

Demand Media updated comments on Rights Protection Mechanisms in new gTLDs

As ICANN and the Internet community are keenly aware, one issue that continues to receive attention and refinement as ICANN progresses toward the introduction of new TLDs is the protection of trademark rights in the domain name space. All interested parties, including ICANN, the trademark constituency, incumbent registries, registrars, and potential TLD applicants, have been deeply involved in developing mechanisms designed to protect the rights of trademark holders. . We believe trademark concerns have been discussed extensively, are manageable and are being addressed in a fair and efficient manner that doesn't stifle innovation, choice and a robust domain industry. After much process, the point has now been reached where final decisions on trademark protections are ready to be made.

Trademark Concerns Have Received Extensive Consideration by ICANN

Before launching into a discussion of pending proposals and outstanding issues, we would like to emphatically state that trademark issues have received extensive discussion and debate as part of the new gTLD development process. There has been some criticism that trademark issues have only recently been considered in conjunction with new gTLDs. This is simply not the case. ICANN has paid extensive attention to trademark interests in the normal course of ICANN's policy development process. The policy development process for new TLDs has been ongoing for several years during which time intellectual property interests and ICANN's own Intellectual Property Constituency (IPC) have been closely and deeply involved in the process. Specific to the new TLD process, the issues of rights protection have been under direct and detailed consideration since the first half of 2007. The GNSO Protecting the Rights of Others Working Group (chaired by an IPC member) delivered a 114 page consensus report to the ICANN community on trademark rights protection in new TLDs. Similarly, after a further year of consideration, the IPC issued its TLD 'Perfect Sunrise' document which also addressed the issues currently under consideration. The issues, proposed solutions, and community responses on this topic are not new. What is somewhat new is the IRT and its specific recommendations (although many of their recommendations are based on these prior discussions). Since the final IRT recommendations came out in June (which were preceded by preliminary recommendations in April), there have been extensive discussions around the globe concerning these recommendations for trademark protections in new gTLDs.

After this long and detailed process involving extensive participation from all interested constituencies, good, fair and practical solutions have been developed and by and large, agreed to. We believe the ongoing GNSO process should be the final review. Decisions regarding the DAG trademark provisions should be finalized and now is the time to make decisions and move on. We are almost there; let's cross the finish line!

The Current Draft Applicant Guidebook For New gTLDs Includes Trademark Protections

It is important to note that even with no further modifications to the Draft Applicant Guidebook (DAG), trademark interests will have more protection in new TLDs than exist in .COM and other gTLDs. For example, the current DAG already has in place significant trademark protections,

including mandatory participation in the UDRP, mandatory top level legal rights objection, mandatory requirement that applicants detail measures to reduce abusive registrations, and mandatory centralized, and thick whois for registries.

Additional Trademark Protections Should be Adopted by ICANN Making New gTLDs Much More "Safe" for Trademarks than in Existing gTLDs

As we are all aware, the ICANN established "Implementation Recommendation Team" or "IRT" made recommendations last June for even stronger and more efficient protection of trademarks in new TLDs. We participated in the IRT process and applaud the IRT for its hard work and support several practical IRT recommendations.

For example, we support the recommendations for 1) an ICANN contracted, centralized database of trademark information, a "Trademark Clearinghouse," that must be used by registries, 2) a mandatory "sunrise" period prior to the public launch of a new gTLD which offers Trademark owners the opportunity to make an "IP claim" on domain names containing their trademarks or purchase domain names they are "entitled" to because of their trademarks, and 3) the Uniform Rapid Suspension ("URS"), a new, faster and cheaper procedure to "take down" a domain name that is violating a trademark owners rights.

We continue to support these new "rights protection mechanisms ("RPM")" because they are workable, fair, and will be a significant improvement over the protections and remedies trademark holders currently have in other gTLDs.

It is Time for the Current GNSO Deliberations to Reach a Conclusion

We are also well aware that the ICANN Board of Directors sent a letter to the GNSO Council Members on October 12th regarding trademark issues and new gTLDs. Specifically, the Board requested the GNSO's view on whether certain rights protection mechanisms recommended by staff (specifically, the Trademark Clearinghouse and the URS) are "consistent with the GNSO's proposed policy on the introduction of new gTLDs and are the appropriate and effective option for achieving the GNSO's stated principles and objectives."

We believe the Trademark Clearinghouse and the URS are consistent with the GNSO's proposed policy on the introduction of new gTLDs.

Regarding the Trademark Clearinghouse, we continue to believe it will act as a logical and effective method to implement other rights protection mechanisms in new gTLDs, such as sunrise, IP claims and URS. The Clearinghouse could be administered by two contractual providers, one in charge of database administration and one with data validation. The provider(s) should be independent but subject to oversight from ICANN. It is important to note that the Clearinghouse will be a storage facility and not a policy determination facility. It will be a database that simply accumulates and organizes the data that it is directed to by ICANN. The bottom line with the Clearinghouse is that it will bring needed efficiencies to an RPM regime for new gTLDs. The GNSO should endorse it and ICANN should get to work right away on implementation.

Regarding the URS, we've long supported a new rapid takedown process for clearly infringing domain names. The GNSO should report back to the ICANN board with a recommendation for a mandatory and effective URS process for cases of blatant infringement – with proper safeguards, including a reasonable fee per claim, to deter abuse. In order to maximize its benefits, we believe all registries should be required to participate in the URS process.

We are amenable to “tighter” language defining a proper URS claim to deter abuse and ensure the URS is limited to cases of obvious infringement. However, we believe it is time to close off debate concerning the terms of the URS and decide the final details.

We do not support the DAG 3 version of the Post Delegation Dispute Resolution Procedure:

The third version of the DAG contains troubling new language and procedures for a “post delegation dispute resolution procedure” or “PDDRP” by which trademark holders or other “aggrieved” parties can seek redress against a registry they allege is violating their intellectual property rights and/or is violating its agreement with ICANN. The way in which this RPM is currently crafted could unduly jeopardize the viability of a legitimate registry and in the process, could harm legitimate registrants as well. We are concerned about this proposed RPM taking contractual compliance outside the purview of ICANN and creating “rights” and “remedies” that are beyond those offered in law or as part of an ICANN-registry contract.

We do not believe there will be the need for PDDRP at the top level because it is highly unlikely, for example, that a .APPLE fruit registry will lie to ICANN about its purpose during the application process and risk all of its investment by operating the registry in a manner that exploits the trademarks of Apple, the electronics company. On the second level, if the goal is to stop “rogue” registries from harvesting names, engaging in serial cybersquatting, etc., then the language must be clear that the registry has to actively participate in such conduct and is not vicariously liable for the actions of independent third parties.

Conclusion: Now is the time to move forward with effective RPMs and new gTLDs

Between the provisions that are already in the DAG and the fact that ICANN is likely to adopt significant portions of the IRT recommendations for trademark protections, we believe it is indisputable that this combination of requirements that will apply to registries operating new TLDs will far surpass the trademark protections available in current TLDs. And, many of the new registries are building-in additional protections, including proactive policing and takedown measures, adopted from successful ccTLD policies. Thus, trademark owners and others who are concerned about cyber and typo squatting and spam, phishing, pharming, and other forms of abuse (as we are) should welcome new TLDs and the rules that come with them. We believe trademark concerns can, and are, being managed within the new gTLD process.

The remaining RPM questions are close to resolution. The bottom line is that the GNSO should provide its input and we should move on to the implementation stage. Much like any law, treaty or regulation, there will be some issues worked out once a new program or rules are actually used. We should not delay gTLDs indefinitely to meet an unrealistic desire to get everything

perfect prior to launch. A tremendous amount of good and useful work has been done to date and we believe it is time to move forward with better RPMs and the launch of new gTLDs.

Sincerely,

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