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January 15, 2013

Via Electronic Mail

Ms. Karen Lentz
Director, Operations & Policy Research
Internet Corporation for Assigned Names and Numbers
12025 Waterfront Drive, Suite 300
Los Angeles, California 90094-2536, USA
tmch-strawman@icann.org

Re: DuPont Comments on Trademark Clearinghouse "Strawman Solution" and Limited Preventative Registrations Proposal

Dear Ms. Lentz:

Thank you for this opportunity to comment on the new gTLD trademark clearinghouse "strawman solution" and limited preventative registrations proposal.

E.I. du Pont de Nemours and Company ("DuPont"), is the parent company of a multinational organization that has been bringing world-class science and engineering to the global marketplace in the form of innovative products, materials, and services since 1802. DuPont believes that by collaborating with customers, governments, non-governmental organizations and thought leaders we can help find solutions to such global challenges as providing enough healthy food for people everywhere, decreasing

dependence on fossil fuels, and protecting people and the environment. DuPont employs approximately 70,000 people worldwide, has operations in more than 90 countries and maintains about sixty-five percent of consolidated net sales to customers outside of the United States.

As both a multinational *Fortune* 100 organization and an applicant for the .DUPONT gTLD, our foremost interest with respect to the new gTLD program is the protection of our key DUPONT brand on the Internet. As stated in our application for the .DUPONT gTLD, its purpose is to “provide a global platform for [our] key brand” and “provide a secure and trusted platform for electronic communication and transactions on the Internet.”¹

These same brand protection, consumer confusion and overall security concerns at the top level of the new gTLD program are compounded exponentially at the second level of the domain name system. We understand that existing rights protection mechanisms for the new gTLD program were developed and approved absent actual knowledge of how many applications would ultimately be filed or the nature of those applications. We believe that this was a mistake in hindsight, particularly given the stark contrast between the three hundred applications ICANN thought it would receive versus the nearly 2000 applications that were actually filed.² In short, we do not have confidence in the current rights protection mechanisms, and do not believe they will scale financially, to protect our brands in the new gTLD program.

Accordingly, DuPont expresses its support for the original list of proposed improvements to rights protection mechanisms (presented to the ICANN Board of Directors on October 16, 2012)³ particularly in light of the progress that has been made by ICANN CEO Fadi Chehadé and others with respect to the “strawman solution” and limited preventative registration proposal.

¹ DuPont, *New gTLD Application Submitted to ICANN by E.I. du Pont de Nemours and Company*, available at <http://gtldresult.icann.org/application-result/applicationstatus/applicationdetails:downloadapplication/1036?t:ac=1036> (originally posted June 13, 2012).

² The Applicant Guidebook was approved by the ICANN Board of Directors on June 20, 2011. However, according to former Senior Vice President for Stakeholder Relations Kurt Pritz in his testimony to the United States Senate, “When we first started making estimates, the number was thought to be 300 to 500.” *ICANN’s Expansion of Top Level Domains: Before the S. Comm. on Commerce, Science and Transportation*, 112th Cong. 394 (December 8, 2011).

³ *Consensus Position of Business Constituency and Intellectual Property Constituency*, available at <http://newgtlds.icann.org/en/program-status/correspondence/metalitz-to-pritz-17oct12-en.pdf> (presented October 16, 2012).

The Limited Preventative Registration Proposal

In light of the 1,917 new gTLD applications currently pending evaluation, a mechanism is needed to prevent second-level registration of exact trademarks, as well as strings that have already been abusively registered or used, across all (or a subset of) new gTLDs for one reasonable price.⁴ Accordingly, DuPont expresses its support for the limited preventative registrations proposal as an acceptable alternative to unwanted, defensively-held domain name portfolios. Regardless of whether this proposal is deemed a matter of policy or implementation, it is imperative that it be implemented prior to the launch of any new gTLDs.

The limited preventative registrations proposal is of paramount importance to multinational organizations like DuPont, which maintain hundreds of trademark registrations in nations across the globe for many famous names, such as CORIAN®, KEVLAR®, NOMEX®, TEFLON® and TYVEK®, and also must maintain an ever-expanding portfolio with thousands of unwanted, defensively-registered domain names. The limited preventative registrations proposal is the only implementation improvement designed to ameliorate the need for such defensive registrations. In contrast, the strawman solution presents welcomed, yet modest, improvements that reinforce claims services within the traditional ICANN rights protection framework and facilitate additional defensive registrations through sunrise registration.

The limited preventative registrations proposal is not a “black list” or a “blocking mechanism.” Coexisting rightsholders and otherwise legitimate third-party users will have an advance opportunity to register strings based on registry eligibility criteria, sunrise phases for community members and trademark sunrise periods. Thus, the limited preventative registration proposal is simply a streamlined variation of the ICM Registry Sunrise B for .XXX, permitting brand owners to opt-out of all (or a desired subset of) new gTLDs. The limited preventative registration proposal also does not attempt to expand trademark rights or laws. The proposal is limited to exact matches of marks that are eligible for sunrise registration—marks that DuPont can already individually register in all eligible gTLDs in a much less efficient manner and at a much higher cost.

The Strawman Solution

⁴ *Consensus Position of BC and IPC, supra* note 3.

The sunrise launch period for new gTLDs should be extended from thirty to sixty days with a standardized process.⁵ The additional thirty-day publication requirement in the strawman seems like a reasonable compromise toward adequate notice concerning eligibility requirements and upcoming new gTLD sunrise launches. However, the success of the new gTLD program should hinge upon innovation rather than the larding of already costly defensive domain name registration portfolios. While DuPont is pleased with this additional thirty-day notice period, we would much prefer a solution that vitiates the need for defensive registrations from the outset.

The trademark clearinghouse and claims service should run *indefinitely* in a secure, stable and easy-to-use format.⁶ It is unclear why the strawman secondary claims service is limited to six to twelve months when innocent infringers register and use DuPont trademarks as domain names nearly every day—necessitating costly enforcement action which could be preempted by an inexpensive claims notice prior to registration. It is also unclear why the secondary claims notices might “not necessarily display[] actual Claims data,”⁷ particularly when claims data (including the name of the owner and the goods or services offered in connection with the mark) permits coexisting rightsholders or legitimate third-party users to make informed decisions with respect to their good faith domain name registrations. Disparate claims services with distinct forms of notice will unnecessarily raise implementation costs by requiring modifications to systems of the entities administering the service. While DuPont recognizes that claims services are not optimal to deter bad faith actors, we believe that implementation and enforcement costs can be reduced and innocent infringers can be protected through a perpetual claims service complete with consistently detailed claims notices.

The trademark clearinghouse claims service should cover strings that have already been abusively registered or used.⁸ DuPont supports the decision to include, as a matter of priority, this proposed improvement in the strawman solution to address continued abuse of strings such as: DuPontChemical, DuPontChina, TJDuPontChem. TJDuPont,⁹

⁵ *Id.*

⁶ *Id.*

⁷ ICANN, *Summary of TMCH Strawman Solution*, p. 2-3, available at <http://newgtlds.icann.org/en/about/trademark-clearinghouse/strawman-solution-03dec12-en.pdf> (posted November 29, 2012, updated December 3, 2012).

⁸ *Consensus Position of BC and IPC*, *supra* note 3.

⁹ *E.I. Dupont de Nemours and Company v. Guo Haibo and Yang Yinghong*, WIPO Case D2011-1445 (October 19, 2011).

DuPont-CHN¹⁰ and DuPontQI.¹¹ It is important that this element of the strawman solution be included in the trademark clearinghouse absent any artificial limitation on previously abusively registered or used strings, and regardless of whether it is deemed a matter of policy or implementation. To be clear, we believe that the number of strings which can be associated with a trademark clearinghouse record should not be limited.

Conclusion

Like many other famous brands and multinational organizations, DuPont may not have participated in the policy development processes that culminated in approval of the Applicant Guidebook. However, we appreciate Mr. Chehadé's observation that "inclusion starts by stepping out of the organization and looking at [ICANN] from the outside, not being inside and seeing everything our way."¹² We write to echo the view—from brand owners outside of the organization—that the current rights protection mechanisms are insufficient and will not scale financially with the myriad of new gTLDs on the way. Subject to the foregoing recommendations in this letter, we particularly wish to stress that DuPont supports the strawman solution and limited preventative registrations proposal as both a multinational brand owner and a new gTLD applicant.

Thank you again for the opportunity to comment on these proposals and the extremely important issue of rights protection mechanisms in the new gTLD program.

Sincerely,



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Practice Group Leader
E. I. du Pont de Nemours and Company

¹⁰ *E.I. Dupont de Nemours and Company v. Liu Guoyong*, WIPO Case D2010-1901 (December 10, 2012).

¹¹ *E.I. Dupont de Nemours and Company v. Yuanze Yu aka Zeyu Yuan*, WIPO Case D2010-1900 (December 20, 2010).

¹² Fadi Chehadé, *ICANN 44 Prague Welcome Ceremony*, at p. 22, available at <http://prague44.icann.org/meetings/prague2012/transcript-welcome-ceremony-25jun12-en.pdf> (June 25, 2012).