



CADNA Comments on Defensive Applications for New gTLDs

CADNA appreciates the opportunity to comment on the issue of "Defensive Applications for New gTLDs." By opening the issue up to public comment, ICANN demonstrates that it is aware of, and sensitive to, the concerns of businesses worldwide regarding the New gTLD Program.

CADNA believes that there is more that can be done to prevent cybersquatting at the second level. CADNA hopes ICANN will consider amending the Applicant Guidebook to include a requirement that all new gTLD registries that sell second-level domains to registrants must offer a one-time, low-cost block for trademark owners to protect their marks in perpetuity. This precedent has already been set by the 2011 launch of the .XXX gTLD, during which thousands of companies were able to protect their trademarks in a simple and cost-effective manner.

If companies believe that there will be cybersquatting at the top level, CADNA believes that this is due to a misunderstanding of the New gTLD Program, or to anxiety about ICANN's ability to execute on its process. The New gTLD Program has many safeguards against cybersquatting at the top level, such as the thorough fifty-question application, the high barrier of entry set by the application fee, and the open objection process that will allow brand owners to block any top-level application that infringes on their trademarks if the applicant does not itself have legal rights to that trademark.

The need businesses feel to "defensively" apply for gTLDs is less motivated by fears about cybersquatting than it is by anxiety about falling behind their competitors given the unknowns about when the next application round will be held. The lack of certainty about when the next chance to obtain a new gTLD will occur is forcing some businesses to file applications sooner than they would like, rather than risk being five, seven, or ten years behind their peers that may gain a future competitive advantage from owning their own new gTLDs. CADNA believes that the ICANN Board can immediately ease these anxieties by requesting an Issues Report to formally initiate a policy development process to determine when the next round of new gTLD applications will occur. A transparent timeline would give businesses and organizations greater flexibility and strategic planning ability.

CADNA is gratified to have the opportunity to comment on this topic. We look forward to collaborating with ICANN and the global business community in order to bring about meaningful improvements to the New gTLD Program. While we believe the Program may represent a promising opportunity for brands, we are also committed to ensuring that it is launched in such a way that protects and benefits both businesses and consumers.