

## **EXPERT DETERMINATION LEGAL RIGHTS OBJECTION**

hibu (UK) Limited v. Telstra Corporation Limited

Case No. LRO2013-0013

### **1. The Parties**

The Objector/Complainant is hibu (UK) Limited of Berkshire, United Kingdom of Great Britain and Northern Ireland, represented by Olswang LLP, United Kingdom.

The Applicant/Respondent is Telstra Corporation Limited of Melbourne, Victoria, Australia, represented by King & Wood Mallesons, Australia.

### **2. The applied-for gTLD string**

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

### **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 20, 2013 and has determined that the Objection complies with the requirements of the Procedure and the World Intellectual Property Organization Rules for New gTLD Dispute Resolution for Existing Legal Rights Objections (the “WIPO Rules for New gTLD Dispute Resolution”).

In accordance with Article 11(a) of the Procedure, the WIPO Center formally notified the Applicant of the Objection, and the proceedings commenced on April 16, 2013. In accordance with Article 11(b) and relevant communication provisions of the Procedure, the Response was timely filed with the WIPO Center on May 15, 2013.

The WIPO Center appointed Richard W. Page as the Sole Panel Expert (the “Panel”) in this matter on June 11, 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 Objector's mark is "YELLOW PAGES" (the "Objector's Mark" or the "YELLOW PAGES Mark"). As indicated above, the gTLD string objected to is <.yellowpages> (the "Applied-for gTLD"). The Objector is the provider of YELLOW PAGES business directories in the United Kingdom (the "UK YELLOWPAGES") and owns a large portfolio of trademark registrations and substantial unregistered rights in the YELLOW PAGES Mark for the UK.

The UK YELLOW PAGES directory service has grown extensively over the last 40 years. It originated in the late 1960s and early 1970s when a previous owner of the UK YELLOW PAGES directory business published printed directories in the UK under the YELLOW PAGES Mark. UK YELLOW PAGES directories were first published across most of the UK in something similar to their current format in 1973. The UK YELLOW PAGES directories have been produced continually since then and their use has extended throughout the whole of the UK.

After 13 years of use of the YELLOW PAGES Mark for the UK YELLOW PAGES, the YELLOW PAGES Mark was first registered in the UK on August 1979 (UK trademark no. 1119206 for "directories of businesses and services, all having yellow pages"). The Objector and its predecessors in title have consistently undertaken a comprehensive trademark filing program to protect their exclusive rights to the YELLOW PAGES Mark in the UK. The Objector owns a suite of trademark registrations to protect the YELLOW PAGES Mark. As of June 1, 2012 (prior to the Applied-for gTLD application date of June 13, 2012), the Objector owned 93 trademark registrations or applications for the YELLOW PAGES Mark or composite marks including "YELLOW PAGES."

The Objector is also the registrant of a portfolio of over 30 domain names which incorporate the YELLOW PAGES Mark alone or together with geographical descriptors (e.g., "UK"). The Objector's domain names all pre-date the application for the Applied-for gTLD.

The Applicant is internationally renowned as Australia's leading telecommunications and information services company. The Applicant has a long history in Australia, initially as a wholly owned government entity which was progressively privatized in 1997, 1998 and 2006. The Applicant is now the sixth largest company (by market capitalization) listed on the Australian Securities Exchange. Its shareholding comprises both institutional and millions of private investors. The Applicant's international division, Telstra Global, is a leading supplier of managed network services and international data, voice and satellite services. Together with its offshore (non-Australian) subsidiaries and international investments, Telstra Global serves many of the world's top companies, spanning the European Union, the Asia Pacific Region and the Americas.

Sensis Pty Ltd ("Sensis") is a wholly owned subsidiary of the Applicant. Among other things, Sensis is responsible for selling, compiling, producing and marketing the Yellow Pages and the White Pages directories in Australia. Sensis' history (which includes predecessors) stretches back to the creation of the first Australian telephone directory in 1880. The first Yellow Pages directory was launched in 1975 and has been an Australian brand icon since that time. In 1994, Pacific Access Pty Ltd (Sensis' predecessor) launched one of the world's first online classified business directories.

The Applicant's print and online Yellow Pages directories and other Yellow Pages branded products have been supported by extensive, innovative and award-winning advertising and promotions over the decades. Between 1978 and 2013, the Applicant spent approximately \$389,830,000 on advertising the Yellow Pages directories and products.

As part of its business as a leading information provider, the Applicant owns (and Sensis is the licensee of) an extensive portfolio of Australian Yellow Pages trademarks (the "Yellow Pages Mark"), including registrations for the words "Yellow Pages" and images including the words "Yellow Pages." The Applicant has numerous trademark registrations and three domain names with an exact match to the Applied-for gTLD and its Yellow Pages Mark. The Applicant also has 63 domain names containing the term "YELLOW PAGES" (or deliberate misspellings of the term).

## 5. Applicable Procedure and Consideration Factors

In this proceeding, the Objector has made a LRO which refers to an objection that the string comprising the Applied-for gTLD infringes the existing legal rights of others that are recognized and enforceable under generally accepted and internationally recognized principles of law.

As provided for in Section 3.5.2 of the ICANN Applicant 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 ..., or
- (ii) unjustifiably impairs the distinctive character or the reputation of the Objector's mark, or
- (iii) otherwise creates an impermissible likelihood of confusion between the applied-for gTLD and the Objector's Mark.

The burden of proving the objection is upon the Objector. In applying the above test, the Panel is instructed to consider the following eight (8) 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.
2. Whether the Objector's acquisition and use of rights in the mark has been *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.
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.
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.
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.
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*.
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.

## 6. Parties' Contentions

### A. The Objector

The Objector cites the Procedure, Article 8 and the Applicant Guidebook Section 3.5.2 (ii) and (iii) as the bases for the LRO. Without invoking part (i) of this test, the Objector contends that the Applied-for gTLD:

- (ii) unjustifiably impairs the distinctive character or 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 Objector declares that it is not trying to secure the Applied-for gTLD for itself. The Objector argues that no party should be entitled to register the Applied-for gTLD. To allow registration would (a) infringe registered and unregistered trademark rights owned by the Objector; (b) infringe third party rights in jurisdictions other than the UK; (c) unjustifiably impair the distinctive character or the reputation of the Objector's YELLOW PAGES Mark; and (d) otherwise create an impermissible likelihood of confusion between the Applied-for gTLD and the Objector's YELLOW PAGES Mark.

The Applicant Guidebook Section 3.5.2 provides for eight (8) non-exclusive consideration factors which should be reviewed by the Panel in determining an LRO. For clarity, the Panel reviews and summarizes the Objector's contentions as to each of the eight (8) consideration factors, some of which the Objector has not directly used:

Applicant Guidebook Section 3.5.2(1): String Identical or Similar to Mark

The Objector contends that the Applied-for gTLD consists exclusively of the Objector's Mark with no additional words or other distinguishing elements. The Applied-for gTLD is identical to the Objector's Mark in appearance and phonetic sound.

Applicant Guidebook Section 3.5.2(2): The Objector's *Bona Fide* Acquisition

Obviously, the Objection contains no argument.

Applicant Guidebook Section 3.5.2(3): Sign Recognition for the Objector, the Applicant or a Third Party

#### Recognition for the Objector

The Objector contends that it and its predecessors in title accrued significant goodwill and reputation in the UK YELLOW PAGES directories and the YELLOW PAGES Mark through the extensive use of the registered marks, as a result of national UK television and print advertising campaigns and high circulation figures. The Objector contends that these unregistered rights co-exist alongside the Objector's registered rights.

In addition, the Objector contends that it and its predecessors in title spent nearly GBP 200 million (by the end of 2010) on advertising the UK YELLOW PAGES directories and promoting the UK YELLOW PAGES brand (alone or together with the "walking fingers logo"). This substantial investment in advertising has helped to establish and develop the goodwill, reputation and recognition in the Objector's products and its YELLOW PAGES Mark.

The Objector alleges that its rights in the YELLOW PAGES Mark have been recognized and recently enforced by courts in the UK and internationally, where various courts have determined that third party use of the YELLOW PAGES Mark for services which target or which can be seen by Internet users in the UK infringed the Objector's rights.

Market research provider Saville Rossiter-Base indicates that the 2009-2010 UK YELLOW PAGES directories were found to be the most popular printed directory used at work or home in the UK. These results illustrate the prevalence, popularity, widespread distribution and use of UK YELLOW PAGES directories in the UK. The Objector concludes that such high usage figures will be matched with high levels of user awareness, recognition of and familiarity with the YELLOW PAGES Mark.

In February 2011, David Saville (of Saville Rossiter-Base) provided a witness statement for the Patents County Court of England and Wales in which he concluded that both the YELLOW PAGES Mark and the "walking fingers" sign are thoroughly identified with the Objector in the UK.

A high level of consumer recognition has also been recognized by the English High Court against an operation called "The Yellow Pages 24" ("YP24"). The High Court granted an injunction against YP24 and the Objector argues that the high level of complaints against YP24 demonstrates the high level of recognition of the Objector's YELLOW PAGES Mark in the UK.

In 2010, the Objector successfully enforced its YELLOW PAGES Mark before the Hague (upheld by the Dutch Court of Appeal) against a Dutch entity which used the YELLOW PAGES Mark and the domain name <yellowpage-uk.com> to solicit money from businesses in the UK. The Dutch Courts found that YELLOW Page Marketing B.V. ("YPM") was infringing the Objector's registered rights in the UK and granted an injunction.

This Dutch judgment illustrates that no other party is entitled to use the YELLOW PAGES Mark without the Objector's consent in relation to products and services protected by the YELLOW PAGES Mark in the UK or online which may cause confusion amongst Internet users who mistakenly may believe a website at a domain name which includes or consists of the YELLOW PAGES Mark is directed at consumers in the UK.

In April 2011, the Patents County Court of England and Wales again found that the YELLOW PAGES Mark is valid and enforceable in the UK and has substantial goodwill. The judgment states that domain names where a registrant is based outside the UK or hosted outside the UK nevertheless infringes the YELLOW PAGES Mark where any website to which that domain name points could be deemed to target UK consumers.

In November 2012, the General Court of the Court of Justice of the European Union ("CJEU") upheld a Board of Appeal decision in an invalidity action against Community trademark registration "PAGINE GIALLE" owned by the Italian proprietor of the legitimate YELLOW PAGES equivalent directory in Italy. The Board of Appeal concluded that the expression PAGINE GIALLE was: distinctive and not generic or descriptive. The CJEU agreed. The invalidity action failed, showing that the expression YELLOW PAGES (whether translated into another language or not) is not universally perceived as generic or descriptive.

The Objector concedes that "YELLOW PAGES" may be internationally recognized as referring to a business directory. However, "YELLOW PAGES" is neither generic nor descriptive of business directory products or services in the UK.

The Objector promotes, protects and enforces its registered trademarks in the UK by (a) having both trademark and domain name watching services for marks and all top level domain names and .uk domain names which include the Objector's YELLOW PAGES Mark; and (b) taking legal action (where necessary) against parties who infringe the Objector's YELLOW PAGES Mark.

To the extent that there may be an internationally recognized meaning to the YELLOW PAGES Mark (arising from consistent use in the course of trade by various legitimate rights owners, whether in the UK or internationally), the Objector believes that the meaning of the Objector's YELLOW PAGES Mark and the Applied-for gTLD is identical (or at the least similar) and is associated with directory products and services.

The Objector acknowledges that trademark rights are national rights. UK YELLOW PAGES directories are territory-specific. There is no sole, global proprietor of the YELLOW PAGES brand and business directories.

Different territories have their own, official YELLOW PAGES directory and provider (but such official proprietors are, as far as the Objector is aware, limited to one per territory). These official proprietors co-exist on the understanding that on one party owns (or can own) exclusive world-wide rights to the YELLOW PAGES Mark.

#### Recognition for the Applicant

The Objector acknowledges that the Applicant may be the genuine proprietor of YELLOW PAGES in Australia. However, given this territorial limitation and the number of other genuine YELLOW PAGES directory providers internationally who are not connected with the Applicant, the Objector objects to an application to secure monopoly rights in the Applied-for gTLD.

#### Recognition for Third Parties

Given the global nature of the Internet, the Applied-for gTLD and use by the Applicant will inevitably unjustifiably impair the distinct character or reputation of the YELLOW PAGES Mark in the UK and the rights of third parties outside the UK may also be impaired.

#### Applicant Guidebook Section 3.5.2(4): The Applicant's Intent in Applying

The Objector has noted that Max Stephopolos filed a "legal rights" objection comment with ICANN on July 12, 2012 in which he complained that Telstra was engaged in monopolistic maneuvering with the Applied-for gTLD. The Panel notes the Objector's reference to this comment, which would appear to imply an attack on the intent of the Applicant in seeking the Applied-for gTLD.

#### Applicant Guidebook Section 3.5.2(5): Demonstrable Preparations for Use

The Objector has made no argument that the Applicant has not made demonstrable preparations for use of the gTLD in a fashion not interfering with the Objector.

#### Applicant Guidebook Section 3.5.2(6): Property Rights in Sign and *Bona Fide* Use

The Objector has made no argument that the Applicant lacks intellectual property rights in the sign corresponding to the gTLD. The Objector acknowledges that the Applicant is the owner of the registered YELLOW PAGES rights and common law trademarks rights in YELLOW PAGES in Australia.

The Objector does contend that the intellectual property rights of the Applicant should not be unduly expanded simply by being granted the Applied-for gTLD. The global presence of the Internet necessitates that domain names registered by various national proprietors of a YELLOW PAGES mark identify the territory to which they and their directory products and services relate by selecting appropriate ccTLDs or by including geographical identifiers in the domain name. For example the Objector's domain names either have a "uk" ccTLD, include geographic identifiers such as "London" or "UK" or the YELLOW PAGES Mark is translated into the language of the providing territory.

All legitimate use of the YELLOW PAGES Mark in a territory or by a genuine YELLOW PAGES directory rights owner is legitimate use in respect of their territory only. Those rights or legitimate uses do not extend internationally.

The new gTLD system should not afford the Applicant (or any third party) the right to register the Applied-for gTLD as this will: (a) adversely affect the rights of all genuine proprietors of the YELLOW PAGES Mark elsewhere in the world (including the Objector) from using their YELLOW PAGES Mark on the Internet; (b) cause confusion amongst Internet users who may be searching for the YELLOW PAGES directory for their territory and mistakenly access the Applied-for gTLD given the identity of the Applied-for gTLD with the YELLOW PAGES Mark; and (c) not identify the territory to which any directory service provided at the Applied-for gTLD.

Applicant Guidebook Section 3.5.2(7): The Applicant Commonly Known by Sign

The Objector does not contest that the Applicant is commonly known by the sign corresponding to the gTLD.

Applicant Guidebook Section 3.5.2(8): Likelihood of Confusion

The Objector asserts use of the Applied-for gTLD will create a likelihood of confusion with the Objector's Mark as to source, sponsorship, affiliation or endorsement of the Applied-for gTLD. Given the high level of recognition of the YELLOW PAGES Mark in the UK, it is inevitable that Internet users in the UK will be confused into thinking that any website at the Applied-for gTLD originates from is affiliated to or authorized or endorse by the Objector.

If, in fact, the Applicant launched its first YELLOW PAGES directory using yellow paper in 1975, the launch had to be in Australia. It would be misleading to suggest that this relates to a global service or the first YELLOW PAGES directory. The YELLOW PAGES Mark has been used for directories in the UK since the late 1960s and early 1970s and predates the Applicant's use.

The absence of a unitary global YELLOW PAGES brand means that, by necessity, multiple YELLOW PAGES brands co-exist internationally, but are limited to one per jurisdiction and geographical market.

The Objector contests each of the Applicant's list of "user experience" goals in paragraph 18(B)(III) of the Application. The Objector concludes that it is inevitable that use of the Applied-for gTLD and will create an impermissible likelihood of confusion between the Applied-for gTLD and the YELLOW PAGES Mark.

## **B. The Applicant**

The Applicant argues that the Objector makes three basic points: (a) the Objector (or a third party) holds territorial rights in the name "YELLOW PAGES;" (b) in some jurisdictions the name "YELLOW PAGES" is generic; and (c) the name "YELLOW PAGES" is identical to the Applied-for gTLD.

The Applicant counters the arguments made by the Objector under sections 3.5.2(ii) and (iii) of the Applicant Guidebook. The Applicant states that its potential use of the Applied-for gTLD does not:

- (ii) *unjustifiably* impair the distinctive character or reputation of the Objector's mark, nor
- (iii) create an *impermissible* likelihood of confusion between the Applied-for gTLD and the Objector's mark. [Emphasis added.]

The Applicant offers the following discussion of the consideration factors to be used by the Panel in determining whether to grant the Objector's LRO. The structure of the Response is required by the Applicant Guide to be a point-by-point discussion of the Objection. This format creates a challenging organizational paradigm for analyzing the consideration factors. Therefore, the Panel has summarized the discussion in the Response to correspond with the consideration factors required by the Applicant Guide:

As stated above, the Applicant Guidebook Section 3.5.2 provides for eight (8) non-exclusive consideration factors which should be taken into consideration by the Panel in determining an LRO objection. For clarity, the Panel now reviews and summarizes the Applicant's contentions as to each of the eight (8) consideration factors:

Applicant Guidebook Section 3.5.2(1): String Identical or Similar to Mark

The Applicant does not deny that the appearance, phonetic sound and meaning of the Applied-for gTLD are identical or similar to the Objector's YELLOW PAGES Mark.

Applicant Guidebook Section 3.5.2(2): *Bona Fide* Acquisition

The Applicant has not challenged the Objector's *bona fide* acquisition of the Objector's YELLOW PAGES Mark.

Applicant Guidebook Section 3.5.2(3): Sign Recognition for the Objector, the Applicant or a Third Party

#### Recognition for the Objector

The Applicant does not deny that the Objector has developed a level of recognition, and holds trademark rights, in the term "UK YELLOW PAGES."

The Applicant contends that the Objector has reduced its online use of the term "YELLOW PAGES." This inevitably lessens the level of recognition the Objector may have in the term "YELLOW PAGES."

#### Recognition for the Applicant

The Applicant asserts that its extensive distribution and advertising has generated strong brand recognition in the term YELLOW PAGES as being the mark of the Applicant.

The Applicant further asserts that it is counter to the nature of the new gTLD program to deny the Applicant the right to <.yellowpages> merely because there are other YELLOW PAGES directory providers internationally.

The Applicant argues that if it had no rights in a YELLOW PAGES Mark or was trying to register the gTLD <.ukyyellowpages>, potential use may be a sufficient ground to grant the Objection. However, in circumstances where multiple parties hold legitimate rights in different jurisdictions, potential use of the Applied-for gTLD by a party with a legitimate right and connection to the gTLD cannot be enough to preclude approval by reason of "unjustifiable" impairment or "impermissible" confusion.

The Objector's assertion that "the Applicant has no grounds (whether for prior use or otherwise) to justifiably register the Disputed gTLD" is at odds with the concession made by the Objector regarding the Applicant's rights in the term "YELLOW PAGES." Further, the Applicant has proven (both in its Application and again in this Response) that it has extensive grounds to register <.yellowpages>. Merely because the Applicant is not the only entity that has rights in the term does not mean that its Application should be refused.

To the extent the Objector discusses the genericism of the term "YELLOW PAGES" in some jurisdictions, it is a red herring, and carries no weight or even relevance to the Objector's argument. In Australia, where the Applicant operates, the term is not generic. The Applicant holds exclusive right to use the term in relation to business directory services. The situation is the same in the UK and also in a number of other countries around the world.

#### Recognition for a Third Party

The Applicant accepts that third parties in other jurisdictions around the world may also hold trademark rights or otherwise have reputation in the term "YELLOW PAGES" (or its non-English translations) in their respective jurisdiction. However in circumstances where the Applicant is *bona fide* and also holds territorial rights and recognition in the Applied-for gTLD, third-party recognition is no reason to deny the Application.

Notably despite the widespread global use of the term "YELLOW PAGES" in different jurisdictions, none of those third parties has objected to the Application. The Objector has filed the only formal Objection and the Applicant the only Application.

Applicant Guidebook Section 3.5.2(4): The Applicant's Intent in Applying

The Objector has made no argument regarding the intent of the Applicant.



Nevertheless, the Applicant responds that the Applicant's intention in making the Application is to serve the interest of its advisers and end users by providing an authoritative Internet space where information, services and resources of the Applicant's YELLOW PAGES brand are closely controlled by the Applicant. The majority of the anticipated domain name registrations in the <.yellowpages> gTLD will be used in the promotion and communication of the Applicant's YELLOW PAGES brand and its advertising and directory services.

The Applicant was aware of the Objector's mark when it applied for the gTLD. However, the gTLD application process is a priority system in which any applicant with standing could have filed an application. The Applicant has legitimate rights in the term, applied for the gTLD first and paid the significant application fee. It should not now be disadvantaged simply because the Objector did not file an application for <.yellowpages>, and seeks to use the Objection process as a "back door" method to strip the Applicant of its first-come advantage, thereby "leveling the playing field" and ensuring that no other party has a right to use the Applied-for gTLD. Such an outcome would be manifestly unfair in light of the priority based nature of the gTLD system.

It is significant that the Applicant has never, and does not now engage in a pattern of conduct whereby it applies for or operates TLDs or second-level registrations which are identical with or confusingly similar to the marks of others.

Applicant Guidebook Section 3.5.2(5): Demonstrable Preparations for Use

The Objector has made no argument that the Applicant has not made demonstrable preparations for use of the gTLD in a fashion not interfering with the Objector.

The Applicant provides, and has provided for many decades, its own legitimate business services using the trademark YELLOW PAGES which does not interfere with the Objector's exercise of its trademark rights.

Applicant Guidebook Section 3.5.2(6): Property Rights in Sign and *Bona Fide* Use

The Objector has made no argument that the Applicant lacks intellectual property rights in the sign corresponding to the gTLD.

Nevertheless, the Applicant contends that it holds many registered and non-registered trademark rights in the term "YELLOW PAGES." From conception, the Applicant has been *bona fide* in its acquisition of rights in, and use of the term "YELLOW PAGES." The Applicant's proposed use of the gTLD is consistent with its *bona fide* acquisition and use to date.

It is the Applicant's company policy and a guiding business principle of the Applicant to conduct its activities in accordance with the law (including intellectual property laws) as articulated in the Applicant's Business Principles. As a publicly-traded entity, the Applicant has a vested interest in refraining from engaging in conduct which could expose it to expensive overseas litigation. It follows that the Applicant would be unlikely to take any step which might impair the distinctive character or reputation of any third party marks, nor create an impermissible likelihood of confusion with the Applied-for gTLD or any third party marks.

The Applicant has not acquired nor used its mark in bad faith, and will continue to respect third party intellectual property rights while providing business directory services under the YELLOW PAGES brand.

The Applicant sets forth the following reasons why its application should be granted: (a) the Applicant also holds territorial rights in the Applied-for gTLD; (b) the Applied –for gTLD program is a priority system; (c) the Applicant, as the only applicant for the Applied-for gTLD has first priority; (d) the Objector chose not to apply for the Applied-for gTLD; (e) the Applicant paid a significant application fee and has expended considerable resources in demonstrating its technical and financial capability to operate the gTLD including demonstrating compliance with policies and practices intended to protect the legal rights of others; (f) the Applicant has taken a number of steps in anticipation of the gTLD's delegation including execution of agreements with sub-

contractors, drafting of policy and development of gTLD strategy, and desires to use the gTLD in good faith; and (g) the co-existence of “YELLOW PAGES” domain name registrations within various top-level domain names (“TLDs”) around the world.

Regarding point (g), the Applicant contends that businesses around the world trade under the name “YELLOW PAGES” (in some jurisdictions like Australia and the UK it is trademarked, in others like the United States it is generic). A multitude of “YELLOW PAGES” second level domain registrations are registered within existing TLDs. They do not include a country-code TLD, or any other geographical identifier, and are registered by different entities operating in different jurisdictions.

There are many ways in which the Applicant could use the Applied-for GTLD which would not amount to a “commercial effect” in the UK, and would not infringe any rights of the Objector. The Applicant will maintain control in the registration and use of domain names and will ensure that the <.yellow pages> gTLD will only be used for purposes authorized by it.

Further, the Applicant operates in a jurisdiction, similar to that of the Objector, where it has exclusive rights to use the term “YELLOW PAGES” in that jurisdiction. It is not, therefore, in the Applicant’s interest to use <.yellowpages> in any way which would affect the distinctive character of the Objector’s Mark (or any third party mark), because that would also affect the distinctive character of the Applicant’s own mark.

Multiple “YELLOW PAGES” rights holders in different jurisdictions have been able to co-exist in the second-level registration space for many years. The gTLD space should be no different. Mere territorial recognition of the Objector or a third party in relation to the term “YELLOW PAGES” is an insufficient reason to deny the Application.

If the application were rejected merely because of the territorial rights of the Objector, the effect would be disproportionate to the Objector’s rights, would extend its rights far beyond the limited territory in which its rights operate and would have the effect of a “global injunction.” In circumstances in which the Applicant has not acted in bad faith and has its own legitimate rights to the sign, such extreme measure should not be taken.

Applicant Guidebook Section 3.5.2(7): The Applicant Commonly Known by Sign

The Objector has not contested that the Applicant is commonly known by the sign “YELLOW PAGES” corresponding to the gTLD.

The Applicant points out that it has been commonly known by the term “YELLOW PAGES” in Australia since 1975. The purported or likely use by the Applicant is consistent with its recognition in this sign and is a *bona fide* use.

Applicant Guidebook Section 3.5.2(8): Likelihood of Confusion

The Applicant contends that an entity in any jurisdiction may register a Yellow Pages second-level registration without any geographical identifier in an existing TLD (*i.e.*, <.com>, <.net>, <.org> or <.info>). Where a domain name has no geographical identifier, Internet users are accustomed to quickly determining whether a particular site is directed to their jurisdiction or not.

For example, already (*i.e.*, even without the existence of the Applied-for gTLD) there is a prospect that an Internet user in the UK may visit <yellowpages.com> and think it is the website of the Objector. It is then the user’s responsibility to determine whether or not the site content applies to him. If the user tries to search for businesses in his local region and realizes that it is not listed on the site, the user will understand that it is not the Objector’s site.

To an extent any prospect of confusion can be managed by an operator of a site. Second-level registrations operating on <.yellowpages> may clearly identify in their content that the site is applicable to a particular

jurisdiction. The Applicant intends to ensure such differentiation exists, for the simple and obvious reason that it wishes to promote its own services (not others) and continue to strengthen and grow its consumer relationships. This can only be done by ensuring consumers are aware of the Applicant's identity and origin.

The Applicant further asserts that it is inherent to the nature of the gTLD regime that the prospect of coincidence of brand names will exist. For many of the numerous other applied-for gTLDs which are not a part of this proceeding, there may be multiple rights-holders in different jurisdictions and in relation to different good and services.

Because of the scarcity of the gTLD resources, the prospect of confusion or impairment of marks is inevitable, as acknowledged in Section 3.5.2 of the Applicant Guidebook, which provides that the Panel will determine "whether the potential use of the applied-for GTLD by the applicant ...*unjustifiably* impairs the distinctive character or the reputation of the objector's mark... or creates an *impermissible* likelihood of confusion between the applied for GTLD and the Objector's mark."

[Emphasis added.]

The Applicant says that the global nature of the Internet challenges the territorial nature of national laws. Different owners can hold rights in identical or similar signs in different countries. The Applicant accepts that when an Internet user in the relevant sector of the public thinks of the term "YELLOW PAGES," he or she might think of the Applicant, the Objector, or a third party, depending on his or her prior experience. One must incorporate into that prior experience, extensive exposure to Yellow Pages second-level registrations which do not contain any geographical identifiers.

Not each and every use of the sign "YELLOW PAGES" online will amount to use in a particular jurisdiction, even if it is accessible from there. Consumers using the Internet as a search tool have been taught by prior experience not to assume that a "YELLOW PAGES" site is relevant to their jurisdiction simply by the domain name itself. The reasonable consumer will click on the link to learn more.

To the extent that any confusion might exist, it will be swiftly corrected upon seeing the Applicant's site. As consumers become familiar with the gTLD, one can expect any confusion to be further alleviated. To the unlikely extent the Objector's brand may be impaired, that impairment is a natural consequence of the scarcity of gTLD resources. It was open to the Objector to apply for the gTLD. It chose not to do so. The Objector cannot now use the objection process to undermine the Applicant's priority given the Applicant's legitimate entitlement to the gTLD.

The Applicant denies that its intended use of the Applied-for gTLD will create a likelihood of confusion with the Objector's mark.

The Applicant argues that the Objector's strongest argument might be that because different entities around the world have territorial rights in the term "YELLOW PAGES," then no one should be entitled to the gTLD. However, if this argument were right, it has the capacity to undermine the basis of the gTLD regime itself. It also ignores the co-existence of Yellow Pages second-level registrations in existing TLDs for many years, and the lack of objections from others who might be similarly concerned (if not more so, given the Objector has ceased using the term "YELLOW PAGES" online). The Objector's argument is against the ingrained concept of domain name registrations operating as a priority system. The Objector was aware of the gTLD application process and could have applied for the gTLD itself, but it chose not to. It is not appropriate that this Objection process be used by the Objector as a "back door" method to protest its rights.

Multiple Yellow Pages second-level registrations have co-existed across various TLDs for many years. Due to prior experience, a reasonable consumer is unlikely to assume the source of a "YELLOW PAGES" domain without further inspection, upon which, in the case of this gTLD, they will swiftly appreciate the Applicants are the source.

Any likelihood that users would be confused into thinking that <.yellowpages> originated from, was affiliated to or authorized or endorsed by the Objector is further reduced because the Objector no longer uses the

term "YELLOW PAGES" at all in relation to its online presence.

The Applicant contends that in LRO objections, the Applicant Guidebook does not require that a gTLD applicant show grounds based on prior use. Even if the Objector's trademark rights predate those of the Applicant (which is not proved in sufficient detail in this Objection), prior use is irrelevant. The gTLD application system is a priority system based on time of application for the gTLD. The Applicant has grounds on which to justifiably register <.yellowpages>, applied for the gTLD first and paid its application fees. It is of no relevance that the Objector which did not apply for the gTLD, may hold territorial rights in different jurisdictions which pre-date those of the Applicant.

Further the Applicant notes that while the Objector may still hold the domain name <yellowpages.co.uk> and registered trademarks for the words "YELLOW PAGES" in the UK and in relation to a variety of goods and services, it is in fact operated for <yell.co.uk>. The site does not promote the term "YELLOW PAGES" at all. It is clearly branded with the name "yell." It appears to be only the Objector's hard-copy print directories which still feature the name "YELLOW PAGES." This further reduces any likelihood of confusion between the Applied-for gTLD and the Objector's Mark.

## 7. Discussion and Findings

The Panel will now review each of the consideration factors discussed above:

Applicant Guidebook Section 3.5.2(1): String Identical or Similar to Mark

The Panel finds that the Applied-for gTLD consists exclusively of the Objector's Mark with no additional words or other distinguishing elements. The Applied-for gTLD is identical to the Objector's Mark in appearance and phonetic sound.

Applicant Guidebook Section .5.2(2): The Objector's *Bona Fide* Acquisition

The Panel finds that the Objector's acquisition of the UK YELLOW PAGES Mark was *bona fide*.

Applicant Guidebook Section 3.5.2(3): Sign Recognition for the Objector, the Applicant or a Third Party

### Recognition for the Objector

The Panel finds that the Objector has accrued significant goodwill and reputation in the UK YELLOW PAGES directories and the YELLOW PAGES Mark.

The Panel finds that the Objector's YELLOW PAGES Mark have been recognized and recently enforced by courts in the UK and internationally, where various courts have determined that third party use of the YELLOW PAGES Mark for services which target or which can be seen by Internet users in the UK infringed the Objector's rights.

The Panel finds that the Objector promotes, protects and enforces its registered trademarks in the UK by (a) having both trademark and domain name watching services for marks and all top level domain names and .uk domain names which include the Objector's YELLOW PAGES Mark; and (b) taking legal action (where necessary) against parties who infringe the Objector's YELLOW PAGES Mark.

The Panel notes that trademark rights are territorial in scope. YELLOW PAGES directories are territory-specific. Leaving aside the potential issuance of the <.yellowpages> gTLD, there is no sole, global proprietor of the YELLOW PAGES brand and business directories. Different territories have their own, official YELLOW PAGES directory and provider.

### Recognition for the Applicant

The Panel finds that the Applicant has generated strong brand recognition in the term YELLOW PAGES as being the mark of the Applicant in Australia and among its international clients.

The Panel finds that the fact that the term “YELLOW PAGES” has been found to be generic in some jurisdictions such as the United States of America does not adversely affect the Applicant in this proceeding. In Australia, where the Applicant operates and in the UK where the Objector operates, the term is not generic.

### Recognition for a Third Party

The Panel finds that third parties in other jurisdictions around the world may also hold trademark rights or otherwise have reputation in the term “YELLOW PAGES” (or its non-English translations) in their respective jurisdiction. Despite the widespread global use of the term “YELLOW PAGES” in different jurisdictions, none of those third parties has objected to the Application. The Objector has filed the only formal Objection and the Applicant the only Application.

#### Applicant Guidebook Section 3.5.2(4): The Applicant’s Intent in Applying

The Panel notes that the Applicant’s stated intention in making the Application is to serve the interest of its end users by providing an authoritative Internet space where information, services and resources of the Applicant’s YELLOW PAGES brand are closely controlled by the Applicant. The majority of the anticipated domain name registrations in the <.yellowpages> gTLD is expected to be used in the promotion and communication of the Applicant’s YELLOW PAGES brand and its advertising and directory services.

The Panel finds that the Applicant was aware of the Objector’s mark when it requested the Applied-for gTLD.

The Panel finds no evidence that the Applicant is engaging in a pattern of conduct whereby it applies for or operates TLDs which are identical with or confusingly similar to the marks of others. As to second-level registrations, such identity or confusingly similarity would flow from the distribution of trademark rights in YELLOW PAGES across different owners internationally.

#### Applicant Guidebook Section 3.5.2(5): Demonstrable Preparations for Use

The Panel finds no evidence that the Applicant failed to make demonstrable preparations for use of the Applied-for gTLD in an appropriate fashion.

#### Applicant Guidebook Section 3.5.2(6): Property Rights in Sign and *Bona Fide* Use

The Panel finds that the Applicant holds many registered and non-registered trademark rights in the term “YELLOW PAGES.” The Applicant has been *bona fide* in its acquisition of rights in, and use of the term “YELLOW PAGES.” The Applicant’s proposed use of the gTLD is consistent with its *bona fide* acquisition and use to date.

#### Applicant Guidebook Section 3.5.2(7): The Applicant Commonly Known by Sign

The Panel finds that the Applicant has been commonly known by the term “YELLOW PAGES” in Australia since 1975.

#### Applicant Guidebook Section 3.5.2(8): Likelihood of Confusion

The Panel finds that it is inherent in the nature of the gTLD regime that the prospect of coincidence of brand names and a likelihood of confusion will exist.

The Panel agrees with the Applicant's proposition that to an extent a prospect of confusion can be managed by an operator of a site. Second-level registrations operating on <.yellowpages> may clearly identify in their content that the site is applicable to a particular jurisdiction.

The Panel further agrees with the Applicant's proposition that an entity in any jurisdiction may register a Yellow Pages second-level registration without any geographical identifier in an existing TLD (*i.e.*, <.com>, <.net>, <.org> or <.info>). Where a domain name has no geographical identifier, Internet users are accustomed to quickly determining whether a particular site is directed to their jurisdiction or not.

For example, already (*i.e.*, even without the existence of the Applied-for gTLD) there is a prospect that an Internet user in the UK may visit <yellowpages.com> and think it is the website of the Objector. It is then the user's responsibility to determine whether or not the site content applies to him. If the user tries to search for businesses in his local region and realizes that it is not listed on the site, the user will understand that it is not the Objector's site.

The Panel finds that the likelihood that users would be confused into thinking that <.yellowpages> originated from was affiliated to or authorized or endorsed by the Objector is further reduced because the Objector no longer uses the term "YELLOW PAGES" at all in relation to its online presence.

### Conclusion

It is inherent in the nature of the gTLD regime that those applicants who are granted gTLDs will have first-level power extending throughout the Internet and across jurisdictions. The prospect of coincidence of brand names and a likelihood of confusion exists.

The Objector has accrued significant goodwill and reputation in the UK YELLOW PAGES directories and the YELLOW PAGES Mark. Its primary base of operations is the UK.

The Applicant has generated strong brand recognition in the term YELLOW PAGES as being the mark of the Applicant in Australia and among its international clients.

The gTLD application process is a priority system in which any applicant with standing can file an application. The Applicant has applied for in the <.yellowpages> gTLD first and paid the significant application fee.

The Objector has followed the prescribed procedure for objecting to issuance of the <.yellowpages> gTLD.

The critical issue in this LRO proceeding is whether the Objector's territorial rights in the term "YELLOW PAGES" (and the prospect of other non-objecting third parties' territorial right) means that the applicant (or anyone else for that matter) should not be entitled to the Applied-for gTLD.

Having reviewed the eight (8) non-exclusive consideration factors set forth in the Applicant Guidebook section 3.2.5, the Panel finds that the Objector has failed to establish, as it alleges, that the potential use of the Applied-for gTLD by the applicant ...*unjustifiably* impairs the distinctive character or the reputation of the objector's mark... or creates an *impermissible* likelihood of confusion between the applied for gTLD and the Objector's mark." [Emphasis added.] The Panel also finds no indications that such use takes unfair advantage of the distinctive character or the reputation of the objector's registered or unregistered trademark or service mark. In reaching this conclusion, the Panel notes in particular the following:

1. The Applicant has not acquired nor used its YELLOW PAGES mark in bad faith, and has declared its intent to continue to respect third party intellectual property rights while providing business directory services under the YELLOW PAGES brand.
2. The Applicant has expended considerable resources in demonstrating its technical and financial capability to operate the gTLD, notably including demonstrating compliance with policies and practices

intended to protect the legal rights of others.

3. The Applicant has declared its intent to use the Applied-for gTLD in ways which will not amount to a “commercial effect” in the UK, and would not infringe any rights of the Objector, who presumably would be monitoring for any such infringements impacting in its jurisdiction.
4. The Applicant will maintain control in the registration and use of domain names and will ensure that the <.yellowpages> gTLD will only be used for purposes authorized by it, including respect of third-party rights such as the Objector’s.
5. In addition to any appropriate legal action, there are actions which the Objector and potential third parties can take to diminish the confusion which might arise from the approval of the <.yellowpages> gTLD, such as second-level registrations operating on the gTLD or other TLDs such as <.com>, <.net>, <.org> or <.info>, clearly identifying in their domain name or content that the site is applicable to a particular jurisdiction.
6. Denying the approval of the gTLD would not necessarily be an appropriate response to the co-existence of Yellow Pages second-level registrations in existing TLDs for many years, and the lack of objections from others who might be similarly concerned.

## **8. Decision**

For the above reasons, the Objection is rejected.

[signed]

**Richard Page**

Sole Panel Expert

Date: July 25, 2013