RySG Input on RPM Review report

We appreciate the opportunity to comment on this draft report. Even though new gTLDs have only been available for a little over a year, and many have yet to come to market, we're cautiously optimistic that the RPMs are serving their intended purpose. We do note that a review at this time may still be somewhat premature due to the fact that a large number of registries have not yet launched. As a result this review may be at least a year early.   In addition, we do want to raise several concerns, as outlined below.

The ICANN community's return on investment for the Trademark Clearinghouse (TMCH) remains ambiguous.

Sunrise Period

Given that an explicit goal of the New gTLD Program's RPMs was that they "not result in unnecessary or undue costs to trademark holders, registries, registrars or legitimate users and consumers," it's difficult to reconcile the time, effort and expense incurred by these TMCH users when the database only has 34,400 marks worldwide and has generated less than 129,000 claims notices sent to trademark holders to date (i.e. only 3% of the 4.1M new gTLD base in the same time period). Of course, the amount ICANN paid its vendors further complicates this assessment.

In order to improve the effectiveness and reach of the TMCH, it may be necessary to increase awareness amongst trademark holders. It may be helpful to understand whether trademark holders who did not register in the TMCH were unaware of the option or chose not to do so (and, if so, what their reasons were).

The TMCH's reported metrics are unclear. Do the total number of marks include the "Strawman" allowance of up to 50 previously abused labels per mark? How many of the reported claims notices were for the same domain name? The cited number of average monthly Sunrise Period registrations (3,383) is provided without sufficient context to allow meaningful evaluation of the effectiveness of the TMCH; given the total volume (33,008) and the number of launched TLDs (297), the average per string is only 111 over the entire reporting period. The TMCH administrators should provide more granular analysis of the database composition and usage to facilitate the community's review.

Claims Period

The Draft Report notes that 25.2M claims notices have been sent to potential registrants and 96,471 transactions recorded (JAN14-DEC14), but doesn't provide data to help determine if the TMCH has had a chilling effect on registration activity. More detail on the claims might help, i.e. how many repeat notices were generated for the same domain name, were claims on the same name filed by multiple registrars, what percent of claims were for actual marks vs. "Strawman" allowances, etc.

Without more detail on any proposed TMCH "enhancements" (see Section 5.1), there's a real risk that sharing registrant and query data could lead to privacy violations and security breaches. This should be more fully understood before any changes are made to the current access and response framework.

Registry Specific RPMs

The Draft Report fails to take into account that some registry operators introduced their own registry-specific RPMs in addition, for example the Domains Protected Marks Lists (DPML) of Donuts and Rightside. These registry-specific solutions inevitably have an impact on the utilisation of the ICANN-mandated RPMs. In reviewing the effectiveness of the new gTLD RPMs ICANN must therefore take a holistic approach and include registry-specific solutions in any assessment.

A Review of RPMs Should Also Consider Costs

Although the review poses a number of questions about the effectiveness of the RPMs, in order to fully understand the value of these mechanisms it is critical to also consider the costs. Below we suggest a number of additional questions that should be considered in the review:

- While the report includes the range of costs for trademark holders to register their marks and the benefit they received, there is no rationale for these costs or discussion about total cost for the program.
- What were the costs to Deloitte to conduct verification?
- What were the costs to IBM to provide DB admin and support?
- What regions of the world were problematic?
- Did validation costs vary by region?
- Section 3.6 of the report on communications should address the effectiveness of the outreach such as percentage of penetration to mark holders by region.
- Why were so few marks registered compared to the millions of worldwide trademarks?
- Do those who registered believe they received appropriate value?
- For mark holders who did not register, why not? Lack of awareness, expense, lack of perceived value?
- The costs for registries and registrars: TMCH fees, development costs, etc.

- The costs for ICANN, including contracting costs and the cost to the community in time and effort.
- New TLDs launch success and trademark issues, comparing those such as .biz, .info and .mobi who launched with their own plans vs the new gTLDs

In addition to these general comments, the RySG provides answers to specific questions where registry operators could provide pertinent information:

Trademark Clearinghouse

ICANN Question	Registry Input
Did the Clearinghouse structure successfully balance implementation of the services with data misuse concerns?	Although it does seem that the TMCH avoided data misuse, the cost of implementation for both trademark holders and registries was fairly high.
Were any issues identified relating to misuse of Clearinghouse data?	We are not aware of any misuse of Clearinghouse data.
Was the proof of use requirement successful in restricting the Sunrise period to Sunrise-eligible rights holders?	In general, the proof of use requirement seems to have prevented the use of the TMCH by ineligible rights holders.
What factors could be considered to make this process more effective?	Consideration should be given to introducing service provider competition for validation of TMs, which could be expected to lead to cost reductions for users.
Could verification standards used by the Clearinghouse be adjusted to better serve rights holders in all global regions?	It's unknown due to the lack of awareness of the Clearinghouse outside Europe and North America. Some regions like Brazil or China have very small number of marks in the Clearinghouse and if those regions tried to register more, they might have faced issues with the manual verification procedures. In specific cases, there should be mechanisms for including local trademarks, which may be relevant in Geographic TLDs, but the cost of TMCH is quite high for small local businesses with non-English speaking customers. ICANN should consider mechanisms (e.g., lower fees or translations) to be more inclusive of these local

	businesses--once again, allowing for additional validation providers may be helpful here.
To the extent that gaming is occurring, could this be prevented by modification to the verification standards?	We are not aware of any gaming.
Should ICANN reconsider the "identical match" definition, specifically, expansion of the matching rules to include plurals, "marks contained" or mark+keyword, and common typos of a mark?	No. Abused terms already provided a significant and sufficient expansion.

Sunrise Period

ICANN Question	Registry Input
How effective is the Sunrise period for protecting intellectual property rights?	The Sunrise Period seems to have been effective at protecting intellectual property rights.
Are the Start-Date Sunrise and End-Date Sunrise alternatives useful?	The distinction between the types of Sunrise are somewhat complicated. Given the low number of Sunrise registrations, some registries believe that a shorter overall duration of 30 days may be appropriate.
What were the challenges, if any, in terms of registering a domain name during the Sunrise period?	The mass revocation of SMDs in December 2013 was problematic , especially for registries that batch-processed allocations and had to request re-submission of now-revoked SMDs.

Name collision created complications of how names on the collision list should be handled during Sunrise and ultimately necessitated a secondary Sunrise in some cases. |
| Did having a set of Sunrise minimum requirements across TLDs provide for increased efficiencies in registration processes? Were there advantages and disadvantages to the required Sunrise for rights holders? For Registry Operators? | Having a consistent set of Sunrise requirements was generally helpful, however the process of establishing the technical implementation should have been more collaborative and taken better consideration of the concerns of registry operators early on. |

Did the use of SMD files help streamline the process? Were there any technical issues encountered, and if so, what were they?	SMDs were still sometimes subject to corruption in transmission along the path of registrant->registrar->registry operator; thinking about ways to make them more resilient would be helpful. Also, there was a lack of tailor-made SMD files for testing geography and class of good restrictions and that made untested code into production systems. An end-to-end OT&E for both TMCH and TMDB (not only TMDB) was requested by registries but was not ultimately provided.
Is there an appropriate balance of registry discretion to reserve names from registration and the inclusion of names in the required RPMs? Should additional considerations be applied around registry allocation practices and their interaction with the required RPMs?	We believe that the current contract's balance of reserved names and RPM requirements is generally appropriate. For certain strings in the context of specific TLDs, it may be more appropriate that names be held back from initial registration or otherwise allocated with more discretion than in a wide-open launch period. In these cases, applying Claims to the names to provide trademark holders with protection and notification is a reasonably balanced approach.
Were Limited Registration Periods a useful part of registry launch processes?	For some registries, particularly those with eligibility requirements, LRPs were a useful part of the launch process. For geographic registries in particular, LRP is an essential part of delivering domains to the local government/municipal entity which issued the relevant letter of non-objection. However, because many registrars did not elect to participate in registry Limited Registrations Periods, the benefits to registrants was not as impactful as it could have otherwise been with more registrar participation.
What were the challenges, if any, in terms of registering domain names during Limited Registration Periods?	Registrars elected not to participate because it required additional work, therefore, registrants did not obtain as much value as they otherwise could have with more

	standardized registrar participation.
Was the QLP useful for registries in launching and promoting their TLDs? What were the challenges, if any, in terms of operating a QLP? What factors, if any, would make it more effective?	QLPs were useful for establishing usage and awareness in TLDs, including by allowing brands early access to some TLDs. In some cases, the effectiveness of QLPs was limited where generic terms relevant to the TLD conflicted with names in the TMCH. In addition, QLPs proved inadequate for Geographic TLDs in a number of ways: 1) They were often not usable for local trademark holders (also addressed in above comments on Sunrise). 2) The QLP represented the only option for Geo TLDs to provide city authorities with domains representing geographic or agency names, but the limitation of 100 domains per TLD combined with the exclusion of names in the TMCH significantly restricted this option. For cities with hundreds of street, neighborhood and agency names, 100 names was not nearly enough. On the other hand, if ICANN had better mechanisms for registries to provide launch programs consistent with their purposes and original applications, the limit of 100 names would likely be sufficient for promotional purposes. More generally, the QLP process was insufficient to take into account the well-defined start up plans included in registries' applications. While, as noted above, the QLP provided a reasonable basis for promoting a TLD and creating awareness, ICANN should have provided greater deference to these plans, especially where they provided a reasonable balance of TLD-specific allocation of names versus generic trademark protection. In particular, ICANN should have

	had a more straightforward process for Approved Launch Programs pursuant to 4.2 and 4.3 of the RPM Requirements.
Did the QLP succeed in maintaining safeguards against intellectual property infringement? Were any intellectual property infringement issues noted with regard to names issued as part of a QLP?	The RySG is not aware of any intellectual property infringement issues with regard to names issued as part of a QLP. However, the overall problem with rights protection both in the QLP and other phases is that the entire process exclusively recognizes trademark rights (in the TMCH), often in favor of rights and meaning much more tightly coupled to the particular TLD. Combined with the fact that ICANN failed to put in place any meaningful program under the Approved Launch Programs which intended not just to promote the TLD but also to protect other clearly defined prior rights, like the public interest in names of geographic names, and public administrations, in many cases this lead to a much greater chance of consumer confusion.
Are there similar programs that could be built into TLD Startup processes that would support registry startup while maintaining safeguards against intellectual property infringement?	The QLP could be expanded upon by allowing for registrations that match strings in the TMCH in situations where the use of the domain would not infringe on the relevant trademark. In addition, there should be consideration given to registries that seek broader or more complex launch programs based on the specific objectives for their TLDs: for example, by allow grandfathering in of matching registrations in other TLDs, including municipal agencies or neighborhood names in geographic TLDs, or even terms that may be generic in the context of the TLD despite being in the TMCH.
How useful was the SDRP in resolving disputes?	The SDRP has not been useful in that, to the best of our knowledge, it has not ever been invoked. The requirements around the use of SMDs and the TMCH minimized the risk of

	disputes and we believe that the requirement of an SDRP is unnecessarily burdensome to registry operators.

Trademark Claims Service

ICANN Question	Registry Input
Is the Claims notice an effective form of communication?	We do not believe that there is sufficient data yet to answer this question. The high ratio of Claims notices to registrations could be an indication that legitimate registrants with no intent to infringe are being confused or intimidated by the notices, or that the notices are discouraging abuse, or that the notices reflect some automated process more interested in harvesting data than producing registrations. The most useful data would come from Registrars providing information on how many notices were sent as well as how many registrations were completed after notice. Further studies on user behavior in response to notices and harvesting patterns are required to answer this question.
Were any technical issues identified relating to the Claims service?	Implementation of the Claims service is relatively burdensome on registrars, so some registrars chose to wait until after Claims periods to integrate with new TLDs.

A number of registrars were not familiar with their obligation to provide Claims services during Limited Registration Periods. |
| How helpful is it to have the Trademark Notice in English and in the language of the registrant's registration agreement? Should additional language considerations be applied? | The current method of providing notice in English and the registration agreement seems adequate. |
| How useful are extended Claims services? | Donuts has made available an extended claims service (for registrars to provide notice to registrants) with zero uptake by registrars. The extended claims service provided by the |

	TMCH (notification of registration to mark holders) seems to benefit the mark holders and is the more useful portion.

Uniform Rapid Suspension (URS)

ICANN Question	Registry Input
How effective is this service in providing a quick and low-cost process for addressing infringement?	The URS has generally been effective in providing a quick and low-cost process for addressing infringement, although there are some ongoing implementation issues.
What were the challenges, if any, in terms of using the URS?	Burdensome implementation of an out-of-band process that only partially allows automation. URS providers are not consistently following the requirements.
Are translation and language elements of the notification processes effective?	Notification to Registrars come in English and in relevant local language, while Registry receives only English language version (even though the URS provider already has the translation). It may be helpful to provide the translation to the registry provider as well.
How could communication processes be improved among URS providers, registry operators, registrars, and registrants?	We repeat previous guidance suggesting EPP transformations instead of unreliable e-mail messages.
What factors could be addressed to make the URS more effective?	It may be beneficial to consider adding a transfer option in the case of a successful URS, although allowing a change of registrant would require further policy development. The current URS policy makes renewals difficult. ICANN should clarify that either the original registrar (or a registrar of the complainant's choosing that the name can be transferred to) collects payment from the complainant when they request a renewal, and send the renewal order to the registry. The registry cannot accept a request or payment for a renewal without

	the registrar's involvement.
	ICANN may also want to consider adding definition of repeat URS offender and exploring its policy implications.