".direct" gTLD application (Application ID: 1-2007- 43424) - Request for Reconsideration of ICANN's Decision on August 8, 2013

1. Requester Information

Name: DISH DBS Corporation

Address: Contact Information Redacted

Email: Contact Information Redacted

Phone Number: Contact

C/O

Name: Deborah M. Lodge, Patton Boggs LLP

Address: Contact Information Redacted

Email:C

Phone Number: Contact

Request for Reconsideration of (check one only):

___ Board action/inaction

X Staff action/inaction

3. Description of specific action you are seeking to have reconsidered.

- Dish DBS Corporation (hereinafter, "DISH" or "Respondent") seeks reconsideration of ICANN's decision to accept the Panel's determination in LRO2013-0005 ("Decision") (<u>Attachment 1</u>) as an expert determination and advice pursuant to section 3.4.6 of the Applicant Guide Book ("AGB").
- DISH also seeks reconsideration of ICANN's inaction in providing clear and well-defined standards to the Dispute Resolution Service Providers ("DRSP") that have resulted in inconsistent decisions from the DRSP Panels for Legal Rights Objections.

4. Date of action/inaction:

The Decision was published on August 8, 2013. (Attachment 2)

5. On what date did you became aware of the action or that action would not be taken?

The Decision was communicated from the World Intellectual Property Organization ("WIPO") to DISH's representatives by email on August 8, 2013.

DISH's representatives informed DISH of the Decision on August 8, 2013.

6. Describe how you believe you are materially affected by the action or inaction:

DISH is one of two applicants for the ".direct" generic top level domain ("gTLD"). The Decision will have the following impact on DISH, as the Applicant Guide Book ("AGB") indicates that the "Applicant Withdraws" if it cannot clear all objections. (Attachment 3, AGB at page 3-26).

- DISH will not be allowed to operate the '.direct' gTLD based on its application (Application ID: 1-2007-43424), if that the '.direct' gTLD by Half Trail, LLC (Application ID: 1-1424-94823) is recommended for delegation; and
- If DISH wants to use the .direct gTLD in the manner specified in response to question 18(a) in its application, then it will need to purchase/reserve over 3,000 second level domains for the .direct gTLD from Half Trail, LLC or enter into an agreement with Half Trail, LLC. Both of these options will require significant investments, in addition to DISH's existing investments with the Internet Corporation for Assigned Names and Numbers (ICANN) new gTLD process to secure the .direct gTLD. This is not justified given ICANN's inaction in failing to provide an automatic right of appeal in the existing new gTLD dispute resolution process.

7. Describe how others may be adversely affected by the action or inaction, if you believe that this is a concern.

DISH believes that the Decision also affects the following:

- Other similarly situated applicants/respondents across the various DRSPs, that have suffered inconsistent or erroneous decisions by Panels, including, but not limited to: the applicant for the ".delmonte" gTLD in LRO2013-0001; the applicant for the ".pets" gTLD in ICDR Case No. 50 504 00274 13; and the applicant for ".cam" in ICDR Case No. 50 504 T 229 13. These applicants will not have a uniform or clear forum to challenge these inconsistent and erroneous DRSP panel determinations.
- Over 14 million existing satellite television consumers and internet consumers or new consumers searching for legitimate DISH products and services will have to navigate a number of disjointed second level domains to locate these products and services.

8. <u>Detail of Board or Staff Action – Required Information</u>

Section 3.2 of the Applicant Guide Book ("AGB") provides:

"a path for formal objections during evaluation of the applications. It allows a party with standing to have its objection considered before a panel of qualified experts... A formal objection initiates a dispute resolution proceeding. In filing an application for a gTLD, the applicant agrees to accept the applicability of this gTLD dispute resolution process. Similarly, an objector accepts the applicability of this gTLD dispute resolution process by filing its objection."

Section 3.2.1 of the AGB provides that a Legal Rights Objection ("LRO") may be filed where:

"The applied-for gTLD string infringes the existing legal rights of the objector."

Section 3.2.3 of the AGB provides that to trigger an LRO, an objection must be filed with:

"The Arbitration and Mediation Center of the World Intellectual Property Organization [, which] has agreed to administer disputes brought pursuant to legal rights objections."

In the recommendation of the Board Governance Committee ("BGC") for Reconsideration Request 13-5 dated August 1, 2013, the BGC noted that:

"ICANN has determined that the Reconsideration process can properly be invoked for challenges of the third party's decisions where it can be stated that either the vendor failed to follow its process in reaching the decision, or that ICANN staff failed to follow its process in accepting that decision." (Attachment 4, Page 4).

Based on the above guidance from the BGC, because the WIPO Arbitration and Mediation Center is a third party selected by ICANN, the Request for reconsideration is applicable to WIPO actions by the WIPO Panels.

Section 2.4.3 of the AGB governs the code of third-party panelists appointed by ICANN and provides that:

"Panelists shall conduct themselves as thoughtful, competent, well prepared, and impartial professionals throughout the application process. Panelists are expected to comply with equity and high ethical standards while assuring the Internet community, its constituents, and the public of objectivity, integrity, confidentiality, and credibility.

1...1

Bias -- Panelists shall...

examine facts as they exist and <u>not be influenced by past reputation, media</u> <u>accounts</u>, or unverified statements about the applications being evaluated..." (Emphasis Added)

Further, article 20 of the Attachment to Module 3 – New gTLD Procedure ("Procedure), which defines the standards for the Procedure, provides that:

- "(a) For each category of Objection identified in Article 2(e), the Panel shall apply the standards that have been defined by ICANN.
- (b) In addition, the Panel may refer to and base its findings upon the statements and documents submitted and any rules or principles that it determines to be applicable.
- (c) The Objector bears the burden of proving that its Objection should be sustained in accordance with the applicable standards."

Here, the Panelists, in contravention of section 2.4.3 of the AGB, were improperly influenced by media accounts as the Decision itself candidly admits:

"the Panel notes that as it has been deliberating over this case, Respondent is running a series of television advertisements aimed squarely at Objector and its satellite television offerings." (Attachment 1, Page 4-5).

No television advertisement of Respondent was submitted in the record of this proceeding. This biased selection of advertisements outside of the record, which appears to have influenced the Panel's erroneous determination of the Respondent's bad faith, directly contravenes Article 20(b).

Additionally, section 3.4.6 of the AGB provides that the:

"findings of the panel will be considered an expert determination and advice that ICANN will accept within the dispute resolution process."

Because ICANN is the final arbiter about whether an applied-for new gTLD application proceeds to delegation, this advice to ICANN clearly indicates that the DRSP panels are only providing a recommendation to ICANN. ICANN makes the ultimate decision with respect to whether an application may proceed to delegation. As a result of the above, a staff action by ICANN is present in this matter.

ICANN's **automatic** acceptance of the DRSP panelist decisions, even those that are erroneous or inconsistent, is contrary to ICANN's mandate to act transparently and fairly. Paragraph 7 of the Summary of ICANN Generic Names Supporting Organisation's (GNSO's) Final Report on the Introduction of New Generic Top- Level Domains (gTLDs) and Related Activity provides that the

"evaluation and selection process [for the introduction of new top-level domains] should respect the principles of fairness, transparency and non-discrimination. Further, all applicants should be evaluated against transparent

and <u>predictable criteria</u>, fully available before initiation of the process." (Emphasis added) (Attachment 5)

Thus, ICANN's actions above are also inconsistent with this guidance.

ICANN's Articles of Incorporation require it to act "through open and transparent processes," and its Bylaws further provide that ICANN must "operate to the maximum extent feasible in an open and transparent manner and consistent with procedures designed to ensure fairness." (Articles of Incorporation, Art. 4; Bylaws, Art. III. sec. 1) The Bylaws also require that ICANN "mak[e] decisions by applying documented policies neutrally and objectively, with integrity and fairness." (Bylaws, Art. I, Sec. 2.8). ICANN's Bylaws also prohibit discriminatory treatment: "ICANN shall not apply its standards, policies, procedures, or practices inequitably or single out any particular party for disparate treatment . . ". (Bylaws, Art. II, Sec. 3).

ICANN's failure to provide a mechanism for redress for erroneous and inconsistent DRSP Expert Determinations is contrary to ICANN's mandate to act with fairness and prevents DISH and other applicants from challenging erroneous and inconsistent DRSP Expert Determinations in a non-arbitrary and nondiscriminatory fashion. DRSP panelists are taking "diverse and sometimes opposing views in their decision-making." (Attachment 6). For example, a panelist in Charleston Road Registry v Koko Castle, (ICDR Case No. 50 504 00233 13) August 7, 2013, decided that it was inappropriate to consider trademark law in his decision, while the panelist in VeriSign Switzerland SA v TV Sundram Ivengar & Son Limited (ICDR Case No. 50 504 00257 13) August 8. 2013, gave trademark law considerable weight. Other examples of this inconsistency are provided in the response to Question 10 below. Fundamental fairness requires that Panels or panelists apply the same standards and principles in their decision-making. These inconsistent positions by the Panels or panelists are hardly consistent with ICANN's mandate to act with fairness.

Background of Facts related to action/inaction of ICANN Staff or third party vendor

On March 12, 2013, pursuant to the new gTLD Dispute Resolution Procedure, The DirecTV Group Inc. ("Objector") filed an LRO with the WIPO DRSP.

On March 20, 2013, the WIPO DRSP completed its administrative review of the Objection and determined it completed with the requirements of the Procedure.

WIPO notified DISH's representatives on April 16, 2013, of the Objection.

DISH timely filed its response on May 16, 2013.

The WIPO DRSP appointed Robert A. Badgley, Mark Partridge, and Maxim Waldbaum as members of the Panel in this matter on June 20, 2013.

On May 22, 2013, Objector requested an opportunity to file a reply brief, which it reiterated on June 20, 2013.

DISH also requested an opportunity to respond to any additional reply briefs filed by the Objector on June 20, 2013.

On June 26, 2013, the Panel issued Procedural Order No. 1 in which it ordered Objector to submit a short Reply Brief by July 1, 2013, and Respondent to submit a short Rejoinder thereto within three business days thereafter. Both parties made timely submissions.

On July 25, 2013, the Panel extended the deadline for the rendering of the Expert Determination in this matter by 14 days.

On August 8, 2013, the Panel notified the parties and ICANN of its Expert Determination.

9. What are you asking ICANN to do now?

- DISH is asking ICANN to reverse the Decision. This reversal by the BGC will allow the DISH .direct gTLD application, which is part of ICANN String Similarity contention set no. 64, to proceed to string contention and eventual delegation.
- DISH is asking for ICANN to discard the Panel's determination under section 2.4.3.2 of the AGB and for the Decision to be reviewed by a new Panel.
- DISH is also asking ICANN to provide applicants of inconsistent or erroneous DRSP panel determinations with an avenue for redress that is consistent with ICANN's mandate to act with fairness.
- In the event that ICANN will not immediately reverse the Decision, DISH requests that it be provided an opportunity to respond to the BGC, before the BGC makes a final determination.

10. Please state specifically the grounds under which you have the standing and the right to assert this Request for Reconsideration, and the grounds or justifications that support your request.

Pursuant to section 3.5.2 of the AGB, in determining whether an Objector in an LRO may prevail, the Panel must determine whether the potential use of the applied-for gTLD:

(i) takes unfair advantage of the distinctive character or the reputation of the objector's registered or unregistered trademark or service mark ("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.

a) DISH's application for the .direct gTLD was bona fide.

Section 3.5 of the AGB indicates that the Objector bears the burden of proof; however, ICANN has failed to articulate what the burden of proof is – Preponderance of the Evidence, Clear and Convincing, etc. This has also contributed to different Panels using different standards for the burden of proof.

Here, in its response to Question 18(a) of the .direct application, DISH indicated on the record that it sought the ".direct" gTLD:

as a restricted, exclusively-controlled gTLD for the purpose of expanding Applicant and its affiliated entities' ability to:

- create a connected digital presence and personalized brand experience for customers and other business partners;
- *deliver product and service marketing/advertising;*
- enable marketing campaign activation;
- facilitate secure interaction and communication with individuals and entities with whom Applicant has a business relationship;
- *improve business operations;*
- simplify Internet user navigation to information about Applicant products and services;
- demonstrate market leadership in protecting customer privacy and confidential information online; and
- meet future client expectations and competitive market demands.

Further, an affidavit submitted by DISH's Senior Vice President of Product Management, Vivek Khemka, stated that the application for the ".direct" gTLD was filed in good faith, as part of Respondent's business plan to increase its connectivity and offerings to consumers. (<u>Attachment 1</u>, page 4). Mr. Khemka also noted that the concept of providing "direct" services to its customers has been key to DISH's business and success:

"DISH provides [satellite television] programming and content 'direct' to consumers, direct to their homes, direct to their screens. DISH also will provide telecommunications services 'direct' to consumers. DISH offers consumers direct choice, direct value, and direct service. 'Direct' service has been a key element of DISH's offerings since its founding. That is why DISH selected <.direct> as a gTLD."

Without according Mr. Khemka's declaration sufficient weight, the Panel while deliberating indiscriminately reviewed DISH advertisements outside of the record

as discussed above in the response to Question 9. This indiscriminate review by the Panel appears to have led to their conclusion that the .direct gTLD application was not a *bona fide* application. (Attachment 1, Page 4-5).

In Right at Home v. Johnson Shareholdings, Inc., WIPO Case No. LRO2013-0030, Robert Badgley, the presiding panelist in the Decision, indicated that the language of section 3.5.2 of the AGB created a very high burden for trademark-based objections:

The use of the terms "unfair," "unjustifiably," and "impermissible" as modifiers, respectively, of "advantage," "impairs," and "likelihood of confusion" in Section 3.5.2 suggests that there **must be something more than mere advantage gained, or mere impairment, or mere likelihood of confusion for an Objection to succeed under the Procedure**. It seems, rather, that there must be something untoward- even if not to the level of bad faith - in the conduct or motives of Respondent, or something intolerable in the state of affairs which would obtain if the Respondent were permitted to keep the String in dispute. (emphasis added) (Attachment 7).

This decision was also followed a number LRO panels, including the panels in subsequent LRO decisions: Canadian Real Estate Association v. Afilias Limited, WIPO Case No. LRO2013-0008; Pinterest, Inc. v. Amazon EU S.a.r.I, WIPO Case No. LRO2013-0050; and Defender Security Company v. Lifestyle Domain Holdings, Inc., WIPO Case No. LRO2013-0035. Id. Based on the record, there is nothing to suggest that there was something untoward about DISH's behavior as DISH has not applied for any competitor brands or trademarks, but rather applied for its brand names and generic terms that were pertinent to its business model. Therefore, the advertisements, which were outside of the record, improperly affected the Panel's decision and rendered it erroneous.

Further, a Respondent's business model does not automatically translate into a finding of bad intent. See Express, LLC v. Sea Sunset, LLC, WIPO Case No. LRO2013-0022; and Limited Stores, LLC v. Big Fest, LLC, WIPO Case No. LRO2013-0049. Indeed, as the Panel found in the Express, LLC case, this risk is an inherent function of the Objector's decision to use a dictionary word as its brand name. The Panel's view of DISH's business model was not only inconsistent with decisions from other panels, but also improperly biased by the DISH advertisements viewed outside of the record.

The "DBS" in DISH DBS Corporation is an acronym for "Direct Broadcast Satellite." "Direct Broadcast Satellite" is a generic term used to describe satellite television broadcasts intended for home reception. (Attachment 8). In his declaration Mr. Khemka also confirmed that the provision of satellite television broadcasts to consumers is one of DISH's primary business models, since its founding in 1980. Additionally, DISH has used the acronym for Direct Broadcast Satellite, "DBS", since the formation of DISH DBS Corporation in 1996.

Therefore, there is nothing in the record that would support a finding of "something untoward" or "something intolerable in the state of affairs" in DISH's bona fide application for the .direct gTLD.

DISH respectfully submits that Mr. Khemka's declaration was not accorded the proper weight. Mr. Khemka's declaration along with DISH's response to questions 18(a) and (b) of the application, clearly show on the record that DISH filed a bona fide application for the .direct gTLD. Further, a more objective review of other information outside of the record by the Panel would clearly have showed that: (i) DISH has used the phrase "direct" on its website, since as early as 1996 ("Attachment 9"); (ii) some of DISH's over 3,000 exclusive and nonexclusive retailers have used the phrase "direct" in conjunction with the phrase "DISH" and/or DISH products and services since at least December 1998. (Attachment 10); and (iii) a recent television segment on AZCentral.com (available at http://www.azcentral.com/video/750995585001) reviewing the DISH products and services offered in Arizona also refers to the phrase "DISH Direct." (Attachment 11). These examples clearly show DISH's goals to "[u]nify the full breadth of products and services offered by Applicant and its affiliated entities under one brand umbrella" as stated in its response to Question 18(b) of the application. (Attachment 1, page 3). The brand referenced in the phrase "one brand umbrella" is DISH, as confirmed by Mr. Khemka in his declaration.

The above discussions clearly contradict the following assertions by the Panelist and demonstrate that DISH filed a *bona fide* application for the .direct gTLD:

"there is something untoward in Respondent's motives here, and that an intolerable state of affairs would obtain if Respondent's application for the String were allowed to stand;" (Attachment 1, Page 5); and

"Respondent has never used the term "direct" as a trademark or service mark, and with good reason. If it tried to do so, it would likely be enjoined by a court of law at Objector's behest. Respondent's claim that it has applied for the <.direct> string because it provides services (in the generic sense) directly to consumers is viewed by the Panel as a contrivance." (Attachment 1, Page 7).

b) <u>DISH has not 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.</u>

DISH's gTLD applications have consisted of generic words, which are related to its businesses or its trademarks. DISH has not applied for any competitor trademarks as gTLD applications. Thus, there is nothing in the record showing that DISH has engaged in a pattern of conduct that may infer any type of bad faith. To the contrary, DISH merely applied for a generic term, which it had used personally and through its affiliates and retailers since at least 1996. LRO panels

such as the panel in *Express, LLC* v. *Sea Sunset, LLC*, WIPO Case No. LRO2013-0022, regard this as permissible.

c) Internet users will not be confused.

As discussed above, contrary to the incorrect assertion by the Panel, DISH, its affiliates and some of its retailers have used the phrase "direct" in conjunction with DISH's products and services for at least 17 years. Robert Badgley, the Presiding Panelist in this matter, noted in his dissent in *Del Monte Corporation* v. *Del Monte Int'l GmbH*, WIPO Case No. LRO2013-0001, "[t]he fact that multiple entities have been using the same mark in the same general area of commerce (food) for many years suggests that the consuming public has not been too troubled or confused by this state of affairs." Here, as discussed above, both DISH and the Objector have used the phrase "direct" for over 17 years in the satellite services industry and the consuming public does not appear to have been confused. There is nothing in the record that would support a finding of confusion.

d) DISH will be injured if the decision is allowed to stand.

DISH has spent hundreds of thousands of dollars in attempting to secure the .direct gTLD for the purposes articulated in its application. It will likely spend even more in a string content auction with Half Trail, LLC if the BGC reverses the Decision. If the BGC chooses not to uphold the ICANN mandate of fairness by providing the remedy sought in response to Question 9, then the AGB only provides DISH with the ability to obtain a \$37,000 refund, which is patently unfair.

11.	Are you bringing this	Reconsideration	Request on	behalf of	f multiple
perso	ons or entities? (Chec	k one)			

____ Yes X No

11a. If yes, Is the causal connection between the circumstances of the Reconsideration Request and the harm the same for all of the complaining parties? Explain.

Do you have any documents you want to provide to ICANN? Yes

Attachment 1 – The DirecTV Group Inc. v. Dish DBS Corporation, WIPO Case LRO2013-0005.

Attachment 2 – Legal Rights Objections filed with the WIPO Arbitration and Mediation Center

Attachment 3 - gTLD Application Guidebook Version 2012-06-04

Attachment 4 – Recommendation of the Board Governance Committee ("BGC") for Reconsideration Request 13-5 dated August 1, 2013

Attachment 5 - Summary of ICANN Generic Names Supporting Organisation's (GNSO's) Final Report on the Introduction of New Generic Top- Level Domains (gTLDs) and Related Activity

Attachment 6 - Interview: Atallah on new gTLD objection losers, available at http://domainincite.com/14208-interview-atallah-on-new-gtld-objection-losers (last accessed August 23, 2013)

Attachment 7 - ICANN Legal Rights Objections: What's Past Is Prologue I Bloomberg BNA, available at http://www.bna.com/icann-legal-rights-b17179875369/ (last accessed July 23, 2013)

Attachment 8 – Wikipedia page for "Direct Broadcast Satellite".

Attachment 9 – Screenshot from 19 DISH website.

Attachment 10 – Screenshots showing the use of the phrase "direct" with DISH products and services.

Attachment 11 –Screenshot from Arizona Midday video on AZ central describing the DISH products and services

Terms and Conditions for Submission of Reconsideration Requests

The Board Governance Committee has the ability to consolidate the consideration of Reconsideration Requests if the issues stated within are sufficiently similar.

The Board Governance Committee may dismiss Reconsideration Requests that are querulous or vexatious.

Hearings are not required in the Reconsideration Process, however Requestors may request a hearing. The BGC retains the absolute discretion to determine whether a hearing is appropriate, and to call people before it for a hearing.

The BGC may take a decision on reconsideration of requests relating to staff action/inaction without reference to the full ICANN Board. Whether recommendations will issue to the ICANN Board is within the discretion of the BGC.

The ICANN Board of Director's decision on the BGC's reconsideration recommendation is final and not subject to a reconsideration request.

DISH hereby requests a hearing.

August 23, 2013 Date

Signature