Comments of the Registries Stakeholder Group

Proposal for Trademark Clearinghouse – Revised February 2010


The comments that follow represent a consensus position of the RySG as further detailed at the end of the document.

Over the course of many months, the concerted and sincere efforts of the ICANN Community to protect trademarks from abuse in new gTLDs has resulted in the development of important new trademark protection mechanisms. Chief among them is the Trademark Clearinghouse, a single database in which trademark owners may place their trademarks for use in all new gTLD Sunrise and Trademark Claims services. We join the Intellectual Property Constituency in recognizing that “[p]roperly implemented, the Trademark Clearinghouse should reduce significantly the administrative and resource burden on trademark owners of participating in rights protection mechanisms of each new gTLD.” IPC Comments to the STI Review Team, http://www.ipconstituency.org/PDFs/2010_Jan26_IPC_STI_Comments.PDF.

While ICANN Staff has done a good job in incorporating the recommendations of the GNSO-STI into the final version of the Clearinghouse, one major change in the now-published version removes a critical element of discretion and protection from the gTLD Registries. This comment explains the original GNSO-STI recommendation, why the original recommendations best protects the new gTLD process and what text should be reestablished in the Clearinghouse plan.

1. The language of the revision of the STI document makes significant changes in the GNSO-STI’s Clearinghouse recommendation.

The GNSO-STI recommended that the trademarks eligible for inclusion in the Clearinghouse should be national and multinational registered trademarks (Registered Marks) from all jurisdictions. This idea differentiated the GNSO-STI recommendations from those of the IRT in that the validation of the trademarks would be conducted by national authorities equipped with expertise and legal authority, and not by ICANN or an ICANN-contracted third party. Such validation further seemed to the STI to be outside the scope and mission of ICANN. The GNSO-Council unanimously adopted the GNSO-STI recommendations.

The original language recommended by the GNSO-STI further included one narrow path of discretion for the new gTLD Registries. In the use of the trademarks in the Clearinghouse:

“New gTLD registries should provide equal protection to all trademarks in the TC for their RPMs [Sunrise and Trademark Claims periods], except as follows:

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(i) Inclusion of a trademark in the Trademark Clearinghouse from a country where there is no substantive review does not necessarily mean that a new gTLD Registry must include those trademarks in a Sunrise or IP Claims Process. “Special Trademark Issues Work Team Recommendations, December 11, 2009, http://gnso.icann.org/issues/sti/sti-wt-recommendations-11dec09-en.pdf.

According to the revision currently published for comment of the Trademark Clearinghouse text, Section 7 now provides that new gTLD Registries:

“must provide sunrise or Trademark Claims services for all trademarks in the Trademark Clearinghouse, except as follows:

a) In those services, registries must recognize either (i) or (ii):
   (i) All registered trademarks in the Trademark Clearinghouse Database; or
   (ii) All registered AND validated trademarks in the Trademark Clearinghouse database. (Such validation could be satisfied either at time of trademark registration, or by subsequent validation by the Trademark Clearinghouse or its agents to determine whether the trademark holder has used the registered trademarks in connection with the goods and services applicable to the registration)....

The Trademark Clearinghouse or its agent shall develop a list of the countries that conduct substantive review upon trademark registration.”

This substantial change significantly expands the duties and costs of the Clearinghouse, and eliminates the much narrower option of gTLD Registry review and action.

2. The proposed substantial change radically expands both the scope of work of the Clearinghouse, and its costs.

The proposed revisions to Section 7 of the Clearinghouse radically expand the core functions of the Clearinghouse.

The Clearinghouse, as revised, would become a trademark validator. It would be responsible for making an authoritative determination about the scope of Registered Marks, the nature of the goods and services covered, and the scope of use. All of those functions are outside the current scope, expertise and function of the GNSO-STI envisioned Clearinghouse.

As intended by the GNSO-STI, the Clearinghouse serves in an expedited and efficient manner to review and approve Registered Marks presented to it for entry into a centralized database. As discussed above, it is outside the scope, mission and expertise of ICANN, and its contractor, to make determinations regarding the use of goods and service of Registered Marks.
Leaving aside this serious question of limits to the scope and mission of ICANN and its contractors, such an evaluation would require expert substantive review and the resulting costs would prove prohibitive. At this time, the allocation of costs of the Clearinghouse as between trademark owners and registries remains an area of disagreement and controversial. The wholesale expansion of the work of the Clearinghouse to be a mini-trademark office would create a new set of costs almost impossible to estimate and allocate fairly.

3. **The GNSO-STI Recommendation with limited discretion for new gTLD registries offered a much narrower and simpler solution.**

The carefully-considered GNSO-STI Recommendation, Section 5.2, provides a much narrower and more straightforward alternative. It requires that gTLD Registries accept and provide “equal protection” to all Registered Marks in the Clearinghouse, but for the narrow exception of those jurisdictions which do not conduct a substantive review of their trademark applications prior to issuing a registration. The Clearinghouse will provide a list of such jurisdictions to the Registries.

Nothing about the recommendation states that the new gTLD Registries will immediately or automatically eliminate registrations from jurisdictions which do not conduct a substantive review. In fact, there will be considerable pressure on the Registries to recognize and accord full weight to such registrations.

In the unlikely event that a single or a few jurisdictions become the target of those gaming the registration process and attempting to reserve prior rights to registrations to which they would not otherwise be entitled, the Registries would be able to spot and respond to such abuse.

4. **Benefits of the original STI language**

Overall, the original GNSO-STI language on this issue provides a necessary balance – the protection of trademarks to trademark owners and the opening up of new domain name space to serve existing communities, developing businesses, and those organizations, individuals, and companies not yet online or even in existence.

This original GNSO-STI language further provides a balanced approach to abusive trademark registrations. It gives Registries the ability to exercise limited discretion in extraordinary situations – without dramatically altering ICANN’s scope and mission, or compromising the promise of opening up new domain name space to deserving registrants.

The Registry Constituency strongly supports the return to the original GNSO-STI language.

**GNSO gTLD Registry Stakeholder Group Statement of Support**

A supermajority of 11 RySG members supported this statement.
Total # of eligible RySG Members¹:

- Total # of RySG Members: 14
- Total # of Active RySG Members²: 13
- Minimum requirement for supermajority of Active Members: 9
- Minimum requirement for majority of Active Members: 7
- # of Members that participated in this process: 13
- Names of Members that participated in this process:
  1. Afifias (.info, .mobi)
  2. DotAsia Organisation (.asia)
  3. Dot Cooperation LLC (.coop)
  4. Employ Media (.jobs)
  5. Fundació puntCAT (.cat)
  6. Museum Domain Management Association – MuseDoma (.museum)
  7. NeuStar (.biz)
  8. Public Interest Registry - PIR (.org)
  9. RegistryPro (.pro)
  10. Société Internationale de Télécommunication Aéronautiques – SITA (.aero)
  11. Telnic, Limited (.tel)
  12. Tralliance Registry Management Company (TRMC), (.travel)
  13. VeriSign (.com, .net & .name)

- Names & email addresses for points of contact:
  a. Chair: David Maher, d Maher@pir.org
  b. Alternate Chair: Jeff Neuman, Jeff.Neuman@Neustar.us

¹ All top-level domain sponsors or registry operators that have agreements with ICANN to provide Registry Services in support of one or more gTLDs are eligible for membership upon the “effective date” set forth in the operator’s or sponsor’s agreement (RySG Articles of Operation, Article III, Membership, ¶ 1). The RySG Articles of Operation can be found at <http://gnso.icann.org/files/gnso/en/improvements/registries-sg-proposed-charter-30jul09-en.pdf>. The Universal Postal Union recently concluded the .POST agreement with ICANN, but as of this writing the UPU has not applied for RySG membership.

² Per the RySG Articles of Operation, Article III, Membership, ¶ 6: Members shall be classified as “Active” or “Inactive”. A member shall be classified as “Active” unless it is classified as “Inactive” pursuant to the provisions of this paragraph. Members become Inactive by failing to participate in a RySG meeting or voting process for a total of three consecutive meetings or voting processes or both. An Inactive member shall have all rights and duties of membership other than being counted as present or absent in the determination of a quorum. An Inactive member may resume Active status at any time by participating in a RySG meeting or by voting.
Regarding the issue noted above, the level of support in the RySG for the Group statement is summarized below.

1. **Level of Support of Active Members**: Supermajority
   
   1.1. # of Members in Favor: 11
   1.2. # of Members Opposed: 0
   1.3. # of Members that Abstained: 0
   1.4. # of Members that did not vote: 2

2. **Minority Position(s)**: N/A