

18 September 2012 – Washington D.C.

Trademarks and New gTLDs

Minimizing the Need for **Defensive Registrations**
at the Second Level of **New Generic Top Level Domains**

#gTLDinDC



Agenda



- 1.40pm Welcome and opening remarks
History of this issue at ICANN
- 2.00pm Panel introduction
Panel presentations
- 3.30pm Open Q&A Debate begins – all guests invited to participate
- 5.00pm Q&A closes; closing remarks
Cocktail Reception begins

Session Recording



- Broadcast – via live webinar
- Audio and video recording – FTR* recorder
- Transcript – will be made available afterwards

* <http://www.fortherecord.com> – standard court room recording tool



Legal rights protection - history

- Originally domain name disputes related to trademark infringements resolved primarily through the courts – expensive and time consuming
- Uniform Dispute Resolution Policy (UDRP)
 - More than 10 years old
 - Extensively used
 - Often domain name transferred to complainant if successful
 - No penalties for original registrant
- WHOIS
 - Accurate WHOIS viewed as an important tool to allow either management of issues instead of a UDRP or ability to take legal action where necessary



New gTLD process

- GNSO established the Protecting the Legal Rights of Others Working Group as part of the new gTLD policy development
 - [HTTP://GNSO.ICANN.ORG/DRAFTS/GNSO-PRO-WG-FINAL-01JUN07.PDF](http://GNSO.ICANN.ORG/DRAFTS/GNSO-PRO-WG-FINAL-01JUN07.PDF)
 - Discussed various methods of protection but no agreement on minimum standard of protection
 - Left to new gTLD applicants to propose their own protections
- ICANN Board provided travel support to the IRT (Implementation Recommendation Team) to develop a specific proposal on agreed protections
 - <http://archive.icann.org/en/topics/new-gtlds/irt-final-report-trademark-protection-29may09-en.pdf>
 - Board then sent the proposal to the GNSO for review
 - Led to current provisions in the Applicant Guidebook

Applicant Guidebook



- Incorporated minimum protections
- Trademark clearinghouse data base
 - Sunrise process – first right to register
 - Trademark Claims
 - Registrant receives notice and must respond
 - Trademark holder receives notice and can monitor
 - Uniform Rapid Suspension (URS)
 - Intended to be faster and cheaper than UDRP
 - Only results in suspension – no transfer
- One size fits all approach

Aim today



- Identify where there is commonality between the various proposals under discussion in the community
- Options for taking solution forward
 - Best practice for registry operators
 - As formal advice to the Board from a constituency, stakeholder group, house, GNSO Council or advisory committee
- Through a policy development process
 - Solution becomes mandatory for both existing and new gTLDs
 - Takes longer but has strongest impact

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Proposals



- Andrew Abrams - Google
 - Extended sunrise – 60 days
 - Ongoing trademark claims
 - Email authentication
 - Some form of reserved list
 - For at-risk marks
 - Can't be a generic term
 - Accept all trademark registrations regardless filing date
 - Simpler model for identifying at-risk marks

Proposals



- James L. Bikoff - Silverberg, Goldman & Bikoff LLC
 - IOC – 1000 infringements a week
 - Some used for gambling/porn
 - Counterfeiting issue
 - Olympic names protected by most national laws associated with international treaties
 - Need remedies
 - Support protection for at-risk marks
 - Improvements
 - Trademark claims should last beyond 60 days
 - Claims should support exact match as well as words that include the trademark
 - Loser pays for URS
 - WHOIS verification is accurate

Proposals



- Steve DelBianco - NetChoice
- Review of new gTLDs
 - Focus on consumer trust and consumer choice
 - Business constituency objectives:
 - Minimize abusive registrations of exact match trademarks
 - Standardize central sunrise process
 - Trademark claims to run indefinitely for all trademarks
 - Permanent block for trademark in a gTLD (instead of renewals)
 - Minimize abusive registration of words that include trademarks
 - Names that include trademarks subject to UDRP should be allowed to be added to the clearinghouse
 - Protect trademark plus related words (e.g **PayPal**payments)
 - New registrar accreditation agreement should apply to new gTLDs
 - WHOIS validation – centralize tools

Proposals



- Steve DelBianco - NetChoice (continued)
 - Business constituency objectives:
 - Support suspension for non-response to a URS
 - URS should be under a single vendor
 - Other
 - Must enforce compliance against registry commitments in their applications or with the regulator
 - Communicate risks of registrations to community

Proposals



- Dan Jaffe - Association of National Advertisers
 - Need protection in place before launching new gTLDs
 - Consider 3rd and 4th level as well
 - Concern that HARM criteria too high a bar – as not protect smaller organizations
 - Concern about restriction on common words
 - Don't believe minimum protections are sufficient – no evidence yet to support this
 - Prefer reserved lists to apply across multiple TLDs



Proposals

- Jon Nevett - Donuts
 - Periodic audits of WHOIS data for accuracy
 - Domain Protected Marks List (DPML)
 - Trademark holder can reserve/block across all Donuts TLDs – not just exact match
 - Limitations on privacy/proxy services
 - For some TLDs
 - More extensive validation of WHOIS data
 - Strict compliance in registry-registrar agreements
 - Believe guidebook shouldn't change
 - Changes should apply to all gTLDs (incl. .com/net)
 - URS in new gTLDs can be a testbed for all gTLDs
 - Changes should go through PDP and apply to all gTLDs
 - Get new gTLDs moving as soon as possible

Proposals



- Craig Schwartz – fTLD Registry services
 - Community-based applications: .bank/.insurance
 - Registration restrictions
 - Eligibility, name selection, content/use, etc.
 - Mandatory validation
 - Enhanced security measures
 - Exploring enhanced rights protection mechanisms

Proposals



- Brian Winterfeldt – Steptoe & Johnston
 - Brand Summit
 - Group of US based brand holders
 - E.g. Coke, Microsoft, Verizon, Time Warner
 - Letter to USA NTIA and USPTO
 - <http://www.aipla.org/advocacy/intl/Documents/JointLetter-BrandOwners-SecondLevelRights-gTLDProgram.pdf>
 - Second level improvements
 - URS – maintain low fees
 - Tie in trademark clearinghouse
 - Default judgements shouldn't require panel appointments
 - Loser pays
 - If registrant doesn't respond – complainant should only pay admin fee not a panel fee
 - Trademark clearinghouse
 - Broader than identical matches – e.g mark plus related generic term
 - Trademark claims longer than 60 days
 - Sunrise should support blocking in perpetuity

Proposals



- Brian Winterfeldt – Steptoe & Johnston
 - Intellectual Property constituency
 - Concerned that HARM barrier to high
 - Shouldn't be limited by filing date
 - Shouldn't require 3 of 5 regions for trademark registration
 - Concerned about limitations on dictionary words



Proposals

- Russ Pangborn– Microsoft
 - 90% of brand portfolios – defensive registrations
 - Cost to protect in a third of new registries
 - \$50,000 for single major brand
 - Trademark claims
 - should be ongoing
 - Some registrars planning to wait until after the first 60 days
 - Should be broader than exact match
 - Clearinghouse
 - Should be linked to URS process
 - URS - intended to be inexpensive for obvious cases
 - Extra steps that have been added have added cost
 - Needs to be faster and cheap
 - Support option to block rather than sunrise registration
 - IRT GPML list was dropped without further work requested by IRT team

Proposals



- Russ Pangborn– Microsoft
 - Having a separate HARM list – hard to get agreement on the dividing line
 - About protecting brands against cybersquatting
 - Frequently cybersquatted mark – can show that has been targeted in the past
 - Registrant needs to meet a burden to register such a mark
 - Getting URS and trademark clearinghouse right important

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Feedback

- Bill Smith – PayPal
 - 10,000 domains
 - Can't afford to use protection mechanisms for all names
 - Need to protect security
 - Spend significant resources on protection of names and will spend if works
 - Need RAPID suspension for security issues – minutes not hours or days
 - Phishing – half life 24 hours
 - Current suspension via personal contacts
 - Prepared to post bonds - to get additional protections against rapid takedown
 - Le low cost registrations should be subject to rapid takedown, registrants could post a bond that would mean that they are not subject to rapid takedown but would forfeit the bond if they are found to be infringing
 - Need to look at security and trademark protection together

Feedback



- Philip Corwin – Internet Commerce Association
 - Registrants need to be considered
 - Setting bars too high for new gTLDs
 - May push registrants to existing gTLDs which have no protection mechanisms
 - URS – sold as a narrow supplement to UDRP
 - If burden of proof the same and the mechanism the same
 - Shouldn't just be a cheaper version of UDRP
 - Should let registry operators implement additional mechanisms and then determine what to make mandatory for the next round



Feedback

- James Bladel – GoDaddy
 - Register a domain name per second
 - Need to consider operational concerns
 - Issues with going beyond exact matches
 - Need to careful of false positives
 - Need high performance/high availability processes
 - Otherwise registrars will avoid new gTLDs

- Jon Nevett's (Donuts) response
 - If trademark claims extended – it should apply to existing and new gTLD

Feedback



- John Berryhill – Attorney
- **General principles**
 - What would Oprah Winfrey (trademark in letter “O”)
 - Need to think about impact of words that include trademarks
 - Permanent blocks
 - Don’t take into account that brands/trademarks not permanent
 - Finite population of people misusing the Internet
 - Need to stop them rather than just go after individual domain names



Feedback

- Jeff Eckhaus– Demand Media
 - Support DPML list
 - Support non-exact matches in the context of reserving names in sunrise
 - Against registry doing a semantic search for words that contain trademarks
 - Also need to support other languages
 - Not possible with high volume operations
 - Brian response
 - could limit additional terms to be those in the trademark registrations
 - Steve response
 - would need to be explicitly in clearinghouse

Feedback



- Jeff Eckhaus– Demand Media
- Trademark claims – registrant must accept list of matching trademarks in clearinghouse
 - Need to consider how big the list will be
 - May cause registrants not to go ahead
- Some improvements to the trademark claims process under discussion in ICANN trademark clearinghouse list

Feedback

- Reed publishing
 - 4000 marks on an initial basis
 - Then defensive registrations on top of this



Feedback



- Jeff Neuman – Neustar
 - **Trademark claims**
 - 60 days allows temporary mechanism
 - Original idea to distribute the database possibly with encryption
 - If permanent need to be designed to be more reliable
 - Need to consider centralized versus distributed
 - Possible include PKI (public key encryption) in processes
 - **Going beyond exact match**
 - Blocking versus claims process
 - OK – if defined list – rather than an algorithm to identify matches
 - Trademark Claims OK – e.g **United**support
 - Blocking – could mean that one trademark “united” blocks other legitimate users of “united”

Feedback



- Bill Smith – PayPal
 - 10,000 names - \$1m to protect in new gTLDs
 - For this investment should design a better system

Feedback



- John Berryhill – Attorney
 - ICM registry (.xxx) does have a rapid takedown process
 - Believes URS can be implemented for \$300

Feedback



- Amy S. Mushahwar– ReedSmith
 - “United” let local trademark law be guide for situations where multiple companies use the same brand for different trademark classes
 - Could have a negotiation period when a rights holder seeks to block a particular name

Feedback



- **Phill Corwin – Virtualaw LLC**
 - Supports UDRP improvements across all gTLDs.
 - Need update from ICANN on URS implementation
 - Go to other providers if incumbents can't meet price point

Feedback



- Kristina Rosette - Covington & Burling LLP
 - Generally clients happy with .xxx process
 - Block was about same cost as a 10 year registration
 - Saving in administrative process
 - Rapid Evaluation Process (REP)
 - For rapid takedown in .xxx (\$1400)
 - Viable URS – is a gating function for launch of new gTLDs

Feedback on URS



- Jim Prendergast - Galway Strategy Group
 - Is it possible to transfer rights for reservations in .xxx
 - In .xxx it is permanently blocked and doesn't belong to someone
 - John response – how to deal with legitimate registration of blocked name
- Bill Smith - Paypal
 - Need to solve URS before launch
- Marilyn Cade – Chair of business constituency
 - Negative externalities
 - Consider underwriting establishment of URS and then evaluate mechanism
- Jeff Neuman - Neustar, Inc.
 - ICANN didn't do an RFP for URS providers
 - Could improve processes but still need to sanity check

Feedback on URS



John Berryhill – Attorney

- URS shouldn't require 300 words if the case is straightforward
- If takes more than 15 mins to decide – then not a straightforward case

Melbourne IT Disclaimer



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