



**Comments of the GNSO Intellectual Property Constituency (IPC) on the  
Public Interest Commitments Dispute Resolution Process  
April 27, 2013**

The IPC appreciates the opportunity to reply to comments made regarding the PIC Dispute Resolution Process. It is recognized that Public Interest Commitments may be designed to foster consumer protection and to address other concerns which may significantly affect the interests of trademark holders in protecting their marks as source identifiers of quality products and services. It is also recognized that certain safeguards recommended by the Government Advisory Committee in its recently published GAC Communiqué after the Beijing meeting could result in Public Interest Commitments being undertaken by applicants for new gTLD strings. For example, the GAC has advised that proposed generic strings where access is “exclusive” (or “closed”) be subject to a requirement of being operated “in the public interest.”

With respect to the standard for establishing harm, the IPC believes that the term “measurable” implies quantification and would be very difficult to apply in the context of Public Interest Commitments. The suggested standard of “material” harm noted in comments filed by United TLD and Valideus makes more sense than “measurable”. The IPC also believes consideration should be given to making the PIC DRP applicable to proposed actions of the Registry that have not yet occurred but which have been announced and which may violate one or more of the Registry’s PICs. This is because it is extremely difficult to reverse actions already taken, for example in connection with issuance of domain name registrations. A mechanism for addressing PIC issues before

the fact of implementation of a new policy or procedure by the Registry is therefore needed.

Further, there is a flaw in the draft PIC DRP process because it makes the PIC Problem Report System complaint a mandatory prerequisite to filing a PIC complaint. This "PICPRS" does not yet exist and it is unclear how long it may take to establish the System and to conclude such a proceeding, a prerequisite which is specified in 7.2.3. (f) of the draft procedure. The experience of the community in relation to the existing WhoIs Data Problem Report System ("WDPRS") has not been a positive one and there have been several changes to that system required over time. ICANN itself has recognized this and on March 25 relaunched WDPRS in an effort to address its manifold problems. See <http://www.icann.org/en/resources/compliance/update/update-mar13-en.htm> Thus, to make completion of a procedure modeled on WDPRS a mandatory step before the PICDRP can even be initiated is at best premature. Instead, the IPC suggests that the PIC complainant be provided with the opportunity to EITHER file the PIC Problem Report OR to report the problem directly to the Registry and to wait a reasonable amount of time, e.g. one month, to receive a reply before filing the formal PIC complaint if it considers the Registry's reply to be unsatisfactory.

It is further recommended that any Expert Determination of a PIC violation be considered to create a presumption which would need to be rebutted by ICANN in writing if for any reason it elects not to implement the sanctions recommended by the Expert. The draft procedure states in 2.2 that the Registry Operator agrees to be bound by the resulting Expert Determinations, but the strength of that commitment is diminished by the modifying language that makes it clear only ICANN may impose remedies or sanctions.

The draft procedure also suffers from a lack of clarity with respect to the standard to be determined by the Expert Panel in that the issue to be determined is sometimes referred to as a "violation" of the Registry's PIC, sometimes as "non-compliance" with the particular PIC, and sometimes as a "breach" of the Registry Agreement PIC. The IPC suggests that these terms be conformed so that the standard applicable to the Expert's determination is

clear. In other words, is the Expert charged with determining whether or not there is a “violation”, a state of “non-compliance”, or a “breach of the registry agreement”?

Regarding Paragraph 14.2 which provides for the Expert to seek information from the Registry as to the meaning of its Public Interest Commitments, the IPC believes this provision should be broadened to provide that the Expert may seek information from ICANN itself and the complainant in this regard, and it should further be provided that in all such communications, all parties and ICANN should be copied in the interest of openness and transparency.

With respect to Paragraph 21 which provides for suspension of a PICDRP in the event a private civil action was commenced prior to the filing of the PICDRP Complaint, this should be changed to permit suspension only if the civil action was commenced prior to the filing of the Public Interest Commitment Problem Report System (PICPRS) complaint (or direct written complaint to the Registry as suggested above) that is a condition precedent to the filing of any PICDRP complaint. The reason for this change is that when the PICPRS complaint is filed as required, the Registry Operator could circumvent the entire PICDRP process merely by filing a lawsuit (for example a Declaratory Judgment action under U.S. law) and avoid the PICDRP entirely. The purpose of the PICDRP would be completely frustrated in this event, especially where the complainant lacks inadequate funds to engage in litigation. The IPC believes this may have been overlooked in adapting the language from the PDDRP, which does not have a mandatory Problem Report filing as a prerequisite.

In general, the framework for the PIC Dispute Resolution Procedure is sound. However, it should also be made much more clear that the PIC DRP does not prejudice other means of enforcing PIC Specs, including, but not limited to, (1) direct contract enforcement by ICANN of the PIC undertakings specified in the applicable Registry Agreement and (2) informal consultation and discussion between the Registry and a party asserting that it has been harmed or will be harmed by an alleged violation of a PIC via Registry action or

proposed action. This clarification would dispel any confusion caused by the statement in 2.1 that the PICDRP covers all dispute resolution proceedings.

Respectfully submitted,

The Intellectual Property Constituency (IPC)