

EXPERT DETERMINATION LEGAL RIGHTS OBJECTION

Coach, Inc. v. Koko Island, LLC

Case No. LRO2013-0002

1. The Parties

The Objector/Complainant (“Objector”) is Coach, Inc. of New York, New York, United States of America, represented internally.

The Applicant/Respondent (“Respondent”) is Koko Island, LLC, of Bellevue, Washington, United States, represented by the IP & Technology Legal Group, United States.

2. The applied-for gTLD string

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

3. Procedural History

The Legal Rights Objection (“the Objection”) was filed with the WIPO Arbitration and Mediation Center (the “WIPO Center”) on March 8, 2013 pursuant to the New gTLD Dispute Resolution Procedure (the “Procedure”).

In accordance with Article 9 of the Procedure, the WIPO Center 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”).

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 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.

The WIPO Center appointed David H. Bernstein, The Hon. Neil Brown Q.C. and Dennis A. Foster as panelists in this matter on June 14, 2013. The Panel finds that it was properly constituted. Each member of 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 July 2, 2013, a Reply to the Response was sent by the Objector and received by the WIPO Center. In accordance with Article 17 of the Procedure, the Panel declines to allow the Objector's Reply to the Response as the Panel did not find it facilitated reaching this Determination.

4. Factual Background

Founded in 1941, the Objector is a well-known United States company that manufactures and retails handbags, other leather goods and complementary accessories on a worldwide basis. The Objector has registered its COACH trademark with many national authorities, including the United States Patent and Trademark Office ("USPTO") (e.g., Registration No. 751,493, registered June 25, 1963; and Registration No. 1,071,000, registered August 9, 1977).

The Respondent has applied (Application ID No. 1-1397-64766) to register the opposed string <.coach> in compliance with the Internet Corporation for Assigned Names and Numbers ("ICANN") guidelines.

5. Parties' Contentions

A. Objector

- The Objector is a United States company founded in 1941 that retails high-end handbags, leather goods and other personal items throughout the world under the "Coach" brand name. Its revenues for the most recent fiscal year totaled nearly USD 5 Billion.
- The Objector has obtained hundreds of trademark registrations throughout the world for its COACH trademark and related marks. During its existence, the Objector has spent billions of dollars in marketing, advertising and protecting its "Coach" brand products. Through commerce and promotion, the COACH mark has become widely-known worldwide.
- The Objector also owns and conducts e-commerce through its domain name <coach.com>, which receives almost 50 million unique browser visits per year.
- The opposed string, <.coach>, is identical to the Objector's COACH trademark in appearance, sound and meaning.
- The Objector's acquisition and use of rights in the COACH mark have been *bona fide*, as all transfers in title from predecessors-in-interest are valid and the Objector's rights in that mark have never been challenged.
- Consumer recognition of the Objector's COACH mark is high, as surveys conducted by the Objector have verified. Also, the Objector's COACH-trademarked products assume a majority share of the accessories markets in the United States and Japan.
- A USPTO examiner has noted that the Objector is "so famous" that consumers would presume a connection between the Objector and a registration for the COACH mark in any consumer product field. Thus, even use in fields suggested by the Respondent, such as sports, technicians and travel, involve the Objector's goods, *i.e.*, sports and travel accessories and electrical equipment cases. Moreover, there is no public recognition attributable to any party, other than the Objector, with respect to COACH.
- Not only could the Respondent have been reasonably aware of the Objector's mark but, by the Respondent's own admission, it was aware of that mark prior to application for the opposed string.
- The Respondent's proposed uses for the opposed string are vague. Furthermore, the Respondent's proposed protection against abuse of that string, relative to the Objector's rights in the COACH mark, are

inadequate. Disclaimers of connection with the Objector would not undo the likelihood of consumer confusion between the string and the mark.

- The Respondent has applied for 307 gTLD strings, among which are other trademarked words, such as <.express>, <.limited> and <.direct>. It is not unlikely that the Respondent intends to negotiate with the respective trademark owners for financial remuneration for such strings.

- There is no evidence that the Respondent has made any preparations for a *bona fide* offering of goods or services in connection with the opposed string that would not infringe upon the Objector's trademark. There is no reference to the opposed string on the Respondent's website and, having applied for more than 300 gTLD strings, it is doubtful that the Respondent could have made *bona fide* plans for many of them.

- There is no evidence that the Respondent has rights of any kind corresponding to the opposed string or in the mark COACH. Thus, the Respondent cannot have any intended legitimate use consistent with such non-existent rights.

- There is no evidence that the Respondent has ever been commonly known as the opposed string or as "Coach." Thus, the Respondent cannot have planned legitimate use consistent with such a connection.

- The Respondent's registration of the opposed string would almost certainly lead to the likelihood of confusion with the Complainant's trademark as to the source of that string. Such confusion will result from the similarity between the string and the mark, the fame of the mark and the concurrent use of the string and the mark.

- The Respondent lacks the resources to monitor a registry of domain names attached to the opposed string, and it is unfair to impose that burden on the Objector. The Objector detects on a daily basis third party attempts to infringe its trademark based upon Internet sales of counterfeit goods and has acquired over 4,000 domain names at great expense to prevent such infringement by cybersquatters.

- The proliferation of applications by other well-known owners of trademarks for gTLD strings corresponding to their respective trademarks will increase significantly the likelihood that consumers will incorrectly identify the Objector as the source and owner of the opposed string.

B. Respondent

- The Objector cannot sustain its burden of proof to deny the Respondent the right to apply for and own a gTLD string, <.coach>, that consists of a simple dictionary term.

- The Objector's trademark has not reached the level of recognition that would prohibit generic or non-competitive uses. The Objector's surveys prove nothing, and its sales and marketing efforts leave it far short of showing the distinctive character or extraordinary reputation of its mark.

- The opposed string has countless uses beyond the Objector's rather narrow area of commerce. The Objector should not be allowed to monopolize a common English language word, one which allows for multiple meanings.

- The Objector claims the possibility of infringement but does not prove it. Moreover, the Respondent has plans to combat that possibility that exceed the protections required by ICANN and that comply with specific concessions granted the Objector with respect to the application process. The Respondent's efforts in this regard do not provide evidence of the Respondent's improper motives in applying for the opposed string.

- The word "coach" has many different meanings which reduce its source identifying function and render any visual or auditory similarities largely irrelevant when comparing <.coach> to the Objector's COACH trademark. Furthermore, searches through the databases of the USPTO and the European Union Office of Harmonization for the Internal Market show a multitude of mark registrations that include some variation of

the word “coach”.

- The Objector has utilized its trademark in connection with the production and sale of products within its line of commerce.
- The Objector fails to produce enough evidence to support its claim that the relevant public sector – *i.e.*, the entire world – would recognize <.coach> as being connected to the COACH mark. The evidence submitted by the Objector concerning its customer surveys is incomplete and unconvincing. Moreover, the reference to attestations of the fame of the Objector’s trademark by one single UDRP panelist (in an uncontested case) and in a single USPTO interim letter are again unpersuasive.
- Establishing sufficient fame that raises the possibility of commercial dilution, rather than mere commercial confusion, is very difficult, and the Objector has failed to meet that test. The Objector has not shown that its trademark is known outside the confines of its narrow commerce boundaries.
- Claiming rights in a trademark that consists of a common word, as Objector has done, brings with it the risk that others will legitimately use the same or a similar word to identify their goods or services.
- The Objector fails to prove improper intent on the part of the Respondent in applying for the opposed string. The Objector presents only speculation that the Respondent has insufficient financing to properly administer the number of TLD strings for which it has applied. Furthermore, the Objector has presented no evidence that the Respondent intends to infringe upon the Objector’s trademark, *i.e.*, to deceive or confuse others as to the relationship between that mark and the opposed string.
- The Respondent has applied for more TLD strings, 307, than anyone else and has spent USD 55 Million in filing fees alone. That investment, along with even more sums expended on development plans and the necessary support services, establishes the Respondent’s rights in the opposed string.
- If the Objector should succeed in these proceedings, then no one could acquire the <.coach> string, neither agents, trainers, teachers nor athletic coaches. This would constitute a prior restraint on all speech.
- Both the Objector and Respondent are based in the United States, and Objector has failed to establish a likelihood of confusion between the opposed string and its trademark in accordance with the established criteria used by courts in this country. Fame alone is not enough, and the term “coach” has been used in association with the sale of goods and services unrelated to those offered by the Objector.
- The Respondent conducted a survey which determined that even the fashion-buying public (the Objector’s target market) were more likely by a wide margin to associate the term, “coach”, with other things (*i.e.*, people, sports, guide, mentor, etc.) rather than fashion.
- The Objector’s contention that cybersquatters present a threat to its trademark due to creation of the opposed string is inapposite, as ICANN has never imposed the initial burden of protection against scammers upon Internet service providers.

6. Discussion and Findings

To have standing to file the Legal Rights Objection, the Objector must submit documentation of its existing legal rights, which may include registered trademarks (New gTLD Applicant Guidebook (“Applicant Guidebook”), Section 3.2.2.2). The Objector has duly submitted copies of some of its trademark registrations, and the Respondent has not disputed the Objector’s standing, so the Panel finds that the Objector has standing to bring this Objection.

Pursuant to the Applicant Guidebook, Section 3.5.2, in deciding whether the Objector will prevail in its objection to the Respondent’s application for the opposed string <.coach>, the Panel will determine whether

the potential use of the applied-for gTLD:

- (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.

The Applicant Guidebook and Procedure indicate that Objector bears the burden of proof, though it does not otherwise address the nature of the burden. *Id.* Section 3.5; Procedure, Article 20(c). Because nothing in the Applicant Guidebook or the Procedure indicates that the burden of proof is a heightened one, the Panel finds that the Objector must meet its burden by a preponderance of the evidence.

For an objector to prevail, "there must be something more than mere advantage gained, or mere impairment, or mere likelihood of confusion." See *Right at Home v. Johnson Shareholdings, Inc.*, WIPO Case No. LRO2013-0030. Although the terms "unfair," "unjustifiably," and "impermissible" are not uniformly defined or understood in the trademark context, their use here suggests that, in order to sustain the Objection, the Panel must find something untoward about the Respondent's behavior or something intolerable about the Respondent being permitted to keep the string in dispute, even if the Respondent's conduct or motives do not rise to the level of bad faith, *Id.*

The Procedure sets forth eight non-exclusive factors to aid the Panel in its analysis. In rendering its Determination, the Panel shall, among other things, consider:

- i. Whether the applied-for gTLD is identical or similar, including in appearance, phonetic sound, or meaning, to the objector's existing mark.
- ii. Whether the objector's acquisition and use of rights in the mark 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 applicant or of a third party.
- iv. Applicant's intent in applying for the gTLD, including whether the applicant, 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 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 the 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 the objector of its mark rights.
- vi. Whether the 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 opposed string by the respondent is consistent with such acquisition or use.
- vii. Whether and to what extent the 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 the applicant is consistent therewith and *bona fide*.
- viii. Whether the applicant'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.

These factors are not exclusive, nor are they meant to function as a scorecard, to see which party has more factors in its favor. Rather, the Panel is to consider these factors, along with any others that the Panel deems relevant, in considering the ultimate issues, as highlighted above, that is, whether the proposed string takes unfair advantage or unjustifiably impairs the distinctive character or the reputation of the Objector's mark; and/or whether it otherwise creates an impermissible likelihood of confusion.

A. The Eight Factors

i. Identical or Similar

The Panel believes that the Objector has established its ownership of trademark rights in the mark COACH by submitting to the Panel appropriate evidence (Objection, Annex 3) of its valid USPTO registrations for said mark. For similar analyses, see, *Space Needle LLC v. Iqbal Lalji*, WIPO Case No. D2008-1883 ("The Panel finds that Complainant has established rights in the mark SPACE NEEDLE, by virtue of its registration with the United States Patent and Trademark Office"); and *Lilly ICOS LLC v. Andrew Riegel*, WIPO Case No. D2006-1088 ("The Panel finds that the Complainant's registration with the USPTO sufficiently establishes the Complainant's rights in the CIALIS mark.").

The Panel finds that the opposed string, <.coach>, is identical in appearance and sound to the Objector's COACH trademark. The string and the mark contain exactly the same word, pronounced the same way, and the initial dot (or period) in the string is inconsequential in this determination because it is a requirement of all such top level domain strings.

The string does not, however, necessarily have the same meaning as Objector's trademark. Objector's mark is not descriptive of its goods or services; rather, it is at least a suggestive if not an arbitrary mark. The meaning of the trademark COACH is thus as a brand name signifying the source of Objector's goods. The string might be understood to have the same meaning by some Internet viewers, but others may ascribe to it one of its several dictionary meanings, including one or more of the following meanings from "www.dictionary.com":

noun

1. A large, horse-drawn, four-wheeled carriage, usually enclosed.
2. A public motorbus.
3. *Railroads*. Day coach.
4. Also called air coach. A class of airline travel providing less luxurious accommodations than first class at a lower fare.
5. A person who trains an athlete or a team of athletes: *a football coach*.
6. A private tutor who prepares a student for an examination.
7. A person who instructs an actor or singer.
8. *Baseball*. A playing or nonplaying member of the team at bat who is stationed in the box outside first or third base to signal instructions to and advise base runners and batters.
9. *Nautical*. An after-cabin in a sailing ship, located beneath the poop deck, for use especially by the commander of the ship.
10. A type of inexpensive automobile with a boxlike, usually two-door, body manufactured in the 1920s.
11. Mobile home.

verb (used with object)

12. To give instruction or advice to in the capacity of a coach; instruct: *She has coached the present tennis champion*.

verb (used without object)

13. To act as a coach.

14. To go by or in a coach.

adverb

15. By coach or in coach-class accommodations: *We flew coach from Denver to New York.*

Accordingly, the Panel finds that the first factor weighs in the Objector's favor as to appearance and sound, and is neutral as to meaning.

ii. Acquisition and Use of Rights

The Respondent concedes the validity of the Objector's assertions that it has legitimately acquired its COACH trademark and uses it for the *bona fide* purpose of commerce. Moreover, to support those assertions, the Objector has provided the Panel with evidence (Objection, Annex 4) of assignments to it of the pertinent trademark rights from predecessors-in-interest of those rights. Also, the Panel finds no reason to question the Objector's contention – backed by submission of a portion of Objector's most recent "10-K" report filed with the United States Securities and Exchange Commission (Objection, Annex 2) – that it garners roughly USD 5 Billion annually in sales from products bearing the COACH trademark. As a result, the Panel finds that the Objector's acquisition and use of rights in that mark has been *bona fide*.

Accordingly, the Panel finds that the second factor weighs in the Objector's favor.

iii. Public Recognition of the String as a Mark

The third factor in the Legal Rights Analysis asks the Panel to consider the extent of recognition of the mark "in the relevant sector of the public." It is not clear to the Panel what "sector" is relevant, but that may not matter since the Objector does not purport to limit the sector that is relevant. Instead, the Objector argues that its mark is famous even outside its traditional market segment (presumably leather goods, handbags and accessories), and that its mark is "known across many jurisdictions, many market segments and many diverse trademark classes."

The evidence of record supports the Objector's argument that its mark has achieved public recognition in at least some relevant sectors of the public. But that mark has achieved such recognition when it is used in connection with certain goods. The Objector has not submitted evidence that persuasively establishes that the letter string <.coach>, when used as a gTLD, will necessarily be seen as a reference to the Objector's mark as contrasted with a reference to the word "coach" for its dictionary meaning.

The evidence also supports the Respondent's argument that the dictionary word "coach" would be recognized for its dictionary meaning across a wide variety of sectors. "Coach" is not an obscure dictionary word rarely used for its dictionary meaning and mostly used solely for its trademark meaning; rather, "coach" is a common word which the general public may well associate with transportation, sport team leaders, academic tutors, artistic trainers, or goods or services other than those provided by the Objector under its mark. Other members of the public may associate the string "coach" with the television series named "Coach" that ran from 1989-1997 (according to the IMDb database), which series was listed on the first page of the search results when the Panel searched for the word "coach" on the Yahoo! and Google search engines.

Accordingly, the Panel finds that the third factor is neutral and favors neither party.

iv. Intent, Awareness and Pattern of Conduct

The Respondent does not dispute that it was aware of the Objector's trademark prior to applying for the opposed string. The Respondent does dispute that it in any way intends to infringe on the COACH trademark. The Respondent claims that it will use the opposed string in a manner that conforms to the common dictionary meaning of the English language word "coach". Moreover, the Respondent represents that it will put in place measures designed to prevent those applying for domain names attached to that string

from infringing the Objector's COACH trademark. The Objector counters that the Respondent's proposed measures, and the funding available to the Respondent to implement them, will be insufficient to protect the Objector's rights from likely scammers and cybersquatters. As both of these lines of contention depend upon subjective projections into the future, the Panel is disinclined to favor either position over the other. The Panel does note that the threat of cybersquatting behavior with respect to the creation of new TLDs probably is as likely as in connection with the older gTLDs, which have been subject to thousands of Uniform Domain Name Dispute Resolution Policy ("UDRP") dispute resolution proceedings. The Panel further notes that, if the Respondent allows a new registry operated at the gTLD <.coach> to be used for cybersquatting, the Respondent itself may be challenged under the Trademark Post-Delegation Dispute Resolution Procedure.

As to the Respondent's pattern of conduct, the Objector contends, and the Respondent admits, that the Respondent has applied for some 307 new TLD strings (Response Annex B, Exhibit 2). This appears to be more than any other applicant. However, that fact alone does not mean necessarily that the Respondent intends to engage in illegitimate use of trademark rights. Furthermore, the Panel notes that a number of the strings for which the Respondent has applied appear to consist of common dictionary words or abbreviations thereof (although the Panel notes that it has not reviewed evidence relating to other strings and could only make a finding as to a specific string after reviewing the relevant evidence). On the other hand, as the Objector claims, the opportunity for illegitimate use does exist when a string corresponds both to a dictionary word and a trademark. Indeed, as the Objector notes, among the strings the Respondent has applied for are <.express>, <.limited> and <.direct>, all of which are also identical to third party trademarks. However, panels have already rejected Legal Rights Objections filed against the first two of those strings, which shows that other panels also have recognized that the Respondent's business model does not automatically translate into a finding of bad intent. See *Express, LLC v. Sea Sunset, LLC*, WIPO Case No. LRO2013-0022; and *Limited Stores, LLC v. Big Fest, LLC*, WIPO Case No. LRO2013-0049. Indeed, as the Panel found in the *Express, LLC* case, this risk is an inherent function of the Objector's decision to use a dictionary word as its brand name.

In sum, the Panel recognizes that the opposed string <.coach> consists of a common word that can readily be put to use to describe goods and services and activities other than those related to the Objector's mark. On this record, the Panel cannot conclude that the Respondent has engaged in a pattern of abusive TLD string applications.

Accordingly, the Panel finds that the fourth factor favors the Respondent.

v. Use of or Preparations to Use

The Respondent has submitted no evidence to the Panel that it has used a sign or name that corresponds to the opposed string <.coach> in a *bona fide* offering of goods or services. Also, other than stating its plans, the Respondent has not presented any other evidence that it is preparing to use such a sign for those purposes. Moreover, the Respondent does not claim to represent or belong to any group or community to which such a sign might apply.

However, the Respondent has averred its intent and plans to use the opposed string with respect to third party registration of domain names that correspond to one or more of the dictionary meanings of the word "coach". The Respondent asserts that such registration will increase international commerce and otherwise conform to the ICANN goals of expanding the number of TLDs available for public use. Moreover, the Respondent has, in its application (Response Annex B, Exhibit 1) for the opposed string, put forth several procedures that it intends to employ to curb potential abusive domain name registration and potential harm to the Objector's trademark rights. These procedures include eight specific mechanisms and resources to be adopted by the Respondent. These are in addition to the 14 protective measures developed by ICANN, to which the Respondent is also prepared to adhere. The Respondent contends, without counter from the Objector except a contention the amount is inadequate, that it has raised in excess of USD 100 Million to acquire and administer the TLDs for which it has applied, including the opposed string. That investment, the Respondent contends, will enable it to carry out its planned programs of TLD string usage and abuse

protection.

As noted above, the Objector contends that such anti-abuse measures will be insufficient – in large part because the funding to which the Respondent refers will not be enough to administer adequately the volume of TLDs for which the Respondent has applied. However, the Panel feels constrained to view the Objector's contentions in this regard as conjecture. While the Panel believes that there is always the possibility for abusive domain name registrations, the Panel is not in a position to conclude that the Respondent has failed to put forth reasonable plans to mitigate those possibilities, or that such plans could not be modified in the future – possibly in conjunction with the Objector – to achieve that goal.

As a result, the Panel believes that, although the Respondent has not shown demonstrable preparations for a direct *bona fide* offering of goods, services or information by use of a sign corresponding to the opposed string, the Respondent does have preparations in place for offerings on an indirect basis through third-party domain name registrations in connection with the opposed string. Furthermore, the Panel finds that the Respondent is preparing to do so in a way so as not to interfere with the Objector's legitimate exercise of its mark rights.

Accordingly, the Panel finds that the fifth factor favors the Respondent.

vi. Marks or Intellectual Property Rights

The Respondent claims that it “has rights in the <.coach> gTLD by virtue of its Application.” That, however, is not the test under the sixth element. Rather, the Applicant Guidebook directs the Panel to consider “whether the applicant has marks or other intellectual property rights in the sign corresponding to the gTLD.”

The Respondent has not presented any evidence to the Panel that the Respondent owns valid rights in any marks or any intellectual property rights that might pertain to a sign that corresponds to the opposed string. The Respondent contends that, as a member of the public, it is entitled to claim equal rights in the use of the common, descriptive, dictionary word “coach”, which corresponds to the opposed string. However, that does not give the Respondent any intellectual property rights in the opposed string <.coach>. On the other hand, there was no obligation on applicants for new gTLDs to show that they have intellectual property rights in strings for which they applied.

Accordingly, although the Panel finds that the sixth element favors the Objector, to the extent that the Respondent has not shown that it has marks or intellectual property in the sign, the Panel does not believe that this militates against the Respondent's overall position in this proceeding.

vii. Commonly Known By

The seventh factor asks whether “the applicant has been commonly known by the sign corresponding to the gTLD.” The Respondent claims this factor favors it because its “proposed *bona fide* use of a <.coach> gTLD is consistent with the rights it has acquired by its Application.” The Panel rejects that argument; otherwise, every application would automatically be proof that the applicant was commonly known by the applied-for string. Rather, the question is whether, outside of the application, the Respondent has been commonly known by the name “Coach.” The Respondent has presented no evidence that it has ever been commonly known as a sign that would correspond to the opposed string. The Panel thus concludes that the Respondent has not been so commonly known.

Accordingly, the Panel finds that the seventh factor favors the Objector.

viii. Likelihood of Confusion

The Objector contends that the Respondent's purported use of the opposed string would cause a likelihood of confusion with the Objector's trademark as to source, sponsorship, affiliation or endorsement of that string. The Objector argues that the general public will believe that the second-level domain names that the

Respondent allows to be registered in the registry corresponding to the string will necessarily be associated with the Objector's business because the Objector's mark is identical to the string. The Objector points out that this likelihood of confusion will be heightened because other holders of famous trademarks and/or service marks are also seeking to obtain gTLD strings that correspond to their marks, setting a pattern to which consumers will expect the Objector to conform and causing them to see the <.coach> gTLD as a branded gTLD registry as well.

In response, the Respondent argues that, because the common word "coach" has meanings diverse from the Objector's main area of commerce, the relevant public will not likely believe that the opposed string is sourced from, sponsored by, affiliated with or endorsed by the Objector. To support its argument, the Respondent has submitted evidence, in the form of a survey (Response Annex K) that found that only a small percentage of those surveyed identified the word "coach" primarily with the Objector. As noted above, the Objector has disputed the methodological validity of the survey. Rather than permit further briefing on this point, thus delaying a resolution, the Panel has elected to disregard the survey since it need not rely on the survey results to rule on the Legal Rights Objection.

The Panel agrees with the Respondent that there are several definitions of the word "coach", and that many Internet users may equate that word with goods, services or activities other than those related to the Objector or its trademark. The Panel does not need survey evidence to know that "coach" is a common dictionary word, and is used frequently in reference to the various definitions listed above. As also noted above, this does not preclude the Panel from ascertaining that the Objector's trademark is also well-established within the relevant public. The Panel is thus of the belief that some Internet users may assume that a domain name found at <.coach> will relate directly to merchandise offered under the COACH trademark by the Objector, whereas others may associate the string with one of the various dictionary meanings of "coach."

On balance, the Panel cannot conclude that, given the many definitions of "coach", an appreciable number of Internet users will confuse the proposed string with the Objector's mark. Had the survey measured consumers' perceptions of a <.coach> gTLD, that might have provided more relevant evidence, but neither party submitted such evidence. Considering the available evidence, however, the Panel finds that it is unclear whether the intended use of the opposed string would create a likelihood of confusion with the Objector's mark as to the source, sponsorship, affiliation, or endorsement of that string.

Accordingly, the Panel finds that the eighth factor is neutral.

B. Conclusion

Taking into consideration all of the eight factors mandated by Section 3.5.2 of the Applicant Guidebook, the Panel now turns to the ultimate question of whether the Objector has sustained its burden of proving the grounds for the Objection as listed in Section 3.5.2. Those grounds are referred to in Section 3.5.2 as Standards and Principles and it is clear from that terminology that those who drafted the Guidebook intended them to be regarded as pivotal in this proceeding. In any event, Section 3.5 goes on to make this determination mandatory by providing that the Panel "will determine" the three grounds, to which the Panel will now turn.

(I) Takes unfair advantage of the Objector's mark

The first circumstance the Panel must address is whether the potential use of the opposed string takes unfair advantage of the distinctive character or the reputation of the Objector's trademark. As reasoned in element iii above, the Panel recognizes that the Objector's COACH mark is relatively well-known throughout the world. Moreover, the distinctive character and reputation of the Objector's mark are of a high order, as the Objector's products appear to be considered by the relevant public to be of excellent quality. As a result, the Panel believes that there is the distinct potential that the Respondent will gain some advantage in using the opposed string <.coach> due to the distinction and reputation of that mark if the gTLD registry is operated to permit registration of domain names related to leather goods, handbags, accessories, and the other products sold by the Objector, or if the websites to which domain names registered in this registry discuss, advertise,

promote, sell or otherwise address such products.

However, the Panel also believes that, if the Respondent sets rules that prohibit such confusing uses and instead promotes use of the gTLD for information, goods and services related to the dictionary meanings attached to the common word “coach,” confusion with the Objector’s trademark would be no more likely than any confusion caused when consumers use the word “coach” for its dictionary meaning in other real-world contexts. As noted above, this is a risk that the Objector assumed when it adopted as its trademark a common dictionary word.

The opposed string can – and, according to the Respondent, will – be used for domain names that reflect those alternative meanings. For example, the opposed string can be applied in the realms of team coaching, travel, mentoring, etc. Those areas of commerce are far afield from the sector for which the Objector mark is best known: leather goods, handbags, and other accessories. Although there may be some overlap in areas of offerings in which the Objector engages, but for which it is not so well known, the Panel is persuaded that this will constitute a relatively minor advantage to the Respondent in the potential use of the opposed string, and to the extent it does give rise to confusion, the Objector will be able to rely on any rights granted by the UDRP and the Trademark Post-Delegation Dispute Resolution Procedure (“TMPDDRP”). What is crucial, in the Panel’s opinion, is that there is no reason to believe that the potential use of the opposed string takes *unfair* advantage of the Objector’s mark.

In short, the Panel finds that the Objector has failed to provide sufficient evidence to conclude that the Respondent will gain an advantage that is unfair – in using the opposed string to register domain names – due solely and directly to the connection between the fame of the Objector’s COACH trademark and the unrelated goods and services likely available under those names.

Accordingly, the Panel finds that the Objector has failed to satisfy this circumstance that would require a denial of the Respondent’s application for the opposed string.

(II) Unjustifiably impairs Objector’s mark

Next, the Panel must determine whether the potential use of the opposed string <.coach> unjustifiably impairs the distinctive character or the reputation of the Objector’s mark. Again, the Panel agrees with the Objector’s contentions with respect to the considerable consumer regard held for the character and reputation of the goods sold under the Objector’s mark. Consequently, there is little doubt, in the Panel’s view, that there exists a possibility that the potential use to which the opposed string may be put – the registration of domain names under which goods and/or services may be marketed – may impair or tarnish that character or reputation. Simply put, those third party goods and/or services may be considered by the relevant public to be of lesser quality than the products offered under the Objector’s trademark.

However, once again, the Panel is mindful that any such impairment must be considered *unjustifiable* for the Objector to prevail on this issue. The Panel believes that the intent of ICANN in soliciting applications for new TLDs was to stimulate expansion and competition in connection with the provision of goods, services and information through the Internet. As a result, some impairment of established trademark and service mark rights is to be expected as the field of marks becomes more crowded. But, in this case, the mark in question, COACH, is also a common dictionary word and there is the potential for many uses on the Internet that would relate to the dictionary meaning of the word rather than the source-identifying meaning of the mark. Thus, the Panel is unconvinced that any resulting impairment to the COACH mark on account of the mere registration of the <.coach> gTLD by the Respondent is likely to be so great as to be classified as “unjustifiable” (bearing in mind, once again, the Objector’s rights under the TMPDDRP should the Respondent fail to manage the registry in a way that avoids undue impairment of the Objector’s trademark rights).

Accordingly, the Panel finds that the Objector has failed to satisfy this circumstance that would require a denial of the Respondent’s application for the opposed string.

(III) Creates an impermissible likelihood of confusion

Finally, the Panel must decide whether the potential use of the opposed string <.coach> otherwise creates an impermissible likelihood of confusion between the opposed string and the Objector's mark. In factor i above, the Panel found that the opposed string, <.coach>, is identical to the COACH trademark. Thus, there is a possibility of some confusion between the opposed string and the Objector's mark.

What is not clear is whether confusion will be likely, let alone whether any such likelihood of confusion would be *impermissible*, given the goals and intents of ICANN in promulgating the process for creating new gTLDs. In setting forth significant protections against abusive registrations that might result from use of the new strings, ICANN seems, in the Panel's view, to have anticipated the risk of confusion between the use of those strings and existing trademark and service mark rights. In this case, as noted in the analysis of factor v above, the Respondent has even added eight more protective measures to ICANN's protective scheme. Moreover, as reasoned in factor viii above, the Panel is uncertain as to the likelihood of confusion in the minds of the relevant Internet user group between the opposed string and the Objector's mark, because the various definitions of the descriptive word "coach" would probably lead to uses of that string that do not coincide at all with the principal goods sold under that mark. Thus, while some confusion is possible, the Objector has not sustained its burden of proving that the potential use of the gTLD will create an impermissible likelihood of confusion. Further, to the extent that some low-level confusion may be created, the Panel believes that that degree of confusion is permissible within the structure that ICANN contemplates and can be resolved on a case-by-case basis as genuine complaints or concerns arise.

Accordingly, the Panel finds that the Objector has failed to satisfy this circumstance that would require a denial of the Respondent's application for the opposed string.

7. Decision

For the foregoing reasons, the Objection is denied.

[signed]

Dennis A. Foster
Presiding Panelist

[signed]

David H. Bernstein
Panelist

[signed]

The Hon. Neil Brown Q.C.
Panelist
Date: August 14, 2013