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Comments of COALITION FOR ONLINE ACCOUNTABILITY

January 26, 2010

The Coalition for Online Accountability (COA) welcomes this opportunity to comment on the recommendations of the Special Trademark Issues (STI) review team. See http://www.icann.org/en/public-comment/#sti.

COA consists of eight leading copyright industry companies, trade associations and member organizations of copyright owners. These are the American Society of Composers, Authors and Publishers (ASCAP); 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 an active participant in the GNSO Intellectual Property Constituency and has engaged fully in the debates over the introduction of new gTLDs.

Once again, a small and diverse team of volunteers, working under intense time pressures, has achieved a high degree of consensus on constructive recommendations, and has rendered an important service to ICANN and to the entire community. If the STI recommendations are fully adopted and effectively implemented in the context of a launch of new generic Top Level Domains (gTLDs), they will mark some progress toward increasing the chance that this launch will actually benefit consumers, and reducing the likelihood that the launch will have a pervasive detrimental impact on them. However, the STI's work must be viewed in context. Its recommendations are a far cry from constituting an adequate resolution of even the range of trademark-related issues arising from ICANN's proposed new gTLD launch, much less all the other unresolved issues that must be adequately addressed before the new gTLD application window opens.[1]

The STI recommendations strengthen and clarify two important points that were left ambiguous in the Implementation Recommendation Team (IRT) report that was completed last May. First, all new gTLD registries will be <u>required</u> to use the Trademark Clearinghouse (TC) to support pre-launch rights protection mechanisms (RPMs). STI Recommendations, TC, item 5.1.

[1] These unresolved issues include, but are by no means limited to, those that have been identified by ICANN staff as "overarching issues."

Second, all new gTLDs will be required to support the new Uniform Rapid Suspension (URS) procedure. Id., URS Procedure, item 1.1. COA is pleased to note that support for both these mandates was unanimous among all the entities represented on the STI Review Team.[2] This reflects an important milestone in the evolution of the new gTLD process. However, this milestone is located near the beginning, not at the end, of the path toward a new gTLD rollout that provides adequate safeguards against intellectual property infringement and resulting injury to the consuming public.

The remit of the STI review team was extremely narrow. The GNSO council charged it primarily with reviewing "the ICANN staff proposed models for the implementation of the trademark clearinghouse and uniform rapid suspension model." STI Recommendations, pages 27-28 (GNSO resolution). While it might have been possible for the STI review team to consider "whether a consensus can be reached on …. other proposals for the protection of trademarks in the new gTLD program," id. at 28, its extremely short lifespan virtually ruled this out. What the STI review team has done is to tweak the IRT proposals for the TC and the URS to arrive at a formulation that all constituencies could accept as a mandatory feature of the new gTLD rollout. This is a significant accomplishment, but its significance must be precisely understood. In effect, all STI team members agreed that these provisions were necessary to protect the rights of brand owners and the public interest in preventing consumer confusion in the new gTLDs. However, there was no consensus that these two mechanisms were sufficient to advance those goals. COA, and many others, are convinced that they are far from sufficient.[3]

While COA supports the general thrust of the TC and the URS as spelled out in the STI recommendations, several of our previously expressed concerns remain unresolved. These include:

- Defraying the cost of establishing and operating the TC. The STI recommendations state that "costs should be completely borne by the parties utilizing the services. ICANN should not be expected to fund the costs of operating the TC." STI, TC, item 10.1. COA disagrees. 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 new gTLD registries as a cost of doing business.

- What marks can be submitted to the TC. COA agrees with the IPC statement that "the protections provided by new gTLD registries, at a minimum, should include all registrations of national or multinational effect." STI recommendations, at 40 (IPC

[2] A BC Minority Position is referenced in the "Level of Consensus" column regarding TC item 5.1. But the Business Constituency did not object to making the TC mandatory for all new gTLDs. Its objection is to the fact that only pre-launch rights protection mechanisms are required, and registries are not mandated to consult the TC before accepting registrations made after launch. As noted in the text, COA shares BC's concern that mandatory RPMs should not be restricted to the pre-launch phase.

[3] COA's views on the additional mechanisms that are needed have been repeatedly communicated to ICANN and to the public, and will not be repeated here. See, e.g., http://forum.icann.org/lists/irt-final-report/msg00188.html (comments on IRT final report); http://forum.icann.org/lists/irt-draft-report/msg00037.html (comments on IRT draft report); http://forum.icann.org/lists/gtld-guide/msg00148.html (comments on DAG v.1).

minority statement). Accordingly, it would be inappropriate to allow registries to "pick and choose" between some such registrations and others on the grounds of the adequacy or "substantiveness" of national examination of trademark applications. Thus, item TC 5.2 of the STI recommendations needs substantial revision.

- Applicability of the TC to post-launch rights protection mechanisms. COA supports in principle the concept that all new gTLD registrations, not just those occurring before the official launch of the TLD, should be compared with claims in the TC, and registrants should receive a cautionary notification, along the lines spelled out in the STI recommendations, item TC 8.1, when there is a match. Accordingly, we question item 7.1 of the TC section of the STI recommendations, which states that "use of the TC database to support post-launch TM claims shall not be required." While we recognize that such a post-launch claims procedure might not be needed for every new gTLD, in many cases the rights protection regime will be inadequate without it. The position of the At-Large Advisory Committee – that requirements for post-launch IP claims services deserve further consideration – seems reasonable. See STI recommendation at 39.

- URS is vital. COA continues to strongly support an expedited takedown mechanism for clearly abusive domain name registrations. At least so long as the required pre-launch mechanisms are limited to exact matches between registered marks and domain name registrations, such an enhanced post-launch remedial system is indispensable. Its cost-effectiveness could be improved if a loser-pays system were instituted, at least for situations in which a successful URS claim is brought against a relatively high-volume registrant.

COA appreciates ICANN's consideration of its views.

Respectfully submitted,

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