THE INTERNATIONAL CENTRE FOR EXPERTISE OF THE
INTERNATIONAL CHAMBER OF COMMERCE

CASE No. EXP/463/ICANN/80

AMERICAN ASSOCIATION OF INDEPENDENT MUSIC (A2IM)
(USA)

vs/

DOT MUSIC LIMITED
(GIBRALTAR)

(Consolidated with Cases No.

CASE No. EXP/462/ICANN/79
AMERICAN ASSOCIATION OF INDEPENDENT MUSIC (A2IM) (USA) vs/
CHARLESTON ROAD REGISTRY INC. (USA)
and
EXP/467/ICANN/84
AMERICAN ASSOCIATION OF INDEPENDENT MUSIC (A2IM) (USA) vs.
DOTMUSIC INC. (UAE)
and
EXP/470/ICANN/87
AMERICAN ASSOCIATION OF INDEPENDENT MUSIC (A2IM) (USA) vs/
ENTERTAINMENT NAMES INC. (BRITISH VIRGIN ISLANDS)
and
EXP/477/ICANN/94
AMERICAN ASSOCIATION OF INDEPENDENT MUSIC (A2IM) (USA) vs/
VICTOR CROSS, LLC (USA)

This document is a copy of the Expert Determination rendered in conformity with the New gTLD Dispute Resolution Procedure as provided in Module 3 of the gTLD Applicant Guidebook from ICANN and the ICC Rules for Expertise.
ICC EXP/463/ICANN/80

gTLD in issue: .MUSIC

Nature of Objection: Community

American Association of Independent Music ("A2IM")

- v -

dot Music Limited

The Parties and their Representation

The Applicant: dot Music Limited of 6A Queensway, Gibraltar, GX11 1AA, icanntas3@famousfourmedia.com

represented by Peter Young of Famous Four Media Ltd., Suite 2-4 Leisure Island Business Centre, Ocean Village, Gibraltar, GX11 1AA, pyoung@famousfourmedia.com

The Objector: American Association of Independent Music (A2IM) of 132 Delancey Street, 2nd Floor, New York, New York 10002, USA, rich@a2im.org

represented by Constantinos Roussos of DotMusic, 950 S. Flower Street #1404, Los Angeles, CA 90015, USA, costa@music.us, and Jason Schaeffer of ESQwire.com P.C., 1908 Route 70 East, Cherry Hill, NJ 08003, USA, jschaeffer@esqwire.com

The Panel: The Rt. Hon. Professor Sir Robin Jacob of The Faculty of Laws, UCL, Endsleigh Gardens, London WC1E 0EG, UK, rjacob@ucl.ac.uk, appointed on 19th June 2013, files transferred to me on 12th August 2013 shortly after payment of the relevant fees.

EXPERT DETERMINATION

General Procedural Matters and Applicable Rules

1. The Applicant made its application for the gTLD .music on 13th June 2012 (ID 1-1175-68062). The Objection was lodged on 13th March 2013 and the Response on 5th June 2013.

2. On 7th May 2013 the International Centre for Expertise of the ICC ("Centre") consolidated this case with cases EXP/462/ICANN/79 (A2IM v Charleston Road Registry Inc.), EXP/467/ICANN/84 (A2IM v DotMusic Inc.), EXP/470/ICANN/87 (A2IM v Entertainment Names Inc.) and EXP/477/ICANN/94 (A2IM v Victor Cross, LLC) because the
applied for string, .music, and Objector were the same in all cases. The effect of consolidation is not to make evidence in one case evidence in all – it is merely to ensure consistency and achieve some time savings. I must give a separate decision in relation to each case based on the evidence and submissions in that case.

3. All communications between the parties, and myself have been electronic (Art. 6(a) of the Procedure) and in English (Art. 5(a) of the Procedure). I did not find a hearing necessary. The draft Expert Determination was submitted for scrutiny to the Centre in accordance with Art. 21(a) and (b) of the Procedure.

4. On 12th August 2013 the Objector sought leave to file an additional submission and new information and reply to the Applicant’s Response. By an email of 16th August 2013 the Applicant contested the Panel’s power to admit the new material and contended that, if there is such a power, the rules for its exercise did not apply here.

5. By my interim ruling of 21st August 2013 I decided I had power to admit the further material (my reasons can be found repeated in my decision in A2IM v Red Triangle LLC EXP/460/ICANN/77), to admit it on the facts of this case and to allow the Applicant a right of response. On 6th September 2013 the Applicant duly submitted an additional written Sur-Response on 6th September 2013 with supporting Annexes.

6. The rules governing the substance of what I have to decide and the procedure to be applied are the Rules for Expertise of the ICC ("ICC Rules"), supplemented by the ICC Practice Note on the Administration of Cases ("ICC Practice Note") under the Attachment to Module 3 of the gTLD Applicant Guidebook, New gTLD Dispute Resolution Procedure ("Procedure") of the gTLD Applicant Guidebook ("Guidebook"). I collectively call these "the Rules" but where appropriate will identify the particular rule concerned.

7. Much more specifically the Rules as they apply to community objections are set out in a number of Articles of Module 3 of the Guidebook. For convenience I have gathered them altogether as Appendix A to this determination. The broad structure is as follows:

   (1) The Objector must show it has standing as defined in Art. 3.2.2 and elaborated in Art. 3.2.2.4, and
   (2) The Objector must prove each of the four tests set out and elaborated in Art. 3.5.4.
Both in respect of standing and each of the four tests the burden of proof lies on the Objector (Art. 20 (c) of the Procedure).

8. It is perhaps worth stating explicitly what my task is and more specifically what it is not. It is not to decide whether this or any of the other applicants in the consolidated cases should be awarded the gTLD .music. My task is more limited: to decide whether the Objector has standing and if so whether it has satisfied the four tests. If all these things are proved then a community objection is successful. If not then it will be for other procedures within ICANN to determine what happens. I am not concerned with these.

Who the parties are and do or propose to do

The Applicant

9. In its Response the Applicant says:

“The Applicant, dot Music Limited is a Gibraltar private limited company, the shares of which are partially owned by Domain Venture Partners PCC Limited, a Gibraltar Experienced Investor Fund regulated by the Financial Services Commission of Gibraltar. .MUSIC gTLD is intended and designed to increase availability and access to create, produce and disseminate informative, creative and innovative music-related content. Its framework and mechanisms have been established to ensure the gTLD operates and grows in a manner that is responsible, protects consumers and promotes consumer and industry trust and confidence. The Applicant envisions it will work closely with key global music stakeholders to further develop policies and best practices to ensure successful operation of the gTLD”.

10. In its application form the Applicant says:

“The Applicant’s mission and purpose is to create an environment where individuals and companies can interact and express themselves in ways never before seen on the Internet, in a more targeted, secure and stable environment. Its aim is to become the premier online destination for such creators and their wide range of users. The Applicant will create an Internet space whose central function is to provide a platform for creating, producing and disseminating informative, creative and innovative content that is easily recognizable as pertaining to its stakeholder group. The Applicant is acutely aware of the importance of ICANN’s mission in coordinating the global Internet's systems of unique identifiers and ensuring their secure and stable operation. The Applicant’s core focus is to create a secure, sustainable, and specialized gTLD, thus supporting ICANN’s primary goals for this program in promoting consumer trust, consumer choice, competition and innovation. Why .music? Music brings people together and can command devotion seldom seen elsewhere. It can excite people of any age and can be hugely emotionally charged, touching the depths of our innermost feelings. Music lends itself to countless
emotions; happiness, pride, anger, sorrow – all of them passionate. Such passion needs an outlet, and it will find it in .music.

Since its inception the internet has revolutionized the way we communicate, empowered hundreds of millions with knowledge and created a platform where global commerce can thrive. However, access to the countless benefits and opportunities which the internet offers can often be hindered when navigating the ever-expanding sea of irrelevant and sometimes malicious content which also exists.

Thus, the aim of .music is to create a blank canvas for the online music sector set within a secure environment. The Applicant will achieve this by creating a consolidated, versatile and dedicated space for music. As the new space is dedicated to those within this affinity group the Applicant will ensure that consumer trust is promoted. Consequently consumer choice will be augmented as there will be a ready marketplace specifically for music-related enterprises to provide their goods and services. All stakeholders within the sector will be able to sample reactions to new ideas, or gather thoughts on the improvements of established ones. This will drive innovation and competition within the music sector as there will be new channels available not yet fulfilled by current market offerings. This new environment will cause registrants to seek new and varied ways to separate themselves from the competition."

The Objector

11. The Objector is the American Association of Independent Music ("A2IM"). Its Objection Form refers me to its website. What I quote now is taken from that, rather than the Form itself – which mixes argument along with a description of A2IM itself. I make no complaint about that but it is easier to separate out the basic facts about A2IM from its website. The website says under the heading Mission:

The Independent Music Sector has introduced, developed and supported nearly every new musical form which has impacted our society since the beginning of the recording industry. In the present day – perhaps more than ever – the independents are vital to the continued advancement of cultural diversity and innovation in music.

A2IM is a not-for-profit trade organization serving the Independent music community as a unified voice representing a sector that, according to Billboard Magazine, comprises over 34.5% of the music industry’s market share in the United States (and approximately 40% of SoundScan digital album sales). The organization represents the Independents’ interests in the marketplace, in the media, on Capitol Hill, and as part of the global music community.

12. The website indicates the sort of activities undertaken. It says:

During our first 8 years, A2IM has furthered our three part agenda of providing advocacy/representation for independents on issues affecting the music community, finding commerce opportunities for members, and providing member services which
include education on issues, networking & presentation events, special offers and general business advice.

13. More specifically the website indicates that A2IM has acted as a spokesperson for its members in relation to negotiations with government about changes or possible changes in the law and represented independent labels in discussions with major telecom players such as YouTube, Amazon and others. And it has a general “mission statement” which includes passages such as:

**Fair Trade**

A primary A2IM objective is to help independently owned music labels achieve commercial terms on par with the major recording companies. The association will constantly seek to level the playing field.

**New Technology and Distribution**

A2IM will relentlessly pursue a seat at the table for the launch of new technologies and distribution channels.

**Access to Media**

Independent music is underrepresented on mainstream radio and television. A2IM shall be a constant reminder to media broadcasters and elected officials that the ownership of the airwaves stem from the public trust and that cultural diversity is in the public interest and that the fair and equitable treatment of independent music creators will benefit the very media companies that would overlook or under-estimate the value of this content.

**Legislative**

A2IM will represent the Independent sector’s interests in government and legislative issues.

A2IM will be visible on issues where our position diverges from that of the majors, and for which the Independents need a central voice.

14. But there is no formal document indicating with precision what the extent of its mandate to speak for members actually is. This is a little surprising for two reasons: firstly the extent of such a mandate is obviously highly relevant to this case and secondly the Rules (specifically Rule 3.2.2.4 of the Guidebook) themselves indicate that one of the factors to be taken into account in considering standing (albeit in the context of established institution) is “the presence of a formal charter, or national or international registration”.

15. A2IM has two sorts of member: “Labels” and “Associate Members”. Labels are what in the pre-digital world were called “record companies”. They are still so called though of course much of what they produce is delivered digitally. Typically it is the Label which
has the contracts with performers and music and lyric writers. A Label is what in the book world would be called a publisher. The Label members of A2IM are so-called “Indies”, that is to say smaller companies in contrast to major Labels such as Sony or Warner. There are 210 A2IM Label members, nearly all of whom are American which is hardly surprising since it is the American Association of Independent Music. Associate membership is open to companies that “work with, rely upon, or otherwise support independent labels”. There are 131 Associate Members, some of whom are large and well known such as Spotify and iTunes.

16. A2IM’s Objection is being conducted by Mr Constantinos Roussos whose own company is itself seeking the gTLD .music. This is not without significance for it makes plain that A2IM does not object to the gTLD .music in principle, merely to this Application and those in the other .music cases I have to decide. That is not fatal to the Objection for A2IM might nonetheless have a valid community objection of its own. But it causes me to examine the Objection with particular care. And it means that A2IM cannot contend (as indeed it does not) that a .music string is inherently objectionable – that no-one should have it.

The Fresh Evidence and submissions about it

17. I turn to consider the effect of this first. It consists principally of the 11th April 2013 Beijing Communiqué of the GAC (Government Advisory Committee) to ICANN:

“Consumer Protection, Sensitive Strings, and Regulated Markets:

The GAC Advises the ICANN Board:

• Strings that are linked to regulated or professional sectors should operate in a way that is consistent with applicable laws. These strings are likely to invoke a level of implied trust from consumers, and carry higher levels of risk associated with consumer harm. The following safeguards should apply to strings that are related to these sectors:

1. Registry operators will include in its acceptable use policy that registrants comply with all applicable laws, including those that relate to privacy, data collection, consumer protection (including in relation to misleading and deceptive conduct), fair lending, debt collection, organic farming, disclosure of data, and financial disclosures.

2. Registry operators will require registrars at the time of registration to notify registrants of this requirement.

3...
4. Establish a working relationship with the relevant regulatory, or industry self-regulatory, bodies, including developing a strategy to mitigate as much as possible the risks of fraudulent, and other illegal, activities.

5...

In the current round the GAC has identified the following non-exhaustive list of strings that the above safeguards should apply to:

- Intellectual Property

Here are listed a number of strings. .music is one of them.

18. What difference does this make to this case? The GAC has not said that .music should not be allowed at all (as it has in the case of some other proposed strings). Nor has ICANN yet taken any action on the advice. Whether it does or not does not appear to me to matter. For what is clear is that none of the Rules which I have to apply have been changed. They are now as they were when “enacted” in 2012. The advice in no way alters the meaning of any of the Rules.

19. Moreover the advice does not suggest ICANN should change any of the Rules as to a Community objection. If ICANN decides the advice should inform it how to proceed generally, then it will act accordingly. The advice is not for a Panel.

20. I accordingly hold that the GAC advice is irrelevant to what I have to decide, namely whether the Objector has standing and if so whether a community objection is successful.

21. The remainder of the late material which I admitted does not relate to new facts. It, along with the responsive Additional Written Submission, helps focus the issues. It is to these I now turn.

Standing

22. The Applicant says the Objector lacks standing. It makes no formal concession that that “A2IM is an established institution” (Rule 2.2.2.4 of the Guidebook) but on the other hand does not expressly and distinctly challenge that aspect of the requirement of standing. I take it to be tacitly conceded and so I need not consider that aspect of standing further.

23. The Applicant bases its main attack as regards standing on the requirement that the Objector must have an ongoing relationship with a clearly delineated community. That
community must be “a community strongly associated with the applied-for gTLD”. This part of the standing requirement is linked with the first test which must be proved by one who has standing. For in my view these two subjects are interrelated. To have standing a party must be an “established institution associated with a clearly delineated community”. And the first test which must be passed for one who has standing is whether “The community invoked by the objector is a clearly delineated community.”

24. So what the Objector must show is that there is a music community and that it is strongly associated with that community. And the burden lies on the Objector.

25. Firstly I do not think that there is anything which can fairly be described as a “music community”. There is a vast range of different types of music in the world. Music appeals to nearly all mankind. Just because there is one word covering all kinds of music does not make a “community” – the word will not stretch that far. There is no public recognition of such a thing as the “music community.” There are no boundaries, formal or informal for what it might be and how one says someone is within it or without it.

26. And even if it there were a “music community”, A2IM can hardly claim to be strongly associated with that community. Indeed A2IM cannot even claim to be representative of independent record labels as whole. Its members form a fraction of the Indies of the USA, that is all. When judged from a global perspective A2IM cannot even be regarded as representative of the Indies of the world, still less of “record companies” as a whole.

27. Moreover A2IM’s members are not themselves musicians of any kind at all. Its members doubtless have an interest in the commercial exploitation of the music of bands or groups signed to them, but A2IM’s interest is only indirect. A2IM does not represent or even purport to represent musicians of any sort. Although it exhibits letters of support (the letters form Appendix H, although the Objection refers to exhibit A) from some (a minor proportion) of its members, there are none at all from any actual musicians – indeed musicians cannot be members of A2IM. It is not shown (e.g. by reference to a constitution) that A2IM even has authority to speak for its members in relation to this dispute, still less for the musicians connected with its members.

28. As to A2IM’s associated members, whilst they very probably support some of the work which A2IM does, I cannot see that merely by becoming an associate member a party thereby confers on A2IM to speak for it in relation to any specific matter and specifically for
this Objection. It is unthinkable, for instance, that A2IM have authority to speak for Apple (iTunes) or Spotify.

29. Moreover there is simply no evidence of any relationship, ongoing or otherwise, between A2IM and anything which might be described (if it were possible – which I do not think it is) as a music community.

30. In these circumstances I conclude that it is not proved that there is such a thing a music community or that A2IM is “associated” with any such thing supposing it existed.

31. I therefore hold that A2IM lacks standing to make this Objection. The Applicant therefore prevails.

**Further Observation**

32. Even if that were wrong, I am satisfied that the Objector has failed to satisfy the detriment test, namely whether:

> “the application creates a likelihood of material detriment to the rights or legitimate interests of a significant portion of the community to which the string may be explicitly or implicitly targeted.”

33. The string is targeted at anyone interested in music – nearly the whole world. One can envisage a subset consisting those who might want a .music address - say those who are interested professionally in music. Even so the class is huge, going much wider than the recording industry of the world. Is any significant portion of that subset, or even of the world recording industry, likely to suffer a material detriment to its rights or legitimate interests?

34. I think the answer on the evidence is clearly no. Firstly as I have said I do not think it is proved that the Objector speaks for all its Indie members. Secondly only a minor proportion of its members have been willing to write letters of support. Thirdly as regards that minor proportion I am not satisfied that have any real objection to this particular objection – none of the letters indicate much more than general concern about what might happen if there is mismanaged .music gTLD. None of the letters indicate that the author has even read the Application form. It is not indeed clear that the authors are aware that A2IM is supporting (or tacitly supporting by not opposing) Mr Roussos’ application. Fourthly at best the Objector’s Indie membership is only a minor proportion of American Indies, and a much more minor proportion of the Indies of the world. Fifthly, I can see no real difference between any concern an Indie company might have about .music and that which a major
might have – they are all record companies interested in the suppression of copyright infringement. Viewed in that light the Objector’s members form a very minor proportion of the world’s record companies – not a significant proportion of those who stand in the same case, namely all the members of the global record industry.

35. And on the question of detriment the case is woefully weak. As I have said the Objector cannot be heard to say that any .music gTLD will cause a material detriment for it does not object to Mr Roussos’ company’s application. What it would have to show is how that application would cause no detriment but this would. That it has not tried to do.

Costs

36. Pursuant to Art. 14(e) of the Procedure, upon termination of the proceedings, the Dispute Resolution Service Provider shall refund to the prevailing party, as determined by the panel, its advance payment in costs. The Applicant has prevailed, and thus shall have its advance costs refunded by the Centre.

Decision and Disposition

37. In accordance with Art. 21(d) of the Procedure, the Expert therefore renders the following Expert Determination:

1. The American Association of Independent Music’s Objection is dismissed and the Applicant, dot Music Limited, prevails.

2. dot Music Limited is entitled to refund of its advance payment of costs by the ICC pursuant to Art. 14(e) of the Procedure.

Date: 18th February 2014

Robin Jacob

The Rt. Hon. Professor Sir Robin Jacob

Expert
Annex A
The Applicable Rules for Community Objections

gTLD Applicant Guidebook, Module 3

3.2.1 Grounds of Objection

A formal objection may be filed on any one of the following four grounds:
...

Community Objection – There is substantial opposition to the gTLD application from a significant portion of the community to which the gTLD string may be explicitly or implicitly targeted.

3.2.2 Standing to Object

Objectors must satisfy standing requirements to have their objections considered. As part of the dispute proceedings, all objections will be reviewed by a panel of experts designated by the applicable Dispute Resolution Service Provider (DRSP) to determine whether the objector has standing to object. Standing requirements for the four objection grounds are:
...

For a Community ground objection only

An “established institution associated with a clearly delineated community” may object

3.2.2.4 Community Objection

Established institutions associated with clearly delineated communities are eligible to file a community objection. The community named by the objector must be a community strongly associated with the applied-for gTLD string in the application that is the subject of the objection. To qualify for standing for a community objection, the objector must prove both of the following:

It is an established institution –

Factors that may be considered in making this determination include, but are not limited to:

• Level of global recognition of the institution;

• Length of time the institution has been in existence; and

• Public historical evidence of its existence, such as the presence of a formal charter or national or international registration, or validation by a government, inter-
governmental organization, or treaty. The institution must not have been established solely in conjunction with the gTLD application process.

*It has an ongoing relationship with a clearly delineated community* –

Factors that may be considered in making this determination include, but are not limited to:

- The presence of mechanisms for participation in activities, membership, and leadership;
- Institutional purpose related to the benefit of the associated community;
- Performance of regular activities that benefit the associated community; and
- The level of formal boundaries around the community.

The panel will perform a balancing of the factors listed above, as well as other relevant information, in making its determination. It is not expected that an objector must demonstrate satisfaction of each and every factor considered in order to satisfy the standing requirements.

3.5 Dispute Resolution Principles (Standards)

Each panel will use appropriate general principles (standards) to evaluate the merits of each objection. The principles for adjudication on each type of objection are specified in the paragraphs that follow. The panel may also refer to other relevant rules of international law in connection with the standards.

The objector bears the burden of proof in each case.

3.5.4 Community Objection

The four tests described here will enable a DRSP panel to determine whether there is substantial opposition from a significant portion of the community to which the string may be targeted.

For an objection to be successful, the objector must prove that:

- The community invoked by the objector is a clearly delineated community; and
- Community opposition to the application is substantial; and
- There is a strong association between the community invoked and the applied-for gTLD string; and
- The application creates a likelihood of material detriment to the rights or legitimate interests of a significant portion of the community to which the string may be explicitly or implicitly targeted.

Each of these tests is described in further detail below.
Community

The objector must prove that the community expressing opposition can be regarded as a clearly delineated community. A panel could balance a number of factors to determine this, including but not limited to:

- The level of public recognition of the group as a community at a local and/or global level;
- The level of formal boundaries around the community and what persons or entities are considered to form the community;
- The length of time the community has been in existence;
- The global distribution of the community (this may not apply if the community is territorial); and
- The number of people or entities that make up the community.

If opposition by a number of people/entities is found, but the group represented by the objector is not determined to be a clearly delineated community, the objection will fail.

Substantial Opposition

The objector must prove substantial opposition within the community it has identified itself as representing. A panel could balance a number of factors to determine whether there is substantial opposition, including but not limited to:

- Number of expressions of opposition relative to the composition of the community;
- The representative nature of entities expressing opposition;
- Level of recognized stature or weight among sources of opposition;
- Distribution or diversity among sources of expressions of opposition, including:
  - Regional
  - Subsectors of community
  - Leadership of community
  - Membership of community
- Historical defense of the community in other contexts; and
- Costs incurred by objector in expressing opposition, including other channels the objector may have used to convey opposition.

If some opposition within the community is determined, but it does not meet the standard of substantial opposition, the objection will fail.
Targeting – The objector must prove a strong association between the applied-for gTLD string and the community represented by the objector. Factors that could be balanced by a panel to determine this include but are not limited to:

- Statements contained in application;
- Other public statements by the applicant;
- Associations by the public.

If opposition by a community is determined, but there is no strong association between the community and the applied-for gTLD string, the objection will fail.

Detriment

The objector must prove that the application creates a likelihood of material detriment to the rights or legitimate interests of a significant portion of the community to which the string may be explicitly or implicitly targeted. An allegation of detriment that consists only of the applicant being delegated the string instead of the objector will not be sufficient for a finding of material detriment.

Factors that could be used by a panel in making this determination include but are not limited to:

- Nature and extent of damage to the reputation of the community represented by the objector that would result from the applicant’s operation of the applied-for gTLD string;
- Evidence that the applicant is not acting or does not intend to act in accordance with the interests of the community or of users more widely, including evidence that the applicant has not proposed or does not intend to institute effective security protection for user interests;
- Interference with the core activities of the community that would result from the applicant’s operation of the applied-for gTLD string;
- Dependence of the community represented by the objector on the DNS for its core activities;
- Nature and extent of concrete or economic damage to the community represented by the objector that would result from the applicant’s operation of the applied-for gTLD string; and
- Level of certainty that alleged detrimental outcomes would occur.

If opposition by a community is determined, but there is no likelihood of material detriment to the targeted community resulting from the applicant’s operation of the applied-for gTLD, the objection will fail.

The objector must meet all four tests in the standard for the objection to prevail.