



European Communities Trade Mark Association

November 27, 2015

## **ECTA Position paper**

### **ICANN's Preliminary Issue Report on a Policy Development Process to review all Rights Protection Mechanisms (RPMs) in all generic Top-Level domains.**

ECTA, the European Communities Trade Mark Association, is pleased to send its comments on ICANN's Preliminary Issue Report on a Policy Development Process to review all Rights Protection Mechanisms (RPMs) in all generic Top-Level domains.

#### **1. Uniform Domain Name Dispute Resolution Policy (UDRP)**

ECTA is opposed to any modification of the UDRP given that whilst not perfect as a rights protection mechanism, it has a track record of success over the last 15 years across legacy gTLDs and new gTLDs in over 20 languages, and it has served the ICANN community well. It is almost universally considered as being an efficient, flexible and cost effective mechanism for dealing with bad faith domain name registrations assisting brand owners but also benefitting registrars and registries removing them from potential litigation.

As per the UDRP Final Issues Report of October 2011:

*"The Uniform Domain Name Dispute Resolution Policy (UDRP) ... is widely recognized as one of ICANN's defining accomplishments from its formative years. While not perfect, the UDRP has successfully offered parties a far less expensive alternative to costly litigation for resolving international disputes involving domain name cybersquatting. Staff concurs with the view held by many that the Internet community has come to rely on the consistency, predictability, efficiency, and fairness generally associated with the present implementation of the UDRP."*

The UDRP has also been used as a precedent in many ccTLDs in Europe and indeed worldwide. In addition, the efficacy of the alternative URS introduced for new gTLDs remains to be seen given the limited case law to date.

As to the questions listed in the Report with respect to the UDRP, they are a subset of a plethora of questions which may be considered. ECTA is of the view that no review is needed at this stage. If such a review would be carried out in the future, ECTA's view is that it would necessarily be extremely complex and thus needs a sound basis in fact, which would require a review of all UDRP decisions over the last 15 years across all providers. We would, thus, suggest to direct resources to such a review in the first instance so as to objectively assess the effectiveness of the UDRP.

## 2. The Uniform Rapid Suspension System (URS)

The URS offers a low-cost and fast relief to trade mark rights holders in clear-cut cases of infringement caused by domain name registration. The URS was designed to complement the UDRP under the new gTLDs. The URS was launched in February 2013 by the ADNDRC and in April 2013 by the NAF, and has had just over two years of operation. By April 2015, only around 500 cases have been filed. The URS is still taking its first steps and, therefore, if a proposed PDP is launched, ECTA believes additional study may be required in order to provide more meaningful responses to the questions posed below.

The Report asks the following questions with respect to the Uniform Rapid Suspension procedure (URS):

- *Should the ability for defaulting respondents in URS cases to file a reply for an extended period (e.g. up to one year) after the default notice, or even after a default determination is issued (in which case the complaint could be reviewed anew) be changed?*
- *Is the URS' 'clear and convincing' standard of proof appropriate?*
- *Is there a need to develop express provisions to deal with 'repeat offenders' as well as a definition of what qualifies as 'repeat offences'?*
- *Should the URS allow for additional remedies such as a perpetual block or other remedy, e.g. transfer or a "right of first refusal" to register the domain name in question?*
- *Is the current length of suspension (to the balance of the registration period) sufficient?*
- *Is the cost allocation model for the URS appropriate and justifiable?*
- *Should there be a loser pays model? If so, how can that be enforced if the respondent does not respond?*
- *Should the Response Fee applicable to complainants listing 15 or more disputed domain names by the same registrant be eliminated?*

While ECTA believes that these substantive questions would need to be fully addressed by the proposed PDP itself and would recommend to conduct additional review of URS cases outcomes, ECTA now provides preliminary response to the questions below:

- *Should the ability for defaulting respondents in URS cases to file a reply for an extended period (e.g. up to one year) after the default notice, or even after a default determination is issued (in which case the complaint could be reviewed anew) be changed?*

Since the URS is designed to be a fast and relatively inexpensive way to obtain the suspension of a domain name in clear cases of cybersquatting, it is the position of ECTA that there is no need to provide an additional period to respond



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to a defaulting party. URS and UDRP cases have clearly established that failure to respond to a URS or UDRP complaint is evidence of bad faith registration and use of a disputed domain name.

- *Is the URS' 'clear and convincing' standard of proof appropriate?*

The burden of proof under the URS as “clear and convincing” is more stringent than the one set for the UDRP as “balance of probabilities”. The term “clear and convincing” can be more difficult to meet, especially with the word and evidence restrictions placed under the URS. To meet this standard, parties must bring sufficient clear cut evidence to convince the panel that the facts presented are highly and substantially true. This is also difficult in view of the quick turnaround periods set by the URS. ECTA, therefore, recommends that the URS standard is changed to the “balance of probabilities” standard. Such change will further meet the goals of the URS.

- *Is there a need to develop express provisions to deal with 'repeat offenders' as well as a definition of what qualifies as 'repeat offences'?*

ECTA believes that there is no need to change the URS to introduce new provisions to deal with repeat offenders because these are dealt with under 1.2.6.3 (b).

- *Should the URS allow for additional remedies such as a perpetual block or other remedy, e.g. transfer or a “right of first refusal” to register the domain name in question?*
- *Is the current length of suspension (to the balance of the registration period) sufficient?*

ECTA supports the consideration of additional remedies within the URS, such as perpetual block or a right of first refusal. However, ECTA recommends that further study is undertaken within the PDP to evaluate the effect of the current remedy of suspension. ECTA notes that the time limited suspension remedy may put trade mark owners at risk of requiring them to refile proceedings if the suspended domain name is re-registered. ECTA believes additional remedies would support the goals of the URS as a fast and relatively inexpensive tool against clear cut cases of cybersquatting.

- *Is the cost allocation model for the URS appropriate and justifiable?*
- *Should there be a loser pays model? If so, how can that be enforced if the respondent does not respond?*

ECTA supports the introduction of a loser pays model. How to enforce this loser pay model needs to be addressed by the proposed PDP.

- *Should the Response Fee applicable to complainants listing 15 or more disputed domain names by the same registrant be eliminated?*

ECTA supports that the Response Fee shall be maintained and that it should apply to the Complaints Fee, irrespective to the number of domain names listed by the Complaint.



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### 3. Trade marks Claims, Sunrise and TMCH

#### 3.1. Trade mark Claims

- *Should the Trade mark Claims period be extended beyond ninety (90) days?*

Trade mark claims period should be extended beyond the 90 days for all TLDs. ECTA would also encourage ICANN to define whether it would be possible to extend the claim notices received by the TMCH right holder to misspelling registrations such as plurals – trade mark + generic name – trade mark inclusion. The addition of additional claim notices labels should of course be added according to defined criteria.

- *Should the Trade mark Claims period continue to apply to all new gTLDs?*

Yes, Trade mark Claims period should apply to all new gTLDs in the current and future round as a mean to inform trade mark owners of potential cybersquatting cases.

- *Should the Abused Domain Name Label service be continued?*

The Abuse Domain Name Label services should be adapted based on the latest mechanisms put in place such as URS. We believe that a permanent claim period and the possibility of introducing additional labels to claim notices would help brand owners to be better protected in the future.

- *Does a Trade mark Claims period create a potential “chilling effect” on genuine registrations, and, if so, how should this be addressed?*

The Trade mark Claims period does not aim at creating a “chilling effect” on genuine registrations, since it just informs applicants that they could be infringing intellectual property rights.

#### 3.2. Sunrise

- *Should the availability of Sunrise registrations only for “identical matches” (e.g. without extra generic text) be reviewed?*

Yes, we believe that abuse cases are not limited to strict identical matches.

- *Is the notion of “premium names” relevant to a review of RPMs, and, if so, should it be defined across all gTLDs?*

The notion of premium names has to be considered in the RPMs, as some brands are composed with “generic” terms and should enjoy the same level of access as the other trade marks.



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- *Following from Question 2, should there be a mechanism to challenge whether a domain is a 'premium name'?*

Yes, we believe there should be a mechanism in that sense to enable a fair and equal access to all trade mark owners.

- *Should there be a public, centralized list of all reserved trade marks for any given Sunrise period?*

Yes, such a list would ensure transparency.

- *Should Sunrise Periods continue to be mandatory? If so, should the current requirements apply or should they be more uniform, such as a 60-day end-date period?*

Yes, Sunrise Periods should continue to be mandatory. The requirements should be uniform.

In the future we would recommend ICANN to streamline the sunrise process with a single sunrise procedure across all new launches.

### 3.3. TMCH

- *Should further guidance on the TMCH verification guidelines for different categories of marks be considered?*

Yes, the guidelines should cover the court and statute validated trade marks.

- *Should the TMCH matching rules be expanded, e.g. to include plurals, 'marks contained' or 'mark + keyword', and/or common typos of a mark?*

Yes, the TMCH rules should be expanded.

Thank you for your consideration.



European Communities Trade Mark Association

ECTA, which was formed in 1980, is an organisation concerned primarily with trade marks and designs. ECTA has approximately 1,500 members, coming from all the Member States of the EU, with associate Members from more than 50 other countries throughout the world. ECTA brings together those practising in the field of IP, in particular trade marks, designs and related matters. These professionals are lawyers, trade mark and patent attorneys, in-house lawyers concerned with IP matters, and other specialists in these fields. ECTA does not have any direct or indirect links to, and is not funded by, any section of the tobacco industry.



The extensive work carried out by the Association, following the above guidelines, combined with the high degree of professionalism and recognised technical capabilities of its members, has established ECTA at the highest level and has allowed the Association to achieve the status of a recognised expert spokesman on all questions related to the protection and use of trade marks, designs and domain names in and throughout the European Union, and for example, in the following areas :

- Harmonization of the national laws of the EU member countries;
- Community Trade Mark Regulation and Directive;
- Community Design Regulation and Directive;
- Organisation and practice of the OHIM.

In addition to having close links with the European Commission and the Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM), ECTA is recognised by WIPO as a non-Government Organisation (NGO).

ECTA does also take into consideration all questions arising from the new framework affecting trade marks, including the globalization of markets, the explosion of the Internet and the changes in the world economy.