The Global Intellectual Property Center of the U.S. Chamber of Commerce

Comment on New gTLD Program: Rights Protection Mechanisms Review

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The Global Intellectual Property Center (GIPC), an affiliate of the U.S. Chamber of Commerce, is a worldwide champion of intellectual property rights and is vital to creating jobs, saving lives, advancing global economic growth, and generating breakthrough solutions to global challenges. The GIPC leads efforts to promote innovation and creativity globally by advocating for strong IP rights and norms.

GIPC members include businesses actively engaged with ICANN and on Internet governance issues in a variety of areas, along with businesses both big and small, across all sectors that actively rely on the Internet every day to create growth and jobs. Our members operate globally, and thus our interest and perspective are not confined to the United States. Given our scope, the GIPC is uniquely positioned to offer viewpoints from a diverse group of stakeholders, representing various roles within the existing multistakeholder system. GIPC greatly appreciates the opportunity to comment on the "New gTLD Program: Rights Protection Mechanisms Review" Draft Report.

BACKGROUND

On February 2nd 2015, ICANN released a draft report on "Rights Protection Mechanisms Review." The Draft Report is a first step toward the issuance of an Issues Report requested by the GNSO Council that is due to be delivered by September 30th. These steps may eventually lead to a Policy Development Process (PDP) on Rights Protection Mechanisms (RPMs).

RPMs include, among other protections, a Trademark Claims and Sunrise registration process as well as two processes for conflict resolution: the Uniform Rapid Suspension (URS) procedure and the Uniform Domain-Name Dispute-Resolution Policy (UDRP). These tools intend to act as safeguards to protect brand owners from a variety of IP violations.

COMMENTS

As outlined below, all industries with significant trademark interests are affected by the Rights Protection Mechanisms Review. The GIPC has several concerns with the Rights Protection Mechanisms Review itself and the RPMs as have been implemented by ICANN staff.

I. The RPM Review Should be Driven By Stakeholders, Not ICANN

As presented, the RPM Review fails to pose appropriate questions regarding the effectiveness of the tools to protect brand holders from infringement and cybersquatting. The questions raised in the RPM Review draw broad, forgone conclusions rather than seeking comment on brand owners' concerns both with the process by which the RPMs function and the actual protections the RPMs provide. It is simply premature to start soliciting responses and analyzing results and drawing conclusions without first paying proper attention to asking the right questions.

The RPM Review ought to solicit feedback from brand owners on issues of highest priority, as identified by brand owners themselves. Some RPM issues are technical or relate to implementation, which could easily be solved by the TMCH administrators. Other issues, like the failure of the RPMs to anticipate or prevent exploitation of brands as evidenced by .sucks (see further discussion below) raise serious policy and scope questions that should be discussed and evaluated as part of a holistic RPM Review. Asking the right questions up front will decrease the burden on volunteers during the PDP process by allowing stakeholders to focus on the big issues. If ICANN wants meaningful participation through the bottom-up multistakeholder process, as it claims, it is critical that the questions asked in this (and other) comment periods get at the big issues that concern the community.

GIPC calls on ICANN to re-engage brand owners, rather than ICANN staff, with the goal of enabling them to drive a holistic review of the RPMs, as brand owners are the key beneficiaries of the protection tools. This would be consistent with ICANN's stated commitment to developing policy through bottom-up, multistakeholder processes and allow for meaningful engagement by the community most deeply impacted by the RPMs.

II. The RPMs Ought to Reduce Burden on Brand Owners

The Trademark Clearinghouse (TMCH) is a global repository for trademark data that is intended to provide protection to brand owners through a Sunrise period and a Trademark Claims period. However, brand owners have found that these mechanisms were neither adequately advertised, nor proved to be particularly useful in protecting trademarks against infringement and cybersquatting. For example, Sunrise dates and requirements were poorly publicized and detailed information was often discovered through third-parties, rather than clearly and effectively announced by ICANN. These examples of miscommunication create a burden on brand owners as they must scramble to meet deadlines, and therefore are either not fully prepared to participate or do miss the opportunity to participate entirely.

Specifically, ICANN needs to provide:

- greater detail on how the TMCH process operates,
- adequate public notice from ICANN on requirements and deadlines
- sufficient time for brand owners to meet those requirements, and
- ample deadlines to enable broader participation.

GIPC encourages ICANN staff to create a clear and well-communicated process for distributing information to brand owners and then directly engage brand owners to ensure that the intellectual property community fully understands the RPMs processes and procedures. Notification via ICANN newsletters and at ICANN meetings is insufficient; as such communications reach only those stakeholders already deeply involved in ICANN. These communications do nothing to reach those audiences – including millions of brand owners worldwide – who have neither the time nor the resources to invest in monitoring ICANN alerts for the occasional issue that may be relevant to them.

III. The RMPs Must be Flexible Enough to Respond to Existing and Emerging Threats to Brand Owners

The recent actions by Vox Populi, through the roll out of the new gTLD .sucks, underscore the need for ICANN to consistently evaluate and seek brand owner feedback on the utility and credibility of the tools they put in place to protect brand owners. Are the RPMs helpful in mitigating threats to brand owners? Are the right processes and policies in place to enable the RPMs to adapt to emerging threats?

Simply put, the RPMs must be flexible enough to respond to existing and emerging threats to brand owners, not merely those that were contemplated at the time the RPMs were established.

As stated in the March 27, 2015 letter from the Intellectual Property Constituency (IPC), Vox Populi categorized TMCH-registered marks as "premium names" and subsequently charged exorbitant fees to brand owners who attempted to secure a registration in .sucks. The IPC went on to state, "The TMCH Sunrise period is an integral part of Vox Populi's scheme." Vox Populi used the RPMs, which are intended to protect brand owners, to extort money from those that wish to protect their brands. The fact that the RPM's failed to catch and/or halt this scheme calls into question the utility and credibility of the RPMs themselves. Unless ICANN moves quickly to address the failure of the RPMs to prevent this scenario, brand owners will have no basis to trust that the processes created to protect their trademarks will not be used against them in the future.

Additionally, because ICANN effectively enabled this situation to transpire by approving Vox Populi's application in the first place, questions have arisen about the possibility of other predatory actors entering the new gTLD system to take advantage of RPMs for exploitative and coercive purposes or engage in infringing activities. If Vox Populi can manipulate the system so easily, what is to prevent other unscrupulous actors from concocting other schemes to attack or extort brand owners?

Lastly, ICANN's subsequent outreach to the U.S. Federal Trade Commission (FTC) and the Canadian Office of Consumer Affairs (OCA) also raises questions about deficiencies in the RPMs. ICANN's request for government intervention was seemingly done on an ad hoc basis in reaction to the recognition that Vox Populi's purposes were inappropriate, rather than as an intentional part of the designed IP protection mechanisms. This too is concerning, and calls into question the flexibility of the RPMs to respond to emerging threats.

IV. The RPMs Must be Broad Enough to Protect Many Types of IP Violations

Many brand owners are concerned that the RPMs' protections are too narrow in scope. For example, brand owners are concerned that the TMCH will only reject domain names that are a direct mark match, but will not consider a wider array of trademark variations. While we recognize that ICANN staff cannot prevent every

conceivable infringement scenario, the RPMs must go further to protect existing IP rights consistent with the rule of law. At a minimum, the RPMs must provide a meaningful and efficient way for brand owners to seek broader protections through the TMCH.

Accordingly, GIPC encourages ICANN staff to solicit feedback from the community on how the RPMs could be made more robust. This should be a component of a holistic, stakeholder-driven re-review of the RPMs, as called for in our comments above.

Conclusion

ICANN's RPM Review was intended to provide an initial evaluation of the effectiveness of the Rights Protection Mechanisms. However, the discussion questions that were posed to stakeholders sought out granular responses rather than soliciting brand owners for their views on the function and substance of the RPMs. In proceeding, ICANN suggests it is either not cognizant of the problems brand owners have with the RPMs, or is not legitimately interested in hearing from brand owners. ICANN can begin to remedy this situation by reengaging with brand owners with the goal of learning from brand owners about what works, what doesn't, and what else is needed to run a fair, efficient, robust RPM system that protects intellectual property rights consistent with the rule of law.