

EXPERT DETERMINATION LEGAL RIGHTS OBJECTION

I-REGISTRY Ltd v. VIP Registry Pte Ltd

Case No. LRO2013-0016

1. The Parties

The Objector/Complainant (“Objector”) is I-REGISTRY Ltd. of Berlin, Germany, represented by Bettinger Schneider Schramm, Germany.

The Applicant/Respondent (“Respondent”) is VIP Registry Pte. Ltd of Kuala Lumpur, Malaysia, represented by Bart Lieben, Belgium.

2. The applied-for gTLD string

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

3. Procedural History

The Legal Rights Objection (the “Objection”) was filed with the WIPO Arbitration and Mediation Center (the “WIPO Center”) on March 13, 2013 pursuant to the New gTLD Dispute Resolution Procedure (the “Procedure”).

In accordance with Article 9 of the Procedure, the WIPO Center completed the review of the Objection on March 21, 2013 and 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 Response was timely filed with the WIPO Center on May 16, 2013.

In paragraph 9 of the Objection and by electronic mail on April 23, 2013, the Objector requested that the WIPO Center consolidate this and four additional Legal Rights Objections also filed by the Objector. The Applicant indicated opposition to the Objector’s consolidation proposal on April 30, 2013. In accordance with Article 12 of the Procedure and paragraph 7(d) of the WIPO Center Rules for New gTLD Dispute Resolution, the WIPO Center did not make a decision to consolidate the five Legal Rights Objections for purposes of Article 12(b) of the Procedure.

The WIPO Center appointed Harrie Samaras as the Panel in this matter on June 14, 2013. The Panel finds that it was properly constituted. The Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the WIPO Center to ensure compliance with Article 13(c) of the Procedure and Paragraph 9 of WIPO Rules for New gTLD Dispute Resolution.

On June 18, 2013 the Objector wrote to the WIPO Center requesting an opportunity to reply to unforeseen arguments and evidence raised by the Applicant. After conferring with the Panel, that same day the WIPO Center informed the Parties that “[u]nder Article 17 of the New gTLD Dispute Resolution Procedure the Expert Panel in this matter will permit the Objector to file an additional written submission to ‘new or unforeseen arguments’”. The Panel also permitted the Applicant “to respond to the Objector’s additional submission addressing only the points raised by the Objector”. The Panel considered these additional submissions to the extent they addressed new or unforeseen arguments.

4. Factual Background

On April 11, 2012, the Objector’s parent company i-content Ltd. (“i-content”) obtained a trademark registration for VIP from the Office for Harmonization in the Internal Market (“OHIM”) under the European Community Trademark System (“CTM”) as Community Trademark No. 010437051 (the “VIP Mark”). The VIP Mark is registered in connection with goods and services in Nice Classifications 36, 41, 44 and 45. I-content authorized the Objector under an exclusive license dated April 13, 2012, to use the VIP Mark (the “License”) as set forth therein. Furthermore, under a letter agreement dated March 1, 2013 (the “Letter Agreement”), the CEO of i-content “confirmed,” among other things, that (1) the Objector has been duly authorized within the scope of rights granted to it under the License to apply for the new gTLD string <.vip> under the first round of ICANN’s New gTLD Program; and (2) that i-content consents to the Objector’s intent to file Legal Rights Objections with regard to some or all of the competing applications for the <.vip> string.

The Applicant is a company incorporated in Singapore for the purpose of administrating the <.vip> string. It is a subsidiary of Qinetics Solutions Berhad (“Qinetics”) whose headquarters are in Kuala Lumpur, Malaysia. According to its website, Qinetics has been in business since 2000 offering various Internet-related products and services including domain name registration services, domain name registry and registrar system solutions.

On June 13, 2012 both the Objector and the Applicant filed an application with ICANN for the <.vip> string.

5. Parties’ Contentions

A. Objector

The Objector has standing to bring this Objection based on the rights it has acquired from i-content under the License and the Letter Agreement discussed above.

The VIP Mark is registered in connection with goods and services including Nice class 45. Class 45 contemplates the use of the VIP Mark for the “connection and management of Internet Domains”. These are two of the most critical functions of a domain name registry, which is tasked with maintaining the database of all registered names within a TLD space, and generating the relevant zone files which enable the resolution of domain names into IP addresses for technical functionality.

The expression “VIP” is arbitrary and has an important source-identifying function in relation to the connection and management of Internet domain names services and has no inherent relation whatsoever to domain name registration or any additional services reasonably offered by potential registry operators in connection with the management of a TLD space. The Objector has already taken steps to build its VIP brand, and to secure its protection through the registration of the VIP Mark. The Objector’s CTM application was filed in November 2011, prior to ICANN’s new gTLD launch. Additionally, i-content filed an application

with the German Patent Office for VIP on July 29, 2011, although this application has not yet matured into a registration.

The Objector was making preparations for its business venture well in advance of Applicant's application for the <.vip> gTLD string (see website at "www.vip-registry.com"). In its application, the Objector outlines its concept of use for the space (e.g., to utilize <.vip> under an open-gTLD model, "to cater to the unique needs and interests of important people and public figures worldwide, such as politicians, artists, actors, musicians, athletes, aristocrats and wealthy individuals, as well as their representatives and service providers.") Thus, the Objector's application to use the space in connection with an open model gTLD and to offer domain name registrations under the <.vip> string is in line with the scope of its rights under its registered CTM trademark.

The Applicant intends to operate the <.vip> string under an open model, meaning that registration will be open to any and all prospective domain name registrants. The space is to be advertised and targeted to the buyers and sellers of luxury goods. The Applicant's potential use of the <.vip> string: (i) takes unfair advantage of the distinctive character or the reputation of the Objector's registered trademark; (ii) unjustifiably impairs the distinctive character or the reputation of the Objector's mark, and/or (iii) otherwise creates an impermissible likelihood of confusion between the applied-for gTLD and the Objector's mark.

The wording of standards (i) and (ii) above are derived in large part from traditional trademark law provisions for the protection of well-known marks, which aims to provide broader protection beyond the standard scope of likelihood of confusion (see for example Article 5(2) of the First Council Directive of 21 December 1988 to approximate the laws of the Member States relating to trade marks (89/104/EEC) and Article 9c Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark). The drafters of the Legal Rights Objection ("LRO") mechanism elected not to restrict relief under this procedure only to "well-known" marks.

The Objector's CTM registration provides protection in all Member States of the European Union ("EU"). The Objector intends to use the space to sell domain names in the EU territory, as well as on a global scale. The use of the <.vip> string in connection with the management of domain names will also have a source-identifying function and therefore a trademark significance.

Within the context of the New gTLD Program, where it has been long-foreseen that many of the newly-registered TLD strings will comprise of registered marks, an additional level of protection has been introduced, both via the LRO procedure and via the Trademark Post-Delegation Dispute Resolution Procedure ("PDDRP"). As provided for under Section 6.1 of the PDDRP Policy in the ICANN Applicant Guidebook (version 04-06-2012) ("the Guidebook"), even after delegation of a TLD space any trademark owner who has been harmed by the operation or use of such TLD space due to its identity or confusing similarity with the trademark owner's mark may seek redress.

According to the Objector, the elements of the LRO procedure are similar to those under the PDDRP. The inclusion of a remedy for trademark infringement at the top level in both procedures clearly shows that the drafters of those rights-protection mechanisms were acting on the assumption that a gTLD can have source-identifying significance and serve a trademark purpose. The prior stance adopted by courts, legal scholars and other authorities that the function of TLDs, as generally not being source-indicating, is therefore a relic of an essentially <.com> space, wherein TLD strings did not comprise preexisting trademark terms. At least one prior Uniform Domain Name Dispute Resolution Policy ("UDRP") decision has been entered, in which the top-level extension was a material factor in assessing questions of confusing similarity (i.e., *project.me GmbH v. Lin*, Case No. DME2009-0008 (WIPO November 11, 2009)). There are many TLD operators that use the TLD name string as a mark, and that have already registered those TLD names as trademarks, including ICANN-accredited TLDs such as DOTAM, DOTFM, TRAVEL, NU domain, and DOTCOOP. Furthermore, there are even more non-accredited, yet publicly proposed TLD strings such as <.art>, <.club>, <.music>, <.home>, and <.immo> that have been registered as trademarks and will be used as source identifiers by the prospective registry operators for registry and related services. All of these

registrations include domain management and registration services, and may include a much broader variety of online services.

The Applicant naturally intends to offer registry services as the prospective registry operator of the <.vip> TLD space. A registry operator therefore refers to the entity responsible for maintaining the database and providing associated registry services such as: the management and administration of domain names customer databases, zone file publication, Domain Name System ("DNS") operation, marketing and policy determination. These services are identical to the "connection and management of Internet domains" covered by the Objector's VIP Mark registration. Were the Applicant granted control of the <.vip> string, it is self-evident that the Applicant's activities as the registry operator would entail use of the <.vip> string as a trademark, (not descriptively or generically) in connection with certain second-level domains essential to the functioning of the TLD space. The use of any second-level domain name within the <.vip> space by a registry, for the purposes of conducting the business of the registry and managing the TLD space, would constitute use in a trademark sense. If the Applicant were permitted to manage and use the <.vip> string, Internet users would be misled as to the actual owner of the VIP Mark, and the source of the services provided via the <.vip> string. Individuals interested in registering <.vip> domain names will naturally assume that the owner of the TLD is also the owner of the corresponding trademark. Thus, the Applicant's application takes unfair advantage of and unjustifiably impairs the distinctive character of the Objector's Mark since the Mark would no longer serve as a distinctive identifier of the Objector's services within the world-wide marketplace, including diluting the Mark and blurring its status as a source identifier.

It is highly foreseeable that search engine algorithms will be modified to accord greater weight (and thus higher ranking) to spaces in which the TLD corresponds to the search terms entered by the end user. Additionally, with the introduction and popularity of ".brand" spaces, it is highly likely that browser technology will soon enable a direct, top-level navigation mechanism. Internet visitors electing to use any such direct TLD navigation tools would naturally assume the owner and operator of the <.vip> space to be the legitimate trademark holder, who possesses the right to use the VIP mark in connection with registry-related services.

With regard to standard (iii) above where Applicant, utilizing Objector's mark without authorization, is engaged in the same business, the same industry, and using a virtually identical sales and marketing model, the consuming public would naturally assume that the Applicant's activities as a registry operator undertaken in connection with the <.vip> string space would be connected to, or endorsed by, the legitimate, legal owner of the VIP Mark resulting in unavoidable confusion by Internet users.

Factor 1:

The textual string of the applied-for gTLD <.vip> is entirely identical to the VIP Mark. The <.vip> string comprises Objector's trademark in its entirety, with no additional or unique text or elements which would distinguish it from Objector's VIP Mark, or enable users to differentiate any potential activities of Applicant undertaken using the TLD from Objector's mark and business.

Factor 2:

The Objector's acquisition and use of VIP Mark in connection with its planned business activities has been entirely *bona fide*. The Objector conceived of the idea to use the VIP Mark in connection with Internet services targeted to an elite sector of the public long before its Application was filed, and without any foreknowledge of the Applicant's existence or activities. Indeed, the Objector filed for its trademark, for use in connection with its anticipated business applications, in Germany on July 29, 2011, which was well before the launch of ICANN's New gTLD program. Moreover, since the Applicant has taken no steps to register any trademark consisting of the "VIP" term, there is no way in which the Objector could have reasonably been aware of the Applicant's intent to use the <.vip> string. The Applicant, however, would easily have been able to discover the Objector's pre-existing trademark rights.

Factor 3:

Upon information and belief, the Applicant has made no active or demonstrable use of the term “VIP,” other than in connection with its application for the <.vip> gTLD string. Accordingly, the Objector is not aware of any sector of the consuming public that would associate the term in any manner with the Applicant. Indeed, interested consumers looking to find out more about the source of the VIP Mark would, naturally, come across the Objector (not the Applicant) in conducting an online trademark registration search. As noted above, the Objector promotes its business activities under the VIP Mark at “www.vip-registry.com”.

Factor 4:

Although the Applicant’s subjective knowledge is not a matter which the Objector is in a position to conclusively aver, the Objector notes that its trademark registration has been a matter of public record since the time of its filing. Such filing was made prior to the Applicant’s application for the <.vip> gTLD string and, accordingly, the Applicant was on notice of the Objector’s rights, had it elected to conduct a due-diligence search of the CTM trademark registry prior to filing its application with ICANN.

Factor 5:

Upon information and belief, as the Objector has been unable to locate any substantive proof of the Applicant’s use of the term “VIP” outside of its application for the TLD space, the Objector concludes that the Applicant has to date made no demonstrable use of the term in commerce. The Objector has similarly been unable to identify any use by the Applicant of the term “VIP” in commerce that would justify any claim by the Applicant for any unregistered or common law rights in the word. Moreover, the Objector has been unable to locate any trademark registration for VIP, containing the word “VIP” or logically related to the term “VIP” which is owned by or licensed to the Applicant. Accordingly, the Objector concludes that the Applicant does not possess rights in the term.

Factor 6:

Although the Applicant may, perhaps, believe that it possesses a “right” to use the term “VIP” due to the fact that the term carries a dictionary meaning, the Objector notes that merely indicating a word has a “generic” definition does not settle the discussion. As demonstrated by the Wikipedia disambiguation page, the term carries a number of different meanings, many of which are unrelated to the acronym for “Very Important Persons.” Moreover, although many words have “generic” meanings in the context of ordinary discourse, where a dictionary word has been registered as a trademark for particular goods and services, that word is accorded protection as a mark. The “generic meaning” argument ceases to be effective where (1) the word in question is a valid, registered trademark, and (2) the Applicant intends to use the Objector’s registered mark in connection with the same (indeed, identical) goods and services for which the mark is registered. As discussed above, the Objector’s mark is registered for, *inter alia*, the “[c]onnection and management of Internet domains.” This is precisely the use to which the Applicant contemplates putting the “VIP” term in connection with its application for the <.vip> string.

Factor 7:

As the Objector has been unable to locate any use in commerce of the “VIP” term by the Applicant, beyond the registration of a “landing page” website at “www.viptld.com,” the Objector concludes that the Applicant is not and has never been commonly known by the sign corresponding to the gTLD. The Applicant’s website does not appear to offer any goods or services, and provides little information beyond some summary statements regarding their investors and application for the TLD space.

Factor 8:

As discussed in more detail above, as the Applicant’s applied-for TLD is entirely and wholly identical to the Objector’s registered trademark, it is certain that the Applicant’s intended use of the <.vip> gTLD string

(in connection with the identical goods and services for which the mark is registered) would create a likelihood of confusion with the Objector's mark as to the source, sponsorship, affiliation, or endorsement of the gTLD.

B. Applicant

The Applicant's Response is based on the rights it holds in its company name, which is VIP Registry, a private limited liability company duly established and validly existing under the laws of Singapore. The sole purpose of this company is to apply for and manage the <.vip> generic top-level domain name following delegation by ICANN. Managing a domain name registry under a direct agreement with ICANN is considered a legitimate offering of products and services.

i-content has also applied for and obtained the registration of various Community trademarks, including RICH and ONL. In addition to the <.vip> string Applicant has applied for various generic top-level domains, including <.rich> and <.onl>. The Objector has engaged in a pattern of conduct that can be summarized as (i) selecting a number of words or acronyms that could qualify as well sought after top-level domains; and (ii) submitting trademark applications for each of these terms shortly before or even after ICANN allowed applicants to submit applications for new gTLDs. These applications have been filed for classes of goods and services that the Objector believes are related to managing a domain name registry, which would make them specifically and intentionally useful to initiate a LRO.

The Objector intends to use the <.vip> string in a generic way, which is not covered by its registration for the VIP Mark. While the Applicant does not dispute that the term or acronym "VIP" is not devoid of any distinctive character in relation to the classes of goods and services covered by the VIP Mark, it is clear that on the basis of the contents of the Objector's website and its application for the <.vip> string, the Objector intends to use the term "VIP" in the most generic way, which is in particular the way most (Internet) users will understand the term "VIP", being "Very Important Persons". According to the Objector's website:

"VIP® is the new and exclusive domain extension for celebrities and prominent personalities from the world of politics, economics, science, art, fashion, sports and entertainment. From 2014, all of these, as well as topclass service providers and luxury and lifestyle brands, will be able to hit the scene exclusively with the protected namespace of VIP® - guaranteeing maximum impact for their presence in the digital spotlight! Celebrities stick together with VIP®."

To the Applicant's knowledge and belief the Objector does not make any other use of the VIP Mark in relation to the offering of goods and services. Thus, the Objector clearly intends to reach out to a certain category of potential domain name registrants whose common denominator is that these registrants consider themselves "very important persons". The Objector's and the Applicant's intentions are therefore perfectly aligned, with one underlying difference: the Applicant's preparations for a *bona fide* offering of domain name registry services – which are clearly shown by the USD 185,000 application fee and other start-up costs incurred by the Applicant – did not include the filing of an application for a trademark registration in order not to disturb the level playing field that has been created by ICANN.

If the Applicant obtains the <.vip> string, it will not infringe the Objector's trademark rights. The Objector states that its VIP Mark has been registered for Class 45, which covers the services described as "connection and management of Internet domains", out of which the Objector deduces that it holds trademark rights for the services rendered by domain name registries. The Objector refers to the Applicant's application for the <.vip> string and concludes that the Applicant will infringe rights in the VIP Mark. However, according to the full text of the Nice classification, the service description "connection and management of Internet domains" relates to "legal services", as is shown by the extract from the Official Publication of the Nice Classification, made available on the website of the World Intellectual Property Organization. It does not relate to the technical operation of a domain name registry. These services are covered by Class 35, in particular under sub-heading "computerized file management", given the fact that the operation of a shared registry system for domain names involves the automatic processing and management of information made available by domain name registrars. They are also covered by Class 38

(telecommunications services), more particularly “communications by computer terminals”, “message sending”, “providing user access to global computer networks”, “providing telecommunications connections to a global computer network”, “providing access to databases”, “telecommunications routing and junction services”, “transmission of digital files”, which relate to the propagation of zone files and the operation of the DNS of the TLD; and to a lesser extent: Class 42, in particular “software as a service”. The Objector does not have exclusive rights in the VIP Mark for Classes 35, 38 and 42, which cover the essential and/or critical functions performed by a domain name registry. The domain name related services referred to in Class 45 are to a large extent a description of the services provided by a registrar, whose tasks exist in “connecting” a domain name with name server information, and manage domain name and name server information in a domain name registry on behalf of its customers.

The Applicant intends to use the <.vip> string generically, not as a trademark. According to the Applicant’s application for the <.vip> string:

“.VIP TLD aims to be preferred TLD choice for businesses and organizations that offer luxury goods and premium services for the affluent Internet users. .VIP TLD would be easily associated in the brandings of businesses and organizations targeted not only such specific products and services, but also the specific group of customers.”

The Objection must be reviewed not only in accordance with the requirements in the Guidebook relating to LRO, but also European Trademark Law, and more in particular Council Regulation (EC) No. 207/2009 of February 26, 2009 on the Community Trademark (“CTMR”), namely Article 4, Article 7, and Article 12.

The Objector’s exclusive rights in the VIP Mark do not extend to the <.vip> string because it is internationally recognized that to qualify as a trademark, a sign must have a source identifying function. A top-level domain only indicates a place where certain information can be found on the Internet, and therefore – in essence – does not have a source identifying function, but a mere technical function. The Objector attempts to convince the Panel that the conclusion, reached by many trademark offices and courts, that a TLD does not have any source identifying function, is a thing of the past. Furthermore, the Objector posits that “(w)ith the introduction of new gTLDs, Internet users will understand that the use of a gTLD in connection with a second-level domain represents more than a mere device they must use as a part of a URL. The gTLD itself will take on an important source-identifying function as by definition domain names in any particular TLD can emanate from only one domain registry source”. The exact opposite is true. The Applicant refers to the guidance provided by OHIM in its Examination Guidelines: “Top level domain endings, such as <.com>, only indicate the place where information can be reached on the Internet and thus cannot render a descriptive or otherwise objectionable mark registrable.” By analogy to the trademark prosecution practices in the United States, the United States Patent and Trademark Office (“USPTO”) has made clear in its Trademark Manual of Examining Procedure that “[i]f a mark is composed solely of a TLD for ‘domain name registry services’ (e.g., the services of registering <.com> domain names), registration must be refused under Trademark Act §§1, 2, 3, and 45, 15 U.S.C. §§ 1051, 1052, 1053, and 1127, on the ground that the TLD would not be perceived as a mark.” This also appears to be the case for a proposed mark that is “under consideration as a new TLD”. Moreover, the USPTO’s manual states that “(i)f the TLD merely describes the subject or user of the domain space, registration must be refused under the Trademark Act §2(e)(1), 15 U.S.C. §1052(e)(1), on the ground that the TLD is merely descriptive of the registry services.

The Objector’s intention is to use the <.vip> string for services that are not covered by its VIP Mark. Moreover, the exclusive rights the Objector attempts to invoke do not extend to the use the Applicant intends to make of the <.vip> string: by offering domain name registrations in its <.vip> string to “VIPs”, as outlined in Applicant’s application, Applicant’s use of the term “VIP” clearly and undisputedly qualifies as: using in the course of trade: (...) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of the goods or of rendering of the service, or other characteristics of the goods or service”, which are not covered by the exclusive rights granted by the VIP Mark.

Also, according to European trademark law, descriptive terms shall be refused under Article 7(1)(c) of the CTM Regulations. Under European trademark law, descriptive terms are those that consist of objective

information about characteristics of the goods and services, so as to distinguish them because of their nature (rather as to their commercial origin) from like or similar goods and services, rather than as to their commercial origin. For that reason, descriptive terms cannot fulfill the function of a trademark. For the same reason, the ground for refusal applies irrespective of whether the respective term is already used by other competitors in a descriptive manner for the respective goods or services. Also, in assessing the similarity between a trademark and a domain name under the Uniform Dispute Resolution Policy, the top-level domain is disregarded. Decisions rendered under the UDRP are unanimous in this respect. The Objector therefore attempts to uphold that its application for the <.vip> string is similar to a so-called “.brand” top-level domain. Although not an official category of top-level domains designated by ICANN, a “.brand” top-level domain is generally understood to be a top-level domain identical to an existing brand, where the brand owner will be operating the TLD in support of its existing or future goods or services. ICANN has received in total more than 500 applications for “.brand” top-level domains. Examples include: <.ibm>, <.deloitte>, <.total>, <.dhl>, <.hsbc>, <.shell>, <.hilton>, <.kpmg>. The Objector attempts to put its recently acquired VIP Mark at the same level, by referring to its application as being a “.brand” gTLD as well. For obvious reasons, such a statement cannot possibly be taken seriously by the Panel: as stated above, the Objector is currently not engaged in any legitimate offering of goods and/or services under the VIP brand. The new generic top-level domain program initiated by ICANN is primarily about allocating and delegating new generic terms to registries. As indicated above, the Applicant’s intentions are exactly to do that: managing the generic acronym for “Very Important Person” as a generic top-level domain, and not as a source identifier, as the Objector purports.

6. Discussion and Findings

The basis for a LRO is that “the applied-for gTLD string infringes the existing legal rights of the objector”. Under Section 3.2.2.2 of the Guidebook: “A rightsholder has standing to file a legal rights objection. The source and documentation of the existing legal rights the objector is claiming (which may include either registered or unregistered trademarks) are infringed by the applied-for gTLD must be included in the filing.” Furthermore, pursuant to Section 3.5.2 of the Guidebook, the Panel is 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 (“mark”); and/or

(ii) unjustifiably impairs the distinctive character or the reputation of the Objector’s mark; and/or

(iii) otherwise creates an impermissible likelihood of confusion between the applied-for gTLD and the Objector’s mark.

Section 3.5.2 further provides that where the Objection is based on trademark rights, the Panel will consider eight non-exclusive factors, addressed below.

A. The Objector’s standing

To establish standing, the Objector relies on CTM Registration No. 010437051 for the VIP Mark. The filing date of the application is November 22, 2011 and the registration issued April 11, 2012 in classes 36, 41, 44 and 45 for services that include: organization and management of collections; training and further training consultancy; therapeutic support and medical care; and connection and management of internet domains. Although the Objector is not the owner of the CTM registration for the VIP Mark, it has made of record a license from the Objector’s parent company i-connect, granting the Objector exclusive and non-transferable rights to use the VIP Mark for the goods and services that are the subject of the registration. Furthermore, under the License, the Objector is “entitled to pursue acts of infringements of third parties concerning the [VIP Mark] in its own name. This includes the right to lodge court actions.” Although it appears the Objector is licensed to bring this proceeding under the License insofar as the basis for the LRO is that the applied-for gTLD string infringes the existing legal rights of Objector, the Letter Agreement confirms that:

- [Licensee] has been duly authorized by [Licensor], within the scope of rights granted to it under our license agreement, to apply for the New gTLD space .VIP under the first round of ICANN's New gTLD Program;
- [Licensor] is further aware of [Licensee's] intent to file Legal Rights Objections with regard to some or all of the competing applications for the <.vip> space;
- [Licensor] consents to these actions undertaken by [Licensee] and confirms the filing of said Objections by [Licensee] is within the scope and bounds of its rights granted to it under its trademark license agreement; and
- should [Licensee] prove to be the successful applicant for the <.vip> space, [Licensor] fully consents to [Licensee's] management and operation of the <.vip> TLD, and confirms that such activity would be within the scope of rights granted by [Licensor] under the relevant license agreement.

The Panel has no reason to believe that the License and Letter Agreement, which the Objector has made of record here, do not grant the Objector rights in the VIP Mark as well as the right to maintain this proceeding. Thus, the Panel finds that the Objector has a relevant existing trademark right in the VIP Mark.

B. Infringement of the Objector's Existing Legal Rights

The Objector argues that Applicant cannot use the .vip string without infringing Objector's VIP Mark. It further contends that this Objection is valid and should be upheld because 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 trade mark; and/or
- (ii) unjustifiably impairs the distinctive character or reputation of the Objector's registered trade mark; and/or
- (iii) otherwise creates an impermissible likelihood of confusion between the applied-for gTLD and the Objector's mark.

The Objector's application (ID: 1-1003-40726) for the <.vip> string was originally posted on June 13, 2012. In the application, the Objector describes its mission/purpose of the <.vip> string as follows:

"The .VIP TLD has the mission to serve the needs of very important people (abbreviated: VIP) worldwide, their representatives and service providers for the VIP in terms of privacy, communication, publicity, promotion and exceptional services. VIP people are defined as people of great influence or prestige, like politicians, artists, actors, musicians, athletes, aristocrats and wealthy people. As of today VIPs do not have an own namespace on the internet, although according to statistics more than 11 Mio Individuals belong to the defined group according to the criteria mentioned above. The PURPOSE of the .VIP space is to cater to the unique needs and interests of important people and public figures worldwide..."

The Objector operates a website at "www.i-registry.com" (the "Current Website"). The Objector represented to the Panel that it operates a website at "www.vip-registry.com", although that site was not accessible to the Panel (the "Former Website"). Based on a screen shot made of record from the Former Website, it appears that some of the content from that site is now included on the Current Website. More specifically, on the first page of that site there is a hyperlink to a page that is devoted to the <.vip> string in anticipation of the Objector succeeding with its application for the space. The lead paragraph on the linked page, which is similar to a page from the Former Website states:

"Raise the curtain on .VIP on the internet.

.VIP is the new and exclusive domain extension for celebrities and prominent personalities from the world of politics, economics, science, art, fashion, sports and entertainment. From 2014, all of these,

as well as top-class service providers and luxury and lifestyle brands, will exclusively be able to hit the scene with the protected namespace of .VIP - guaranteeing maximum impact for their presence in the digital spotlight!”

The Applicant’s application (ID: 1-851-9629) for the <.vip> string was originally posted on June 13, 2012. The Applicant describes the mission/purpose of its proposed <.vip> string as follows: “to provide a platform for creating and promoting a better organized online environment for luxury goods and premium services.” When queried in the application form, “[h]ow do you expect that your proposed gTLD will benefit registrants, Internet users, and others”, the Applicant replied in part that “<.vip> TLD aims to be preferred TLD choice for businesses and organizations that offer luxury goods and premium services for the affluent Internet users. VIP TLD would be easily associated in the brandings of businesses and organizations targeted not only such specific products and services, but also the specific group of customers.” The Applicant operates a website at “www.viptld.com”.

Where the Objection is based on trademark rights, the Panel will consider the following non-exclusive factors.

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

The applied-for gTLD string is similar, if not identical, including in appearance, phonetic sound, and meaning, to the VIP Mark in which the Objector has rights by virtue of the License.

2. Whether the objector’s acquisition and use of rights in the mark has been *bona fide*.

It appears to the Panel that the VIP Mark was acquired and/or registered as part of a strategy to support the application for the <.vip> string. Based on the case record, the Panel has no basis to conclude that such acquisition was not *bona fide*.

With regard to whether the Objector has made a *bona fide* use of the VIP Mark, the page of record from the Former Website and the Current Website appear to the Panel to be more preparations to use the VIP Mark rather than actual uses of the VIP Mark. On the Former Website, the Objector identifies itself as “VIP Registry – Your Professional Domain Solution.” The page identifies “VIP” as both “the new and exclusive domain extension for celebrities and prominent personalities” and as “an exclusive service” provide by I-Registry® Ltd. The Current Website uses “VIP” in the similar sense. In any event, there is no evidence in the record from which the Panel can conclude that these preparations to use are not *bona fide*.

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 Panel has seen little or no evidence of actual use that would be sufficient to demonstrate recognition in the relevant sector of the public of the sign corresponding to the gTLD as the mark of the Objector, the Applicant or a third party. Furthermore, in the Panel’s view, the manner in which the Objector and the Applicant are using “VIP” on their websites reflect their preparations to use the term in the applied-for gTLD string not as a source identifier but, rather, in its descriptive sense, that is, as the acronym for “very important persons”. For example, in its application the Objector states that: “The .VIP TLD has the mission to serve the needs of very important people (abbreviated: VIP) worldwide ... As of today VIPs do not have an own namespace on the internet...” And in the Applicant’s application, when queried “[h]ow do you expect that your proposed gTLD will benefit registrants, Internet users, and others”, the Applicant replied in part that “[the] <.vip> TLD aims to be preferred TLD choice for businesses and organizations that offer luxury goods and premium services for the affluent Internet users.”

4. The applicant's intent in applying for the gTLD, including whether the applicant, at the time of application for the gTLD, had knowledge of the objector's mark, or could not have reasonably been unaware of that mark, and including whether the Applicant has engaged in a pattern of conduct whereby it applied for or operates TLDs or registrations in TLDs which are identical or confusingly similar to the marks of others.

Based on the evidence of record, most notably the Applicant's application for the gTLD string, the Panel is satisfied that the Applicant applied to use the <.vip> string with the intent of using the term "VIP" in its generic sense. There is no evidence in the record from which the Panel can conclude that the Applicant had actual knowledge of the Objector's VIP Mark, or that the Applicant could not have reasonably been unaware of it, particularly when the Objector appears to be using the VIP Mark on its own website in a descriptive manner.

The Objector has not suggested that the Applicant has engaged in a pattern of conduct whereby the Applicant applies for or operates TLD's or registrations in TLD's 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 Panel finds that to date, the Applicant has used "VIP" on its website in a descriptive manner, reflecting the acronym for "very important persons" which is consistent with its intentions for using VIP as set forth in its application for the <.vip> string. As such the Panel finds that the Applicant's use so far does not interfere with the legitimate exercise by the Objector of its rights in the VIP Mark.

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.

There is no evidence in the record that the Applicant has such marks or other intellectual property rights in the sign corresponding to the applied-for gTLD string.

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 evidence in the record that the Applicant has been commonly known by the sign corresponding to the applied-for gTLD string.

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.

The Panel finds that, based on the information the Applicant has currently provided in its application for the <.vip> string, and in the screenshot from the Applicant's website, the Applicant's intended use of the <.vip> string will be to exploit the descriptive meaning of "VIP" as a domain for "very important persons". Thus the Panel cannot conclude that the Applicant's intended use of the gTLD would create a likelihood of confusion with the Objector's VIP Mark.

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.

For all the foregoing reasons, the Panel rejects the Objection.

[signed]

Harrie Samaras
Sole Panel Expert
Date: August 20, 2013