



中国外商投资企业协会 优质品牌保护委员会



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优质品牌保护委员会
CAEFI QUALITY BRANDS
PROTECTION COMMITTEE

January 16, 2013

Mr. Fadi Chehadé
President and Chief Executive Officer
Internet Corporation for Assigned Names and Numbers
4676 Admiralty Way, Suite 330
Marina del Rey, CA 90292-6601

Dear Mr. Chehadé,

The Quality Brands Protection Committee (“QBPC”) is a Beijing based industry organization with over 200 foreign invested member companies operating in China, whose parents headquartered in the North America, Europe and Asia. QBPC takes on-line sale of counterfeiting goods as a serious threat not only to our members’ legitimate interests but also to the safety of consumers, who trusted that the goods that they purchased and used are genuine. Creating a system allowing bad faith registration of top level domain names, which include the same or similar trademarks own by legitimate trademark owners, without effective preventive measures facilitates the on-line sale of counterfeiting goods!

We write in response to ICANN’s November 30 solicitation of comments surrounding the proposed strawman solution meant to ensure rights and protections for stakeholders in the Trademark Clearinghouse and the associated proposal for a Limited Preventative Registration (“LPR”) mechanism to enable trademark owners to prevent second-level registration of their marks. As detailed below, we respectfully request ICANN consider and implement key modifications to the current strawman solution to improve consumer protection and minimize confusion and potential fraud.

The Internet serves as a place for individuals to connect, learn, conduct business, and inspire. For business, it delivers a powerful tool for brand owners to reach billions of consumers across the globe. ICANN plays an important role in preserving the operational stability and reliability of the Internet.

We are concerned that, if the proposed strawman solution is implemented absent modification, it will provide inadequate protections to safeguard consumers against brand confusion and consumer fraud, while forcing brand owners to devote significant resources to protect their brands.

Several key enhancements to the strawman would avert much of this potential for confusion and abusive activity. Specifically, we urge ICANN to adopt the following recommendations:

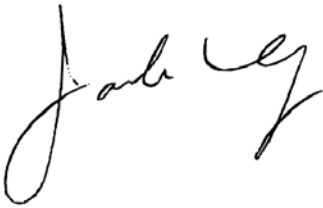
1. **Extend the sunrise period to at least sixty days and leave open the claims period indefinitely for registration challenges.** Doing so will provide a more reasonable amount of time to register their own domains and react to third-party registrations that could be confusing or deceptive to consumers and make it more feasible for brand owners to monitor the hundreds of anticipated new domains.
2. **Improve the proposed Uniform Rapid Suspension (URS) system to provide an affordable and efficient means to halt fraud quickly and effectively in the unfortunate event that it does occur.** The URS system needs to be fully functional prior to the launch of any new gTLDs, and locating a provider that can deal efficiently with infringement at an affordable price-point is critical. In addition, rather than merely suspending domain names, we recommend cancelling the subject domains or transferring them to the trademark owner for a fee, along with easing the burden on brand owners in proving ownership of their trademarks.
3. **Implement a Limited Preventative Registration framework to prevent suspect activity in the first place.** The best way to protect consumers is to prevent consumer confusion and fraud before it happens. Brand owners need a protection mechanism, such as an LPR solution, to help keep consumers from being harmed. In the proposed strawman, brand owners must monitor the launch of domains one-by-one to prevent second-level registration of domain names that match their trademarks – and, at that point, there is only so much a brand owner can do to remedy the harm from any wrongdoing that is uncovered. Given the expected surge in domains, such an undertaking is difficult and resource-intensive. By contrast, a well-crafted LPR framework would allow brand owners to protect consumers en masse while also including appropriate safeguards for registrants with a legitimate right or interest.

Taken together, these changes will more effectively protect consumers and provide our members the tools to safeguard the brands they have worked diligently to build.

To the extent that any of the above recommendations require consultation via ICANN's Policy Development Process (PDP), we respectfully request that ICANN initiate quickly an expedited process under the PDP to consider them.

We appreciate this opportunity to provide feedback on the Trademark Clearinghouse implementation. ICANN is in a position to prevent cybersquatting, typosquatting and other forms of trademark abuse and consumer fraud by equipping the gTLD program with more meaningful safeguards, ensuring the stable and secure operation of the Internet. Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "James C. H.", written in a cursive style.

Chairman

Quality Brands Protection Committee of CAEFI