



European Communities Trade Mark Association



Comments of MARQUES, the Association of European Trade Mark Owners and ECTA, the European Community Trade Marks Association on the trademark clearinghouse.

1 April 2010

Introduction

ECTA and MARQUES appreciate the opportunity to comment on Proposal for Trademark Clearinghouse Revised – February 2010.

About MARQUES and ECTA

ECTA is the European Communities Trade Mark Association. ECTA numbers approximately 1500 members, coming from the Member States of the European Union, with associate members from all over the world. It brings together all those persons practising professionally in the Member States of the European Community in the field of trade marks, designs and related IP matters.

MARQUES represents trade mark owners across Europe who together own more than two million domain names (a conservative estimate). These domain names are relied upon by consumers across Europe as signposts of genuine goods and services.

Nature of the trademark clearinghouse

We agree with the view expressed by ICANN Board Member, Mike Silber, in Nairobi when he said:

“We now understand that the Trademark Clearinghouse is not a rights protection mechanism but rather it’s an automated database against which verification can take place, either for Sunrise registrations or for IP Claims”.

We attach to these comments a schematic of how a Trademark Clearing House could work which we previously submitted, as we believe it makes this distinction clear.

Types of trademark rights for inclusion

ECTA and MARQUES have previously submitted comments¹ that included concerns over proposals to limit the inclusion of marks in the trademark clearinghouse to registered trademarks or court validated common law marks.

¹ <http://forum.icann.org/lists/sti-report-2009/pdf134B3TEsa6.pdf>

Discussions in Nairobi suggest that confusion remains on this point. Accordingly, we recommended that ICANN asks the World Intellectual Property Organisation (“WIPO”) to give a recommendation on this matter. We make this suggestion, in particular, because of the findings of the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) of WIPO.

The SCT is a WIPO forum, open to all Member States of WIPO or the Paris Union for the Protection of Industrial Property, to discuss issues, facilitate coordination and provide guidance concerning the progressive international development of the law of trademarks, industrial designs and geographical indications, including the harmonization of national laws and procedures. The SCT submits its recommendations and policies to the WIPO General Assembly for approval.

The WIPO SCT found as follows regarding the “Relation Between Opposition and Examination Procedures”² (our emphasis added):

*“The combination of various trademark examination and opposition procedures presents a variety of options that follow established legal traditions and administrative practices. **The SCT does not consider any of the existing approaches to constitute a preferred model.** However, the SCT considers that factors such as procedural economy, timeliness of decisions, transparency of the examination procedures, and the safeguarding of third party interests should be guidelines to be followed by trademark administrations in implementing opposition procedures.”*

Therefore, we recommend that the trademark clearinghouse should hold registered, court validated and common law rights insofar as the country from which a request for inclusion in the trademark clearinghouse originates protects such rights. The existence of a trademark right in the trademark clearinghouse does not necessarily mean that the trademark owner should be eligible for the rights protection mechanisms operated by registries.

Pre-launch Rights Protection Mechanisms offered successfully by current TLDs (including .eu, .mobi, .asia, .tel, etc.) have demonstrated clearly that it is possible for operators to validate different types of rights including:

- Word marks;
- Device marks (where the textual elements are not generic terms and are presented in a prominent manner);

² Published at Annex, page 2, “Area of Convergence No. 2” – see http://www.wipo.int/edocs/mdocs/sct/en/sct_20/sct_20_3.pdf

- Designations of origin;
- Geographical indications; and
- Unregistered rights including famous personal names (if protected in country of origin).

Accordingly, we recommend that the trademark clearinghouse accept all of the above without discrimination.

Minimum standards

In tandem with this, we believe that the Rights Protection Mechanisms, including sunrise and IP claims programmes, operated by the owners of new gTLD registries should be subject to a set of minimum standards. Evaluators should assess the standards during the application process to ensure they are appropriate to each specific type of registry and its purpose.

To minimise cyber squatting, we recommend that sunrise and IP claims procedures be wider than just "identical matches". We believe it is easy to include plural and obvious typographical variations and recommend this.

We encourage ICANN to allow registry operators, if they so wish, to operate IP claims services across the life of the registry, as this will deter cyber squatting. We would like ICANN to award additional points in the evaluation process for the adoption of such IPR protection measures.

Globally Protected Marks list (GPML)

We would also like to see ICANN give further consideration to the creation of a Globally Protected Marks list (GPML), as recommended in the IRT report³, for at least the first round of the new gTLD procedure.

ICANN could appoint a team to produce such a list using criteria that the current .co (Colombian) re-launch is using, such as:

1. The number of trademarks registered by mark holders;
2. If the trademark has been used in the context of previous sunrise processes;
3. Whether the brand has a history of being the subject of cyber squatting;
4. If the brand has been cited as a "famous and well-known" trademark;
5. Whether the trademark has been registered as a domain name across multiple TLDs; and
6. Web site rankings.

³ <http://www.icann.org/en/announcements/announcement-4-29may09-en.htm>



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Operator of the trademark clearinghouse

We are not in favour of the trademark clearinghouse operator being a party that is currently under contract with ICANN (including registry operators, registrars or, especially, any agency that will be involved in the evaluation of applications).

We are not in favour of “ancillary services” being provided by the trademark clearinghouse operator; although we do believe the operator should be allowed to support ccTLDs in rights protection mechanisms if requested.

Whilst as a matter of principle, we do not believe that the operator should use data gathered in the operation of the clearinghouse without the owner's consent, the reality will be that much of the data that it gathers will be derived from public sources, such as official trademark registers.

Conclusion

Subject to these comments, ECTA and MARQUES support the proposals for a trademark clearinghouse.

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How A Trademark Clearinghouse Might Work

Some diagrams and notes on how a Trademark Clearinghouse could work.
A discussion document prepared for the Intellectual Property Constituency, November 2009



Disclaimer: This information has been prepared by Nick Wood of Com Laude. Nick Wood was a member of the IRT and has consulted for a number of registry operators on Pre-Launch Rights Protection Mechanisms. The model described here is just one of the ways that a Clearinghouse could work. Any errors are the responsibility of Nick Wood. Contact nick.wood@comlaude.com with any questions or comments.

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Submission of IPR validation/authentication requests to the Trademark Clearinghouse

Example 1

Owner of registered trademark featuring ASCII characters only submits IPR validation request plus certified copy of trademark certificate plus fee via web interface.

Via web interface

Example 2

Owner of unregistered right (e.g. a shop owner in Chile or South Africa who has a protected Trade Name) submits IPR validation request, together with form confirming the existence of the right, countersigned by local attorney plus electronic evidence of the existence of the right plus fee via web interface.

Via web interface

Example 3

Accredited registrar representing registered rights owner applying on the basis of a logo/device mark submits IPR validation request, plus certified copy of the trademark certificate plus fee via EPP / XML.

Via EPP or XML



Example 4

Accredited registrar representing an unregistered rights owner (e.g. a Trade Name as protected in 173 countries under the Paris Convention) submits IPR validation request, together with form confirming the existence of the right, countersigned by local attorney plus electronic evidence of the existence of the right plus fee via EPP / XML.

Via EPP or XML

Example 5

Attorney representing a registered rights owner applying on the basis of a trademark filed in Korean at the Korean Patent & Trademark registry submits IPR validation request plus certified copy of the trademark certificate (which will also be in Korean) plus fee via web interface.

Via web interface

- i. All forms downloadable/uploadable from site of Clearinghouse using web interface or EPP.
- ii. IPR validation requests submitted on the basis of an Unregistered or Common Law Right will only be accepted if the country where the applicant is based accepts Unregistered or Common Law Rights.
- iii. An applicant may be required to submit hard copy information supporting an IPR validation request. For example, in cases of IPR validation requests based on unregistered rights such as Trade Names as protected under the Paris Convention (see listing of 173 countries at www.wipo.int/treaties/en/ShowResults.jsp?treaty_id=2), hard copies of materials showing use of the right (e.g. brochures, advertisements) perhaps counter-signed by a local attorney could be required.
- iv. IPR validation requests can be submitted at any time but order of submission / receipt does not bestow any advantage. Validation Agent authenticates requests based on registered rights directly at

Patent & Trademark Offices as far possible as third party databases can be out of date.

- v. Clearinghouse will process and validate any number of IPR validation requests for a character string that has different owners in different classes of goods or services or different jurisdictions. The Clearinghouse does not operate first come only served policy.
- vi. Acceptance of an IPR validation request by the Validation Agent does not grant any right. The Validation Agent does not award any domain name registrations. The Validation Agent verifies the existence of a right and its ownership, accepting liability for accuracy: The Validation Agent guarantees that an IPR validation request that is approved for entry into the Data Centre was accurate at the time when validated.

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IPR validation requests are authenticated by Validation Agents within the Trademark Clearinghouse

IPR validation requests submitted by:

- Registered rights owner →
- Unregistered rights owner →
- Registrar →
- Attorney →



Each IPR validation request given unique case number →

Case passed to Validation Agent who authenticates the details of the IPR validation request

Validation Agent may contact applicant or applicant's agent for additional information

A Validation Agent employed within the Validation Centre who is expert in trade mark law will authenticate the following details of each application (non-exhaustive list):

i. IPR Details:

Type of right in so far as it is protected in the country from which the IPR validation request originates (word mark; device mark; designation of origin; geographical indicator; type of unregistered right such as Trade Name); Application and registration date for trademarks; Incorporation date, date of establishment etc. for unregistered rights; NICE Classification; registration number at a PTO etc.

ii. IPR Owner:

Name of owner; address; country; admin contact; other contact information (email; telephone).

iii. Authorised Users:

Trademark licensee; parent company; subsidiaries

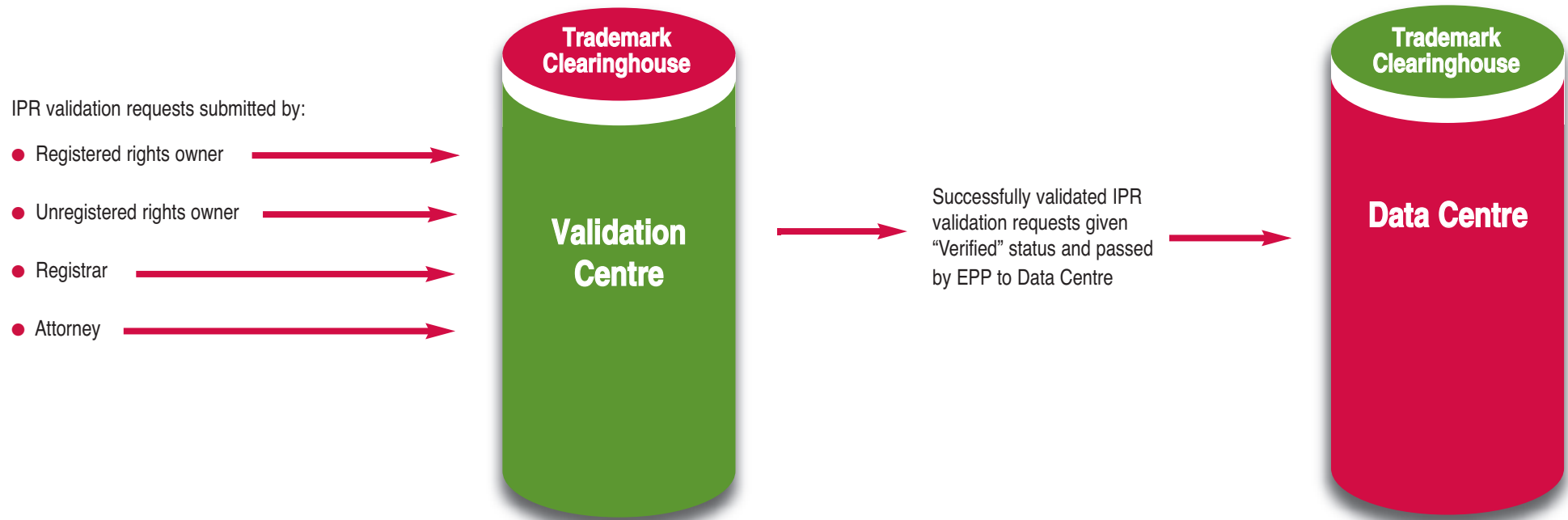
iv. IPR Evidence:

Evidence of trade mark registration; evidence of use of right; evidence of incorporation or establishment; evidence type of unregistered right exists in country of applicant; bona fides of attorney certifying existence of a right.

The Validation Agent will also inform the applicant or the agent of the applicant who submitted the IPR validation request if any hard-copy evidence is required. A key role of the Validation Agent is to assist applicants who submit IPR validation request that are ineligible through administrative errors to correct these errors.

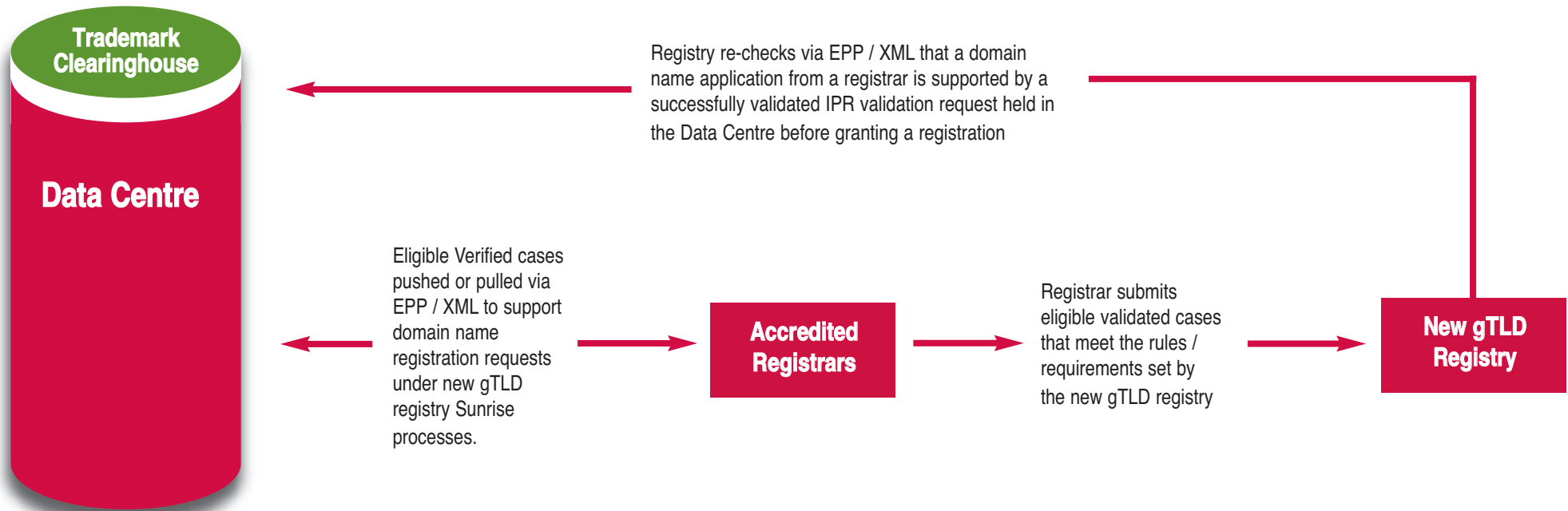
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IPR validation requests that have been authenticated are passed from the Validation Centre to the Data Centre



- i. Data Centre is secure, stable and must be available 24/7.
- ii. The Validation Centre communicates with Data Centre by EPP or XML.
- iii. The Data Centre awards each successfully authenticated IPR validation request a unique reference code that identifies the term and its owner.
- iv. A successfully validated IPR validation request in the Data Centre can be locked to a registrar.
- v. The Data Centre escrows its data and can also distribute to registry operators and registrars information on successfully validated IPR validation requests that relate to them. This helps to minimise single point of failure risk.
- vi. Details of each IPR validation request that is approved and passed to the Data Centre could be published in a "WhoHas" database so that 3rd parties can verify whether the IP right complies with the registration requirements / Sunrise rules of a particular registry where the validated request has been used.

Authenticated cases stored in the Data Centre are pushed to / pulled by registrars in order to submit registration applications to new gTLD registries



- i. Each new gTLD registry defines its own rules of eligibility and the Rights Protection Mechanisms it prefers.

Common options are:

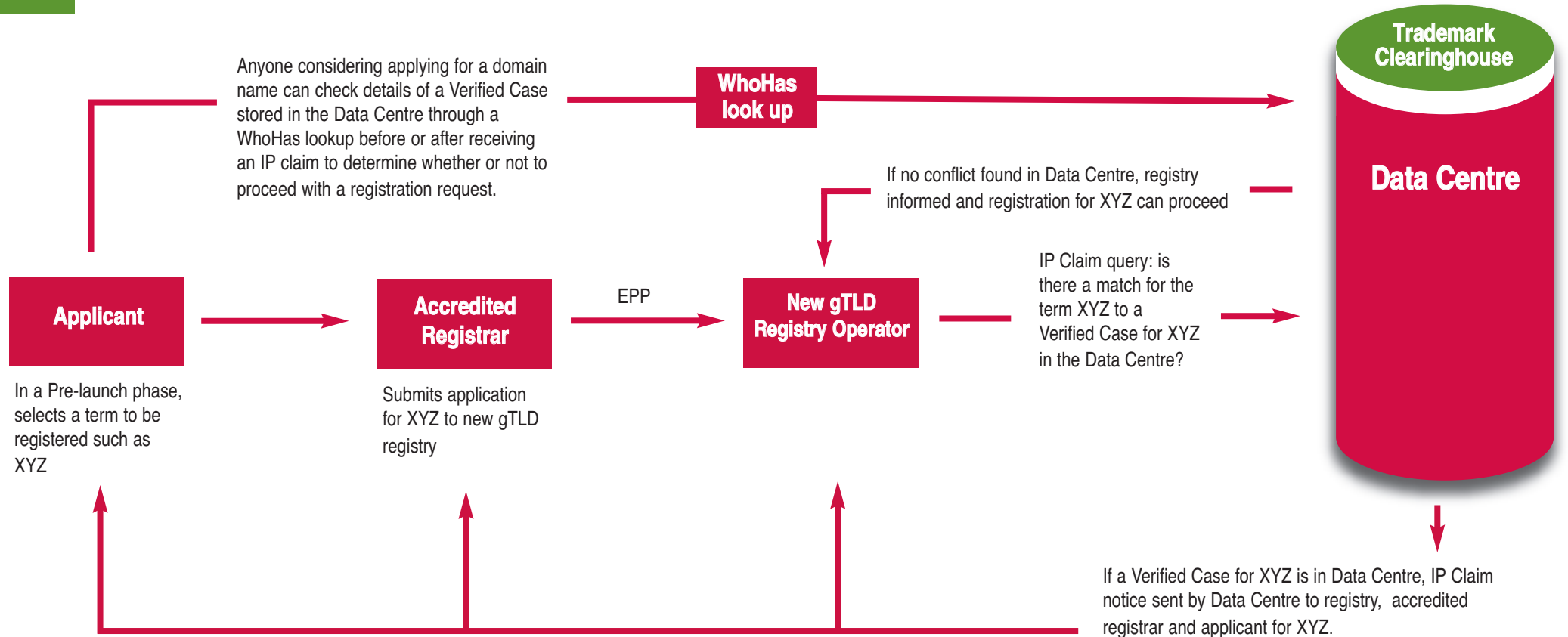
- 1st Past Post Sunrise for registered rights owners
- 1st Past Post with phases for registered and unregistered rights owners
- A Sunrise for rights owners with auctions held between eligible applicants who competed for the term.
- A Round Robin Sunrise accepting one application from each registrar that chooses to participate in a Sunrise in turn
- An IP Claims Service

(For detailed analysis of how each of these mechanisms has been used in previous TLD launches, see "A Perfect Sunrise" produced by IPC in June 2008, now available from the ICANN website at <http://www.icann.org/en/topics/new-gtlds/perfect-sunrise-jun08-en.pdf>).

- ii. The operator of the Trademark Clearinghouse (especially the Validation Centre) could be required to advise prospective new gTLDs on matters of policy pertaining to pre-launch RPM.
- iii. Neither the operators of the Validation Centre or the Data Centre set the rules that a registry follows. Nor does the Trademark Clearinghouse decide who gets a domain before any other party. The Clearinghouse simply removes cost from the process for rights owners who do not have to submit the same information time and again to different registries and different validation agents. Unregistered rights can only be allowed from jurisdictions where they are recognised under local law. The Validation Agent can maintain a public list of these jurisdictions and a non-exhaustive list of the types of unregistered rights that are acceptable in each jurisdiction.

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The Data Centre supports the IP Claim Process



i. An IP Claim does not prevent an applicant from registering a domain name. It simply informs the applicant that following a successfully validated IPR validation request, a verified trade mark right on the applied for term exists in the Trademark Clearinghouse Data Centre. The aim of the IP Claims Service is to help parties to avoid disputes. The recipient of an IP Claim may choose another term that avoids conflict or, satisfied that there is no conflict because of jurisdictional differences or intended use of the term, may proceed. The wording of an IP Claim notice must be very clear to minimise any chilling effect.

ii. It is important that IPR Validation requests that are successful and are entered into the Data Centre are revalidated annually. This could be a self-certification process, with at least one third of the all self-certifications being rechecked directly at the registries or through contact with owner of the right.

iii. Access to the WhoHas should be configured to deter data mining. Ideally only the details of a particular case or term can be checked.


Trademark Clearinghouse
Validation Centre
What it does:

- Authenticates intellectual property rights through research e.g. directly at trademark offices (registered rights) or through review of other sources for unregistered rights such as lists of registered trade names in countries where these are protected
- Help applicants to correct administrative mistakes in an IPR validation request
- Gives each IPR validation request it finds to be current and correct a unique case number and "Verified" status
- Accepts liability for awarding "Verified" status
- Passes "Verified" cases to the Data Centre by EPP / XML
- Revalidates e.g. 50% of "Verified" cases in the Data Centre every year

What it will not do:

- Prioritise or bestow any advantage on any request for validation
- Reject an IPR validation request because the same term owned by another party has already been validated
- Disadvantage any IPR validation request because it is in a non-ASCII script
- Award domain name registrations


Trademark Clearinghouse
Data Centre
What it does:

- Holds all IPR validation cases that have been given "Verified" status by the Validation Centre
- Awards each "Verified" case a reference number that identifies term and owner
- Stores copy of database in Escrow
- Operates a "WhoHas" database lookup so the records in the Data Centre can be checked by any third party
- Supports any Accredited Registrar by providing a case reference number for the registrar to use in a registration request; or pushes lists of "Verified" cases that meet eligibility requirements of a registry to that registry
- The Clearinghouse will save registrants from paying for the same data to be validated over and over at different registries for multiple fees. It ensures consistency. It can support any type of pre-launch rights protection mechanism from a Sunrise to an IP Claims Service, as selected by any registry.
- Supports the IP Claims process by sending out IP Claims when a third party applies for a "Verified" term stored in the Data Centre

What it will not do

- Award domain name registrations
- Prioritise any "Verified" case over another
- Disadvantage any "Verified" case because it is in a non-ASCII script
- Support front-running