



Comments of **MARQUES, the European Association of Trade Mark Owners
on the Introduction of two Approved Launch Programs (ALPs) for the .MADRID TLD**

Introduction to **MARQUES**

MARQUES is the European association representing brand owners' interests. The **MARQUES** mission is to be the trusted voice for brand owners.

MARQUES unites European and international brand owners across all product sectors to address issues associated with the use, protection and value of IP rights, as these are vital to innovation, growth and job creation, which ultimately enhance internal markets. **MARQUES** membership crosses all industry lines and includes brand owners and trademark professionals in more than 80 countries representing billions of dollars of trade annually. The trade mark owners and practitioners represented by **MARQUES**, together, own more than three million domain names and advise organisations of all sizes on rights protection in the domain name system. These domain names are relied upon by consumers across Europe as signposts of genuine goods and services.

More information about **MARQUES** and its initiatives is available at www.marques.org.

****MARQUES'** comments on the Introduction of two Approved Launch Programs (ALPs)
for the .MADRID TLD**

MARQUES welcomes the opportunity to provide its comments on the Public Administrators Program and Parallel Sunrise Program submitted as ALP applications by the *Comunidad de Madrid*, the Registry Operator for the .MADRID TLD pursuant to section 4.5.2 of the Trademark Clearinghouse (TMCH) Right Protection Mechanism Requirements.

As stated by the applicant, both of the programs are almost identical to the .PARIS ALP. Therefore, as with the .PARIS ALP, **MARQUES** considers that the .MADRID ALPs include several issues which appear to undermine the existing rights protection mechanisms and therefore, could potentially lead to intellectual property infringement and increase consumer confusion.

1. Public Administrators Program

According to the proposed Public Administrators Program, Public Authorities with competences over and/or legal seat in the Region of Madrid will be given priority over all other registrants in registering domain names during the initial launch of the .MADRID TLD for 70 days.

Under the program, “Public Authorities” means “international, national, and regional public authorities, as well as local and municipal authorities under Spanish law (*Ley 7/1985 de Bases del Régimen Local*) and Madrid’s own legislation (*Ley 2/2003 de Régimen Local de la Comunidad de Madrid*), including but not limited to agencies, consortiums, commissions, and other administrative divisions of the Region of Madrid and/or having competences over it.”

Public Authorities will be able to register: (i) their names, including any clear variations and abbreviations (e.g. acronyms) and other terms in common use to describe them (e.g. *comunidad.madrid*); (ii) geographical names for any subdivision of the Region of Madrid (e.g. districts, neighbourhoods, streets etc.), names of local landmarks, and other locally-relevant and iconic names over which the Public Authorities are the relevant authority according to local law, including clear variations and abbreviations of the names; and (iii) names of public services for which Public Authorities have specific responsibilities under the applicable law.

In its application *Comunidad de Madrid* states that the proposed ALP is nearly identical to the Public Administrations ALP applied for by the City of Paris for the .PARIS TLD and refers to the comments **MARQUES** submitted on the .PARIS ALP. To the extent that the two ALPs are identical, **MARQUES** upholds the concerns it expressed on the .PARIS ALP. The ALP applications, by nature, propose exceptions to the TMCH Requirements which registry operators are contractually bound to observe as part of their obligations under the Specification 7 of the Registry Agreement. In addition, the ALPs have the potential to set a precedent for future TLD launches if they are approved. For this reason, ALPs must be based on clear and transparent rules which are not susceptible to different interpretations and must provide adequate safeguards to prevent abuse.

For the avoidance of doubt, in submitting comments on the .PARIS ALP, **MARQUES** did not, and does not, accept that Public Authorities have an uncontested right to use certain names for their public services, that trademark registration is unavailable or inadequate to protect names for Public Authorities or that giving priority to the secondary meaning (presumably meaning the trade mark meaning) over the primary meaning (presumably meaning the Public Authority use) would lead to notable user confusion and unwarranted extension of trade mark rights. Such questions would be subject to the specific circumstances of the individual case.

Despite the references to the Spanish administrative law in defining the categories of Public Authorities and Public Services, for the purposes of registering domain names, **MARQUES** is of the opinion that these terms are excessively wide considering that they allow a very large group of entities to, effectively, register any name related to their services. Especially concerning for **MARQUES** are the naming rules whereby a Public Authority could register “clear variations”, “abbreviations”, “locally-relevant” and “iconic names”. As such, the naming rules are very difficult to objectively verify.

MARQUES notes that *Comunidad de Madrid* proposes to adopt the following safeguards suggested by **MARQUES** in its .PARIS ALP comments:

1. Any domain name registered under this Launch Program will not be transferred to a third-party except *(i)* to another eligible Public Authority; or *(ii)* in the event of a sale of all or substantially all of the assets of the registrant.
2. The names of public services must be used by the relevant Public Authority in connection with the public services that domain name represents.
3. Applications via proxy services will not be allowed.

While **MARQUES** appreciates the intention to adopt these safeguards and accepts that they do mitigate some of the risks, they do not sufficiently address the concerns that result from overly wide wording adopted in the ALP. To avoid any adverse impact on the trademark holders, we urge ICANN not to approve the ALP in its current form. **MARQUES** notes that in the event that the ALP is not approved, the applicant seems to intend to deliberately circumvent the right protection mechanisms by reserving as many names as possible for the public authorities and allocating them after the Sunrise (see para. 2.5 Public Administrations Program). **MARQUES** draws ICANN's attention to the fact that this is completely against the spirit of the right protection mechanisms which clearly prohibits allocation which includes "earmarking" of domain names before the Sunrise period ends.

Finally, **MARQUES** would like to emphasize that if ICANN is going to approve any ALP, it should ensure that at least the following conditions are fulfilled:

- (i)* The ALP must be implemented in accordance with clear rules that are published publicly;
- (ii)* The ALP rules must impose definitive eligibility criteria (e.g. as to the Public Authority and naming criteria adopted in the Qualified Launch Program) and must not include overly wide terms and non-exhaustive lists which could cover an unlimited range of applications;
- (iii)* In particular, in respect of the naming, the name allocated should be the full name or the name by which the relevant Public Authority is commonly known. The example given of the term "Police" is misleading since in Spanish the correct term would be "Policia" and thus there can be no justification for overriding a trade mark registration for the term in English;
- (iv)* Compliance with the ALP rules must be ensured via a robust eligibility verification mechanism;
- (v)* All safeguards proposed in the ALP application including trade mark claims services and an ALP dispute resolution policy must be implemented; and
- (vi)* Where there is a sale of all or substantially all of the assets of the registrant, a domain name would only be transferred where the responsibility for the relevant public authority service or activity is also transferred, and the term is still the most appropriate naming match for the new operational entity.

2. Parallel Sunrise Program

During the Parallel Sunrise Program, *(i)* TMCH-validated trademarks; *(ii)* non TMCH-validated trademarks with legal effect in Spain; and *(iii)* Spanish geographical indications recognized by International treaties, EU regulations and Spanish legislation will be accepted and priority will be given to rights with legal effect in Spain whether recorded in the TMCH or not.

In its application, *Comunidad de Madrid* states that the proposed ALP is nearly identical to the Sunrise Launch Program proposed by the City of Paris for .PARIS TLD and refers to the comments **MARQUES** submitted on the .PARIS ALP.

Having reviewed .MADRID's proposed ALP, **MARQUES** maintains the view it expressed regarding the .PARIS Sunrise Launch Program. The Parallel Sunrise Program is not in compliance with the TMCH Requirements which registry operators are contractually bound to observe as part of their obligations under the Specification 7 of the Registry Agreement. Although the Specification 7 allows registries to adopt additional right protection mechanisms, it also requires that registries implement the mandatory right protection mechanisms in accordance with the TMCH Requirements.

Clause 2.2.4 of the TMCH Requirements state that "Registry Operator MUST NOT allow a domain name to be Allocated or registered in the TLD to a registrant that is not a Sunrise-Eligible Rights Holder with a valid SMD file prior to the Allocation or registration of all Sunrise Registrations." Clause 2 defines Sunrise-Eligible Rights Holders as "holders of marks that have been verified by the Trademark Clearinghouse and have met the eligibility requirements for the Sunrise Services as verified by the Trademark Clearinghouse".

Since the Parallel Sunrise Program allows for the registration of local trademarks and geographical indications that have not been recorded in the TMCH ahead of the Sunrise-Eligible Right Holders (holder of a trademark recorded in the TMCH), it is in contravention with the TMCH Requirements. **MARQUES** notes that although the Registry Agreement was initially silent on the status of the TMCH as the exclusive repository with respect to the Sunrise Period, the TMCH Requirements document which has subsequently been incorporated into the Registry Agreement establishes firmly that during the Sunrise Period, only trademarks recorded in the TMCH should be accepted.

Further, since the *Comunidad de Madrid* does propose to validate local marks to "exactly the same standards and guidelines of those of the TMCH", which will incur a validation fee, **MARQUES** questions what is the purpose or perceived benefit to the applicant of setting up a competing process to the existing TMCH. The aims of the Registry could be met, at least in respect of "Local Trademarks", as defined, by encouraging TMCH registration.

MARQUES appreciates the safeguard proposed by the *Comunidad de Madrid* which suggests that whenever a TMCH registration and a local trademark validated by the registry operator are in contention, the holder of the local trademark will be requested to register the trademark within the TMCH. However, due to the time and cost involved with validation by the registry operator in the first place, the workability of this safeguard is questionable. **MARQUES** believes that this would disadvantage the local non-TMCH trademark holder even further, as they will need to bear the cost of validation twice. Furthermore, once the local trademark is in the TMCH, it will still be subject to the risk of not being successful further to the contention resolution as the registry operator is proposing to give priority to the oldest trademark in a contention.

While **MARQUES** does not object to giving priority to local trademarks over non-local trademarks within the scope of the TMCH Requirements, creating an exception to the TMCH



Requirements by way of an ALP could have far reaching consequences. If approved, the ALP could set a precedent for other Sunrise Periods and lead to unfair treatment of the holders of trademarks recorded in the TMCH. It would be difficult for ICANN to monitor and ensure that the eligibility requirements (types of eligible rights, identical match rules, proof of use requirements etc.) of an ALP are exactly the same as those of the TMCH and that marks are validated to the same standard.

In order to preserve the uniform application of established rights protection mechanisms, we urge ICANN to reject the Parallel Sunrise Program ALP. If the current terms of the TMCH Requirements which govern the operation of mandatory rights protection mechanisms are causing substantial compliance problems for the registry operators, ICANN and the community must address these issues in a separate forum.

We thank you for your kind consideration of the above comments.

Yours sincerely,

Submitted on behalf of **MARQUES**

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On behalf of **MARQUES** Cyberspace Team