

Comments of the GNSO Intellectual Property Constituency (IPC)
“Closed Generic” gTLD Applications
15 March, 2013

(<http://www.icann.org/en/news/public-comment/closed-generic-05feb13-en.htm>)

INTRODUCTION

A dramatic expansion of the Internet domain name space has been planned for many years through various iterations of the New gTLD Applicant Guidebook and is now imminent, with many hundreds of applications for new generic top level domains (gTLDs) pending. A substantial number of applications involve applied-for names that appear “generic” with “closed” registration policies¹. The purpose of this comment is to consider these issues to the extent relevant and possible within established legal frameworks that are generally acceptable under international principles of law.

When ICANN announced its plan to increase the number of gTLDs available in the Domain Name System (DNS), one of its stated goals was to enhance competition and choice.² Consistent with the rules as established for introducing new gTLDs by ICANN through its New gTLD Applicant Guidebook (the “Guidebook”), many applicants filed applications for top-level domains for common industry terms with the stated goal of controlling the domains as “closed” registries.

The IPC is pleased to provide the following comments on this important issue³.

A. What is a “Generic” string?

The IPC recommends that in determining whether a TLD is considered “generic” there must be an initial analysis of whether the applied-for TLD is a word that is a genus of a quality, feature, function, or characteristic of the stated mission and purpose of the applied-for TLD in its answer to question 18(a). We recognize that this analysis is not a bright line analysis and there are several nuances to the relatively straight-forward test set forth above.⁴ For instance, a word that has been used on a wide range of different types of products or services that are not within the same species may be less likely to be considered generic. *See 2 J. Thomas McCarthy, McCarthy*

¹ See Discussion *infra* regarding “what is a ‘generic’ string?”

² See, <http://newgtlds.icann.org/en/about/program>

³ IPC President Kristina Rosette did not participate in the discussions or the drafting of this comment. IPC member Intellectual Property Institute of Canada also wishes to be on record as abstaining on this topic.

⁴ Compare, for instance, the holding of *In re Reed Elsevier Properties Inc.*, 482 F.3d 1376, 82 USPQ2d 1378 (Fed. Cir. 2007) (LAWYERS.COM generic for “providing an online interactive database featuring information exchange in the fields of law, legal news and legal services”) with *In re Steelbuilding.com*, 415 F.3d 1293, 75 USPQ2d 1420 (Fed. Cir. 2005) (STEELBUILDING.COM not generic for “computerized on line retail services in the field of pre-engineered metal buildings and roofing systems”).

on *Trademarks and Unfair Competition* § 12:23 (4th ed. 2009). Moreover, a proper analysis requires an in-depth factual investigation of the relevant public’s understanding of the alleged generic term.⁵

Additionally, the weight given to the analysis will depend upon the intended purpose of the TLD. When the generic term describes the class, certain courts have found such use to be descriptive rather than generic. *In re Waverly Inc.*, 27 U.S.P.Q.2d at 1623. In *In re Waverly Inc.* the Board found that the mark MEDICINE was not generic for medical journals, but rather descriptive. *Id.* In reaching this decision, the Board noted that “[c]ourts have been reluctant to find a magazine title generic, perhaps in part because the magazines in such cases were not literally the class title designated but were *about* that class.” *Id.* at 1622 (quoting *CES Publishing Corp. v. St. Regis Publications, Inc.*, 531 F.2d 11, 188 U.S.P.Q. 612, 615 (2d Cir. 1975) (emphasis in original)). The Board in *In re Waverly Inc.* considered the competing interests of allowing magazine subscribers to more easily locate publications (by tolerating greater suggestiveness in magazine titles), enabling subscribers to differentiate among publications in the same field (by allowing registration of publication names whenever appropriate), while still protecting competition among publications (by forbidding registration of marks that would foreclose competition). *Id.* at 1623. As a result, it is possible that an applied-for closed TLD with a purpose to provide information on that genus may be considered non-generic.

B. Two categories of applications for gTLDs do not present the concerns that gave rise to this request for public comment.

Traditional principles of trademark law provide a foundation for distinguishing among categories of gTLDs, and identifying whether any categories may require further review. It is necessary to distinguish between those categories of new gTLDs that are *prima facie* consistent with traditional legal principles and other categories of applications. Those categories that do NOT raise the potential concerns that gave rise to this request for comments are: (a) “closed” gTLDs that identically match the applicant’s trademark for the same or related goods or services to be provided in connection with the proposed TLD - regardless of whether or not those TLDs are also ordinary dictionary terms (i.e. “.brand”); and (b) “closed” or “restricted” TLDs⁶ that consist of terms used by communities or associations and will be used by members of the community or association (whether the term is owned by an association or eligibility is limited to members of the category described by the term—e.g. banks in .bank or charities in .charity).

⁵ In the U.S., the Trademark Manual of Examining Procedure and relevant case law require substantial proof of examples of use of the generic term clearly used by both the applicant or competitors to refer to a genus or class of the products or services. TMEP § 1215.05 (citing *In re DNI Holdings Ltd.*, 77 U.S.P.Q.2d 1435 (TTAB 2005).

⁶ While IPC’s comments do not propose a definition of “closed”, we stress that “closed” and “restricted” are not synonymous terms and should not be treated as such.

As evident above, not every dictionary term is of relevance because the majority of applications that seek to employ “closed” registration policies are for terms which, when viewed as trademarks, do not hinder competition, because they are not generic with respect to the goods and/or services sold in connection with those terms. For this reason, we again strongly encourage ICANN to recognize a specific “.brand” category of TLDs for which the registry would presumptively be able to set the policy requirements for second-level registrations. ICANN has repeatedly referenced “.brand” TLDs on its website and in its program materials dating back to its first announcement of new gTLDs in 2008.⁷

Such a category could conceivably form a replacement to the single-registrant-single-user exception from the Registry Operator Code of Conduct, an exception that was designed, at least in part, for the “.brand” registry - but was drafted more broadly, in a way that allowed “closed generic” registries to claim an exemption from the Code of Conduct. In determining whether a TLD qualifies as a “.brand”, the criteria should exactly match the criteria for inclusion and Sunrise eligibility in ICANN’s Trademark Clearinghouse. Such requirements include proof of use, and either a national or regional trademark registration; a trademark validated through a court of law; or a trademark protected by statute or treaty.

An additional group of applications appear to involve terms controlled by communities or associations where protection is again consistent with the traditional legal framework.

Similarly, a registry for a “generic” term that incorporates eligibility requirements relevant to the meaning of the term itself (for example, a .pomegranate registry limited to pomegranate growers) is permissible and would not fall under the definition of “closed generics”. This might be particularly appropriate in regulated industries (for example, a .bank registry limited to chartered banks or a .charity registry limited to bona fide charities in good standing), or in sectors where there are particular sensitivities to fraud, counterfeiting, IP infringement, and other consumer-abusive behaviors.

C. Concluding Observations

The IPC notes that some of its members have submitted public comments through their respective IP Organizations, companies or law firms or as individuals. We refer ICANN staff to these submissions for additional input and consideration on this complex topic.

The IPC believes that any decision by ICANN on this issue must be categorically without prejudice to determinations by national trademark offices and courts with respect to (i) the concept of a prohibition of generic terms as trademarks, and (ii) their evaluation of domain names (whether at the top, second, or other level) as trademarks.

⁷ See ICANN New gTLD Program materials (slide 7) at: <http://archive.icann.org/en/topics/new-gtlds/basics-new-extensions-21jul11-en.pdf>

Finally, the IPC reiterates its request for ICANN to disclose any third-party analysis or independent research commissioned by ICANN in association with this public comment topic.

Thank you for considering our views on these important issues. The IPC looks forward to participating in any policy-development or implementation steps taken by ICANN in connection with so-called “closed generics” as well as the post-delegation review of new gTLDs, and their impact on consumer trust, choice, and competition.

Respectfully submitted,

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