

EXPERT DETERMINATION LEGAL RIGHTS OBJECTION

Defender Security Company v. Merchant Law Group LLP

Case No. LRO2013-0036

1. The Parties

The Objector/Complainant is Defender Security Company of Indianapolis, Indiana, United States of America (“US”), represented by Maginot, Moore & Beck, US (“Objector”).

The Applicant/Respondent is Merchant Law Group LLP of Regina, Saskatchewan, Canada represented by Rodenbaugh Law, US (“Respondent”).

2. The applied-for gTLD string

The applied-for gTLD string is <.home>.

3. Procedural History

The Legal Rights Objection was filed with the WIPO Arbitration and Mediation Center (the “WIPO Center”) on March 13, 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 26, 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).

In accordance with Article 11(a) of the Procedure, the WIPO Center formally notified the Respondent of the Objection, and the proceedings commenced on April 17, 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 17, 2013.

The WIPO Center appointed Andrew D. S. Lothian 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.

4. Factual Background

The Objector is Defender Security Company, an Indiana corporation. The Objector notes that it was incorporated in 1998 to market, sell and install residential security systems and has since grown to become the second largest provider of such systems in the US. The Objector states that it also markets, sells and installs residential heating, cooling, ventilation and plumbing products and offers domain name registry and registrar services through the site "www.dothome.net". The Objector says that it serves customers from more than 140 locations across the US and annually makes some 8 billion marketing impressions in print media together with millions of outbound sales and marketing calls. The Objector states that it benefits from millions of visitors to its various websites and millions of inbound customer calls to its three call centers.

The Objector is the owner of US Trademark Registration Number 3404246 for the standard character (word) mark TRUE HOME ("the US Mark"). The US Mark was filed on December 21, 2006 and registered on April 1, 2008 in international class 42. The registrant and original owner of the US Mark was an individual named Mr. Carl Simpson. According to the entry for the US Mark on the United States Patent and Trademark Office ("USPTO") website, Mr. Simpson assigned his entire interest in the US Mark to the Objector by assignment executed on August 26, 2012 and recorded by the USPTO on August 29, 2012.

The Objector states that it is also the owner of US Trademark Registration 4093921 for the word mark TRUE BLUE. According to the USPTO website, the said trademark was registered on January 31, 2012 in international class 11.

The Objector states that it is also the owner of European Community Trademark Registration Number 010535201 ("the European Mark") for a figurative mark consisting of a graphic representation of a house within a speech bubble which in turn is attached to the stylized word ".HOME". The European Mark is however owned by an organization named DotHome Limited of Limassol, Cyprus. An online query made on the website of the Department of Registrar of Companies and Official Receiver, Cyprus, produced by the Respondent, specifies that DOTHOME LIMITED, company number HE 303807, was registered on March 28, 2012. The European Mark was filed on December 30, 2011 and registered on June 22, 2012 in international classes 35, 42 and 45. It is currently subject to a pending cancellation application filed by the Respondent dated May 15, 2013.

The Objector has made further applications for US trademarks which are still pending, namely Serial Numbers 85588370 and 85588382, both filed on April 3, 2012, for figurative marks containing a design plus the words TRUE.HOME; Serial Number 85721544, filed on September 5, 2012, for the standard character (word) mark TRUE HOME; and Serial Number 85721554, filed on September 5, 2012, for the standard character (word) mark TRUE.HOME.

The Respondent is Merchant Law Group LLP, a Canadian limited liability partnership with its principal place of business in Canada. The Respondent has applied to the Internet Corporation for Assigned Names and Numbers ("ICANN"), in terms of ICANN's New gTLD Program, for permission to operate the gTLD string <.home>.

5. Parties' Contentions

A. Objector

The Objector contends that it has standing under the Procedure and that the potential use of the applied-for gTLD by the Respondent (i) takes unfair advantage of the distinctive character or the reputation of the Objector's registered trademarks; (ii) unjustifiably impairs the distinctive character or the reputation of the Objector's said marks; and (iii) creates an impermissible likelihood of confusion between the applied-for gTLD and the Objector's said marks.

The Objector asserts that its basis for standing under the Procedure is that it is the owner of various registered trademarks and applications for registered trademarks in respect of the marks TRUE HOME, TRUE.HOME and .HOME, as noted in the Factual Background section above. With regard to the European Mark, the Objector states that the owner, DotHome Limited, is a wholly owned subsidiary of the Objector and that therefore the Objector is authorized to represent the interests of DotHome Limited in the present proceedings.

The Objector submits that the <.home> gTLD string is identical or similar to the Objector's trademarks and would be identified by a consumer with such marks, contending that an assessment of similarity should take account of the overall commercial impression created by the marks in question. The Objector notes that a similarity in sight, sound, and meaning will often denote a similarity in commercial impression. The Objector states that the <.home> gTLD is identical to the "primary formative" of the European Mark and that although the European Mark is a composite mark, the verbal element ".HOME" is dominant in the overall commercial impression of the mark. The Objector adds that the relevant public looking to reserve, register, maintain or manage an Internet domain name would focus on the verbal element ".HOME", which element is identical to the <.home> gTLD in sight, sound and meaning.

The Objector asserts that the <.home> gTLD shares the ".HOME" formative with the Objector's US trademark applications for TRUE.HOME and that the verbal element ".HOME" of such applied-for marks is dominant in the overall commercial impression of the marks and identical to the <.home> gTLD in sight, sound and meaning. The Objector submits that the Respondent's application for the <.home> gTLD should be denied because it will necessarily trade upon the goodwill in the Objector's marks promoted by the Objector's significant marketing efforts; creating a strong likelihood of confusion should the Respondent's application for the <.home> gTLD be approved.

The Objector states that its acquisition and use of the trademarks on which it relies for the purposes of this proceeding occurred in the ordinary course of trade, is a natural extension of its branding strategy and as such is *bona fide* and not merely token use. The Objector adds that the said marks continue to be critical to its growth as a leading home goods and services provider and that the Objector markets itself heavily using all channels of media. The Objector states that the said marks evidence its history of actual and *bona fide* use of the "HOME" and ".HOME" formative in association with home and domain name services.

The Objector states that .HOME is its brand for Internet registry and registrar services. The Objector asserts that since December 2011 it has been a reseller of domains through its wholly owned subsidiary, DotHome Limited, and has used the European Mark to brand its domain reservation website "www.dothome.net." The Objector submits that consumers have grown to identify the .HOME name with the Objector's domain reservation services and that the Objector continues to receive unsolicited requests from the general public to pre-register .HOME domain names. The Objector states that its .HOME brand has at least 20,793 individuals that follow its more than 9,700 "Twitter" account posts under the .HOME trademark with the username "@dot_home", and over 2,700 relative "Facebook" followers. The Objector notes that its "Twitter" and "Facebook" followers include followers in the US, the European Union, and numerous other territories throughout the world. The Objector states that this demonstrates that consumers associate the Objector's .HOME marks with the Objector's services.

The Objector submits that further examples of its *bona fide* use of the HOME and .HOME marks are found in its use of its TRUE HOME trademark, which was in use by December 21, 2006, and its TRUE.HOME mark (application pending) since April 30, 2012, both in the US. The Objector asserts that it has spent in excess of USD 500,000 for expert brand research and analysis to develop its brand recognition strategies using the .HOME and .TRUE.HOME marks since early 2011 and that such marks are *bona fide* natural extensions of the Objector's branding strategy typified both by its earlier use of its TRUE HOME and TRUE BLUE trademarks.

The Objector asserts that the Respondent's use of the <.home> gTLD will relate to registry services and the open registration of domain names thereunder. The Objector contends that the Respondent's target for domain name registrants will include the home services industries and that the relevant sectors for the

<.home> gTLD are domain registry services and home services. The Objector states that it has been a prominent and well-known entity within the home services industry since 1998 and that its trademarks are all used within the home services and domain name industries. The Objector submits that the recognition of .HOME in the domain registry sector is attested by the number of its "Twitter" and "Facebook" followers, while in excess of 8 billion pieces of print media and millions of inbound customer calls also attest to the Objector's recognition.

The Objector submits that if the Respondent is granted the <.home> gTLD this will allow the Respondent to impermissibly trade on the Objector's goodwill in the European Mark. The Objector states that the Respondent specifically intends to target the <.home> gTLD to the sectors in which the Objector's marks are already known. The Objector asserts that there appear to be no applications or registrations for any .HOME trademarks or similar marks by the Respondent, and that the Objector is not aware of the Respondent having engaged in any use of, or demonstrable preparations to use a sign corresponding to the <.home> gTLD. The Objector also submits that it is not aware of the Respondent having been commonly known by a name including the <.home> gTLD and is unaware of any circumstances by which the Respondent's use of the <.home> gTLD can peacefully co-exist with the Objector's prior rights.

The Objector asserts that the Respondent's use of the <.home> gTLD will create a likelihood of confusion with the Objector's trademarks as the marks are identical and the services closely related. The Objector submits that a determination of the likelihood of confusion should involve an examination for similarities in appearance, sound and connotation, together with comparison of the goods or services offered under the marks to identify if they are related or if the activities surrounding their marketing may lead to confusion as to origin. The Objector contends that actual confusion will result if the Respondent is granted the <.home> gTLD because the European Mark is already recognized in the relevant public sector and that evidence of actual confusion is also strong proof of a likelihood of confusion. The Objector asserts that the continuing unsolicited approaches which it receives regarding pre-registration of <.home> domain names strongly argues that granting the <.home> gTLD to the Respondent would result in actual confusion between the services offered by the Parties.

The Objector submits that if the Respondent is granted the <.home> gTLD, the Respondent will trade upon the recognition which the Objector has achieved in the relevant sectors due to all of the Objector's efforts to establish its brand since early 2011 through its extensive marketing activities, the results of which are illustrated by the Objector's "Twitter" and "Facebook" followers. The Objector asserts that its rights will be impaired and the Respondent unjustly enriched at the Objector's expense should the Respondent be granted the <.home> gTLD and that as there is no indication that the Respondent has made any prior use of .HOME or HOME in the sale of any products or services cancellation of the Respondent's application for the <.home> gTLD will not harm any rights it may allege therein.

B. Respondent

The Respondent submits that its potential use of the <.home> gTLD neither takes unfair advantage of the distinctive character or the reputation of the Objector's registered trademarks, nor unjustifiably impairs such character or reputation, nor otherwise creates an impermissible likelihood of confusion between the <.home> gTLD and the Objector's marks.

The Respondent asserts that the Objector is attempting to perpetrate a sham based upon bad-faith trademark registration efforts, and that the Objection is frivolous and must be dismissed. The Respondent submits that "plain common sense" is all that is needed to dismiss the Objection. The Respondent states that the Objector has provided no proof of any distinctive character to the word "home" as used in the Objector's purported trademark filings. The Respondent notes that the Objector admits that its primary business is to sell home security systems and products and submits that in consequence the Objector is unable to provide any proof that the Respondent's operation of the <.home> gTLD could take unfair advantage of, or unjustifiably impair, any such distinctive character. The Respondent asserts that the Objector owns nothing distinctive that can be impaired by the <.home> gTLD.

The Respondent notes that the Objector has provided no evidence that DotHome Limited is a wholly owned subsidiary of the Objector or that the Objector is entitled to assert any rights based upon the European Mark. The Respondent submits that there is no evidence to show the Objector's standing to assert rights in the said trademark and notes the grounds of the Respondent's petition to cancel it, namely that the logomark as a whole and particularly the ".home" word portion of the logomark, is generic or merely descriptive, and thus incapable of functioning as a trademark for the services described; that the application is void *ab initio* as it was filed by a non-existent entity, DotHome Limited having been incorporated in March 2012, some three months after the filing of the European Mark; and that the application to register the trademark was filed in bad faith, solely in an effort to provide advantage in the new gTLD process.

The Respondent submits that the word "home" cannot function as a trademark for goods and services related to any dictionary definition of the word, such as the vast majority of the services listed in the European Mark. The Respondent submits that it is the essence of trademark law that all competitors offering similar goods or services must also be able to use the word to describe their products and accordingly the Objector cannot have exclusive rights in the word "home", by itself. The Respondent contends that this is particularly true for the service of offering domain name registrations in that ".home" is the sole generic term used to describe such services and US law, by which the Objector is bound, prohibits exclusive rights in such terms for such services. The Respondent quotes the US Patent & Trademark Office Trademark Manual of Examination Procedure section 1215.02(d), which states that registration should be refused if a mark is composed solely of a TLD for domain name registration services on the ground that the TLD would not be perceived as a mark. The Respondent asserts that this rule follows precedent of the US Federal Circuit Court of Appeals and of the Trademark Trial & Appeal Board holding that TLD strings have no trademark significance because a TLD does not indicate the source of services but instead the type of services. The Respondent submits that the Objector as a US company is subject to the various authorities which it cites and that this explains why it has not sought registration of any .HOME trademark in the US.

The Respondent submits that even if the European Mark were valid, it is insufficient to support the broad rights claimed by the Objector. The Respondent states that figurative mark claims involving an otherwise generic word do not give rights in that generic word. The Respondent asserts that the Objector shows no relation to the registrant of the European Mark and that the European Mark is subject to cancellation for lack of distinctiveness and bad faith. The Respondent concludes that there is no basis by which the Objector should benefit from the European Mark and submits that it should be entirely disregarded by the Panel.

The Respondent contends that the Objector cannot be allowed to claim exclusive rights in the word "home" by virtue of the US Mark. The Respondent submits that the US Mark is for a narrow description of services, namely environmental/HVAC services, and that the Objector does not attempt to explain how such rights might be offended by the Respondent's use of the <.home> gTLD. The Respondent states that it does not offer environmental/HVAC services and that it does not intend to do so. The Respondent notes that it intends to offer domain name registration services as set forth in its gTLD application and that the Objector provides no proof that any such services are related to environmental/HVAC services. The Respondent submits that there can be no infringement even if the marks were identical. The Respondent takes issue with the Objector's assertion that the word HOME is dominant in the US Mark and submits that the general rule is that the first element of a composite mark is usually considered the dominant portion. The Respondent submits that this is particularly true whereas in the US Mark the second element is descriptive of the associated services, and the first element is suggestive or arbitrary. The Respondent notes that the specimen of use provided to the trademark registry in 2007 in respect of the US Mark, consisting solely of a copy of a business card, shows the words TRUE and HOME in equal prominence.

The Respondent states that the Objector has attempted to mislead the Panel regarding the TRUE.HOME logomark registrations by providing partial records from the relevant trademark registry and that the complete records indicate that the word HOME is disclaimed, such that the Objector cannot claim any exclusive rights therein. The Respondent notes that the specimen submitted in support of the registration, shows "home" used descriptively within the phrase "true home security". The Respondent adds that there are 9,328 live trademark records and pending trademark applications in the US alone of marks that include the word "home". The Respondent states that 3,745 of the said marks and applications contain a disclaimer of the

word from the mark and that many more of the pending marks will require to enter such a disclaimer during the registration process, while the marks also include 543 Supplemental Register records, which the Respondent states further indicates the descriptiveness of “home” across a broad array of goods and services.

The Respondent produces dictionary definitions of the word “home” and states that this word has many popular meanings as it is a fundamental aspect of life for all humans and is the subject of 21 billion results on the Google search engine. The Respondent notes that a Google search for “true home” produces 4.5 billion search results, with no indication of the Objector on the first page. The Respondent submits that many US courts and the US Trademark Trial and Appeal Board have found that “home” formative marks are too common and descriptive to be afforded protection, citing examples of HOME ENTERTAINMENT, ISLANDHOME.INFO, FARM & HOME, LOG CABIN HOMES, HOME-MARKET.COM and HOME TOWN BANK.

The Respondent submits that the website at “www.dothome.net” only markets domain name registration services and notes that the applicable domain name was only registered on December 29, 2011. The Respondent asserts that the Objector appears to have no connection to the said website. The Respondent notes that the Whols of the associated domain name utilizes a proxy service, such that no registrant is disclosed. The Respondent states that it appears the domain name and website have no relationship to the Objector in that the nameservers refer to a third party named Roussos Group; the terms of service published thereon state that the said site is owned and operated by “MUSIC -Music.us -CGR, an AZ individual”; and the published privacy policy contains an “About Us” link showing a particular email address and a Cyprus physical address. The Respondent adds that the domain name associated with the email address is owned by a private individual at that same Cyprus address, which is the address listed as the address for DotHome Limited.

The Respondent states that even if the Objector had established a connection to the European Mark, it would not have such substantial trademark rights which could preclude anyone else from operating the <.home> gTLD. The Respondent states that the Objector has provided no evidence to prove that its marks have achieved any goodwill in the marketplace or that any marketing efforts of the Objector have related to the purported “.home” formative marks. The Respondent indicates that it is unable to assess the Objector’s argument without such evidence and notes by way of example that the specimens of use submitted to the applicable trademark registry do not indicate any use of the marks on websites.

The Respondent submits that the <.home> gTLD has always been a popular generic private TLD and that ICANN reports state that it is the most frequently observed invalid TLD from observed root name servers between 2006 and 2009. The Respondent also notes that other parties have invested significant resources in applications to operate the <.home> gTLD.

With regard to the question of the Respondent’s intent in applying for the gTLD, the Respondent avers that it had no knowledge of the Objector’s purported trademark rights at the time of the application and notes that the European Mark did not issue until after the TLD application window had closed, in June 2012. The Respondent states that the Objector, as itself an applicant for the <.home> gTLD, was presumed to know about the ICANN reports regarding the popularity of private <.home> domains. The Respondent states that the Objector made its most potentially pertinent trademark filing in December 2011 in Europe, immediately before the TLD application window opened, and in April 2012, when the application window was about to close. The Respondent submits that such timing of indicates bad faith on the part of the Objector, which was seeking to gain an advantage in the new gTLD process.

6. Discussion and Findings

A. Preliminary issue: Suspension or Termination

The Respondent has disclosed that there is an active trademark cancellation proceeding between the Respondent and the owner of the European Mark. Paragraph 13(b) of the WIPO Rules for New gTLD Dispute Resolution provides that 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.

Paragraph 13(b) borrows its wording in large part from paragraph 18 of the Rules for Uniform Domain Name Dispute Resolution Policy (“UDRP Rules”), including to the extent that the respective paragraphs are both headed “Effect of Court Proceedings”. It seems appropriate to the Panel therefore to approach the question of suspension or termination along similar lines to those of panels under the UDRP. The panel in *Metropolitan Life Insurance Company v. HLP General Partners Inc.*, WIPO Case No. D2005-1323, noted that the text of paragraph 18 of the UDRP Rules refers more broadly to “legal proceedings” notwithstanding the heading “Effect of Court Proceedings”. As such, the panel considered that trademark opposition proceedings could be reviewed in the context of that rule. Following this approach in the present case, the Panel is content to treat the cancellation proceeding as “legal proceedings” within the meaning of paragraph 13(b) of the WIPO Rules for New gTLD Dispute Resolution and to consider whether a suspension or termination is appropriate.

The Panel notes that neither of the Parties has requested suspension or termination of the proceeding. Furthermore, the cancellation proceedings relate only to the European Mark, which, while it is cited by the Objector in the Legal Rights Objection, does not constitute the exclusive right upon which it relies. Accordingly, while a decision to cancel the said trademark might restrict the extent of the rights claimed by the Objector, it would neither leave the Objector without a right upon which to rely for present purposes, nor would it mean that the Objector would cease to have standing in the present proceeding. In short, the cancellation proceedings would not be determinative of the present proceeding. The Panel further notes that the record discloses that the owner of the European Mark is not the Objector. As such, arguably, the legal proceedings are not between the Parties to this case.

In all of these circumstances, the Panel has reached the view that it does not consider it appropriate to exercise its discretion to suspend or terminate the present proceeding. That said, this Expert Determination should not be regarded by either of the Parties as having any influence or bearing on the trademark cancellation proceedings themselves.

B. Preliminary issue: Standing

To have standing to file a Legal Rights Objection, the Objector must be a “rightsholder” in terms of Section 3.2 of Module 3 to the gTLD Applicant Guidebook (Version 2012-06-04) “the Guidebook”. The wording of Section 3.2.2.2 of the Guidebook makes it clear that a “rightsholder” is an entity claiming to have existing legal rights which are infringed by the applied-for gTLD (which may include either registered or unregistered trademarks) the source and documentation of which must be included in the filing. In the present case, the Objector claims rights in a variety of registered trademarks and trademark applications and has provided appropriate information as to source and documentation with the exception of the TRUE BLUE trademark in respect of which it presumably does not claim standing.

First, on this topic, the Panel must deal with the Respondent’s challenges to the Objector’s standing in the present proceedings as derived through the European Mark. The Respondent notes that the Objector does not appear to be the owner thereof. The Respondent also challenges the Objector’s entitlement to represent the named owner, DotHome Limited, in the present proceedings. The Respondent furthermore questions whether DotHome Limited itself is entitled to hold the European Mark, given that this entity does not appear to have been incorporated as at the date when the mark was filed. For its part, the Objector’s position is that it is entitled to cite and rely upon the European Mark for the purposes of a Legal Rights Objection on the

basis that DotHome Limited is a wholly owned subsidiary of the Objector and that the Objector is authorized to represent its interests in the present proceedings.

It is clear to the Panel that the essence of standing in respect of a Legal Rights Objection, as set out within the wording of the Guidebook, is that an objector must own the rights in respect of which it claims to be a "rightsholder". Section 3.5.2 of the Guidebook refers consistently to "*the objector's* registered or unregistered trademark or service mark" [Panel's emphasis] in describing the relevant rights. There are no provisions in the Guidebook which contemplate an objector bringing a Legal Rights Objection on behalf of, jointly with, or as authorized by a third party, whether such third party may be wholly owned by such objector or not. In any event, the Objector in the present case has singularly failed to provide any evidence of its links to the owner of the mark concerned, nor has the Objector demonstrated any alternative rights in the mark such as, for example, an exclusive licence. Accordingly, the Panel finds that the Objector does not have standing in respect of the European Mark. Nevertheless, while the Objector may not rely upon the rights in the European Mark for the purposes of the Objection, the Panel considers that it is appropriate, particularly on the question of the *bona fide* acquisition of rights, to consider further the nature and effect of the European Mark in the discussion on the merits below. Based upon that discussion, the Objector may perhaps take comfort from the fact that even if the Panel had treated the European Mark as "the objector's registered trademark" for the purpose of Section 3.5.2 of the Guidebook, this would not have affected the outcome of the case.

Turning to those trademark applications cited by the Objector which had not yet proceeded to grant at the date of filing of the Objection, including those marks which had been allowed but not yet registered, the Panel considers that in the context of registered rights these could not on any sensible view be described as "the *existing* legal rights" of the objector [Panel's emphasis] as required by Sections 3.2.1 and 3.2.2.2 of the Guidebook. That said, the Guidebook accommodates both registered and unregistered trademarks, and accordingly the Panel is also competent to review the Objector's trademark applications in the latter context. However, as the Objector has failed to provide any evidence demonstrating that the marks contained in the applications have achieved any goodwill in the marketplace, such applications cannot be regarded as unregistered trademarks as contemplated by the Guidebook. In these circumstances, the Panel finds that the Objector does not have standing in respect of its cited trademark applications. It is therefore unnecessary for present purposes to address the Respondent's contention that the TRUE.HOME logomark applications contain a disclaimer of the exclusive right to use "HOME" apart from the mark as shown, although the Panel will return to that matter on the question of *bona fide* acquisition of rights below.

With regard to the US Mark, the Panel has had the benefit of reviewing the Expert Determination in *Defender Security Company v. Charleston Road Registry Inc.*, WIPO Case No. LRO2013-0032, a Legal Rights Objection case involving the same objector claiming the same rights as in the present case and in which the learned panel found that the objector did not have standing based upon the US Mark. The learned panel relied upon the fact that under US law, a trademark cannot be assigned apart from the goodwill that is associated with it. The learned panel noted that the objector had obtained the US mark by assignment however also determined that the objector had not demonstrated that any goodwill, products or services associated with the mark were transferred along with it. Consequently, the learned panel decided that the objector had failed to establish that it was a rightsholder and thus that the objector did not have standing in respect of that mark.

In the present case, the Panel takes a somewhat less restrictive approach on the question of the Objector's standing based upon the US Mark. The Panel is presented with a US registered trademark on the USPTO Principal Register which is *ex facie* valid and for which the Objector is the named owner, albeit an owner by assignment. The Panel does not consider that it should treat such an *ex facie* valid mark as itself invalid and/or incapable of conferring standing upon the Objector simply because it is unaccompanied by evidence that the assignment or transfer included a transfer of the goodwill associated with the mark. Rather, the present Panel's view is that such an assigned mark should be treated as competent for the purposes of standing unless evidence has been presented, for example by the other party to the proceedings, casting doubt on the validity of the assignment. No such challenge has been raised by the Respondent in the present case, nor did either of the Parties discuss the terms of the assignment in their pleadings. In these

circumstances, the Panel finds that the Objector has standing in respect of the US Mark.

C. General

In order to succeed in a Legal Rights Objection pursuant to the Procedure, the Objector bears the burden of proof to demonstrate that the potential use of the applied-for gTLD by the Respondent (i) takes unfair advantage of the distinctive character or the reputation of the Objector's registered or unregistered trademark or service mark ("mark"), or (ii) unjustifiably impairs the distinctive character or the reputation of the Objector's mark, or (iii) otherwise creates an impermissible likelihood of confusion between the applied-for gTLD and the Objector's mark.

Section 3.5.2 of the Guidebook sets out eight non-exclusive factors to be considered by the Panel. The Panel will review each of these in turn.

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

The applied-for gTLD is <.home>. This is not identical to the US Mark, but is it similar, in appearance, phonetic sound, or meaning? The Panel considers that the leading "dot" is of no particular significance, being required in a top level domain for technical reasons only, and accordingly the remaining portion of the gTLD represents the word "home". As the Respondent notes, and as the dictionary extract which it produces demonstrates, this word has a vast array of popular meanings. Of these, the domestic connotation is perhaps strongest, and, as the Respondent states, this is one of the fundamental aspects of human existence. A second and similarly strong meaning of "home" is as the place where something is native, most common or has its origin, such as in the phrase "Nashville is the home of country music". The word is, in the Panel's opinion, a ubiquitous, generic and non-distinctive term. The Objector argues that the US Mark is similar to the <.home> gTLD because of the overall commercial impression created by the mark together with the fact that the HOME element is dominant. The Respondent denies the dominance of the HOME element and argues that usually the first element of a composite mark is considered to be dominant and that this is particularly true of the present mark which consists of a first element that is suggestive or arbitrary and a second element that is descriptive of the associated services.

The Panel notes that the US Mark consists of two words in common usage, TRUE and HOME. Taking the US Mark as a whole, the Panel considers that the presence of both elements, neither of which is particularly dominant, demonstrates that the mark is intended from a conceptual point of view to be taken as a phrase, and should not necessarily be treated as two individual elements for the purposes of comparison with the <.home> gTLD simply because it suits the Objector's case to do so. That said, the Panel does accept that the second element is similar to the <.home> gTLD in appearance and phonetic sound, merely missing the "dot", such that the Panel may find similarity in that respect alone. This similarity, while it is undoubtedly present, is not particularly strong given that it requires the severance of the word HOME from the phrase in the trademark. Furthermore, the Panel does not consider that the Objector has established that there is necessarily any similarity in meaning between TRUE HOME and the <.home> gTLD. Nevertheless, the Panel finds it established that the US Mark is similar in appearance to the <.home> gTLD.

Turning to the European Mark, which is considered for completeness notwithstanding the Panel's finding above on the Objector's standing in respect of this mark, the Panel reminds itself that the mark is figurative and therefore consists of a logo within which the word .HOME is depicted. The difficulty with comparing such figurative marks to a domain name or, in this case, to the <.home> gTLD, is that the latter is an exclusively textual creature whereas the former by its nature contains graphical elements. This inevitably presents a problem for the comparison exercise in that one is not comparing like with like. In the UDRP, which also requires a comparison between a trademark and a domain name to determine identity or confusing similarity, the approach that has generally been taken is to compare only alphanumeric components of a figurative mark with the domain name in question; see paragraph 1.11 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition ("WIPO Overview 2.0"). If a comparison is made on this basis in the present case, the alphanumeric component of the trademark .HOME could be regarded as identical to

the <.home> gTLD in appearance, and phonetic sound. When the meaning of the mark is factored into the comparison, the Panel finds that the word .HOME in the mark is purely descriptive, given that it does not convey any meaning other than the descriptive one, and accordingly it must be considered to be similar in meaning to the <.home> gTLD, which is itself generic or descriptive. In all of these circumstances, the Panel finds that the <.home> gTLD is similar to the European Mark.

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

While the US Mark was filed in December 2006, well before the recent new gTLD application window had commenced, the Panel identified from the print from the USPTO website produced by the Objector that the US Mark was the subject of an assignment. Neither of the Parties had discussed this in their pleadings. The date of the assignment was not recorded on the Objector's print and the Panel considered that it was sufficiently material to the present issue that it was appropriate for the Panel to review the assignment history of the US Mark on the USPTO's website. The site states that the assignment of the US Mark to the Objector was executed on August 26, 2012 and was recorded on August 29, 2012. To place this into context, the application window for the present round of new gTLD applications opened on January 12, 2012 and closed on May 30, 2012. Accordingly, the timing of the assignment provides an indication that the Objector may have set out to acquire rights in the US Mark in the context of the new gTLD process. The consequences of this are discussed below.

Turning to the European Mark, the Respondent makes a case that the Objector has concocted trademark rights therein with bad-faith intent. In support of that submission, the Respondent relies upon the fact that the European Mark was filed on December 30, 2011, in other words shortly before the new gTLD application window opened. The Respondent also questions the timing of the two pending US trademark applications which were filed in April 2012 when the said application window was about to close. The Objector's position is that the European Mark was acquired in the ordinary course of trade, was a natural extension of its branding strategy and as such is *bona fide* and not merely token use.

The timing of the Objector's alleged subsidiary's application for the European Mark and the purpose for which it has allegedly been used also point in the direction of a link with the New gTLD Program. The Objector does not in fact deny that the European Mark has as its object services related to the operation of a <.home> registry and indeed, the use classes of the European Mark appear to contemplate this directly, given that the associated services include "domain name registry services, namely co-ordinating the assignment of domain names and address space" in international class 45. The manner in which the European Mark has apparently been used, as demonstrated by the screenshot of the website at "www.dothome.net" produced by the Respondent, is somewhat curious. The screenshot shows that pre-registration enquiries for "the new web address for homes" are invited by the operator of the said site, to be sent to a particular email address, and that existing generic and some country code top level domains are being offered for registration. The Whois output for the <dothome.net> domain name as produced by the Respondent shows that it was created on December 29, 2011 and lists the registrant as a so-called "proxy" or "privacy service". The copyright statement on the site says "© 2009-2012 dotHOME (.HOME) Generic Top-Level Domain Name (gTLD) Extension Web Address - dot.HOME TLD".

The Respondent describes the Objector's actions in claiming rights in and use of the European Mark as "a sham based upon bad faith trademark registration efforts" and "shameless scheming". The Panel however must consider the Objector's acquisition of rights on a less impassioned basis. The Panel has therefore reviewed the materials provided by the Respondent, many of which are the only evidence of actual use of the rights relied upon by the Objector, to identify whether these inform the background to the acquisition of those rights. The Panel notes several circumstances in the present case, aside from the timing issue noted above, which are particularly suggestive of a rather hastily concocted plan on the part of the Objector to acquire new gTLD-related rights around the period of the application window. The Panel considers it more likely than not that this plan exclusively entailed improving the Objector's position, or that of its alleged subsidiary, vis-à-vis other applicants for the <.home> gTLD, rather than for any *bona fide* business purpose.

For example, there is the fact that the Objector's alleged subsidiary does not even appear to have been incorporated as at the filing date of the European Mark or the registration date of the <dothome.net> domain name. Alternatively, there is the fact, identified by the Respondent, that the "www.dothome.net" website's Universal Terms of Service Agreement neither mention the Objector nor its alleged subsidiary and instead state that the associated domain name registrar is ".MUSIC - Music.us - CGR, an AZ individual". There is also the fact that the registrant of the <dothome.net> domain name is hidden behind a "privacy" or "proxy service" on the Whois, a perfectly legitimate exercise in itself but in the present case leading to further doubt as to who or what is really behind the said website. Finally, with regard to the US Mark, there is the fact that the Objector, perhaps too conveniently, chooses to overlook its somewhat recent assignment and provides absolutely no detail as to the background to this or as to the relative business in which it is engaged.

A reasonable inference made on the basis of the timing and/or other circumstances suggesting that rights might have been acquired on something other than a *bona fide* basis could have been easily and unequivocally addressed and disposed of by the Objector. A wide variety of possible evidence might have been presented, such as for example information detailing the background to the assignment; the founding and/or purchase of the Objector's alleged subsidiary; and moreover the nature of the Objector's use of the acquired rights. The Objector however provides the Panel with nothing beyond the details of its registered trademarks and a series of limited assertions. Accordingly, the distinct lack of evidence of the circumstances surrounding the Objector's alleged acquisition or use of the rights concerned in the European Mark, or via the assignment of the US Mark, is somewhat suspicious to say the least.

What the Objector's pleadings do show is that it believes that its trademark portfolio alone is capable of evidencing the fact that it "has a history of actual and *bona fide* use of the... 'HOME' formative...". This is a somewhat circular argument given that the Panel is being called upon to consider whether the acquisition of those trademarks is itself *bona fide*. The Objector has not demonstrated to the Panel's satisfaction a clear link in its submissions or evidence to the business operating the "www.dothome.net" website and/or the alleged owner of the European Mark. The Objector has not indicated the extent of the associated customer base or number of domains under management. The Objector has not provided any financial information for its businesses whatsoever. The Objector's averments relating to its "Twitter" and "Facebook" activities, bare as they are and lacking any evidence of what is allegedly being followed or by whom, do not assist the Panel in its assessment. In short, there is nothing before the Panel which would indicate that the rights cited by the Objector are backed by a genuine *bona fide* commercial endeavor.

The Panel also feels compelled to note on this topic that the Objector's reliance upon trademark applications which have not yet proceeded to grant along with its failure to specifically identify and address in its pleadings the key fact that several of these applications contain express disclaimers of exclusive rights in respect of the word "HOME" does not fill the Panel with much confidence as to the Objector's *bona fides* in connection with the acquisition and use of rights cited in the Objection.

In the absence of suitable evidence explaining the Objector's acquisition of the rights concerned, the Panel is at a loss to understand how the European Mark and the US Mark can be said to be "a natural extension" of the Objector's branding strategy as the Objector claims. Fundamentally, the Objector fails to explain why it, as an Indiana, US corporation whose business seems to be focused upon serving customers in the US suddenly and urgently decided to base an alleged subsidiary's domain name registry and registrar business in Cyprus and in that context apply for the European Mark. The Panel is left with the distinct impression that in making the unsupported claim that its use of the US Mark and the European Mark is "not merely token use", the Objector is perhaps protesting too much.

In all of the above circumstances, the Panel considers that the Objector has failed to prove on the balance of probabilities that its acquisition and/or use of rights upon which it relies has 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 the Objector, of the Respondent or of a third party.

The Panel considers that the sign corresponding to the <.home> gTLD is not recognized by the relevant sector of the public as the mark of either party. The <.home> gTLD consists of the word “home” preceded by a dot. “Home” is a non-distinctive and generic word which has a wide variety of connotations for the public. In terms of domain name registration or registry services in particular, the Panel considers that a “home” is a descriptive concept denoting an online location which the public can obtain through the registration of a domain name. It is possible for a secondary meaning to be established in a descriptive term, however the Panel does not find that either of the Parties has established such a secondary meaning in the sign corresponding to the gTLD, nor is there any evidence before the Panel of a third party having done so. In particular, the Panel considers that the relevant sector of the public will not recognize the <.home> gTLD as, or identify it with, the Objector’s US Mark. The Panel does not require to consider the question of the European Mark claimed by the Objector as the Objector has failed to prove to the Panel’s satisfaction that it has rights therein.

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

The Respondent submits a formal declaration made by its managing director stating that the Respondent had no knowledge of the Objector’s purported trademark rights at the time the Respondent filed its application in respect of the <.home> gTLD. This of course is what the Panel would expect the Respondent to say but the Panel must look wider than the declaration in order to address this topic fully.

The first question for the Panel is whether there are any facts or circumstances present which indicate that the Respondent had knowledge of the Objector’s mark when it filed the application for the <.home> gTLD. The Panel considers that the most appropriate way to deal with this is to consider the statements made to ICANN by the Respondent in its said application, an extract of which has been produced by the Respondent. The Respondent’s stated goal, and thus its apparent intent in applying for the <.home> gTLD is “to provide a distinct online presence for all individuals, families, groups, businesses, organizations, and entities to establish personal websites, commercial websites, or any other website or information resource intended for the World Wide Web”. The Panel finds nothing in this statement, or in the portions of the application produced by the Respondent, which indicates knowledge of the Objector’s marks and/or intent to target these. This is not entirely surprising to the Panel given that the Respondent’s position is that its intended use for the <.home> gTLD correlates with the generic meaning of the word “home”.

While the Objector states that the Respondent specifically intends to target the <.home> gTLD to the relevant sectors in which the Objector’s marks are already known, the Panel does not find this to be borne out by the evidence in this case. On the contrary, the Respondent clearly and demonstrably sees the expression “home” as having a wide range of meanings and connotations and the wording of its application shows that it does not intend the <.home> gTLD to be targeted to any specific sector. Furthermore, the Respondent points out, reasonably in the Panel’s view, that the European Mark did not issue until June 2012, after the gTLD application window had closed and as such the Panel finds that the Respondent is extremely unlikely to have had knowledge of it.

Secondly on this topic, the Panel must consider whether the Respondent could not have reasonably been unaware of the Objector’s marks. The issue date of the European Mark also applies to this question on the same basis as discussed earlier. With regard to the US Mark, however, it is notable that the Objector does not provide the Panel with any information as to why the Respondent, a Canadian limited liability partnership, might be expected to have had knowledge of this. While the Objector states that it has extensive business interests in the US relative to the US Mark, it does not say that it has any such interests in Canada and does not provide any evidence showing or tending to show that the Respondent could not reasonably have been

unaware of it or the US Mark. For its part, the Respondent simply relies upon its denial of knowledge, which it is entitled to do. In any event, the date of the assignment of the US Mark demonstrates conclusively that the Respondent could not have been aware of the US Mark as the mark of the Objector at the time of the Respondent's application for the new gTLD as the Objector did not own the mark at that date.

Thirdly, no evidence has been presented by the Objector that indicates that the Respondent has engaged in any pattern of conduct whereby it has applied for or operates TLDs or registrations in TLDs which are identical or confusingly similar to the marks of others.

In all of these circumstances, the Panel finds on the balance of probabilities that the Respondent did not have knowledge of, and could reasonably have been unaware of, the Objector's marks at the time of application for the <.home> gTLD. The Panel also finds there to be no indication on the record before it that the Respondent had any intent to target the Objector's rights or any third party rights in applying for the <.home> gTLD.

(v). Whether and to what extent the Respondent 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 the Objector of its mark rights.

There is no evidence before the Panel that the Respondent has used the sign corresponding to the gTLD other than in the course of its application to ICANN. As with all such applicants, however, the Respondent's preparations to use the sign are detailed in the extract from the application to ICANN, which the Respondent has produced. The Respondent notes that it proposes to use the sign in connection with the provision of domain name registry and registrar services, such services to be open to all who wish to register a domain name with the <.home> TLD. The Panel notes that it is to be expected that such preparations as the Respondent has made will be limited pending the evaluation of its application. Nevertheless, the question for the Panel on this topic is whether such use does or does not interfere with the legitimate exercise by the Objector of its mark rights.

What is the extent of the Objector's mark rights as far as the proposed gTLD <.home> is concerned? The Respondent's position is that the Objector has no relevant rights which could prevent a widely used word such as <.home> from becoming a generic TLD. The Panel agrees in light of its earlier analysis of the marks cited by the Objector. In particular, the Objector has failed to demonstrate to the Panel's satisfaction that it has rights in the European Mark, and has also failed to demonstrate that the US Mark for TRUE HOME provides it with rights over the HOME element for present purposes. It is a corollary of such failures that the Respondent's proposed use of the <.home> gTLD would not interfere with the legitimate exercise of the Objector's marks.

(vi). Whether the Respondent 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 the Respondent is consistent with such acquisition or use.

There is no evidence before the Panel that the Respondent has any intellectual property rights in the sign corresponding to the gTLD and indeed, had it attempted to acquire and cite any such rights in the present proceedings, this would have run contrary to the Respondent's own argument that the word "home" cannot function as a trademark for goods and services related to any dictionary definition of the word. As the Panel has already found, the concept of a domain name being an online "home" is well understood and appreciated by the public.

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

There is no evidence on the record of this case that the Respondent has been commonly known by the sign corresponding to the gTLD. The Respondent has not selected the sign because it has been commonly known by it but rather because it is a generic word which it considers will allow the public to create distinct online presences. As such, while the Respondent cannot claim to have been commonly known by the sign “.home” there is no evidence before the Panel that the Respondent’s use of such a sign would not be *bona fide*.

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

The Respondent’s position is that it intends to use the <.home> gTLD in the generic sense of the word “home” and it cites the wide variety of different meanings that can be ascribed to this word. The Objector however argues that there will be a likelihood of confusion, first, based upon a comparison of the Objector’s marks and the <.home> gTLD, and secondly, in light of the alleged recognition of the European Mark in the relevant public sector.

The Panel cannot see any way in which the Respondent’s proposed use of the <.home> gTLD could create a likelihood of confusion with the Objector’s marks. The Panel has already dealt with the fact that even if the European Mark was registered to the Objector the word “home” is arguably descriptive of the services in respect of which the mark has been registered and there is no evidence before the Panel of any acquired secondary meaning. With regard to the US Mark, the issue of confusion is brought into sharper relief if the Panel asks itself the following question: Can the Panel see any prospect that consumers of the Objector’s TRUE HOME branded heating, ventilation and plumbing products or services would be confused by the Respondent’s operation of a <.home> gTLD as to its source, sponsorship, affiliation or endorsement? The Panel cannot. Would such consumers believe the <.home> gTLD to be in some way connected to the Objector, if operated by the Respondent in line with its intended use? The Panel considers that such consumers would no more make such an assumption than they would think that the use of the word “home” in a sign indicating a “home for sale” was a reference to the Objector or its mark. In short, the Panel considers that such consumers may be regarded as entirely capable of differentiating between the use of HOME in the trademark sense of TRUE HOME and the generic use of “home” by the Respondent in a <.home> gTLD.

D. Conclusion

The general intent behind the Guidebook and Procedure is to provide the holder of registered or unregistered trademark rights, which have been acquired and used on a genuine and *bona fide* basis, with an opportunity to object to an applied-for gTLD on the ground that such gTLD would infringe those existing legal rights (Section 3.2.1 of the Guidebook). The Procedure is not intended to provide a facility whereby existing or prospective applicants for a new gTLD may attempt to gain an advantage over other applicants for the same gTLD by way of the deliberate acquisition of trademark rights for no purpose other than to bring a Legal Rights Objection. It has not escaped the Panel’s notice that the evidence before it indicates that the present Objection might have been motivated by just such an attempt. Whether or not that indication is accurate, the manner of the acquisition of the rights concerned together with the Objector’s distinct inability to provide any case of substance that those rights would be negatively affected by the Respondent’s intended operation of the applied-for gTLD leads to the failure of the present Objection.

7. Decision

The Panel finds that the potential use of the applied-for gTLD by the Respondent does not:

- (i) take unfair advantage of the distinctive character or the reputation of the Objector's registered or unregistered trademarks ("marks"), or
- (ii) unjustifiably impair the distinctive character or the reputation of the Objector's marks, or
- (iii) otherwise create an impermissible likelihood of confusion between the applied-for gTLD and the Objector's marks.

Accordingly, the Panel rejects the Objection.

[signed]

Andrew D. S. Lothian
Sole Panel Expert
Date: July 16, 2013