

International Centre for Dispute Resolution

New gTLD String Confusion Panel

Re: 50 504 T 00226 13

VeriSign, Inc.

OBJECTOR

and

dot Agency Limited

APPLICANT

String: <.cam >

EXPERT DETERMINATION

The Parties

The Objector is VeriSign, Inc. - 12061 Bluemont Way, Reston, VA 20190 and is represented by Thomas Indelicarto.

The Applicant is dot Agency Limited – 6A Queensway, Gibraltar, GI GX11 1AA and is represented by Peter Young – Famous Four Media Limited, Suite 2- 4 Leisure Island Business Centre, Gibraltar GX11 1AA.

The New gTLD String Objected To

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

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 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) states that “String Confusion Objections shall be administered by the International Centre for Dispute Resolution”.

Procedural History of this Case

The Internet Corporation for Assigned Names and Numbers (ICANN) is responsible for coordination of the Internet's system of identifiers including management of Top-Level Domain Names. A program has been implemented for the introduction of new generic Top-Level Domain Names (“gTLDs”). Applicants may apply for new gTLDs subject to a right of other parties to object.

The Applicant/Respondent AC Webconnecting Holding B.V. applies for registration of the new gTLD “.cam”.

The objection brought is a String Confusion Objection. The position of the Objector is that the string comprising the potential gTLD is confusingly similar to an existing top-level domain. The Objector argues that the .cam application must be rejected based on string similarity confusion because the new gTLD it will more than probably confuse the average, reasonable Internet user into believing it is the .com string, devastate the market for the .com string, and cause serious economic, operational, and security problems in the domain space.

In accordance with the ICANN protocol for new gTLD applications dot Agency Limited posted its application for the .cam string. In accordance with the prescribed Dispute Resolution Procedure, VeriSign, Inc. filed its objection dated March 13, 2013. The dot Agency Limited response to the objection was sent to the Objector and ICANN on May 24, 2013.

The International Centre for Dispute Resolution (ICDR) of the American Arbitration Association is the Dispute Resolution Service Provider under the prescribed ICANN Dispute Resolution

Procedure. VeriSign, Inc. submitted an online Demand for arbitration that was received on March 13, 2013. On July 26, 2013 I was appointed the Expert by the ICDR to decide the Objection.

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

The Objector, VeriSign, Inc. is the existing TLD operator of .com. The .com TLD was established in 1985, has over 100,000,000 registered names and is the best known TLD in the world. The label .com is shorthand for commercial. VeriSign, Inc. was chosen to serve as the exclusive registry operator for the .com TLD by the National Science Foundation and has been subject to the terms of a cooperation agreement between VeriSign, Inc. and the National Science Foundation since 1993. VeriSign, Inc. has operated the .com registry for more than 20 years.

Parties' Contentions

Position of the Objector VeriSign, Inc.

VeriSign, Inc. ("VeriSign") argues that the .cam extension so nearly resembles the well-established .com string in appearance, sound, and meaning that it is likely to deceive or cause confusion in the mind of the average, reasonable Internet user if both were allowed as Top-Level Domains. The VeriSign objection is based on the fact that the strings are visually similar because both include just three letters and each begins with a "c" and ends with an "m", that the extensions are phonetically similar because they include just three letters beginning and ending with the same letter with a middle vowel that can be pronounced by ordinary English speakers in a similar way. VeriSign also notes that there is no obvious difference in meaning between the two strings since .cam possesses no meaning.

VeriSign refers to the ICANN evaluation tool for string similarity, an algorithm called the String Similarity Assessment Tool ("SWORD"). This algorithm is intended to provide an approximation of similarity between names. The similarity score for .cam and .com is 63% using SWORD. This visual similarity must be considered in combination with the aural and phonetic similarities when examining the potential for confusion.

VeriSign relies upon the Declaration of James T. Walsh who has more than 30 years of experience in evaluating confusing similarity in trademark and related matters. He was an Administrative Trademark Judge at the Trademark Trial and Appeal Board of the United States Patent and Trademark Office and has been a teacher for examiners in that organization. In the opinion of Mr. Walsh the similarity of .cam and .com is material and likely to cause confusion. He draws a comparison between the standards adopted in the ICANN procedures and long-established standards governing likelihood of confusion developed under US trademark law and trademark law generally. The ICANN standard refers explicitly to the trademark concept of "likelihood of confusion". It is not enough that one string merely brings to mind another. There must be a probability of confusion. Mr. Walsh takes into consideration the same elements under the ICANN process as are considered in trademark cases including visual and aural similarity as well as similarity of meaning. On his analysis he finds significant similarities between .cam and .com in appearance, sound and meaning. Each includes just three letters beginning with "c" and ending with an "m" which results in striking similarity in appearance and sound. The one letter

difference between the two strings is in his opinion virtually imperceptible. Since .cam possesses no meaning which would serve to distinguish the two strings there is a serious concern for confusion. When considering the striking similarities in appearance, sound and meaning he finds a strong probability of confusion. Mr. Walsh concludes that .cam and .com are confusingly similar.

VeriSign also relies upon a survey conducted by Hal L. Poret who found there to be a 39% level of confusion attributable to the similarity between .cam and .com. This is a high rate of confusion suggesting probable and indeed a substantial likelihood of confusion among Internet users. Mr. Poret has designed, supervised and implemented more than 450 consumer surveys concerning consumer perception, opinion and behaviour. He has been accepted as an expert on numerous occasions by US courts and trademark regulators. He holds a Masters degree in mathematics and a JD from Harvard Law School. The survey he conducted was extensive and sophisticated.

VeriSign tenders the affidavit of Gail Stygall as an expert linguist in support of the objection to the .cam string. She is a Professor of English language and an adjunct Professor of linguistics at the University of Washington in Seattle. Ms. Stygall has a PhD in English language and has conducted research on how ordinary people understand complex language such as that employed in the legal or financial communities. Ms. Stygall conducted an analysis to determine whether or not on grounds of visual aural and semantic similarities the proposed .cam string would likely prove confusing to consumers. She took into account the same considerations as Mr. Walsh involving the .cam and .com strings having three letters with the first and last letters exactly the same. Ms. Stygall focuses on the similarity of sound and the way that the two terms would be pronounced. She concludes that the opportunity for confusion among consumers is significant. Likewise the shapes of the letter a and the letter o are similar and could be easily confused. Based on these linguistic similarities Ms. Stygall concludes that it is probable, not merely possible, that Internet users who encounter .cam are likely to be confused with the domain name .com.

In addition VeriSign argues that the commercial strength and popularity of the .com TLD, combined with potential overlapping marketing channels of .com and .cam are further factors that established a likelihood of confusion. VeriSign acknowledges the Applicant's intention to make the .cam string available to any persons intending to use a domain name for purposes related to cameras, photography or filmmaking. Accordingly the .cam string will be a broad use TLD generally available to all registrants thus leading to overlapping marketing channels. There is a danger that the overlap in marketing channels will become even broader in the future because marketing methods are subject to change. Internet users might reasonably mistake .cam for VeriSign's well-known .com TLD.

VeriSign argues that the confusion involving .cam and .com will result in harm to Internet users generally as well as to VeriSign particularly. Users looking for a domain registered in the .com TLD may instead find a domain registered in the .cam TLD. This will result in harm to users who reach an unintended website. If a user signs up for the .cam domain name unintentionally, that user will be harmed by not receiving what is expected. Rather than obtaining a large TLD

with superior performance, security, stability users will obtain a start-up TLD without any of those attributes.

VeriSign states that it will suffer economic harm when users are diverted from its registry services. VeriSign relies upon the declaration of Joseph Waldron, Director of Product Management at VeriSign. Mr. Waldron chronicles the history of VeriSign having been chosen to serve as the exclusive registry operator of the .com TLD by the National Science Foundation. The operation of the registry has been subject to the terms of a Cooperative Agreement between VeriSign and the National Science Foundation or its successor, the Department of Commerce, since 1993. He notes the fact that the .com TLD has had a unique record of 100% resolution uptime for more than 15 years. No other registry has a comparable record of security and stability. The .com registry is based on a specially designed, purpose built proprietary system. The .com TLD was among the first to introduce services such as malware scanning products, a Registry Lock Service, Two Factor Authentication and botnet check automation services. Users of the .com registry derive significant benefit from these services. No other registries have a comparable level of security or reliability of service. Mr. Waldron believes that VeriSign will suffer economic harm if users are diverted away from its registry services due to confusing similarity with the applied for .cam TLD. The VeriSign brand will further suffer harm as a result of users having a negative experience, believing the .cam TLD is affiliated with, associated with or endorsed by .com.

In conclusion VeriSign argues that visual similarity, phonetic similarity, an absence of distinctive meanings and similarity based on context and overall impressions leads to a significant probability of confusion between the .com string and the applied for .cam string. Similar methodologies adopted in trademark cases demonstrate that where two marks are confusingly similar based on overall impression and the context in which they are found an objection should be sustained. The commercial strength of the .com mark is one of the factors that militates against the new .cam extension being allowed. Casual Internet users are not likely to exercise a high degree of care when exposed to new TLDs.

Position of the Applicant dot Agency Limited

In the Response to the Objection, dot Agency Limited (“dot Agency”) argues that there is a distinction to be made between the concepts of confusing similarity and likelihood of confusion. The former weighs visual, phonetic and conceptual similarity between words while the latter considers the circumstances in which trademarks are used. There is said to be less relevance in considering context when looking at new TLD’s and a greater emphasis upon visual, phonetic and conceptual similarity. The test for considering new TLD’s and their similarity to existing TLD’s is that it must be probable that confusion will arise between them in the mind of the average, reasonable Internet user with the pivotal emphasis squarely on visual, phonetic and conceptual similarity. The string confusion ground for objection is said to be particularly burdensome for existing TLD’s because ICANN has stated as a matter of principle that the confusion ground for objection is not to be a general veto for incumbents.

The dot Agency response to the VeriSign objection is that .cam is visually distinct from .com. Although the two strings are composed of the same number of characters neither has the same

combination of letters. The report of C.J. Storey – Whyte PhD of Audio Lex is relied upon by dot Agency to establish that there are obvious phonological and semantic as well as connotational and denotational differences between the two terms. Dr. Storey – Whyte disagrees with the VeriSign expert evidence establishing visual and aural similarities between .cam and .com. Dr. Storey – Whyte reviewed the Stygall declaration submitted with the VeriSign objection but adopted a different methodology in examining the linguistic similarities between the two terms. She notes that the suffix “cam” meaning pertaining to cameras dates back to at least the year 1935 when there was a reference in Time magazine introducing the term “minicam”. She also reviews more modern uses of the suffix including helmetcam and WebCam. Under the heading “Pronunciation and articulation”, Dr. Storey – Whyte concludes that even with the most extreme pronunciation of the two sounds there is no overlap. Under the heading “Phonemes, allophones and the sounds of speech”, she concludes that the vowel sounds in “com” and “cam” are phonemes. Substituting the sounds in the words changes their meaning. A comparison is made to the terms “RAM” and “ROM” which are semantically much closer but unlikely to cause confusion. The letters “a” and “o” are visually distinct in typewritten form and voice controlled computing such as with SIRI makes an acoustic phonetic distinction to ensure that the right target is reached. Dr. Storey – Whyte concludes that the terms .cam and .com are phonologically, pragmatically, morphologically and etymologically different.

The high visual similarity of 63% between .com and .cam under the String Similarity Assessment Tool (“SWORD”) algorithm is recognized by dot Agency but argues that this is a relatively low score considering that there are at least 793 existing TLD’s with a higher sword score to .com than .cam. Therefore it can be said that .cam and .com can clearly coexist in the marketplace without causing confusion.

The applicant dot agency also argues that the .com suffix is a generic and a very weak trademark. Reference is then made to various court decisions in trademark cases in which marks such as ECA and ECO were found visually distinct notwithstanding that they shared letters. Commercial strength is said by dot agency to be irrelevant two generic words like Palm which is not a trademark that identifies the source of a product. The .com brand may be unique, strong and well-established but it is a generic name that can never function as a trademark to indicate origin.

The expert evidence tendered in support of the VeriSign objection including the evidence of the linguistics expert Gail Stygall and the trademark expert James T. Walsh are challenged on the basis that they are reports that are not based on any quantitative analysis, survey, or study of consumer understanding of the words that issue. It is said that those reports are based solely on linguistic dissection of the terms CAM and COM completely disassociated from the context in which they are used.

The dot Agency response to the VeriSign objection argues that the terms COM and CAM are clearly distinct when spoken and have an entirely separate meaning with the word CAM meaning or pertaining to cameras.

The Poret survey is challenged on the basis that it relies upon the wrong universe. If the wrong people are canvassed the results are likely to be irrelevant. The rebuttal survey of Professor Michael J. Barone is tendered in response. Prof. Barone concludes that the Poret Survey does

not adequately target Internet users, registrants and registrars. In particular it is important to canvas actual consumers searching the Internet for camera related interests. Prof. Barone is a Professor of marketing and University Scholar at the University of Louisville. He has a PhD in marketing. He concludes that the Poret Survey is fundamentally flawed. Surveys involving consumer behaviour associated with Internet searches must seek to replicate the thought process of consumers in the relevant marketplace. Prof. Barone concludes that the significant flaws in the Poret Survey introduce significant levels of bias into the results to support and reinforce the erroneous conclusion that there is a potential for likelihood of consumers confusing the .cam and .com TLDs.

The VeriSign evidence of harm as contained in the declaration of Joseph Waldron is said to be self-serving and unreliable and entitled to little weight. Because .com is generic it is entitled to little protection as a recognized Mark. When encountered on the Internet the word COM does not serve as a source identifying function in connection with VeriSign.

dot Agency argues that VeriSign has failed to prove any valid basis for objection to the .cam string. The dot Agency argument is that reasonable, prudent and experienced Internet users exercise a considerable degree of care online and there is no basis to assume that casual Internet users are likely to exercise a low degree of care when exposed to or interacting with TLDs.

In conclusion dot Agency argues that .com and .cam are clearly different in sight, sound and meaning, that there is no confusing similarity and that the two strings can coexist.

Discussion and Findings

Having considered the competing expert evidence tendered by the Objector VeriSign and the Applicant dot Agency, I am not satisfied that a case has been made out for a string confusion objection based on a probability that an average, reasonable Internet user would be confused by the similarities in the proposed .cam TLD and the existing .com TLD

There are some similarities both visually and phonetically between the two strings but there is not that degree of similarity that would give rise to a sustainable string confusion objection. The .com extension is universally recognized by Internet unit users as denoting commercial websites. The average Internet user would immediately recognize the distinction between .cam and .com.

The Poret Survey tendered by VeriSign is limited in its reach. It does not form a sufficient foundation for a conclusion that the average Internet user would be confused by the string .cam or be inclined to think that there is some association with the .com string.

The report of Prof. Barone tendered by dot Agency demonstrates the complexity of linguistic analyses with many variables ranging from pronunciation to recognized usages of particular terms. I accept much of the critique of the of the Poret Survey as detailed in the rebuttal report of Michael Barone and I agree with Prof. Barone's conclusion that the best target audience would be prospective purchasers of camera related products. The average Internet user surfing the web today would instantly recognize the difference between a .com website and a .cam

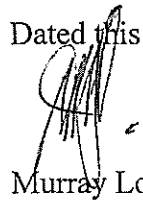
website and would intuitively recognize the .cam suffix as meaning or pertaining to camera related content.

The test for deciding a string confusion objection is whether or not the new gTLD is confusingly similar to an existing top-level domain name. The party filing an objection must establish on a balance of probabilities that an average, reasonable Internet user will be confused by the similarity in the proposed and existing domain names. I do not accept the proposition put forward by dot Agency to the effect that the Internet extensions under discussion should not be considered in context when deciding a string confusion objection. It is not just the visual, phonetic and conceptual similarity between the words that must be taken into account. In my view the greater emphasis should be focused on the use of the disputed extensions in the context of modern Internet usage. It is this context that compels the conclusion that an average Internet user would not be confused and would know that a .com website is probably a commercial website while a .cam website would be something more focused in a particular field. The .com TLD is the most widely recognized extension in the Internet world. No reasonable Internet user would fail to recognize the ubiquitousness of the .com TLD. The very reputation of the .com name serves to limit the potential for an average Internet user to be confused by the proposed .cam TLD.

Determination

For these reasons the Applicant has prevailed and the Objection is dismissed.

Dated this 13th day of August 2013



Murray Lorne Smith

Sole Expert Panelist