicant takes unfair advantage of the distinctive character or the reputation of the objector’s trademark or service mark (“mark”) ... or unjustifiably impairs the distinctive character or the reputation of the objector’s mark ... or otherwise creates an impermissible likelihood of confusion between the applied-for gTLD and the objector’s mark”.

Several Panels have considered that for an objector to prevail, “there must be something more than mere advantage gained, or mere impairment, or mere likelihood of confusion”. See e.g., *Right at Home v. Johnson Shareholdings*, WIPO Case No. LRO2013-0030; *Defender Security Company v. Lifestyle Domain Holdings, Inc.*, *supra*; *Del Monte Corporation v. Del Monte International GmbH*, WIPO Case No. LRO2013-0001 (objection upheld). As noted by these panels, while the terms “unfair”, “unjustifiably,” and “impermissible” are not uniformly defined or understood in the trademark context, their use in this context of Section 3.5.2 of the Guidebook suggests that, in order to sustain the Objection, the Panel must find something untoward about the Respondent’s behavior or something intolerable about the Respondent being permitted to keep the string in dispute, even if the Respondent’s conduct or motives do not rise to the level of bad faith. Similar views have been expressed by several other Panels. See *Defender Security Company v. Baxter Pike LLC*, WIPO Case No. LRO2013-0031; *AC Webconnecting Holding B.V. v. United TLD Holdco Ltd*, WIPO Case No. LRO2013-0006.<sup>8</sup>

Based on the Panel’s consideration of the totality of the evidence and submissions in this proceeding, and as summarized below, the Panel concludes that the potential use of the applied-for gTLD by the Respondent does not take unfair advantage or unjustifiably impair the distinctive character or the reputation of the Objector’s marks, or otherwise create an impermissible likelihood of confusion between the applied-for gTLD and the Objector’s marks.

#### **(i) takes unfair advantage of the distinctive character or the reputation of the Objector’s registered or unregistered trademarks or service mark**

As discussed above, the word “home” is a common, dictionary term, and the Panel finds that the Respondent’s intended use of the applied-for <.home> is likely to be seen as descriptive in relation to real

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<sup>8</sup> In *Defender Security Company v. Baxter Pike LLC*, WIPO Case No. LRO2013-0031, the panel concluded that the terms “unfair”, “unjustifiably” and “impermissible” imply some malfeasance on the part of the respondent or an obvious adverse impact upon the objector’s mark. The panel in *AC Webconnecting Holding B.V. v. United TLD Holdco Ltd*, WIPO Case No. LRO2013-0006, concluded that the terms “unfair advantage” and “unjustifiable impairment” concern acts that have a commercial effect on a trademark which are undertaken in bad faith. The panel looked to the meaning given these concepts in WIPO’s *Joint Recommendation Concerning Provisions on the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet*, and *Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks*. The Panel concluded that a likelihood of confusion that is “impermissible” in the sense that it cannot be justified.

estate services, and particularly services related to the purchase or sale of residential properties (*i.e.*, “homes”). It is unclear to the Panel what use, if any, the Objector might make of the .HOME CTM registration if Dothome Ltd. is not awarded the gTLD <.home> string. Further, based on the Respondent’s stated intent to limit eligibility for second-level domain name registrations to persons or entities providing services generally of this nature (and having some relationship to NAR), the Panel is not persuaded that the Respondent’s use of the applied-for gTLD is likely to have any impact on the distinctive character or reputation of the Objector’s marks. In that regard, the Panel notes the Objector’s disclaimers of exclusive rights in “home”. The Objector has done little to prove that its marks actually possess any sort of distinctive character or reputation. Even assuming the potential use of the applied-for gTLD might result in registrations of second level domain names by registrants seeking in some manner to exploit the Objector’s marks, the evidence and submissions in their totality do not support the conclusion that the potential use of the applied-for gTLD <.home> by the Respondent will take unfair advantage of the distinctive character or reputation of the Objector’s marks. Objector has not met its burden of proof under this element of Section 3.5of the Guidebook.

**(ii) unjustifiably impairs the distinctive character or the reputation of the Objector’s mark**

For similar reasons, even assuming that the potential use of the applied-for gTLD might result in registrations of second level domain names that in some manner could tarnish the Objector’s marks, the evidence and submissions in their totality do not support the conclusion that the potential use of the applied-for gTLD <.home> by the Respondent will unjustifiably impair the distinctive character or reputation of the Objector’s marks. As previously noted, the Objector has done little to prove that its marks actually possess any sort of distinctive character or reputation. Objector has not met its burden of proof under this element of Section 3.5of the Guidebook.

**(iii) otherwise creates an impermissible likelihood of confusion between the applied-for gTLD and the Objector’s mark**

The Panel has concluded above that the Respondent’s use of the applied-for TLD <.mail> is not likely to create confusion with the Objector’s marks as to the source, sponsorship, affiliation or endorsement of the gTLD. The Respondent is proposing to use the applied-for gTLD <.home> in a descriptive sense, even noting in its application that the gTLD <.home> string is “inherently associated” with the services of potentially eligible second level domain name registrants. Even assuming some confusion might arise from the potential use of the applied-for gTLD, for the Objector to prevail under this heading something more than a mere possibility that the Objector’s legal rights will be infringed by the Respondent’s use of the applied-for gTLD string is required. In the final analysis, the Panel is persuaded that the Respondent’s proposed use contemplates a fair use of a applied-for gTLD <.home> string for its descriptive meaning and not a use designed to infringe the legal rights of others. The Objector has not met its burden under this element of Section 3.5of the Guidebook to show that the potential use of the applied-for gTLD will create an impermissible likelihood of confusion.

**7. Decision**

For the foregoing reasons, the Objection is rejected.

[signed]

**William R. Towns**  
Sole Panel Expert  
Date: August 11, 2013