



IPC Comments on the Preliminary Issue Report on a Policy Development Process to Review All Rights Protection Mechanisms in All Generic Top Level Domains

The Intellectual Property Constituency (IPC) is pleased to submit these comments in response to the Preliminary Issue Report on a Policy Development Process to Review All Rights Protection Mechanisms in All Generic Top Level Domains (Preliminary Report). The Preliminary Report raises a set of issues and questions, and we hereby respond to each as noted:

1. UDRP

The UDRP was adopted by ICANN in 1999. Its inception followed a global process initiated by the World Intellectual Property Organization (“WIPO”) and it has since operated over a period of 15 years as a mechanism for dealing with cybersquatting and the abusive registration and use of domain names, thereby reducing consumer confusion and fraudulent activities in the DNS. With the proposed introduction of new gTLDs in 2009, it was considered that the UDRP alone would be insufficient as the only administrative Rights Protection Mechanism (“RPM”) to apply to existing and new gTLDs, and thus the Implementation Recommendation Team (“IRT”)¹ was created by ICANN in 2009 to develop and propose solutions to the overarching issue of trademark protection in connection with the introduction of new gTLDs.

The UDRP has been used extensively, with over 50,000 cases to date. This now includes new gTLDs,² where it has been successfully used (largely without criticism) in around 15% of recent UDRP cases.

The UDRP is recognized by brand owners from across the globe as an efficient, flexible and cost effective mechanism for dealing with domain name registrations that have been made in bad faith and are considered abusive of trademark rights. However, it also benefits registrars and registries, helping them to avoid becoming the targets of litigation. It also benefits registrants, as a UDRP proceeding is far less onerous, time-consuming and expensive than having to defend court action. Indeed, the existence of the UDRP has enabled avoidance of the high costs associated with court proceedings and jurisdictional issues. Its success is also demonstrated by its outright adoption by many ccTLDs. Clearly, the UDRP has served the community very well. Of course, court action remains an option, even after a UDRP decision. It is perhaps a further tribute to the success of the UDRP that very few UDRP decisions have been overturned by courts.

¹ <https://www.icann.org/news/announcement-4-2009-05-29-en>

² The first UDRP brought with regard to a new gTLD concerned the domain name canyon.bike <http://www.wipo.int/amc/en/domains/search/text.jsp?case=D2014-0206>

The Report asks the following questions with respect to the UDRP:

- Are the UDRP’s current appeal mechanisms sufficient?
- Should there be a limit to the time period allowed (e.g. similar to a statute of limitation) for bringing UDRP complaints?
- Are free speech and the rights of non-commercial registrants adequately protected in the existing policy?
- Should there be a formal (mandatory) mechanism of early mediation?
- Are the current time limits of the UDRP (for filing, response, determinations and appeals) adequate?
- Should there be rules for the appointment of UDRP panels, such as formalized rotations?
- Under what circumstances (if any) should/could UDRP proceedings be anonymized?
- Should there be clearer policy guidance on a registrar’s obligations if a case is stayed or suspended?
- Should the possibility of laches be recognized in UDRP proceedings; if so, how can this be expressly addressed?

The IPC acknowledges that these substantive questions are ones that would need to be fully addressed if there were to be a PDP covering the UDRP. However, the IPC submits that the fundamental question of whether or not the PDP should include a review of the UDRP is one which needs to be fully and carefully considered in this process. Whilst a review of the experience of the last 15 years would prove beneficial – enabling the effectiveness of the UDRP to be assessed compared to its objectives at creation – a dissection of the UDRP Policy itself without this would be divisive.

If, based on a thorough review of 15 years of UDRP experience, a decision is made to seek to amend the UDRP and its Policy, then this must be done with extreme care, covering the above listed issues but also others, such as:

- Should “or” be introduced instead of “and” in the bad faith requirements?
- Should there be an introduction of a “loser-pays” scenario?
- Should monetary damages be awarded? The UDRP (unlike court proceedings) does not allow this, but there are examples of ccTLD registries now applying monetary damages.
- Should the relevant time periods be reduced?
- Should filing fees be lower?
- Should injunctive relief be available?
- Should there be a bad-faith presumption for repeat/serial offenders?
- Should repeat/serial offenders be blacklisted from new registrations?
- Should permanent suspension be added as an additional potential remedy under the UDRP?
- How should the Privacy and Proxy services which are now frequently used by registrants to shield their identity be more efficiently removed in the course of a UDRP proceeding?
- Should the UDRP be revised to cover challenges to trademark-infringing content even in the absence of trademark infringement in the domain name? Should a failure to respond result in an automatic default victory for the complainant?

- Should a failure to maintain an active credit card with the registrar in order to fulfil any “loser pays” obligations result in an automatic default victory for the complainant?

Should the UDRP be the subject of a PDP?

This question is pivotal. On the one hand, the UDRP has been available and functioning for over 15 years and has not undergone any review, so some would say review is timely. On the other hand, it has certainly proven its value over this time and has evolved through considerable jurisprudence over these 15 years.

The UDRP, whilst it may not have been reviewed *per se*, has nevertheless evolved over the last 15 years, and has been sufficiently flexible to deal with new issues in the DNS as they arise. As such, and with over 50,000 cases, there is a significant body of precedent carefully developed by hundreds of expert domain name panelists coming from a wide variety of jurisdictions. That very body of precedent is at risk if the underlying framework is significantly amended or destabilized.

It is clear that the complexity of any review would be immense and the drain on resources considerable, with a risk of creating new problems via an overly complicated review process. As the Preliminary Issues Report of October 2015 itself highlights at section 3.2.2.4 on whether to initiate a PDP:

“Given, however, the fact that all the RPMs are existing and functioning mechanisms, and that the UDRP has been acknowledged to be largely successful in its objectives, the question of whether a PDP should be launched to resolve all the issues identified by the community needs to be very carefully considered, to avoid inadvertently creating new problems (e.g. through an overly long or complicated review process, or creating uncertainty about the future scope of certain policies and associated rules). Should the GNSO Council decide to initiate a PDP to address these questions, it will be necessary for the resulting PDP Working Group to first gain a thorough understanding of the current functionality, applicability, and compatibility with other processes of each RPM. Staff believes that this should occur at a very early stage of work in a RPM PDP.”

And further in the Staff Conclusion of the Preliminary Issues Report of October 2015 at Section 4.2 Staff Recommendation:

“Staff notes that a complete review of a longstanding Consensus Policy – as well as a review of new RPMs that were developed specifically for the New gTLD Program – is an unprecedented endeavor for the GNSO. The UDRP is a functioning policy that has been in place for a long time. While a review might be beneficial, the prior ICANN work reporting on its operations did not highlight any one issue as generally being agreed as susceptible to a clear and simple remedy. Similarly, the New gTLD Program RPMs have been in place for over two years and do not seem to have revealed obvious problems for which a straightforward remedy can easily be designed through quick consensus.”

The IPC certainly expects any review of the UDRP to create vigorous debate which is no bad thing. However, the IPC has a serious concern that if a review were to be carried out, there is a risk of a polarization of views into two camps – each with a fear that the other camp would either

dilute or overly strengthen the UDRP. Improvements sought by one side would be seen as potentially abusive to registrants, improvements sought by the other as potentially diluting the effectiveness of a mechanism for resolving disputes efficiently.

Indeed, if one looks to the UDRP Final Issues Report of October 2011, after which the GNSO Council decided not to initiate a PDP, it was clear that the evaluation of the UDRP would be no simple task:

In response to the GNSO Council's request, Staff conducted preliminary research on the UDRP to identify issues for inclusion in this Report. Due to the tremendous volume of cases and materials available regarding the UDRP (including, over 300,000 hits on Google alone), it became clear that there was no effective way to evaluate these materials.

Without a proper and full evaluation of such materials, it is submitted that any review would be superficial and insufficient. Following the 2011 UDRP Final Issues Report, the GNSO Council voted to postpone a review of the UDRP in 2011 having considered the pros and cons as well as the testimony of many actors involved with the UDRP (*see* the UDRP Final Issues Report of October 2011³). Indeed, whilst some may argue for a need to review, the consideration back in 2011 is important to recall, as there the experts (UDRP panelists and UDRP providers who have to work daily with the UDRP) advised against seeking amendments to the UDRP Policy. This was echoed by other experts involved, namely counsel to Complainants but also counsel to Respondents.

The UDRP Final Issues Report of October 2011 executive summary states:

"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."

Hence there is a significant swell of broad support for the UDRP to remain as it is with a tried and tested system that works, rather than risk possible unintended consequences and over complications resulting from a review process.

As noted above a broad review of the UDRP Policy brings with the very real possibility of a divisive and polarizing debate, with unintended consequences and a potential damaging of the existing predictability and status quo that the UDRP has obtained over the last 15 years. As such, the IPC recommends that if a review should be done it should concentrate on a review of the experience of the last 15 years enabling the effectiveness of the UDRP to be assessed and whether it has met the objectives for which it was created.

³ <https://gns0.icann.org/en/issues/udrp/udrp-final-issue-report-03oct11-en.pdf>

The UDRP is a policy based firmly in principles of trademark law and jurisprudence. Any review of the UDRP must be carried out by a group capable of working in a sophisticated and fluent manner with the tapestry of national and international trademark protections. As such, if a review of the UDRP as a policy is to be considered, an “Expert Group” should be assembled to carry out this review.

Conclusion

The UDRP is a “light touch” administrative mechanism aimed at dealing with and curbing cybersquatting and abusive domain name registration and use. It has proved its success over 15 years and has evolved to deal with the developments in the DNS. It provides transparency, predictability and consistency for complainants and respondents alike and its effectiveness has led to it being adopted by numerous ccTLD registry dispute resolution policies. As such it is tried and tested and the IPC's view is that whilst there is merit in measuring its effectiveness there should be no amendment of the UDRP Policy at the present time.

As such:

1. The IPC recognizes the significant support for the UDRP to remain as it is and thus maintain the current status quo with regard to this mechanism.
2. The IPC recommends that if a review of the UDRP is included in the PDP then that review must be a review of the experience of the last 15 years enabling the effectiveness of the UDRP to be assessed and whether it has met the objectives for which it was created.
3. Should an actual review of the UDRP itself be considered with a view to changes to the UDRP Policy then the IPC recommends such review should be carried out by an Expert Group.

2. URS

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 the IPC recognizes that these substantive questions would need to be fully addressed by the proposed PDP itself, the IPC provides its preliminary responses 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?*

As noted already on page 3 of the Preliminary Issue Report, “(URS)... aims to provide a trademark holder with a *fast* and reasonably *inexpensive* way to obtain the suspension of a domain name that was registered and used in bad faith”. It is important to have these basic claims in mind when (if) considering any changes, to avoid the risk of ending up the opposite way. A defaulting response is already as such a clear indication of bad faith, and if changes are considered, these should be focused on limiting the time to file a reply, in order to preserve the “fast-and-inexpensive” concept of the URS.

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

Changing the standard from “clear and convincing” to the more common “preponderance of the evidence” would make the URS more cost-effective, which is one of the grounds for URS. Beyond this point, the standard of proof needs to be reviewed as part of the overall “package” of the URS, rather than extracted as an isolated issue. As such, it is premature to take a view on this issue.

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

IPC notes that there is indeed a need to define what qualifies as “repeat offences” and a need to deal explicitly with “repeat offenders.”

- *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?*

The IPC strongly supports a proposed PDP to consider additional remedies. The suspension remedy is time limited and carries the risk that once the domain name is released, it will be registered again by another (or the same) infringer, forcing the trademark owner to restart the process for the same domain name.

As the URS is designed to address only clear-cut-cases with bad faith registration and use of domain names, remedies such as transfer to the trademark owner, further extension of the

suspension period, and/or a right of first refusal to purchase the domain name before the registration period expires would further the goals of the URS.

- *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?*

The IPC supports the introduction of a loser pays model, and offer to assist the upcoming PDP in suggestions on how to enforce such model.

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

The IPC believes that the Response Fee shall be applicable to the Complaints Fee, and not limited by the number of domain names listed by the Complaint.

3. Trademark Claims

The Report asks the following questions with respect to the Trademark Claims service supported by the TMCH:

- Should the Trademark Claims period be extended beyond ninety (90) days?
- Should the Trademark Claims period continue to apply to all new gTLDs?
- Should the Abused Domain Name Label service be continued?
- Does a Trademark Claims period create a potential “chilling effect” on genuine registrations, and, if so, how should this be addressed?

While again the IPC recognizes that these substantive questions would need to be fully addressed by the proposed PDP itself, the IPC provides its preliminary responses below.

- An extended Trademark Claims period would be very valuable for brand owners, although the IPC recognizes that an extended Claims period levies additional costs and technical burdens on registry operators. However, the IPC would favor such an extended Claims period, with the possible consideration of alternative ways to defray these additional costs and burdens to registry operators. Alternatively, instead of a mandatory extended Claims period, the community may wish to consider voluntary extended Claims service, with some kind of monetary or other incentive for registry operators that offer such an extended Claims service.
- The Trademark Claims period should continue to apply to all new gTLDs, and, as noted above, could be helpful for legacy TLD operators to adopt as well in conjunction with adoption of the TMCH or similar mechanism.
- Although the previously-abused label (TM+50) add-on service is, in theory, very valuable for brand owners, the data presented in the RPM Review Report reflect underutilization of the service to date (only 324 strings recorded). Initial fears within certain segments of the community that the ability to add 50 previously abused strings

might balloon exponentially have been unfounded. The validation price points for this service, namely \$200 for a court case and \$75 for a UDRP, likely have had a direct impact on underutilization, but ICANN and rights holders should continue to monitor use and effects of the service, and given the minimal cost to the TMCH of continuing to offer the service, the IPC believes it should be continued and the fees re-examined against costs to see if the fees can be reduced or eliminated.

- Based on the data presented in the RPM Report, 96,000 domain names have been registered after a Claims notice, while over 25 million Claims notices have been issued. Based on this data, the Claims notice appears to be working effectively to deter trademark infringement and other bad faith registrations. The IPC is not aware of any evidence that the Claims notices unduly chill free speech (as opposed to preventing bad faith registrations), although additional data around situations in which Claims notices are generated and registrant reactions to Claims notices may be helpful in making such a determination. Ultimately, these kinds of determinations should be made based on data and not anecdotal evidence, and guided by pre-determined metrics. The IPC expects that this will be addressed by the Independent Review of the TMCH.

The Trademark Claims notice to would-be registrants also serves as important evidentiary purpose, namely providing evidence of actual notice of a complainant's trademark rights, which can support bad faith registration and use in the context of a UDRP or URS proceeding. *See, e.g., Six Continents Hotels, Inc. v. Hong Yong et al.*, FA 141000157022 (Natl. Arb. Forum November 18, 2014) (finding bad faith under the Uniform Rapid Suspension System where the HOLIDAY INN mark was registered during the trademark claims period for the gTLD, and the "Respondent must have been given a trademark claims notice of Complainant's rights" "it was "apparent that Respondent had Complainant in mind when registering the disputed domain name ... either with the purpose of selling it to Complainant or in order to prevent Complainant from reflecting its trademark in a corresponding domain name."); *Citrix Systems, Inc. v. Identity Protect Limited*, FA FA1409001582253 (Natl. Arb. Forum October 20, 2014) (finding under the Uniform Rapid Suspension System that "Respondent was required to have clicked on the Registrar notice Acknowledgement Claim when presented with the Trademark Claims Notice to complete registration of the disputed domain name" and it was "clear to [the] Examiner that Respondent was aware of the Complainant and its trademark rights when it registered the disputed domain name.").

The IPC also expects the proposed PDP to discuss additional issues involving the Trademark Claims service, such as those presented in the RPM Review Report, to ensure thorough discussion as to how best to improve this important RPM. The IPC looks forward to bringing its substantial collective experience with the Trademark Claims service to bear on those Working Group discussions.

4. Sunrise Period

The Report asks the following questions with respect to the Sunrise Period:

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

- Is the notion of “premium names” relevant to a review of RPMs, and, if so, should it be defined across all gTLDs?
- Following from Question 2, should there be a mechanism to challenge whether a domain is a ‘premium name’?
- Should there be a specific policy about the reservation and release of “reserved names” (e.g. modification of Section 1.3.3 of Specification 1 of the current Registry Agreement)?
- Should there be a public, centralized list of all reserved trademarks for any given Sunrise period?
- Should holders of Trademark Clearing House-verified trademarks be given first refusal once a reserved name is released?
- 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?

The IPC supports the questions laid out in the Preliminary Issue Report regarding the Sunrise Period and offers its specific thoughts below, including some preliminary substantive input which will be further expressed during the course of the PDP, once initiated. The IPC supports the inclusion of footnote 70 noting that this list of questions and issues related to Sunrise Periods should not be considered exhaustive, nor should the PDP Working Group be prohibited from adding additional issues as the gTLD program continues and new issues arise.

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

Yes, limiting the availability of Sunrise registrations to identical matches or strings that wholly consist of a TMCH-validated mark should be reviewed. Prior to the launch of the new gTLD program, many commentators including several IPC members raised concerns to ICANN staff that most abuse in the domain name system consisted of typosquatted trademarks or strings that contain trademarks along with an industry-relevant generic term. At the time, it was not considered feasible to allow this beyond the “TM+50” rule that was limited to claims services. This review should include a section looking at the feasibility and fairness of including a “trademark plus” type system (potentially beyond previously abused strings) for Sunrise eligibility.

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

Yes, the “premium names” issue is relevant to a review of RPMs. In many instances, premium names programs defeat the entire purpose of the RPMs, and should be included in the discussion. Appropriate limitations, guidelines and standards for communication around premium names programs should be considered a part of the RPMs. It is unacceptable for ICANN to say that it has no role in relation to pricing, when discriminatory pricing practices have the effect of circumventing the carefully crafted RPMs.

3. *Following from Question 2, should there be a mechanism to challenge whether a domain is a ‘premium name’?*

Yes, although this question is slightly premature. There should be appropriate limitations to a premium names program, and alongside that, there should be a mechanism to challenge any Registry Operator that is non-compliant. Absent a widely applicable policy to limit the inclusion of registered trademarks on premium names lists, there should be an independent mechanism by which potential registrants can challenge the inclusion of a mark on a premium names list. Clear rules, definitions and guidelines should be developed.

4. *Should there be a specific policy about the reservation and release of “reserved names” (e.g. modification of Section 1.3.3 of Specification 1 of the current Registry Agreement)?*

Yes, a specific policy regarding the reservation and release of “reserved names” should be developed. There should be an appropriate limit on the number of names that a Registry can reserve (e.g., 100) and the purpose of such registry reserved names should be more clearly defined, *i.e.* reserved names should be to serve the purpose of running and promoting the TLD, such as nic.TLD, and what this means needs a reasonable level of clarity. Any names that were withheld from Sunrise registration should not be released into general availability without proper notification and should be subject to a special Sunrise period.

5. *Should there be a public, centralized list of all reserved trademarks for any given Sunrise period?*

Yes, this would help eliminate a lot of guess-work and will aid in planning. Proper and timely communication was lacking in the first round and greatly contributed to many of the problems brand owners faced in Sunrise, including understanding what was reserved by which Registry.

6. *Should holders of Trademark Clearinghouse-verified trademarks be given first refusal once a reserved name is released?*

Yes, there should be notification to the TMCH-verified mark holder and they should be given first refusal in the form of a Sunrise period (60-days).

7. *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 are critical to rights owners. There should be a consistent policy about timing and communication; this needs to be improved. After premium and reserved names issues, the most common complaint from rights owners in the first round was that there was confusion about what was launching when, and there often wasn't enough time to seek appropriate corporate approvals (especially if the name was a premium name) to secure Sunrise reservations. The IPC suggests discussing a 90-day Sunrise period with no advance communication requirement.

5. Trademark Clearinghouse

The Report asks the following questions with respect to the Trademark Clearinghouse (TMCH):

- Should there be an additional or a different recourse mechanism to challenge rejected trademarks?
- Should further guidance on the clearinghouse verification guidelines for different categories of marks be considered?
- Should the clearinghouse matching rules be expanded, e.g. to include plurals, ‘marks contained’ or ‘mark+keyword’, and/or common typos of a mark?

While the IPC recognizes that these substantive questions would need to be fully addressed by the proposed PDP itself, the IPC provides its preliminary responses below.

- *Should there be an additional or a different recourse mechanism to challenge rejected trademarks?*

The current mechanism to challenge the rejection of a trademark from being entered into the TMCH is the TMCH Dispute Resolution Procedure. *See* TMCH, [Dispute Resolution Procedures](#) (Mar. 2013). Very little information is publicly available regarding the use of this mechanism, or the outcomes of any such proceedings. Such information would be helpful in guiding a PDP Working Group as to whether this mechanism is satisfactory in resolving challenges to rejections of trademarks from entry into the TMCH.

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

At a high level, the verification process seems to have been generally successful in restricting ineligible marks from being added to the TMCH, while permitting the entry of eligible marks. That said, given the number of complaints received by the TMCH, and the amount of back-and-forth correspondence necessary in some cases to ensure entry of a mark into the TMCH, additional verification guideline guidance for each category of mark would likely be helpful. Additional training, communication and learning tools to assist brand owners and TMCH staff may also be helpful, particularly given that many TMCH staff members are not experienced trademark practitioners. The IPC is of the view that a PDP is not strictly necessary to obtain the improvements mentioned in this paragraph.

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

ICANN should consider expanding the matching rules, including the “identical match” definition. The IPC would support expansion of the matching rules to include plurals, “marks contained” and “mark+keyword,” as well as common typographical errors. In addition, the IPC would support the relaxation of standards in respect of marks containing accents and other similar special characters and would support a definition that considered marks with special characters as equivalent to their counterparts without the accent marks or special characters, but not vice-versa (e.g. öó mark would be treated as identical to oo mark,

but oo mark would not be treated as identical to öö mark). These changes would significantly improve prophylactic trademark protection in the new gTLDs, and minimize expenses to brand owners in proactively monitoring for third party domain name registrations seeking to capitalize on non-identical-match, but otherwise confusingly similar names.

The IPC would also support the adoption of the TMCH by legacy TLD operators in order to support ongoing post-registration Notice of Registered Name Trademark Claims service in those legacy TLDs, similar to the ongoing post-registration Notice of Registered Name service the TMCH currently provides with respect to new gTLDs. Although not a prophylactic measure akin to the pre-registration Trademark Claims notice to would-be registrants, an ongoing post-registration Claims service in legacy TLDs could still help reduce cybersquatting, minimize policing costs for brand owners, and reduce the need for brand owners to take reactive measures to bad faith third party registrations such as filing URS or UDRP complaints or pursuing Anti-Cybersquatting Consumer Protection Act (ACPA) claims.

The IPC also expects the proposed PDP to discuss additional issues involving the TMCH, such as those presented in the RPM Review Report, to ensure thorough discussion as to how best to improve this important RPM. The IPC looks forward to bringing its substantial collective experience with the TMCH to bear on those Working Group discussions.

6. Additional Questions

The report raises several “Additional Questions,” for which the IPC provides its preliminary responses below:

- Do the RPMs work for registrants and trademark holders in other scripts/languages, and should any of them be further “internationalized” (such as in terms of service providers, languages served)?

The IPC believes that tying the language of RPM proceedings to the language of the registration agreement, or some other language in which the Respondent is operating, at the discretion of the panelist, has ensured a level playing field in domain name disputes involving IDNs.

- Do the RPMs adequately address issues of registrant protection (such as freedom of expression and fair use)?

The UDRP and the URS both specifically require a showing of bad faith in order to prevail. Appropriate freedom of expression and fair use both require an absence of bad faith. As a result, we believe the current texts of the UDRP and the URS both sufficiently address the issue. Since the Internet is replete with free expression and fair use, the RPMs do not appear to have any discernible chilling effect.

- Have there been abuses of the RPMs that can be documented and how can these be addressed?

The IPC has brought to the attention of ICANN Compliance abuse of the Trademark Clearinghouse data by several new gTLD registries, which have used the list to set prices for registrations by trademark owners at discriminatory high prices. Abuses such as these should be addressed by ICANN Compliance taking interest in the issue and enforcing its contracts.

- Is there a policy-based need to address the goal of the Trademark PDDRP?

The Trademark PDDRP has not yet been invoked, so in some ways it is premature to consider a review of this RPM. However, the PDDRP was designed in a largely theoretical universe, before a single new gTLD was even applied for, much less delegated and active. As such, there is now a baseline of actual registry activity that can be used to determine whether the policy design is appropriate under “real world” conditions. In particular, an examination of actual experiences could reveal registry activity that was not contemplated when the PDDRP was created. Therefore, the IPC would recommend that the PDDRP be reviewed in light of various registry programs and activities.

Missing, however, in the Additional Questions is the primary question of whether or not the RPMs are working. The IPC notes that to date there has not been an analysis of whether the RPMs are “collectively fulfilling the objectives for their creation,” namely “to provide trademark holders with either preventative or curative protections against cybersquatting and other abusive uses of their legally-recognized trademarks.” In our view, if there is any such review it must also take into consideration those recommendations of the Implementation Recommendation Team (IRT), set out in its Final Report,⁴ which were not in fact implemented in the New gTLD Program. Principle amongst these is the concept of the added protection afforded by means of a Globally Protected Marks List (GPML).

Globally Protected Marks List (GPML) and Registry-Specific RPMs

The IRT was tasked with, and delivered, expert recommendations to seek to address the potential risks to trademark holders in the implementation of new gTLDs. As the IRT noted in the Introduction to its Final Report “there is no single solution to satisfy all of the concerns raised in the comments to the DAG1 and DAG2, and that each proposal presented herein is part of a **tapestry of solutions which are interrelated and interdependent**. The proposals have been designed comprehensively to balance in relation to one another and **the removal of any proposal will likely require further strengthening of the others**” (emphasis added). As that corresponding strengthening did not happen when the GPML element was removed, at a minimum when reviewing the RPMs which were adopted for the new gTLDs the impact of this decision must be considered.

The IPC also notes that an important aspect of the existing rights protection ecosystem is currently not envisaged as being included in any PDP to review the “state of all RPMs implemented for both existing and new gTLDs”: the registry-specific RPMs implemented by some registry operators such as Donuts, Rightside, and Minds & Machines. A number of the respondents to the Draft Staff Report on RPMs highlighted this as a significant omission.

⁴ <https://archive.icann.org/en/topics/new-gtlds/irt-final-report-trademark-protection-29may09-en.pdf>

Although, by their very nature, these non-mandatory RPMs are not “policies and processes, developed in consultation with the ICANN community” it is important that they be taken into consideration when reviewing the mandatory RPMs since their existence and availability have a direct impact on the utilization and effectiveness of the mandatory RPMs in those registries to which they apply.

Whilst the preliminary Issue Report does envisage that a review of RPMs might cover additional issues not identified in the Issue Report, the IPC considers that it is important that the above elements are specifically called-out, to ensure that they are within the scope of any review which is initiated.

7. Options Presented for Community Input

Single vs. Multiple Reviews

The Preliminary Issue Report suggests three alternative formats for the review of these remedies. The first suggested format is a combined, single-step review of all RPMs, including both the UDRP, which applies to all second-level domain names for all gTLDs – as well as subsequently-created RPMs applicable only to domain names registered in the newly-delegated gTLDs. A second alternative also adopts a single-step process, but with an additional requirement that the assigned Working Group review its timeline and overall Work Plan when the output from the Competition, Consumer Trust and Consumer Choice (CCT) review becomes available. The third alternative is a two-step process for review that involves first analyzing the status and effectiveness of the newer RPMs, followed by a second stage of review that looks at the UDRP by itself.

Subject to the overarching comments made in Section 1 above regarding the nature of any review of the UDRP, if there is to be such a review, the IPC supports the first alternative – a combined, single-step review of all RPMs – for the following reasons.

1. A Single-Stage, Comprehensive Review of All RPMs Will Provide a More Holistic and Meaningful Analysis of the Total Effectiveness of RPMs in Protecting the Rights of Brand Owners

The various RPMs are all distinct in terms of their scope of protection and their applicability. For example, the UDRP provides a remedy for the majority of domain name disputes that are brought, and is applicable to domain names registered in all gTLD strings. Since the standard of proving bad faith use and registration is the lower (and more common) “preponderance of the evidence” standard, it follows logically that many more complaints will continue to be brought under the UDRP, simply because more cases would likely reflect a wider range and degree of bad faith.

The URS, on the other hand, applies only to domain names registered in newly-delegated gTLDs, and also requires a showing by the much higher “clear and convincing” standard that a particular domain name was registered and used in bad faith. As a result, the URS is effectively reserved for only the most egregious examples of cyber-squatting cases - i.e., “slam-dunk” cases

in which a registrant's bad faith is plainly evident from the evidence presented by an aggrieved brand owner.

Taken together, these RPMs aim to provide brand owners with a comprehensive arsenal of domain dispute remedies, offering relief for a wide range of cases in which bad faith is asserted. However, since these particular RPMs are by their very nature complementary, they cannot be analyzed in a vacuum or Isolation. For example, a review of the Forum's URS case files reveals just over 400 cases filed under the URS ruleset since its inception. This figure alone cannot provide a complete picture of the effectiveness (or even the desirability) of the URS as a remedy unless it is compared with the cases brought under the UDRP. To date, over 21,000 cases have been brought under the UDRP in just the Forum alone. The significant disparity in these figures demonstrates that while the URS may be a highly effective remedy in its own right, it is truly only applicable in a small minority of cases. In other words, while the URS is a powerful remedy it is only a limited one. Without a comparison, as to utilization, to its companion remedy, the UDRP, the effectiveness of the URS as an available RPM would be obscured and distorted. Evaluating the two together provides a much more complete picture of each remedy, as well as the framework of protection they provide together.

2. A Single-Stage Review is More Likely to Result in Effective Improvements to All RPMs

As noted above, the various RPMs were intended to address different needs and to provide varying forms of relief. For example, the UDRP and URS were intended to be “curative” remedies (i.e., one which “fixes” the issue of a problematic domain name registration), while the Trademark Clearinghouse (TMCH) and its related Sunrise/Claims Periods mechanisms were intended to provide “preventative” remedies (i.e., they would prevent the registration of infringing domain names altogether).

Although none of these remedies are necessarily mutually exclusive, they do provide distinct benefits. However, it also follows that each RPM has its downsides. For example, the URS is a valuable tool for brand owners in the battle against cybersquatting, largely due to its lower cost-point and faster, more streamlined approach. However, one of its biggest limitations (and also likely a significant reason it has been utilized much less frequently than its UDRP counterpart) is that it is not applicable to legacy gTLDs. Instead, brand owners seeking to address registrations in legacy domain names (e.g., .com domains) are necessarily limited to seeking recourse under the UDRP, even in instances of absolutely clear bad faith, where the URS would be a logical alternative. As a result, UDRP “case law” reflects a multitude of complaints that would have met the “clear and convincing” standard of bad faith. Considering the impact of the URS (and potential improvements to the overall ruleset) is therefore made all the more instructive when viewed within the context of the volume and type of cases brought under the UDRP - many of which certainly could have been brought under the URS, if available. A comparison of the various RPMs together necessarily shines a light on the areas needing improvement in each.

3. A Two-Stage Approach to Review Could Potentially Weaken the Viability of All RPMs as Effective Tools to Safeguard Brand Rights

There is legitimate danger that a “divide-and-conquer” approach using the two-step proposals could have the effect of weakening these RPMs and the overall framework of protection for

rightsholders. Specifically, analyzing the RPMs separately, without the benefit of a meaningful context in which to compare and contrast both their advantages and shortcomings, greatly increases the risk that the picture of the effectiveness of these remedies could be distorted or even exaggerated. As a result, meaningful changes to the RPMs that could result in greater effectiveness of ICANN's commitments - both to protecting the rights of brand owners and to safeguarding public trust and security - might never be made or even considered.

Respectfully Submitted,

Intellectual Property Constituency