

To Whom It May Concern:

I write on behalf of the International Anti-Counterfeiting Coalition (“IACC”). The IACC is the largest multinational organization representing exclusively the interests of companies concerned with product piracy and counterfeiting. Our members consist of over 200 leading corporations, trade associations, and professional firms and represent total revenues of over \$650 billion. The intellectual property owners represent a cross-section of industries, consisting of many of the world’s best known companies for the various products that they develop, manufacture and distribute in the entertainment, automotive, pharmaceutical, motion picture, consumer goods, personal care, apparel and other product sectors. These members regularly conduct intellectual property enforcement efforts and enforce their rights in scores of countries around the world and on the Internet where an increasingly significant amount of their overall business is being conducted.

The IACC welcomes this opportunity to comment on the important issues associated with the proposed enlargement of generic Top-Level Domain Names (“gTLDs”) as developed in the Draft Applicant Guidebook (“Applicant Guidebook”) published by ICANN for comment (<http://www.icann.org/en/topics/new-gtlds/draft-rfp-24oct08-en.pdf>).

While the IACC takes no position concerning the broader issues associated with the proposed enlargement of the domain name space to add an unlimited number of new gTLDs, the IACC is deeply troubled that the proposed expansion may occur while fundamental issues related to online accountability remain unresolved within the existing gTLDs. Moreover, the vague guidelines and incomplete procedures set forth in the Applicant Guidebook promise greater confusion and considerable potential harm to the IACC membership and for the protection of their valuable intellectual property rights online.

Putting aside the question of timing, which appears to have been decided already and not a subject for the current comment, the IACC’s concerns with the Applicant Guidebook fall into two principal categories: the absence of any preliminary trademark analysis in ICANN’s review (except to blacklist confusingly similar variations of ICANN’s own trademarks) and the failure to encourage more efficient and effective means of intellectual property protection, both in dispute resolution and WHOIS access.

### **Domain Name Confusion**

The proposed expansion of gTLDs creates two areas of concern for trademark owners. The first, obviously, is approval of new gTLDs which are themselves confusingly similar to trademarks. The second is the registration of second-level domains within the new gTLDs which infringe existing trademarks. The only provisions in the Applicant Guidebook for either species of trademark infringement are (i) an objection mechanism (“Legal Rights Objection”) which ICANN itself predicts will cost trademark owners many thousands of dollars *per objection* and (ii) implicit adoption of the Uniform Dispute Resolution Policy (“UDRP”) with respect to second level domain names as one of the “consensus policies”. Will the UDRP also apply to top-level domains or is some different dispute resolution contemplated with respect to those gTLDs which have met with ICANN approval?

These forms of trademark abuse are of significant concern to the anti-counterfeiting community insofar as deceptive domain names are routinely used in the existing .com top-level domain space to drive Internet traffic to illegal sites selling counterfeit product and to provide additional facial credibility and legitimacy to the offers appearing on those sites. A cursory survey of decisions obtained under the existing UDRP reveals countless examples of infringing domain names used to deceive consumers and to advance the illegal traffic of counterfeit goods and services.

The IACC strenuously objects to the proposed Applicant Guidebook insofar as (i) it imposes 100% of the financial burden of objecting to *any* application made for a new gTLD upon the existing rights owner (except, ironically, for ICANN itself); and (ii) it imposes no requirement beyond adoption of a UDRP based dispute resolution model with respect to second-level domain names. Among the possible measures to address these concerns, the IACC suggests that ICANN consider the following:

- A penalty to be imposed upon bad faith gTLD applications where an application is advanced for gTLDs identical to an existing registered trademark where the applicant demonstrates no prior legitimate interest in the domain name, such penalty to be deducted from any application fee which might otherwise be refunded when the application is denied;
- A reversal of fees and costs relating to the LRO when an application is denied based upon an objection filed asserted by a trademark owner, such fees and costs to be deducted from the application fee which might otherwise be refunded to an applicant. The IACC believes measures along these lines might discourage bad faith and infringing applications where applicants know that such applications will likely end up costing the applicant;
- A provision that the UDRP will apply to the new gTLDs themselves (not only second-level domains issues within the gTLDs) and that any such registrations are subject to legal proceedings (in the same way that panel decisions under the existing UDRP are subject to legal proceedings of competent jurisdiction);
- A registry to preclude further applications on behalf of those whose applications have been rejected on specified grounds, including bad faith;
- Creation of a registry of unacceptable gTLDs which is not limited to ICANN related trademarks and which can help reduce the need for Legal Rights Objections based on trademarks included within such a registry;
- A provision that applications should, where appropriate, provide other more effective mechanisms (e.g. notice and take down within “thick” gTLDs”) to address trademark

infringement claims in the second-level domain name space. Such procedures should be actively encouraged and the Applicant Guidebook should provide affirmative guidance to applicants that such procedures may help expedite review or improve odds for approval of an application).

### **WHOIS Access and Reliability**

The IACC has commented on the importance of an accessible and reliable WHOIS database on several occasions in connection with ICANN's policy development process. The IACC will not, again, repeat the importance of online accountability and the deficiencies of WHOIS (and ICANN's efforts to secure compliance with existing requirements by registrars permitted to register names in the existing gTLD space). It is continuing deficiencies in this area that cause the IACC considerable concern with the proposed expansion of the gTLD space.

Moreover, not only has ICANN failed to resolve the outstanding issues with respect to WHOIS accountability within the existing gTLD space, it appears that ICANN will permit an exponential magnification of the problems associated with WHOIS by expanding the domain name space. The IACC submits that enhanced WHOIS requirements, especially with respect to "thick" gTLDs or those which are centrally administered and where overall responsibility should quickly be established is appropriate.

Again, the IACC thanks you for the opportunity to comment on these important issues.

Very Truly Yours,

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