

MarkMonitor welcomes this additional opportunity to comment on the Trademark Clearinghouse ("TC") as part of ICANN's expansion of the Generic Top-Level Domain (gTLD) space. These are our fourth set of comments on the subject of the Trademark Clearinghouse (IP Clearinghouse in the IRT Draft: <http://forum.icann.org/lists/irt-draft-report/pdfq4JezKKNYG.pdf>, IP Clearinghouse in the IRT Final Report <http://forum.icann.org/lists/irt-final-report/pdfN6xQUlg3zZ.pdf>, and TC in the STI Proposal: <http://forum.icann.org/lists/sti-report-2009/pdf7ttLjE5DSS.pdf>). MarkMonitor hereby incorporates its previous comments herein to this set of comments by reference.

Although not regarded as a traditional Rights Protection Mechanism, the TC (previously known as the IP Clearinghouse) was originally designed by the Implementation Recommendation Team (IRT) as a means of reducing costs for brand holders in the introduction of the generic top-level domains (gTLD's). MarkMonitor, however, is concerned with the potential high annual registration cost that may be required by the TC and that the TC as described offers no protection or monitoring beyond sunrise.

In our earlier comments, MarkMonitor advocated that the TC be expanded to include common law marks. The new version of the TC still does not incorporate common law (C/L) rights (other than C/L rights that are court-validated). Extending protection to common law marks that are substantively authenticated would facilitate uses of the TC contemplated by the IRT Report to streamline the offering and evaluation of proof in other rights protection mechanisms, such as the UDRP (and other domain name dispute resolution policies) and URS, that allow claims for relief based on common law rights. In addition, as we have stated in the past, a number of registries have allowed priority registrations on broad C/L marks during their Sunrise Period. Without this IP right incorporated into the TC database, the cost to brand rights holders will likely increase if a registry (that is allowing C/L rights during its Sunrise Period) has to create a separate process around the validation and authentication of non court-validated C/L marks. These costs will clearly be minimized if the registry need only pull that information from the TC database.

The TC also continues to require only identical matches¹. This is a significant detriment to brand holders given that most cybersquatters or typosquatters seek to register similar

¹ Identical Match" as defined by Section 4.3 of the Recommendations means "that the domain name consists of the complete and identical textual elements of the Mark. In this regard: (a) spaces contained within a mark that are either replaced by hyphens (and vice versa) or omitted, (b) only certain special characters contained within a trademark are spelt out with appropriate words describing it (@ and &.), (c) punctuation or special characters contained within a mark that are unable to be used in a second-level domain name may either be (i) omitted or (ii) replaced by spaces, hyphens or underscores and still be considered identical matches, and (d) no plural and no 'marks contained' would qualify for inclusion."

or misspelled names.² If the purpose of the TC is to assist the brand rights holder in reducing the need for defensive registrations then the TC falls wholly short of affording that protection. While we recognize that the amount of information entered into the TC may become overwhelming, there may be ways of limiting that information (perhaps each registrant can be limited to set number of similar names per registration or at a minimum, a match should include plurals of and domain names containing the exact trademark). Even this small step can save brand holders a significant amount of money in time and expense.

In addition, given the operational mandates in the STI document and the amount of information that will need to be stored, the cost to the registrant will not be de minimis. Therefore, in light of the two licensing models described in the STI Report, MarkMonitor would suggest that if a registrant opts to have his/her information used for ancillary services then a lesser price should be charged.

Moreover, although the TC lessens the burdens on registries and registrars to capture and validate information, there are no price caps on how registries and registrars can charge brand holders during the sunrise period. During this sunrise period, registrants will sign up for programs with registrars that will allow them an optimal chance of getting their domain name.³ The registry will charge a fee for accessing the information in the TC database. This fee will then be added to any cost that will be charged by the registry for the set up and provisioning of the sunrise process, and the corresponding registrar will further increase this fee. Presumably, the cost charged by the registry will be less given that there will be less work required by the registry in the capture and validation of a trademark unless a different type of IP (common law rights) is involved. However, the TC does not establish any price caps nor is it funded (either all or in part) by ICANN, so it is mere speculation as to what amount the registry will charge. Given this scenario, it is difficult to see how the TC will save the brand holder money at this time and, it is conceivable that brand holders will not benefit from the cost savings that they enable other stakeholders.

MarkMonitor therefore urges ICANN to establish adequate price controls in order to prevent registrants from paying an unreasonable sum for the right to register with the TC and for the reintroduction of features that will reduce costs post-sunrise.

² MarkMonitor also believes that the trademark notices and watches should extend beyond the Sunrise Period on identical and non-identical matches.

³This right has cost registrants thousands of dollars in the past; often times without ever obtaining the desired registration.