

Trademarks and the Internet

Hot Topics



Upcoming Changes to the Domain Name Market

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Brief history of ICANN

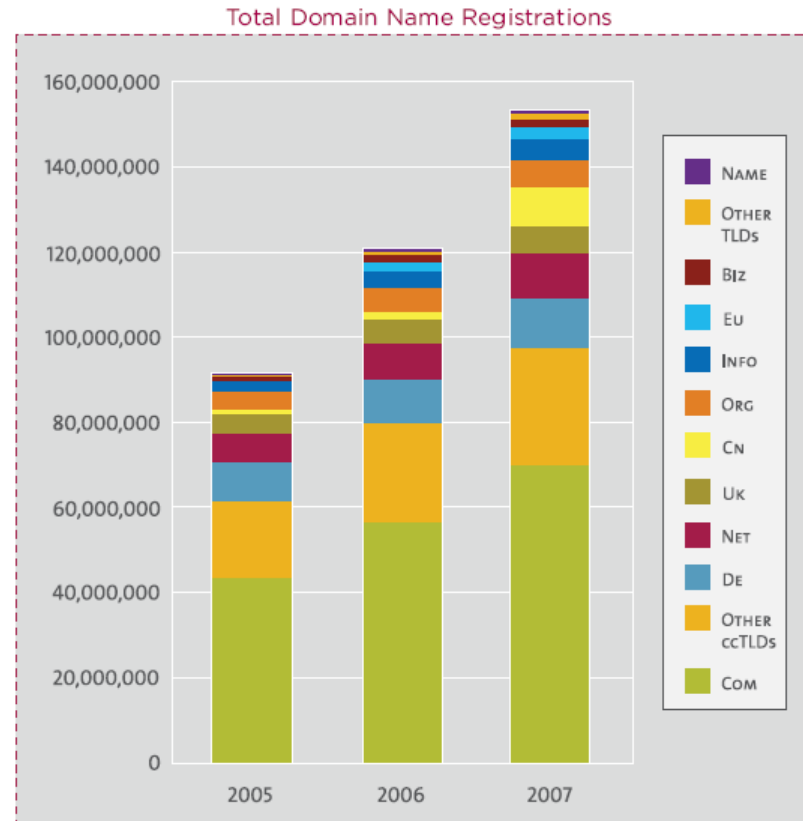
- Created in 1998 as international multi-stakeholder organization responsible for the technical management and coordination of the Internet's domain name system and its unique identifiers
- ICANN coordinates –
 - Internet Protocol address space allocation
 - Protocol identifier assignment
 - Generic and country code top-level domain name system management
 - Root server system management functions



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Snapshot of the domain name marketplace

- More than **153 million** domain names registered worldwide
- 21 gTLDs and 249 ccTLDs
- Users are demanding more



Source: VeriSign's March 2008 Domain Name Industry Brief



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Introduction of New generic Top-Level Domains

gTLDs



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Top-Level Domains

- Legacy gTLDs (prior to ICANN's creation in 1998)
 - .COM .NET .ORG
- 2000 proof-of-concept round
 - .AERO .BIZ .COOP .INFO .MUSEUM .NAME .PRO
- 2003 sponsored TLD round
 - .ASIA .CAT .JOB .MOBI .TEL .TRAVEL



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Why New gTLDs?

- ICANN's Core Values:
 - #5 “Where feasible and appropriate, depending on market mechanisms to promote and sustain a competitive environment”
 - #6 “Introducing and promoting competition in the registration of domain names where practicable and beneficial in the public interest”
- Global Internet community has expressed interest in having more options including IDNs
- No known technical limitations to introduce new gTLDs



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GNSO Policy Recommendations

- 19 recommendations to guide the process (<http://gns0.icann.org/issues/new-gtlds/council-report-to-board-pdp-new-gtlds-11sep07.pdf>)
- Policy recommends an objections-based process
- Process: application, formal objection period, dispute resolution process...result, applicant or objector prevails
- Recommendation 3: “Strings must not infringe the existing legal rights of others that are recognized or enforceable under generally accepted and internationally recognized principles of law”



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Recommendation 3

- Legal standards from numerous international jurisdictions were considered.
- The scope of the standards were narrowed to trademark; other types of infringement (e.g., defamation) are not workable on a global level.
- The implementation vision is a set of factors to be considered and balanced by the dispute resolution provider. This standard provides considerably more detail than the UDRP, but seems appropriate given the stage of the controversy, i.e., the label is not yet in use.



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Standards: Protection of Rights

- Factors to be considered in determining infringement of rights:
 - Similar in appearance, phonetic sound or meaning to existing mark
 - Strength of mark
 - Proposed TLD is already being used as a mark
 - Similarity between string and portions of mark
 - Intent of the junior user's bad faith
 - Applicant rights or legitimate interest in TLD
 - Limited defenses enumerated



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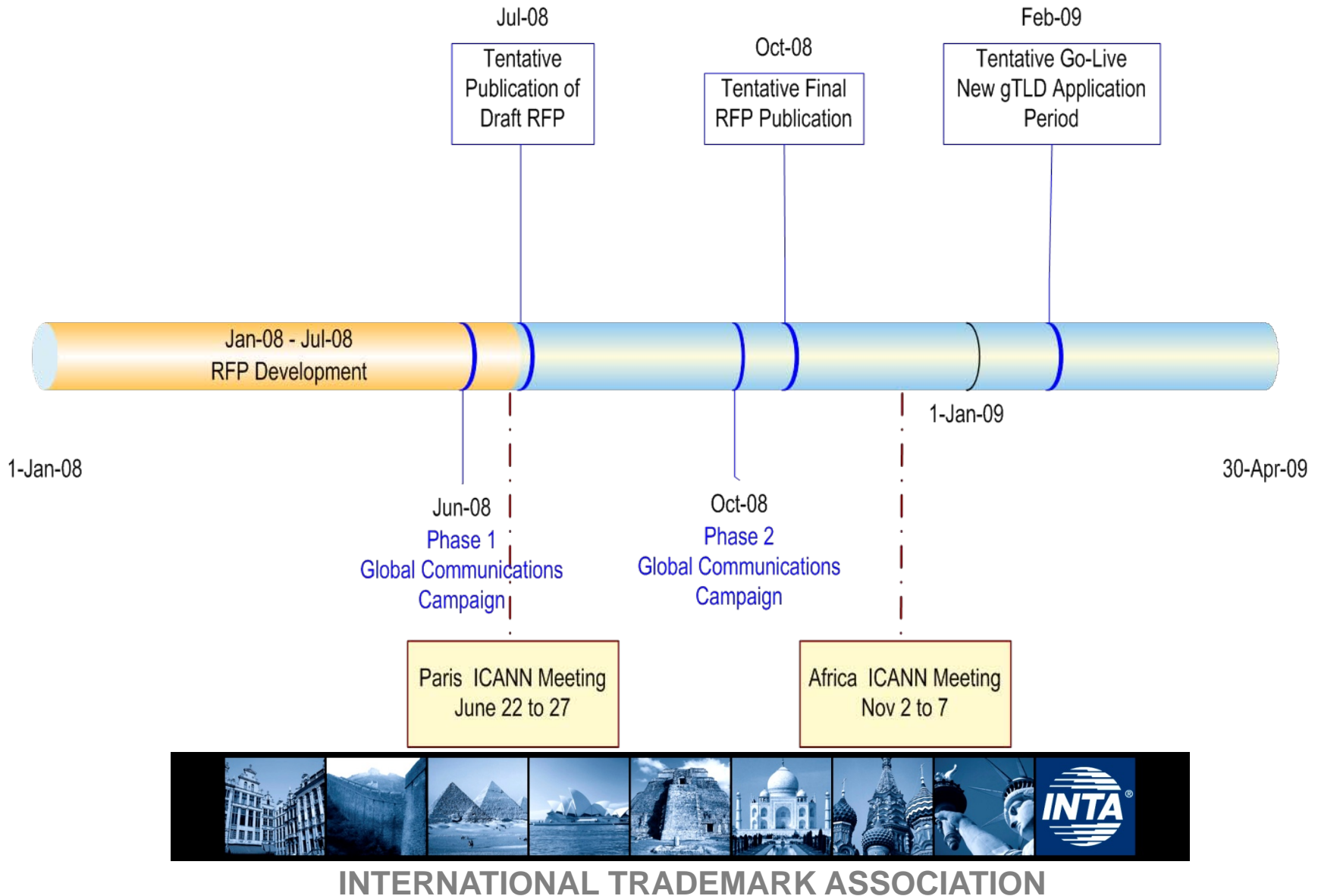
Dispute Resolution Process

- Independent dispute resolution service providers sought for new gTLD program
- Dispute resolution process roadmap will be posted in RFP
- Providers will adjudicate claims based on pre-published standards and procedures



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Tentative Implementation Timeline



Introduction of Internationalized Domain Names

IDNs



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Internationalized Domain Names

- Domain Names with characters other than:
 - “a,b,c,...,z”
 - “0,1,2.....,9”
 - “_”
- For example:
 - blåbær.dk [xn--blbr-roah.dk]



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When are we there?

- IDNs have existed as Second-Level Domains since 2001
- The broader Internet community also wants IDN TLDs
 - IDN.IDN vs. IDN.TLD
- Technical and Policy work underway to provide a **fully localized solution**
 - Technical standards under revision
 - New allocation processes underway as existing ones don't work for IDNs



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Policy Processes Underway

Country-code IDN TLDs – Fast Track

- Deploy non-contentious ccTLD equivalents quickly
- Don't wait for full ccNSO PDP

Country-code IDN TLDs – Long Term

- Full policy that caters for all
- Follows the full ccNSO PDP

New Generic TLDs

- New ongoing policy for new gTLDs
- Includes internationalized domains

Same
Start
Time

```
graph TD; A[Country-code IDN TLDs – Fast Track] --> D[Same Start Time]; B[Country-code IDN TLDs – Long Term] --> D; C[New Generic TLDs] --> D;
```

Will the registrant of idn.tld also be the registrant of idn.idn?

- Requires careful policy considerations
 - Relates to IP rights vs competition rights
 - Difficult to translate existing TLD strings as many essentially have no translatable meaning
- No precedent for gTLD registry for [.gtld] to become registry of [.idn-gtld]
 - Objection rights exists for confusing similarity



Other Issues



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Contractual compliance

- IP community made clear its urgency about the accuracy of Whois data about domain name registrants through
 - A properly resourced compliance program
 - Making sure all registries and registrars obey the rules, especially those regarding Whois and the UDRP
 - A way to escalate ICANN's remedies for noncompliance



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Contractual compliance

- In 2007, ICANN created a new, more comprehensive contractual compliance program
 - ICANN now has significant dedicated resources to ensure registry and registrar compliance with contractual obligations – strong emphasis on Whois
 - Semi-annual audit of registrars and registries covering data accuracy, data retention, data accessibility, among other contractual conditions
- Revisions underway to Registrar Accreditation Agreement to enhance compliance efforts



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Domain tasting

- Tasting has grown exponentially since 2004
 - In January 2007 the top 10 domain tasters accounted for 95% of all deleted .com and .net domain names — or 45,450,897 domain names out of 47,824,131 total deletes
- Several registries have introduced or proposed registry-level measures to curb domain tasting
 - IP community has been heavily involved in finding solutions
 - Hasty action is to be avoided – unintended consequences



Domain tasting

- ICANN Board is encouraging ICANN budget changes –
 - Budget undergoing public comment – will go into effect 1 July
 - One possible solution: annual fee would be charged registrars as soon as domains are registered



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UDRP

- Implemented in 1999 — successfully resolved thousands of disputes around the world
- Dispute Resolution Providers located in Europe, North America, and Asia
- Basic model for domain name dispute resolution around the world for gTLD and ccTLD registrations



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