

Date: May 6, 2009

To: The Implementation Recommendation Team and ICANN Staff

Re: The IRT Draft Report

Thank you for allowing MarkMonitor the opportunity to comment on the Implementation Recommendation Team (IRT) Draft Report. MarkMonitor appreciates the time and effort of the individuals who made up the team as well as their significant contributions in developing and completing this Draft Report. Even if adopted "as-is" the protections outlined would be a substantial improvement over existing protection mechanisms.

This submission is intended to be constructive and we hope it will be considered as such. We are happy to clarify any comment with a discussion or via correspondence.

Our overarching comments are set forth below and, our detailed comments on the Draft Report are attached:

1. The compressed time schedule may risk effective implementation of Rights Protection Mechanisms (RPMs)
2. Complexity and "high-touch" nature of the proposed RPMs may make them expensive and difficult to scale
3. Consistent application of the RPMs across all new TLDs may make them easier to implement, understand and use
4. Adding features to RPMs to make it easier to detect and pursue recidivist infringers could streamline the process of protecting rights
5. The single most important mechanism, Uniform Rapid Suspension system, may be poised to inherit some of the same limitations that UDRP suffers including lack of scalability and high expense to rights holders

Our comments were developed in consultation with brand owners and using working papers which were created for this process. MarkMonitor can provide those working papers if the IRT would find it helpful. They were not submitted in the interest of conforming to the IRT's request for brevity.

Again, we appreciate your efforts on behalf of brand rights owners.

Regards,



Frederick Felman
Chief Marketing Officer
MarkMonitor

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1) The IP Clearinghouse (IPCH)

- a. The concept of an IPCH is an interesting and valuable one, and has many favorable applications including those mentioned in the IRT Draft Report.
- b. It is unclear who is responsible for the specific IPCH functions and therefore the concept may be difficult to scope and implement. Among the questions that need to be resolved are: Where will the data be housed? What API's will be provided? Who will be responsible for transaction processing? These, and other issues, still need to be fleshed out.
- c. Immediate implementation of all forms of rights in the IPCH such as registered and unregistered trademarks, geographical names, company names, trading names, and family names is an enormous endeavor and may not scale. As mentioned in the IRT Draft Report, "phasing was not considered" – however, execution in stages to mitigate risk may make this easier to implement (ie, Phase One may include registered and unregistered trademarks, Phase Two may include common law marks, and so on).
- d. Ownership of the data should also be addressed. Does the outsourced agency own the data? Assuming that the outsourced agency loses the contract to warehouse and manage the data after 5 years, how will this data be transferred to another company? Why would a company transfer the information if it has spent thousands of dollars developing proprietary systems to provide this information to registries, registrars and the public? Who will make the determination that the outsourced agency's contract will not be renewed?
- e. Annual costs to register a record could be prohibitive because of the expense of operating the IPCH. The IRT should be cognizant of the numerous touch costs that are attendant to the operation and management of this service. These costs include: costs to validate the initial record and annual costs of validation thereafter; additional costs to validate each GPM; costs to develop and manage the API's that tie to each registry and registrar; maintenance costs; costs to address potential challenges and complaints to records within the system and general operational and development costs.

2) Globally Protected Marks List (GPML)

- a. The requirements for being listed as a GPML appear to be too stringent. Perhaps the criteria should be based on actual use cases of 100 globally recognized marks. There are a number of marks that are licensed, or are systematically being gamed in certain jurisdictions, that are clearly GPMs but would not fit these criteria because of these circumstances.
- b. A challenge process should be reconsidered by the IRT given that it will allow third parties to dispute a GPM status. If a GPM owner is successfully challenged (or fails the validation process in subsequent years) post-TLD delegation or post second level registration, then what happens to a TLD or the secondary domain name registrations?
- c. Will a further fee be required by the IPCH in order to annually validate GPM status?
- d. The GPML could be deemed a "famous" marks list and a company that is rejected from this list may be faced with unintended legal consequences as a result.
- e. Companies that cannot achieve this stringent status may be put at a severe economic disadvantage since they will once again be required to defensively register their names.

3) Pre- and Post-launch Watch Service

- a. Many already existing companies provide this and other services to the domain name community. Therefore, feature sets may best be left to the open market to satisfy.
- b. Exact string matches make the system uninteresting to most brand owners. Much of the abuse is inexact.
- c. It is unclear whether the registry operator or the IPCH will be providing this information to the requestor.

4) IP Claims Service

- a. The ability to block a registration is a good concept, but allowing a third party to then proceed with registration after a showing that no infringement will occur upon registration, may be a concern. Should a registrant of an infringing name be notified at registration that they will not have standing in a URS or UDRP?
- b. This concern also affects non-GPMs.

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5) Standard Sunrise Registration Process (SSRP)

- a. This idea is largely well-formed, practical and useful.
- b. Synchronizing the SSRP with the IPCH could create efficiencies and reduce costs. If more data is required than what is available in the IPCH, then additional fees would need to be charged which would essentially make the IPCH ineffective. The IPCH should be required to collect all the data required to support all the registries offering an SSRP or other service.

6) Uniform Rapid Suspension System (URS)

- a. Using bonds and/or strong punitive measures for abusive complaints could allow the burden of proof to be shifted from complainant to registrant, making the process truly efficient, less costly and safe from abuse.
- b. Registration qualification for URS should leverage the IPCH to increase efficiencies.
- c. The URS results in a lock of the domain name for the life of the registration only. There is no discussion as to what happens after the registration expires. As a result, this could become a repetitive task and require additional fees. We'd recommend a preference be given to the party that prevails in a URS for registration of the name at its expiration.
- d. Notification could be simplified. Currently, five notices are required to be sent within hours or days of the filing of a complaint, and certified paper mail will cause the hard costs of this measure to be high.
- e. There should be a fee (refundable if respondent prevails) to contest or respond.
- f. With no specific definition of "bad faith" or a definitive and clear case, complaints will be hard to adjudicate and the system therefore more expensive. A specific definition of "bad faith" would increase efficiencies.
- g. Registrant abuse of process could cause cases to be resolved even more slowly.
- h. There is difficulty identifying registrants (the two "p's" – proxy and privacy) makes the system less efficient and more costly.
- i. Identifying recidivist infringers is very difficult. (See potential new RPM proposal below)
- j. There are unrealistic operating requirements – i.e. running system on a cost recovery basis.
- k. URS should be more automated with online forms and supporting systems.

7) Post Delegation Dispute Resolution System (PDRP)

- a. Many details seem to be missing including, but not limited to: the time constraint on how long the ICANN complaint investigation should take and who would be the proposed DRP provider. This RPM needs much more detail to be useful.
- b. The PDRP appears to a similar process to the complaint process through the Internic Whois site, but with fees attached. There should be stronger oversight of this system.
- c. There is no discussion of malicious activity by the registry itself.
- d. Open and Community applicants should both be required to abide by representations made in the application process – not only Community as set forth in the Draft Report.

8) Whois Requirement for New TLDs

- a. Should be provided for all registries, possible exceptions are in jurisdictions where there is specific privacy case law.
- b. See registrant research service (below) for how to find recidivists in light of proxy and jurisdictions where there are privacy concerns.
- c. There should be a universal and centralized repository for domain name registrant data such that information available (may be restricted due to jurisdictional privacy issues) must be provided and accessed in a consistent way.

9) Rights Protection Measure Proposal – Registrant Research Queries

- a. In the face of proxy and privacy concerns, all registries and registrars required to participate.
- b. Brand Owner or another third party could submit a list of URLs to a registry or registrar.
- c. Registry or registrar needs to provide the list of URLs aggregated by registrant or by registrant.