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## By Email to "tmch-strawman@icann.org"

ICANN 12025 Waterfront Drive, Suite 300 Los Angeles, CA 90094-2536 USA

Re: Comments Regarding Limited Preventative Registrations and the Trademark Clearinghouse "Strawman" Solution

Dear Sirs:

Exelon Corporation is providing comments to ICANN regarding Limited Preventative Registrations and the Trademark Clearinghouse "Strawman" Solution. We appreciate these efforts to address the dangers that consumers and brand owners face due to dangerously inadequate rights protections mechanisms (RPMs) currently in place for new gTLDs.

However, the most critical element of the proposed RPM solutions has not been included in the "Strawman" – Limited Preventative Registrations. We are writing to strongly support the comments stating that LPRs are the most critical aspect of the proposed RPM solutions and must be adopted by ICANN as part of any RPM solution. The reason for this is simple – Limited Preventative Registrations are the only current or proposed RPM that in any way resolves the critical problem of defensive registrations in the new gTLDs.

Defensive registrations are a huge burden on brand owners in the current internet environment, where there are only 22 gTLDs. In order to protect consumers and reputations, we are forced to acquire unwanted "defensive registrations" solely to keep these domain names out of the hands of those who would abuse them. Even in the current limited domain environment there are brand owners with tens of thousands of domain names in their domain portfolios – most of which are defensive registrations. The only winners when it comes to defensive registrations are the domain name registrars and registries.

Specifically, our company regularly addresses issues of cybersquatting, typosquatting, and domain name fraud, and spends time and money strategically planning the defensive registration of new brands as domain names across the many TLDs, in a variety of spellings, and with a variety of additional descriptors. For example, Exelon recently addressed issues of domain name abuse in the form of several cybersquatters who registered Exelon's brands as domain names to drive traffic to websites hosting linking farms, including one who registered the name of a popular rate-relief program that was no longer in operation to lure users to a confusing website promoting competitors. Exelon also spent months and thousands of dollars strategically planning a cost-effective approach to avoiding similar actions by cybersquatters in the .XXX TLD. The addition of hundreds of TLDs, makes defending one's brands within the domain name system in the future appear cost prohibitive.

As new gTLDs are introduced, the defensive registration problem will quickly become unmanageable. We are moving from 22 gTLDs to nearly 1000 gTLDs – a 6000% increase. It will literally be impossible for us to keep up with this onslaught – or to pay for all the defensive registrations we would need to acquire across these new gTLDs. If we do not spend that money, the number of domains using our trademarks to trick, trap and rip off consumers will skyrocket – harming consumers as well as our reputation and goodwill. On top of that, the procedural challenges are daunting, as some estimate that as many as 20 new domains will be introduced each week.

ICANN has left us with no way to deal with this "brave new world" – <u>unless Limited Preventative Registrations are adopted</u>. LPRs give us an avenue to acquire domain name registrations we need to control for consumer protection purposes, but which are not needed for any communications purposes.

Limited Preventative Registrations are the only long-term protection for consumers and brand owners on the table. With LPRs, we will be able to register for new domains for what we expect to be a fair price using a manageable procedure. In our view, LPRs strike a fair balance between the needs of consumers, brand owners and registrars/registries.

We cannot forget that the LPR is a limited measure that is intended to operate best in a strong suite of ICANN protections. For consumer and brand protection to operate effectively on the web we need: (1) the LPR, (2) a reliable and accurate WHOIS database, (3) a strong URS with a lower burden of proof and a domain transfer right and (4) an empowered ICANN compliance department that will diligently pursue wrongdoers. We understand that the other items in this list are being addressed in separate proceedings, but we wanted to emphasize that the LPR will operate best as a prophylactic measure if it is supported by other reforms that will protect consumers and improve brand policing on the web.

We strongly urge the GNSO and ICANN to heed our and other brand owners' concerns and adopt the Limited Preventive Registrations. Without these protections, the damage to consumers and businesses will be tremendous – all to the benefit of cybersquatters and other bad actors. The GNSO and ICANN must do the right thing and protect all of us from such a future.

Sincerely

Clolita M. Vitale

Assistant General Counsel