Minority Report on Selected Trademark Issues (STI) Report – 11 Dec 2009

At- Large Advisory Committee

The At-large Advisory Committee submits the following three statements to be attached to the STI Review Team report dated 11 December 2009

1. Additional Marks in the Clearinghouse – Report section Clearinghouse 4.2

The TC should also allow the inclusion of names, for the purposes of sunrises, which would include a registered TM used in conjunction with:

- a dictionary word that is associated with the class of services trademarked (example: a chemical company XYZ could deposit in the TC the name "XYZ-Chemicals". This was allowed in the .asia sunrise.
- a dictionary word that is regularly used in clear association with the TM (example: Yahoo-Finance see http://finance.yahoo.com/). There would need to be carefully worded rules, objection processes and **penalties** for depositing names in the TC that do not meet the criteria (example: Yahoo-stinks, unless Yahoo starts to manufacture and sell stink-bombs).

Rationale:

Brand owners want to be able to have clear right-of-first-refusal to reduce opportunities for cyber-squatting and to reduce the need for URS and UDRP proceedings. We believe that At-Large benefits from such legitimate registrations by reducing the opportunity for user confusion which results from cyber-squatters obtaining such names. From the perspective of a non-sophisticated user, if they enter a name that CLEARLY maps to a known brand, it should not resolve to a payper-click page or someone offering a competing product or service.

2. Transfer of a domain name after a successful URS – Report section URS 7.2

We recommend that a transfer to the successful URS claimant at end-of registration be allowed.

Barring that being accepted, we suggest that a transfer be allowed after a second successful URS.

Rationale:

At-Large believes that this is a reasonable action to reduce cyber-squatting and the resultant user confusion.

A number of reasons for opposing such a transfer have been raised:

- a) The URS was not originally envisioned by the IRT as a transfer mechanism if the TM holder wants to take custody of the name, they should use the more expensive and slower UDRP either following a successful URS, or instead of the URS
 - <u>ALAC Response:</u> This should not be relevant. We have already changed MUCH in the original IRT proposal, and rightfully so. And it seems mean-spirited to force a TM holder to go through the UDRP just because of how the URS was originally envisioned.

b) We need to differentiate the URS from the UDRP

<u>ALAC Response:</u> Why? There is a good probability that over the next few years, the two procedures will be reviewed and merged into a single procedure with multiple paths.

- c) It may be complex for the registry and/or registrar to implement if not carefully designed.
 - <u>ALAC Response:</u> This can be overcome with careful design. Since the domain is explicitly flagged as being the subject of a successful URS, the process should not be onerous if requested at URS-time by the claimant.
- d) It may take a generic word domain name (which might have legitimate uses over and above those used by the current registrant (which resulted in a successful URS)

<u>ALAC Response:</u> Chances are that either through successive URS proceedings or a UDRP, the name will go out of circulation anyway.

The alternative implementation will not be as effective, but will be better than having to file a UDRP. The argument has been made that tracking URS duplicates would be to onerous. However, if it is the responsibility of the TM holder to indicate that a URS is a 2nd one (with reference to the original URS), no tracking is required, other than on the part of the TM holder.

3. Post-Launch TM Claims – Report section Clearinghouse 7.1

At-Large recommends further investigation with respect to the efficient and effecting implementation of post-launch IP claims and on the potential chilling effect on non-IP-professional registrants.

Rationale: If the chilling effect is not unreasonable, this could reduce cyber-squatting and when it fails, will increase the probability and speed of a successful URS against cyber-squatters.