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Recommended Citation

Vidovich, Jack. "The New gTLD Program or the More Things Change the More Things Stay the Same." *Intellectual Property Brief* 6, no. 1 (2015): 1-25.

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The New gTLD Program or the More Things Change the More Things
Stay the Same

THE NEW GTLD PROGRAM OR THE MORE THINGS CHANGE, THE MORE THINGS STAY THE SAME

JACK VIDOVICH*

ABSTRACT

The New Generic Top Level Domain Program purports to increase the amount of domain names available on the Internet. This Article suggests that The Program will not meet its stated goals. The Article demonstrates this shortcoming by analyzing the jurisprudence from the Legal Rights Objection and forecasting how other courts and panels will absorb these principles, and adjudicate gTLD disputes in the near future. Ultimately, the standard of review protects not only a mark as it exists, but also proximate variations of the mark that radiate from the original mark and satisfy the standard of customer confusion. Thus, major marks that already dominate the field do not lose their grip, but rather swallow up and absorb these proximate marks under this standard of confusion. This absorption of proximate marks into existing marks saps the language's ontology of its semantic wealth, and thus will not expand the availability of marks in URL space.

* J.D. Candidate at American University Washington College of Law 2015. I would like to thank Professor Christine Farley for her guidance and input on this Article, as well as the Intellectual Property Brief staff for its indefatigable efforts. I would also like to thank my brothers: the topic stemmed from a joke that devolved into a discussion and somehow culminated into this Article. All errors are the author's and the author's alone.

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INTRODUCTION

The Internet is a virtual world divided into tracks of land. Users can locate these tracks and access their unique address by typing in a precise domain name.¹ As the Internet has become more prevalent in Americans’

1. See Brittany Shoot, *The Great Internet Land Grab*, NEW YORKER (Aug. 28, 2013) <http://www.newyorker.com/online/blogs/elements/2013/08/web-domains-great-internet-land-grab.html> (likening The New gTLD Program to a land grab).

lives,² commentators have voiced growing concerns about the domain name system. The “most economical and memorable” names have mostly been claimed,³ and new websites are disadvantaged when trying to design names that will effectively attract user traffic, assumedly away from the entrenched nobility that have already captured major segments of the Internet’s marketplace.⁴ In response to this, the Internet Corporation for Assigned Names and Numbers (“ICANN”), a non-governmental organization that helps users connect to websites across the net,⁵ launched “The New Generic Top Level Domain Program” (“The Program”).⁶ The

2. As of May 2013, an estimated eighty-five percent of American adults use the Internet. *Trend Data (Adults)*, *Pew Internet & American Life Project*, PEW RESEARCH CENTER, <http://www.pewinternet.org/files/2014/02/12-internet-users-in-2014.jpg>. (last visited Dec. 14, 2013). As of July 2011, ninety-five percent of teenagers use the Internet. *Trend Data (Teens)*, *Pew Internet & American Life Project*, PEW RESEARCH CENTER, <http://www.pewinternet.org/data-trend/teens/internet-user-demographics/> (last visited Dec. 14, 2013). One can only speculate that given the ever-diminishing costs of mobile Internet devices such as tablets and smart phones that even more Americans are connected to the Internet than these numbers would suggest.

3. Shoot, *supra* note 1 (suggesting that the two most important goals of the New gTLD Program is to create new tracks of land and allow users with non-Latin languages to communicate to the server in their “native tongue”).

4. Alexa, an Internet traffic monitoring service, ranks Google, Facebook, Youtube, Yahoo, and Amazon as the five most visited websites in the United States, respectively. *Top Sites in United States*, ALEXA, <http://www.alexa.com/topsites/countries/US> (last visited Dec. 14, 2013). This ranking persists internationally as well, except Amazon is dethroned to tenth place and is replaced by Baidu, a Chinese language search engine. *Top Sites*, ALEXA, <http://www.alexa.com/topsites> (last visited Nov. 10, 2014). Google, the hegemon, is estimated by some to compose forty percent of all Internet traffic. Tom Worstall, *Fascinating Number: Google is Now 40% of the Internet*, FORBES, (Aug. 17, 2013, 8:15 AM), <http://www.forbes.com/sites/timworstall/2013/08/17/fascinating-number-google-is-now-40-of-the-internet/>. Yet a recent report has found that 61.5% of all Internet activity is conducted not by humans, but by bots that crawl the web, capable of anything from stealing data to aid search engines like Google cache the Internet. See Leo Kelion, *Bots Now Account for 61% of Web Traffic*, BBC (Dec. 12, 2013 8:42 ET), <http://www.bbc.co.uk/news/technology-25346235> (noting that there were more “good” bots than malicious ones).

5. *Welcome to ICANN!*, INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS, <http://www.icann.org/en/about/welcome> (last visited Dec. 14, 2013). It does this on two levels: On the technical level it is the mechanism through which people communicate with the Internet and on the policy level it “policies for how the ‘names and numbers’ of the Internet should run.” *Id.* (“In more technical terms, [ICANN] coordinates the Internet Assigned Numbers Authority (IANA) functions, which are key technical services critical to the continued operations of the Internet’s underlying address book, the Domain Name System (DNS).” *Id.*

6. ICANN, NEW GTLD DISPUTE RESOLUTION PROCEEDINGS, 2 (2012). The TRIPS agreement was negotiated between 1984 through 1995, before domain names were a consideration, and as a result domain names are not addressed in the TRIPS agreement.

Program's purpose is to allow for the creation of new generic top-level domains ("gTLDs") to be registered and implemented in the following years, thus harkening an unprecedented⁷ increase in the amount of names at the top-level domain while simultaneously freeing space for domain names globally.⁸

Commentators on The Program have made two observations on which this article will focus. First, The Program did not just create a forum to buy up titles, but created whole new worlds to be fought over, divided, and conquered.⁹ An entity's decision not to take part in The Program is just as meaningful as actively participating in it.¹⁰ The gravity of The Program's effects on the Internet's real estate was such that it would affect those who participated, and those who remained neutral.¹¹ These same commentators, however, also flagged potential problems, such as an increase in cybersquatting and typosquatting disputes.¹²

Second, The Program's stated purpose is to enhance "competition and consumer choice, and enable the benefits of innovation via the introduction of new gTLDs."¹³ The assumption is that by implementing a process to create and release new names with which to explore and play, established

CHRISTINE HAIGHT FARLEY, *GLOBAL ISSUES IN TRADEMARK LAW* 309 (Thompson West 2014).

7. Before the launch of The Program, there were only twenty-two available gTLDs. *ICANN Approves Historic Change to Internet's Domain Name System: Board Votes to Launch New Generic Top-Level Domains*, INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS, (June 20, 2011) <http://www.icann.org/en/news/announcements/announcement-20jun11-en.htm> (including the familiar <.com>, <.net>, and <.gov>).

8. See *infra* Part II. (discussing the various cases of SLD and gTLD combinations)

9. See Shoot, *supra* note 1 (land grab).

10. Dennis S. Prah & Eric Null, *The New Generic Top-Level Domain Program: A New Era of Risk for Trademark Owners and The Internet*, 101 TRADEMARK REP 1757, 1760 (2011).

11. See *id*; RUSH, *Freewill*, in PERMANENT WAVES (Universal Special Products 1980) ("If you choose not to decide, you still have made a choice.").

12. Prah & Null, *supra* note 10, at 1760. Cybersquatting occurs when "a person other than the owner of a well-known trademark registers that trademark as an Internet domain name and then attempts to profit from it either by ransoming the domain name back to the trademark owner or by using the domain name to divert business from the trademark owner to the owner of the domain name." *Cybersquatting*, LEGAL INFORMATION INSTITUTE, <http://www.law.cornell.edu/wex/cybersquatting> (last visited Oct. 10, 2014). Typosquatting is a variation of cybersquatting and occurs when a users tries to profit from other users' misspelling or mistyping of a domain name and redirecting the traffic to some other site. *Typosquatting*, LEGAL INFORMATION INSTITUTE, <http://www.law.cornell.edu/wex/typosquatting> (last visited Nov. 11, 2014).

13. *About The Program*, INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS, <http://newgtlds.icann.org/en/about/program> (last visited Nov. 10, 2014) (emphasis added).

and new users will have more building blocks to construct their domain names and web presence.¹⁴ Users can apply for specific gTLDs that they would like to use,¹⁵ or users that cannot afford the costs of the process (\$185,000),¹⁶ will be able to combine the new gTLDs with previous or existing second level domains to create new, and hopefully attractive, domain names.¹⁷ Despite this purported optimism, this Comment suggests that, given the nature of precedent dealing with the new gTLDs, The Program will not free up as much space for newcomer websites, at least not as much as would be hoped.¹⁸

Even though the most radical changes appear to take place at the top-level domain—after all, this is where all the action is taking place—its effects extend to the lower levels of the domain, notably the second-level domain (SLD).¹⁹ This level is where much of the novel trademark issues will take place. The SLD is not an inert placeholder, but an active designator, rich in information that conveys a tremendous amount of material to the users.²⁰ As this Comment will demonstrate, the SLD creates a pairing problem in which multiple trademark interests collide.²¹

Part I provides background on gTLDs, ICANN, and The Program. Part II introduces the now defunct but still important “legal rights objection” (“LRO”) that was implemented during the registration process, and its use in evaluating future trademark issues. Part III explores the World Intellectual Property Organization’s (“WIPO”) reasoning in granting

14. *See id.* The building blocks are the gTLD and SLD. *See infra* Part II.

15. INTERNATIONAL CORPORATION OF ASSIGNED NAMES AND NUMBERS, gTLD APPLICANT GUIDEBOOK 1-41 (2012) (evaluation fee) [hereinafter GUIDEBOOK]. High costs greatly favors companies with the capital to make these investments. *But see About Donuts, DONUTS*, <http://www.donuts.co/about/> (raising \$100 million to apply for 307 gTLDs)

16. *See generally* GUIDEBOOK, *supra* note 15, at 1-3-1-23.

17. Shoot, *supra* note 1.

18. *See infra* Part IV (discussing the implications of the precedent from the legal rights objection).

19. Not to dismiss the importance of the third-level domain, but since <www.> and <.m> have become so ubiquitous in designing a domain name they should be treated as constants while the SLD and TLD are the variable.

20. This example is more colorfully illustrated by a proposed top level domain <.sucks>. *.sucks*, UNITED DOMAINS, <http://www.uniteddomains.com/new-top-level-domain/sucks-domain-registration/> (last visited Dec. 14, 2013). Currently, three companies are vying for <.sucks>’s registration, and it is expected to launch sometime in the second quarter of 2015. *Id.* Assuming that Google does not register a <www.google.sucks> as a website or as a trademark, it is likely that someone else will register the new domain name. Perhaps the new website will contain unflattering remarks about Google; perhaps it will contain nothing. In any event the circumstances are ripe for a cybersquatting issue, resulting in extortive licensing problem.

21. *See infra* Part II (providing a more in-depth analysis of issues with the SLD).

objections to several applied for gTLDs, and Part IV predicts how panels will handle future trademark issues at the second-level domain given the analysis in previous cases.

I. THE HISTORY AND WORKINGS OF THE PROGRAM

Domain names are the addresses of the Internet. A user types the domain name into her web browser's uniform resource locator ("URL"), and the browser communicates with the domain name system to connect her with the desired website.²² When the network reads a domain name, such as <www.google.com>, it reads it right to left.²³ First, there is the top-level domain, here, "<.com>."²⁴ Resting in the middle is the second-level domain ("SLD"), "<google>."²⁵ The SLD contains the most recognizable part of the domain name; indeed when the public refers to Google, they are invoking its trade name, which happens to be its SLD.²⁶ There are countless examples of this: Yahoo, YouTube, Amazon, and Facebook to name a few.²⁷ Finally, the address begins with the third-level domain, "<www.>."²⁸ These elements are combined and read under the protocols established by the domain name system allowing users to surf from website-to-website.

The domain name system is governed by ICANN.²⁹ In 2011, ICANN's Board of Directors voted to expand the amount of gTLDs available on the Internet.³⁰ As opposed to the limitations of the previous model,³¹ the new gTLDs would be able to "end with almost any word in any language"

22. See Marshall Brian & Stephanie Crawford, *How Domain Name Servers Work*, HOWSTUFFWORKS, <http://computer.howstuffworks.com/dns.htm> (last visited Nov. 10, 2014) (explaining the mechanics in greater technical depth).

23. *What Is A Domain Name?*, WHAT IS MY IP ADDRESS, <http://whatismyipaddress.com/domain-name> (last visited Nov. 10, 2014).

24. Prahla & Null, *supra* note 10, at 1761.

25. *Id.*

26. See *Domain Names*, THE ENTREPRENEUR NETWORK, <http://tenonline.org/sref/df10/df1.pdf> ("[A SLD] typically refers to the organization or entity associated with the IP address.").

27. See *supra* note 4 and accompanying text.

28. Prahla & Null, *supra* note 10, at 1761. While <www.> is the most common third-level domain, <.m>, for mobile devices, is becoming increasingly popular. *Id.*

29. See *ICANN Approves Historic Change to Internet's Domain Name System*, *supra* note 7.

30. *Id.* (ending with thirteen approving, one opposed, and two abstaining). Chairman of ICANN's Board, Peter Denegate Thrush, stated "Today's decision will usher in a new Internet age." *Id.*

31. See generally, e.g., Lawrence Lessig, THE FUTURE OF IDEAS 26-48 (2001) (discussing John Postel and the origins of the domain name system).

including non-Latin characters.³²

Applications for The Program were accepted between January 12, 2012 and April 12, 2012.³³ Since the end of the registration period, 1,930 applications have been filed.³⁴ It is projected to take up to nine months to one year from the close of the application date for all the applications to be sorted through and delegated.³⁵ Some gTLDs have already been approved and issued,³⁶ and many more will be issued in the months to come. Indeed, before the new gTLDs were even released, the legal field was blanketed in SLD name disputes.³⁷ No doubt, The Program is radically altering the way users, domain owners, and lawyers experience, as well as interact with, the Internet.³⁸

II. TRADEMARKS COLLIDING

Given the volume of registrants, many of which were major companies,³⁹ trademark disputes were inevitable.⁴⁰ Domain names and their individual elements, whether they are meaningful or meaningless words, letters, numbers, or symbols, do not exist in a vacuum, and much like chemistry, combine chaotically from separate and distinct elements to produce wholly

32. *Id.*

33. *ICANN Approves Historic Change to Internet's Domain Name System*, *supra* note 7.

34. *Program Statistics*, INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS, <http://newgtlds.icann.org/en/program-status/statistics> (last visited Dec. 20, 2013) (911 in North America). ICANN only estimated that it would receive between 250-500 applications. FARLEY, *supra* note 6, at 340.

35. Prahla & Null, *supra* note 10, at 1758.

36. On October 21, 2013, ICANN released the first four new TLDs to proceed to delegation. Christine Willett, *First New gTLDs Get the Green Light for Delegation*, ICANN BLOG (Oct. 21, 2013) <http://blog.icann.org/2013/10/first-new-gtlds-get-the-green-light-for-delegation/>. They included four non-Latin words: <شبكه>, Arabic for “Web;” <онлайн>, Russian for “Online;” <сайт>, Russian for “website;” and <游戏>, Chinese for “game.” *Id.*

37. FARLEY, *supra* note 6, at 340 (noting WIPO handled a record-setting 2,884 domain name disputes in 2012 alone).

38. See Johnathan D. Gworek, *ICANN Release Latest Draft of New Generic Top-Level Domain (gTLDs) Applicant Guidebook*, MORSE BARNS-BROWN PENDLETON, (May 2011) <http://www.mbbp.com/resources/iptech/gtlds-domains.html> (discussing how industry leaders believe allowing the free registry of TLDs will cause a paradigm shift in domain name use) 1.

39. Zane Bunday, *Over Half of the Most Innovative Companies Also Invested in New gTLDs*, GTLD STRATEGY (Oct. 8, 2013) <http://gtdstrategy.com/2013/10/08/over-half-of-the-most-innovative-companies-also-invested-in-new-gtlds/> (including Apple, Amazon, and Google).

40. See, e.g., *infra* Section IV (detailing several disputes).

new creations with wholly new properties.⁴¹ Realizing this, ICANN attempted to resolve all disputes at the top-level by implementing a series of objections interested parties could levee before a problematic gTLD was released into the world.⁴² One such objection was the Legal Rights Objection (“LRO”), which is the one this article addresses.⁴³

The Legal Rights Objection was a legal standard designed to solve conflicts between established marks and potentially problematic marks arising from the newly applied for gTLDs.⁴⁴ Call this “Case One.” Theoretically, all these issues were already handled under the Legal Rights Objection, and since the last determination was made on September 11, 2013,⁴⁵ Case One should no longer be a major concern. Assuming none of these potential conflicts were overlooked by the concerned parties, their trademark dispute would likely have to be resolved using ICANN’s Uniform Domain-Name Dispute-Resolution Policy.⁴⁶ But more than sand has slipped through ICANN’s cautious hands; their objections were not designed to deal with trademark issues at the second-level of the URL.

It would have been impractical for ICANN to try and determine how each new gTLD would interact with previous and new SLDs.⁴⁷ Still, The

41. See ENCYCLOPEDIA BRITANNICA (15th ed. 2010) (defining “collision theory,” in which atoms in a closed environment careen into each other and form new compounds). Analogously, when SLDs and gTLDs “collide” they form a panoply of compound domain names.

42. See GUIDEBOOK, *supra* note 15, at §§ 1.1.2.3, 1.1.2.6 (detailing the methods and limitations of filing formal objections to an application)..

43. See *supra* Part III.

44. Cf. *Trademark Clearinghouse for Rights Holders*, ICANN, <http://newgtlds.icann.org/en/about/trademark-clearinghouse/rights-holders> (last visited Nov. 11, 2014) (explaining the protection ICANN offers trademark holders from trademark infringement by gTLDs); see also *Uniform Domain Name Dispute Resolution Policy*, ICANN (Oct. 24, 1999), <https://www.icann.org/resources/pages/policy-2012-02-25-en> (establishing ICANN’s mechanism for allowing third party complaints against a domain name owner who may be infringing on the third party’s trademark rights). ICANN, NEW GTLD DISPUTE RESOLUTION PROCEEDINGS, 2–3.

45. WIPO ADR, WIPO ARBITRATION AND MEDIATION CENTER END REPORT ON LEGAL RIGHTS OBJECTION 2 (2013).

46. See *Uniform Domain-Name Dispute-Resolution Policy*, INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS, <http://www.icann.org/en/help/dndr/udrp> (last visited Dec. 14, 2013).

47. Assuming that just one-hundred gTLDs were approved, a conservative fraction of the applicants, there are still 112,261,502 registered domain names that just use the <.com> TLD. See, e.g., *Domain Counts & Internet Statistics*, WHOIS, <http://www.whois.sc/internet-statistics/> (last visited Dec. 14, 2013) (approximately 148,380,534 total). If even a fraction of those domain names had unique SLD names, say 10,000, ICANN would have still have had to predict the outcome for a million combinations. Thus ICANN’s agnosticism on SLD disputes is not the result of lack of foresight, but of practicality. This Article posits that

Program opens Pandora's box, and the specters at the second-level will haunt the system unless the courts establish a method for handling this type of dispute.

There are two more trademark issues that arise from the introduction of new gTLDs. "Case Two" occurs when a new gTLD is combined with an established SLD. For example, <google> is a well-established SLD, and <.food> is a new TLD.⁴⁸ There is no evidence to suggest that Google intends to launch a website under the <www.google.food> domain name. Yet what is to stop some third party from registering its own <www.google.food> to use legitimately, "squat on," or try to extort a reasonable or unreasonable license from Google?⁴⁹ This is a novel, untried part of the law, because The Program and its legal mechanisms have not yet been tested, and it will require some jurisprudential gymnastics to determine how the courts will approach these cases.

The final trademark issue, "Case Three," is subtle, but just as possible as the previous cases. It happens when a seemingly benign SLD combines with another seemingly benign gTLD to create an infringing hybrid. While this may be rare, the introduction of non-English and non-Latin gTLDs⁵⁰ increases the chances of unintentional infringement. This presents several issues, primarily in the practicable legal sphere and in the abstract moral sphere. In the legal sphere, there is a strong likelihood of heterogenic parties and legal systems. This means parties that speak different languages,⁵¹ avail to different international jurisdictions, rules, and generally different assumptions about their world and how the wordmarks

precedent from the legal rights objection will set the framework for how future courts will approach SLD disputes on a case-by-case basis. *See infra* Part IV.

48. Using the alias, Charleston Registry Road Inc., Google applied for 101 new TLDs. *Application Status*, INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS, <https://gtldresult.icann.org/application-result/applicationstatus/viewstatus> (last visited Dec. 14, 2013) (applying for <.google>, <.game>, <.blog>, and <.app>). It did not apply for <.food>. *See id.*

49. These last two actions; domain name squatting and extorting gratuitous licenses have been curbed by Congress, but they still raise complicated questions of intent and evidence that makes it difficult for the justice system to root out these activities entirely. *See* 15 U.S.C. § 1125(d)(i) (2012) (codifying a bad faith element in the Anticybersquatting Act).

50. Many English words have completely unexpected meanings in other languages, and vice versa. For example, "gripe" translates to "Flu" in Spanish, and "red" means "network" or "Internet." *List of New gTLDs Donuts Applied For*, DOMAIN TYPER, <https://domaintyper.com/new-gTLD/applicant/Donuts> (last visited Dec. 14, 2013) (including <.gripe> and <.red>).

51. Languages can be further deconstructed such that people who speak the same language proper, e.g. English, may have radically different meanings for identical words, e.g. compare Staten Island-English to Tallahassee-English.

interact with its marketplace. This makes questions about bad faith, customer confusion, and other elements that flesh out the legal analysis less concrete. In the moral sphere, at least from a moral intentionalism⁵² stance, the registrant has not knowingly infringed some other party's mark, because the registrant is not aware of the word in the other language (syntax) or that the words as combined as such created a new meaning, or at least one he or she was unaware of (semantic). Although the moral question elucidates interesting and universal questions about the trademark system, this Note will only focus on the registration issues.

For example, by themselves, the SLD <.channel> and the gTLD <.orange> appear harmless.⁵³ When the two are combined, the domain name becomes <www.channel.orange>. Orange Brand Services Limited, a multinational telecommunications company that applied for <.orange>,⁵⁴ may have a legitimate interest in creating some channel-based Internet service, the company may have never considered Frank Ocean, whose album "Channel Orange" helped earned the young star a Grammy while selling over half-a-million albums.⁵⁵ At this point, neither Orange nor Frank Ocean has applied for a trademark in "channel orange."⁵⁶ But the point remains illustrative; it is difficult for the registrants to conceive of these scenarios, and it throws many unsuspecting parties in infringement disputes. Case Three raises questions about how courts should treat innocent infringements that are registered in good faith and are ignorant of a potential trademark dispute.

The three cases of trademark infringement that result from The Program are summarized in "Chart 1" in the appendix. Despite the novelty of the issues these cases entail, jurisprudence arising from the Legal Rights Objection may provide some clues as to how courts will behave in future proceedings.

52. See generally *Moral Reasoning*, STANFORD ENCYCLOPEDIA OF PHILOSOPHY <http://plato.stanford.edu/entries/reasoning-moral/> (last visited Oct. 20, 2014).

53. Orange Brand Services Limited applied for the gTLD <.orange>. *Application Details*, INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS, <https://gtldresult.icann.org/application-result/applicationstatus/applicationdetails/1660> (last visited Dec. 14, 2013) (Application ID: 1-958-59844).

54. Orange serves over 232 million customers in thirty-two countries. *About*, ORANGE, <http://www.orange.com/en/home> (last visited Nov. 10, 2014).

55. Cyrus Langhorne, *Sales Wrap: Bruno Mars Lead the Way, Kendrick Lamar Exits Top 20, Frank Ocean Strikes Gold*, SOHH, (Feb. 20, 2013 7:03 PM) http://www.sohh.com/2013/02/bruno_mars_leads_the_way_kendrick_lamar.html.

56. In fact, some third party did over a decade ago, but has since abandoned it. See CHANNEL ORANGE, Registration No. 0920090 (abandoned Nov. 3, 2003) (registering "Channel Orange" for use in audio-visual entertainment systems, such as televisions and stereos).

III. THE LEGAL RIGHTS OBJECTION AND WHAT IT SUGGESTS ABOUT FUTURE SLD DISPUTES

A. *What Is the Legal Rights Objection?*

ICANN set in place a series of objections so that concerned parties could object to the registration of potentially infringing gTLDs, also known as “strings.”⁵⁷ The objection pertains to cases in which “the string comprising the potential new gTLD infringes the existing legal rights of others that are recognized as enforceable under generally acceptable and internationally recognized principles of law.”⁵⁸ Cases under this objection were delegated to and adjudicated by Arbitration and Mediation Center of the WIPO.⁵⁹

If the objection were successful, ICANN would not approve the applied-for gTLD for the applicant to register and use.⁶⁰ ICANN provided trademark owners until March 13, 2013, to file a formal Legal Rights Objection to any gTLD application.⁶¹ Of the 1,930 of applications filed, only sixty-seven⁶² strings were challenged under the Legal Rights Objection.⁶³ Of these objections, only three of the objections were sustained (two of which contained dissents), thus blocking the offending gTLDs.⁶⁴ This Article focuses on these three successful Legal Rights Objections because these cases probe the limits of what the panel, using “generally accepted and internationally recognized principles of law,”⁶⁵ is prepared to consider infringing. Moreover, a deeper analysis of how the court approached the criteria and factors from the gTLD Applicant

57. *Objection Determinations*, INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS, <http://newgtlds.icann.org/en/program-status/odr/determination> (last visited Dec. 20, 2013) (including the string confusion objection, limited public interest objection, and community objection).

58. ICANN, *NEW gTLD DISPUTE RESOLUTION PROCEEDINGS*, 2–3 (emphasis added).

59. *Id.* at 3.

60. *See* GUIDEBOOK, *supra* note 15, at 3-18.

61. *Id.*

62. *See Legal Rights Objection under ICANN’s New gTLD Program*, WORLD INTELLECTUAL PROPERTY ORGANIZATION, <http://www.wipo.int/amc/en/domains/lro> (last visited Dec. 20, 2013) (totaling only 35 unique strings).

63. *See id.*; *see also* *WIPO Guide to the Uniform Domain Name Dispute Resolution Policy (UDRP)*, WORLD INTELLECTUAL PROPERTY ORGANIZATION, <http://www.wipo.int/amc/en/domains/guide/> (last visited Dec. 20, 2013) (containing information on the purpose and practice of WIPO’s Uniform Dispute Resolution Policy (“UDRP”).

64. *See supra* Part III. In spite of the objections put in place, commentators predict a swell in gTLD disputes in the years to come. *See* FARLEY, *supra* note 6, at 340 (noting WIPO handled a record-setting 2,884 domain name disputes in 2012 alone).

65. GUIDEBOOK, *supra* note 15, at P-2–P-3.

Guidebook⁶⁶ will shed light on how courts and panels adjudicating domain name issues will weigh such factors and allow lawyers to better anticipate the outcome of future disputes involving any of the cases discussed above in Part II. This Article will also demonstrate that the guidance provided by the Legal Rights Objection, contrary to The Program's stated objective, will not make more space available on the Internet.⁶⁷

B. Mechanics of the Legal Rights Objection

ICANN placed the Arbitration and Mediation Center at WIPO in charge of adjudicating Legal Rights Objections.⁶⁸ When WIPO examines a string to determine if the Legal Rights Objection should be sustained, it applies the DRSP rules.⁶⁹ WIPO defined the existing Legal Rights Objection as "the string comprising the potential new gTLD infringes the existing legal rights of others that are recognized or *enforceable under the generally accepted and internationally recognized principles of law*."⁷⁰

The generally acceptable and internationally recognized principles of trademark law were reduced to three criteria in section 3.5.2 of the gTLD Applicant Guidebook, the procedures established by ICANN to govern The Program.⁷¹ Infringement would be found if the applicant's string: (1) "takes unfair advantage of the distinctive characteristic or reputation of the objector's mark;"⁷² (2) "unjustly impairs the distinctive character of objector's mark;"⁷³ or, (3) "otherwise creates confusion between the applied for gTLD and the registered mark."⁷⁴

Underlying these criteria, the Guidebook also lists eight non-exclusive factors to evaluate trademark issues.⁷⁵ These factors are not weighed equally, but those that were given the most weight when determining whether to block a registrant's application were made more apparent by the subsequent panels' holdings.⁷⁶ The most important factors are:

- (1) "Whether the applied for gTLD is identical or similar, including in appearance, phonetic sound, or

66. *Id.* at 3-18; *infra* Part III.B.

67. *See infra* Part V.

68. GUIDEBOOK, *supra* note 15, at P-3.

69. *Id.*

70. *Id.* at 2-P-3 (emphasis added).

71. *Id.* at 3-18.

72. *Id.* This resembles well-known marks in European law. *See also Country Correspondence*, WORLD TRADEMARK REVIEW (2008).

73. GUIDEBOOK, *supra* note 15, at 3-18. This resembles dilution in United States' law. *See* 15 U.S.C. § 1125 (2012).

74. *Id.* This resembles likelihood of confusion in United States' law.

75. GUIDEBOOK, *supra* note 15, at 3-19.

76. *See generally infra* Part III.

meaning to the Objector's existing mark."⁷⁷ ("Factor One");

(2) "Whether the Objector's acquisition or use of rights in the mark has been bona fide."⁷⁸ ("Factor Two");

(4) "[W]hether the applicant . . . 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."⁷⁹ ("Factor Four");

(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."⁸⁰ ("Factor Eight").

With this guidance, WIPO's panels made their determinations. The three objections that were sustained are detailed in the next Part of this Article.

C. *Stare Decisis*

Before examining WIPO panels' decisions, it is important to note how future panels will utilize these decisions. "The findings of the panel will be considered an *expert determination* and *advice* that ICANN will accept within the dispute resolution process."⁸¹ Although this precedent may not be authoritative or binding on future panels, it will certainly be persuasive.

IV. THE CASES

The following cases are the only three in which WIPO upheld the respondent's Legal Rights Objection.⁸² The following sections will begin by discussing the facts and holdings of each case, followed by an analysis discussing what effects these holdings may have on future cases.

77. GUIDEBOOK, *supra* note 15, at 3-19.

78. *Id.*

79. *Id.* (essentially a bad faith element),

80. *Id.*

81. GUIDEBOOK, *supra* note 15, at 3-17 (emphasis added).

82. See *Legal Rights Objections under ICANN's New gTLD Program*, WORLD INTELLECTUAL PROPERTY ORGANIZATION, <http://www.wipo.int/amc/en/domains/lro> (last visited Dec. 18, 2013).

*A. Del Monte**1. The Case*

The applied-for gTLD was <.delmonte>.⁸³ The objector, Del Monte International, is one of the largest producers and distributors of food products in the United States,⁸⁴ and owns several word and device marks in the country, one such mark is, “Del Monte”,⁸⁵ registered for fresh and canned vegetables, fresh and canned fruits, canned fruit and vegetable juices, canned fish, dried fruits, pickles, vegetable relishes, hot peppers, and catsup.⁸⁶ Due to the mark’s longstanding use, the panel considered “Del Monte” a “well-known mark.”⁸⁷ Finally, Del Monte International owns the domain <delmonte.com>.⁸⁸

The respondent operates in similar market channels as the objector, although they were not direct competitors. Respondent also owns several trademarks, some of which were assigned to it in October 2011.⁸⁹ This is the result of a licensing agreement entered into by the objector and respondent, in which the objector granted the respondent limited use of objector’s “Del Monte” trademark on certain processed food products in Europe, the Middle East, and Africa.⁹⁰ The license explicitly reserved the right for the objector to register and enforce the “Del Monte” trademark.⁹¹ Despite the seemingly clear terms of the license, respondent applied for the <.delmonte> gTLD without notice to objector.⁹² Objector alleged that the registration should be rejected because the registration could potentially confuse “consumers, distributors, growers, and manufacturers.”⁹³

The panel majority⁹⁴ noted that even though this was a contract heavy case, precedent established by the Uniform Dispute Resolution Procedure (“UDRP”) states that licensing disputes are outside the scope of the

83. Del Monte Corp v. Del Monte Int’l GmbH, Case No. LRO2013-0001, 1 (2013).

84. *Id.* at 1–2 (noting the “Del Monte” mark generated approximately \$3.7 billion dollars in net sales in 2012, and that objector’s product can be found in eight out of ten households in the United States).

85. *Id.* at 2. Registration number 881,339, dated November 25, 1969, and claiming first use in commerce on October 1, 1891.

86. *Id.*

87. *Id.* at 2–3.

88. DELMOTE.COM Registration No. 75483288 (abandoned March 27, 2001).

89. *Id.*

90. *Id.* at 3. The agreement makes clear that the assigned trademark still remains the “sole and exclusive property” of the objector. *Id.*

91. *Id.*

92. *Id.*

93. *Id.*

94. The majority consisted of two panelists, with the third dissenting. *Id.* at 1, 12.

UDRP's jurisdiction. This panel decided to make its evaluation without regards for the contractual limitations because of that.⁹⁵ All eight factors favored the objector except for Factor Six,⁹⁶ which was found to be inconclusive.⁹⁷ The panel majority upheld the opposition and found that allowing registration would "create an impermissible likelihood of confusion between the applied-for gTLD and the Trade Mark."⁹⁸

This holding was made despite objector offering "zero proof"⁹⁹ that the applied-for gTLD would cause customer confusion and that two companies sharing a trademark in their domain is common in the international market.¹⁰⁰ Still, when evaluating Factor Eight on customer confusion, the majority found:

The Objector has established at least a *prima facie* case that the Respondent's intended use of the applied-for gTLD . . . is likely to unsettle the delicate balance struck by the competing interests of the parties under the licensing arrangements and, more importantly, is likely to create an impermissible likelihood of confusion with the Objector's Trade Mark as to the source, sponsorship, affiliation or endorsement of the applied-for gTLD.¹⁰¹

Despite this nuanced and subtle approach to confusion, the panel found that the customer confusion from Factor Eight,¹⁰² combined with the other factors, favored rejecting of the applied-for gTLD.¹⁰³

The dissenting panelist, while disagreeing with the majority's interpretation of several other factors, was not convinced that there would be market confusion. He did not believe customers would be confused by the new gTLD¹⁰⁴ because the objector has established a practice of

95. *Del Monte Int'l GmbH*, Case No. LRO2013-0001 at 4 (reiterating that the purpose of these proceedings is to prevent "the extortionate behavior known as cybersquatting").

96. GUIDEBOOK, *supra* note 15, at 3-19 ("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.").

97. *Del Monte Int'l GmbH*, Case No. LRO2013-0001 at 4 (reiterating that the purpose of these proceedings is to prevent people from extortionate actions).

98. *Id.* at 10.

99. *Id.* at 4 ("[N]or is such confusion plausible given the parties' long-standing, simultaneous use of domain names comprising the Trade Mark.").

100. *Id.* at 9.

101. *Id.*

102. *Id.* at 11 ("particularly").

103. *Id.*

104. *Id.* at 12.

allowing respondent and other parties to use the “Del Monte” trademark in several other domain names, such as <delmonteonline.com> and <delmontenet.com> and that this has not caused market confusion.¹⁰⁵

2. Analysis

The Del Monte case gives some valuable insight into how future domain name disputes will be approached. First, contracts and licenses can be used judiciously and strategically to try and preempt disputes before they happen. Second, while most legal disputes require a harm to have occurred before a suit is ripe,¹⁰⁶ domain name disputes can rely heavily not just on the manifestation of a likelihood of confusion, but the likelihood of customer confusion to block a potentially infringing domain name.¹⁰⁷ The New gTLD Program and the SLD issues that arise as a result of it are, after all, novel. Finally, and perhaps most importantly, is the panel’s seemingly low threshold for establishing customer confusion in the domain name arena.¹⁰⁸ While this case alone does not make sufficiently clear how strongly the panel’s weigh potential confusion, the following Legal Rights Objections cases engender the principle.

B. Direct

1. The Case

The applied-for gTLD was <.direct>.¹⁰⁹ DIRECTTV, objector, provides digital television services under its “DIRECTV”¹¹⁰ mark as well as other marks containing the word “direct.”¹¹¹ It is a popular service, with twenty million subscribers in the United States and fifteen million other subscribers worldwide.¹¹² Respondent, Dish DBS Corporation, is a satellite television provider.¹¹³ It is a direct competitor with the objector, and they vie for the same customer base.¹¹⁴

105. *Id.*

106. U.S. CONST. art. 3, § 2, cl. 2 (case and controversy).

107. *Del Monte Int’l GmBH*, No. LRO2013-0001 at 11 (giving the most weight to factor eight).

108. *Id.* at 9 (establishing only a “*prima facie*” case).

109. *The DirectTV Group Inc. v. Dish DBS Corp.*, No. LRO2013-0005, 1 (2013).

110. DIRECTV Registration No. 85,580,999.

111. *The DirectTV Group Inc.*, No. LRO2013-0005 at 2.

112. *Id.* at 2. Between 2008 and 2012, the DIRECTTV brand was ranked one of the world’s 500 most valuable brands by BrandFinance. *Id.*

113. *Id.*

114. *Id.* At the time of the panel’s deliberation, the respondent was running television advertisements aimed at the objector’s customer base. *Id.* at 4–5. Note that the parties in the Del Monte case were not direct competitors.

Prior to this case, there was no evidence that respondent had used the mark “direct” or any derivative of the word as a trademark in line with its business.¹¹⁵ The Vice President for Dish DBS Corporation, Vivek Khemka, submitted an affidavit swearing that Dish DBS filed the gTLD in “good faith” and as part of its plan to offer greater connectivity to its customers.¹¹⁶ Respondent also denied that it wanted to use <.direct> as a trademark, and that the word “direct” is too generic as to be granted trademark protection in general.¹¹⁷ Finally, respondent did not believe that the applied-for gTLD would cause customer confusion.¹¹⁸

Notwithstanding the respondent’s arguments, the panel upheld the objection.¹¹⁹ Indeed, all eight factors favored objector, but the panel placed greater emphasis on some factors over others. Its determination mainly focused on the fact that respondent applied for the gTLD in bad faith¹²⁰ “for the sole purpose of disrupting the business of the Objector.”¹²¹ The panel found bad faith because respondent had never used the “direct” mark before and was well aware it was in direct competition with the objector.¹²² Respondent’s assertion that it applied for the <.direct> because the respondent “provides services (in the generic sense) *directly* to consumers [was] viewed by the Panel as a contrivance.”¹²³

The panel also gave more insight into other factors. Factor One will weigh in favor of an objector if the trademark and the applied-for gTLD are to be “identical or similar.”¹²⁴ The panel noted that even though the applied-for gTLD “direct” was not identical to “DIRECTV” because it was missing the “v,” it was similar enough, and that Factor One does not require that the two words being compared be “confusingly similar,” just similar.¹²⁵

Factor Three concerns whether the relevant consumer base would confuse the applied-for gTLD with an objector’s mark.¹²⁶ Respondent

115. *Id.*

116. *The DirectTV Group Inc.*, Case No. LRO2013-0005 at 4.

117. *Id.*

118. *Id.*

119. *Id.*

120. *Id.*

121. *Id.* at 7.

122. *Id.*

123. *Id.* *But see* *Sina Corp. v. Tencent Holding Ltd.*, No. LRO2013-0040 (2013) (opposite analysis).

124. GUIDEBOOK, *supra* note 15, at 3-19 (discussing Factor One).

125. *The DirectTV Group Inc.*, Case No. LRO2013-0005 at 5–6. “DIRECTV” is a fanciful word while “direct” has a defined meaning, and the presence of absence of one letter does not overshadow the affect these meanings have in the customers’ minds. *Cf. id.*

126. GUIDEBOOK, *supra* note 15, at 3-18. (Section 3.5.1). Though a separate factor, the

submitted a study to persuade the panel that there would be no confusion, but the panel disagreed with the methodology of the report and dismissed it.¹²⁷ Respondent proffered a survey that asked people in the relevant market which company with which they would most associate the hypothetical domain <television.direct>, but this strategy backfired.¹²⁸ Nine out of the total forty-six participants associated the domain with the objector.¹²⁹ This meant that only nineteen percent of the relevant sector associated the hypothetical domain name with the objector, yet the panel found it sufficient enough to weigh Factor Three in objector's favor.¹³⁰ This survey also played into the panel's Factor Eight analysis, and it ruled that there would be an impermissible likelihood of confusion.¹³¹

2. Analysis

The Direct case helps elucidate just how low the confusion bar is in these gTLD disputes. While the Del Monte case established it as low, even when no evidence was submitted,¹³² here at least nineteen percent confusion was sufficient. This number should not be treated as a floor or even quantitative; it is possible that even less customer confusion is enough to infringe another's mark when registering a new domain name. The number is merely illustrative of how low the panels have set the bar for customer confusion. Finally, especially in the context in which both parties are direct competitors, the panel weighed bad faith registration heavily against registrant.¹³³ But as will be shown in the final case, bad faith is not given as much weight as others.

C. Weibo/微博

1. The Case

Finally, in this case the applied for gTLD was <微博> and its pinyin

findings here are relevant to making Factor Eight determinations.

127. *The DirectTV Group Inc.*, No. LRO2013-0005 at *6 (Dr. Maronick's survey).

128. *Id.* at 6.

129. *Id.*

130. *Id.* The hypothetical survey appears to be somewhat biased in that the SLD chosen was one the customer base would have most likely associated with the objector. Had the hypothetical domain been <service.direct>, which is nondescript, or <fresh.direct>, an online grocery delivery service, the results of the survey may have come out very differently. Still, with the new gTLDs and their untested interactions with SLDs, the panel may simply want to test if there is at least one definite instance of confusion and not concern itself with more fringe issues of confusion.

131. *Id.* at 8.

132. *See supra* note 96 and accompanying text.

133. *The DirectTV Group Inc.*, No. LRO2013-0005 at 7.

was <.weibo> [hereinafter “weibo” or “<.weibo>“].¹³⁴ Weibo¹³⁵ is a new Chinese word that roughly translates into “micro-blogging service.”¹³⁶ Objector, Sina Corporation, is a “Chinese online media company” for international communications.¹³⁷ It is a massive company: under the <weibo.com> title, it boasted five hundred and three million registered users in 2012.¹³⁸ Respondent, Tenecent Holding Limited, is a competing telecommunication service and online advertiser.¹³⁹ Nine hundred ninety million users have accounts with the respondent’s instant messaging service, and in 2010, the respondent launched “Tencent微” a micro-blogging website that currently maintains 373 million users.¹⁴⁰ Respondent applied for the gTLD and the objector filed its complaint.¹⁴¹

The majority of the panel upheld the objection.¹⁴² The panel rested most of its opinion on the fact that the respondent’s use of weibo in a gTLD would “unjustifiably impair the distinctive character of the Objector’s mark”¹⁴³ Many of the factors were viewed as inconclusive, however.¹⁴⁴ Unlike the Direct case, the majority determined that Factor Four, regarding bad faith registration, was not present here.¹⁴⁵ Again, Factor Eight, concerning consumer confusion, was found to weigh in favor of the objector.¹⁴⁶ The panel remained agnostic on how it calculated the likelihood of confusion.¹⁴⁷ The lone dissenting panelist was not convinced that the evidence supported the conclusion that “weibo” was not generic.¹⁴⁸

134. *Sina Corp.*, No. LRO2013-0040, at 2.

135. WEIBO, Registration No. 7,649,615. Note, this is a Chinese Trademark registration.

136. *Sina Corp.*, No. LRO2013-0040, at 2.

137. *Id.*

138. *Id.* The objector claims that it made significant investments to advertise its weibo mark. *Id.*

139. *Id.*

140. *Id.*; There appears to be some dispute over whether China would invalidate the weibo mark entirely for being too generic, but the panel tables this concern. *Id.* at 3 (acquiring a distinctive character). The panel held that there is evidence that the mark would mislead the public and violate Article 10.1(8) of the Chinese Trademark Law in this case. *Id.* at 4.

141. *Sina Corp.*, No. LRO2013-0040, at 2.

142. *Id.* at 5.

143. *Id.* at 4.

144. *See generally id.* at 6–8.

145. *Id.* at 7.

146. *Id.* at 8.

147. *See Sina Corp.*, No. LRO2013-0040, at 8.

148. *Id.* at 9.

2. Analysis

The Weibo case demonstrates that the bad faith registration factor is a consideration, but it is not weighed very heavily in the panel's overall determination (at least when such a consideration is not present).¹⁴⁹ Like both previous cases, Factor Eight on creating a likelihood of customer confusion was present,¹⁵⁰ and the panel likely placed great weight on this factor because most of the other factors were dismissed as inconclusive. It probably helped that both objector and respondent had massive customer bases, numbering in the hundreds of millions. With millions of customers using two popular yet distinct services, it is likely that some customers would be confused by the gTLD, and this inference is probably why the panel did not require much evidence to prove customer confusion.

V. THE MORE THINGS CHANGE, THE MORE THINGS STAY THE SAME

A. Summary of Findings

Looking at these three successful objections, we can make several determinations about how the WIPO panels weigh the eight factors and how future panels will apply this jurisprudence to issues with the combination of the new gTLDs with SLDs. It is assumed that all disputes with gTLDs are settled, and the analysis will focus solely on the SLD.

First, in all three cases, the SLD was a well-known mark. The panel either acknowledged this explicitly¹⁵¹ or implicitly given the size of their customer base.¹⁵² Thus, in future disputes, if one party wants to block another from registering a domain name, it will help if the objecting party is a well-known entity or uses a well-known mark.

Second, it will help an objecting party to show that the applied-for domain name is identical or similar to the objecting party's trademark¹⁵³ and that the objecting party had a bone fide use or acquisition of the mark¹⁵⁴

Third, and to a lesser extent, it may help to show that the applied-for domain name was done in bad faith.¹⁵⁵ Though this did play a major role in the Direct case, Weibo demonstrates that bad faith is not necessary (though

149. *Id.* at 7.

150. *Id.* at 8.

151. *Del Monte Int'l GmBH*, No. LRO2013-0001 at 4 ("zero proof").

152. GUIDEBOOK, *supra* note 15, at 3-19 (Factor One); see *The DirectTV Group Inc.*, No. LRO2013-0005, at 6; *Sina Corp.*, No. LRO2013-0040, at 7.

153. *The DirectTV Group Inc.*, No. LRO2013-0005, at 5-6.

154. GUIDEBOOK, *supra* note 15, at 3-19 (factor two). This was present in all three cases but was not controversial enough to merit much discussion.

155. *Id.* (factor three).

it may be sufficient).¹⁵⁶ To show that the applied for domain name and the objecting party are direct competitors may also be instructive in blocking a registration based on bad faith.

Finally, and most importantly, the objecting party should show that the applied-for domain name would cause confusion in the relevant market.¹⁵⁷ The confusion standard is fairly low, only nineteen percent in *Direct*,¹⁵⁸ and required almost no evidence in the other two objections. The panel can only speculate on the types of harms or effects a new gTLD presents, given the novelty of The Program, and that is likely why panels are so cautious when setting a confusion threshold. Issues with the SLD are even more novel, because, unlike the gTLD disputes, there are no guidelines on how courts should address such issues. Indeed, the purpose of this Article is to try and determine, based on precedent from the legal rights objection, what factors courts can use to assess future disputes.

These findings look very similar to the procedure laid out by the UDRP developed by ICANN.¹⁵⁹ Under the UDRP, a domain name can be blocked from registration or reassigned if it is, (1) “identical or confusingly similar” to another trademark, (2) if the registrant has no legitimate interest in the domain name, or (3) if the domain name has been registered in bad faith.¹⁶⁰ Unsurprisingly, the Guidebook and panel used familiar criteria; the gTLD Program is unprecedented in using rules and procedures that both the panels and practitioners are familiar with, which helps reduce uncertainty.

B. Micro: Implications for the SLD Cases?

Harkening back to the three cases described in Part II, we can now use the principles outlined from the Legal Rights Objection cases to evaluate how courts will make future assessments about new gTLD registrations. All cases will make use of the above analysis, but subtle differences in how domain names are formed will have substantial effects on what factors future courts will use in their evaluations.

Case One, combining an SLD with a gTLD, is largely a moot issue. Barring any oversight, these disputes were resolved by WIPO’s Legal Rights Objection. If, however, such an oversight was made, there are two possibilities. First, the courts could simply look to the original eight-factor test used in the Legal Rights Objection proceedings. Or because of how

156. *Sina Corp.*, No. LRO2013-0040, at 4.

157. This factor is present in all the objections and seemed to be given the most weight.

158. *The DirectTV Group Inc.*, No. LRO2013-0005, at 6.

159. See generally ICANN, UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY (1999).

160. *Id.* at 4(a)(i)-(iii).

similar the Legal Rights Objection and UDRP are; there is nothing to indicate that courts cannot or will not do look to this established test. At least here they have some precedent from the other cases to help guide their determination. Second, courts can treat the old SLD as a new one, which means it would receive the same treatment as Case Two.

Case Two concerns the combination of a new SLD with a new gTLD in which there are trademark concerns with the SLD.¹⁶¹ First, the objector would have to show that the applied-for domain name, at least the SLD, is identical or similar to the objector's mark,¹⁶² and that the objector has a bona fide interest in said mark.¹⁶³ Most likely, a court would look to see if the applied for domain name would create a likelihood of confusion in the relevant market.¹⁶⁴ This standard is relatively low and the objector may not have to present much evidence, if any, to show market confusion.¹⁶⁵ If the two parties are direct competitors, the objector can attempt to show bad faith registration,¹⁶⁶ though this is not necessary for blocking a domain name. Even if the two parties are not direct competitors, bad faith can still be shown if the registrant has shown pattern cybersquatting behavior.¹⁶⁷

Finally, Case Three is complex. Assume all of the analysis for Case Two would remain the same, but it will be more difficult to prove bad faith in many of these cases, especially for infringing cases that are in foreign languages because the registrant may have overlooked or been ignorant to the latent infringement. The low threshold for the confusion standard would still apply, and courts would likely balance this factor most.

C. Macro: Implications for Making More Land Available?

1. Do Major Players Have to Act?

Commentators have suggested The Program will affect both those who participate in the registration process and those that do not.¹⁶⁸ The major companies especially would have to register for new gTLDs or update their portfolios with old SLD, and register it with a new gTLD to preempt any competitor or third party from cybersquatting on potentially new domain names, or infringing old ones. Yet given the precedent for the legal rights objection, major companies may not have to do much to protect their brand

161. Note that Case Two looks and operates similarly to the UDRP.

162. GUIDEBOOK, *supra* note 15, at 3-19 (factor one).

163. *Id.* (factor two).

164. *Id.* (factor eight).

165. *See Del Monte Int'l GmbH*, No. LRO2013-0001 at 4.

166. *The DirectTV Group Inc.*, No. LRO2013-0005 at 6.

167. GUIDEBOOK, *supra* note 15, at 3-19 (describing factor four).

168. *Id.*

name.

First, most major companies have well-known marks or very popular marks that would be considered well-known. Thus a major party, here the objector, would have to claim that the offending domain name is substantially similar to its mark (in which the objector has a bona fide interest) and that there is a strong likelihood of confusion in the market over that domain name.¹⁶⁹ Moreover, because it is a well-known mark, it may be easier for the objector to make the claim that this was a bad faith registration trying to piggyback on the success of the objector's brand.¹⁷⁰

This has two effects: first, major companies with well-known marks do not have to register as many new domain names to block others because the low confusion standard has far reaching protections for well-known marks. Thus, it does not matter if the major company had made a choice to register with a certain new gTLD or not, because due to the low threshold of confusion, major companies almost de facto own those domains or can at least prevent others from owning it. The second involves minor players.

2. Do Minor Players Get to Act?

Part of the purported goal of the introduction of new gTLDs was to expand the real estate on the Internet.¹⁷¹ Yet with this low confusion bar, there does not appear to be much smaller players can do to grab more land. First, any attempt to try and use a SLD that is identical or similar to an established a well-known one will likely immediately trigger a bad faith registration concern. While this is not the court's heaviest factor, it does not help the registrant obtain new land. Finally, if a smaller player were trying to register a new domain name that made use of identical or similar words established by the major players, the confusion analysis would trigger, and since it is low, the minor player would be placed at an extreme disadvantage and likely have their registration denied.¹⁷² Thus the small players are still stuck with their increasingly limited pool of SLDs, and their only chance to make something "memorable" is by creating a new SLD or obtain a gTLD.

169. GUIDEBOOK, *supra* note 15, at 3-19 (factor one).

170. In the hypothetical examples of <www.google.food>, the owner of that domain may want Google's clientele to believe that Google has established and endorses this new service, and attempt to cash in on some of Google's hard-earned good will.

171. Shoot, *supra* note 1.

172. New registrants can try and register entirely new SLDs with new gTLDs, but the Shoot article implies that this is very difficult to do, and the Program's purpose was to free up popular names, which does not appear to be the case. *See id.* (describing the difficulties of implementing the program for its intended purpose).

CONCLUSION

Although The New gTLD Program was launched with the best intentions of opening up domain names on the Internet, precedent for the Legal Rights Objection demonstrates that its effects will be limited. This issue is mostly due to the low threshold established for customer confusion, in which some objectors may not have to proffer any evidence, but merely suggest that because of the magnitude of their name, customers would automatically become confused.

Thus, both the established actors and new coming actors of the Internet will not see much meaningful change. The major actors are shielded by powerful bad faith and customer confusion standards so that they do not have to worry about competitors or greenhorns registering potentially profit-siphoning domain names because the courts will likely strike such applications down before being registered. Minor actors will either be blocked at all attempts to use the SLDs the Program implied it wanted to make available, or they will use new and unpopular ones. In both cases, the position of the aristocracy and the emerging mercantile class do not appear much different under the Program than they were before, and far from the perhaps apocryphal prospect of a land rush, The New GTLD Program may prove to merely expensively reinforce the barriers of the already existing enclosure.

APPENDIX

The chart represents all possible combinations of new and old gTLDs and SLDs and their consequences. Again, third-level domains act like constants so they would have no affect on this analysis. In order to make a valid domain name, a gTLD must pair with a SLD. Valid pairings are highlighted in lighter shade of grey and invalid pairings are highlighted in a darker shade of grey. A description of potential issues and resolutions are detailed in the boxes.

Chart 1: Pairings of gTLDs and SLDs				
	Old gTLD	New gTLD	Old SLD	New SLD
Old gTLD	ICANN delegated all the old gTLDs	<u>Case One</u>	Already exists or can be registered if no trademark in old SLD	Can be registered if no third-party owns a trademark in new SLD
New gTLD	<u>Case One</u>	Auction or license	<u>Case One</u> <u>Case Two</u> <u>Case Three</u>	<u>Case Two</u> <u>Case Three</u>
Old SLD	Already exists or can be registered if no trademark in old SLD	<u>Case One</u> <u>Case Two</u> <u>Case Three</u>	Trademark dispute if old SLD is protected	Trademark dispute if old SLD is protected
New SLD	Can be registered if no trademark in new SLD	<u>Case Two</u> <u>Case Three</u>	Trademark dispute over ownership	Auction, license, or litigation