



NEW gTLD Program

TRADEMARK CLEARINGHOUSE

(FORMERLY IP CLEARINGHOUSE)

EXECUTIVE SUMMARY

The purpose of this posting is to provide a summary and analysis of public commentary on the Implementation Recommendation Team's (IRT) proposal for a Trademark Clearinghouse (Clearinghouse" and a Globally Protected Marks List (GPML).

Listed below is a summary of comments on the Clearinghouse generally (including specific references to Claims Watch and Sunrise services) that were received through public sessions held in Sydney, New York and London. Then listed is a summary of comments on the Clearinghouse received through ICANN's Public Comment Forum. Following comments on the Clearinghouse proposal are comments from both the public sessions and ICANN's Public Comment Forum on the GPML (which was integrated with the Clearinghouse proposal).

The full texts of comments submitted to ICANN's Public Comment forum in response to the IRT Final Report (29 May 2009-07 July 2009) may be found at <http://forum.icann.org/lists/irt-final-report/>. And a full listing of comments received during the public sessions in Sydney, New York and London can be found post as a companion documents to this one.

Following the summarized comments, is an analysis and discussion of the proposals and feedback from the global Internet community, as well as a balancing of those interests.

A proposed Procedure for a Trademark Clearinghouse is under consideration by the GNSO and published for community input alongside the Applicant Guidebook version 3.

KEY POINTS:

Clearinghouse:

- Registration in the Clearinghouse will not create or enlarge any trademark rights, nor can the failure to register the mark be construed as a limitation on any rights
- The Clearinghouse, if adopted, should be separate and independent from ICANN; it should not be operated by ICANN and should clear and distinct from ICANN.
- Consistent with the purpose of the Clearinghouse, the costs of registering marks with the Clearinghouse should in no way be onerous to any party. What is envisioned is an allocation of costs among various parties.

- The performance requirements, including those involving interface with registries and registrars, must ensure that neither domain name registration timeliness, nor registry or registrar operations will be hindered.

GPML:

- On balance, the comments to this particular RPM suggest that the GPML will burden Clearinghouse administration more than it will help it.
- Comments suggest that the inability to establish applicable criteria could have the effect of undermining trademark holder's faith in the gTLD system and the RPMs.
- There are concerns that the GPML would lead to expanding trademark rights: enlarge trademark rights in the jurisdiction where the registration has issued, and given the global nature of the Internet, create rights in jurisdictions where the registration has not issued.

SUMMARY OF COMMENTS

IP Clearinghouse

Sydney

Overview

The IP Clearinghouse will include and support data that relates not just to the GPML but also other forms of marks that do not qualify for the GPML. In effect, it will be, if it works, a large-scale repository of data relating to all kinds of rights that support new gTLD registries. Among its key features, data submitted by trademark owners has to be validated annually. The burden will largely be on trademark owners to provide and update accurate information. Trademark owners are the owners of the data they provide, and data will be used only for the sole and specific uses for which the IP Clearinghouse is set up. It is recommended that a licensing and sublicensing process be set up. The IP Clearinghouse will be run by a separate, outsourced entity selected through an open, competitive tender process (not any entity in an existing contractual relationship with ICANN) to which equal access will be required. Scalability should be included and costs should not be prohibitive, and there should be incentives for trademark owners to want to use the IP Clearinghouse. *M. Wong.*

Safeguards and oversight

WIPO believes that given the central role envisioned for the IP Clearinghouse, there should be very close oversight by ICANN, adequate safeguards in place, and, if a monopoly is granted, the roles should also be limited. One option is to grant roles to different entities—e.g., data collection and storage to one entity, and data validation to a different entity, and IP claims to a third entity. *E. Min.*

Financial considerations

It is unclear who will pay for the IP Clearinghouse. Fees should not be imposed entirely on trademark owners, but should be shared by all relevant actors in the DNS. *E. Min.* There is a tension between making the IP Clearinghouse robust—at least as fast and reliable as the registry infrastructure which already exists (which sounds expensive)—and making it cheap for mark holders. *J. Buchanan.* The IRT did not want to dictate funding models, and in a competitive process for selecting the entity to run the clearinghouse it is assumed that bidders would suggest some funding models. Funding models could also be proposed in the comments process. The IRT did envision that the costs would be shared. Other ideas were discussed, such as ICANN funding some of this, but there was no consensus position put into the IRT report. *J. Neuman.*

Rights included

I really do not see how there is any excuse for also putting designations of origin and quality into that category with registered trademarks. This is not about what is the international value of the different types of things of national origin according to international law. It's the fact that they do exist and in different national regimes, and they should have at this level of preventing abusive registration the same level of protection. Because they have less mechanism frameworks and because we are only thinking about trademarks, by legal definition it doesn't have this tool. *A. Abril i Abril.* Regarding the point made by A. Abril i Abril, this may be a miscommunication in the report. The IRT did not mean to say that the clearinghouse had to collect all these elements, but had the concept of a tool in mind (i.e., if a registry wants to give some sort of preference to those marks based on designation of origin, that the clearinghouse could be a repository for that information). The IRT was not suggesting that the element be used in every single TLD launched, but to help future registries to have one source to go to if they choose to give a preference for that type of mark. *J. Neuman.* With regard to unregistered marks in the clearinghouse, the intent was to allow the database to get as much information as the registry needs for implementing its RPM. So if the registry wants to recognize unregistered marks, not that it has to, it could use the clearinghouse. *J. Neuman.*

Trademark registrations on an intent to use basis

Many marks are registered on an “intent to use” basis. If they are registered trademarks and they fulfill the criterion, then that ought to qualify them for inclusion as trademarks if they satisfy the national registration criterion and they are marks of national effect and so on. That may or may not be the case in other countries. If you do not have a right to register based on an intent to use in your country, that does not make you a trademark rights holder in the eyes of the IP Clearinghouse. *M. Wong.*

IP Clearinghouse: concern about expansion of existing trademark law

Are we giving a lot more rights and opportunities to people beyond existing law (expanding existing national trademark enforcement into international rights that trademark holders don't currently have)? This seems to be open to a lot of abuse, not only for existing trademark holders but for cybersquatters. *David. B.* The mechanisms were designed to minimize gaming problems. The clearinghouse's validation function with whichever national trademark registry you got your trademark registration from is one way to minimize that problem. *M. Wong.* With the clearinghouse, it is just an efficiency mechanism—it is not creating anything that has not been done before and it is a model that has been successful. All we are saying is let's aggregate it into one central location. *J.S. Evans.*

Support for IP Clearinghouse

eNOM supports the IP Clearinghouse; it is a practical, efficiency measure and will save trademark holders money by stopping them from having to go to individual registries repeatedly. It is not setting policy in any respect—it is a database, and registries get to choose how they apply the data in that database. Protections can be put in place against misuse. *R. Tindal.*

IP Clearinghouse is problematic

It is a one size fits all approach that ICANN is strongly encouraging that will not be appropriate for many TLDs (e.g., for an IDN TLD it may not be appropriate to be talking about global names). *David K.*

IP Clearinghouse—languages

How many languages will the clearinghouse need to be in and what costs are involved? How will the operator of it accommodate dealing with a global Internet, especially working with IDN gTLDs in many different languages? People in the developing world would be concerned about costs being passed on to people running the IDN gTLDs and if that would amount to a regressive tax on non-English or non-Roman languages and be a damper on the entire purpose of IDN gTLDs to make the Internet as linguistically diverse as quickly as possible. *R. McKinnon.* These are all good points that need to be addressed. The intention was for the clearinghouse to be able to collect information in multiple languages and to be able to be used for IDN registries. The intent was not to pass on the cost to the registry; we do not want to hamper competition in the registry space. *J. Neuman.*

Existing watch services

Is the IP Clearinghouse recreating the wheel – i.e., aren't existing watch services and other information in various languages all over the world doing the job of notifying large trademark owners that their mark is being registered as domain names and informing them where to go to find those domain names? *K. Kleiman.* To my knowledge there is not an existing watch service that actually validates and verifies that you have the right you're claiming to have before getting the results. It was not intended that the IP Clearinghouse would replace existing watch services. *J. Neuman.*

New York

Overview

The IP Clearinghouse was proposed as a way to have a cost-effective and efficient database with two main functions—to be the centralized entity that all new gTLD registries and possibly the registrars would interact with in relation to implementation of the Globally Protected Marks List (GPML), the IP Claims Service, and the URS. Trademark owners would submit data to the clearinghouse (run by an outsourced entity not currently in a direct ICANN contractual relationship) either directly or potentially through the registry or registrar for a fee. The IP Clearinghouse would validate the data. Access to and use of the data would be restricted to the purposes for which it was submitted, and trademark owners would grant a non-exclusive license to the data to ICANN which would sublicense it to the IP Clearinghouse. Equal access to all ICANN registries and registrars would be required. The IP Clearinghouse would need to be robust (scalable and able to accommodate records of different types of rights), secure, flexible and fast, and operate at reasonable cost to trademark owners. *K. Rosette.*

IP Clearinghouse-Beyond ICANN mission

The IP Clearinghouse makes ICANN a global IP rights protection manager, far beyond its mission as a technical manager of the DNS; there is a risk of many unintended consequences of the IP Clearinghouse. The market can provide this service and should be allowed to operate. *K. Kleiman.*

IP Clearinghouse-support

The clearinghouse will allow smaller registries to implement policies that are tailored to the area they are working in. *A. Van Couvering.*

IP Clearinghouse—allow public access

The clearinghouse should be designed to allow public access to it. The restriction that only registries and registrars of ICANN can have access should be dropped, and ICANN should conduct outreach to make the public aware of access to the database. There could be a trade off where there is public access but some limitations on what could be done with the data and that sanctions would apply for violations. *T. Barrett.*

IP Clearinghouse provider

ICANN should drop the restriction that a currently contracted ICANN entity cannot be the IP Clearinghouse provider in order to solicit the most innovative range of solutions. If it turns out that an innovative solution comes from a well known registrar or registry, that issue can be addressed in the contract. *T. Barrett.*

London

IP Clearinghouse - role

Even absent ICANN creating it, Demand Media believes that the marketplace would create one or more such clearinghouses. Demand Media would support a solution with either one or multiple (regional) clearinghouses. *R. Tindal.*

WIPO feels that the ubiquitous role envisaged for the clearinghouse requires adequate safeguards and close ICANN oversight. In particular circumstances, differentiation of roles may be appropriate rather than granting the different roles to one entity. Trademark owners should not shoulder the whole burden of financing the clearinghouse but the burden should be shared among all interested parties, including registries and registrars who will benefit from any clearinghouse put in place. *Eun-Joo Min.*

(Which has a precursor in .eu and .asia) is a database with two principal functions—a central entity with which all new gTLDs registries and possible registrars will interact in relation to the GPML, the Pre-launch Claims Service and the URS. The information is collected for validation and it has been suggested that it include registered and unregistered rights. Data is submitted by trademark owners either directly or through the registry for a fee which should be reasonable. The data needs to be validated initially and then annually. Data is owned by the trademark owners so they need to grant a license through. The clearinghouse is to be an outsourced entity not in direct contractual relationship with ICANN and which is available 24/7 and scalable. It must operate with fast and secure delivery of accurate information in a standard format using a secure, robust, state of the art technological platform. Trademark owners should be able to put their entire trademark portfolio into it and the cost to them should be reasonable. *D. Taylor.*

IP Clearinghouse—objection

The Noncommercial Users Constituency believes that the clearinghouse is beyond ICANN's mission and would give ICANN privileges enjoyed by national trademark offices. In future years this database could be abused and used against domain name registrants. The idea is valuable but its presentation so far is quite problematic. Having one massive database will raise issues of consistency and uniformity. There is no indication in the IRT report how ICANN is going to ensure that all trademark owners are listed, or how it will deal with trademark registrations in other countries that are not valid. These issues need to be addressed. The market should address the demand for this clearinghouse. *K. Komaitis*. The IRT focused on one provider as a way to make sure there was uniformity. Multiple clearinghouses that adhered to a standard protocol could alleviate concerns about uniformity. *F. Vayra* responding to *K. Komaitis*. Having to develop a standard to have multiple clearinghouses would delay the new gTLD program until the standard could get approved. If the program starts out with one clearinghouse, it could be figured out for future rounds if it is the desire of the community to have a competitive marketplace for clearinghouses. *unidentified*. It is nowhere mentioned in the IRT report that having one clearinghouse is an initial plan. *K. Komaitis*.

IRT Final Report Public Comments

IP Clearinghouse—international trademark system impact. The implications of the proposals represent a step towards a wholly new global registered trademark system. They are premature because there is no agreement on them at any international treaty level. Proper care needs to be taken to reflect the defenses and limitations that offline trademark law contains. *V. McEvedy (7 July 2009)*.

IP Clearinghouse—may not be scalable. The database will be large and complicated and it is unclear who has the experience and capacity to operate it. *BBC (6 July 2009)*. While useful in theory, it would not be practical for all gTLDs; a single, mandated clearinghouse would be problematic. *EFA (6 July 2009)*.

IP Clearinghouse should not be created by ICANN. It is outside ICANN's scope and authority as set out in the White Paper. NCUC opposes ICANN creating it as a single, massive monolithic database of ambiguous trademark rights. This effort could effectively derail ICANN. There is no consensus among brand owners about what goes into the database. As opposed to ICANN, various national trademark offices are well-positioned to lead efforts about creation of IP clearinghouses and can incorporate the proper balances of interests based on their national laws. If such private and/or Trademark Office-informed clearinghouses are created, then clear information must be added to them enabling new gTLD registries and registrars to operate. *NCUC (7 July 2009)*. *ALAC (7 July 2009)*.

IP Clearinghouse—outside scope of trademark law. Trademark registrants should be entitled to trademark protection but not a first-right of registration. Prospective domain name registrants should have at least as good an opportunity as anyone else in the world to register a domain name that they intend to use for any lawful, non-infringing purpose. RPMs should protect trademarks, not allocate domain names, and any RPM that allocates domain names should be rejected. *ALAC (7 July 2009)*.

IP Clearinghouse—safeguards and oversight. Given the ubiquity of the role envisioned for the IP Clearinghouse, the importance of safeguards cannot be overstated. For example, why did the IRT omit from the final report the language in the draft report which assured that the data in the IP Clearinghouse is collected solely for use in the IP Clearinghouse? There should be safeguards to ensure that any data submitted is used for the purpose clearly defined for the Clearinghouse and only for the duration of its contract. The Clearinghouse role should be carefully defined to include checks against it extending beyond its contracted role. The granting of a monopoly carries serious responsibility for avoiding abuse. Consideration should be given to an opposition or challenge process, given the possible uses or consequences of data held in any Clearinghouse. *WIPO AMC (19 June 2009)*. *Regions (3 July 2009)*. The IRT report does not address the issue of archiving the data. Historical archives of the clearinghouse data should be maintained and accessible. *RyC (6 July 2009)*. The data should be of expressly limited use. *Playboy (6 July 2009)*. *Verizon (7 July 2009)*. The clearinghouse should be run on a not-for-profit basis. *Verizon (7 July 2009)*.

IP Clearinghouse—registry and registrar issues. A number of issues must be handled regarding registries and registrars if the IP Clearinghouse is implemented, including: indemnification and its source and funding; frequency of update checking by registries, if used on an ongoing basis and not just for pre-launch activities; and how the clearinghouse will support registry operations without impacting SLAs or registry performance. *RyC (6 July 2009)*.

IP Clearinghouse—differentiating roles. The immensity of the IP Clearinghouse services may call for differentiation of roles in some circumstances – i.e., in terms of data collection and storage on the one hand, and validation on the other. Any Clearinghouse role in Pre-Launch IP Claims and the URS, other than possible data provision, should be further clarified. *WIPO AMC (19 June 2009)*. *Verizon (7 July 2009)*. Competition should be introduced by dividing the specific functions of the IP Clearinghouse (validation, data management and storage and provision of ancillary services) and allowing more than one participant to bid on these separate components. *MarkMonitor (2 July 2009)*.

IP Clearinghouse—phased implementation. The majority of abuse occurs against registered and unregistered trademarks where there is also a great risk of consumer harm. There should therefore be a phased implementation process beginning with the most abused marks and where the greatest likelihood of consumer harm might occur. *MarkMonitor (2 July 2009)*.

IP Clearinghouse-set it aside. It would be preferable for the IP Clearinghouse to be set aside and that the burden of proof be placed on the applicant applying for a new gTLD. *Unilever (1 July 2009)*.

IP Clearinghouse—abuse and other concerns. The IP Clearinghouse model is ripe for abuse. A portion of the role should be handled by one or more of the existing organizations already involved in maintenance of similar trademark databases. Validation of marks should be done by a separate agency. *S. Donahey (1 July 2009)*.

IP Clearinghouse-support. The IP Clearinghouse is a sound mechanism and meets all of the IRT's benchmark criteria for RPM adoption. ICANN should move quickly to adopt this RPM and start developing an RFP for it. Use of a single entity should not raise concern since the entity will have

a limited license to use the data it is provided, its pricing and operations will be specified for a 5 year term via a competitive process, and it is simply an authenticated database and will not set policies for how data is used. *ENOM (22 June 2009)*. *Wrays (6 July 2009)*. *INTA IC (6 July 2009)*. The IP Clearinghouse centralized database should reduce costs and administrative burdens associated with protecting trademarks for trademark owners, registries and registrars. *Microsoft (2 July 2009)*. *MARQUES (3 July 2009)*. *Yahoo! (6 July 2009)*. *Com Laude (3 July 2009)*. The IP Clearinghouse should be mandatory and all new “open” gTLD operators must interconnect with and use the services and offer services based upon the IP Clearinghouse. *Regions (3 July 2009)*. *K. Grabienski (4 July 2009)*. *Experian (6 July 2009)*. *ECTA (6 July 2009)*. *Time Warner (6 July 2009)*. *PMI (6 July 2009)*. In many ways the IP clearinghouse is the most important IRT recommendation. The applicant guidebook should spell out (1) that registry participation is mandatory; and (2) that, as IRT stated, no universal second level pre-launch RPM can be imposed on the entire range of new gTLDs, any RPM that does not rely on submission and verification of third party rights must be fully spelled out in the application and a robust post-delegation enforcement mechanism must be made available to ensure it is strictly adhered to. *COA (6 July 2009)*. *IPC (6 July 2009)*. *SIIA (6 July 2009)*. The proposal has merit if its scope and use is carefully circumscribed. It must be restricted to registered trademarks and exclude unregistered marks, geographic names, family names, etc. It also needs reliable information about the relevant marketplace and geographic scope of a given trademark, and should not be used with the URS or GPML, both of which ICA opposes. Registrants should not have to take the extra step of making representations and warranties as a pre-condition of registration if they learn that the domain name they seek to register matches a mark in the IP Clearinghouse; this is unnecessary, prejudicial and burdensome. Also, all registrants are put on notice that their domains are subject to UDRP challenge and agree to abide by it when they contract with a registrar to register and renew their domains. *ICA (7 July 2009)*.

IP Clearinghouse-support but cost and structure concerns. The IP clearinghouse proposal is encouraging but raises cost and organizational structure concerns. *IHG (2 July 2009)*. As new registries have the option of a traditional sunrise period or using the new Clearinghouse, trade mark owners need to ensure that they are listed in the clearinghouse database and that they applied during any sunrise periods. If the fees for listing a trade mark on the clearinghouse database are set too high, this may defeat the aim of reducing trade mark owners’ costs. As the extent of use of the clearinghouse by new registries is still unclear, a minimal fee would therefore be most appropriate. *Telstra (6 July 2009)*.

IP Clearinghouse—trademark licensing unnecessary. Trademarks do not need to be licensed to ICANN to enable the creation of an IP Clearinghouse database, particularly under the sweeping terms outlined in the IRT report (e.g., non-exclusive, royalty-free, sub-licensable licenses). The IP Clearinghouse can make use of publicly available data. *Adobe (25 June 2009)*.

IP Clearinghouse—operator qualifications and oversight. The IRT should provide more information on what kind of entity would be qualified and have the necessary expertise to operate as the IP Clearinghouse and what level of oversight would be exercised on this entity by ICANN. *Adobe (25 June 2009)*. The IP Clearinghouse decision makers must be appropriately qualified in making confusing similarity comparisons and there should be a manual of practice and procedure to maximize decision making consistency. *F. Drummond (3 July 2009)*. The operator should be of the same caliber as WIPO. A not for profit service provider may be the

optimal model. *Regions (3 July 2009)*. It is likely that interesting solutions could be proposed by existing ICANN-contracted parties; limiting them from bidding to run the IP Clearinghouse will limit competition and could prevent the development of superior solutions. Once the best proposal is selected, any conflict issues can then be dealt with. *EnCirca (5 July 2009)*. More information is needed about what entity (probably for-profit) would be able to provide low-cost mechanisms and provide the proper level of expertise to execute the operations of the clearinghouse. *CADNA (7 July 2009)*. *Verizon (7 July 2009)*.

Funding of the IP clearinghouse. Trademark owners should not shoulder the entire burden of financing the clearinghouse. Given the benefits that registries and registrars will realize through the Clearinghouse, cost sharing by all relevant parties is appropriate. Trademark owners must be apprised of the reasonable costs of such services (as is the case regarding estimated fees for URS and Post-Delegation procedures). *WIPO AMC (19 June 2009)*. *Playboy (6 July 2009)*. *Ford et al. (6 July 2009)*. All constituencies using the clearinghouse should pay the same amount for its services. *CADNA (7 July 2009)*. Costs should be shared by those who benefit from the clearinghouse services. *Verizon (7 July 2009)*. Costs associated with an IP Clearinghouse should be borne by ICANN and/or applicants for the new gTLDs. At a minimum, a mechanism for sharing costs should be discussed so that total costs do not fall disproportionately on trademark owners. *Adobe (25 June 2009)*. *C. Speed (2 July 2009)*. Costs should be borne by the applicants for new gTLDs and should be included in the new gTLD application fee. *Unilever (1 July 2009)*. Part of the cost for underwriting the IP Clearinghouse should be included in the fees for applying for a new gTLD or for registering a domain name. *Regions (3 July 2009)*. Costs to brand owners may be prohibitive. Some financial contribution by registries and registrars should not be ruled out. *BBC (6 July 2009)*. Costs of the clearinghouse should largely be funded by ICANN or indirectly by the new gTLD registries as a cost of doing business. *Time Warner (6 July 2009)*. Costs should largely be borne by ICANN and gTLD registries, but COA agrees with IRT that a reasonable fee could be charged to rights holders who submit data for verification and storage in the IP clearinghouse. *COA (6 July 2009)*. *IPC (6 July 2009)*. *SIIA (6 July 2009)*. ICANN should not adopt a double registration fee system (pay for registering mark and also pay for getting notices). *SIIA (6 July 2009)*.

IP Clearinghouse-zero costs to trademark holder. AIM supports the IP Clearinghouse proposal but the costs should be zero to the trademark holder for submission. If zero costs are not achievable then there should be cross-subsidization from ICANN's applications fee budget to minimize these costs which are likely to be substantial. *AIM (23 June 2009)*.

IP Clearinghouse / GPML—financial sector inclusion. The following strings/terms related to the financial sector should be included in the IP Clearinghouse and given the status equal to a GPM: .bank, .fin, .finance, .banc, .ins, .insurance, and .broker. *Regions (3 July 2009)*.

IP Clearinghouse--validation. Validation should be done every three years, not annually. *AIM (23 June 2009)*. *Unilever (1 July 2009)*. *C. Speed (2 July 2009)*. Validation should be done every two to three years to reduce burdens on trademark owners. *Regions (3 July 2009)*. The annual validation should be withdrawn given that trademarks are registered for ten year terms and the IRT rejected use criteria for the validity of GPMs. Trademark owners should however be responsible for updating and correcting data held by the IP Clearinghouse. *F. Drummond (3 July 2009)*. Requirements to update the data must be defined. Trademark owners should have the

possibility to update the data once a year for all trademarks even if the trademarks were not submitted at the same time. *Nestle (3 July 2009)*. *MARQUES (3 July 2009)*.

IP Clearinghouse—operator liability. The operator should be liable for the accuracy of the data it holds and all records should be revalidated every year because of the frequency with which trademarks are assigned or abandoned. *Com Laude (3 July 2009)*.

IP Clearinghouse—development. There should be a defined process for stakeholder groups to initiate new policy development processes regarding the IP Clearinghouse for new services that could benefit the common good. Misuse of data concerns should be dealt with in a way that does not limit future approved and legitimate uses of the data. *EnCirca (5 July 2009)*.

IP Clearinghouse—modification. Participation should be limited to registered word marks that can be independently verified. It should be managed by a government agency or NGO that is neutral and has expertise and experience; costs should be borne by participating trademark holders. The IP Clearinghouse as proposed by IRT should not be adopted because among other things it violates the IRT's own benchmarks for establishing RPMs. *P.R. Keating (6 July 2009)*.

IP Clearinghouse—public access. There should be free public access to the IP Clearinghouse, at a minimum similar to a web-based registry whois. *EnCirca (5 July 2009)*.

Identical match extension. The identical match definition should be extended to include both the singular and the plural form of all trademarks held within the IP Clearinghouse. *Regions (3 July 2009)*.

Proposed “Publish and Oppose” System for Second Level Domain Names to disincent cybersquatting. The IRT should consider a "publish and oppose" system whereby each second level domain name is published on a central database for a short period before registration (e.g. 2 days). Trademark owners concerned about cybersquatting would be able continuously to watch new applications and oppose an application of concern in a manner similar to the URS. A short publication period would not affect commercial practices but would affect cybersquatting and domain tasting. This would be a disincentive to cybersquatting and eliminate the need for the IP Clearinghouse and GPML. *Griffith Hack (6 July 2009)*.

Sunrise process concerns. The language of the sunrise process section (p. 23) seems to say that only registries organized in common law countries can recognize common law trademark rights. *S. Donahey (1 July 2009)*. *Regions* disagrees with allowing a new gTLD registry to provide a Sunrise Registration Process in lieu of the Pre-Launch IP Claims Service. The voluntary Sunrise Process, including standard Sunrise Eligibility Requirements, should be in addition to the mandatory participation in the IP Claims Service for all new “open” gTLDs. *Regions (3 July 2009)*. The standard sunrise should be in addition to and not in lieu of other RPMs, and ICANN should restrict registries from engaging in anticompetitive pricing practices during the sunrise period. Registries should not be able to charge much more during a sunrise period than the cost of a registration after the sunrise expires. *Verizon (7 July 2009)*. All marks in the IP Clearinghouse should automatically be entitled to registration during any sunrise periods provided by new gTLDs. *Time Warner (6 July 2009)*. The IRT suggestions for the pre-launch sunrise add nothing to the existing structure. *P.R. Keating (6 July 2009)*. Sunrise cannot be an alternative RPM; it is a

profit-centered churning mechanism requiring defensive registrations. *Playboy* (6 July 2009). *Ford et al.* (6 July 2009).

Pre-launch RPMs need clarification. The impacts of RPMs outside of “identical matches” should be reconsidered and rights owners should be accorded a pre-launch dispute resolution mechanism. Registrations conflicting with verified marks in the IP Clearinghouse should be made more transparent through disallowance of proxy or private registration treatment. Specious “good faith” assertions by registrants attempting to register domain names matching marks in the IP Clearinghouse should attract added penalties. Proxy or private registrations should not be allowed during the pre-launch phase, given that one purpose of the IP Claims Service is to notify qualified rights holders of impending second level registrations that threaten their marks. In addition, the new gTLD application evaluation process should include strong incentives for new registries to spell out the details of their RPMs, go beyond the minimum standards and include provisions that impose upon registrars enforceable obligations. *Time Warner* (6 July 2009).

Pre-launch: Standard sunrise process and IP Claims Service--support. These proposed mechanisms are sound and practical and have proven to be effective in other TLD launches. The vast majority of rights holders will receive their required protection through these pre-launch mechanisms. *ENOM* (22 June 2009). Both of these pre-launch processes effectively balance trademark rights protection with rights of third parties to make legitimate use of strings that correspond to trademarks. *Microsoft* (2 July 2009). *PMI* (6 July 2009). The standard sunrise registration process has merit if its scope and use is carefully circumscribed. *ICA* (7 July 2009).

IP Claims Service—support. It should also be extended to top level domains. Further exploration is needed on the IRT proposal to include common law rights in the IP Claims Service; it may be hard for registry operators to assess if sufficient common law rights exist in a given trade mark. RPMs should be based on registered, easily identifiable rights. *F. Drummond* (3 July 2009). Owners of marks in the IP Clearinghouse should be able to receive notices on matches of the trademarked term embedded within multi-word domains and in such cases registrants would have to make the additional representations and warranties. *INTA IC* (6 July 2009).

IP Claims Service—support but it is too limited. The IP Claims Service should be extended to domain names containing the trademark and, e.g., one or more generic words. *LEGO et al.* (29 June 2009). The IP Claims Service should not be limited only to the “pre-launch” period. If a brand owner records its trade marks in the Clearinghouse, it is not unreasonable for a registry to also take these trademark rights into account where a domain name is applied for after the pre-launch phase or after an alternative Sunrise period. *BBC* (6 July 2009). *Regions* (3 July 2009).

IP Claims Service—notices inadequate. The notices are an inadequate substitute for a blocking right and they should not replace it. *Playboy* (6 July 2009). *Ford et al.* (6 July 2009).

IP Clearinghouse-Watch service. AIM supports section 1.3 equal access for other watch services. *AIM* (23 June 2009). IHG supports the creation of an effective Watch Service but reemphasizes the need for trademark owners to receive notification upon an attempt to register a top level or second level domain name that includes their trademark. The process must be cost effective for trademark owners forced to address potential violations of their trademarks. *IHG* (2 July 2009). The IP Clearinghouse should not be allowed to operate Watch Services or compete with the

providers of other services. *Com Laude* (3 July 2009). The IRT should reexamine the watch service issue and allow existing service vendors to provide this service to encourage competition and choice for trademark owners. *Verizon* (7 July 2009).

ANALYSIS OF PUBLIC COMMENT

TRADEMARK CLEARINGHOUSE (IP Clearinghouse)

A. Organization

- (i) Where does ICANN get the power to create the IRT and/or the Clearinghouse?

Since the Implementation Recommendation Team (IRT) Final Report was published, certain inquiries have centered on whether ICANN had the power to create the IRT and/or the power to implement any of the resulting recommendations from the IRT Final Report. Such inquiries can be answered by the GNSO recommendations, which dictate that gTLDs cannot infringe the existing legal rights of others. The Clearinghouse is a result of ICANN's implementation of this GNSO recommendation and responding to the concerns of trademark holders.

Initially, it was thought that development and implementation of specific rights protection mechanisms (RPMs) for the protection of trademark holders' rights would be left to the registry operators. However, public comment indicated that simply stating that RPMs were up to registry operators to identify was not nearly specific enough and the ICANN Board listened to those concerns. Although a group was previously assembled to try to create universal RPMs that could be adopted for the gTLD registry operators, the efforts were unsuccessful. Accordingly, additional efforts were undertaken to determine how to achieve the specificity required by the public comment.

Public commentary suggested that a group be created to further study ways in which to satisfy trademark holder concerns. As a result, the IRT was created to help identify specific RPMs of universal applicability to gTLD registry operators. Public commentary to the IRT Final Report has been generally supportive of the idea of the Clearinghouse. The Clearinghouse is a database of authenticated trademark rights in a standard data format, including the requirement for registries to provide an IP Claims service or Sunrise process during TLD launch. It is one of several ways in which to help achieve a transparent and predictable method of allocating gTLDs on a level playing field. To the extent there are criticisms of the Clearinghouse, they generally, although albeit not universally, address implementation details, not whether there should be a Clearinghouse.

One such criticism is directed to the name of the entity – and how the name is indicative of the role. It has been suggested that since the Clearinghouse is focused on trademark rights, and will not deal with copyright or patent rights, that the name be changed from IP Clearinghouse. Accordingly, the new designation will be the Trademark Clearinghouse. But, for

purposes of the discussion and questions relating to it, in paper, reference will be made to the "Clearinghouse" to avoid confusion.

It is important to note that the Clearinghouse is proposed as an interim implementation solution that will be considered by the GNSO. It may be implemented and if so, in place until and unless additional policy development work in this area is undertaken by the GNSO. The GNSO will be given an opportunity to adopt this as an interim solution or to adopt an alternative solution to address the concerns that implementation of the Clearinghouse addresses.

(ii) Will the Clearinghouse be separate from ICANN and how will it operate?

Questions have arisen regarding whether ICANN will operate the Clearinghouse and, if not ICANN, then what entity or entities will do so. First, while ICANN will support the Clearinghouse and provide direction for its utilization, it will not participate in the operations of it.

The Clearinghouse should be separate and independent from ICANN: not be operated by ICANN and clear and distinct from ICANN. It should operate based on market needs and collect fees from those who use its services. ICANN may coordinate or specify interfaces used by registries and registrars, and provide some oversight or quality assurance function to ensure rights protection goals are appropriately met. Although the ultimate power to designate the providers that run operations of the Clearinghouse will be retained by ICANN, the selection and retention of any provider will continue to be done through a public and transparent process. ICANN will have no day-to-day role in the management of any aspect of the Clearinghouse. Because there will be only one Clearinghouse at any one time, there must be some form of agreement between ICANN and the Clearinghouse. That is so the work can be assigned to another party at a subsequent date if necessary or desired. Given that, the agreement must have a data escrow provision to ensure a smooth transfer if one is required.

Second, public commentary suggests that the best way to protect the integrity of the data and avoid concerns that arise through sole-source providers is to separate the functions of database administration and data validation. It is suggested that such separation should remove the incentive for the validation entity to approve entries into the Clearinghouse simply to increase the numbers of trademarks included in the Clearinghouse for economic gain. If separation of the duties is adopted, the details of the separation will be covered in the contracts ultimately entered into with the data validation and database administration entities.

Public commentary to the IRT Final Report further suggests that the way in which to ensure a fair and competitive process would be to put the process for both administration and validation out to bid. It is expected that a number of international database administrators and service providers would bid to be either the data validation provider or the database administrator. The end result will be to have one organization administer the Clearinghouse and one organization validate the data for admission into the Clearinghouse.

To provide additional protection, the contract(s) awarded will not automatically renew. Any contract will be evaluated each term to insure that technical stability and reliability are

maintained, services are provided in an efficient and effective manner and that the services are provided by in the most cost effective way.

(iii) What performance criteria will be required of the Clearinghouse service providers?

Comments have indicated that data validation and administration to be performed by service providers must demonstrate the highest level of technical stability and security. There will be consultation with registry and registrars to insure that the performance criteria will not interfere with the integrity or timeliness of the registration process. In addition, it is believed that the following criteria are just some functions that the chosen service provider must agree to:

- (a) demonstrate 24 hour accessibility seven days a week;
 - (b) employ systems that are technically reliable and secure;
 - (c) any system used must be globally accessible and scalable so that multiple marks from multiple sources and in multiple languages can be accommodated and sufficiently cataloged;
 - (d) the providers will have relevant experience in database administration or validation as well as accessibility to and knowledge of the various relevant trademark laws; and
 - (e) the performance requirements, including those involving interface with registries and registrars, must ensure that neither domain name registration timeliness, nor registry or registrar operations will be hindered.
- (iv) Should there be one or multiple Clearinghouses?

It has been suggested that there be regional distinct Clearinghouses. Comments suggest that regional entities would assist with the data validation responsibilities and would help address concerns with respect to the topic of a sole-source provider. While there could be benefits to having regional entities, such as knowledge of local cultural customs and trademark laws, and access to local trademark offices that do not have public data, on balance, it is believed that there are detriments that might result from such regional entities that could outweigh the resulting benefit.

For example, one of the core purposes of the Clearinghouse is to provide a cost effective and efficient way in which to store information about trademark ownership and make this information available to registrants and gTLD registry operators during sunrise and/or trademark watch claims services, whichever is employed by the operator before launch of the gTLD. Expanding the number of the Clearinghouses to provide such services to multiple regional entities would likely decrease the efficiencies and cost effectiveness of any such operation.

Regional Clearinghouses may also result in inconsistent application of standards and might lead to forum shopping. As such, on balance, it is believed that the core purpose of the Clearinghouse is best achieved with one organization.

Knowledge of local trademark customs, access local trademark data, and an understanding of the relevant terms of cultural significance will all be performance criteria required of the service provider ultimately awarded the contract for data validation. In this fashion, the benefits of regional offices of a single entity can be achieved without incurring any of the perceived challenges of having separate regional Clearinghouses.

B. What safeguards will be in place to prevent data misuse?

Some have expressed concern with having a concentration of trademark data in one repository. As such, the Clearinghouse must agree to put adequate safeguards in place to prevent such misuse. An obvious component of any contract awarded to any service provider would be a limitation on the use of the data, e.g., trademark owners are providing this information solely for use in connection with the Clearinghouse directives and may not be used by the administrator and/or validator for any other purpose. Should the service provider breach its obligation to limit use of the data, the contract will be terminated and awarded to another entity.

Additionally, as a precondition to the award of any contract, there will be adequate technical assurances that the data cannot be compromised by any system used by the service provider.

A further question in this regard is whether the data should be freely searchable, recognizing that it is already public information in some form. While full transparency is understood and supported by ICANN, fully searchable data in the Clearinghouse could produce unintended competitive harm, as the whole is greater than the sum of its parts. For example, knowing which brands a competitor has chosen to register could have value. As such, the database will not be searchable to determine in one search the sum total of marks any given entity has had validated and included in the Clearinghouse.

C. What type of marks can be included in the Clearinghouse and what is the effect of inclusion?

Registration in the Clearinghouse will not create or enlarge any trademark rights, nor can the failure to register the mark be construed as a limitation on any rights. Because the Clearinghouse is simply a repository of information, no license to use it is necessary from any trademark holder. Rather, the Clearinghouse administrator will be given permission to store information about a trademark and to use that information solely for the limited stated purposes of the Clearinghouse.

It is proposed that only registered and unregistered trademarks can be submitted to the Clearinghouse. It would not be feasible or consistent with the dual purposes of efficiency and cost-effectiveness to allow any word or name to be registered. Verification for such a process could prove lengthy, time consuming and would be difficult to monitor. Additionally, it is believed that a process allowing for registration of anything other than validated trademarks

could be susceptible to abuse and misuse. As such, on balance, it is believed that the Clearinghouse should be limited to trademarks. By establishing strict criteria, a bright line process for entry and limiting entry to valid trademark rights, cost-effective RPMs can be achieved.

Although there likely will be some initial validation challenges for unregistered trademarks, it is believed that the benefits of inclusion outweigh any initial perceived challenges. The intent is to include “common law” trademark ownership since rights do attach through continued use. Since holders of unregistered marks will have the same rights to bring a post-delegation challenge or initiate UDRP proceedings, it makes sense to allow these same rights holders the opportunity to participate in the Clearinghouse, which should increase efficiencies as time goes on.

As an additional safeguard, data validation will have to be renewed periodically by any trademark owner wishing to remain in the Clearinghouse. Some have suggested annually and others believe that is too onerous. This determination is still under consideration and may be informed by discussions with those who seek to serve as the Clearinghouse trademark validator.

As noted above, some of the comments have reflected a concern that a tool such as the Clearinghouse could be used to adjudicate or create rights. That is not the purpose of the Clearinghouse. The Clearinghouse will act in accordance with a limited charter, and trademarks included in it will not confer any additional rights to the trademark holders. And, to the extent any substantial changes are made to the Clearinghouse, they will undergo the same public comment process prior to being adopted.

D. How will the Clearinghouse be funded?

There has been commentary on how the costs for the services that the Clearinghouse will provide should be apportioned. Consistent with the purpose of the Clearinghouse, the costs of registering marks with the Clearinghouse should in no way be onerous to any party. What is envisioned is an allocation of costs among various parties. It has been suggested that ICANN should incur any start-up costs, although it is envisioned that there will not be any such costs. The bulk of costs of the Clearinghouse will be incremental costs at validation and during gTLD launches. Reasonable validation costs should be funded by trademark holders that submit marks for inclusion into the Clearinghouse. gTLD pre-launch costs (provision of sunrise and trademark watch services) are incurred during each launch and will be funded by a fee paid by the gTLD registry operator implementing sunrise or trademark watch services as RPMs. This fee structure seems to be the best way to match incremental effort with fees in an environment where many gTLDs are utilizing the Clearinghouse services. It is expected that the gTLD registry will recoup those costs in the domain name registration fees it charges at launch, which contrary to one comment, will be set by the registry operator not be dictated by ICANN.

Provision of the Clearinghouse sunrise and trademark watch services will be competitively bid in order to ensure value -- low fees and good service. Of course, discussion with potential Clearinghouse Providers might also inform how the funding and pricing could be structured.

E. Pre-Launch Sunrise and Trademark Claims

(i) Should registry operators be required to employ both sunrise and pre-launch trademark claims services and should Clearinghouse replace other watch service for these services?

While it might seem that the more RPMs the better, registry operators should be given some choices in terms of what RPMs to employ. Further, while the Clearinghouse is proposed to support both pre-launch sunrise and trademark claims services, the purpose is to make those pre-launch processes more efficient and cost effective to trademark holders. Otherwise, interested trademark holders would be required to register for each and every sunrise or pre-launch claims service that each and every gTLD employs. Depending on the number of new gTLDs, this could prove to be both onerous and cost-prohibitive. That said, registry operators would not be prohibited from utilizing other clearinghouses or watch claim services that exist or might arise in the marketplace, but if implemented, it is proposed that they would be required to at least utilize the Clearinghouse contemplated here for such purposes.

(ii) Should trademark holders receive notice during pre-launch claims service and should the notice expand to more than just identical marks?

The proposal includes notice to trademark holders, but such notice should be provided only after a registrant has been notified of the existence of an identical mark in the Clearinghouse and proceeds to register the name after making certain representation so good faith registrations. This sequence of notification to trademark holders in the Clearinghouse is important so as not to artificially create what might appear to be a registration blocking system. Pre-launch claims notifications, to be efficient and effective, should be limited to identical marks.

SUMMARY OF COMMENTS

Globally Protected Marks List (GPML)

Sydney

Overview

The criteria for the GPML are numerical and purely objective; eligibility requirements are to be set very high and very strict. With regard to the November 1, 2008, date, the IRT report contemplates that as registrations go on and as new application rounds are launched, that certain criteria requirements as well as these dates may well have to be revised. The GPLM operates at two levels: if anyone's mark makes it past the strict criterion on the GPML, they will have for that mark a top level protection and a second level protection. With respect to the lack of numbers in the report, data that ICANN staff is compiling to assist in relation to the strict thresholds for the GPML have not yet been received. *M. Wong.*

Top-level protection

For the top level, what is analyzed when a new gTLD is applied for is either an identical match with the actual mark on the GPML, or confusing similarity. If after this evaluation the applied-for gTLD is an identical match or is found to be confusingly similar to the actual mark on the GPML,

there is a reconsideration process. It is in the IRT report that all applicants who fail the initial evaluation should have a chance at reconsideration. *M. Wong*. At the top level, the entities that own marks on the GPML will merely be given the same opportunity that ICANN in DAG 1 and DAG 2 is reserving for itself and its contracted parties, the registries. In the current initial evaluation, string confusion will be done against existing TLDs and reserved names, so we are simply adding on to that. If folks have an objection to that idea, it should be across the board. *K. Rosette*. At the top level it seems like you have a really big hammer for a nonproblem; this is not \$6 cybersquatting—people have to front up \$185,000. *A. Schubert*. The IRT report says that the problem and issues are at the second level and not at the top level, because there are not that many cybersquatters with \$185,000 to go out and lose that money. *D. Taylor*. Once you have proven you have rights, unless you pony up the \$185,000 and make the initial investment to run your own TLD, it just goes back in the pool and becomes whack-a-mole, even on the top level. *J.S. Evans*.

Second level protection

For the second level, the main difference is that the match between the actual mark on the GPML and what is being applied for at the second level is limited only to an identical match. At that point a dispute resolution process can be initiated that includes an appeal, and if the applicant can show that he or she has legitimate rights or interests in the domain name, and that can include, e.g., generic uses or permissible product descriptions, that will go through the registration process. *M. Wong*.

Effect of being on GPML list

If you are on the GPML you are not automatically entitled to the respective domain name (response to *A. Schubert* inquiry). The GPML does not entitle the mark owner to priority or any other benefit under sunrise. *M. Wong*. While the GPML would not grant people additional legal rights it would grant them administrative rights which will empower them and have a chilling effect on others. *A. Schubert*.

Negotiations with trademark owner

Why cannot an applicant, like we do with geographic designations, go to the trademark owner and negotiate a letter of no rejection? It's a bit of overkill and the protection should at least allow for negotiations between parties and not automatic killing of the application. *A. Abril i Abril*.

GPML should be dropped--costs outweigh benefits

eNOM opposes the GPML. It will be complex, controversial and politicized to actually come up with what the list is. The criteria for the list is subjective. We do not know how we are going to decide that threshold number, and who decides certain other matters. There will be political globalization in that there will be folks from less-developed countries with strong marks there who want to be on the list but don't meet the criteria. We will therefore see lobbying from some countries to lower the threshold for less developed countries versus western countries. It is not worth all this trouble because the GPML list does not add much value. At the top level the list adds no additional value to what the DAG legal objection process already provides. The list only adds a kind of marginal benefit at the second level. Being on the list does not give you a preference in sunrise. *R. Tindal*. The noncommercial users constituency strongly opposes the GPML; it is a massive extension of existing legal rights. *K. Kleiman*. GPML takes rights away from the rest of us. The costs outweigh the benefits that the very small group of big companies will

get with the GPML, especially considering the introduction of the many other new RPMs proposed. *P. Stahura*.

Alternative: UDRP threshold issue-de facto GPML

A simpler alternative to adopting a new scheme to address the harm which is cybersquatting should be considered. There have been some 30,000 UDRP cases heard; this amounts to a sort of de facto GPML, because there would be none of the prospective entrants in the GPML that have not already been the subject of a finding in a UDRP case that they have trademark rights. The UDRP is a vastly superior alternative to litigation. Why can't the starting point be that before you can register any new TLD (and not just in a sunrise period), you must check whether the underlying mark or domain is the subject of an existing UDRP decision. If it is, the default is that you run the dispute in a UDRP proceeding before registration, not force it to happen afterwards, after some potential harm is done. *P. Argy*.

Chinese, Japanese, Korean languages

It is important to look at how these languages will meet criteria set and what issues this raises. Also, instead of creating one centralized database or services for the GPML, maybe there's an alternative way of doing that by dividing the service into different languages. dot asia

GPML—global consensus

How does the strict GPML criteria get global consensus? Countries have different jurisdictions, and different trademark laws with different protection. *G. Yuanyuan*. Regarding the point about different national laws and jurisdictions, the GPML was designed with some basic requirements. One is that you have a trademark registration of national effect. That will be validated by the IP Clearinghouse. There will be no question as to if it's a trademark from country x that's going to be more suspect than a trademark from country y. It's a question of adding it all up. If you have the required number of national registrations and they cut across all five global ICANN geographic regions, then that's the criterion. *M. Wong*.

New York

Globally protected marks list

The GPML is beyond ICANN's mission. There is no international consensus on globally famous marks. The GPML protects these trademarks not as marks for goods and services but as strings of characters protected across all new top-level domains, regardless of use or relevance. This list will remove from the domain name dictionary basic words such as apple, sun, time and people. *C. Climen*. We don't like the GPML, but would look at a list if produced by WIPO. *A. Van Couvering*.

Globally protected marks list

The GPML is not a famous marks list, but is a criteria-based list – e.g., very strict numbers for trademark registrations of national effect, across certain regions. All of the registrations at issue would have to have been issued prior to the date of launch. At any time that someone applied for a top level string, it would be compared to the marks on the GPML. If there was an identical match, the application would initially fail. Reconsideration would be possible; to prevail one would have to show that there is no confusion with the brand or that one has some sort of legitimate purpose. At the second level you also have an initial block, but the applicant also can go into reconsideration by a neutral third party and it was recommended that the same type of

standards as used in the UDRP be employed. This process is designed to avoid having brand owners registering defensively every single mark they have and to also allow consumers to have access to some viable space. If the brand does not make it onto the GPML then you still have all the rights that are granted in the Draft Applicant Guidebook for the legal objection process. *F. Vayra*.

London

Globally protected marks list (GPML)

Demand Media fully opposes the GPML and urges its elimination and believes that other RPMs will better satisfy the objective of the GPML. The GPML will be very difficult to create because the criteria and threshold for getting on the list is inherently subjective. It will be very politicized and controversial among trademark holders and countries about who gets on the list and who doesn't. In addition, the GPML doesn't add a lot of value to the process—the GPML gives you no more real benefits at the top level than you have in the existing draft Applicant Guidebook. At the second level, inclusion on the GPML only gives quite marginal limited benefits. If the list truly has extremely well-known brands, each of them will only get one exact match protection at the second level in a TLD. Further, the GPML probably breaches the IRT guideline that an RPM not expand existing legal rights. *R. Tindal*.

Globally protected marks list

The GPML resembles a reserve list and is not a famous marks list. It is strictly built on criteria: a brand owner would have to have a certain number of regions for trademarks of national effect; those registrations have to have occurred before a certain date; we put in the concept of having your mark as a principal online presence – e.g., Delta would need delta.com to match its trademarks. The GPML would not replace any legal rights objections that a brand owner already has in the Draft Applicant Guidebook. If an entity does not have marks included in the GPML it can raise objection through that other process. The GPML has top level protection –no different from what is currently proposed in the DAG for certain ICANN terms. During the application process whatever is applied for would be compared with strings in the GPML and it is for exact matches only. If there is a match there would be an initial refusal which can be subject to a reconsideration process. Reconsideration is not an opportunity to submit new information but to clarify that you have a legitimate interest and your term is not likely to confuse regarding what it has been compared against. At the second level, again for exact matches only there would be an initial block but there would be an opportunity for reconsideration to show legitimate interest (using standards currently applied in the UDRP under 4C). *F. Vayra*.

Globally protected marks list

WIPO's understanding of the IRT's GPML recommendation is that it is intended to be a totally different type of list with criteria based on contract and therefore would have very little to do with WIPO's work regarding well-known marks. *Eun-Joo Min*.

IP Clearinghouse—proposal is burdensome to trademark owners. It should be the responsibility of the IP Clearinghouse to compile and maintain an accurate database utilizing trademark information from publicly available resources. It should be voluntary for trademark owners to provide data to the IP Clearinghouse. *Adobe (25 June 2009)*.

IRT Final Report Public Comments

GPML—support. The GPML strikes an appropriate balance between protection of marks that are globally protected and the ability of third parties to use domain names that are identical or confusingly similar to marks on the GPML. *Microsoft (2 July 2009)*. *AT&T (2 July 2009)*. *Nestle (3 July 2009)*. Yahoo! supports the GPML but if it is not adopted then ICANN should revise the DAG to include an initial block for any string that has been successfully opposed during the objection process. *Yahoo! (6 July 2009)*. The standard for inclusion should be high and defined upon objective criteria (number of registrations) rather than concepts that have a different meaning pursuant to national legislation. *MARQUES (3 July 2009)*. The bar should be set very high (e.g., registration at over 140 of the 185 trade mark registries). It is not expected that more than 250 trade mark owners would qualify if this is the case so the GPML is in reality not much more burdensome than the Reserved Lists that registries already operate. *Com Laude (3 July 2009)*. See also *COA (6 July 2009)*. IPC supports the GPML in principle. New gTLD applicants should be given incentives to employ broader reserved names lists; this should be a feature of any new gTLD launch. *IPC (6 July 2009)*.

GPML—jurisdiction conflict; second level concern. Further consideration should be made regarding the concern that a GPML may prevent a legitimate trade mark owner in one jurisdiction from registering a domain name even if the GPM owner does not own a trade mark registration in that particular jurisdiction. The cost of resolving such potential conflicts should not be prohibitive for the legitimate trade mark owner. Also, trade mark owners face a bigger threat at the second level, but the second level gives a more limited test—an identical match, with no consideration of confusing similarity. This issue should be further explored. *F. Drummond (3 July 2009)*.

GPML—criteria. The key issue is the criteria used to determine if a mark qualified as a GPM. While few marks will qualify as a GPM, a substantial disparity between the GPM list and other widely circulated studies of brand recognition and value could undermine brand owners' faith in the entire project. *Pattishall McAuliffe (17 June 2009)*. *Telstra (6 July 2009)*. Any GPML must operate on contractually fixed criteria relevant in the special context of ICANN's new gTLD program. Inclusion on the GPML would not protect against the prevalent practice of typosquatting. *WIPO AMC (19 June 2009)*. The GPML identity requirements completely miss the most common forms of cybersquatting—typosquatting. *S. Donahey (1 July 2009)*.

More study is needed on the threshold to qualify as a GPM; one option is 100 registrations of the identical word mark. All current registrations should be accepted, not just those that have issued on or before November 1, 2008. *AIM (23 June 2009)*. While the GPML is promising, the IRT has failed to provide the specific criteria for inclusion on this list. How trademarks will qualify is a central question. Also, the GPML should drop the date criteria (before November 1, 2008) so that the GPML can be dynamic and growing, giving brand owners the kind of protection they need to enforce their entire trademark portfolio. *Adobe (25 June 2009)*.

The GPML criteria are unclear. *Unilever (1 July 2009)*. The aim should be to encompass all those marks that are so “globally protected” that few if any legitimate rights will be affected. It is also critical not to choose criteria that will favor one region or one legal regime over another. The

criteria can be simplified by focusing exclusively on the number of countries and (diversity of countries) where a trademark is registered, also bearing in mind marketplace realities of global commerce. *INTA IC (6 July 2009)*. The GPML thresholds need further study and account must be taken regarding some global brand owners filing trademark applications in different countries in the name of different entities. Also, recordal of trademark assignments can, in some countries, take several months/years meaning that acquired brands could stand in the name of the previous owner for some time. It should be sufficient to qualify for a GPM if a brand owner can prove a relationship between these companies. *C. Speed (2 July 2009)*.

The GPML thresholds are too high for many internationally recognized trademark owners to be included. A dialog with ICANN regarding the appropriate number of “registrations of national effect” should be continued. *IHG (2 July 2009)*. Entry criteria should be set to cover a broad range of globally protected brands. *MPAA (6 July 2009)*. *BBC (6 July 2009)*. The sheer number of registrations should not be the only criteria for determining if a trademark is global. *UBS (6 July 2009)*. Protection in no more than a total of 40 countries in at least three global regions would be an appropriate baseline for GPML status. Study is needed on whether to require a certain number of registrations in each region. Brands should be included where they are widely registered and well known in three ICANN regions. GPML criteria should not exclude well known brands that are popular targets of cybersquatters. Also, blanket exclusion of marks which have not matured to full registration should be reconsidered. *Time Warner (6 July 2009)*. The final report offered only general guidance about the criteria. Without analytical data available it is difficult to assess whether the criteria for GPM status are appropriately but not excessively strict. *COA (6 July 2009)*. *Yahoo! (6 July 2009)*. An appropriate threshold would be registrations in at least 30 countries across 4 of ICANN’s 5 regions. *SIIA (6 July 2009)*. It would be prudent to lower the number of registrations required to qualify for the GPML. *Verizon (7 July 2009)*.

Expansion of GPML. GPML should extend also to strings which contain the identical mark as well as “associated identifiers” once the principal trademark has qualified for GPM status. GPM protection should also extend to marks with strong regional presence (i.e. not focusing on all five ICANN regions). *AIM (23 June 2009)*. The proposal does not permit common extensions of a brand. *Adobe (25 June 2009)*. The GPML would only be of value if the possibilities of blocking domain names are extended to domain names containing the GPM and, e.g., one or more generic words. This would reflect the kind of abuse that GPM owners are faced with on a daily basis. *LEGO et al. (29 June 2009)*. *Unilever (1 July 2009)*. Most infringement cases concern brands plus a non-distinctive element or misspellings, rather than the identical mark. *C. Speed (2 July 2009)*. Even the expanded definition of an “identical match” does not address the pattern of abuse where a word or phrase is added to a trademark. The IRT should further expand the definition to address the problem of incorporated geographical names to existing trademarks. *IHG (2 July 2009)*. Protection should be extended to more than exact match. *MPAA (6 July 2009)*. *Time Warner (6 July 2009)*. Trademarks that have been subjected to repeated, widespread and systematic global abuse in the DNS should be eligible for inclusion on the GPML. *INTA IC (6 July 2009)*. As proposed the GPML will leave many highly valuable marks without protection. The GPML should be re-evaluated and expanded to afford protection to trademarks based on an objective set of criteria beyond worldwide registrations and the extent of the online presence. *Playboy (6 July 2009)*. The GPML should be expanded to cover a greater number of trademark owners and offer broader protection. Only allowing GPML trademark registrations to protect an exact match of the mark will force brand owners to preemptively register many variations of

their mark. The GPML should be clear as to how new trademarks can be incorporated into the list. *CADNA (7 July 2009)*. Further consideration should be given to expanding the GPML list. It should not include typographical variations but should include generic terms used co-extensively with the GPM. If narrowly construed to one's exact mark, trademark owners will be forced to register many variations of their trademarks preemptively in the riskier new TLDs for pure defensive reasons or spend extensive sums later on enforcement efforts. *Verizon (7 July 2009)*.

GPML—recognition of special statutory trademark protection. The criterion of special statutory protection must be considered to determine the true global scope and strength of a mark. *IOC (6 July 2009)*.

GPML—typosquatting. The GPML should initially block registration of both new gTLDs and second level domains in instances of clear-cut typosquatting. *IOC (6 July 2009)*.

GPML-combined marks. In case of combined marks, the text elements constituting the GPM must not be disclaimed from the protection of the trademark. *Nestle (3 July 2009)*. *MARQUES (3 July 2009)*.

GPML—non-objection. It should be spelled out that GPML status could be overcome by a statement of the mark owner. *Time Warner (6 July 2009)*.

GPML—reconsideration. The GPM owner should be a party to any reconsideration process. *Time Warner (6 July 2009)*.

GPML—top level and second level concerns. The date of issuance of trademark registration is an important feature for the initial application of the top level domains. A solution must be found for the second level domains in respect of marks that will become “globally protected” after the gTLD is activated. *Nestle (3 July 2009)*. *MARQUES (3 July 2009)*. A gTLD should be considered confusingly similar to a GPM when it includes the GPM together with additional matter. There appears to be no protection at the top level for a trademark which does not qualify as a GPM. This is unacceptable. *BBC (6 July 2009)*.

Second level RPM concerns. Applied-for second level domains should be blocked if they are identical or confusingly similar to a GPM. *C. Speed (2 July 2009)*. The ability to block a registration at the second level should not be limited to an identical match. *BBC (6 July 2009)*. *Time Warner (6 July 2009)*. Regarding second level domain RPMs, a single set of rules governing trademark protection will not be appropriate for all gTLDs. *EFA (6 July 2009)*. Requiring the second-level domain for the principal online presence to be identical to the trademark appears to be a reasonable standard. *INTA IC (6 July 2009)*. The IRT final report creates a separate and conflicting standard under which trademark holders may obtain a domain name (and damages in litigation) merely by claiming a breach of the suggested bad faith warranty. *P.R. Keating (6 July 2009)*. The IRT's second level mechanisms are insufficient. In a clear case of trademark abuse with no plausible legitimate interest, the domain should be blocked at the registration phase, whether the mark is a GPM or not. There is no reason to limit the blocking right. The owner of any trademark should be entitled to an initial block of a domain name in a new gTLD, subject to a showing of any of a broad range of “rights or legitimate interests” in the domain name by the registrant. None of the IRT's RPMs (the IP Clearinghouse, IP Claims Service, Sunrise

Registration or URS) is adequate and each must be adapted and changed before implementation. *Playboy* (6 July 2009). *Ford et al.* (6 July 2009).

GPML—further study. The threshold for the GPML seems very high and is unclear. Further study is needed on this issue as well as the requirement of having registrations in all five ICANN regions. *Unilever* (1 July 2009). It would be useful to know the proportion of UDRP proceedings dealing with “GPM type” versus non-GPM marks. It may be that the problems principally relate to non-GPM marks. This should be a factor in assessing the practical impact of the proposed GPML and what protection should be afforded to non-GPMs. It would also be helpful to know how new trade mark portfolios, (after November 1, 2008), whether truly global or not, will be handled. *1 Place* (6 July 2009). There should be a deadline for registration to prevent gaming, but it should allow possibility for new GPMs to be added to the list later. *INTA IC* (6 July 2009). It is of concern that the GPML is not a long-term solution since it may only provide protection for trademarks that exist or qualify on or before November 1, 2008. The IRT should make room now for future registrations. *Verizon* (7 July 2009).

The GPML should be re-examined in terms of criteria for inclusion on the list and the impact of GPML status on second level registrations that are not “identical matches” with the GPM. Otherwise some of the most pervasive cybersquatting risks will not be effectively addressed. GPML status should also provide some protections against typosquatting and registrations combining the GPM with descriptive terms. *Time Warner* (6 July 2009).

GPML—regions. The IRT should recommend that registrations in four out of five regions be allowed instead where an applicant for the GPML shows a global consistency for its trademarks. Companies that have been subjected to a position forced on them should as a matter of equity be able to be included on the GPML on a showing regarding their special circumstances. *Baker Hostetler* (6 July 2009).

GPML—conflicting applications of legitimate rights holders. In such cases, where it is very clear that registration in all five regions is not a suitable requirement because of events beyond the control of the legitimate rights holders, an evaluation based on preponderance of trademark rights and other circumstances should be considered in the process of awarding the gTLD. *Baker Hostetler* (6 July 2009).

GPML is controversial. The GPML is controversial; it seems that “normal” trademark holders will be put at a disadvantage while cybersquatters will doubtless find a way around it. If the GPML proposal is to be tabled, it should not form part of any new regime linked to the new TLDs but should be looked at through the usual ICANN procedures. *Wrays* (6 July 2009). Given that GPML will protect only a tiny percentage of trademark owners, it is not much of a safeguard. *PMI* (6 July 2009). The proposed GPML may be difficult if not impossible to implement, would likely expand dramatically over time, and lacks an adequate foundation in trademark law. It puts ICANN in the inappropriate role of an international treaty organization/multinational legislature. *ICA* (7 July 2009). The GPML allocates domain names to a certain category of trademark registrant, usurping registration opportunities from registrants, even in countries where the GPML has no registration or effect. *ALAC* (7 July 2009). It is not as simple as marks that are globally protected. Major issues will arise as to territorial conflicts. How will the trade mark class specification system—whereby the same name is owned by different undertakings for different

types of goods and services enabling their peaceful co-existence—be dealt with online and when multiplied by country? Is this first come, first served? If such steps are taken, independent academic work should be commissioned and careful thought given to developing countries and language issues. *V. McEvedy (7 July 2009)*.

GPM Defensive Applications. A fast track system for a defensive application should also be available for any registrant with a GPM; use of the TLD would not be pre-supposed, use criteria would be waived, fees reduced and the TLD awarded but placed on permanent “hold” status. *AIM (23 June 2009)*.

GPML should be dropped. Costs of the GPML outweigh its benefits, and it would be complex and controversial to implement it. It will provide no more benefit at the top level than is available due to the existing Legal Objections process, and it will provide very limited benefit at the second level (assuming the IRT’s Sunrise recommendation is adopted). GPML also fails to meet the IRT’s benchmark of not expanding existing rights or creating new legal rights. The GPML cannot be applied to existing gTLDs even with a new ICANN consensus policy. *ENOM (22 June 2009)*. *M. Neylon (6 July 2009)*. *M. Berkens (6 July 2009)*. The GPML is a complex solution to a relative non-problem and is unnecessary. *EFA (6 July 2009)*. GPML should be dropped because it is ripe for abuse and is inconsistent with trademark law. It violates the IRT’s own benchmarks for establishing RPMs. *P.R. Keating (6 July 2009)*. *DNS (6 July 2009)*. The GPML is deeply flawed on many grounds (e.g. goes beyond the bounds of trademark law, chills freedom of expression and stifles innovation) and is completely outside of ICANN’s mission and scope; if allowed to go forward it will delay rather than speed implementation of new gTLDs. *NCUC (7 July 2009)*.

ANALYSIS OF PUBLIC COMMENT

The Globally Protected Marks List

It was suggested that one of the services the Clearinghouse should provide is maintenance of a globally protected marks list (GPML). The GPML would be limited to a set of marks that satisfied “strict criteria” which would be used to prevent certain registrations at the top and second level. The marks on the GPML would also be afforded certain benefits in other RPMs envisioned by the IRT. The idea was that certain marks that were the most recognized, which met very high standards, could be included on the list and afforded a higher level of protection both pre- and post-TLD launch. While some commenters suggest that the GPML is appropriate and, in fact, the threshold for inclusion on the GPML is too high, on balance, the comments to this particular RPM suggest that the GPML will burden Clearinghouse administration more than it will help it. Public comment also suggests that the GPML would lead to treating similarly situated applicants differently and could have the effect of enlarging rights. As such, the GPML will not be implemented.

The proposed standards for inclusion in the GPML appeared to be unclear to many and it is doubtful that uniformly accepted standards could be implemented. Part of the reason that it may have been difficult to articulate a set of cohesive standards could be because, according to the criticisms, the GPML would have been a hybrid creation of some sort of right never

before recognized in the trademark law of any jurisdiction. The criteria did not meet the standard of “well known” marks, nor did the standards match the criteria for “famous” marks as set forth in at least one jurisdiction’s laws. See 15 United States Code § 1125. Instead, it has been suggested that the GPML would create a certain class of “supernova” trademarks that did not necessarily capture the most globally recognized brands.

Comments suggest that the inability to establish applicable criteria could have the effect of undermining trademark holder’s faith in the gTLD system and the RPMs.

For those marks to which a classification of fame may arguably exist, comments suggest that the GPML is not necessary to prevent harm to the trademark owner. Instead, extension of the “supernova” status could have the effect of removing from the public domain arguably generic words that have come to be known widely as trademarks.

The GPML would be difficult to establish and controversial to maintain. Further, it would create only marginal benefits at the top and second levels because it would only apply to a relatively small number of names.

Because of the way the GPML has been defined and the limited protections it would afford to those marks, it does not appear that it would hinder typosquatting. Comments recommend that the proscribed conduct be expanded beyond exact matches. For this reason, comments suggest that a large portion of activity that is deemed to be problematic would not be addressed or remedied by the GPML.

There are other concerns that the GPML would lead to expanding trademark rights: enlarge trademark rights in the jurisdiction where the registration has issued, and given the global nature of the Internet, create rights in jurisdictions where the registration has not issued.

Finally, if the GPML was implemented, it would be difficult to safeguard against treating one type of trademark holder differently than another, i.e. one trademark holder would be on the GPML and another would not. The potential for such a disparity is inconsistent with the goal that similarly situated trademark holders be treated in the same way.