

Expert Determination **LEGAL RIGHTS OBJECTION**

Defender Security Company v. .HOME REGISTRY INC.
Case No. LRO2013-0039

1. The Parties

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

The Applicant/Respondent is HOME REGISTRY INC. of George Town, Grand Cayman, Cayman Islands, Overseas Territory of the United Kingdom of Great Britain and Northern Ireland represented by Agnes Wong & Co., Hong Kong, China.

2. The applied-for gTLD string

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

3. Procedural History

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

In accordance with Article 9 of the Procedure, the WIPO Center has completed the review of the Objection on March 27, 2013 and has determined that the Objection complies with the requirements of the Procedure and the World Intellectual Property Organization Rules for New gTLD Dispute Resolution for Existing Legal Rights Objections (the WIPO Rules for New gTLD Dispute Resolution).

In accordance with Article 11(a) of the Procedure, the WIPO Center formally notified the Respondent of the Objection, and the proceedings commenced on April 17, 2103. In accordance with Article 11(b) and relevant communication provisions of the Procedure, the Response was timely filed with the WIPO Center on May 16, 2013.

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

4. Factual Background

The proposal to create new generic top level domains has had, in Internet terms, a long and widely publicized history. A proposal for the establishment of a new gTLD program was adopted by ICANN in 2008 following a recommendation by the Generic Names Supporting Organization (GNSO). Following further ICANN processes, the ICANN board adopted the New gTLD Program at its meeting in Singapore on June 20, 2011. The period for filing applications for new gTLDs opened on January 12, 2012 and closed on May 30, 2012. The period for filing objections, including LRO, opened on June 13, 2012 and closed on March 13, 2013. On that day the Objector filed a LRO against this Respondent's Application and eight other applications for the same gTLD string.

The Objector is the applicant for registration of the following United States (US) trademark applications:

No. 85588382 – TRUE.HOME and partial hexagon device filed April 3, 2012 in International Class 35. No claim to use recorded – exclusive right to “HOME” disclaimed.

No. 85588370 – TRUE.HOME and partial rectangle device filed April 3, 2012 in International Class 35, claiming first use on April 30, 2012 – exclusive right to “HOME” disclaimed.

No. 85721544 – TRUE HOME, filed September 5, 2012 in International Classes 35 and 37. No claim to use recorded – exclusive right to “HOME” disclaimed.

No. 85721554 – TRUE.HOME, filed September 5, 2012 in respect of International Classes 35 and 37. No claim to use recorded.

The Objector is also, since August 29, 2012, the owner of United States Trademark Registration No. 3404246 filed December 21, 2006 by Carl Simpson in respect of environmental testing and inspection consulting services in Class 42 and claiming first use on March 13, 2006. This registration was assigned to the Objector on August 29, 2012.

One of the concurrent applicants for the gTLD string .HOME is DotHome LTD of Limassol, Cyprus. The Objector asserts that DotHome LTD is its wholly owned subsidiary and claims to represent DotHome LTD in this Objection. That assertion and claim are not admitted by the Applicant.

DotHome Limited is the owner of Community Trademark Registration No. 010535201 filed December 30, 2011 in respect of services in International Classes 35, 42 and 45 including computer related services and domain name registry services. The mark comprises a stylized picture of a house within a bubble device, and the word .HOME in a distinctive script. The mark is the subject of an Application for Cancellation on the basis invalidity, filed on May 15, 2013.

The marks, as relied on by the Objector in its annex to the Objection, are depicted in the Appendix to this Decision.

5. Parties' Contentions

A. Objector

The Objector claims to be the second largest provider of residential security systems in the United States. It claims that its business is driven by more than eight billion annual marketing impressions, millions of visitors to its various websites and receives several million inline customer calls to its three call centers. The Objector does not indicate what proportion, if any, relate to activities under its “HOME” family of trademarks.

The Objector contends that the applied-for gTLD, .HOME is identical or similar in sight, sound and meaning to its “HOME” trademarks and that a consumer would identify the .HOME gTLD with its “HOME” trademarks because it is identical in sight, sound and connotation to the primary formative element of each of those

marks. The Objector claims that its acquisition and use of its "HOME" trademarks has occurred in the ordinary course of trade, is a natural extension of its branding strategy and is critical to its growth as a leading home goods and services provider. It claims that ".HOME" serves as its brand for Internet registry and registrar services including database management, computer services and domain name reservation registration maintenance and management services. The Objector claims that since December 2011 it has been, through its wholly owned subsidiary DotHome LTD a reseller of domain names and has used the .HOME mark to brand its domain reservation website at "www.dothome.net". It claims to have received unsolicited requests to pre-register for .HOME domains. It claims to have over 20,000 followers of its Twitter account posts under its " @dot_home" address and over 2,700 .HOME Facebook followers in the United States, the European Union and other parts of the world. In relation to its trademark TRUE HOME the Objector refers to Registration No. 3,404,246 saying that it was in use by December 21, 2006 in relation to services including the evaluation of heating, ventilation, air conditioning energy requirements and efficiency ratings. The Objector asserts that its TRUE.HOME trademark was in use as early as April 30, 20012 in relation to various advertising, promotion and marketing services in the field of residential and commercial security systems and alarms. It claims to have spent over USD 500,000 on research and analysis for the development of brand recognition strategies under its .HOME marks. The Objector does not particularize or produce evidence or examples of this.

The Objector claims that the number of .HOME brand followers on its Facebook and Twitter accounts, billions of pieces of print media and millions of inbound customer calls is evidence the Objector's recognition in the home services industry.

The Objector states that it is unaware of any use of HOME by the Respondent, the Respondent is not commonly known by the word HOME and the Objector is unaware of any circumstances by which the Respondent's use of the applied-for gTLD can peacefully coexist with its prior rights.

The Objector asserts that the Respondent intends to target its use of the applied-for gTLD to provide information to individuals interested in home services and home improvements. Its intent to combine domain registry services with home services marketing suggests that a likelihood of confusion would be inevitable and as a result the Objector's rights will be impaired and the Applicant will be unjustly enriched at the Objector's expense.

B. Respondent

The Respondent states in its application for the acquisition of the .HOME gTLD that its mission is:

"to provide offerors of services and products related to the home a namespace on the Internet to establish meaningful and relevant identities directly related to the home services industry".

The Respondent states that at the time of applying for the applied-for gTLD it had no knowledge of the Objector's marks, and denies that use of the applied-for gTLD would take unfair advantage of the distinctive character or reputation of the Objector's marks, unjustifiably impair their distinctive character or reputation or otherwise create an impermissible likelihood of confusion.

The Respondent submits:

- the applied-for gTLD is not identical or similar in appearance, phonetic sound or meaning to the Objector's marks;
- the Objector's marks must be viewed in their entirety and not by isolating arbitrarily chosen elements;
- none of the Objector's marks is for the word "home" *per se*. All include, prominently, a device and/or the word "true". In the US applications the word "home" is disclaimed so that all that is left is the device and the word "true" and are not confusingly similar to the applied-for gTLD;

- regarding the Community Trade Mark held by DotHome Limited the Respondent does not admit that DotHome LTD is a wholly owned subsidiary of the Objector or that it is entitled to represent DotHome LTD in objecting to the applied for gTLD.
- the Community Trade Mark which is registered is not .HOME but that word represented in a distinctive form and in a logo with a house device at least as large as the .HOME element.

The Respondent cites more than fifty other Community Trade Marks which include the word "home".

The Respondent questions the *bona fides* of the Objector's acquisition and use of the trade marks upon which it relies, submitting that they were all applied for after an ICANN Security and Stability Advisory Committee Report on November 15, 2010 identified .HOME as one of the most frequently observed invalid TLD's, *i.e.* those returning an NXDOMAIN response and that before the introduction of the new gTLD program ICANN had conducted consultations with potential applicants and found that .HOME was one of the most popular TLD strings. The Respondent further points to the fact that the popularity of the applied-for gTLD is evidenced by the fact that there are eleven applicants for that string and that this demonstrates that the sign HOME is not recognized in the eyes of the public as the mark of the Objector. The Respondent asserts that its use of the applied-for gTLD will be in the *bona fide* offering of domain name registry services and the provision of information will not interfere with the legitimate exercise by the Objector of its trade marks in the areas of advertising and promotion or installation and repair.

The Respondent further submits that the use of the applied-for gTLD is unlikely to lead to confusion and that the assessment of this likelihood must involve an assessment of the distinctiveness of the marks and the affect on the ordinary consumer.

6. Discussion and Findings

Module 3 of the gTLD Applicant Guide Book (Module 3) sets out the grounds upon which an objection may be made to an applied-for gTLD and the standards and procedures to be applied.

Section 3.2.1. provides that a Legal Rights Objection may be made on the ground that the applied-for gTLD string infringes the existing legal rights of the objector.

Section 3.5 provides that the objector bears the burden of proof in each case.

Section 3.5.2 provides that strings must not infringe the existing legal rights of others that are recognized or unenforceable under generally accepted and internationally recognized principles of law. In deciding that question a dispute resolution panel is required to determine whether the potential use of the applied-for gTLD:

- takes unfair advantage of the distinctive character or the reputation of the objector's mark; or
- unjustifiably impairs the distinctive character or reputation in the objector's mark; or
- otherwise creates an impermissible likelihood of confusion between the applied-for gTLD and the objector's mark.

That section also sets out eight non-exclusive factors to be taken into account by the panel in reaching its conclusion.

The Panel therefore has to decide whether at the relevant time, the Objector had existing legal rights, the extent of those rights and whether the potential use of the applied-for gTLD will encroach upon those rights in ways that are unfair, unjustifiable or impermissible. Thus, the Panel is required to determine not only whether any legal rights which the Objector may possess are encroached upon but whether in the circumstances that encroachment is unfair, unjustifiable or impermissible.

Before the Panel turns to the substantive issues, the particular circumstances of this case raise questions as to the relevant date at which the Objector's rights are to be determined and whether or not the Objector is entitled to rely upon rights claimed for a Cyprus-based European company it claims to own and represent, but the Respondent puts the matter in issue. Module 3 gives no guidance on either of those questions.

As to the first question, there are several possible relevant dates including, the date of application of the applied-for gTLD, the date of lodgment of the LRO and the date of delegation of the new gTLD. The enquiry whether the potential use of the applied-for gTLD would infringe existing rights suggests that the latter date is the relevant one but that would present the Panel with the task of predicting the state of affairs which might exist at some future time and might be dependent upon the actions of the parties in the meantime. That is a task which the Panel cannot undertake. The Panel therefore considers that, consistent with the approach under the Uniform Domain Name Dispute Resolution Policy (UDRP), the appropriate date is the date of filing the Objection. However, in any event, in view of the Panel's findings discussed below nothing will turn on whether that date is the appropriate date for consideration.

As to the second question, the Objector's claim to ownership of and right to represent DotHome LTD is based on mere assertion. No evidence is supplied as to this; it would have been a very simple matter to do so. The Respondent challenged this assertion but the Objector did not seek to respond to that challenge by, for example, seeking leave to make a supplementary filing. Reference to the Whois for the <dothome.net> second level domain name does not assist as it merely shows the registrant to be Domains by Proxy LLC. The Panel does note however that an application by DotHome LTD for a new gTLD, .HOME, is not objected to by the Objector. From this the Panel accepts that it is likely some relationship exists between the Objector and DotHome LTD. Further, although not argued by the Respondent, an additional question still may exist as to whether the Objector's claimed subsidiary, DotHome LTD, and the listed registrant of the Community Trade Mark, DotHome Limited, are the same entity. Once again however, in view of the finding of the Panel in relation to the extent of the rights conferred by the trade marks relied upon by the Objector, nothing will turn on these points.

The legal rights upon which the Objector purports to rely are trade mark rights. The claim to those rights, as far as the Objector itself is concerned, is based upon one US trade mark registration and four pending US trade mark applications in relation to advertising, promotional and marketing services relating to residential and commercial security systems and, in the case of one of the applications, also installation, repair and maintenance of plumbing, heating, air conditioning, geo thermal, or electrical and security systems.

Printouts from the United States Patent and Trademark Office annexed to the Complaint show that none of them has proceeded to registration; only one of them has a claim to use, from April 30, 2012, and in the case of three of them exclusive right to the use of "HOME" apart from the mark as shown is disclaimed. The marks each comprise prominently the words TRUE HOME or TRUE.HOME either alone or accompanied by a design representing a building. In the case of the one registered trade mark, for TRUE HOME, there is a claim to first use on March 13, 2006. The registration appears to have been acquired by the Objector only on or about August 29, 2012 and there is no evidence of what reputation or goodwill, if any, was transferred.

Accordingly, as at March 13, 2013 the Objector possessed registered trade mark rights only in respect of the trade mark TRUE HOME in respect of a range of environmental testing and inspection consultancy services. For the sake of completeness however, the Panel will also consider what rights will accrue to the Objector if the pending applications proceed to registration. In the case of Application No. 85721544 TRUE HOME and Nos. 85588382, 85588370, TRUE.HOME and device, the Objector has specifically disclaimed any exclusive right for use of the word "home", so it is clear that no relevant right can accrue to the Objector even if those applications proceed to registration.

No disclaimer is entered in respect of Application No. 85721554 or Registration No. 3404246. Those marks are standard character marks comprising, respectively, the words TRUE.HOME and TRUE HOME. The Objector has argued that the word HOME is the dominant formative character of each of its marks and that consequently a similar commercial impression is created between the marks and the applied-for gTLD. The Respondent on the other hand argues that the marks must be viewed in their entirety and not by isolating arbitrarily chosen elements. The Panel agrees with the Respondent's submission. The marks to be considered are the whole marks, not merely the "HOME" component. Further, if anything, the element which

is dominant is the word “TRUE”. It is the first element of the composite expression and the “HOME” element upon which the Objector seeks to rely is obviously descriptive and devoid of trade mark significance, absent compelling evidence that it has acquired secondary meaning. No such evidence has been submitted.

In view of the common descriptive meaning of the word “home” in relation to home services and of the Respondent’s evidence of the widespread use of the word “home” in composite marks registered to a wide variety of independent traders in respect of goods or services incorporating or intersecting with the services traded in by the Objector, it seems unlikely that a secondary meaning would arise even from substantial use. As stated by Stephen J. in the High Court of Australia in *Hornsby Building Information Centre Pty Ltd v. Sydney Building Information Centre Ltd*, [1978] HCA 11:

“There is a price to be paid for the advantages flowing from the possession of an eloquently descriptive trade name. Because it is descriptive it is equally applicable to any business of a like kind, its very descriptiveness ensures that it is not distinctive of any particular business”.

The Objector appears to assert that it has common law rights arising out of use of the trade marks forming the subject of the above discussed registration and applications. The Objector has produced no evidence whatsoever to support that claim let alone to show that such rights, if established, would extend to the word “home” *per se*. As noted above only Application No. 85588370 is endorsed with a claim to use and that claim is asserted only from April 30, 2012, well after the filing of the application for the applied-for gTLD and only seven months prior to the filing of this LRO. So far as registration No. 3404246 is concerned, that mark also was acquired after the filing of the application and only seven months prior to the filing of the Objection. The Objector has provided no evidence to show whether it has ever made use of the mark, whether it succeeded to the goodwill, if any, of the former owner of the mark or the extent to which the former owner had used and acquired a reputation in the mark.

Turning now to the Objector’s claim based upon Community Trade Mark Registration No. 010535201, as noted above the Objector has done nothing to discharge the onus upon it to show that the owner of the registration, DotHome LTD is its wholly owned subsidiary or that it is entitled to represent DotHome LTD in this Objection, and further, that DotHome LTD and DotHome Limited are the same entity. However, even if that were established the only distinctive elements of the mark are the house device, the bubble device and the distinctive rendering of the word HOME. That registration therefore does not confer relevant rights in the word “home” *per se*. As discussed above, when considering the rights conferred by the registration it is necessary to consider the marks as a whole and to have due regard to the fact that the only common element of the mark and the applied for gTLD is the word “home”, which in the context of services directed to the home industry, including computer services and internet services, is strongly descriptive. The Panel concludes that, to the extent that the mark has distinctive character, that distinctiveness is due primarily to the added elements of the bubble and house device and the particular form and presentation of the word “home”. The registration does not therefore, in the Panel’s opinion, confer rights in the word “home” which would be infringed by the potential use of the applied-for gTLD.

In the light of the above the Panel is of the opinion that the Objector has failed to discharge the onus of showing that it has existing legal rights which would be infringed by the use of the applied-for gTLD string or that any of such uses would be, in any way, unfair, unjustifiable or impermissible.

In the light of the above findings the Panel now addresses specifically the eight factors enumerated in Section 3.5.2.

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

To the extent that each contains the word “home” the applied-for gTLD is “similar” to the Objector’s marks. At the same time, the Panel notes that the distinctive element in each of the marks on which the Objector relies is the word “true” and/or a distinctive device and presentation of the word “home”. Since the Objection is based on claimed trade mark rights, the question of similarity should be viewed in that context. The word

"home" has substantially no trade mark significance in that context so any similarity based solely on the commonality of that word will be largely irrelevant for the purpose of the Panel's further enquiry.

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

The Respondent questions the Objector's claim that the Objector applied for and acquired its trade marks in the ordinary course of its business. The timing of the applications and the acquisitions strongly suggest that they were made predominantly to provide a basis for the Objection and to advance the interest of DotHome LTD. In all of the circumstances of this case, this Panel does not find *bona fides* in such Objector conduct.

iii. Whether and to what extent there is recognition in the relevant sector of the public of the sign corresponding to the gTLD, as the mark of the Objector, of the Respondent or of a third party.

No. There is no evidence sufficient to establish recognition of any of the marks relied on by the Objector. The Respondent makes no claim to such recognition and there is no indication of any claim by a third party.

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

The Respondent's stated intent in applying for the applied-for gTLD was to provide offerors of goods and services a name space to establish relevant identities referring to the home services industry. The Respondent asserts that at the time of its application it had no knowledge of the Objector's marks and had no reason to know of them. It further asserts that it has not operated, applied for, or registered TLDs identical or confusingly similar to the marks of others. The Objector has not provided any evidence to the contrary and the Panel has no reason to doubt the Respondent's assertions.

v. Whether and to what extent the Respondent has used, or has made demonstrable preparations to use, the sign corresponding to the gTLD in connection with a *bona fide* offering of goods or services or a *bona fide* provision of information in a way that does not interfere with the legitimate exercise by the Objector of its mark rights.

The Respondent does not claim to have used or made preparations to use a sign corresponding to the applied-for gTLD otherwise than with respect to the application for the gTLD.

vi. Whether the Respondent has marks or other intellectual property rights in the sign corresponding to the gTLD, and, if so, whether any acquisition of such a right in the sign, and use of the sign, has been *bona fide*, and whether the purported or likely use of the gTLD by the Respondent is consistent with such acquisition or use.

The Respondent does not claim to have any such marks or other intellectual property.

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

The Respondent does not claim to have been known by a sign corresponding to the applied-for gTLD.

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

The Respondent asserts that it will not use the applied-for gTLD in such a way as to create a likelihood of such confusion. In the light of the Panel's findings set out above the Panel does not consider such confusion

to be likely.

The Panel finds that the Response is valid and should be upheld because the potential use of the applied-for gTLD by the Respondent does not:

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

7. Decision

The Objection is rejected.

[signed]

Desmond J Ryan AM
Sole Panel Expert
Date: July 24, 2013

APPENDIX

USTM Application No. 85588382



USTM Application No. 85588370



USTM Application No. 85721544

TRUE HOME

USTM Application No. 85721554

TRUE.HOME

USTM Registration No. 3404246

TRUE HOME

Community Trade Mark Registration No. 010535201

