

December 15, 2008

To: ICANN (gtld-guide@icann.org)

Re: Comments to the New GTLD Program and Process

Dear Mr. Twomey and Mr. Dengate-Thrush:

MarkMonitor is the world's largest corporate domain name registrar, providing services to over 50 Fortune 100 companies, as well as 5 of the top 10 most popular Internet sites in the world.

On behalf of the undersigned companies and individuals identified below, MarkMonitor is pleased to submit the following comments related to the Guidebook and the new TLD program.

### **Introduction**

Although ICANN is firmly committed to implementing its new TLD program in 2009, there are many unanswered questions related to whether sufficient evidence of demand for new TLDs exists, and, if so, whether now is the time to be launching such a costly and expansive initiative.

There is no dispute that we are in the midst of a worldwide recession, where businesses, government agencies, and consumers are experiencing mass lay-offs, bankruptcies, budget cuts, and all are limiting non-essential spending. In the face of this current climate, ICANN should reconsider its decision and conduct broader, global studies to confirm its assumptions regarding the economic demand for these new TLDs. Depending upon the results of such studies, it may be appropriate to scale back the launch of the new TLD program initially, such as launching only those IDN or geographic based TLDs that are supported by a significant community demand.

Before it was apparent that ICANN was pursuing new TLDs, MarkMonitor received no interest from its corporate clientele on this subject. Since it appears that the new TLD program launch is inevitable, we understand that some corporations will likely apply for new TLDs for primarily defensive reasons, and a few may do so to support their Internet marketing initiatives. However, most major corporations prefer that the new TLD launch be delayed until basic safeguards are adopted to protect against brand abuse.

### **Brand Abuse is Expected to Grow Exponentially in the New TLDs**

Assuming that the new TLD program proceeds, ICANN should adopt better safeguards against systemic brand abuse in new TLDs. Due to the possibility that hundreds, if not thousands, of new TLDs could be approved, ICANN should recognize that the UDRP is no longer an effective remedy for brand holders. The cost, resources required and associated delays render the UDRP impractical and an undue burden upon rights holders. As reported by MarkMonitor in its Summer 2008 Brandjacking Index, 30 of the most popular brands experienced a weekly average of over 400,000 instances of cybersquatting targeting their brand. We believe that this number will increase exponentially when hundreds or thousands of new TLDs are available.

### **New Tools to Protect Against Brand Abuse Should be Adopted**

Today, brand holders protect against domain name abuse primarily through UDRPs and defensive registrations. This approach is no longer reasonable when faced with potentially thousands of new TLDs, since it is not feasible for companies to increase their legal expenditures to correspond with the rising number of TLDs. Many brand holders view sunrise registrations as a fee shifting exercise from

brand holders to registries to help fund the initial phase of a registry launch. Instead of this 'fee shifting', ICANN needs to consider innovative new ways of dealing with brand abuse that shifts the costs of infringement away from the brand holders whose rights have been systematically abused over the last few years.

We were encouraged by Paul Twomey's opening remarks in Cairo that ICANN would like to consider innovative ways of addressing the needs of the IP community, including the creation of an ICANN sanctioned rights database or clearinghouse, where rights holders could submit evidence of their rights ("IP Registry"). Such a tool could be utilized for purposes beyond sunrise periods. For example, the IP Registry could be used for blacklisting purposes, at the top level (i.e., .ibm) and at the second level (i.e., ibm.web). If a TLD application conflicts with a name on the IP Registry, the rights holder should be notified immediately and given the opportunity to file its own TLD application or seek other legal redress. For these potentially infringing applications, ICANN should verify the applicant's background and motives, and approve only non-infringing or non-commercial uses. If any applicant is approved for a non-infringing use, ICANN should require strict compliance of the approved uses to protect the rights of the brand holder. For second level registrations, ICANN should mandate a notice/take down procedure if the domain name is used in an infringing manner to a name on the IP Registry, or require WHOIS verification and prohibit proxy or anonymous registrations for registrants intending to register a domain name conflicting with a name on the IP Registry. These suggestions would provide a more cost-effective means of dealing with brand abuse in the new TLDs, and should discourage abusive registrations and abusive new TLD applicants.

### **Dispute Resolution Costs**

A prevailing brand holder in a dispute should not experience any fees or costs in protecting their brand. The Guidebook should be revised to provide that a prevailing party in any dispute resolution proceeding will be reimbursed for all of their costs and expenses, (such as attorney fees and filing fees). Under the Guidebook, only some of the filing fees are refunded to the prevailing party.

### **Commitment to Publicly Accessible, Free and Accurate WHOIS**

The Guidelines contain few requirements related to WHOIS. Central to the concerns of brand holders is the need for a free, accurate, and publicly available access to WHOIS, to quickly identify the registrant of abusive domain names. Given the industry-wide problems related to access to WHOIS, and the proliferation of inaccurate WHOIS, we believe that ICANN should evaluate the applicant's commitment to maintaining and enforcing WHOIS requirements. In addition, applicants should be encouraged to maintain centralized or "thick" WHOIS databases, and adopt additional WHOIS requirements. For example, ICANN could inquire whether an applicant intends to allow proxy or anonymous registrations, and, if so whether the applicant plans to require the disclosure of the "true registrant" upon request by a brand holder protecting its rights, or escrow such proxy/anonymous data. This inquiry is appropriate because continued access to WHOIS is essential to protect the stability and security of the Internet, as well as to maintain confidence of consumers in the integrity and safety of e-commerce.

### **Dispute Resolution Decisions Should be Binding on ICANN**

Under the Guidebook, ICANN has proposed allowing dispute resolution service providers (DRSP) such as WIPO to evaluate string contention disputes, including whether a string violates the legal rights of others. We are supportive of this process, but believe that a decision from a DRSP should be final and binding on ICANN, rather than be viewed as an "expert determination" to be considered by ICANN as a factor in the evaluation of the TLD application.

## Conclusion

The undersigned companies are deeply concerned about their ability to protect millions of Internet users worldwide from additional forms of online abuse, such as fraud, phishing, counterfeits, identity theft, and other forms of brand abuse. We urge ICANN to carefully consider these additional safeguards against illegal online activities in the new TLDs.

Respectfully submitted,



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