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Re: The Coca-Cola Company's Comments on Limited Preventative Registrations and the Trademark Clearinghouse "Strawman" Solution

In light of the dangerously inadequate rights protections mechanisms (RPMs) currently in place for new gTLDs, The Coca-Cola Company ("TCCC") welcomes the opportunity to provide comments to ICANN regarding Limited Preventative Registrations and the Trademark Clearinghouse "Strawman" Solution.

TCCC is the world's largest beverage company. We own or license and market more than 500 nonalcoholic beverage brands, and own and market four of the world's top five nonalcoholic sparkling beverage brands: Coca-Cola, Diet Coke, Fanta and Sprite. Beverage products bearing our trademarks have been sold in the United States since 1886, and are now sold in more than 200 countries. Our top brand, COCA-COLA, is universally recognized and has held the number one spot on Interbrand's ranking of the 100 Best Global Brands since 2001.

While we appreciate the efforts to address the dangers that consumers and brand owners will face with the new gTLDs, the most critical element of the proposed RPM solutions has not been included in the "Strawman" – Limited Preventative Registrations ("LPRs"). We are writing to strongly support the comments filed by the Association of National Advertisers (ANA) and others stating that LPRs are the most critical aspect of the proposed RPM solutions and must be adopted by ICANN as part of any RPM solution. The reason for this is simple – Limited Preventative Registrations are the only current or proposed RPM that in any way resolves the critical problem of defensive registrations in the new gTLDs.

Defensive registrations are a huge burden on brand owners in the current internet environment, where there are only 22 gTLDs. In order to protect consumers and reputations, we are forced to acquire unwanted "defensive registrations" solely to keep these domain names out of the hands of those who would abuse them. The costs of these defensive registrations do nothing to advance our business initiatives. The only winners when it comes to defensive registrations are the domain name registrars and registries.

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As new gTLDs are introduced, the defensive registration problem will quickly become unmanageable. We are moving from 22 gTLDs to nearly 1000 gTLDs – a 6000% increase. It will literally be impossible for us to keep up with this onslaught – or to pay for all the defensive registrations we would need to acquire across these new gTLDs. We would need to increase spending by nearly 50 times in order to keep pace. No company, large or small, can afford such an increase. On the other hand, if we do not spend that money, the number of domains using our trademarks to trick, trap and rip off consumers will skyrocket – harming consumers as well as our reputation and goodwill. On top of that, the procedural challenges are daunting, as some estimate that as many as 20 new domains will be introduced each week.

While we are still developing our strategy for dealing with cybersquatting in the new gTLDs, even if we project doing defensive registrations for <u>only 25%</u> of our brands in <u>only 25%</u> of the projected new gTLDs--a very conservative estimate--at an estimated cost of \$300 per registration, the initial expense alone will be more than <u>\$9 million</u>, a significant financial burden with no constructive value to our business.

Unless Limited Preventive Registrations are adopted, ICANN will not have provided any economically feasible and long-term way to handle this danger to consumers and to our brands' value. LPRs allow us to acquire domain name registrations we need to control for consumer protection purposes, but which are not needed for any communications purposes.

The Strawman proposal is helpful, for the most part, but it does not do enough. Strawman Solution #1, the sunrise period notification, will help us manage the many sunrise processes. Strawman Solution #2, which increases the notice period from 60 to 90 days, is a slight improvement on the short-term nature of the Trademark Clearinghouse. But there is no legitimate reason why that the Trademark Clearinghouse should not continue in perpetuity, with the full claims notice mechanism in place. This would eliminate the need for the completely inadequate Strawman Solution #3 under which brand owners face additional financial burden with no real advantage--we will not receive any notice of a potential infringement and the registrant may not even receive notice of the details of our claim. This provision is unsupportable. Finally, Strawman Solution #4, which would allow us to add up to 50 previously abused strings to the Trademark Clearinghouse, recognizes that cybersquatters will go after multiple variations of our brands. This proposal is certainly something we can support, but since it only lasts as long as the Trademark Clearinghouse, unless the Trademark Clearinghouse continues in perpetuity, it provides no long-term protection.

In our view, Limited Preventive Registrations strike a fair balance between the needs of consumers, brand owners and registrars/registries. Without LPRs, we are left with a terrible choice: either we will have to expend enormous sums of money pursuing defensive registrations or we expose our customers and other internet users to fraud and abuse,

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destroying our brands in the process. This cannot be ICANN's intention. The GNSO must not allow procedural arguments to be used as a smokescreen to protect the status quo; instead the GNSO must recognize that LPRs will protect the entire internet community.

We do not believe that the Strawman proposal as it stands provides truly meaningful protections to brand owners. The current proposed changes are largely "window dressing" and alone—without LPRs—do not effectively address brand owners' concerns or provide any real consumer protection. None of the Strawman solutions stop cybersquatters and none of the solutions are long-term solutions. Only LPRs provide long-term solutions that stop problems before they can occur.

We strongly urge the GNSO and ICANN to heed our and other brand owners' concerns and adopt the Limited Preventive Registrations. Without these protections, the damage to consumers and businesses will be tremendous – all to the benefit of cybersquatters and other bad actors. The GNSO and ICANN must do the right thing and protect all of us from such a future.

Very truly yours,

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Senior Managing Trademark Counsel

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