

Comments regarding the [“Trademark Clearinghouse Requirements September 2012”](#)

The ICANN model makes the TMCH process unnecessarily complex. Instead, we fully support the model proposed by the community for the following reasons:

- The community developed alternate model meets the IRTP requirements
- The community developed alternate model is sustainable for long-term implementation (extended claims service)
- There is consensus approval of the model from the Registries and Registrars (those that must deliver the TMCH to the market)
- The community developed alternate model makes supporting a block list more feasible
- It will be less expensive than the ICANN model for all users.

We note that ICANN staff has failed to include community input in its current proposal. We are concerned that legitimate and valuable input from the community remains unaddressed. Thus far, ICANN:

- Has made decisions without collaborating with community stakeholders to adequately discuss the pros and cons of different approaches;
- Has not released documents [formally requested by the RySG](#);
- Has not responded to questions about the contract and development of the program;
- Has posted for public comment a series of documents that have yet *to include any of the work done by the community*.

Representatives of the Registries and Registrars have publicly stated their deep concern that should the ICANN TMCH Implementation Model fail to account for their technical, functional, and business requirements, the TMCH program might be subverted and/or abandoned by Operators, leading to a complete failure of the TMCH program along the lines of Digital Archery.

In order to retain the multi-stakeholder development of the new gTLD program, the final model must consider the Registrar and Registry technical community. Even the most recent statement (tmch-comments-alt-proposal-8oct12.pdf) from ICANN “With the discussion re-focused around a system that does not include a live query element, we are prepared to move forward with this collaboration and propose the following next steps” indicates top-down decision making is still being made. If the TMCH provider cannot support a live query element, a new provider should be selected.

The TMCH program was meant to lessen the costs and burdens of Sunrise. The proposed model is unnecessarily complex, introduces excessive burdens, and will be more expensive than traditional Sunrise methodologies.

Sunrise Implementation

Lack of access to trademark specific Registrant details will inhibit Registry operations.

Sunrise registrations are an application for a domain name that contains a trademark. In the proposed ICANN model, Registrants will provide a code created by the TMCH that proves the requested domain is valid for Sunrise registration. The Registrant does not provide any trademark details (class, jurisdiction, date of registration, etc.).

In reality, Registry Operators need to collect trademark details. These details enable them to prioritize allocation of domain names based on Registry policy such as location, class, etc. The ICANN TMCH model does not allow for the Registry to have that information. The reason given by ICANN is that there are privacy concerns about a Registry holding a complete list of marks. Yet, during the claims service, the Registry Operator will store local copies of this exact same information (see page 43, Trademark Clearinghouse Requirements September 2012).

If it implements the current model without listening to the near-unanimous consensus of the Registry and Registrar technical community, ICANN is essentially mandating a particular kind of rights protection, and saying that others are not worth considering. Not having trademark details available during Sunrise will make it impossible to provide intelligent customer support or to make decisions about domain allocation based on the differing rights protection models of different TLD.

One suggested solution presented at the Brussels summit to this problem would be for the Registry Operator to work with the TMCH provider to create groups of marks that meet Registry policy criteria. Since they hold the data, the TMCH provider would make the decision regarding which marks fall into the groups created by the Registry, and then issue codes based on those parameters.

For example, for the .shoe Registry, the Operator would give priority to all marks in the relevant class. The Registry Operator should be able to make that decision per Sunrise registration, rather than depend on the TMCH provider to group the marks properly (classes including shoes may vary by jurisdiction), and have no way of verifying if the TMCH Provider made the groups correctly. This solution directly contradicts the consensus policy that the TMCH provider would not make judgments about trademark rights.

It is necessary to prioritize Sunrise applications based on trademark details. The proposed ICANN solution:

- Removes decision making capabilities from the Registry,
- Forces the TMCH provider to make decisions about eligibility,
- Is outside of the scope of the proposed work to be performed by the TMCH provider,
- Will significantly increase costs,
- Removes the capability for the Registry Operator to check for accuracy.
- Introduces delay (where each Operator must independently request of the TMCH provider to create new groupings of codes based on the Registry Operator's criteria)
- Makes it impossible for the Registry to publish Sunrise information in the WHOIS.

Use of Sunrise Codes burdens registries and constrains mark holders.

The proposal states that every entry into the TMCH will have a unique code to be used for verification for every TLD in operation. The Registry Operator downloads a dataset of codes; these codes are then used for validation of domain registrations. The creation and maintenance of many multiples of nondescript codes unnecessarily increases data security burdens, impedes the Registry Operator's ability to support Registrars and Registrants, and introduces an excessive burden to develop and build out supporting infrastructure.

The proposed model does not allow the TMCH database to be made available as required by the AGB.

The proposed model does not allow for the TMCH database to be queried by trusted partners and eventually the public as required in the Application Guidebook.

The proposed model is not an inexpensive solution.

The TMCH model as proposed will not make Sunrise less expensive for trademark holders than previous Sunrises. ICANN should note that registries recover costs of implementation directly through application fees, so trademark holders pay twice. First to be added to the TMCH, and second to register their domain names. Unnecessary costs will be tacked on to registration fees.

Trademark Claims Service

The proposed model increases risks, burdens Registry Operators, and impedes customer support. Every single TLD Registry (not just back end providers but each and every TLD under operation) must keep local copies of data, which exponentially increases data security risks.

The proposed solution puts an unnecessary burden on every Registry to add functionality to the Registry system that was not planned for at the application stage.

The proposed encryption method removes the ability of registries and Registrars to efficiently support Registrants.

The local storage of data introduces the problem of staleness of data, and relies on synchronization with the TMCH for new data.

Claims Acknowledgement plan adds complexity and costs that are not necessary.

The proposal has the Registrar query the Registry for trademark claims data, and then the Registry must notify the TMCH, acknowledging claims data acceptance and the domain registration. The entire process could be managed by the Registrar working directly with the TMCH, thereby removing a possible point of failure by taking the Registry out of the chain. The one reason given for keeping the Registry in the chain is that the Registrars do not want to bear the expense or the cost of taking on that function. It must be noted that again, the Registry Operator is being required to add infrastructure, development, business processes, and costs that are unnecessary. It is possible to take the Registry out of chain of notification of acknowledgement. The Registrar could submit acknowledgement directly to TMCH.

Inconsistencies in the proposal put Registry Operators at risk with no recourse.

Section c. Data Distribution Based Challenges says:

“Incorrect Sunrise codes or incorrect trademark claims data could occur due to technical errors within the Clearinghouse or failures in the Registry's implementation of retrieval and lookup functions. It is expected that Registry support services will resolve this class of issues prior to the start of a Sunrise or claims period. However, in the event something goes wrong and harm is inflicted or liability is assumed, contractual arrangements between the Registry and Clearinghouse must address the possibility of data distribution-based issues.”

The Registry is contracted to ICANN, not to the Clearinghouse provider. The AGB does not provide for the Registry to contract with the TMCH provider. This issue must be addressed and resolved.

Comments Regarding the Explanatory Memorandum: Implementing the Matching Rules

We agree with the following recommendations that are made in the document:

- “Rights holders (should) have the ability to select which of the permissible variations are to be used by the Clearinghouse for sunrise and trademark claims services.”
- Rewrite Rule (c) so that “Punctuation or special characters contained within a mark that are unable to be used in a second-level domain may either be (i) omitted or (ii) replaced by spaces, hyphens, or underscores and still be considered identical matches.”
- “The Clearinghouse must be able to apply the matching rules consistently.”
- “The approach adopted should provide value for the cost.”

However, the language stating “The solution provider will have the freedom to price the service in accordance with the number of exact matches selected by the rights holder... a rights holder will have the option to select those string that are interesting for protection purposes and to ignore those strings that are not, and should be expected to be charged according to how many exact matches are requested” is troublesome. The language indicates that the TMCH provider will charge a fee per entry into the TMCH, where for each entry, regardless of the efforts made by the validators, the mark holder could be charged the same amount per entry.

For example:

Minds + Machines is the trademark name,
Minds-Machines is an allowable match,
MindsMachines is also an allowable match.

Entering one of those terms into the TMCH would trigger the action of the TMCH provider validating the mark. The fee for the additional entry should not cost as much as the first, as they are “matches” and not unique marks. The additional entry fee should reflect the work required to enter the matches into the TMCH, which would simply be data entry.

It is unnecessary to charge a full amount simply to deter the number of entries into the TMCH, because the registrant must pay for each domain registration during Sunrise, which is in itself a deterrent to enter more matches than they are willing to protect.