



*Office of the Associate General Counsel,  
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Internet Corporation for Assigned Names and Numbers  
International Square  
1875 I Street, NW, Suite 501  
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Via electronic mail to : [6gtld-guide@icann.org](mailto:6gtld-guide@icann.org)

Re: International Business Machines Comments on the gTLD Applicant Guidebook April 2011 Discussion Draft ("DAG").

International Business Machines ("IBM") appreciates the opportunity to submit comments to the Internet Corporation for Assigned Names and Numbers' ("ICANN") on the gTLD Applicant Guidebook April 2011 Discussion Draft, and encourages ICANN to maintain an open dialogue with all stakeholders and continued transparency during implementation of the new gTLD program.

Brands play a vital role in the global economy, and may be some of the most valuable assets of commercial entities. For example, independent studies over the past few years value the top brands in the world as each being worth tens of billions of dollars<sup>1</sup>. International protection of a brand is an essential part of any brand owner investment in a brand and this is not limited to the internationally recognized brands.

ICANN cannot be unaware of the increasing concern among many brand owners that the new gTLD program may result in significant added exposure to misuses of their brands on the Internet, particularly cybersquatting. In addition to IBM's recommendations below on the specific rights protection mechanisms in the DAG, IBM proposes that it is incumbent on ICANN to publicize these mechanisms as fully as it publicizes the overall gTLD program in the four month period between approval of the Applicant Guidebook and the opening of the first window for new gTLD applications. Further, ICANN needs to make available on a continuing basis into the future, literature that clearly advises the general public of the existence of these mechanisms and how to access and use them. This is important so the public can timely determine whether to seek such protection and how to do it.

In respect of the content of the April 2011 DAG, IBM has limited our response to:

Trademark Clearinghouse to Features 7.1 and 8; and  
Uniform Rapid Suspension Procedure ("URS") to Feature 10.2

Trademark Clearinghouse

Feature 7.1: Protection for Marks in Trademark Clearinghouse

IBM Comments on Feature 7.1: IBM notes with appreciation the requirement that Registries must recognize and honor all word marks that have been or are: (i) nationally or multi-nationally registered; (ii) court-validated; or (iii) specifically

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<sup>1</sup> See <http://www.interbrand.com/en/best-global-brands/best-global-brands-2008/best-global-brands-2010.aspx> and <http://www.marketingweek.co.uk/Journals/2011/05/11/TheBrandZTop100GlobalBrands.pdf>

protected by a statute or treaty in effect at the time the mark is submitted to the Clearinghouse for inclusion and that demonstration of substantial examination or use are not required.

#### Feature 8: Costs of Trademark Clearinghouse

IBM Comments on Feature 8: IBM recommends that the Trademark Clearinghouse be established well in advance of the commencement of operation of any of the new gTLDs, and that the cost for setting up the clearinghouse system should be fully borne by ICANN as part of the expenses of the new gTLD program.

Setting up the Trademark Clearinghouse well in advance in an open and transparent manner, and providing public guidance on its operation, may reassure many brand owners that they will be able to effectively protect their trademarks in the new gTLD world.

ICANN bearing the cost for establishing the Trademark Clearinghouse will go a long way towards consumer confidence of ICANN's (and the new gTLD applicants') shared fiscal responsibility in implementation of the new gTLD program. The cost of the Trademark Clearinghouse should be part of the recovery from the new gTLD application fees collected by ICANN. Brand owners have many trademark costs outside the clearinghouse, including obtaining and maintaining trademark registrations to permit participation in the clearinghouse, and should only be responsible for reasonable charges for recording their trademarks in the clearinghouse. In this way, trademark owners will have some reassurance that the gTLD program will not significantly increase their operating costs.

#### Uniform Rapid Suspension Procedure ("URS")

##### Feature 10.2: Remedy

IBM Comments on Feature 10.2: IBM is disappointed that ICAN has not accepted previous recommendations from IBM regarding the proposed remedy for the URS procedure being redirection to an informational page about URS.

Trademarks serve as an indication of origin of goods or services and of quality. Trademark owners must protect their trademark assets from uncontrolled third party use in order to avoid having the strength of the mark and the value of the asset diminish. To have, as ICANN proposes, a successful URS complainant receive as remedy the contested URL resolve to a website not under the trademark owners control but to an informational page about URS for a lengthy period of time removes control of the trademark in the URL from the trademark owner. Consumer confusion when following the URL to a site not associated with the trademark owner raises, the possibility that the goodwill associated with the trademark will be damaged.

IBM maintains its recommendation that a successful complainant should have the right to cancel the domain or to obtain control of the domain (except in specialized gTLDs), or that the URL resolve to an error notification, in order to avoid the possibility of causing damage to the goodwill associated with the complainant's trademark contained in the URL. IBM encourages ICANN to reconsider their URS remedy.

Respectfully Submitted,



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