

EXPERT DETERMINATION LEGAL RIGHTS OBJECTION

Academy, LTD., d/b/a Academy Sports + Outdoors v. Half Oaks, LLC
Case No. LRO2013-0003

1. The Parties

The Objector/ Complainant is Academy, LTD., d/b/a Academy Sports + Outdoors of Katy, Texas, United States of America (“the Objector”), represented by Pirkey Barber PLLC, United States of America.

The Applicant/Respondent is Half Oaks, LLC (referred to in this decision as “the Applicant”), of Bellevue, Washington, United States of America, represented by The IP & Technology Legal Group, P.C., United States of America.

2. The applied-for gTLD string

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

3. Procedural History

The Legal Rights Objection (“the Objection”) was filed with the WIPO Arbitration and Mediation Center (the “WIPO Center”) on March 11, 2013 pursuant to the New gTLD Dispute Resolution Procedure (the “Procedure”).

In accordance with Article 9 of the Procedure, the WIPO Center completed its 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 Applicant 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 Applicant filed its Response with the WIPO Center, in time, on May 17, 2013.

The WIPO Center appointed Maxim H. Waldbaum as the Presiding Panelist and Jeffrey M. Samuels and Tony Willoughby as the Co-Panelists in this matter on June 14, 2013. The Panel finds that it was properly constituted. The Panelists have submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the WIPO Center to ensure compliance with Article 13(c) of the Procedure and Paragraph 9 of WIPO Rules for New gTLD Dispute Resolution.

On June 21, 2013, the Objector submitted a Reply to Applicant's Response.

On June 27, 2013, the Applicant submitted an Objection to Objector's Request for Additional Submissions and Annex 1 in support of the same.

4. Factual Background

The Objector

The Objector is a limited partnership, organized under the laws of the State of Texas, United States of America. It is one of the largest sporting goods retailers in the United States, operating 159 stores in thirteen states. The Objector has partnered with and sponsors numerous celebrity athletes, professional and collegiate sports teams, NASCAR, as well as field and stream organizations, in promoting its stores. The Objector's stores provide a variety of services and goods, including, but not limited to, sporting goods, apparel, footwear, field and stream merchandise, bicycles, backpacks, backyard and patio furniture and accessories, boating and marine products, camping products, fishing products, hunting products, hiking products, and exercise equipment.

The Objector does a significant volume of its business online at "www.academy.com" and enjoys strong followings in social media sites, including Facebook, Twitter, and Pinterest.

The Objector referred to its numerous media mentions in news articles, both in print and via broadcast. In addition, the Objector has used its high profile to sponsor local sports and outdoors organizations in its communities.

The Objector's Trademarks

The Objector holds two United States registrations for the word mark ACADEMY: Registration No. 1911968 (Class 42: Retail store services in the field of western wear; hunting, fishing and sporting equipment and outfitting; sporting and athletic equipment, gear and footwear; and outdoor and recreational equipment, outfitting and merchandise); Registration No. 4349037 (Class 35: Online retail store services featuring camping, fishing, hiking, hunting, outdoor, and recreational equipment, the foregoing services are offered through a traditional website and also through social media platforms. Class 41: Computer services, namely providing information online about sports and outdoor activities the foregoing services are also offered through social media platforms).

The Objector also holds three related United States registrations which use the term "academy": ACADEMY.COM (Class 35 and Class 41); ACADEMY SPORTS + OUTDOORS (Class 35 and Class 41); and ACADEMY OUTDOORS (Class 41).

The Objector's "family" of ACADEMY marks originated with its ACADEMY word marks, which have been used continuously in the United States since 1951 by the Objector. Due to the Objector's marketing and promotional efforts, there is widespread recognition of its marks in the United States.

The Objector's Domain Names

The Objector does a significant portion of its business online at its registered domain name "www.academy.com".

The Applicant

The Applicant is a limited liability company, organized and existing under the laws of the State of Delaware. It is an indirect subsidiary of Donuts Inc. The Applicant's family of companies has applied for nearly 310

gTLD strings and spent over USD 55 million in filing fees. The Applicant is applying to become an ICANN accredited Top Level Domain registry.

The Applicant's Application for the <.academy> gTLD String

The Applicant's application for the <.academy> string ("the Application") was originally posted on June 13, 2012, under Application ID: 1-1336-51768.

In the "Mission/Purpose" section of the Application, the Applicant stated:

"Donuts Inc. is the parent applicant for this and multiple other TLDs. The company intends to increase competition and consumer choice at the top level. It will operate these carefully selected TLDs safely and securely in a shared resources business model."

If the Application proceeds to delegation, registrations of <.academy> domain names will be available for all "legitimate registrations." Applicant's response to section 18(a) of the Application sets forth a list of eight developed protections, in addition to the fourteen listed by ICANN, which it intends to use to raise user safety and protection:

- (i) Periodic audit of Whois data for accuracy;
- (ii) Remediation of inaccurate Whois data, including takedown, if warranted;
- (iii) A new Domain Protected Marks List (DMPL) product for trademark protection;
- (iv) A new Claims Plus product for trademark protection;
- (v) Terms of use that prohibit illegal or abusive activity;
- (vi) Limitations on domain proxy and privacy service;
- (vii) Published policies and procedures that define abusive activity; and
- (viii) Proper resourcing for all of the functions above.

At section 29 of the Application, the Applicant addressed the issue of Rights Protection Mechanisms ("RPMs"). Under this heading, the Applicant referred to its "independently developed" RPMs, including:

- (i) Reserved names: to protect names specified by ICANN, including the necessary geographic names;
- (ii) A Sunrise Period: adhering to ICANN requirements, and featuring trademark validation via the Trademark Clearinghouse;
- (iii) A Trademark Claims Service: offered as per ICANN requirements, and active after the Sunrise period and for the required time during wider availability of the TLD;
- (iv) complying with the Uniform Rapid Suspension system ("URS") requirements;
- (v) complying with the Uniform Domain Name Dispute Resolution Policy ("UDRP");
- (vi) complying with the Domain Protected Marks List ("DPML");
- (vii) Claims Plus; and
- (viii) Abusive Use and Takedown Policies.

The Applicant stated that it would use three criteria to determine Sunrise eligibility for a given application:

- (1) Ownership of a qualifying mark, as defined by ICANN's Trademark Clearinghouse or found in national trademark registries or supported by common law usage;
- (2) Representation by the applicant that all information provided is true and correct; and
- (3) Provision of data sufficient to document rights in the trademark.

Other Applications made by the Applicant

In addition to the Application, the Applicant (through associated companies) has made numerous other applications for new gTLDs in pursuit of its goal to become an accredited TLD registry. A list of those other gTLD applications is attached as Exhibit 2 to the Applicant's Response.

Additional Matters referred to by the Applicant in the Response

The Applicant acknowledged in its Response that the <.academy> gTLD will be open to all legitimate domain applications and that it will follow ICANN rules and its own independent guidelines to ensure that only fully qualified applicants will be awarded Sunrise names.

The Applicant asserted in its Response that it has invested significantly, in terms of time, money and effort, in the development of all of its new gTLD applications, including the instant Application. However, it did not provide evidence in support of that assertion, beyond a reference to the payment of the application fee for a new gTLD.

Other Matters referred to or acknowledged by the Parties

The Applicant does not claim that it has been known by the name "academy". Nor does the Applicant claim any trademark or other legal rights specific to the term "academy," apart from its use on the above-identified goods and services.

5. Parties' Contentions

A. Objector

The Objector contended that it has standing to object under the Procedure, based on its trademark registrations for the mark ACADEMY, and its "family" of other registered and unregistered marks containing the term "academy". It contended that it would suffer damage if the Application were allowed to proceed.

The Objector contended that the potential use of a <.academy> gTLD by the Applicant would:

- (i) take unfair advantage of the distinctive character and the reputation of the Objector's ACADEMY marks;
- (ii) unjustifiably impair the distinctive character and the reputation of the Objector's ACADEMY marks; and
- (iii) otherwise create an impermissible likelihood of confusion between the <.academy> gTLD and the Objector's ACADEMY marks.

Addressing the non-exclusive individual factors which experts are required to consider under Section 3.5.2, Module 3, gTLD Applicant Guidebook, the Objector contended as follows:

1. The applied for gTLD is identical or similar, including in appearance, phonetic sound and/or meaning, to Objector's existing ACADEMY marks.
2. Objector's acquisition and use of its rights in the ACADEMY marks have been *bona fide*. The Objector owns multiple United States registrations for its ACADEMY marks, granting Objector a presumption of validity of its marks, and of Objector's exclusive right to use the registered marks in commerce on or in connection with the goods or services specified in the registrations.
3. At least by virtue of Objector's United States registrations, as well as its ownership of the domain name <academy.com>, Applicant had actual or constructive knowledge of the ACADEMY marks or could not reasonably have been unaware of the ACADEMY marks at the time of application for the gTLD.
4. Through Objector's marketing and promotional efforts, there is widespread recognition in the relevant sector of the public of the ACADEMY marks.
5. Applicant has not used, nor has it made demonstrable preparations to use, the term "academy" 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.
6. Applicant does not have any trade or service marks or other intellectual property rights in ACADEMY.
7. Applicant is not commonly known by the sign corresponding to the gTLD.
8. Applicant's intended use of the <.academy> gTLD would create a likelihood of confusion with Objector's ACADEMY marks as to the source, sponsorship, affiliation, or endorsement of the <.academy> gTLD in at least the following ways: consumers will believe that a website or email address associated with a domain name using <.academy> is owned by Objector and Objector will have no control to prevent "cybersquatters" from using such domains to promote lesser quality goods or services. In addition, Internet users looking for Objector and for Objector's goods and services online will be likely to find other websites with the <.academy> gTLD and become confused as to the Objector's affiliation with these websites and their content.
9. If Applicant's gTLD application is successful, the policing burden on Objector will be enormous and force Objector to expend substantial resources to review the domains registered and address any problems that arise.
10. The UDRP and URS are likely to be insufficient to address the Objector's concerns at the second level as the gTLD for a domain name is typically ignored as irrelevant in assessing whether the domain name is identical or confusingly similar to the complainant's mark.

B. Applicant

The Applicant's contentions may be summarized as follows:

1. The Applicant's potential use of the <.academy> gTLD would not take unfair advantage of, or unjustifiably impair, any distinctive character or reputation which may subsist in the Objector's ACADEMY marks. Any potential use the Applicant might make of a <.academy> gTLD would not create any impermissible likelihood of confusion between the Objector's marks and the <.academy> gTLD.
2. The applied for gTLD is not actionably similar in appearance, sound and meaning to the Objector's marks. The generic nature of the term "academy" means that similarities to Objector's marks are unavoidable and, therefore, the broad range of uses dramatically reduce the term's ability to serve a

source-identifying function and similarities should be deemed irrelevant.

3. The Objector has used the ACADEMY marks on a limited basis concentrated mostly in the Southeastern United States, where all of its stores are located. There is no evidence, other than the use of a website, to indicate that Objector uses the marks to advertise outside of that geographic region and all uses of the mark for the single term “academy” are in conjunction with other terms as in Academy Sports + Outdoors.
4. Objector fails to prove public recognition of the sign corresponding to the gTLD as the mark of the Objector, as opposed to third parties. For a gTLD the relevant sector of the public includes everyone in the world with Internet access. Objector shows only recognition in its limited sector and geographically in the United States alone. Other similar domain names, as demonstrated in Applicant’s Response, annex D, show that <academy.net>, <academy.org>, < academy.biz>, and <academy.us> are registered to other unrelated persons or entities (Digimedia.com, LP, Academy of Motion Picture Arts & Sciences, J. Jon-Chul in Korea, and A. Margalit, respectively). One who claims a common, descriptive word as a trademark takes the risk that many others will use the same or similar terms to identify their companies, services and/or goods.
5. Objector demonstrates no improper intent on the part of Applicant in applying for the <.academy> gTLD. Although Objector contends that Applicant cannot have reasonably have been unaware of Objector’s marks at the time of the Application, Applicant has no obligation to search trademark or domain name records to determine other uses of the term it proposes to use as, by definition, a generic top level domain. In this case, a search for the term “academy” in domain registrations would have resulted in thousands of United States registered marks.
6. Applicant has prepared to use the sign corresponding to the gTLD in connection with providing *bona fide* access to information on the Internet that does not interfere with any legitimate rights of the Objector. Applicant’s family of companies has applied for nearly 310 strings spending over USD 55 million on ICANN filing fees and has invested substantial time and money in planning and preparing to use <.academy> and each of its other gTLDs. The Applicant has also set up anti-abuse and rights protection mechanisms in excess of those required by ICANN. The Applicant will have terms and conditions that prohibit unlawful conduct, and it reserves the right to delete second level domain names used for such behavior.
7. The Applicant has rights in the sign corresponding to the gTLD by virtue of its Application.
8. The Applicant’s proposed *bona fide* use of the sign corresponding to the gTLD is consistent with the rights it has acquired by virtue of its Application.
9. Applicant’s intended use of the gTLD creates no likely confusion with Objector’s marks as to the source, sponsorship, affiliation or endorsement of the gTLD. Applicant looks to United States case law and argues that Objector’s mark is weak, Objector has failed to establish that similarity in sight, sound and meaning is sufficient to promote confusion inasmuch as other online usage of the term “academy” has been for diverse goods and services not associated with Objector and Objector’s use of the term “academy” is limited to a channel of trade not used by Applicant. In addition: Internet users are unlikely to attach source significance to the information “to the right of the dot” based on experience with already existing gTLDs; Objector has shown no ill intent by Applicant; Objector has shown no actual confusion, only potential confusion.
10. If the Objection was allowed, it would prevent Applicant from offering the dictionary term “academy” as a TLD and thus create an improper Internet-wide monopoly over a common English-language word.

6. Discussion and Findings

Section A

Principles for Adjudication of Legal Rights Objections

The principles which expert panels are required to apply in dealing with Legal Rights Objections are set out at Section 3.5.2 of Module 3 to the gTLD Applicant Guidebook.

The starting point is that applied-for strings must not infringe the legal rights of others that are recognized or enforceable under generally accepted and internationally recognized principles of law. In giving effect to that requirement, expert panels are required to determine whether the potential use of the applied-for gTLD by the applicant:

- (i) takes unfair advantage of the distinctive character or the reputation of the Objector's registered or unregistered trademark or service 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 Objector in a Legal Rights Objection proceeding bears the burden of proof.

As part of its task of making the determinations listed in (i) to (iii) above), the Panel is required to consider eight specific factors, which are listed in Section 3.5.2. These specific factors are expressly stated to be non-exclusive, and are applicable where the objection is based on trademark rights. We consider each of these factors in Section 6C of this Determination.

Section B

Considerations Relevant to the Interpretation of the Section 3.5.2 Adjudication Principles

1. It is the potential use of the <.academy> gTLD string *by the Applicant* with which the Panel is in the first instance concerned, more than the potential uses to which individual domain name registrants of <.academy> domain names might put their domain names. In this case, the evidence is that the <.academy> gTLD will be used by the Applicant as an open gTLD, at which individuals and corporations who satisfy the Sunrise requirements will be able to register <.academy> domain names through ICANN-accredited registrars, of which Applicant seeks to be one. The issue of these new domain names will be subject to the ICANN-prescribed RPMs (including the UDRP and the URS for individual domain name registrants, and the PDDRP for the Applicant), and to further specific RPMs which the Applicant has developed. The question is whether this use of the proposed <.academy> gTLD by the Applicant would do any of the things listed in (i) through (iii) in Section 6A of this Determination.
2. In light of Objector's trademarks and Applicant's desired use, how should the Panel deal with the potential for confusion at the second level? This is an important issue in this case, where the potential appears to exist for someone to register domain names such as <sportingequipment.academy> or <athleticequipment.academy>, or other combinations which might call to mind the Objector for a significant number of Internet users.

In *I-Registry Ltd v. Vipospace Enterprises LLC*, WIPO Case No. LRO 2013-0014 (gTLD string <.vip>), the panel noted that there might be scope for infringement of the objector's trademark at the second level, but took the view that it was only concerned with the top level.

In *Express, LLC v. Sea Sunset, LLC*, WIPO Case No. LRO 2013-0022 (gTLD string <.express>), the panel noted that, while an argument existed that even a gTLD as ubiquitous as <.com> could be said to “create” a likelihood of confusion by providing a wider range of fora in which prospective domain name registrants might take unfair advantage of trademark rights, as a general proposition domain registries operating in a *bona fide* manner are not held legally responsible for allowing domain names to be registered that create a likelihood of confusion with respect to existing trademarks.

This Panel agrees with the conclusion of the panel in *Blue Cross and Blue Shield Association v. Affiliates Limited (“BCBSA”)*, WIPO Case No. LRO2013-0004 (gTLD string <.blue>), that

“[I]n most cases the operator of a new gTLD, should not be regarded as ‘taking advantage of’, or as ‘impairing’, the distinctive character or reputation of an objector’s trademark, in circumstances where the relevant taking advantage or impairing arises only out of the registration of particular domain names in the new gTLD by third parties unrelated to the registry operator and its conduct.”

As in the <.blue> case (*supra*), the Panel finds that the establishment of a new gTLD is not enough, on its own, to create a likelihood of confusion between the gTLD and an objector’s mark. Any likelihood of confusion at the second level does not reach the level of being “impermissible” under the final of the three criteria the Panel is required to apply.

3. In the <.express> case (*supra*), the panel referred to the possibility of the objector being called upon to deal with potential Internet user confusion at the second level, and went on to say: “complainant faces this risk because it adopted a common word in the English language for its trademark. It may be difficult to protect that term outside its channel of trade”.

That observation is applicable to the gTLD here, where the string in question consists of a single word in the English language not used exclusively by the Objector, but occurring in everyday speech without reference to the Objector.

4. The Applicant contended that top level domains are not regarded as source indicators by Internet users who are experienced with existing TLDs and attach no significance to anything “after the dot.” That may be particularly true where the new gTLD consists of a third party trademark which is also a common generic term.

Moreover, it is not accurate to state, as Objector contends, that what comes “after the dot” is always ignored by UDRP panels. While what comes “after the dot” is usually ignored, because what follows the dot is usually perceived by the Internet community to be a generic suffix rather than a source identifier, and does not detract from the distinctiveness of what precedes the dot, such is not always the case. To take a hypothetical example, if the domain name at issue was <via.com>, it is most unlikely that a UDRP panel would ignore the suffix when assessing whether the domain name was identical or confusingly similar to the trade mark, VIACOM. See *project.me GmbH v. Alan Lin*, WIPO Case No. DME2009-0008, involving the domain name <project.me>, is a case where the top level domain identifier was taken into account.

While each contested gTLD must be determined on a case by case basis and will be affected by the unique facts applicable to each dispute, in a case where the applied-for gTLD string consists of a single generic English language word, the Panel notes that it may be more difficult for an objector to successfully argue that the gTLD string on its own, without more, will be seen as a source indicator.

7. As the Panel in the <.blue> case noted:

“... it is possible that new gTLDs with more general dictionary meaning may appropriately form part of any assessment of the legal status in trademark terms of such domain or registrations made therein.’ [...] to the extent that panels deciding cases under the UDRP have in the past ignored everything to the right of the dot in addressing the question of confusing similarity, a different approach may be

required with the new gTLDs. [...] A domain name registered in a new gTLD, in combination with the gTLD string itself, might be almost identical to a complainant's trademark, and it would seem unrealistic to ignore the gTLD string in such circumstances." (Internal reference to *Defender Security Company v. Charleston Road Registry Inc.*, WIPO Case No. LRO2013-0032 (relating to the gTLD string <.home>).)

Section C

The Eight Factors, and how they are to be applied in this Case

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

The <.academy> gTLD is clearly identical to the Objector's ACADEMY marks in terms of its appearance and phonetic sound. As to meaning, the Panel accepts that "academy," as used in the proposed new gTLD, was intended to be open to any qualified applicant for the purpose of disseminating information online. It is not so clear whether that is the case with the Objector's ACADEMY marks, where it appears that the word has the (secondary) meaning of acting as a source indicator for particular goods provided by the Objector.

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

There is nothing in the evidence which would suggest that the Objector's acquisition and use of its ACADEMY marks has not been *bona fide* and the Applicant has not suggested otherwise.

3. **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.**

The Applicant has not claimed any rights in an ACADEMY mark or contended that any relevant sector of the public regards ACADEMY as a mark of the Applicant. As for third parties, there is evidence of a very substantial number of trademarks registered around the world that contain the term "academy". It is more than likely that some of the proprietors of those marks could justifiably claim a level of recognition of that expression (in some sectors of the public and in respect of some particular goods or services) as their trademark or service mark.

Turning to the Objector, the Panel accepts that, as the proprietor of two ACADEMY service marks in the United States, there is likely to be some level of recognition of ACADEMY as a service mark of the Objector, particularly in the Southeastern United States and in the sector of sporting goods. But the Panel's conclusion is that the Objector has primarily used the term "academy" in combination with some other word or words, as in ACADEMY SPORTS + OUTDOORS. The Panel did not note any evidence to support a finding of public recognition of the Objector's mark ACADEMY, standing alone.

4. **Applicant's intent in applying for the gTLD, including whether the Applicant, at the time of Application, had knowledge of the Objector's mark, or could not have reasonably been unaware of that mark, and including whether the Applicant had 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 Applicant denied that it was aware of the Objector when it lodged the Application. In support of this, Applicant points out that a trademark search for marks containing the term "academy" yields thousands of registrations in the United States alone. The Panel has no reason to doubt the Applicant's assertion that it applied for the <.academy> gTLD for the purpose of establishing a new open registry which would provide domain names to qualified individuals, businesses, and organizations. The fact that the Applicant (through associated companies) has applied for numerous other generic term gTLDs is consistent with that assessment.

There is no allegation that the Applicant has previously 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.

5. **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.**

The Applicant does not claim to have made any use of a sign corresponding to the <.academy> gTLD in connection with any *bona fide* offering of goods or services or *bona fide* provision of information. However, the Applicant submits that it has made *demonstrable preparations* to use the sign corresponding to the <.academy> gTLD in connection with such services.

While it has been noted that preparations to establish technical and administrative infrastructure to operate a new gTLD may be considered preparations to use a given gTLD string, it is a given that every applicant for a new gTLD string will likely have performed some work in creating the technical and administrative support to operate its proposed new gTLD. Such preparations cannot, therefore, be given special consideration as *bona fide* use or preparation to use the gTLD at issue. It is, therefore, unnecessary to consider the question of interference with respect to the legitimate exercise by the Objector of its mark rights.

6. **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 gTLD by the Applicant is consistent with such acquisition or use.**

The Applicant has not claimed that it holds any intellectual property rights in a sign corresponding to the <.academy> gTLD outside of its application.

7. **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*.**

There is no suggestion that the Applicant has been commonly known by a sign corresponding to the <.academy> gTLD.

8. **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.**

While the Panel recognizes that, through its marketing and promotional efforts, the Objector has made itself known to a certain limited business and geographic sector of the public, the Panel finds that the vast majority of Internet users coming across a <.academy> gTLD would have no reason to assume that it was intended as a reference to the Objector and could just as likely connect it to the myriad other uses of the term "academy" in the English language and in commerce. In this case, the term "academy" alone and, therefore, the gTLD <.academy>, without more, is not a threat to the Objector's marks; rather, the more serious danger arises at the second level of domain registration.

Considering the position at the second level, the Panel finds that (i) there are a number of domain names that might be registered which, when read with the ".academy" suffix, could evoke the Objector and its activities in the fields of sporting goods or athletics, and (ii) such registrations might cause confusion with one or more of the Objector's ACADEMY marks (at least among those members of the public who are already familiar with the Objector), as to the source, sponsorship, affiliation, or endorsement of the <.academy> gTLD. The Panel further recognizes that the Objector could not

reasonably expect to completely eliminate that sort of confusion by making defensive registrations during the Sunrise period, and that while the UDRP and the URS will be available to address abusive registrations at the second level (and the option of Court proceedings for trademark infringement or unfair competition may be available in particular cases), there could still be a period when some level of marketplace confusion was present and the burden on Objector to police domain registrations for potential infringement claims would be great.

However, the Objector cannot prevail on such considerations. First, there is the question of whether the likelihood of confusion with Objector's ACADEMY marks, even at the second level, has been "created" by the Applicant's potential use of the <.academy> gTLD. Secondly, there is the question of whether the likely amount of confusion at the second level may be *permissible*, having regard to the facts that (i) "academy" is a common, generic English language word, and (ii) the vast majority of domain names which would be registered in a <.academy> gTLD would likely be *bona fide* registrations which did not suggest any connection with the Objector.

Section D

Additional Considerations

1. The fact that "academy" is a common, generic English language word weighs strongly in the Applicant's favor. As in the <.blue> and <.express> cases, the Objector has itself created some difficulty in enforcement of its mark for the simple reason that it has chosen a common word in the English language for its trademark. As in the <.express> case, it may be said that what the Applicant is doing in this case is no more than "making available the use of a common term in the English language for Internet user registration in domain names."
2. As noted in the <.blue> case, Section 3.5.2 directs the Panel to consider the listed standards to interpret and give meaning to the GNSO Recommendation:

"Strings must not infringe the existing legal rights of others that are recognized or enforceable under generally accepted and internationally recognized principles of law."

The Panel is therefore obliged to give some consideration to the extent of the Objector's enforceable rights in its ACADEMY marks, and, in particular, to any limitations on those rights which might exist.

The Applicant proposes to use the generic English language term "academy" not necessarily in accordance with its dictionary meaning. However, Objector's use also does not rely on the dictionary meaning for its trademark. Based on the widespread usage of the term "academy" as a dictionary term and for various trademarks in numerous sectors of business, the Panel does not find evidence that the Applicant will or may use the gTLD dishonestly, fraudulently, or otherwise in bad faith.

Section E

What Weightings should the Panel give to the Factors addressed in Sections C and D of this Determination?

The eight factors are explicitly labeled as nonexclusive and no one factor is determinative of the outcome of the Panel's determination. The factual circumstances of each case may result in some factors being more significant than others. The Panel's determination, therefore, must be based on the totality of the circumstances specific to each case.

On the facts before the Panel, it is clear that the proposed <.academy> gTLD is not only similar, but identical to the Objector's ACADEMY trademarks. It is also apparent that second level domain registrations could be used in such a way as to create confusion with the Objector's marks as to the source, sponsorship, affiliation or endorsement of the <.academy> gTLD.

However, as discussed in Section D above, the common generic use of the term “academy”, as well as the lack of clear evidence showing widespread public recognition of the Objector’s ACADEMY marks, standing alone, weigh heavily in the Applicant’s favor. In this case, the Panel finds that such considerations must result in rejection of the Objector’s Objection.

Section F

The Panel’s Determinations on the Three Standards

1. Taking unfair advantage of the distinctive character or the reputation of an Objector’s mark

The Objector argued that allowing the Application to proceed would create the opportunity for the Applicant to unfairly take advantage of the public’s misperception that the Objector operates or is otherwise associated with the <.academy> gTLD. The Panel finds this argument unpersuasive. The mere delegation of a <.academy> gTLD is unlikely to create any public confusion of the kind alleged, particularly given the generic and common nature and widespread use of the word “academy”.

If a second level domain was to be registered in such a way as to infringe on the Objector’s trademark rights, the Objector could rely on the UDRP and/or the URS, and, depending on the circumstances, might also be entitled to redress in an appropriate Court.

Furthermore, any advantage from a second level domain registration would accrue primarily to the second level registrant, not to the Applicant. It is therefore hard to understand how the Applicant is taking advantage by its use of the <.academy> gTLD.

2. *Unjustifiably impairing the distinctive character or the reputation of the Objector’s mark*

The Panel is not persuaded by the evidence presented that the mere existence of the proposed <.academy> gTLD could impair the distinctive character or the reputation of any of the Objector’s ACADEMY marks, let alone do so “unjustifiably”. Given the widespread usage of the term “academy” in daily speech and in other unrelated trademarks, the <.academy> gTLD cannot be seen as impairing the distinctive character of Objector’s marks.

3. Otherwise creating an impermissible likelihood of confusion between the applied-for gTLD and the Objector’s mark

Any confusion which could arise between the <.academy> gTLD string, standing alone, and the Objector’s ACADEMY marks (or with any of the Objector’s “family” of ACADEMY marks) may be insignificant.

The complication comes from the potential for confusion at the second level. However, as other decisions have recently noted, the Process standard requires this Panel to compare only the Objector’s ACADEMY mark and the <.academy> gTLD string at the top level. The Panel, therefore, cannot police the issue of potential future confusion at the second level.

However, as noted in the <.blue> case (*supra*), even if second-level confusion is to be considered, the additional factors referred to in Section 6D of this decision, considered with the availability of the RPMs at the second level and the possibility of recourse to the courts in appropriate cases, mitigates the risk of second level confusion to a level which the Panel would regard as “permissible”.

The Panel explicitly notes that the Applicant has committed to work with rights holders to avoid the kind of second level confusion which the Objector fears may arise and has developed its own internal standards by which domain name applicants will be judged. The Panel expects the Applicant to follow through on its intent to allow only “qualified” users to register domain names.

The Panel concludes that it has not been shown that the potential use of the applied-for <.academy> gTLD by the Applicant creates an impermissible likelihood of confusion between the <.academy> gTLD and any of the Objector's ACADEMY marks.

7. Decision

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

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

The Panel rejects the Objection.

[signed]

Maxim H. Waldbaum
Presiding Expert

[signed]

Jeffrey M. Samuels
Expert

[signed]

Tony Willoughby
Expert

Date: August 16, 2013