International Centre for Dispute Resolution

New gTLD String Confusion Panel

Re: 50 504 00265 13

Commercial Connect LLC, OBJECTOR

and

Charleston Road Registry, Inc., APPLICANT

String: <.BUY>

EXPERT DETERMINATION

The parties

The Objector is Commercial Connect LLC, of 1418 South 3rd Street, Louisville KY 40208, which is represented by Jeffrey S. Smith of the same address.

The Applicant is Charleston Road Registry, Inc., of Mountain View, CA, and is represented by Brian J. Winterfeldt, Esq., of Steptoe & Johnson LLP, 1330 Connecticut Avenue, NW, Washington, DC 20036.

The New gTLD String Objected To

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

Prevailing Party

The Applicant has prevailed and the Objection is dismissed.

The New gTLD String Confusion Process

Module 3 of the ICANN gTLD Applicant Guidebook contains Objection Procedures ("Guidebook") and the New gTLD Dispute Resolution Procedure ("the Procedure").

Article 1(b) of the Procedure states that "The new gTLD program includes a dispute resolution procedure, pursuant to which disputes between a person or entity who applies for a new gTLD and a person or entity who objects to that gTLD are resolved in accordance with this New gTLD Dispute Resolution Procedure.

As expressed in the Guidebook, and the Procedure, there are four (4) grounds to object to the registration of new gTLDs. One of these grounds expressed String Confusion, as described in DRP Article 2(e)(i): "(i) 'String Confusion Objection' refers to the objection that the string comprising the potential gTLD is confusingly similar to an existing top-level domain or another string applied for in the same round of applications."

Article 3(a) of the Procedure states that "String Confusion Objections shall be administered by the International Centre for Dispute Resolution".

Procedural History of this Case

The Objector, Commercial Connect LLC, submitted an objection on March 13, 2013, asserting that the application for .BUY filed by Charleston Road Registry "so nearly resembles the .shop TLD that it is probable that confusion will arise in the mind of the average, reasonable internet user because the .buy gTLD application is similar either visually, aurally, or has a similar meaning."

The DRSP acknowledged receipt by letter dated March 18, 2013, advised the Objector of a procedural deficiency by letter dated April 4, 2013, further advised Objector by letter dated April 11, 2013 that the procedural deficiency had been rectified, and by letter dated April 17, 2013, invited Applicant to file a Response to the Objection. Applicant thereafter filed a Response.

By letter dated May 24, 2013, the DRSP advised the parties that it would proceed with the appointing of an Expert. By letter dated June 13, 2013, the DRSP advised the parties that it had appointed the undersigned as the Expert for this matter, invited comments or challenges regarding the appointment to be submitted no later than June 18, 2013, and requested the parties to make arrangements to submit their payments for advanced costs required for the proceedings. By correspondence from the DRSP dated July 10, 2013, the undersigned was advised that payments had been received, and I could commence my review of the substantive issues presented by the matter.

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

Section 3.2.2 of the Guidebook specifies the requirements for standing to object to an applied-for gTLD on the basis of string confusion, namely, that an objection may be filed by (a) an existing TLD operator or gTLD applicant in the current round, or (b) in certain circumstances where an IDN ccTLD Fast Track request has been submitted. This case involves the former ground.

Objector is a gTLD applicant in the current round, and therefore has standing to object.

Parties' Contentions

Objector

Among the materials provided to the undersigned, I have Objector's online demand (referenced above) and an undated "Dispute Resolution Objection" which does not reference the .BUY string, but which Applicant refers to as Objector's Dispute Resolution Objection for .BUY, filed March 13, 2013. *See* Response of Applicant at 3. The Dispute Resolution Objection refers to several events that occurred prior to the current gTLD round of applications, and includes statements to the effect that ICANN's board in 2000 "commented that they liked [Objector's] application" (in the 2000 round), felt it was too soon for an eCommerce domain, but "invited [Objector] to resubmit our application" and "stated that they would give consideration to it in a preferential manner." Dispute Resolution Objection at 1. See also *id.* at 5 ("We are ... the only remaining and active applicant for .shop in the 2000 round.")

Objector states (Online Demand at p. 2) that the following are words that have similar meanings to "shop": Agency, Boutique, Bureau, Chain, Deli, Department store, Emporium, Five-and-dime, Mall, Market, Mart, Mill, Office, Outlet, Service, Showroom, Stand, Store and Supermarket.

Objector concludes with the assertion that is it probable that confusion between the .shop and .buy domains will arise in the mind of the average, reasonable internet user because the .buy gTLD is similar either visually, aurally, or has a similar meaning.

Applicant

Applicant denies Objector's contentions. It contends that there is no visual or aural similarity, noting that the ICANN string similarity assessment algorithm produces an 11% score comparing .shop and .buy.

Applicant also argues that the string confusion analysis relies primarily on sight and sound, that internet consumers are generally quite sophisticated, and that the existence of longstanding co-existence of shop.com and buy.com for shopping on the internet indicates the absence of consumer confusion between the "shop" and "buy" sites in internet commerce.

Discussion and Findings

Applicable Standards

Section 3.5 of the Guidebook provides the following general principles that govern this determination: First, the objector bears the burden of proof. Second, an expert deciding a string confusion objection may find string confusion "where a string so nearly resembles another that it is likely to deceive or cause confusion." The Guidebook elaborates as follows:

For a likelihood of confusion to exist, it must be *probable*, not merely possible, that confusion will arise in the mind of the average, reasonable internet user. *Mere association, in the sense that the string brings another string to mind, is insufficient* to find a likelihood of confusion. *Id.*, section 3.5.1 (emphasis added).

Discussion of the Parties' Contentions

To the extent Objector argues that it is entitled to some preferential treatment by virtue of having applied for the .shop string in the 2000 round, I find in line with Applicant's argument that Objector has failed to present documentation or other evidence to support a claim of any such entitlement. Moreover, if any such preferential treatment were promised, that would presumably only apply to the .shop string, and not vis-a-vis applicants for other gTLDs.

The issues of visual and phonetic or aural similarity can be quickly answered. I find that average, reasonable internet users would probably <u>not</u> be confused as between a .shop and .buy domain. The terms are not spelled alike, do not look alike, and do not sound alike.

Only small comfort can be taken from the point put forward by Applicant that ICANN did not initially put .buy applicants in the same string contention set as .shop applicants. There are several applicants for each of those gTLDs (*see* Response, Annex 3), and a purpose of these string confusion proceedings is to determine whether any strings should be combined in a contention set.

Applicant's argument that internet consumers are "generally quite sophisticated" is lacking empirical data or proof, and likely irrelevant under the governing standard for this proceeding, namely, that of "average, reasonable internet users." This term would, in my opinion, include not only the hip youth internet consumer, but also those who are less frequent internet purchasers or consumers. I also am unpersuaded by Applicant's arguments that the string confusion analysis relies primarily on sight and sound, or that the co-existence of shop.com and buy.com is at all talismanic. The test I apply is whether a string so nearly resembles another that it is likely to deceive or cause confusion among average, reasonable internet users.

What does persuade me that average, reasonable internet users would <u>not</u> be confused between .shop and .buy are two documents authored by Objector. The first is the online demand that initiated this proceeding, in which Objector lists 19 terms – not including "buy" – which Objector says have similar meanings to "shop." The second is Objector's application for the .shop gTLD filed June 13, 2012, in which Objector states that ".Shop is globally recognized and exists in excess of twenty different languages all with the same meaning: 'a *building or room* stocked with merchandise for sale: a store." Answer to Question 16. The words that Objector lists in the current online demand (with the possible exception of "mill" and "service") are consistent with this definition – they are all buildings or rooms that usually have merchandise for sale. "Buy," on the other hand, does not refer to a building. As a noun, "buy" means a purchase; as a verb, it means to obtain in exchange for payment. *See* Oxford Dictionary, available online at http://oxforddictionaries.com/us/definition/american_english/buy.

Even if one diverts from Objector's application and the principal definition of "shop" as a noun to consider the definition of "shop" as a verb, one finds that it means to "visit one or more stores or websites to buy goods." Stated otherwise, there is a difference between the preparatory phase of shopping - where one considers what one may wish to purchase - and buying, i.e., actually exchanging payment for item(s) purchased.

For all these reasons, and recognizing that I am bound to apply a standard such that it must be probable, not merely possible, that confusion will arise in the mind of the average, reasonable internet user, and mere association, in the sense that the string brings another string to mind, is insufficient, I find that it is not probable that the average, reasonable internet user would be confused as between the .shop and .buy gTLDs.

Determination

Therefore, the Applicant has prevailed and the Objection is dismissed.

The Applicant has prevailed and the Objection is dismissed.

August 14, 2013

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Charles R. Ragan

Sole Expert Panelist