The GNSO gTLD Registries Constituency ("RyC") is pleased to provide these comments on the Final Report of the IRT (the "Final Report"). The RyC appreciates the enormous amount of work that went into the Final Report, especially considering the short deadline. The comments that follow represent a consensus position of the RyC as further detailed at the end of the document.

By far the biggest concerns of the RyC relate to the Post-Delegation Dispute Mechanism ("PDDM"). Section 1 of our comments focuses on the PDDM, and Section 2 addresses other elements of the Final Report.

1. The Post-Delegation Dispute Mechanism

In light of the multiple and overlapping new protection methods recommended in the Final Report, the RyC regards the PDDM to be at best, unnecessary. It is believed that the PDDM arises from a lack of confidence that ICANN will enforce existing protections, and that the PDDM is merely a method of shifting certain responsibility for enforcement to the registries and away from ICANN. In addition, it creates third party beneficiary rights in favor of intellectual property owners that will be unduly burdensome to the registries. The RyC submits that consideration of whether or not a registration constitutes trademark infringement, as contemplated by the PDDM, is not within the core competency of registries, nor should it be. Registries are not, and should not be viewed as, "trademark examiners" and therefore should not be responsible for the infringement of intellectual property rights committed by registrants in its TLD space when the registry merely acts as a "registry."

A. There are many problems with the PDDM.

The PDDM is troubling to registries on many levels. First, the PDDM would require registries to incorporate rights protection mechanisms into their registry agreements and to submit to mandatory administrative proceedings to determine whether a registry acted in "bad faith" with intent to profit from registering infringing names. We recognize that the Final Report acknowledges the PDDM "is not intended to be used against Registry Operators that may have infringing domain names within their TLDs." However, the Final Report nevertheless imposes liability where such Registry Operators have a "bad faith intent to profit" from such registrations without providing a definition of what would constitute such bad faith. In our view, it is foreseeable that aggressive trademark holders will assert claims of "bad faith intent to profit" on the basis of the mere registration of allegedly infringing domain names. Registries would then be forced to respond to such allegations at considerable time and expense. "Bad faith" as set forth in the Final Report appears to be a subjective, undefined standard. For example, the Final Report is not clear as to whether failure to monitor names being registered for
infringement (the accepted practice for most open TLD registries) would be deemed to be “bad faith.” In the absence of clarification and exemption/“safe harbor” provisions, the Final Report could effectively require that registries “sanitize” the names they register to ensure they are not “identical or confusingly similar” to an existing trademark. Such monitoring would require registries to make determinations that they are not competent or well-suited to make, and would require costly and time-consuming human analysis and intervention, in what has been an automated process to date. If the Final Report is interpreted this broadly, then that would go against the IRT’s own mandate which is to ensure that any protection mechanisms do not result in “undue costs” to “gTLD registries.”

The RyC notes the WIPO suggestion of “safe harbor” for registries that would be unduly burdened by a PDDM in the normal operation of their business. In addition, WIPO suggests: “WIPO’s post delegation proposal may be seen as standardized assistance to ICANN’s compliance oversight responsibilities, encouraging responsible conduct by relevant actors and enhancing the security and stability of the DNS.” WIPO appears to acknowledge that ICANN is the relevant party with the responsibility for oversight with the intention of its post delegation proposal to be about encouraging responsible conduct.” Simply put, no where does WIPO say a PDDM outcome is to be binding upon the Registry Operator. No where does WIPO suggest putting such binding language in the ICANN/Registry contract. And the RyC agrees with the following WIPO statement: “The WIPO Center appreciates the need to strike a reasonable balance between the protection of trademark rights recognized by law, the practical interest of compliant registry operators to minimize operational burdens, and the legitimate expectations of good-faith domain name registrants”.

If the obligations set forth in the Final Report are interpreted broadly by trademark owners, such obligations would give trademark owners rights above and beyond what they are given under the existing laws of a number of jurisdictions. In fact, such rights could be read as being inconsistent with existing law with regard to the obligations of registries for trademark infringement, direct and indirect, for the provision of typical registry services. Absent clarification and narrowing of the scope of the PDDM, the PDDM could upset the balance struck in existing law.

The PDDM is “designed to combat…Registry Operators that operate a TLD in a manner that is inconsistent with the representations and warranties contained within its Registry Agreement,” but most registry agreements contain no representations and warranties regarding intellectual property protection, nor should they for reasons cited above. The RyC is on record in its comments on the Draft Registry Agreement associated with Module 5 of the Draft Applicant Guidebook that the proposed Section 2.7 requirement regarding protection of the legal rights of third parties by registries is misplaced. The RyC also objects to any requirements, whether in Section 2.7, Specification 7 regarding minimum rights protection mechanisms, or elsewhere, that would hold it to vague standards rather than a specific set of articulated obligations. Please note that the RyC is not stating that where a TLD applicant does make representations in its application for a new gTLD that there should be no accountability. To the extent that such representations are made by a new TLD applicant, the RyC does believe that such a registry should be held accountable for violating such representations, provided that such accountability is to ICANN and not through the PDDM (as discussed below).
Finally, the PDDM would allow third parties with whom registries have no contractual privity to initiate claims against them. The RyC reminds the IRT that registries are required to use the ICANN-accredited registrar channel, and that registries, thick or thin, have no relationship with registrants. It is concerning that third parties would be able to bring such actions without even exhausting other remedies, and could use this mechanism as a first, rather than last, resort. Indeed, it is hard to conceive why the IRT would single out registries for punishment under this proposed scheme, pinning enforcement on “serial misconduct” by registries, when the actions of registrars, for example, may be the cause of offending registrations. The RyC believes that registrars are no more competent than registries to act as trademark examiners, but to punish registries alone violates fundamental principles of fairness when they are not even directly related to the registrants who may be infringing on the rights of trademark holders. Therefore, to the extent there is a PDDM action against a registry, and such action arises out of the activities of one or more registrars, then the registry should have the right to require that such registrar(s) are brought into the action and held accountable to the extent a violation is found.

The RYC recognizes the very real problem the IRT is trying to solve and believes some of the proposals in the Final Report will help. However, it is too convenient for the trademark community to say that ICANN can’t do its job, and force an obligation on registries to have “clean” registrations, with registries taken to task even for the actions of registrars. If ICANN lacks the competency to handle the issue, then it should develop that competency, not foist the obligation on registries and pretend they have the appropriate qualifications.

B. The PDDM should not be adopted at all and any variation of the PDDM requires safeguards to be put in place.

The RyC strongly believes there should be no “bad faith” component to the “first-come, first served” automated process of taking registrations. If, however, a registry chooses to proactively represent and warrant that it will monitor registrations, and then fails to do so, it should be subject to enforcement actions by ICANN for breach of contract.

Registries perform an automated function and are not capable of assessing what domain names should or should not be registered under trademark laws. While a registry may voluntarily choose to monitor, screen, analyze, filter, or take affirmative steps to determine if a registration may constitute infringement of any third party’s rights, and may evidence such choice in the form of a representation and warranty in their registry agreement, ICANN should not require any registry to make a representation and warranty of this nature, or take such affirmative actions. Absent such affirmative representations and warranties, registries shall not be liable for failure to screen, analyze, filter or otherwise monitor the registration of domain names.

In addition, the PDDM, as proposed lacks adequate safeguards against frivolous and repetitive claims. If adopted, the PDDM should include a more robust process whereby ICANN should be required to vet all claims and no claim should be allowed to proceed if ICANN finds that the claim is either without merit or substantially duplicates a prior unsuccessful claim.

2. Other Recommendations in the Final Report
A. The IP Clearinghouse

Indemnification of registries is discussed with regard to the URS complaint process but not with regard to registry uses of the clearinghouse. If this recommendation is adopted, we believe that the following questions will need to be answered when developing the IP Clearinghouse implementation plan:

- How would registries and registrars be indemnified for using the Clearinghouse?
- What would be the source for any such indemnification and how would it be funded?
- What frequency of IP clearinghouse updates would registries need to check, daily or real time?
- If a registry elects to use the IP Clearinghouse on an ongoing basis and not just for pre-launch activities, how will the IP Clearinghouse support registry operations without impacting SLAs or registry performance?
  - Will ICANN renegotiate all SLAs for query times to account for these processes?
  - What provisions will be made if use of the clearinghouse causes registries to fail to SLAs?
  - Would registries be required to send a query to a centralized database for every new registration request? (That could impact registry and registrar operations as well the customer experience.)
  - What happens when the clearinghouse is not accessible?
  - Would new registrations have to cease? (That could have significant consequences.)

The relationships between registries, registrars and the clearinghouse need more clarification. For example, would a registry have the relationship with ICANN and ICANN have the relationship with the clearinghouse?

The Final Report does not address the issue of archiving of the IP Clearinghouse data. The RyC recommends that historical archives of the data be maintained and accessible. Specific requirements for this should be specified including a definition of access rights.

B. Uniform Rapid Suspension System (“URS”)

The Final Report proposes ‘freezing’ domain name registrations in “clear-cut cases of trademark abuse”. It is important to note that there is no single EPP status that provides the functionality referred to as ‘freezing’ a registration in the report. It would likely take a combination of the following EPP statuses to accomplish this:

- serverDeleteProhibited: prevents deletion
- serverRenewProhibited: prevents renewal
- serverTransferProhibited: prevents transfer
- serverUpdateProhibited: prevents update.

If the URS is adopted, it will be critical in the implementation plan to define exactly which statuses apply and to carefully analyze all possible impacts of implementing these statuses. In addition, any possible unintended consequences and possible work-arounds at the registrar level should be examined. For example, a domain name could
be transferred to a new registrant (keeping the same registrant ID and updating the contact information); then the new registrant would not be able to use the domain name.

Will changes to EPP contact statuses be required? If so, implementing prohibited statuses on a contact may be problematic when a single contact is linked to multiple domain names. In such a case, this could not be used to prevent a registrant update (transfer) for one domain name without preventing contact updates for all of the domain names linked to that registrant.

The Final Report says, "The third-party provider will post a standard page on the domain name....." Recognizing the fact that registries have no control over the content of registrants' web pages and that registrars may or may not have control over such content, how would the third-party provider accomplish this task? The RyC interprets this to mean that the nameservers will be redelegated from the original registrant-delegated nameservers to that of the service provider. This would effectively not only limit the ability of registrants to use the domain name for a website, but will also disconnect any of the services associated with the domain name, including e-mail. This needs to be made clear in the implementation plan. In addition, registries will have to be reminded to include in their contracts with registrars the right to take these actions and such rights and obligations need to be clearly and conspicuously stated to registrants in the registration agreements with registrars/resellers.

The Final Report says, "the registry will update the Whois record to reflect that the domain name is on hold and unable to be transferred or used for any purpose for the life of the registration (including renewal by the same or related registrant)." Is this a new technical specification for registry and registrar Whois displays? As pointed out in the first paragraph of this section, there is no single EPP status that provides the functionality proposed by the IRT. Would it be necessary to modify the EPP protocol to add a new status?

C. Use of the ICANN Developed Algorithm in the String Confusion Review During the Initial Evaluation

The RyC agrees with the IRT on the following: even if there is visual similarity, not just with GPMFs, but also with existing TLDs, then ICANN should also look at things like sound and meaning. In addition, it states that an applicant should always have the ability to ask for reconsideration if its application is thrown out because of string confusion.

GNSO gTLD Registry Constituency Statement of Support with regard to These Comments

Here is a summary of RyC member participation in this statement:

- Total # of eligible RyC Members\(^1\): 14

---

\(^1\) 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 (Article III, Membership, ¶ 1). The RyC Articles of Operations can be found at [http://www.gtldregistries.org/about_us/articles](http://www.gtldregistries.org/about_us/articles).
- Total # of RyC Members: 14
- Total # of Active RyC Members\(^2\): 14
- Minimum requirement for supermajority of Active Members: 10
- Minimum requirement for majority of Active Members: 8
- # of Members that participated in this process: 14
- Names of Members that participated in this process:
  1. Afilias (.info)
  2. DotAsia Organisation (.asia)
  3. Dot Cooperation LLC (.coop)
  4. Employ Media (.jobs)
  5. Fundació puntCAT (.cat)
  6. mTLD Top Level Domain (.mobi)
  7. Museum Domain Management Association – MuseDoma (.museum)
  8. NeuStar (.biz)
  9. Public Interest Registry - PIR (.org)
  10. RegistryPro (.pro)
  11. Societe Internationale de Telecommunication Aeronautiques – SITA (.aero)
  12. Telnic, Limited (.tel)
  13. Tralliance Corporation (.travel)
  14. VeriSign (.com, .net & .name)

- Names & email addresses for points of contact:
  a. Chair: David Maher, dmaher@pir.org
  b. Alternate Chair: Jeff Neuman, Jeff.Neuman@Neustar.us
  c. Secretariat: Cherie Stubbs, Cherstubbs@aol.com

Regarding the issue noted above, the level of support in the RyC for the Constituency statement is summarized below.

1. **Level of Support of Active Members**: Supermajority
   1.1. # of Members in Favor: 12
   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)**: None

\(^2\) Per the RyC Articles of Operations, Article III, Membership, § 4: 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 Constituency meeting or voting process for a total of three consecutive meetings or voting processes or both, or by failing to participate in meetings or voting processes, or both, for six weeks, whichever is shorter. 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 Constituency meeting or by voting.