INTERNATIONAL
OLYMPIC
COMMITTEE

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SPECIAL TRADEMARK ISSUES:
THE TRADEMARK CLEARINGHOUSE,
THE UNIFORM RAPID SUSPENSION SYSTEM &
THE POST-DELEGATION DISPUTE RESOLUTION PROCEDURE

Dear Sir/Madam,

The International Olympic Committee ("IOC") submits this letter in response to ICANN's invitation for public comment on the Trademark Clearinghouse, the Uniform Rapid Suspension System and the Post-Delegation Dispute Resolution Procedure as proposed mechanisms to address trademark protection concerns in the New gTLD Program.

I. INTRODUCTION

The IOC remains opposed to the introduction of new gTLDs as a whole. When, and if, new gTLDs are launched, the Olympic Trademarks (including the words OLYMPIC and OLYMPIAD) should be put on a list of reserved marks – just as ICANN currently reserves its own trademarks.

Nevertheless, the IOC has sought to contribute helpful information to ICANN regarding proposed trademark protection mechanisms in new gTLDs. We are pleased to see that ICANN has recognized our comments regarding *special statutory trademark protection* in the Trademark Clearinghouse as "meriting further consideration." In the IOC's continued – and qualified – effort to provide insight and information regarding trademark protection in new gTLDs, we submit the following comments:

II. COMMENTS

A. THE TRADEMARK CLEARINGHOUSE.

- ***The Trademark Clearinghouse Must Recognize Special Statutory Trademark Protection*** *(Section 4).*

A global network of special legislation, dedicated to protecting the Olympic Trademarks, reflects the unique, non-profit nature of the Olympic Movement.[1] Save perhaps the

[1] See e.g. 36 U.S.C. §22051 et seq. The Olympic Trademarks are also protected by national legislation in Argentina, Austria, Australia, Canada, China, France, Belgium, Brazil, Chile, Costa Rica, Czech Republic, Ecuador, Germany, Greece, Guatemala, Hungary, Lebanon, Luxembourg, Mexico, Poland, Portugal, Puerto Rico, Romania, Russia, Slovak Republic, South Korea, Spain, Turkey, the United Kingdom, Uruguay and Venezuela.

International Committee of the Red Cross, no other brand owner wields such international statutory protection – and certainly, no other brand owner has achieved the same degree of judicial recognition for its enhanced statutory trademark protection.[2] Thus, legislation protecting the Olympic Trademarks is truly unique in both its international scope and extensive judicial recognition.

In light of such unique protection, we strongly believe that the Trademark Clearinghouse must include a reserved names list for the Olympic Trademarks. Similarly, we believe that the Trademark Clearinghouse *at the very least* should recognize special statutory trademark protection as a basis for inclusion. For example, Section 4 could be amended to include "c) Any text mark explicitly protected by international legislation" as an additional "standard for inclusion."

In response to our continued advocacy of this point, ICANN has indicated that, "it may be difficult to identify a definitive list of such special trademarks that exist all over the world." To be clear, including the statutorily protected Olympic marks in the clearinghouse would not necessitate creation of any such "definitive list" because few, if any, other marks are similarly situated.

The contrary approach suggested by ICANN – which would rely solely on court validation for inclusion of statutorily protected marks in the clearinghouse – mistakes the unique character of special statutory trademark protection. It is a separate scheme of trademark protection that runs parallel to the rights granted through common law use or national registration. A likelihood of confusion is not a required element for infringement of special statutory trademark protection – thus, it can even be said to supersede the protection offered by regular common law use or registration.[3]

Ultimately, failure to adequately recognize statutory protection in the Trademark Clearinghouse is tantamount to ignoring the small, discrete group of non-profit entities that the special statutes are enacted to protect.

- ***Protection Must Be Mandatory For Registrations Lacking Substantive Review*** *(Section 7).*

Though "substantive review" remains undefined, new gTLD registries must not be given discretion to deny protection for trademark registrations from countries and regions that do not perform a "relative grounds examination", such as Austria, France, Germany, Hungary, Italy, Spain, Switzerland and the Office of Harmonization for the Internal Market.

If domain name speculators are concerned with "the ease by which generic words can be registered in such countries" – i.e. spurious trademark registrations – then it is domain name speculators who should bear the onus of initiating the challenge procedures recommended by ICANN. Trademark owners should not have to bear an additional

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[2] See e.g. *San Francisco Arts & Athletics, et al. v. United States Olympic Committee et al.*, 483 U.S. 522 (1987); *Deutsche Telekom AG v. Comite International Olympique*, OHIM Second Board of Appeal Case R 145/2003-2; *Benetton Group S.P.A. v. International Olympic Committee*, Court of Venice, Industrial and Intellectual Property Section, Case RG 6047/04 (2006); *Internationales Olympishes Komitee v. Alexandre SA Zurich*, Handelsgericht des Kantons Zurich, Geschafts-Nr. HE040007 (2004); *Comité National Olympique et Sportif Français v. Société Communication Presse Publication Diffusion*, Case No. 08-15-418, FS-P+B, Cour De Cassation (15 Septembre 2009); *Société Groupement d'achet Edouard Leclerc v. Comité National Olympique et Sportif Français*, Cour De Cassation (31 Octobre 2006).

[3] *San Francisco Arts & Athletics, et al. v. United States Olympic Committee et al.*, 483 U.S. 522 (1987).

burden of validation in the clearinghouse for their already presumptively valid trademark registrations.

B. THE UNIFORM RAPID SUSPENSION SYSTEM ("URS").

- ***Temporary Domain Name Suspension Is Not A Meaningful Remedy*** *(Section 10).*

The sentiment expressed by ICANN Chair Peter Dengate Thrush in Nairobi, Kenya – that "there's a real danger of [the URS] actually having been agreed and the board voting on it and us moving on ..." – is very troubling. The primary danger of approving the URS in its current form is that no meaningful remedy is provided against abusive second-level domain name registrations.

The URS, which has been aptly characterized as a perpetual game of "whack-a-mole" domain name registration and suspension, does nothing to ameliorate the untenable burden of defensive domain name registrations. Accordingly, the IOC and other brand owners have consistently advocated a meaningful remedy under the URS, such as transfer of a putative domain name or other penalties against proven serial cybersquatters. *At the very least*, subsequent registrants should receive notice of prior URS suspensions, and should bear the burden of overcoming a presumption of bad faith in order to register the same domain name.

C. THE POST-DELEGATION DISPUTE RESOLUTION PROCEDURE.

The IOC continues to lend qualified support to the Post-Delegation Dispute Resolution Procedure in principle, as a substantial step toward discouraging registry-level malfeasance in new gTLDs. Without adequate precautions, the New gTLD Program offers unbridled opportunity for prospective registries to profit from systemic cybersquatting. Accordingly, we strongly believe that the Post-Delegation Dispute Resolution Procedure must be *one of the most* robust trademark protection mechanisms instituted.

- ***Trademark Protection Provided By The Post-Delegation Dispute Resolution Procedure Must Be Robust.***

Several elements of the Post-Delegation Dispute Resolution Procedure function to ensure integrity at the registry level regarding trademark rights. Among these elements are the graduated remedies for trademark owners – including termination of registry agreements – as well as denial of panel review in instances of respondent default and provision of a "loser-pays" cost allocation model.

Domain name registries that either perpetrate or condone systemic cybersquatting pose a serious threat to brand owners and consumers. Thus, a robust Post-Delegation Dispute Resolution Procedure is required to ensure registry operator accountability.

Accordingly, the definition of "*affirmative conduct*" under the Post-Delegation Dispute Resolution Procedure must be expanded to include a registry operator's willful blindness to systemic cybersquatting. In addition, greater registry accountability may only be achieved through increased involvement by ICANN in policing registry agreements – rather than merely passing the entire onus on to trademark owners. Moreover, the Post-Delegation Dispute Resolution Procedure should be expanded to reach abusive conduct perpetrated by all ICANN contracted parties, including domain name registrars.

D. ACHIEVING COMPROMISE IN A POLICY DEVELOPMENT PROCESS.

- ***The Trademark Clearinghouse Should Consider Confusing Similarity and Foreign Equivalents*** *(Clearinghouse, Section 6).*
- ***Trademark Owners Should Not Fund The Clearinghouse*** *(Clearinghouse, Section 8).*
- ***Any Draconian "Strike" Policy Should Be Dropped*** *(URS, Section 11).*
- ***A Disjunctive "OR" Standard Should Apply To Bad Faith*** *(URS, Section 1.4(e)).*
- ***Default Cases Should Not Warrant Appointment Of A Panel*** *(URS, Section 6.3).*
- ***Proposed Defenses Send The Wrong Message And Should Be Dropped*** *(URS, Section 5.8).*

The IOC cannot agree with "the disappointing opinion that 'something is better than nothing'" when it comes to Special Trademark Issues – especially the Trademark Clearinghouse and the Uniform Rapid Suspension System.[4]

The IOC and many other brand owners have consistently contended that an ideal clearinghouse should (a) consider confusing similarity to quell the prevalence of typosquatting, (b) consider foreign equivalents in light of internationalized domain names, and (c) be funded entirely by ICANN, registry operators and registrars. ICANN has brushed these comments aside as having already been "extensively evaluated" and excluded from the current models reflecting, "compromises reached … after ample consideration."

The IOC and many other brand owners have also consistently sought fortification of the URS, including proposals such as (a) removal of any draconian "strike" policy for abusive complaints, (b) removal of proposed defenses that improperly mire and complicate a system that is intended to be rapid and clear-cut, (c) removal of panel examination in cases of respondent default to expedite the procedure, and (d) analysis of bad faith domain name registration "or" use to expedite panel examinations. Disappointingly, ICANN has also brushed these comments aside as having already been "extensively evaluated … after ample consideration." Even more disappointingly, fortification of the Trademark Clearinghouse and the URS received little, if any, attention in Nairobi, Kenya.

If trademark protection in new gTLDs is truly a *"tapestry of interwoven measures"*, and its development in the community is truly a *compromise process*, it is wholly inappropriate for ICANN to approve of a weak, watered-down clearinghouse and suspension system while also "completely rework[ing]" other trademark protection mechanisms, such as the Post-Delegation Dispute Resolution Process. In a true compromise process, a robust dispute resolution process must be considered as a trade-off for a diluted clearinghouse, a "whack-a-mole" suspension system and a discarded Globally Protected Marks List. If the former is to be "completely reworked", then any "compromises reached … after ample consideration" will be vitiated and the latter will have to be fortified in response.

Accordingly, ICANN must reconsider the deficient elements and/or disregard of the Trademark Clearinghouse, the Globally Protected Marks List and the Uniform Rapid Suspension System to provide more robust protection for trademark owners. A weak Post-Delegation Dispute Resolution Procedure necessitates strengthening the clearinghouse and suspension system. Strengthening these safeguards will likely reduce the prospective workload imposed on the Post-Delegation Dispute Resolution Procedure.

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[4] Minority Position WRT the Initial Report on Specific Trademark Issues By the Commercial and Business Users Constituency at p. 31 (11 December 2009), available at www.gnso.icann.org/issues/sti/sti-wt-recommendations-11dec09-en.pdf

Specifically, ICANN must strengthen the clearinghouse by expanding its scope to protect special statutory marks. ICANN must expand the clearinghouse's protection beyond "identical matches" to reach confusing similarity and foreign equivalents. And ICANN must also alleviate financial burdens on trademark owners by funding the clearinghouse.

In addition, ICANN must streamline the Uniform Rapid Suspension System by adopting the disjunctive standard of bad faith registration "or" use. ICANN must also remove panel examination in instances of respondent default. And ICANN must streamline the suspension system by removing the proposed defenses, as well as any "strike" policy for repeated abusive complaints.

III. CONCLUSION

Subject to the foregoing, the IOC maintains its position that ICANN's introduction of new gTLDs is inherently flawed and injurious to owners of famous trademarks – particularly non-profit trademark owners that rely in part on special statutory protection for their brands. If the new gTLD implementation does proceed, the IOC wishes to stress the need for a reserved names list of Olympic Trademarks.

Again, the IOC's recommendations should not be taken as a waiver of the IOC's right to proceed against ICANN for damages resulting to the IOC or the Olympic Movement from the implementation of a number of new gTLDs.

Yours Sincerely,

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