

## **EXPERT DETERMINATION LEGAL RIGHTS OBJECTION**

Merck KGaA v. Merck Registry Holdings, Inc.

Case No. LRO2013-0009

### **1. The Parties**

Objector/Complainant is Merck KGaA, Germany, represented by Bettinger Schneider Schramm, Germany.

Applicant/Respondent is Merck Registry Holdings, Inc., United States of America represented by Hogan Lovells (Paris) LLP, France.

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

The applied-for gTLD string is <.merck> (the “Disputed gTLD String”).

### **3. Procedural History**

The Legal Rights Objection (“LRO”) was filed with the WIPO Arbitration and Mediation Center (the “WIPO Center”) on March 12, 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 20, 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”).

The WIPO Center received a proposal from Objector to consolidate the LRO Objections WIPO Case No. LRO2013-0009, WIPO Case No. LRO2013-0010 and WIPO Case No. LRO2013-0011 on April 23, 2013. Respondent indicated opposition to aspects of the consolidation proposal. In accordance with Article 12 of Procedure and Paragraph 7(d) of the WIPO Rules for New gTLD Dispute Resolution, the WIPO Center has not made a decision to consolidate the WIPO Case No. LRO2013-0009, WIPO Case No. LRO2013-0010 and WIPO Case No. LRO2013-0011 for purposes of Article 12(b) of the Procedure.

In accordance with Article 11(a) of the Procedure, the WIPO Center formally notified Respondent of the Objection, and the proceedings commenced on April 16, 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.

Following initial party communications concerning options for mediation pursuant to Article 16(d) of the Procedure and Paragraph 12 of the WIPO Rules for New gTLD Dispute Resolution, the Parties in the end did not proceed to such mediation.

The WIPO Center appointed Willem J.H. Leppink as the Panel in this matter on June 14, 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.

On June 18, 2013, further to a request from Objector, the Panel issued Panel Order No. 1 in which Objector was granted permission to submit a short reply of maximum five pages (including any possible Annexes) ("Reply") and giving Applicant permission to submit a rejoinder of a similar size ("Rejoinder"). The Panel ordered that the Reply should be limited to observations and arguments relating to new or unforeseen arguments brought forward by Applicant in the Response and that the Rejoinder should only relate to observations and arguments brought forward in the Reply. The Panel communicated that it will disregard any other observations and arguments in the Reply and Rejoinder. The Panel ordered that the Reply should be filed electronically with the WIPO Center by June 21, 2013 and that the Rejoinder should be filed electronically with the WIPO Center within three working days after the WIPO Center acknowledged receipt of the Reply.

The Reply was received by the WIPO Center on June 21, 2013. On June 24, 2013, Applicant objected to the fact that the Panel granted the opportunity to file additional submissions and objected to the fact that it was granted a deadline for the Rejoinder of three working days after the WIPO Center acknowledged receipt of the Reply. On June 27, 2013, Applicant submitted the Rejoinder, named "Applicant/Respondent's Reply to Unsolicited Supplemental Filing from Objector", reserving the right to amend and supplement this submission.

On June 27, 2013, the Panel issued Panel Order No. 2 in which the Panel granted Applicant a ten-day extension to amend and supplement the Rejoinder. Within this period of ten days after June 27, 2013, Applicant has not submitted any document to amend and supplement the Rejoinder it had previously submitted.

#### **4. Factual Background**

##### **Objector**

Objector is a German partnership limited by shares, located in Darmstadt, Germany. It is one of the world's oldest chemical and pharmaceutical companies. It has been an industry leader since its founding as the Engel-Apotheke (Angel Pharmacy) in 1668. It operates its worldwide business in more than 180 countries through over 250 affiliated companies which use Merck as the sole element or as component of their company name.

Objector is the owner of various trademark registrations in countries throughout the world for the word mark MERCK for *inter alia* pharmaceutical products, including the German trademark filed on January 11, 1900 (registration number) DD45659 and the Community Trademark applied for on April 1, 1996 (registration number 283986).

##### **Applicant**

Applicant of the Disputed gTLD String, Applicant in this Procedure, is a United States company, located in Whitehouse Station, New Jersey. The parent of Applicant is Merck Sharp & Dohme Corp. and the ultimate

parent of Applicant is Merck & Co., Inc. that is also located in Whitehouse Station, New Jersey<sup>1</sup>. Applicant is one of the largest pharmaceutical companies in the world.

Applicant is the owner of *inter alia* a United States trademark MERCK (stylized), with a registration date of February 15, 1916 (registration number 108566) and United States trademark MERCK (word mark) with a registration date of June 30, 1998 (registration number 2169031). Merck Canada Inc., a Canadian company, is the owner of a Canadian trademark MERCK (word mark) with a registration date September 13, 1951 (registration number UCA40567). The trademarks are registered for *inter alia* pharmaceutical products.

Applicant is the owner and operator of the website “www.merck.com”.

Applicant also owns various trademark registrations for MERCK SHARPE & DOHME throughout the world, outside Canada and the United States.

Applicant’s application for the Disputed gTLD String was originally posted on June 13, 2012 under Application ID: 1-1702-28003. In that application the mission/purpose of the application was described *inter alia* in the following terms:

“The potential use of the .MERCK gTLD by these or other business segments will primarily be driven by MSD’s future business strategies as identified in its annual report and investor filings, see ‘<http://www.merck.com/investors/home.html>’. The intended future mission and purpose of the .MERCK gTLD is to serve as a trusted, hierarchical, and intuitive namespace for MSD and end-users, and potentially MSD’s qualified subsidiaries and affiliates and potentially its licensees and other strategic parties.”

### **The common history of Objector and Applicant**

The groups of companies of Objector and Applicant have a common history. Applicant was founded as subsidiary of Objector. It has become an independent American company at the end of the First World War as a result of United States confiscation legislation.

In the 1930s the groups of companies of Objector and Applicant agreed on co-existence. The group of companies of Applicant obtained the right to use the name MERCK in the United States and Canada. The group of companies of Objector obtained the right to use the name MERCK everywhere except outside the United States and Canada. The co-existence agreements were amended in the 1970s.

## **5. Parties’ Contentions**

### **A. Objector**

Objector’s case is in essence straightforward. It asserts trademark rights for MERCK, to which it contends the Disputed gTLD String is identical.

Objector is a company that long ago was part of a single organization with Applicant. Since the split, both Objector and Applicant have used MERCK marks in countries around the world pursuant to a series of co-existence agreements. Applicant has taken numerous steps in an unauthorized attempt to dramatically expand its use of the MERCK mark in direct violation of Objector’s legal rights, and in a manner contrary to the provisions of the co-existence agreements.

Applicant has also registered the domain name <merck.com> and various other domain names which

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<sup>1</sup> As both Objector and Applicant have included in their submissions that, although Applicant, Merck Sharp & Dohme Corp and Merck & Co are distinct legal entities, references to Applicant are deemed to include references to Merck Sharp & Dohme Corp and/or Merck & Co, the Panel will follow this example where there is no useful purpose served in identifying any particular of these companies.

include the element “merck” and also use the same name for social media such as Facebook, Twitter, LinkedIn and YouTube. All of the above websites are not geo-limited to views in North America. These activities are outside the boundaries of the co-existence agreements and constitute an infringement of Objector’s rights. Applicant and Objector (and/or its group companies) are currently involved in legal proceedings before the District Court of Hamburg, Germany and are preparing additional legal measures.

Applicant is not limiting the registration of domain names under the Disputed gTLD String to corporate entities in North America, despite the fact that registration of such names would violate Objector’s rights. In addition the space would also be opened to Applicant’s licensees or strategic parties without any geographical limitation. Finally, Applicant’s intention is to expand use beyond corporate use, again without any geographical limitation.

Contrary to Applicant, Objector uses geo-targeting tools to ensure that visitors from North America cannot access website content in which Objector is identified as “Merck”. Internet users in North America that enter “www.merck.de” into a browser will be redirected to “www.emdgroup.com”.

## **B. Applicant**

Applicant expressly denies Objector’s contentions.

Objector has in addition to the proceedings in Hamburg, also commenced legal proceedings in the United Kingdom of Great Britain and Northern Ireland claiming trademark infringement and breach of the co-existence agreements.

Applicant cannot address Objector’s claims without influencing the wider litigation action and requests the Panel to terminate the Procedure as per Paragraph 13(b) of the WIPO Rules for New gTLD Dispute Resolution, which state: “In the event of any legal proceedings initiated prior to or during a proceeding conducted under the Procedure, the Panel shall have the discretion to decide whether to suspend or terminate such proceeding under the Procedure, or to proceed to an Expert Determination.”

Applicant does not believe that the Procedure, due to the current litigation in two jurisdictions, is the appropriate forum.

Objector is a German company. Its parent long ago was part of a single organization with Applicant. That single entity was split into two nearly one hundred years ago. Since then, both Objector and Applicant have used MERCK marks in countries around the world pursuant to a series of co-existence agreements.

The other contentions of Applicant and rebuttals to the contentions of Objector will be discussed in the Discussion and Findings.

## **6. Discussion and Findings**

### **Preliminary matter: Applicant’s request for termination**

Applicant has requested termination of the Procedure due to the pending litigation in the United Kingdom and Germany.

Pursuant to Paragraph 13(b) of the WIPO Rules for New gTLD Dispute Resolution the Panel has the discretion to decide whether to suspend or terminate the Procedure or to proceed to an Expert Determination. Applicant has hardly substantiated its request for termination. Without giving further details it has only argued that if it would address Objector’s claims that it would influence the wider litigation action and that the Procedure is not the appropriate forum.

The Panel does not agree. Applicant has submitted a lengthy Response giving many arguments why the

Panel should reject the Objection. The Panel is not convinced that Applicant's position is affected by the Panel proceeding to an Expert Determination.

## **Introduction**

Pursuant to Section 3.2.1 of the ICANN gTLD Applicant Guidebook (version 2012-06-04 Module 3) (the "Guidebook") a formal objection to an application for a New gTLD may be filed on any one of four grounds, one of which is the Legal Rights Objection. The basis for a Legal Rights Objection is that "the applied-for gTLD string infringes the existing legal rights of the objector".

By virtue of Section 3.2.2.2 of the Guidebook: "A rightsholder has standing to file a legal rights objection. The source and documentation of the existing legal rights the objector is claiming (which may include either registered or unregistered trademarks) are infringed by the applied-for gTLD must be included in the filing."

Accordingly, for a Legal Rights Objection to succeed Objector has to satisfy the Panel that it has relevant existing legal rights and that use of the string comprising the potential new gTLD infringes those rights.

Guidance as to how the Panel is to approach Legal Rights Objections may be found in Section 3.5.2 of the Guidebook, which reads as follows:

"In interpreting and giving meaning to GNSO Recommendation 3 ('Strings must not infringe the existing legal rights of others that are recognized or enforceable under generally accepted and internationally recognized principles of law'), a DRSP panel of experts presiding over a legal rights objection will 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 registered or unregistered 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 ...."

The Guidebook then goes on to provide that where the objection is based on trademark rights, the panel will consider eight listed non-exclusive factors. The Panel will deal with each of these factors further below.

## **Objector's Existing Legal Rights**

As discussed above, Section 3.2.2.2 of the Guidebook requires that "[t]he source and documentation of the existing legal rights the objector is claiming (which may include either registered or unregistered trademarks) are infringed by the applied-for gTLD must be included in the filing".

Objector has provided sufficient evidence that it is the owner of various trademark registrations in countries throughout the world for the word mark MERCK for *inter alia* pharmaceutical products, including the German trademark filed on January 11, 1900 (registration number) DD45659 and the Community Trademark applied for on April 1, 1996 (registration number 283986). The Panel therefore finds that Objector has standing in the present case.

## **Trademark Infringement**

Objector contends that Applicant by operating the Disputed gTLD String would infringe Objector's trademarks as the Disputed gTLD String will not only be used in North America where Applicant has rights, but also outside North America where Objector has trademark rights.

Objector contends that this Objection is valid and should be upheld because the potential use of the Disputed gTLD String by Applicant:

- (i) takes unfair advantage of the distinctive character or the reputation of Objector's registered trademark; and/or

- (ii) unjustifiably impairs the distinctive character or reputation of Objector's registered trademark; and/or
- (iii) otherwise creates an impermissible likelihood of confusion between the Disputed gTLD String and Objector's mark.

If Applicant is granted the Disputed gTLD String necessarily, as contended by Objector, Applicant will be using MERCK in territories where Objector has rights; it will thus be using in certain territories a sign which is identical to Objector's trademark in relation to identical or similar services.

This is the essence of this dispute between the Parties. Objector has rights to use MERCK in certain parts of the world and Applicant has rights to use MERCK in other parts of the world.

The starting point of this case is that Objector and Applicant are both *bona fide* users of the MERCK trademark, albeit for different territories.

The question is whether a *bona fide* trademark owner that owns trademark rights in certain countries but does not have rights to a certain trademark in all countries of the world, should for that reason be prevented from obtaining a gTLD. In the view of the Panel, such a proposition does not make sense. If the opposite view would be accepted, it would be expected from any trademark owner interested in a gTLD to have trademark registrations in all countries of the world as otherwise another party could register one trademark in an "uncovered" country and thus prevent the first trademark owner from applying for and using its own gTLD.

In essence there should not be a significant difference between the criteria for the legal rights objection as included in the Guidebook on the one hand and the provisions included in the Uniform Domain Name Dispute Resolution Policy ("UDRP"). If the applicant for a new gTLD is *bona fide*, it will not be likely that one of the three criteria will be met. It might be that advantage of the distinctive character or the reputation of the objector's registered trademark is taken, but it is then likely not unfair. It might be that the distinctive character or reputation of the objector's registered trademark is being impaired, but it is likely justified. It might be that a likelihood of confusion between the Disputed gTLD String and the objector's mark is created, but it is not necessarily impermissible.

Of course a rejection of the Objection does not preclude Objector from taking regular legal action should the use of the Disputed gTLD String by Applicant be infringing. It is, however, not for this Panel to anticipate all the possible types of use Applicant could make of the Disputed gTLD String.

It is also not for this Panel to interpret the existing coexistence agreements and arrangements between the Parties. Should the application of a new gTLD allegedly violate any such agreement or arrangement, it will be for the Parties to settle their dispute by means of the dispute resolution provisions of the contracts governing their relationship or as provided under applicable law.

For the aforementioned reasons the Panel rejects the Objection.

In reaching the above conclusion, the Panel has considered the following non-exclusive list of eight factors.

The Panel addresses each of them in turn:

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

To give effect to this factor, the Guidebook as such does not provide for any details. The Panel takes the view that at a global level and in relation to Internet identifiers, the most suitable detailed test to apply is the test for the first element under the UDRP. The WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition ("WIPO Overview 2.0") in that sense may be taken to reflect internationally recognized principles of law in relation to Internet identifiers.

WIPO Overview 2.0 describes this test as follows:

“The first element of the UDRP serves essentially as a standing requirement. The threshold test for confusing similarity under the UDRP involves a comparison between the trademark and the domain name itself to determine likelihood of Internet user confusion. In order to satisfy this test, the relevant trademark would generally need to be recognizable as such within the domain name, with the addition of common, dictionary, descriptive, or negative terms [regarding the latter see further paragraph 1.3 below] typically being regarded as insufficient to prevent threshold Internet user confusion. Application of the confusing similarity test under the UDRP would typically involve a straightforward visual or aural comparison of the trademark with the alphanumeric string in the domain name. While each case must be judged on its own merits, circumstances in which a trademark may not be recognizable as such within a domain name may include where the relied-upon mark corresponds to a common term or phrase, itself contained or subsumed within another common term or phrase in the domain name (e.g. trademark HEAT within domain name theatre.com).

However: Some panels have additionally required that, for a domain name to be regarded as confusingly similar to the complainant's trademark, there must be a risk that Internet users may actually believe there to be a real connection between the domain name and the complainant and/or its goods and services. Such panels would typically assess this risk having regard to such factors as the overall impression created by the domain name, the distinguishing value (if any) of any terms, letters or numbers in the domain name additional to the relied-upon mark, and whether an Internet user unfamiliar with any meaning of the disputed domain name seeking the complainant's goods or services on the world wide web would necessarily comprehend such distinguishing value vis-à-vis the relevant mark.

The applicable top-level suffix in the domain name (e.g., ".com") would usually be disregarded under the confusing similarity test (as it is a technical requirement of registration), except in certain cases where the applicable top-level suffix may itself form part of the relevant trademark. The content of a website (whether it is similar to or different from the business of a trademark holder) would usually be disregarded in the threshold assessment of risk of confusing similarity under the first element of the UDRP, although such content may be regarded as highly relevant to assessment of intent to create confusion (e.g., within a relevant market or language group) under subsequent UDRP elements (i.e., rights or legitimate interests and bad faith).”

As Objector's trademark MERCK is the essence of the Disputed gTLD String, the Panel finds that the Disputed gTLD String and Objector's trademark are identical.

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

Objector and Applicant share a common history in relation the trademark MERCK and there is nothing before the Panel that suggests that Objector's acquisition and use of rights in the mark has not been *bona fide*.

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 Objector, of Applicant or of a third party.

There is no doubt that in certain markets there is recognition in the relevant sector of the public that MERCK is the mark of Objector and that in other markets it is the sign of Applicant. No relevant information is before the Panel as to third-party rights.

iv. Applicant's intent in applying for the gTLD, including whether Applicant, at the time of application for the gTLD, had knowledge of Objector's mark, or could not have reasonably been unaware of that mark, and including whether Applicant 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.

Applicant had – given the common history referred to above – obviously knowledge of Objector's mark.

There is, however, nothing before this Panel that would lead to the conclusion Applicant 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.

v. Whether and to what extent Applicant 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 Objector of its mark rights.

This factor will be discussed together with the factor mentioned under vi.

vi. Whether Applicant 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 Applicant is consistent with such acquisition or use.

Applicant has used MERCK for many years in connection with the *bona fide* offering of goods and services and owns trademarks for MERCK in North America. In the view of the Panel such *bona fide* use as such does not interfere with the legitimate exercise by Objector of its trademark rights. If Applicant would use the Disputed gTLD String in a way that infringes the rights of Objector, Objector shall be free to take the appropriate legal measures. The purported use of the Disputed gTLD String by Applicant is consistent with use Applicant has made of the MERCK trademarks.

vii. Whether and to what extent Applicant has been commonly known by the sign corresponding to the gTLD, and if so, whether any purported or likely use of the gTLD by Applicant is consistent therewith and *bona fide*.

Applicant has been commonly known by the name MERCK as it is the distinctive element of its full name. Given the fact that also parts of the group of companies to which Applicant belongs use the trademark MERCK as trade name, the Panel considers that Applicant is commonly known by a sign that corresponds to the Disputed gTLD String. As discussed above, the Panel does not see that use Applicant would make of the Disputed gTLD String would not be consistent or *bona fide*.

viii. Whether Applicant's intended use of the gTLD would create a likelihood of confusion with Objector's mark as to the source, sponsorship, affiliation, or endorsement of the gTLD.

It is possible that Applicant's use of the Disputed gTLD String could create a likelihood of confusion with Objector's mark as to the source, sponsorship, affiliation, or endorsement of the Disputed gTLD String. However, such possible confusion would not be greater than any that may already exist as a result of two similar companies using a similar trademark as the result of a common history. Applicant has made it clear that it will take all necessary measures, including geo-targeting, to avoid that Internet users in the territories in which Objector has trademark rights, will be able to visit websites that use the Disputed gTLD String. Should Applicant use the Disputed gTLD String in a way that infringes the rights of Objector, Objector shall be free to take the appropriate legal measures.

Against this background, the Panel on the record before it determines that the Objection fails. The Panel adds here that this finding is without prejudice to any judicial proceedings existing now or in future involving the Parties.

## 7. Decision

The Panel finds that the potential use of the Disputed gTLD String by Applicant does not:

(i) take unfair advantage of the distinctive character or the reputation of Objector's registered or unregistered trademark or service mark, or



(ii) unjustifiably impair the distinctive character or the reputation of Objector's mark, or

(iii) otherwise create an impermissible likelihood of confusion between the Disputed gTLD String and Objector's mark.

The Panel rejects the Objection.

[signed]

**Willem J.H. Leppink**

Sole Panel Expert

Date: September 6, 2013

## ADDENDUM

I refer to a communication by the Objector in WIPO cases LRO2013-0009, LRO2013-0010, LRO2013-0011, forwarded by the WIPO Arbitration and Mediation Center on September 23, 2013 under the following cover e-mail message:

“Please find attached a document which the WIPO Arbitration and Mediation Center has received today from the Objector in WIPO Cases LRO2013-0009/10/11. With this document, the Objector seeks revision of the Expert Determinations in these cases on the basis of an apparent error of fact forming part of the record underlying the Expert Determinations, coupled with an asserted mistaken reliance on UDRP principles.

While an LRO party may avail itself of other options that may exist, the WIPO Center stresses that the applicable Procedure does not foresee the possibility of an appeal within the LRO system, and that the role of a Panel concludes with the issuance of the Expert Determination. While fully respecting these conditions, the WIPO Center finds it appropriate to inform you about the aforementioned document.

(At this stage the WIPO Center has not received a reaction from the Applicant, whom the Objector has copied. Only for the event you would wish to let the WIPO Center have a material reaction on your part, you may wish to consider obtaining an Applicant reaction through the WIPO Center.)”

In the circumstances, the Panelist finds it appropriate to react as follows, and for this reaction (including the above paragraphs) to be published as an addendum to the Expert Determinations issued in LRO2013-0009, LRO2013-0010 and LRO2013-0011.

It is correct that the Expert Determinations under 6. (Discussion and Findings) under the heading Trademark Infringement, under non-exclusive factor viii, should not have included the following sentence:

“Applicant has made it clear that it will take all necessary measures, including geo-targeting, to avoid that Internet users in the territories in which Objector has trademark rights, will be able to visit websites that use the Disputed gTLD String.”

Such inadvertent inclusion has resulted from parallels which exist more generally, on the level of pleadings and expert determinations, between LRO2013-0068, LRO2013-0069, LRO2013-0009, LRO2013-0010 and LRO2013-0011.

Having noted this, the Panelist should make clear that, in reviewing LRO2013-0009, LRO2013-0010 and LRO2013-0011, he was in fact aware of the distinction in this regard, as reflected in the pleadings as cited and summarized in the Expert Determinations, between the latter three cases and cases LRO2013-0068 and LRO2013-0069 in relation to the competing applications at stake.

In any event, the Panelist considers it important to confirm that the above-mentioned sentence as such is immaterial to the conclusion which the Panelist reached in rejecting the Objections.

That conclusion is phrased on page 6 of the Expert Determinations and rests on the following considerations expressed therein:

“The question is whether a bona fide trademark owner that owns trademark rights in certain countries but does not have rights to a certain trademark in all countries of the world, should for that reason be prevented from obtaining a gTLD. In the view of the Panel, such a proposition does not make sense. If the opposite view would be accepted, it would be expected from any trademark owner interested in a gTLD to have trademark registrations in all countries of the world as otherwise another party could register one trademark in an ‘uncovered’ country and thus prevent the first trademark owner from applying for and using its own gTLD.

In essence there should not be a significant difference between the criteria for the legal rights objection as included in the Guidebook on the one hand and the provisions included in the Uniform Domain Name Dispute Resolution Policy ('UDRP'). If the applicant for a new gTLD is bona fide, it will not be likely that one of the three criteria will be met. It might be that advantage of the distinctive character or the reputation of the objector's registered trademark is taken, but it is then likely not unfair. It might be that the distinctive character or reputation of the objector's registered trademark is being impaired, but it is likely justified. It might be that a likelihood of confusion between the Disputed gTLD String and the objector's mark is created, but it is not necessarily impermissible."

It is clear from the foregoing, both on a substantive and on a textual level, that these considerations (which, UDRP comparisons notwithstanding, contrary to the Objector's assertion directly apply the specific LRO criteria) are not conditioned on the presence or absence of geo-targeting or similar measures on the part of the Applicant.

The Panelist additionally notes that the Expert Determinations, beyond the above core substantive findings, provide as follows:

"Of course a rejection of the Objection does not preclude Objector from taking regular legal action should the use of the Disputed gTLD String by Applicant be infringing. It is, however, not for this Panel to anticipate all the possible types of use Applicant could make of the Disputed gTLD String.

It is also not for this Panel to interpret the existing coexistence agreements and arrangements between the Parties. Should the application of a new gTLD allegedly violate any such agreement or arrangement, it will be for the Parties to settle their dispute by means of the dispute resolution provisions of the contracts governing their relationship or as provided under applicable law."

The Panelist trusts that the above in any event serves to clarify the factual record of cases LRO2013-0009, LRO2013-0010 and LRO2013-0011 as compared to cases LRO2013-0068 and LRO2013-0069.

Willem Leppink  
September 24, 2013