

COMMENTS OF COALITION FOR ONLINE ACCOUNTABILITY

July 6, 2009

The Coalition for Online Accountability (COA) appreciates this opportunity to comment on the final report of the Implementation Recommendation Team (IRT) regarding trademark issues in the new gTLD process.

COA consists of nine leading copyright industry companies, trade associations and member organizations of copyright owners. These are the American Society of Composers, Authors and Publishers (ASCAP); the Business Software Alliance (BSA); Broadcast Music, Inc. (BMI); the Entertainment Software Association (ESA); the Motion Picture Association of America (MPAA); the Recording Industry Association of America (RIAA); the Software and Information Industry Association (SIIA); Time Warner Inc.; and the Walt Disney Company. COA is a member of the Intellectual Property Constituency (IPC) of ICANN's Generic Names Supporting Organization (GNSO). COA and its participants have engaged actively in many aspects of ICANN's work since the inception of the organization, and has commented extensively on the new gTLD process. This includes comments filed by COA on the draft report of the IRT, which can be found at <http://forum.icann.org/lists/irt-draft-report/msg00037.html>, and with which these comments should be read.

COA strongly supports both the process that culminated in the IRT report, and the overall thrust of its recommendations. The establishment of the IRT was an appropriate response to the overwhelming sentiment expressed in public comments to ICANN that the original plan for rolling out new gTLDs, as spelled out in version 1 of ICANN's Draft Applicant Guidebook, was seriously deficient in its approach on a critical issue: how to minimize the negative impact of the new gTLD rollout on consumer confidence in the online environment. A sudden proliferation of abusive registrations in the new gTLDs, particularly at the second level, is an eminently foreseeable consequence of the approach taken in DAG v.1, and would threaten to lead to an intolerable level of consumer confusion. The ICANN Board wisely decided to direct the convening of a panel of experts (the IRT) to propose solutions that would reduce these threats. To have done otherwise would have been to recklessly ignore strong evidence of widespread public concern.

The IRT was given an excessively constrained time frame for its deliberations, which is unavoidably reflected to some extent in its output. On the whole, however, it produced a balanced and thoughtful set of recommendations that provide an excellent template for incorporation of solutions on this topic into the next version of the Draft Applicant Guidebook. While a few commenters have chosen to focus their attacks on the process by which the IRT recommendations were produced, COA urges ICANN to put this carping in context and instead to evaluate the recommendations on their merits, which in our view are considerable.

We turn now to the major recommendations of the IRT report.

1. Globally protected marks list. COA continues to support the GPML, in principle, as a way to prevent abuse of the strongest and most widely recognized worldwide marks in the new gTLD process. Such protection is critical, especially at the second level.¹ While the draft IRT report included some specific suggestions on the criteria to be applied to determine eligibility for GPML status, the final report offers only more general guidance, and indicates that the ICANN staff has been asked to collect relevant trademark registration data. So far, apparently, this data has not been forthcoming. It is thus difficult to evaluate whether the criteria for GPML status are, as COA called for in its comments on the draft report, “appropriately but not excessively strict.” We also reiterate our suggestion that any protections afforded to GPMs (top or second level) could be waived with the consent of the right holder. This is consistent with some of the comments made in the consultation session in Sydney.

2. IP clearinghouse. In many ways, this is the most important recommendation of the IRT report. The mandatory use of a common repository of verified data related to rights claims should substantially reduce the cost and complexity that right holders would otherwise encounter in participating in potentially hundreds of different rights protection mechanisms at the pre-launch phase of new gTLDs. While the feasibility of such a common verified database appears to have been established in the .eu and .asia launches², we recognize that questions unavoidably remain about the cost structure and business model for the operation of the clearinghouse. Since the clearinghouse is a critical feature for any successful launch of new gTLDs, COA believes that the main costs of operating it should be borne by ICANN, and/or by gTLD registries as a cost of doing business, though we accept IRT’s recommendation that a reasonable fee could be charged to those right holders who submit data for verification and storage in the clearinghouse.

Two key features that are implicit in the IRT recommendation should be spelled out in the applicant guidebook:

- First, registry participation in the clearinghouse is mandatory. Whatever rights protection mechanism (or combination of RPMs) the registry operator decides to employ, to the extent that it requires verification of trademark or other rights in character strings, the right holder should be able to participate simply by filing with the clearinghouse.
- Second, while COA agrees with IRT that “no universal second-level pre-launch RPM can be imposed” on the entire range of new gTLDs, any RPM that does not rely upon the submission and verification of the rights of third parties must be fully spelled out in the application, and a robust post-delegation enforcement mechanism must be made available to ensure that it is strictly adhered to. Thus, the example given on page 20 of the IRT

¹ The Legal Rights Objection process provides some protection against this abuse at the top level. COA supports the concerns expressed by the IPC and other commenters about some aspects of the LRO process as originally proposed. See <http://forum.icann.org/lists/gtld-guide/msg00117.html>. We note that some, though not all, of these concerns were addressed in changes reflected in version 2 of the DAG.

² In this regard, it is worth noting that most aspects of the IRT recommendations derive from well-established practices in the domain name marketplace, or in related Internet spaces. Few if any lack such precedents.

report of “a .brand TLD, operated as a closed TLD and restricted [for] second level registrations to [the brand owner’s] employees and subsidiaries,” would have to be made clear in the application, and ICANN should ensure that this restriction is honored in the gTLD’s operation.

3. Uniform Rapid Suspension. Ten years of experience under the Uniform Dispute Resolution Procedure clearly demonstrate the need for a faster and more light-weight post-launch curative procedure, to apply only in the most clear-cut cybersquatting cases, especially those which are never contested by the domain name registrant. The URS proposed in the IRT report provides such a procedure, while building in additional safeguards against overreaching and due process shortfalls. COA supports the URS proposal in principle, while recognizing that refinements may be justified to better achieve fairness without sacrificing speed and simplicity. In our view, it is appropriate to test the URS concept in the new gTLD environment, with the ultimate goal of extending it throughout the gTLD space in the future.

4. Thick Whois. COA strongly supports the IRT recommendation restoring the principle of “thick Whois” services in the new gTLDs, and commends ICANN for its recent proposal to adopt this recommendation (see <http://www.icann.org/en/topics/new-gtlds/thick-thin-whois-30may09-en.pdf>). The privacy concerns raised by a few commenters are fully addressed by the availability of “ICANN’s community-developed *Procedure For Handling Whois Conflicts with Privacy Law*” <http://www.icann.org/en/processes/icann-procedure-17jan08.htm> as a means of resolving any potential situations where a registry operator’s Whois obligations are alleged to be inconsistent with local legal requirements concerning data privacy.” Id.

5. Other Issues. COA remains disappointed that the extremely truncated timeframe for the IRT’s activities did not allow it to delve into several other issues of considerable importance in addressing trademark and other intellectual property problems anticipated in the new gTLD environment. In particular, COA continues to support inclusion in the registry agreement of commitments to require registrars to live up to Whois-related obligations, especially with regard to the operation of proxy or private registration services, if permitted in the TLD; enforcement of Whois data accuracy requirements (including the cancellation of registrations of registrants to who supply false Whois data); and provision of full registrar Whois services, including ready access to the Whois Data Problem Reporting System whenever Whois queries lead to false contact data. We intend to provide a more detailed proposal in our further comments on the Draft Applicant Guidebook.

In summary, we urge ICANN to adopt the principal recommendations of the IRT report and to incorporate these in the final Applicant Guidebook for any new gTLD rollout. At the same time, we note that the IRT report addresses only one of the four “overarching issues” ICANN identified as requiring resolution before the new gTLD launch. As the ICANN Board chair stated in the public forum at the ICANN meeting in Sydney on June 25, in response to a question concerning the new gTLD launch, “meeting legitimate community concerns is more important to both board and staff than meeting an announced deadline. We have said publicly that we will not open the [new gTLD] process until concerns have been addressed.”

<http://syd.icann.org/files/meetings/sydney2009/transcript-public-forum-25jun09-en.txt>.³ COA commends ICANN for the progress it has made toward addressing trademark concerns surrounding the new gTLD launch. We look forward to participating in the further refinement of the solutions proposed by the IRT, and to the development of similar solutions to other issues not adequately addressed in the current version of the Draft Applicant Guidebook.

Respectfully submitted,

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³ See also <http://www.icann.org/en/announcements/announcement-6-06mar09-en.htm> (“the Board has clearly heard and believes strongly that the concerns of trademark holders must be addressed before this process is opened for applications.”)