

Demand Media comment on Trademark Clearinghouse Strawman Solution

Demand Media welcomes the opportunity to comment on the published strawman solution that is meant to address the set of recommendations submitted by the Intellectual Property and Business Constituencies (IPC/BC). As participants in the implementation meetings representing the Registrar Stakeholder Group in both Brussels and Los Angeles, we have been deeply involved in this process and understand the genesis of this solution as well as the problems with it. We would like to state that the comments submitted here are those of Demand Media and not representative of the Registrar Stakeholder Group, of which we are an active participant.

The Problem

This strawman solution is being presented to the community as a solution to implementation issues arising from the Trademark Clearinghouse and its associated rights protection mechanisms. In reality this “solution” was developed solely in response to the request by IPC/BC for additional new Rights Protection Mechanisms (RPMs).

To state that the new suggested RPM’s are purely implementation issues is incorrect and does a disservice to the hard work put in by many participants to address the true implementation issues associated with the TMCH. The actual TMCH implementation issues and problems arose when working to apply the RPM’s that went through a true bottom up consensus policy process and were approved by the GNSO and the ICANN Board.

A review of the specific IPC/BC proposals will show that at best one proposal can be considered a change to the implementation of the agreed upon RPM’s, while the rest would be new RPM’s that were either recently proposed or recycled proposals that the ICANN Community rejected the first time around.

That being said, we understand that ICANN has claimed the items included in the strawman solution are implementation rather than policy. We disagree with this conclusion as the proposals in the strawman solution, as outlined below, create new obligations on contracted parties as well as significantly affect multiple parties and constituencies. We understand there are differing viewpoints, and look forward to ICANN presenting the rationale and thought process on how they arrived at this specific decision.

The Proposals in the Strawman Solution

1. The Sunrise Notice Requirement

The request to include a mandatory 30-day notice period in advance of Sunrise is one that we do not believe is a new RPM and is one that we can support.

2. Transformation of Trademark Claims Service

The request is to extend the trademark claims service from 60 to 90 days. On the surface this might seem like a simple implementation request, but in reality this would be a unilateral change to an agreed upon compromise and subsequently established policy. The trademark claims service was the result of a multi-year process that was approved by the ICANN Board that must be looked at in its totality. Taking one piece of this RPM and making this change is not an implementation issue. Rather, it materially alters the already endorsed RPM as a whole, a proposed action that we believe requires a Policy Development Process (PDP).

3. New RPM – Claims 2

This new RPM, dubbed “Claims 2”, is a new service that would represent a complete change in the process of registering domain names and would affect constituencies and multiple parties in the domain name life cycle. This type of new proposal is exactly what the ICANN Policy Development Process is supposed to evaluate and address as it affects many parties and in unexplored ways.

One group that the new Claims 2 policy would certainly affect in an unfair manner is registrars, an ICANN contracted party. The Claims 2 policy is listed as an optional service that rights holders can choose to participate in and thus can be considered implementation. While the optionality exists for rights holders, this does not extend to registrars, who would now have a completely new obligation.

With this policy, registrars will be forced to build a new part of the registration process with no indication of whether there will be participation from rights holders or what the fees associated with this service would be. So as an ICANN accredited registrar we would be mandated to build a new service that nobody may ever use and could possibly never be compensated for, which is troubling. If the service is adopted, then the fees according to the strawman are to be determined solely by ICANN with no input from affected parties, which we find troubling as well.

We would like to add that while ICANN may consider this a more lightweight process, there has been zero analysis in coming to this decision. Any process that affects millions of registrants around the world on a highly technical global system that is intended to last for 12 months per TLD cannot simply be labeled as lightweight. We hope that if this policy is brought up for community analysis, a proper study is done to vet the implementation issues a new process such as this would entail.

4. Expansion of Trademark Claims service

The request to expand the domain labels included in the original Trademark Claims service or the new Claims 2 service is one that we believe creates a brand new right never envisioned in the agreed upon RPMs. It would also grant rights that are not provided to trademark owners under the federal and international trademark laws on which these RPMs were originally based.

On this topic we support ICANN CEO Fadi Chehade's September 19th, 2012 letter to Congress in which he discussed the scope of the trademark claims notice and the definition of a "match". Especially compelling is his quote regarding not creating broader rights than currently exist under applicable law:

"The principle that rights protections 'should protect the existing rights of trademark owners, but neither expand those rights nor create additional rights by trademark law' was key to work of the Implementation Recommendation Team, a group of experts in the ICANN community."

The Blocking Proposal

While the IP/BC proposal for a new blocking service named Limited Preventative Registration Mechanism (LPRM) is not technically a part of the strawman, it has been included in the document and deserves attention.

We believe that the idea of a service of this nature has merit, but not in the manner as proposed by the IP/BC. There are too many nuances to individual TLDs and second level domains to mandate an across the board block to specific terms that are in the TMCH. The decision to implement a blocking service such as the LPRM and how to remediate blocked terms should be left with the TLD applicant.

As we have previously discussed with regard to new policies, any decision to implement a new policy across all TLDs should be subject to community input and go through a Policy Development Process.

Thank you again for the opportunity to comment on this issue and we look forward to the launch of new gTLDs in 2013

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