

International Centre for Dispute Resolution
New gTLD String Confusion Panel

Re: 50 504 T 00247 13

Commercial Connect LLC, OBJECTOR

and

Zodiac Capricorn Limited., APPLICANT

String: <".商城">

EXPERT DETERMINATION

I The Parties

The Objector in this proceeding is *Commercial Connect, LLC.*, located at 1418 South 3rd Street Louisville, Kentucky, United States, 40208.

The Applicant in this proceeding is *Zodiac Capricorn Limited.*, with its principal place of business located at Flat 2, 19F, Henan Building, 90-92 Jaffee Road, Wanchai 999077, China.

II The New gTLD String Objected To is

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

III Objector's TLD String serving as the basis for its objection is:

Objector's string serving as the basis for its confusion claims is ".SHOP."

IV Prevailing Party:

The Applicant has prevailed and the Objection is dismissed.

V The New gTLD String Confusion Process

Article 1(b) of the New gTLD Dispute Resolution Procedure (the "*Procedure*")¹ states that "[t]he 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* mandates that "String Confusion Objections shall be administered by the ICDR."

VI Procedural History of this Case

In accordance with the *Procedure*, Applicant filed its Application for the new gTLD referenced above. Objector filed its Objection based on alleged confusion with its gTLD ".SHOP."¹ Applicant then timely filed its Response and the dispute based on the category "String Confusion Objection" was referred to the ICDR, who appointed the undersigned Expert to render a ruling on the issue of String Confusion between the TLDs in question in accordance with the *Procedure* and the ICDR's *Supplementary Procedures for String Confusion Objections*.²

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

¹ The *Procedure* is an Attachment to Module 3 of the gTLD Applicant Guidebook (the "Guidebook") approved by the Internet Corporation for Assigned Names and Numbers ("ICANN") on June 20, 2011 and as updated on June 4, 2012.

² Applicant submits in its Response that there Objector and the ICDR have not complied with the Procedure and that the Objection should consequently fail. It alleges "1. The Objector did not comply with Article 7(b) of the Procedure in that copies of the Objection were not sent to the Applicant until on or about 30 March 2013. 2. The ICDR did not comply with Article 9(a) of the Procedures for: a) failure to inform the Applicant of the result of its review within fourteen (14) days of its receipt of the Objection, either within the original time limit (being 27 March 2013) or the purported extended time limit of 3 April 2013. In fact, it was not until 11 April 2013 did the ICDR first inform the Applicant the result of its administrative review of the Objection; and b) failure to notify the Applicant of the purported extension of the administrative review time limit or explain the reasons for such extension before or after the expiry of the original time line 27 March 2013. In light of non-compliance with the Procedure on the part of the Objector and the ICDR, the Applicant submits the Objection should fail." (*Applicant Zodiac's Response*, p. 5.)

² See *Procedure*, Articles 3 (a), 4 (b) (i), 8, 11 and 13.

Under Article 8 of the *Procedure*, the Objection filed by the Objector is to contain, *inter alia*, a statement of the Objector's basis for standing, a description of the basis of the Objection, a statement of the ground(s) upon which the Objection is being filed (in this proceeding, String Confusion), and an explanation of the validity of the Objection and why it should be upheld.

A. Objector's Basis for Standing/Ground for Filing/String Confusion

In its Objection and accompanying affidavits, Objector claims standing in this proceeding as the existing TLD operator for the ".SHOP" gTLD, and asserts its objection to Applicant's application on the basis that the latter's proposed gTLD, string is confusingly similar to the .商城 gTLD.

B. Legal Standard

1. String Confusion:

According to the *Procedure*, "[s]tring confusion exists where a string so nearly resembles another that it is *likely* to deceive or cause confusion." *Guidebook* (v. 2012-06-04), Module 3, Section 3.5.1.) *The Guidebook states that, "[i]n this Applicant Guidebook, 'similar' means strings so similar that they create a probability of user confusion if more than one of the strings is delegated into the root zone." Id.* Module 1, Section 1.1.2.10. "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." *Id.* Module 3, Section 3.5.1.³ *The Guidebook* also states that mere association, in the sense that string brings another string to mind, is insufficient to find a likelihood of confusion.

³The standards articulated in the ICANN *Dispute Resolution Procedure* reflect and parallel long-established standards governing likelihood of confusion that have developed under U.S. trademark law and trademark law more broadly. Indeed, the ICANN standards expressly refer to the trademark law concept of "likelihood of confusion." See gTLD Applicant Guidebook, Module 3, Section 3.5.1. Similarly, the ICANN standards require a probability of confusion, which reflects trademark law standards.

As under trademark law, the Applicant Guidebook makes it clear that the likelihood of confusing similarity must consider more than mere visual similarity, although visual similarity is an important consideration. The Applicant Guidebook expressly states that with regard to objections based on string confusion, "[s]uch category of objection is not limited to visual similarity. Rather, confusion based on any type of similarity (including visual, aural, or similarity of meaning) may be claimed by an objector." gTLD Applicant Guidebook, Module 2, Section 2.2.1.1.3 (emphasis added).

This is essentially the same test for similarity applied under U.S. trademark law. See, e.g., *In re E. I. DuPont DeNemours & Co.*, 476 F.2d 1357, 1361 (C.C.P.A. 1973); *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 351 (9th Cir. 1979), abrogated on other grounds by *Mattel, Inc. v. Walking Mountain Prods.*, 353 F.3d 792 (9th Cir. 2003). As explained below, similar standards also are applied under the Uniform Domain Name Dispute Resolution Policy ("UDRP") adopted by ICANN.

2. Burden of Proof

Article 20 (c) of the *Procedure* provides that "[t]he Objector bears the burden of proving that its Objection should be sustained in accordance with the applicable standards."⁴ Accordingly, Objector has the burden of establishing by a preponderance of the evidence that the .商城 gTLD applied for by Applicant so nearly resembles Objectors' .SHOP gTLD that it is **likely** to deceive or cause confusion." *Guidebook* (v. 2012-06-04), Module 3, Section 3.5. Objector bears the burden of proving that the strings are so similar that they create a **probability** of user confusion if more than one of the strings is delegated into the root zone." *Id.* Module 1, Section 1.1.2.10. "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.*" *Id.* Module 3. (Emphasis added by Designated Expert.)

VIII Factual Background

Objector participated in ICANN's 2000 proof of concept round, but the .SHOP gTLD was not assigned to it and Objector has now filed a new unsponsored TLD application for .SHOP. (See *Response 2:1B.*) From 2004 to present Objector claims to have been active in obtaining supporters for its .SHOP gTLD which it asserts is "intended to provide a safe and secure eCommerce experience which meets and exceeds what is offered currently. To date there are in excess of 15,000 members which represent over \$650 trillion in annual revenues that support our application for .shop." (See, *Objector Commercial Connect's Objection.*)

The .商城 gTLD filed by Applicant is a Chinese IDN string. It is a general application with the prioritization number 47. One of the possible English translations of "商城" is "mall". Applicant notes that the proposed .商城 gTLD is targeted at Chinese speaking Internet users, primarily within China and that currently, China has over 560 million Internet users whose mother-tongue is Chinese (See *Applicant Zodiac's Response* p. 3.)

IX Parties' Contentions

1. Objector's Contentions Regarding Confusing Similarity

Objector contends that its Objection should be upheld since Applicant's applied for gTLD "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 IDN for Consumer Electronics gTLD application is similar either visually, aurally, or has a similar meaning." (*Objection.*)

2. Applicant's Response

As noted above, Applicant requests that the Objection be dismissed based on procedural and substantive grounds (see, fn. 2 for Applicant's procedural arguments.). Substantively, in its

⁴ The standards referred to are set forth in *Legal Standard* above.

Response, Applicant asserts, that "there is no risk of confusion in the mind of the average reasonable Internet user, nor is such risk probable, given the dissimilarity of meaning, sound and visual appearance. Accordingly, there is no likelihood of confusion between the strings" in question. (See Zodiac's *String Confusion Response*.)

X Findings

After having carefully reviewed and considered the facts, law, applicable rules, and the allegations set forth in the documents submitted by the parties appearing in this proceeding, I find that Objector has failed to meet its burden of proof to establish by a preponderance of the evidence that Applicant's use of the gLTD .商城 would be confusingly similar to Objector's gTLD .SHOP

Consequently, as noted above, Applicant is declared the prevailing party in this proceeding, the Objection is dismissed and Applicant/ shall be refunded its deposit for this matter made to the ICDR.

XI Discussion and Reasons for Determination

The parties agree that under the *Procedure*, in order for the Objector to prevail, Objector must prove that the co-existence of the two TLDs in question would *probably* result in user confusion.⁵

I find that the visual, phonetic (aural) and conceptual differences between the two TLDs in question are sufficiently great to conclude that the public would *most probably* not be confused or deceived by the existence of the two TLDs in the marketplace. Consequently, I find that Objector has failed to meet its burden of proof regarding the *probability* of such confusion. (Emphasis added.)

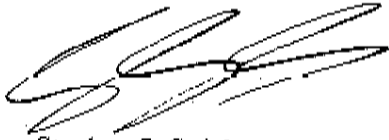
In considering the parties' arguments, I was persuaded, in part, by Applicant's arguments relating to the overall impression of its applied for TLD, including the proof offered by Applicant as to the dissimilarity of sound, visual impression and meaning between its gTLD and the gTLD .SHOP. (See Zodiac's *String Confusion Response*.)

Given the foregoing finding and the Panel's ruling in Applicant's favor, the issues of due process put forward by Applicant are not reached and no opinion is expressed with respect to such issues.

XII Determination

The Applicant has prevailed and the Objection is dismissed.

Dated: August 30, 2013

A handwritten signature in black ink, appearing to read 'Stephen S. Strick', written in a cursive style.

Stephen S. Strick,

Sole Expert Panelist