



IPC Comments on the Proposed String Confusion Objection Review Mechanism
March 11, 2014

The Intellectual Property Constituency (“IPC”)¹ of the Generic Names Supporting Organization (“GNSO”) is pleased to provide comments on the proposed review mechanism to address perceived inconsistent expert determinations on string confusion objections. While the IPC appreciates the work ICANN has dedicated in proposing a review mechanism, we identify serious fairness concerns since only two contention sets would potentially be reviewed. Further, assuming *arguendo* that some form of appeal mechanism does move forward, we feel that key changes are necessary. In addition, we are pleased to take this early opportunity to identify areas for improvement in all new gTLD objections for any potential future application rounds.

Concerns Raised By The Scope Of The Proposal.

The scope of the proposed string confusion objection review mechanism raises serious concerns regarding equity, fairness and detrimental reliance. On the one hand, we sympathize with ICANN in that it would be unfair at this juncture to open up the scope of review to all objection determinations—particularly due to the potential for detrimental reliance on the part of applicants with strings that have already been delegated. On the other hand, it is also clearly inequitable to limit review solely to the .CAR(S) and .CAM/.COM contention sets. Similarly, there may be inequities in granting only losing applicants standing to initiate review; in the event that any limited review mechanism is instituted, both the losing applicants and losing objectors should have standing to initiate the review.

¹ Individuals members contributing to this comment include representatives of an Objector and a Prevailing Applicant in the SCO's identified in the proposed review mechanism.

An Appropriate Standard of Review.

String confusion panel determinations are primarily fact-based, weighing *inter alia* the credibility of expert reports, the pronunciation of letters and phrases, relevant language scripts, and definitions for words and acronyms. The appropriate common law standard of appellate review for such factual determinations is the *clearly erroneous* standard—a highly deferential standard.² Even in civil law countries, which vary widely in approaches to appellate review, courts of last resort such as the Corte di Cassazione in Italy and Cour de Cassation in France do not review factual determinations, but only review statutorily-defined errors of law.³ Conversely, the standard proposed by ICANN appears to subjectively dissect the reasonableness of the determination, and it seemingly lacks any real deference to the initial panel.

Panelist With Experience In The Program.

It is important that ICANN ensure all panelists have not only relevant gTLD experience, but also subject-matter experience (such as linguistics or trademark law – which seeks to prevent consumer confusion). To help achieve this goal the three-member panel of last resort could be composed similar to the appointment of UDRP panels. Specifically, each party requests one panelist and then the presiding panelist is appointed on the basis of preference indicated by the parties from among a list of five candidates provided to them by the Dispute Resolution Service Provider.⁴ In the case of String Confusion Objection reviews, we suggest that any process allow parties to draw from the WIPO Legal Rights Objection Panel Roster.

Improvements For Objections In General.

² See *Concrete Pipe & Products of Cal. v. Construction Laborers Pension Trust for Southern California*, 508 U.S. 602, 622 (1993) citing *U.S. v. U.S. Gypsum Co.*, 33 U.S. 364, 395 (1948).

³ See e.g. Nina Nichols Pugh, *The Structure and Role of Courts of Appeal in Civil Law Systems*, 35 La. L. Rev. 1163, 1184 (1975).

⁴ WIPO, *Guide To The UDRP: How Is An Administrative Panel Appointed?*, available at www.wipo.int/amc/en/domains/guide/ (last visited March 7, 2014).

Finally, we are pleased to take this early opportunity to identify areas for improvement for all objections should ICANN open additional application rounds for new gTLDs in the future. We believe that appropriate procedural and substantive changes to objection processes will foster greater predictability for future applicants and registry operators. First, all objections in any potential future applicant round requires a formal appeals process. This recommendation expands upon the IPC’s position that, “ICANN should consider providing an appeal procedure from decisions of the LRO panel” to “promote consistency of decision-making.”⁵ Second, penalties against abusive filings should be considered—including attorney’s fees to build upon the existing loser pays model. Third, a “threshold review” should be considered to address complaints failing to comply with procedural rules, and also address the timeliness of materials filed. Finally, the ability to challenge experts should be broadened beyond conflicts of interest to permit disqualification based on a lack of requisite expertise. These comments are not intended as an exhaustive list of improvements that should be considered should ICANN open additional application rounds in the future.

Conclusion.

While the IPC appreciates the work ICANN has dedicated in proposing a review mechanism, we urge ICANN to account for severe fairness concerns on both of any expert determination. To this end, we recommend that should any review mechanism be convened: (1) both the losing applicants and losing objectors have standing to initiate the review; (2) panels of last resort apply due deference via the *clearly erroneous* standard of review; and (3) only panelists with demonstrated experience with the new gTLD program be appointed.

Thank you for considering our views on these important issues.

Respectfully submitted,

Intellectual Property Constituency (IPC)

⁵ IPC, *Comments Re “Draft Applicant Guidebook” For New gTLDs*, available at [http://ipconstituency.org/PDFs/IPC%20comments%20re%20new%20TLD%20DAG%20submitted%20121508%20\(2060018\).pdf](http://ipconstituency.org/PDFs/IPC%20comments%20re%20new%20TLD%20DAG%20submitted%20121508%20(2060018).pdf) (December 15, 2008).