

Report of Public Comments

Title:	Draft Report: Rights Protection Mechanisms Review																
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Prepared By:	ICANN staff																
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Section I: General Overview and Next Steps																	
<p>The Draft Report: Rights Protection Mechanisms Review is intended to provide an outline for an initial review of the effectiveness of the rights protection mechanisms established as safeguards in the New gTLD Program. Particularly, this paper reviews the data and input collected by ICANN staff in many of the key areas relating to protection of trademark rights in the domain name system, including the Trademark Clearinghouse, Uniform Rapid Suspension system, and Post-Delegation Dispute Resolution Procedures. The data includes statistics reported by third-party service providers as well as feedback from users on the effectiveness of these processes to meet rights protection objectives.</p> <p>This paper sought public comment regarding several areas relating to rights protection mechanisms and is intended to be available to inform the Issue Report requested by the GNSO as well as the independent review of Trademark Clearinghouse recommended by the GAC. In addition, this paper will serve as input to the Review Team on Competition, Consumer Trust, and Consumer Choice to be convened under Section 9.3 of the Affirmation of Commitments, charged with assessing the effectiveness of the safeguards developed for the New gTLD Program.</p> <p>Based on feedback in the public comment forum, ICANN is updating the report and will incorporate several changes as described in this summary and analysis.</p>																	
Section II: Contributors																	
<p><i>At the time this report was prepared, a total of 21 community submissions had been posted to the Forum. The contributors, both individuals and organizations/groups, are listed below in chronological order by posting date with initials noted. To the extent that quotations are used in the foregoing narrative (Section III), such citations will reference the contributor's initials.</i></p>																	
Organizations and Groups:																	
Name	Submitted by	Initials															
Atgron, Inc.	Adrienne McAdory	AT															
Luca M. Geoni	Porta, Checcacci & Associati S.p.A.	PCA															
LEGO Group	Mette M. Andersen	LG															
rwzh Rechtsanwälte Wachinger Zoebisch Partnerschaft mbB	Michael Zoebisch	RWZH															
Marques	Alan Ramsay	M															

Google	Andy Abrams	GOOG
Internet Commerce Association	Phil S. Corwin	ICA
Noncommercial Stakeholders Group	Rafik Dammak	NCSG
European Communities Trademark Association	Shravan Kumar Bansal	ECTA
Com Laude & Valideus	Goksu Kalkan	CL & V
Registries Stakeholder Group	Paul Diaz	RySG
The Institute of Trade Mark Attorneys	Helene Whelbourn	ITMA
Business Constituency	Steve DelBianco	BC
GoDaddy	Sara Bockey	GD
FairWinds Partners	Samantha Demetriou	FWP
Global Intellectual Property Center	Gorosh, Kasie	GICP
Intellectual Property Constituency	Greg Shatan	IPC
Volkswagen	Svenja Freisfeld	V
Deloitte, IBM, and CHIP	Vicky Folens	D, IBM, CHIP
International Trademark Association	Lori Schulman	INTA

Individuals:

Name	Affiliation (if provided)	Initials
Graham Schreiber		GS

Section III: Summary of Comments

General Disclaimer: This section is intended to broadly and comprehensively summarize the comments submitted to this Forum, but not to address every specific position stated by each contributor. Staff recommends that readers interested in specific aspects of any of the summarized comments, or the full context of others, refer directly to the specific contributions at the link referenced above (View Comments Submitted).

Based on the topics covered in the [Draft Report: Rights Protection Mechanisms Review](#), the following themes of comment were received, and each of these themes is explained in more depth below.

1. Trademark Verification Process.
2. Trademark Clearinghouse Guidelines.
3. Proof of Use.
4. Matching Rules.
5. Misuse of Data.
6. Sunrise Period.
7. Limited Registration Periods.
8. Approved Launch Programs & Qualified Launch Program.
9. Sunrise Dispute Resolution Policy.
10. Reserved Names.
11. Trademark Claims Service.
12. Inclusion of Previously Abused Labels.
13. Extensions of Trademark Claims Service.
14. Uniform Rapid Suspension.

15. Post-Delegation Dispute Resolution Procedures.
16. Additional Rights Protection Mechanisms.

1. Comments relating to the Trademark Verification Process.

A set of comments address administrative challenges in terms of satisfying the requirements for trademark inclusion into the Clearinghouse, and a number of these describe issues particularly around clarity of communication from the TMCH regarding its processes and requests.

“Challenges encountered by MARQUES members were largely practical ones relating to the manner of implementation of the TMCH. One of the challenges faced during the TMCH verification process was the inability of the TMCH to verify trademarks that consist of text in more than one script. For example, some trademarks contain Latin script text alongside the text in non-Latin local script and this is how the mark appears on the packaging of relevant products. Several trade marks were rejected by the TMCH when this was the case.” (M)

“Trademark holders also faced some difficulties in obtaining and submitting copies of registration certificates for trademarks. Certificates were required when there was no online trade mark database available that could be used to verify the trademark in question. The issues encountered include difficulties in translating the certificates, in particular, class descriptions. The problem was exacerbated by the TMCH requirement to provide registration certificates of underlying marks for trademarks registered at WIPO through the Madrid Protocol. Overall, MARQUES members consider that the requirement was too onerous. Finally, explanations given by the TMCH staff as grounds for not being able to verify a trade mark were not always clear and consistent.” (M)

“Lack of clear communication from the TMCH regarding its processes and requests. For example, when the TMCH requested the “registration date” it was really asking for the date of issuance of the registration certificate (which may or may not be the “registration date” depending on the respective country that issued the registration certificate). As another example, there are times when a TMCH validator will mark a record as “incorrect”; however, there is no corresponding explanation or only a vague explanation of what is required to correct the deficiency.” (GOOG)

“Com Laude’s clients identified a number of largely administrative challenges in making use of the TMCH. The requirement to provide the TMCH with actual registration certificates where the relevant trade mark jurisdiction does not have an online database that can be used for verification has been one of the key practical and administrative challenges of the verification process for trade mark holders reported by Com Laude clients. This has been especially burdensome in the case of trade marks registered internationally via the Madrid Protocol. Despite the fact that the validity of these trade marks can be verified online on the World Intellectual Property Organization (WIPO) database, the TMCH required trade mark holders to submit registration certificates for the underlying local trade marks. This has proved to be quite burdensome, especially as the certificates often required translation of the class descriptions etc.” (CL&V)

“In order to improve the effectiveness of the verification process, Com Laude’s clients recommend that TMCH staff should adopt a more holistic approach and evaluate each trade mark submission in its context. This would allow the TMCH to verify legitimate trade marks without unnecessary administrative burden and to investigate and identify non-qualifying trade marks more thoroughly.” (CL&V)

“In addition, many Com Laude clients reported difficulties in communications from the TMCH staff, particularly around rejection of a mark or proof of use evidence, citing that such communications frequently do not properly identify the nature of the problem and thus requiring multiple exchanges to try to obtain clarity, or an inability by the trade mark holder to rectify the problem. Trade mark holders would find it helpful if, in their communications, TMCH staff would explain the relevant issue more clearly and identify exactly what change is required in order to achieve a successful verification. For example, in relation to proof of use the TMCH staff should give clear and detailed examples of what qualifies as acceptable evidence and what does not.” (CL&V)

“Also, a lack of clear communication from the TMCH regarding its processes and requests created challenges. For example, when the TMCH requested the “registration date” it was really asking for the date of issuance of the registration certificate (which may or may not be the “registration date” depending on the respective country that issued the registration certificate).” (BC)

“The Clearinghouse noticed that there were a series of recurrent errors made by trademark holders in satisfying the requirements for trademark inclusion into the Clearinghouse. Most of these errors appeared to be related to misunderstandings of the Clearinghouse requirements. In order to address this issue, the Clearinghouse conducted several webinars with the aim of clarifying what the common errors were during the submission of records to the Clearinghouse as well as the correct application of the eligibility requirements.” (D, IBM, CHIP)

“The Clearinghouse believes that, although trademark holders encountered different challenges in terms of satisfying the requirements of the Clearinghouse, the Clearinghouse has always been eager to address these issues either by providing additional guidance whenever the Clearinghouse Guidelines were misunderstood or by escalating the issues to ICANN whenever the Clearinghouse felt the Clearinghouse Guidelines were not adequate anymore and needed to be adjusted to serve better the trademark holders and reflect the current situation.” (D, IBM, CHIP)

While most comments express that the trademark verification process appears to be generally effective thus far in restricting noneligible marks, seven comments provide suggestions on how to make the verification process more effective such as improving communication and learning tools, implementing a grace period for trademark owners to correct problems with their TMCH registrations, and providing TMCH staff with additional training.

“The verification process seems to have been generally successful in restricting noneligible marks.” (GOOG)

“Consideration should be given to introducing service provider competition for validation of TMs, which could be expected to lead to cost reductions for users.” (RySG)

“TMCH staff would benefit from training on the practices of some of the more complicated trademark registers, or alternatively to having access to local advice. Most of the issues faced could be resolved by some basic knowledge of the jurisdiction in question and explanations from the TMCH staff should be made clearer. In some cases, where a mark was rejected by the TMCH staff it was difficult for the trademark holders to understand the error in question, thus requiring further correspondence to try to establish what the issue was, or even preventing the trademark holder from remedying the problem altogether. For example, one of our member’s application was rejected as they filled the required dates in the UK format, instead of the US format. Instead of stating the exact problem, the rejection message just pointed to an error in the date field.” (M)

“Overall, the verification process appears generally effective so far, although communication

and learning tools could be improved to assist brand owners and TMCH staff in using this new system with its inherent learning curve on both sides. A number of the TMCH responses Google's agent received to service requests contained the phrase "our verification agents missed/overlooked ..." Regular training or even direct oversight by an experienced trademark practitioner might reduce such verification errors. One useful training resource might include sample verification forms from all of the jurisdictions the TMCH supports. One option could be to provide in the form, or as a component, of a guidebook, providing clarification as to the relevant information from the respective jurisdictions that the TMCH will need." (GOOG)

"Communication and learning tools could be improved to assist brand owners and TMCH staff in using this new system with its inherent learning curve on both sides. One useful training resource might include sample verification forms from all of the jurisdictions the TMCH supports. One option could be to provide in the form, or as a component, of a guidebook, providing clarification as to the relevant information from the respective jurisdictions that the TMCH will need." (BC)

"Trademarks, that are well-known all around the world, need more protection. If a trademark can provide proof of its well-known status in many countries of the world, there should be a block of identical second level registrations, rather than notifications." (V)

"In a number of cases, the TMCH conducted a subsequent review of marks that it had originally verified and deemed correct, which later led to these marks being labeled as incorrect if errors were discovered. While we understand and appreciate the need to perfect the review process, we disagree with the TMCH's practice of suspending the trademark owner's access to Sunrise registrations and Claims notices without offering a grace period for the owner to correct the errors. The TMCH also suspended access when a trademark's TMCH registration was still valid, but the trademark registration had been expired if proof of renewal was not provided. Going forward, FairWinds strongly recommends that the TMCH build in a grace period of at least 14 days for trademark owners to correct problems with their TMCH registrations that had originally been deemed acceptable by the TMCH, or to provide evidence of renewal for a trademark registration that has expired." (FWP)

"The TMCH document upload system was not particularly user -friendly. For instance, there was no ability to delete a file prior to submission (if the wrong file was uploaded inadvertently, the process would have to be reinitiated from the beginning). Another possible consideration to streamline the submission and verification process might be the addition of an electronic signature option for the declaration of use." (GOOG)

"INTA supports the qualitative questions on proof of use set forth in the Draft Report. INTA further recommends that in order to make the trademark verification process more effective, the TMCH should consider synchronizing or cross referencing its review of submissions related to U.S. registered marks with the USPTO records database, and with other registries which similarly operate a proof of use system." (INTA)

"The Clearinghouse has received in the first months of implementation several questions from trademark holders concerning the proof of use verification, mainly about the acceptance of sample of use and about the declaration template. However, the Clearinghouse believes that by answering questions of customers both via the customer support tool and the hotline, the trademark holders' questions were answered. The Clearinghouse is noticing a significant decrease of questions concerning the proof of use verification and acceptance process. The Clearinghouse believes that the process fulfils trademark holders' expectations in terms of

efficiency by giving to trademark holders several attempts to correct the proof of use, by providing explicit comments for helping holders to correct their proof of use and by providing intensive customer support services.” (D, IBM, CHIP)

While one comment expresses that the trademark verification standards used by the Clearinghouse are satisfactory, most responses received regarding this topic instead suggested increased outreach to better serve global trademark holders.

“The standards themselves are adequate, but greater outreach to global rights holders, particularly in underserved regions or regions shown to have underutilized the Clearinghouse, would be beneficial.” (GOOG)

“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.” (RySG)

“Greater outreach to global rights holders, particularly in underserved regions or regions shown to have underutilized the Clearinghouse, would be beneficial.” (BC)

2. Comments relating to the Trademark Clearinghouse Guidelines.

Four comments note challenges related to marks from specific jurisdictions, particularly those where marks may require input in any non-Latin script or particular scripts written right to left. A comment from the Clearinghouse service providers states that the Clearinghouse has been established with the intention of creating a global system, and notes that intensive communication efforts have been undertaken to improve this process users.

“It could be that trademark holders faced issues when submitting trademarks from a specific jurisdictions due to the fact that the Clearinghouse is a global system and that its requirements have been unified to avoid favoring or imposing a more burdensome process for certain jurisdictions. The Clearinghouse has however put intensive efforts in the provision of educative webinars, tailored customer support and explicit comments when setting a mark on an incorrect status to clarify the information required. In addition, the verification services are provided by a global team. These verification agents are based in different countries throughout the world.” (D, IBM, CHIP)

“Google’s agent experienced difficulty inputting specifications of services in a foreign language (in particular Arabic and other languages that are written right to left). In general, entering any nonEnglish text into the form provided by the TMCH was a challenge, as the text needed to be in a format that can be copied and pasted into the appropriate field. Additional challenges experienced were the direct result of challenges with specific jurisdictions and were not necessarily issues caused by the TMCH (e.g. obtaining a copy of the certificate of registration, obtaining a translation of services, etc.).” (GOOG)

“For trademarks registered in South Korea, an issue regarding a discrepancy between the trademark registration number on registration certificates and online trademark records

caused some of the submissions to be refused by the TMCH. As referred to above issues were also encountered generally with the ability of the TMCH to recognise and deal with marks in non-Latin scripts, such as Chinese and Cyrillic.” (M)

“Some of our members had difficulty inputting specifications of services in a foreign language (in particular Arabic and other languages that are written right-to-left). In general, entering any non-English text into the form provided by the TMCH was a challenge, as the text needed to be in a format that can be copied and pasted into the appropriate field. Additional challenges experienced were the direct result of challenges with specific jurisdictions and were not necessarily issues caused by the TMCH (e.g. obtaining a copy of the certificate of registration, obtaining a translation of services, etc.)” (BC)

“In instances where a given jurisdiction did not have an online trademark database, the Trademark Clearinghouse (TMCH) required trademark holders to supply additional documentation for their marks. These additional requirements were sometimes onerous for trademark owners, especially when they were attempting to file their marks under a time constraint (e.g., in time for a specific Sunrise period).” (FWP)

Although one of the comments expresses that the verification standards in the Clearinghouse Guidelines should remain as they are, another comment states that they should be adjusted to exclude the registration of “design marks.”

“Any mark containing word elements, including marks that may also contain or incorporate design or figurative elements, should remain eligible for entry in the TMCH so long as they can reasonably be distilled into just the word mark itself. The TMCH should continue to prohibit marks that include a TLD or consist of a TLD (e.g. .ICANN). As applied to registered trademarks, Section 5.3.1 of the TMCH Guidelines should more clearly designate that “Registration Date” means the date the Certificate of Registration was issued, as opposed to the start of the registration term (which in some jurisdictions relates back to the application filing date).” (BC)

“The section raises some good points that should be addressed more directly. The GNSO adopted rules for the protection of “word marks” – as in the specific text of a mark and the letters, numbers and symbols it may use, e.g., HASBRO. The GNSO rules specifically did not embrace the registration of “design marks,” a mark containing both wording and design features in which the font, the colors and the artistic elements are all part of the features protected by the trademark – and the individual letters and words are expressly NOT protected outside of the design packaging in which they are presented.” (NCSG)

“The GNSO’s STI Recommendation specifically did not consider it fair to provide the extensive protection of the Sunrise Period and the Trademark Claims notices to lettering within a design mark – lettering offering “disclaimed” and expressly not protected as text alone and in isolation of its design – and yet that is precisely what the Trademark Clearinghouse (TMCH) has gone ahead and accepted. Domain names and URLs don’t have design elements.” (NCSG)

3. Comments relating to Proof of Use.

Most comments expressed support for the proof of use requirement in meeting the goals of a

creating a standard that accommodates practices from multiple jurisdictions as well as restricting ineligible rights holders, although one comment put forth the view that the proof of use standard is too strict.

“Google agrees that proof of use is an important element in creating an appropriate standard for access to Sunrise services. Such a requirement promotes Sunrise registration by brand owners actively using their marks, and prioritizes such use over registration but non-use by a potentially competing rights holder. In addition, this safeguard prevents gaming (e.g. where a party obtains a spurious trademark registration in a jurisdiction that does not require trademark use and could thereby obtain a domain name in Sunrise over a legitimate brand owner or use the registration to acquire an otherwise generic domain during Sunrise). The parameters of the proof of use requirement were sufficiently broad and not burdensome.” (GOOG)

“In general, the proof of use requirement seems to have prevented the use of the TMCH by ineligible rights holders.” (RySG)

“Proof of use seemed overly strict. Registrations recently renewed by the USPTO were not accepted by TMCH. The evidence of use, which was sufficient for renewal with USPTO, was not sufficient for the TMCH.” (GD)

“The Clearinghouse believes that the implementation and application of the standards regarding the acceptance of the proof of use were successful in accommodating practices from multiple jurisdictions and in treating all jurisdictions equally. By following strictly the verification process and requirements, the verification agents of the Clearinghouse have ensured consistent verification of the proof of use – irrespective of the jurisdiction in which the trademarks are registered. In addition, the proof of use acceptance requirements are in no means linked to the country or jurisdiction in which the trademark is registered. Similarly to the submission of trademarks, the Clearinghouse has provided educative webinars and additional assistance through the customer support in order to clarify the eligibility requirements for the proof of use.” (D, IBM, CHIP)

Four comments described challenges in terms of satisfying the proof of use requirement. For instance, samples of use submitted that included extra text were not accepted, and applications were rejected due to insufficient proof of use.

“In a number of instances, the samples of use submitted were not acceptable by the TMCH because the samples included extra text in addition to the full text of the trade mark. We understand that the TMCH must ensure that the sample demonstrates genuine trademark use and not coincidental use of a mark within a sentence. Most genuine use of a trademark on products or marketing materials, however, does not involve that trademark being used entirely in isolation, but rather accompanied by other text. With a more comprehensive review and local language skills, genuine trade mark use could readily be confirmed.” (M)

“Google’s agent experienced very few challenges in satisfying proof-of-use requirements, although detailed explanations from the TMCH could be improved in instances where specimens of use were initially rejected.” (GOOG)

“The proof of use requirement seems to have sufficiently restricted access to the Sunrise period to eligible rights holders. Any gaming appears to have been minimized. Additional metrics and data on potential gaming of Sunrise services through spurious trademark

registrations with “token use” would be useful.” (GOOG)

“IPC Respondents did not identify the proof of use requirements as influencing their decision whether to use the TMCH; however this was identified as being a relatively time-consuming process. In the case of marks from Canada and the United States, where proof of use must (in most instances) be submitted to the trademark office to obtain a trademark registration, we question the necessity of being required to submit such evidence to the TMCH as well. It is worth noting the United States is the jurisdiction with the most verified registered marks in the TMCH Others, however, particularly from countries such as those of the EU where no proof of use is required for a mark to be validly-registered, consider the proof of use requirements to be unsupported by law. ICANN is encouraged to seek data surrounding the efficacy of this requirement in light of the costs associated with the verification process and lack of a proof of use requirement to obtain registration and enforceable rights in many jurisdictions.” (IPC)

“INTA respondents have noted proof of use concerns during the trademark data verification process. In some cases, the mark application was returned as incomplete because the proof of use was labeled insufficient even though the same proof of use was accepted by the U.S. Patent & Trademark Office (USPTO) in connection with the trademark registration application. Having to provide alternative or additional proof of use should not be necessary if a trademark owner is providing what is already on file with, and approved as proof of use by the USPTO. In the case of U.S. registered trademarks under Section 1(a) or Section 1(b) of the Lanham Act, another consideration would be to exempt TMCH’s proof of use requirement entirely because U.S. trademark law mandates such proof of use prior to the registration of these marks. We note that in the Draft Report the United States is the jurisdiction with the most verified registered marks in the TMCH. Trademark owners from other jurisdictions where no proof of use requirement exists under the local law, for example the EU countries, are frustrated by ICANN’s the proof of use requirement, however, considering this to be unsupported by law.” (INTA)

“The Clearinghouse has witnessed challenges for the trademark holders in terms of satisfying the proof of use requirement, mainly in submitting the sample of proof of use. The first challenge faced by trademark holders was the exact match requirements according to which the sample of proof must contain the complete name of the registered trademark as recorded in the trademark records and as verified and determined correct. Specifically when the trademark name includes special characters such as accents or hyphen on the sample of proof of use, which are not present in the trademark name in the trademark certificate. Another similar issue was faced by companies having registered a trademark name corresponding to their company name and being unable to submit a sample of proof of use containing the trademark name only and not followed by the legal form of the company.” (D, IBM, CHIP)

“Some trademark holders were facing issues as well when submitting a sample of use because of the fact that their trademarks were not yet commercialized while already registered. This situation often led to trademark holders not being able to submit a proof of use or not willing to submit a proof of use due to confidentiality reasons. However, as the Clearinghouse allows a later submission of proof of use, this issue can be solved easily by waiting for the commercialization of the mark. This nevertheless means that in some cases trademark holders could potentially miss a sunrise they were interested in.” (D, IBM, CHIP)

“The Clearinghouse has however made efforts helping trademark holders understanding the proof of use eligibility requirements by organizing educative webinars and by providing detailed comments targeted to the specificities of the case analyzed. The Clearinghouse has

also provided guidance with regard to the type of proof of use accepted (e.g. marketing materials, press releases, etc.) This has helped trademark holders looking for the right sample of proof of use select which sample might best meet the proof of use eligibility requirements. In addition, the fact that trademark holders can correct their proof of use several times has helped trademark holders satisfying the proof of use requirements and getting their proof of use verified.” (D, IBM, CHIP)

4. Comments relating to matching rules.

ICANN received four comments in regard to the “identical match” definition, expansion of the matching rules to include plurals, “marks contained” or mark+keyword, and common typos of a mark. Three of the comments strongly encourage ICANN to allow the inclusion of non-exact matches.

“Strictly for purposes of taking advantage of the trademark Claims Service, ICANN should reconsider the “identical match” definition. We would support expansion of the matching rules to include plurals, “marks contained” and mark+keyword, as well as common typographical errors. In addition, Google would support the relaxation of standards in respect of marks containing accents and other similar special characters and would support a definition that considered marks with the special characters and their non -special- character counterparts as equivalents (e.g. èé mark would be treated as identical to ee mark, but ee mark would not be treated as identical to èé mark). Note that such expansion would not replace the registration + proof of use requirement for Sunrise registration.” (GOOG)

“This is an important section as the rules of the GNSO’s STI were specially crafted to allow only exact matches. What the section does not include, and should, is why that decision was made. Going beyond “exact matches” created a firestorm of trouble for what is one person’s “mark contained” is another person word. Inclusion of examples in the next version of this paper would be key to illustrating the point. Thus, an existing trademark in ENOM (an ICANN-Accredited Registrar), but such rules, would create a bar on the domain name registration of VENOM – and entirely different word (and one itself also trademarked now and it will be again and again in the future). Similarly, the ___ registrations of GOGGLE in the US Trademark Office did not prevent the registration of the domain name GOOGLE.COM or the registration of GOOGLE as a trademark in the US Trademark Office. A few clear illustrations would convey the ambiguity and difficulty of going beyond an “exact match” and shed light on the rationale of the existing rule – a balanced approach as the next draft asks for additional input and possible changes.” (NCSG)

“Currently, the TMCH only generates domain name labels that are considered an “identical match” to the underlying trade mark. This means that trade mark holders can only obtain Sunrise registrations or receive Trademark Claims for these identical terms. Com Laude client feedback indicates that the “identical match” requirement is too rigid as it denies protection for plurals, terms that contain the trade mark and an article such as “the” or “a” and “mark + keyword”. Trade mark holders with a strong core brand which is used in combination with a variety of descriptive terms will frequently seek to rely on trade mark registrations of the core mark alone since the added descriptors add little to the strength of the trade mark protection.” (CL&V)

“Limiting the RPMs to identical matches means that such trade mark holders are unable to

protect their wider suite of brands by Sunrise registrations. Since it is common to register a brand name together with an additional descriptor for the purposes of cybersquatting, trademark holders are thus also denied substantial potential benefit from the Trademark Claims service. The registration of “mark plus” by third parties as domain names could be equally confusing to consumers as the registration of the exact trademark term. In order to enhance the effectiveness of the TMCH and the RPMs it supports, a review should consider greater flexibility on the matching rules.” (CL&V)

“In order to make the most of finite trademark registration budgets, it is fairly common practice that where a brand owner has a strong house brand that is used with a variety of added terms, they may seek to rely on trademark registrations of the house mark alone, because the additional terms add little to the strength of the trademark. Limiting RPMs to exact matches prevents the brand owner from registering its legitimate suite of brands during the Sunrise; Not coincidentally, it is a very common practice among cybersquatters to register a domain consisting of a brand together with additional descriptive or generic words. It is also a very common practice among cybersquatters to register a domain consisting of a misspelling of a brand (*i.e.*, “typosquatting”). Limiting the TM Claims to exact matches significantly devalues this RPM for the brand owner.” (IPC)

5. Comments relating to misuse of data.

While four comments state that the Clearinghouse structure was successful in balancing implementation of the services with data misuse concerns, two comments express concern that some registries may be misusing TMCH data. Regarding the query tool, two comments were not in favor of implementing any search function; however, two comments show interest in further exploring this option.

“The TMCH structure has successfully balanced implementation of the services with data misuse concerns. Google believes the TMCH should not implement any search and query functions or entertain requests for TMCH data, in consideration of the potential risks of misuse of such data (e.g. gaps in brand protection, social engineering, and phishing).” (GOOG)

“Although it does not seem that the TMCH avoided data misuse, the cost of implementation for both trademark holders and registries was fairly high.” (RySG)

“Yes. The TMCH should not implement any search and query functions or entertain requests for TMCH data, in consideration of the potential risks of misuse of such data (e.g. gaps in brand protection, social engineering, and phishing).” (BC)

“TMCH registrations have been used by some registries to charge sunrise registration prices far above general availability.” (BC)

“We have no knowledge of TMCH data misuse. Our tiered structure of trademark owners-TMCH-TMDB-registry-registrar seems to provide appropriate protection against data misuse. Combined with the fact that the Clearinghouse database was not made searchable and accessible to prevent data misuse concerns has however led to other issues. The Clearinghouse is not allowed to answer requests coming from trademark holders eager to know whether their trademark is in the Clearinghouse, often the case for global companies who want to know if one of their entities already submitted one of their trademarks to the Clearinghouse. The Clearinghouse is not allowed to answer trademark holders wanting to know whether a trademark identical to theirs is present in the Clearinghouse. These requests

are usually made by trademark holders who want to know if there might a chance of a competing sunrise application by another trademark holder.” (D, IBM, CHIP)

“To address these issues the Clearinghouse would like to explore the option to implement a publicly available online “query tool”. In order to determine which information may be publicly available, the parties running the Clearinghouse would like to sit together with an advisory working group as appointed by ICANN to ensure that all right and interest are maintained.” (D, IBM, CHIP)

“FairWinds recognizes the delicate balance that the TMCH must strike between providing benefits to trademark owners while preventing the misuse and abuse of private data. While we believe that there should be limits on who is able to access TMCH data, FairWinds recommends that the TMCH implement search functionality for trademark holders and qualified Trademark Agents. At a minimum, these groups should be able to search for and access the records of the marks they have registered (to view them all in one place), as well as any marks that are an exact match for the trademarks they have registered. For the latter case, we recognize that certain data points should be kept private; however, it would be invaluable for a trademark owner (or an Agent, working on behalf of its client) to be able to know if another entity has registered an exact match of one of its trademarks.” (FWP)

“In addition, trademark owners are concerned that some registries may be misusing the TMCH data. For instance one gTLD registry operator appears to be designating terms which are subject to inflated Sunrise Premium pricing based on existing TMCH registered trademarks in prior Sunrise periods. In this vein, the large numbers of Trademark Claims notices, as compared to the smaller number of actual domain registrations, could also indicate that some are using this process to identify which marks have been recorded in the TMCH. INTA urges ICANN to thoroughly investigate misuse of TMCH data in order for registries to charge unreasonably high prices.” (INTA)

6. Comments relating to the Sunrise period.

While a number of comments received state that the Sunrise period was effective in protecting intellectual property rights, many comments express that some registry operators are taking advantage of rights owners during Sunrise by charging exorbitant Sunrise registration fees.

“The Sunrise Period is a helpful mechanism to protect registered intellectual property rights but its effectiveness is diminished by the fact that a Sunrise registration is only available for domain names which are considered to be an “identical match” to the trademark. Because of this limitation, domain names which include the trademark and contain extra generic text can be registered by third parties abusively. In addition, under the current rules, new gTLD registry operators are able to undermine the Sunrise Period by applying prohibitive “premium” pricing and by reserving names that would otherwise be eligible for a Sunrise registration. Whilst not every registry operator has chosen to do this, many trademark owners have encountered these problems.” (M)

“The Sunrise period has generally been effective for protecting intellectual property rights, particularly for exact matches of rights owner trademarks. However, as noted in the introduction, some registry operators are taking advantage of rights owners during Sunrise by charging exorbitant and extortionate Sunrise registration fees. Although such pricing policies are not strictly within the ICANN compliance mandate, they contravene the spirit of the RPMs, damage ICANN’s reputation, harm consumers in contravention of ICANN’s mandate to promote the public interest, and create disincentives for rights owners to take advantage of

the Sunrise period.” (GOOG)

“While the BC supported the compromise to allow for a 30-day notification period followed by 30-day sunrise period, we maintain our position that advance notice alone is not sufficient for businesses to manage the multitude of simultaneous sunrises. We therefore continue to believe that a 60-day sunrise would be more valuable than the current system. Additionally, ICANN should take action against exorbitant and extortionate Sunrise registration fees.” (BC)

“While TMCH was meant as a protection measure for rights holders, and while the expectation was that registries would price sunrise registrations at cost-plus-a-modest markup, TMCH registrations have been used by some registries to charge sunrise registration prices far above general availability. .Sucks is an extreme example at \$2500 per year, but some other registries are charging \$200 and up for them. A potential remedy would be to limit sunrise pricing of TMCH registered terms to cost-plus.” (BC)

“We request that the questions in the next draft and related reports be expanded to see if the sunrise period gives unfair advantage to trademark owners far outside their categories of goods and services. In cases where a New gTLD caters to .PIZZA should Delta Airlines really have a right of first registration? For New gTLDs and future gTLDs catering to individuals, noncommercial organizations, religious groups, etc., should the Sunrise Period exist at all? Inquiry into whether an automatic and upfront registration benefit for existing trademark owners unfairly benefits McDonalds Restaurant in a .FAMILY or .CATHOLIC gTLD is a question that truly needs to be added and asked. Further, how can Sunrise Periods in future rounds be more narrowly tailored to the limited rights of existing trademark owners?” (NCSG)

“Although the Sunrise Period is considered useful in protecting trade marks, according to the client feedback its effectiveness was diminished by Premium pricing. Holders of TMCH-verified trade marks report that they frequently found that Sunrise registrations were being offered by registry operators at prices significantly higher than those for general availability, often prohibitively so. In addition, some trade mark holders found that terms corresponding to their trade marks were designated by some registries as premium names which attracted even higher prices than regular Sunrise registrations. Often the perception was that the term was considered “premium” by the registry by virtue of the use made of the term by the trade mark holder. Our clients described this as an incredibly frustrating experience which made them feel extorted. Whilst in some cases Com Laude was able to discuss the matter with the registry in question in order to get the term removed from the premium list this was not always effective and, in any event, made the whole process of registration significantly more time consuming.” (CL&V)

“We believe the Sunrise period has been effective, and achieved what it was intended to do, in part. While trademark owners are given the opportunity to protect themselves during Sunrise, the cost of many of these “premium” domains can be exorbitant and therefore prohibitive. Since Sunrise can be very expensive, only those companies or individuals willing to “pay to play” truly benefit from this process. We would like to see Sunrise prices not elevated beyond standard General Availability pricing, with the exception of the Sunrise processing fees, in order to encourage use of Sunrise.” (GD)

“Trademark owners and service providers were aware from pre-new gTLD Sunrise programs that they would pay some additional amount to participate in the early registration of their trademarks. This was understood to reflect additional costs of administering the programs. However, many registries in the new gTLDs are perceived to be taking advantage of trademark owners by charging them exorbitant Sunrise registration fees. The IPC Respondents reported that Sunrise Period registration costs were generally considered much higher than appropriate and not reflecting mere “cost recovery”, with 38% disagreeing or strongly disagreeing that they were appropriate and only 24% believing they were appropriate. Although trademark owners understand ICANN’s reticence to suggest fair prices, they are frustrated by the present system. The impact of these perceived unfair pricing schemes directed at brand owners is a topic that should be examined by ICANN.”(IPC)

“In addition, 89% of Respondents noted that they had faced premium pricing schemes applied to their trademarks in certain registries, where their trademarked term was on offer at a significantly higher price than the standard Sunrise price. Frequently, it appears to be the very use of the term as a trademark in a field of activity related to the TLD that caused the registry operator to label and subsequently price the term as “premium.” Although the .SUCKS registry pricing practices are particularly egregious in this regard, a number of other new registries have adopted premium pricing policies targeting brand owners as a way to generate substantial additional revenue. This is viewed by some as a predatory and unfair pricing practice, and one reason why more trademark owners do not participate in Sunrise registration. The IPC believes ICANN should consider the reasonableness of fees when reviewing the RPMs.”(IPC)

Seven comments discuss the various challenges faced in terms of registering a domain name during the Sunrise period, such as lack of information regarding the start dates of the Sunrise Periods, inconsistent Signed Mark Data (SMD) file acceptance by registrars, and high prices charged by some registry operators during Sunrise.

“The main challenges faced during the Sunrise Period were the reservation of trademarks and their designation as premium names by the new gTLD registries. Trademark holders that have recorded their trademarks at the TMCH have the reasonable expectation of making use of the primary function of the TMCH, which is the ability to register during Sunrise Periods. Recording trademarks at a substantial cost in the TMCH and finding that the corresponding domain name cannot be registered during Sunrise or it can be registered only at a very high price has been very frustrating for trademark holders.” (M)

“Inconsistent methods across registrars for the acceptance of SMD files posed a significant challenge; some registrars allowed brand owners to upload the SMD file (the preferred method of Google’s agent), while others required brand owners to copy and paste the contents from the file (this method risked corrupting the file).” (GOOG)

“Inconsistent methods across registrars for the acceptance of SMD files posed a significant challenge.” (BC)

“One major challenge that FairWinds encountered on behalf of our clients during Sunrise was a lack of information. In many instances, it was unclear which registrars would be offering registrations in specific gTLDs and at what time (i.e., during Sunrise or only during General Availability). Secondly, there were multiple occasions where a registry chose to reserve a non-generic trademark from Sunrise registration, but this was not made clear until the trademark owner attempted to register the name during Sunrise. Both of these factors presented

challenges for brand owners to effectively take advantage of the Sunrise period for some gTLDs.” (FWP)

“Although most of the IPC Respondents either participated in or assisted clients in participating in the TMCH, far fewer found the notification of Sunrise Periods sufficiently clear that they could effectively plan or help clients effectively plan registration in new gTLDs (36% agreed whereas 40% disagreed or strongly disagreed). Awareness of Sunrise dates and requirements was a significant problem. Similar to the feedback that the Draft Report references, the inference to be drawn from this is that information regarding the nature and requirements of participating in Sunrise periods was difficult to obtain or understand. The IPC encourages ICANN to investigate improvements to the Sunrise notification process for future rounds of new gTLDs.” (IPC)

“In addition, determining the start dates of the 500 Sunrise Periods administered so far has been challenging because there was no regularity to the releases and clients often had to scramble or pay additional fees for services to advise them of the various deadlines. As part of the RPM review, the IPC strongly suggests that ICANN seek input on whether the commencement of Sunrise Periods could be more regular and scheduled, and how clearer advance notice of Sunrise Periods could be provided to trademark owners.” (IPC)

“The Trademark Clearinghouse (TMCH) is a global repository for trademark data that is intended to provide protection to brand owners through a Sunrise period and a Trademark Claims period. However, brand owners have found that these mechanisms were neither adequately advertised, nor proved to be particularly useful in protecting trademarks against infringement and cybersquatting. For example, Sunrise dates and requirements were poorly publicized and detailed information was often discovered through third-parties, rather than clearly and effectively announced by ICANN. These examples of miscommunication create a burden on brand owners as they must scramble to meet deadlines, and therefore are either not fully prepared to participate or do miss the opportunity to participate entirely. Specifically, ICANN needs to provide greater detail on how the TMCH process operates, adequate public notice from ICANN on requirements and deadlines, sufficient time for brand owners to meet those requirements, and ample deadlines to enable broader participation.” (GIPC)

“Overall, Sunrise periods are utilized by a small but significant number of brand owners, many of whom deem Sunrise protection adequate. However, many INTA respondents cited challenges in utilizing some registry Sunrises, which rendered the Sunrise periods less effective. The main challenges identified included the following:

☒ Sunrise prices per domain frequently are significantly higher than the price during general availability. This perception is exacerbated by some registries designating some terms, protected by trademark law, as being premium names, and thus subject to higher pricing than the standard Sunrise pricing. More than one respondent referred to the “exorbitant fees” that some registry operators charged during Sunrise as foreclosing participation by brand owners. In the words of one respondent: “they contravene the spirit of the RPMs, damage ICANN’s reputation, harm consumers in contravention of ICANN’s mandate to promote the public interest, and create disincentives for rights owners to take advantage of the Sunrise period.” Trademark owners see the need for some formalized method for capping pricing during Sunrise, and a dispute resolution procedure for challenging pricing, particularly the designation of premium names.

☒ Trademark owners are having great difficulty in tracking TLD launches and related information about Sunrise requirements. For these reasons, many INTA respondents thought that large teams and budgets were necessary to successfully utilize Sunrise periods.” (INTA)

“Based on INTA's informal survey, the greatest challenges facing trademark owners during Sunrise phases, there were the recurring themes of high prices, imperfect information, high volume of TLDs being launched at the same time, and reservation of names. Other challenges include: Misleading pre-registration verification processes; Previous registrations for the same domain name by third parties; Inconsistent SMD acceptance policies by registrars/registries; and Insufficient registrars/difficulties identifying which registrars were participating in the Sunrise for a particular registry.” (INTA)

Seven comments provide several suggestions on how to make the Sunrise process more effective such as creating a clear and well-communicated process for distributing information to brand owners and having more advance information about the Sunrise periods.

“Since one of the main reasons for the introduction of the TMCH was to enable trademark holders to register their TMCH-verified trademarks across all new gTLD registries of interest, the Sunrise process must be better regulated to prohibit actions which are calculated to circumvent it. In particular, the registry operators should not be able to reserve terms corresponding to trademarks from registration and then release them to third parties. When reserved names are released, the holder of the corresponding TMCH-verified trademark should have the right of first refusal. Also, the registry operators should not be able to designate TMCH-verified trademarks as premium names and sell them at much higher prices than regular Sunrise registrations in circumstances where it is the very fact that the term is a trademark which has given it a premium value for the registry in question. Building in a formal mechanism for challenge of such registry actions would also be beneficial.”(M)

“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).” (RySG)

“The BC has consistently called for a standardized Sunrise approach to minimize the confusion and costs to registrants to participate in Sunrise across multiple new gTLDs. We therefore suggest standardization be required in future rounds of new gTLDs.” (BC)

“It would also be helpful to provide a definition for “premium names.” By defining the criteria for premium names both registrars and consumers will have a better understanding of which names may be considered premium and why. Accordingly, we ask that the term “premium names” be defined, along with a clear process for declaring, promoting to, or demoting from, this “premium” status.” (GD)

“GIPC encourages ICANN staff to create a clear and well-communicated process for distributing information to brand owners and then directly engage brand owners to ensure that the intellectual property community fully understands the RPMs processes and procedures. Notification via ICANN newsletters and at ICANN meetings is insufficient; as such

communications reach only those stakeholders already deeply involved in ICANN. These communications do nothing to reach those audiences – including millions of brand owners worldwide – who have neither the time nor the resources to invest in monitoring ICANN alerts for the occasional issue that may be relevant to them.” (GIPC)

“INTA supports the qualitative questions concerning the Sunrise process set forth in the Draft Report ensuring that ICANN examines the issues of Sunrise pricing, communication of Sunrise periods, and inconsistent operation of Sunrise and verification processes by registrars.” (INTA)

“That having more advance information about the Sunrise periods would help trademark owners plan for one alternative or both.” (INTA)

“Contributing trade mark holders identified a number of improvements which they consider would increase the effectiveness of the Sunrise Period, by addressing as a priority the factors that diminish its perceived value. Trademark holders consider that there should be a formalized mechanism to challenge the designation of their TMCH-verified trademarks as premium names. Such challenge should be referred to an independent party and once it is established that the trade mark holder has a legitimate right in the term, the term should be removed from the premium names list and should be able to benefit from the RPMs. Trade mark holders also consider that registry operators should not be allowed to charge disproportionately high prices for Sunrise registrations in comparison to general registrations, where this operates effectively to circumvent the RPMs.” (CL&V)

“To strike the right balance between the registry operators’ discretion to reserve names and trade mark protection, trade mark holders consider that the RPM rules should provide that when registries release their reserved names, holders of TMCH-verified trade marks that correspond to a reserved name should be given the right of first refusal, at a price which is comparable to that of a normal Sunrise registration.” (CL&V)

While some comments find that having a minimum set of requirements for Sunrise periods is helpful, the overall efficiency of the process was seen to be disrupted due to factors such as inconsistent treatment by registrars, high prices and registry operators’ ability to reserve names.

“Having a set of minimum Sunrise requirements and streamlining the process via SMD files increased the efficiencies to an extent. However, Sunrise Periods have not always provided adequate trademark protection due to the “identical match” rule and registry operators’ ability to diminish the value of Sunrise Periods by high pricing strategies and reserved names. On balance, for some trademark owners, the benefit in terms of the efficiency achieved was outweighed by the cost of satisfying the minimum Sunrise requirements (i.e. recording trademarks in the TMCH). It was also not always easy to find readily available information about specific Sunrise launches – the Registry launch pages on the ICANN website were not always up to date and registry launch plans changed at the last minute, making it difficult for trademark owners to reach informed decisions as to the best protection strategy.” (M)

“Sunrise minimum requirements across “all TLDs provided for increased efficiencies in registration processes to a certain extent, although disparate treatment by individual registrars disrupted the uniformity and efficiency of the processes.” (GOOG)

“While most respondents found having a minimum set of requirements helpful, many

commented that these were frequently rendered less effective in practice.” (INTA)

Three comments suggest the implementation of a single uniform Sunrise system as opposed to the current Start-Date Sunrise and End-Date Sunrise alternatives.

“As the Draft Report indicates, the vast majority of TLDs have offered End-Date Sunrise (293 out of 355, or about 83%). Although Google favors flexibility in Sunrise implementation, it may be more equitable to rights holders for all registries to implement a single uniform 60-day End-Date Sunrise system across all open new gTLDs. In the alternative, any Start-Date Sunrises should also incorporate some form of de-contention mechanism rather than apply a first-come-first-serve process.” (GOOG)

“It would be most equitable to rights holders for all registries to implement a single uniform 60- day End-Date Sunrise system across all open new gTLDs.” (BC)

“Registry operators that were required to run a Sunrise period had to choose between a Start-Date Sunrise period and an End-Date Sunrise period. In a Start-date Sunrise, the registry must give 30-days’ notice before commencing the Sunrise. Once the Sunrise starts, it must run for 30 days or more. Claims by trademark owners are processed on a first-come-first-served basis, so there is no need for auctions. In an End-date Sunrise, the registry can announce the Sunrise as late as the day the Sunrise starts, but must run the Sunrise for 60 days or more. Trademark owners have the duration of the Sunrise period to submit a claim for a domain. At the end of the period, the registry registers all the claims that are unique and generally utilized auctions if there is more than one applicant for the same domain. Regarding alternative types of Sunrise periods that might be useful, several observations were made:

☐ The alternative models made it harder to track and manage Sunrise periods because it was one more piece of registry-specific information to take into account at a time when potentially high volumes of TLDs were being launched.

☐ It may be more equitable to rights holders for all registries to implement a single uniform 60-day End-Date Sunrise system across all open new gTLDs so that trademark owners with similar names have an equal chance at protecting their trademarks.

☐ Whether a particular model was useful may depend on the trademark owner: Start-date Sunrise periods may be more attractive for trademark owners that have the capacity to keep well-informed and do not want to compete in an auction with other companies who use the same trademark in another field. However, this model “also creates some uncertainty for trademark owners, because they cannot guarantee they get a name they want no matter how much they are willing to pay for it.” Also, this model is perceived by INTA respondents to engender more risk of illegitimate registrants.

End-date Sunrises may be more attractive for trademark owners that could “not get their orders in at the beginning due to struggles in managing the process” and wanted to “challenge potentially improper TMCH registrations for the same mark”. However, this model’s potential lack of notice and the use of auction resolution “hamper[ed] effective business planning”, particularly where registries were “not uniform” in their administration of competing-claim resolution.” (INTA)

In response to whether the use of SMD files helped streamline the process, one comment suggests possible alternatives, such as the use of an authorization code. Another comment states that the use

of SMD files did help streamline the process; however, self-education on how to use them was required.

“ICANN could consider exploring alternative means of conveying proof of use and other signed mark data, such as some sort of authorization code or other alternative.” (GOOG)

“Generally, INTA respondents were favorable to the use of SMD files, and few issues were identified. Most respondents believed the SMD files did help streamline the process, although some initial investment of time was required to learn how to use them and to educate colleagues internally.” (INTA)

7. Comments relating to the Limited Registration Periods.

Generally, comments express satisfaction with Limited Registration Periods as a useful part of registry launch processes; meanwhile five comments also cited challenges with costs and in keeping informed of timing and requirements.

“Limited Registration Periods were useful as they provided an additional avenue for rights holders to protect their rights that are not eligible for a Sunrise registration in certain circumstances. It would be helpful if Limited Registration Periods were announced more widely with all the details and applicable criteria. Trademark holders were often unaware of Limited Registration Periods and whether or not they would qualify under them.” (M)

“Google supports the use of reasonable Limited Registration Periods as part of registry launch processes, subject to the RPM Requirements. “Anchor-tenant” promotions and QLPs are particularly useful in developing unique content for new gTLD registries and should remain a viable element of the program.” (GOOG)

“Limited Registration Periods is an important section and one that fairly highlights the legitimate reasons why registries may want to open registrations to those who are not trademark owners, but otherwise fit into a category, such as football players seeking to register their names in .FOOTBALL prior to the opening in General Availability.” (NCSG)

“The LRP is a useful mechanism for registries to give priority to certain groups of registrants once the Sunrise Period ends, and in some cases LRP’s were beneficial for trade mark holders to protect their brands where they did not qualify for a Sunrise registration for some reason. As registry operators could deliberately reserve names to avoid the Sunrise Period and release them during the LRP, there is potential for trade mark abuse, although this risk is not specific to the LRP. Feedback from trade mark holders suggests that the timing and criteria of individual LRPs was not always well publicized or well understood. To increase effectiveness, therefore, it would be helpful for dates and eligibility criteria for LRPs to be published more widely.” (CL&V)

“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.” (RySG)

“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.” (RySG)

“Experience with Limited Registration Periods (LRPs) among INTA respondents was low. Those who were aware cited the same challenges with costs and in keeping informed of timing and requirements.” (INTA)

8. Comments relating to Qualified Launch Program and Approved Launch Programs.

Three comments maintain that the [Qualified Launch Program](#) (QLP) is useful for registries in launching and promoting their TLDs. Another comment states that in some cases the effectiveness of the QLP was limited, for example, where generic terms relevant to the TLD conflicted with names in the TMCH, or where the QLP proved inadequate for geographic TLDs due to the limitation of 100 domain names.

“Google supports the QLP and believes that it should remain sufficiently flexible to enable appropriate pre-Sunrise allocations in the public interest.” (GOOG)

“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.” (RySG)

“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.” (RySG)

“QLPs are particularly useful for business users in developing unique content for new gTLD registries and should remain a viable element of the program.” (BC)

Four of the comments received did not identify any instances of infringement during a QLP and express that the QLP succeeded in maintaining safeguards against intellectual property infringement. While some respondents believe that the appropriate balance was met, one comment expresses concern that the QLP gives preference to business partners above Sunrise-eligible rights owners and risks circumventing the RPMs.

“Google lacks firsthand knowledge of IP infringement issues in connection with names

allocated as part of a QLP. So long as current safeguards are maintained, we believe the QLP remains a useful and appropriate mechanism for registries to launch and promote their TLDs.” (GOOG)

“The BC is pleased that QLP was implemented along the lines of our earlier comments which requested that names should only be registered to third parties prior to Sunrise if the names do not match any entry in the Trademark Clearinghouse. This sensible approach has limited intellectual property infringement in the QLP.” (BC)

“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.” (RySG)

“Many INTA respondents commented on the use of Qualified Launch Programs (QLP) and whether these succeeded in maintaining safeguards against intellectual property infringement. The QLP was intended to provide a means for Registries to register a limited number of names to third parties in order to promote their TLDs prior to the Sunrise Period, while maintaining safeguards against intellectual property infringement. If a domain name matches a label in the Trademark Clearinghouse (TMCH), the domain name may be registered to a Sunrise-Eligible rights holder. If a domain name is not an exact match, the domain is permitted to be registered in a QLP to any third party, up to a limited maximum number. Concern was expressed about whether allowing registries to enter into private arrangements gives preference to business partners above Sunrise-eligible rights owners and risks circumventing the RPMs altogether. Early indications are that the balance set under the QLP is probably the right one by limiting pre-Sunrise registrations to Public Authorities, except where there is no matching TMCH recordation. However there appears to be relatively limited evidence about the impact of QLPs to date, and it would be beneficial to gather further evidence on this.” (INTA)

One respondent also indicates a lack of transparency into ICANN’s handling [of Approved Launch Programs](#) (ALP) applications, and requests that ICANN be more transparent.

“Regarding other launch programs such as Approved Launch Programs (ALPs), respondents were concerned with the lack of transparency into ICANN’s treatment of ALP applications. To date, only a few ALP applications have been published for public comment, without any transparency regarding final disposition. The Draft Report reveals, however, that 41 such applications have been submitted, but it’s unclear how many have actually been approved. Recommendation 6: INTA suggests that ICANN develops questions and data to examine how best to treat pre-Sunrise programs which are perceived by ICANN and the IP Community as having at their heart the protection of trademarks, for example grandfather programs.” (INTA)

Two comments provide suggestions on how to enhance the current programs while maintaining safeguards against intellectual property infringement, such as expanding the number of registrations

allowed.

“Certain specific pre-Sunrise earmarking/allocation of trademarked names matching names reserved in prior TLD launches (e.g. grandfathering programs), so long as they are designed specifically to promote trademark protection, should be permitted in connection with registry startup, so long as approved by ICANN and the IP community through a transparent Approved Launch Program process. More specifically, ICANN should be more transparent with Launch Program applications, ALPs, QLPs, and its acceptance or rejection of these applications. To date, only a few applications have been published for public comment, without any transparency regarding final disposition. The Draft Report reveals, however, that 41 such applications have been submitted, yet it remains unclear how many have actually been approved. ICANN should publish all Launch Program applications and ICANN’s final disposition on the application. As a minor additional note, it would be helpful if TLDs were designated as open or restricted-access on the ICANN TLD Startup Information page.” (GOOG)

“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.” (RySG)

9. Comments relating to the Sunrise Dispute Resolution Policy.

Regarding the Sunrise Dispute Resolution Policy, most comments express a lack of experience with using the SDRP; however, one comment reports that the process was straightforward.

“Google has not used the SDRP and therefore lacks sufficient data to respond. The Draft Report fails to provide any data on the number of SDRP complaints received in aggregate, which would be helpful in holistically evaluating and commenting on the SDRP, apart from direct experience.” (GOOG)

“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.” (RySG)

“Very few Respondents have utilized the Sunrise Dispute Resolution Policy where a registration was blocked (only 4%).” (IPC)

“INTA respondents had little experience with SDRP. Only one respondent had direct experience on an SDRP, and reported that it was straightforward. It is not possible to form any conclusions based on this limited experience, which likely derives from inadequate awareness and utilization of TMCH and Sunrise processes.” (INTA)

10. Comments relating to Reserved Names.

Eleven comments were received regarding the topic of reserved names. While the majority of comments express frustration with registry operators believed to be taking unfair advantage of the reserved names option, one comment states that the appropriate balance of registry discretion to reserve names from registration and the inclusion of names in the required RPMs was achieved.

“As referred to above, there is not an appropriate balance as the current rules allow the registry operators to reserve any names and release them at a later date for registration. When reserved names are released after the Sunrise Period has ended, registry operators do not have to run an additional Sunrise Period for these names, they can register these names to a third party subject to Trademark Claims only. This has the capacity to completely undermine the Sunrise Period as it gives the registry operators full discretion to withhold certain names, which could include trademarks recorded in the TMCH, from the Sunrise Period. To increase the effectiveness of the Sunrise Period as an RPM, reserved names that match a trademark in the TMCH must be offered to the owner of that trademark first at the time they are released. This would also enhance the advantages of a TMCH recordal.” (M)

“Some registry operators are taking unfair advantage of reserved name and premium name carve-outs from RPM requirements to purposefully withhold well known and distinctive trademark names from Sunrise. ICANN should closely review registry allocation practices to ensure such gaming is addressed. So long as sufficient safeguards are in place to prevent abuse of intellectual property through reservation of names, there should be no specific limitations on registry operators’ ability to reserve names, and no time constraints on activating previously reserved names.” (GOOG)

“Reserved names policy is one that raises a lot of questions and should be clarified in the future rounds. The idea of reserved unlimited numbers of domain names in a gTLD and releasing them to any “person or entity at Registry Operator’s discretion” may and has led to gaming and anticompetitive activity. Can these Reserved Name policies be used to cherry-pick all of the best names by one industry competitor and bypass ICANN’s rules barring closed generics? This is an important inquiry for the next round.” (NCSG)

“Under the current RPM Requirements, registry operators are able to reserve from registration an unlimited number of terms, including terms corresponding to trade marks. If those terms are subsequently released from reservation after the end of the Sunrise Period, the registry operator is under no obligation to run a Sunrise on them, although they are required to run a Trademark Claims period. This appears to allow registry operators to circumvent the Sunrise requirements for certain terms completely, which is contrary to the intent of the RPMs Requirements.” (CL&V)

“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.”(RySG)

“Some registry operators are taking unfair advantage of reserved name and premium name carve-outs from RPM requirements to purposefully withhold well known and distinctive trademark names from Sunrise. ICANN should closely review registry allocation practices to ensure such gaming is addressed.” (BC)

“It should not be allowed to reserve domain names that contain a brand on the second level, unless the domain name is reserved for the brand owner. The IPR holder shall have the exclusive right to decide what to reserve and register.” (V)

“ICANN has limited the number of names that may be reserved by registries, but we question whether imposing a limit is the right answer. What is required is a change/notification process,

for example publication of the reserved list 60 days prior to Sunrise, as well as a 60-day notification of the addition or removal of names from the list.” (GD)

“While FairWinds acknowledges the value that registries can extract from reserving certain names from registration, the practice on the part of some registries of reserving non-generic, unambiguous, and well-known trademarks from registration is an over- reach on their part. Making these kinds of trademarks unavailable for Sunrise registrations or charging exorbitant registration fees for these names during Sunrise or General Availability violates the spirit of the required RPMs and presents a real obstacle to trademark owners who are trying to protect their marks within the parameters available to them. It is worth noting that a number of registries, when approached directly, would remove these names from their reserved list or decrease the registration fees upon request.” (FWP)

“The IPC believes that ICANN should further review the provisions of the RPM Requirements as they relate to reserved names. The majority of Respondents experienced some issues during Sunrise with their trademark having been reserved and thus unavailable for registration. In some cases this may have been as a result of Name Collision, with some Registries failing to clearly identify this as the cause. In a number of cases, however, IPC Respondents encountered reservation of their trademarks apparently at the election of the Registry. Under the current RPM Requirements, registry operators may reserve an unlimited number of terms, including trademarks which are recorded in the TMCH, and release them to third parties after the Sunrise Period ends. This loophole therefore allows registry operators to circumvent the Sunrise, in whole or in part. Where names have been reserved and subsequently released, for whatever reason, it is unacceptable to trademark owners that they should not be afforded a priority opportunity to secure domain names matching the trademarks they have recorded in the TMCH for that very purpose.”(IPC)

“RPMs Requirements permit registries to reserve an unlimited number of names, permitting registries to withhold names from registration for the duration of the Sunrise. If released for registration after the Sunrise, the registry operator is not obliged to run an additional Sunrise, only to apply the Trademark Claims. Many INTA respondents were informed that their desired domain name, which was a match to a trade mark recorded in the TMCH, was reserved and unavailable for registration. As one INTA respondent said: “[S]unrise periods are not effective because they are being easily circumvented by registries through use of reserve lists.”

Concerns were also expressed about the lack of transparency over reservation of names by registries and the difficulty in obtaining definite information as to the reason a name was unavailable.” (INTA)

11. Comments relating to the Trademark Claims Service.

Most the comments received noted that the claims notice appears to be moderately effective in deterring trademark infringement, although several enhancements could be considered to increase its effectiveness. Suggestions included modifying the language in the Claims notice to clarify the basic elements of trademark infringement or to include information on whether registrants have registered multiple domains.

“Based on the data presented in the Draft Report, only 96,000 domain names have been registered after a Clams notice, while over 25 million Claims notices have been issued. Based on this data, the Claims notice appears to be working effectively to deter trademark

infringement. Google is unaware of any evidence that Claims notices otherwise chill free speech; however, more data around situations in which Claims notices are generated (including the form and substance of the actual notices provided, how many repeat notices were for the same domain name, what percent of claims were for identical marks vs. previously abused strings, etc.) would be helpful in making such a determination. With respect to the notices sent to brand owners in the event an exact match domain is ultimately registered, these notices effectively communicate the fact of the registration to the brand owner, allowing the brand owner to conduct additional investigation and follow-up as necessary.” (GOOG)

“The main shortcomings of the Trademark Claims identified in the client feedback are (i) the limited duration of the Trademark Claims period; (ii) the ability of potential registrants to ignore the Claims Notice and proceed to register the matching domain name; (iii) the fact that the Notices are only sent for domain names that are considered to be an “identical match” to the trade mark; and (iv) the fact that the trade mark holder is not notified of the intention to register the domain name in advance, but only after the fact meaning that there is no opportunity to engage in a dialogue with the potential registrant.” (CL&V)

“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.” (RySG)

“The Claims notice appears deterring some trademark infringement. With respect to the notices sent to brand owners in the event an exact match domain is ultimately registered, these notices effectively communicate the fact of the registration to the brand owner, allowing the brand owner to conduct additional investigation and follow-up as necessary.” (BC)

“While is it not always clear whether registrants understand the Claims notice, the fact that some registrations are subsequently abandoned seems to indicate that the notices are having the desired effect.” (GD)

“Brand owners and their counsel reported to the IPC that the Trademark Claims services were useful, and often served as a key part of brand enforcement strategy with respect to the new gTLD program. On the whole, brand owners reviewed notices of registered names they received, and often took some kind of action in response – generally including some basic further investigation of the domain name and the registrant. Thus, the Trademark Claims services appear to be useful to brand owners, although several improvements should be considered to increase the effectiveness of the services for the benefit of both brand owners and the consuming public.” (IPC)

“Most INTA respondents believe the claims notice has been moderately effective in reducing cybersquatting in new gTLDs. However, the data quoted in the Draft Report seems surprising and would clearly benefit from further investigation and clarification. The Draft Report refers to over 25 million claims notices issued since the inception of the new gTLD program, but that

only 96,000 domain names have been registered following the issuance of a claims notice. This suggests a deterrence rate of over 99%. Some INTA respondents noted, however, that their experience was that claims notices had been ignored with the infringing domains proceeding to registration. Some respondents expressed concern that claims notices are limited to an exact match of a mark registered in the TMCH, which reduces the value of a claims notice for trademark owners since cybersquatters choose to register slight variants rather than exact matches.” (INTA)

“ICA believes that the currently language of the Claims notice is unduly intimidating to potential registrants, especially those lacking any sophisticated understanding of trademark law, and that the language needs to be modified in order to clarify that region of a generic word that is trademarked for a particular class of goods and services is unlikely to result in infringement if registered for another intended purpose.” (IC)

“The BC believes that consideration should be given to further language in the Claims Notice which clarifies the basic elements of trademark infringement, notes that particular laws vary by jurisdiction, and urges registrants to consult with counsel with any questions.” (BC)

Three comments identify technical issues relating to the Claims service, such as Claims notices not being received and with regard to the time frames for Claims notice acceptance by registrants.

“Yes, for pre-registration and claim key expiration. There was a misunderstanding that claims were at the TLD launch level and not the SLD level. Additionally, having to repeatedly request claim acceptance even though the claim data had not changed since the initial claim acceptance is burden on the applicant and can lead to the applicant not being allocated the domain name.” (GD)

“It would be helpful if the Claims notice could reflect when the claim was last updated, indicating either new claims added or claims deleted, in order to remove the 48- hour claims acceptance window.” (GD)

“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.” (RySG)

“FairWinds observed numerous instances where trademark holders did not receive Claims notices for all registrations matching their trademark. When such an occurrence happened to our clients, FairWinds contacted representatives of the TMCH, who stated that this was an issue with the registry. Unfortunately, when trademark owners not receive Claims notices, there is no way for them to review the notices after the fact and access the data contained in the Claims notice.” (FWP)

All of the comments received suggest that having the Trademark Notice in English and in the language of the registrant’s registration agreement is sufficient, however, a suggestion was noted to consider modifying this if data shows that the majority of enforcement actions are against registrants from a particular jurisdiction.

“Presenting the notice in English and the language of the registration agreement should be sufficient. However, if the data shows that a disproportionate number of enforcement actions are against registrants from a particular jurisdiction, we may want to consider providing all notices in English and the language of such jurisdiction, regardless of registration agreement language.” (GOOG)

“The current method of providing notice in English and the registration agreement seems adequate.” (RySG)

“If the data show that a disproportionate number of enforcement actions are against registrants from a particular jurisdiction, we may want to consider providing all notices in English and the language of such jurisdiction, regardless of registration agreement language.” (BC)

“Trademark Notice should be in the language of the DNRA, all other languages should be optional for the registrar.” (GD)

Eight comments were received in regard to how to improve the Claims service, such as extending the Claims service indefinitely and creating a searchable database of Claims notices.

“Under the current rules, the Trademark Claims service must only be provided during the first 90 days of the date domain names are made available to the public generally. This mandatory 90-day Trademark Claims period seems arbitrary. To increase the value of the Trademark Claims service, registrars should send Trademark Claims notices to potential registrants indefinitely. In addition, there have been concerns that where some registrars have offered “pre-registration” services (the name is reserved to an applicant in advance, and then automatically allocated to them at the end of the Sunrise if no Sunrise registration is made), they may not have been submitting full Trademark Claims notices at the time of registration of the domain name. Finally, the registrant details should be included in the Notice of Registered Names to enable trademark holders more easily to make an informed decision on how to proceed.” (M)

“Although the extended claims service offered by the TMCH allows trade mark holders to receive the Notice of Registered Names indefinitely, the Trademark Claims notices to potential registrants are generally stopped after the 90-day mandatory Trademark Claims period. In order to improve the effectiveness of the Trademark Claims as a deterrent to potential registrants, trade mark holders would like to see a Trademark Claims service which runs indefinitely rather than for just the first 90 days of general registration. In addition, the trade mark holders feel strongly that Notices of Registered Names should extend to domain names that could be confused with those of the relevant trade mark holder (e.g. mark + keyword) in order to increase the effectiveness and value of the Trademark Claims service.” (CL&V)

“Primarily, the Trademark Claims service should be extended indefinitely from the current 90-day period. This service allows registrants to make informed decisions and provides essential notification to TM holders. Given its demonstrated value to all parties, it makes no sense to discontinue notification services after an arbitrary period of 90 days. Further, ICANN should allow rights holders to search for all claims notices issued for their trademarks that involve the same registrant.” (BC)

“Yes, for the wordmark “Volkswagen” we received approximately 46 TMCH notifications. The

notice itself was clear, but very short. It would be more convenient, if WHOIS information was contained in the notification. The TMCH notifications do not help trademark holders to decide on next steps, but rather forces them to take an action due to statute of limitation and acquiescence issues.” (V)

“To address the issue raised in our response to question c, above, FairWinds recommends that the TMCH create a searchable database of Claims notices so that trademark owners or their Agents can view all of the historical Claims notices that have been issued on their trademarks in a centralized location.” (FWP)

“With this in mind, the IPC believes that in its review, ICANN should investigate whether it may be useful to provide clearer notice to potential registrants of the consequences of registering an infringing domain name in the TM Claims notice, including the possibility of having the domain suspended through a URS, cancelled or transferred through a UDRP, or other potential civil or criminal legal penalties. It may also be more useful to send TM Claims notices translated into the six UN languages, as some brand owners and their counsel have witnessed that such notices are disregarded by registrants who could not understand them because they did not speak English. Making these changes may improve the effectiveness of the TM Claims service by dissuading unauthorized and non-defensible registrations.” (IPC)

“INTA respondents also provided content and process suggestions for improving the claims notices received by trademark owners. Suggested improvements included:

☐ _Providing Whois information on a claims notice. During the look-up, much of the Whois information is either faulty or subject to privacy and proxy services, thus 10 increasing the difficulty of addressing infringing domains that have proceeded to registration despite receipt of a claims notice.

☐ _Indicating whether the domain resolved an active website at the time the notice was issued and whether registrants had registered multiple domains.

☐ _Having a tool to track the claims notices sent for any given record.

☐ _Where there are multiple TMCH entries for one string, it would be helpful for the notices to be consolidated and not reiterated with only the mark information differing.” (INTA)

“ICANN should investigate improving the Trademark Claims with its extension to “marks plus”, the inclusion of Whois information on notices, better tracking tools, indefinite extension of the claims notice period, and a less cumbersome process for including previously abused labels.” (INTA)

While most comments express that the Notice of Registered Names effectively communicates registration to the trademark holder and is received in a timely manner; five comments suggest that it would be useful to include the information of the registrant data as well as a list of the options that are available to the trademark holder.

“One of the main shortcomings of the Notice of Registered Names is that they do not include the registrant information. As this information is publicly available on Whois records, MARQUES members can see no reason not to include this in the notices. Finding the information through a Whois search is not always straightforward as some registry operators make the function difficult to find on their websites.” (M)

“The Notice of Registered Names has proven to be a useful tool in monitoring and responding,

as necessary, to third party registrations exactly matching TMCH-recorded marks.” (GOOG)
“Com Laude clients’ feedback indicates that the inclusion of the registrant data in the Notice of Registered Names would be extremely useful to make this process more efficient for the trade mark holder.” (CL&V)

“It would be helpful if registrant/WHOIS information could be included with the notice.” (GD)

“With respect to the notices sent to brand owners in the event an exact match domain is ultimately registered (*i.e.*, the Notice of Registered Name), the notices effectively communicate registration. However, it would be more useful to include in the notice the registry-provided Whois information for the registrant and a hyperlink to the domain, which would save the brand owner some time and money in having to take these investigatory steps separately from reviewing the notice itself.” (IPC)

“Several trademark holders have contacted the Clearinghouse after receiving a Notice of Registered Names asking for guidance. As the Clearinghouse is not allowed to give legal advice, the Clearinghouse had to limit itself to indicate the existence of other RPM mechanisms, such as the URS. The Clearinghouse believes that it might be an added value to foresee an indicative list of the options available to the trademark holders in the Notice of Registered Names or to insert a link to an ICANN website providing such information.” (D, IBM, CHIP)

“Com Laude clients reported that they regularly receive Notices of Registered Names from the TMCH. According to the client feedback, the Trademark Claims service has not had a significant impact on the brand protection strategies of these trade mark holders. While the Trademark Claims services are useful to a degree, most of the trade mark holders attach more importance to stronger preventative mechanisms (e.g. Sunrise, DPML or other block mechanisms), for the reasons which we set out below. The clients that have received Notices of Registered Names have generally responded to the notice by checking the registrant and the website supported by the domain name to identify potential infringement in order to decide on the next steps. The majority of the clients reported that they decided to monitor the domain name initially rather than resorting to a dispute resolution mechanism or a court order.” (CL&V)

“Generally, most Notices are received within 24 hours or so of the registration.” (GOOG)

“Generally, most Notices are received within 24 hours or so of the registration.” (BC)

“Define timely. Some notices are received same day, other notices are received 8-9 days after registration.” (GD)

12. Comments relating to the Inclusion of Previously Abused Labels.

The inclusion of previously abused labels in the Claims service offers rights holders the capability to add up to 50 abused domain labels that have been found to be the subject of abusive registrations on the basis of a verified UDRP proceeding or court proceeding to an existing Clearinghouse record. While comments express that the idea of this add-on to the Claims service is useful for rights holders in protecting against trademark abuse and infringement, three comments received suggest that this service is not well understood, it is underutilized, and the price points are too high.

“Although the previously-abused label add-on service is very valuable for brand owners, the data reflect under-utilization of the service to date (only 324 strings recorded). Initial fears within certain segments of the community have gone largely unfounded in that the ability to add 50 previously abused strings might balloon exponentially. The validation price points for this service, namely \$200 for a court case and \$75 for a UDRP, likely have a direct impact on underutilization. ICANN and rights holders should continue to monitor use and effects of the service.” (GOOG)

“Some IPC Respondents felt that the availability of this additional protection for terms previously subject to cybersquatting was not well understood, and most felt that it was of limited usefulness, for the following reasons:

1. While the “mark plus 50” option did offer a means of registering “marks plus” in the TMCH, it applied only to TM Claims: the brand owner could not secure these names during Sunrise;
2. The likelihood of identical terms being registered again was, in many cases, considered to be low, and did not justify the additional work and cost involved in recording these terms in the TMCH;

Garnering the necessary evidence was difficult. In particular, the requirement for recordal that the string should have been subject to a successful UDRP or court action ruled out any strings where the dispute had been resolved without formal proceedings. Since these would often be the clearest cases involving strings with a high relevance to the brand and its field of activity, these would also be the strings most at risk of repeat registrations in other gTLDs, and thus also the ones of most relevance for protection in new gTLDs by the brand owner. However, the recovery of these domains without formal proceedings has the ironic result of excluding these terms from protection.” (IPC)

“Previously abused labels were considered less effective in preventing trademark abuse and infringement by the INTA respondents. While members generally agreed that, conceptually, the idea of including previously abused labels in the TMCH was useful, members cited the cost of validation and a generally burdensome process as obstacles to using this aspect of the claims service. Of particular concern was that, even after going through the cumbersome verification process, previously abused labels were still only eligible for the claims service and not for Sunrise services. Members recommend exploring ways to streamline the previously abused labels process to make it easier for more TMCH registrants to access.” (INTA)

Based on the four comments received, modification of the standards for verification of previously abused labels could be considered to reduce cost and ease the validation process. However, one comment expressed opposition to a reduction of the TMCH verification requirements.

“This issue should be further explored. The process for adding abused labels to TMCH records is unnecessarily expensive, restrictive and rigid, particularly for brand owners with a large portfolio of previously-abused labels.” (GOOG)

“The BC strongly supports the inclusion of previously abused labels, but as stated previously, we believe the limitation to 50 labels is arbitrary and has proven insufficient in certain instances. We also note that the data reflect under-utilization of the service to date (only 324 strings recorded). Perhaps ICANN needs to continue to monitor use and effects of the service, including whether to modify the validation price points for this service, namely \$200 for a court case and \$75 for a UDRP.” (BC)

“ICANN should also further explore the previously abused label service, which to date has been under-utilized by brand owners (according to the Draft Report only 324 strings have been added to the Trademark Clearinghouse through the previously abused labels service). Thus, early fears within some segments of the community that this service could lead to unlimited inclusion of names in the Clearinghouse and abuse by brand owners have proven groundless. The cost of the service (\$200 to validate a string based on a court decision and \$75 to validate a string based on a UDRP decision, plus costs in gathering necessary supporting materials like the original complaints) may be the driving factor behind this lack of use to date. ICANN should continue to monitor the use and impact of the previously abused label add-on service, and work with the Clearinghouse to refine the validation process and reduce cost.” (IPC)

“Based on the comments provided to the Clearinghouse, the standards for verifying previously abused labels could be improved. According to the current Clearinghouse Guidelines for abused labels based on UDRP cases, the name of the trademark, the registration number and jurisdiction in which the trademark is registered as well as the name of the UDRP provider and the reference number of the case are required in order to perform the verification of the case. The verification agents of the Clearinghouse verify the information submitted to the Clearinghouse against the copy of the case, generally available on the website of the relevant UDRP provider. However in many cases, the registration number and the jurisdiction in which the trademark is registered are not mentioned in the UDRP case. The verification agents usually then request the original complaint or the addendum of the case that mentions the registration number of the trademark and the jurisdiction along with the name of the trademark. The Clearinghouse has received several of complaints from trademark holders concerning the fact that they were not in possession anymore of the UDRP case in which the trademark name, the registration number of the trademark and the name of the jurisdiction in which the trademark is registered are mentioned. This meant that the Clearinghouse was prevented from completing the verification process. The trademark holders were therefore unable to add the abused labels to their trademark records. The Clearinghouse henceforth believes that, due to this strict verification criteria, the possibility to add previously abused labels is not functioning in the way it was designed, namely to help trademark holders adding previously abused labels linked to their trademarks as they are unable to meet the high eligibility requirements. This is especially the case when the link between the UDRP case and the trademark recorded in the Clearinghouse can be done, without finding the explicitly mentioned three requirements of verification as explained in the guidelines. For instance, the decisions rendered by the National Arbitration Forum concern mostly trademarks registered in the United States whereas the jurisdiction is not explicitly mentioned in the decision.” (D, IBM, CHIP)

“We would oppose any easing of the TMCH verification requirements for court decisions or UDRP cases. Domain investors who have been the subject of such cases (increasingly in the context of attempted domain hijacking via UDRP) maintain their own records of those legal actions, and it is difficult to believe that a rights holder which initiated a trademark case UDRP, or counsel thereof, would not have equal access to such records. Any easing of the verification requirements would inevitably invite abuse.” (ICA)

13. Comments relating to the Extensions of Trademark Claims Service.

Most of the comments received maintain that the Trademark Claims service should be extended for

an indefinite period, although one comment states there are challenges associated with extending this service such as additional costs and technical burdens to registry operators.

“The Extended Trademark Claims service offered by the TMCH has been partially useful since it only performs half of the function of the Trademark Claims service, by sending the Notices of Registered Names to the trademark owner but not the Trademark Claims notice to potential registrants. For a more effective solution, the Trademark Claims services must be provided as a mandatory RPM indefinitely.” (M)

“Extended Claims services would be extremely useful for brand owners. That said, Google does not favor mandatory extended (or perpetual) Claims notices, absent subsidy from ICANN, given the inherent costs and technical burdens imposed on registry operators. However, additional costs and technical burdens to registry operators are the main challenges with respect to extended Claims services. That said, Google is offering extended Claims service in connection with its new open gTLDs (e.g. our .SOY new gTLD Claims period runs from 15 Oct. 2014 to 22 Jan. 2024).” (GOOG)

“The GNSO’s adopted rules and those of the ICANN Board were clearly limited in how long a Trademark Claims Service would last. Trademark Owners are responsible for the policing of their own marks and there are many private services and public tools they can use. Should the ICANN Community be subsidizing or allowing such an expanded and even unlimited extension of the Trademark Claims Service and what are the intended and unintended consequences to the most vulnerable of our potential future registrants: including noncommercial organizations, individuals and small businesses and entrepreneurs? What is the impact on those in developing countries? What is the impact of those who don’t speak English (e.g., those now registering in our Internationalized Domain Names)? Is the TMCH unlimited extension fair, is it being invalidly subsidized or even paid for by the ICANN Community without authorization and should it be stopped?” (NCSG)

“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.” (RySG)

“The BC maintains that the Trademark Claims service itself should be extended for an indefinite period. This service allows registrants to make informed decisions and provides essential notification to TM holders. Given its demonstrated value to all parties, it makes no sense to discontinue notification services after an arbitrary period of 90 days.” (BC)

“Generally speaking, FairWinds has found that longer- running Claims services are useful to trademark owners. However, we acknowledge that it is technically onerous for Registry Operators to offer this function for extended periods of time. As such, going forward, FairWinds urges the TMCH to continue to provide ongoing Claims notifications after the required 90-day Claims period.” (FWP)

“Most respondents are of the opinion that claims notices should be provided for the duration of the TMCH and not for only 90 days. Members generally advised that extended claims services were useful, with some stating that such services should be automatically provided instead of requiring an opt-in. Other than occasional challenges with managing the volume of notices received, members generally did not cite challenges with the extended claims

services.” (INTA)

14. Comments relating to the Uniform Rapid Suspension system (URS).

Six comments were received in response to the effectiveness of the Uniform Rapid Suspension service in providing a quick and low-cost process for addressing infringement in domain name registrations. The majority of comments express that although the URS may have achieved some of what it was intended to do, the suspension remedy it provides is often not useful.

“Although the URS is quicker and less expensive compared to the Uniform Domain Name Dispute Resolution Policy (UDRP), the only available remedy it provides to a successful complainant is the suspension of a domain name which means that the domain name would become available again once the registration expires and could be re-registered by a third party. Considering that the complainant must pay a minimum of \$375 per complaint, the available remedy does not make it attractive for many trademark holders.” (M)

“The benefits of the URS are its quickness and relatively low-cost. It may be useful for addressing domain name registrations that require immediate take-down as a result of infringing content. However, suspension of a domain is not the optimal remedy in the vast majority of domain name infringement cases. It is unsurprising, therefore, that the URS has been minimally used to date, and trademark owners continue to rely extensively on the UDRP because of its more effective remedy, namely transfer of the domain name to the trademark owner. We believe the URS can have a transfer remedy after expiration, subject to interim appeals processes, and remain a complement to the UDRP. The two RPMs would still be distinguished by price, time to resolution, evidence required, and standard of proof. Adding this remedy would cause the URS to be a more effective RPM in stemming cybersquatting and infringement.” (GOOG)

“The URS has generally been effective in providing a quick and low-cost process for addressing infringement, although there are some ongoing implementation issues.” (RySG)

“As initially proposed, the BC believed that suspension would be adequate, but the collective experience following delegation of the new gTLDs has shown that it is not an effective remedy after all. We propose evaluation by the community of alternate remedies for successful URS proceedings (short of compelled transfer) to make them more attractive. For example, this could include (1) an extended suspension of 3-5 years, (2) a right of first refusal to purchase the domain before the registration period expires and the domain falls back into the pool, and/or (3) an option to purchase the domain directly from the registrar within a certain time period following the decision.” (BC)

“ICA would vigorously oppose any attempt to amend the URS to provide a domain transfer option as such a rapid and circumscribed process could be readily abused to further the scourge of reverse domain name hijacking. However, we are sympathetic to the concerns of trademark owners, and would suggest the alternative of permanently barring the re-registration of a URS losing domain where the domain name/trademark is not a generic term and its registration by anyone other than the rights holder would almost surely constitute infringement.” (ICA)

“As the Report recognizes, the main limitation of the URS is that its remedy is limited to suspension of the domain name for the remainder of the registration period, which could be a matter of mere months or weeks. By and large, the URS is likely not viewed as an attractive

option by rights holders because the cost does not justify the remedy: merely suspending the domain name for a relatively short period is not sufficiently valuable in the eyes of most brand owners. If the domain name is important enough to the rights holder to engage in a legal proceeding, then a temporary suspension of that domain name is insufficient to prevent its further misuse. Suspension also carries the risk that once the domain name is released, it will be registered again by another (or even the same) infringer, forcing the rights holder to restart the process for the same domain name. Thus, any efforts to improve the utility of the URS for rights holders must start with the remedies available.” (IPC)

“Neither its speed nor its low cost compensated for the limited nature of the remedy. In fact, the remedy entirely undermined the URS’ other intended benefits: many members ranked the URS as too expensive, too time consuming and too complicated for what it provided. With the extremely high burden of proof, the cost of involving an attorney -- whether inside counsel or outside counsel -- was viewed as too great to justify allocating such resources to obtain the mere remedy of a temporary suspension. In fact, even though most IPC Respondents viewed cost and speed as the downsides of the UDRP, they still chose to file UDRP over URS actions in order to obtain transfers of the infringing domain names--even where case complexity or the high evidentiary standard of the URS were not problematic.” (IPC)

“The high standard of proof is another reported factor that discourages rights holders from using the URS. The "clear and convincing" standard of the URS is viewed as problematic for some trademark owners because the scope and reach of their trademark rights cannot be easily proven in the space allowed, and most cases of infringement require more legal analysis than is possible to present in a URS action. In other words, rightly or wrongly, a higher standard of proof is believed to add to the amount of evidence and detail needed to be successful.” (IPC)

“INTA appreciates the URS as a quick, inexpensive alternative to the Uniform Domain Name Dispute Resolution Policy (UDRP). However INTA does not agree with the conclusion of the Draft Report that the URS “works fairly well in terms of what it is designed to accomplish.”⁷ Even the Draft Report concedes that “some rights holders have not opted to use this service” To illustrate, the Draft Report notes that approximately 200 URS complaints have been filed to date.⁹ But in that same timeframe (since the beginning of 2014), over 320 new gTLDs have been the subject of UDRP complaints filed at WIPO alone (not counting other UDRP providers such as NAF, which, according to its searchable case database, has handled 65 UDRP complaints involving new gTLDs).¹⁰ This comparison is not quite apples-to-apples: as the Draft Report notes, a URS or UDRP may involve more than one domain name. But the point still holds: the initial returns have been meager, to the point that some commenters have openly wondered whether trademark owners have “given up” on the URS in favor of the UDRP.¹¹ While the reality may not be so dire, the sentiment is still relevant to ICANN’s assessment of the effectiveness of the URS. A tool is only effective if it is actually used. Because the statistics demonstrate that the URS has only been used sparingly, INTA submits that the answer to the first question posed by the Draft Report is that the URS has not been effective – at least not yet.” (INTA)

Two of the comments address some of the challenges in terms of using the URS, such as burdensome implementation steps required of the registries, and requirements not being met by providers. In addition, one comment expresses that it may be helpful to also provide the Registry Operator, and not just the registrar, with the translated notice in the relevant local language.

“In their feedback, the majority of clients indicated that the URS is considered to have low usefulness in their brand protection strategies. The main reason stated for this assessment was that the available remedy, which is the suspension of the domain name rather than transfer, is perceived to be inadequate. Despite the relatively low cost of the URS, clients indicated that the cost to benefit ratio did not incentivise them to pursue the URS.” (CL&V)

“Burdensome implementation of an out-of-band process that only partially allows automation. URS providers are not consistently following the requirements.” (RySG)

“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.” (RySG)

“We repeat previous guidance suggesting EPP transformations instead of unreliable e-mail” (RySG)

Ten comments were received suggesting several factors that could be addressed to make the URS more effective. Many of the comments support adoption of a loser-pays model for the URS, and recommend incorporating transfer of the domain name as a possible remedy.

“To increase effectiveness, the URS should be provided at cost or alternatively on the basis of a loser-pays model. For the bad-actor registrant the existence of the URS does not offer any particular deterrent to registration. Even if they do not respond to the complaint there will still be a full assessment on the merits, and in most cases they pay no fee to file a response. If they lose the URS, their only loss is the cost of the domain registration. In addition, the URS should offer a perpetual block or transfer of the domain name to the successful complainant.” (M)

“As noted above, incorporating transfer as a possible remedy would make the URS more effective in protecting trademark rights. In addition, the ability for defaulting respondents in URS cases to reply for up to one year after notice of default, even after a determination is issued, and receive de novo review of the complaint (see URS Procedure 6.4) is problematic, as it could lead to the unnecessary drawing-out of an otherwise efficient process. This important peculiarity of the URS is not accounted for in chart contained in the Draft Report.” (GOOG)

“We would like to see the next and future reports reflect that the URS was a controversial mechanism -- an ultra-fast, ultra-cheap takedown mechanism for New gTLDs – and many were worried about whether registrants would be able to respond. Clearly, registrants ARE responding, and in far greater numbers than we expected given that half the URS claims receive a response.” (NCSG)

“To improve the URS as a cost-effective mechanism, trade mark holders would like the following enhancements to be considered:

(i) Transfer as a remedy: Currently, the only remedy available to successful complainants is the suspension of the infringing domain name for the duration of its registration period. The trade mark holder then has to monitor the domain name and ensure that it is not registered by another party when the suspension ends. For most trade mark holders the prospect of having to grab the domain name as soon as it is available and the risk of it being registered by a third party before they are able to do so, raising the prospect of the whole cycle starting again, means that the URS is not viewed as worthwhile. Introduction of domain name transfer as a remedy would significantly increase the effectiveness for trade mark holders of the URS as an RPM.

(ii)“Loser – pays” model: The URS is not viewed as involving any significant deterrents for infringers. Potentially infringing domain names can be registered by third parties, knowing that in case of a dispute resolution proceeding against them they will not incur any financial loss other than the cost of the domain name. For a fair and balanced RPM framework, the cost of the URS proceedings should be borne by the losing party. Although some have expressed doubt as to how a workable model could be developed for recovering costs from a losing registrant, there is precedent for such a model in some ccTLDs. Further work on this would be beneficial to establish whether a mechanism could be introduced for ICANN to pursue the losing registrant for payment.” (CL&V)

“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.” (RySG)

“It is a similar story with the Uniform Rapid Suspension (URS). The URS also failed to operate as a cost-effective brand protection mechanism for trade mark holders. We believe that there is a number of different way in which the URS could be developed, improved and simplified. However, if the URS is intended to provide a rapid relief in clear cut cases, then at the very least trade mark owners should be able to call for a transfer of the domain name (either in addition to, or in place, of the current remedy of suspension). We would also suggest that successful trade mark owners should not have to bear the cost of the URS process and that at least their URS fees should be repaid. There should be further consideration of how that repayment would be funded but there are a number of possibilities here ranging from the adoption of a “loser pays” regime in all cases or cross subsidies from those who have benefited from the introduction of the new gTLDs.” (ITMA)

“The use of Clearinghouse Signed Mark Data (SMD) files in Uniform Rapid Suspension (URS) proceedings would help make URS more efficient by leveraging the data already present in the Clearinghouse, thus making better use of the investment of time and resources that Clearinghouse recordations represent for TM owners.” (BC)

“According to section 4.2 of the URS document this notification is sent to the registrant only (and Registrar). However, it may be useful to send to Admin contact as well.” (GD)

“The IPC offers the following as additional topics that ICANN should explore relating to the URS:

- 1) Should there be a transfer remedy? Given that the losing party loses the domain name either way, there is no reason such a remedy would unfairly prejudice the losing party. Moreover, instituting a transfer remedy would not disrupt the speed or cost-efficiency of the URS, because its adoption would not necessitate modification of other URS requirements, such as the word and time constraints.
- 2) Should there be an extended suspension? Another possible alternative would be to extend the length of the suspension. This option would be further enhanced if losing

respondents were also allowed to transfer the domain(s) at issue to the prevailing complainant voluntarily during that extended suspension.

- 3) Should there be a right of first refusal? Yet another option would be to give the winning complainant the right of first refusal when, at the end of the suspension period, the domain name is eligible for re-registration.
- 4) Should the standard of proof be modified? Changing the standard from “clear and convincing” to the more common “preponderance of the evidence” would make the URS more cost-effective.
- 5) Should the URS cover domain names that were either registered OR used in bad faith? Broadening the URS to cover cases in which domain names are clearly being used in bad faith, but where proof of registration in bad faith is less compelling, would make the URS more effective.
- 6) Should there be a financial penalty to the losing registrant? The infringing party loses nothing but the registration, and even has the ability to pick it back up on the drop. The ICANN community should explore options such as loser-pays, response fees, etc. to disincentivize infringing registrations.” (IPC)

“As the Draft Report notes, the main limitation of the URS is that its remedy is limited to suspension of the domain name for the remainder of the registration period.¹² By its nature, this is not a long-term solution; rather, it is at best a temporary fix that carries with it the risk that the domain name will simply be registered again by another infringer once it is released. Any steps to improve the utility of the URS must begin there. Most preferable would be a mandatory transfer remedy akin to that offered under the UDRP. Given that the URS is designed to address only clear-cut cases of infringement, we see no due process concerns that would make such a remedy inequitable to the losing party, and see no reason why such a change would disrupt the speed or cost-efficiency that distinguishes the URS from the UDRP. Short of that, another possible alternative could include extending the length of the suspension to something like 5 years (as opposed to the current duration – remainder of the registration period – which, depending on the facts, could be only a few weeks or months) and then allowing losing respondents to voluntarily transfer the domain(s) at issue to the prevailing complainant during that time (as of now, such a transfer is not allowed during the suspension). Either of these possibilities would be an improvement over the status quo, and would offer a more meaningful remedy for trademark owners while still maintaining the quick, low-cost structure of the URS.” (INTA)

“INTA sees no reason why the requirement that a respondent pay a response fee – which is ultimately refundable to the prevailing party – should be limited to those URS complaints listing 15 or more domain names registered by the same registrant. Rather, one surefire way to increase trademark owner usage of the URS would be to apply that same response-fee requirement to all URS complaints, without regard to the number of domain names at issue. Feedback suggests that more trademark owners would use the URS if there was a possibility that their costs to do so would be refunded – especially given that the Draft Report shows that trademark owners have prevailed in 87% of URS proceedings thus far (albeit in a small sample size).¹³ Of course, eliminating the current 15-domain minimum may increase the number of defaults from the current 52% rate¹⁴ – potential respondents who view their case as weak may rationally choose to default rather than to pay the response fee. But that is not a bad thing. Although all determinations – including defaults – are evaluated by a URS panel on the

merits, making this change would, over time, allow providers to focus more of their resources on those URS disputes for which the respondent thinks enough of its arguments to risk the response fee. In other words, elimination of the 15-domain minimum would benefit trademark owners, providers, and “legitimate” respondents alike. The only group it would harm would be cybersquatters.” (INTA)

15. Comments relating to the Post-Delegation Dispute Resolution Procedures.

ICANN received four comments regarding the Post-Delegation Dispute Resolution Procedures. Since there have no complaint filings under these procedures, most comments express being unable to provide meaningful feedback, however, they value the procedure and encourage ICANN to review it when data becomes available as well as to examine why it has not been used.

“We believe that ICANN and the community should continue to monitor and collect data on the PDDRP and include a review of the PDDRP in an iterative RPM Review process when sufficient data becomes available for meaningful review. Given the nature of the PDDRP, it is unlikely to be used by trademark owners; however, the existence of the procedure may still possess some value as a deterrent to would be bad actors.” (GOOG)

“The BC values the existing Post-Delegation Dispute Resolution Procedures (PDDRP) and welcomes the deeper community discussions as noted in the report. Until that time, the BC would like to highlight our comments from October 23, 2013 on the Public Interest Commitments Dispute Resolution Procedure (PICDRP). In those comments, the BC:

- highlighted the concerning absence of remedial measures if a Registry Operator is found noncompliant,
- called for a mechanism to report PIC noncompliance without the need to prove harm,
- recommended that PICDRP process and correspondence be made public, and
- requested ICANN to use uniform terms.” (BC)

“As noted in the Draft Report, the PDDRP is an RPM designed to hold a registry operator accountable for bad acts. The Draft Report also includes the Registration Restriction Dispute Resolution Procedure (RRDRP) and the Public Interest Commitments Dispute Resolution Procedures (PICDRP) as additional quasi-RPMs. As further noted, to date, there have been no complaint filings under these procedures. The IPC would point out that the fact that these post delegation procedures have not been used does not mean that they should not be reviewed. The IPC asserts that, similar to the URS, there may be fundamental problems in the burden of proof, cost of these proceedings, and the remedies afforded. ICANN would be well-served to review input from potentially affected parties which may tease out improvements to these RPMs. The RPM review should also address registry Public Interest Commitments (PICs) themselves, some of which are specifically directed toward dealing with infringement-related abuses in the new gTLDs, and which ICANN has repeatedly stated it will enforce as a matter of contract compliance. In other words, the PICs themselves, and not just the PICDRP, are rights protection mechanisms which should be encompassed in the review.” (IPC)

“To date, INTA is unaware, of anybody trying to use any of the Post-Delegation DRPs adopted as part of the new gTLD program. Awareness of this RPM among trademark owners is extremely low, as neither ICANN nor its contracted parties have taken any significant steps to raise awareness either of the Public Interest Commitments (PICs) adopted by some new

registries, or the Post-Delegation DRPs available to address registry abuses. In particular, PICs seem almost worthless if there is no community awareness of them and their significance or value as RPMs. The preliminary view of INTA respondents is that, as to each and every of the Post-Delegation DRP options, there may be fundamental problems relating to the burden of proof, cost of these proceedings, and the remedies available. This may well explain why there has been no use of these procedures to date, though it is still very early in the new gTLD program. INTA encourages ICANN to raise awareness of these DRP options, and evaluate whether amendments may be appropriate to encourage that the underlying goals of these new policies are achieved.” (INTA)

16. Comments relating to additional Rights Protection Mechanisms.

Aside from the ICANN mandated RPMs, five comments express interest in blocking mechanisms such as those offered by Minds & Machines (MPML), Rightside, and the Domains Protected Marks Lists (DPMLs) operated by Donuts. In general, comments describe these blocking mechanisms as useful and cost-effective for protecting trademarks across multiple TLDs. However, some comments identified a few challenges related to these blocking mechanisms, such as there not being a single option across all of the TLDs who offer a blocking type of protection and concern over registries being able to withdraw or modify a purchased block at any time.

“Aside from the mandatory RPMs, some of the registry operators offered Domains Protected Marks Lists (DPMLs) which provide eligible trademark holders with a block across the TLDs operated by that registry. In general, trademark holders found the DPMLs useful and cost effective. As a result, certain trademark holders used DPML blocks in preference to Sunrise registrations, where available. However, as the DPMLs were offered at the initiative of the individual registry operators, they had some critical shortcomings. The most obvious of these, of course, is that not every TLD is subject to some form of blocking option, and there is no single option across all of the TLDs who offer a DPML. Instead, trademark owners would potentially need to take out multiple blocks. In the case of Donuts, with a large number of anticipated TLDs, the DPML was viewed by many as a relatively cost-effective model for protecting their trademarks. The DPMLs of some other registry operators, however, with fewer TLDs in their portfolio, may have been less attractive for some trademark owners.” (M)

“The DPML shares many similarities with the Globally Protected Marks List (GPML) recommended by the original Implementation Recommendation Team (IRT). ICANN concluded that the GPML was not practical, but the implementation of registry-specific RPMs demonstrates that some form of pan-gTLD blocking mechanism would be a workable solution for the protection of the rights of trademark owners. ICANN should give consideration to the possibility of (i) adopting a domain name blocking mechanism as a mandatory RPM for all new gTLD registries in future rounds; and (ii) requiring that registry operators offering DPMLs remove terms corresponding to TMCH-verified trademarks from their premium names lists if the term is requested by the legitimate owner of the mark, subject potentially to some assessment of whether the mark is descriptive in the context of a specific TLD in order to address concerns about the potential for gaming.” (M)

“In their feedback, some Com Laude clients stated that their main reason for recording their trade marks in the TMCH was to be able to make use of the DPML blocking mechanisms offered by individual registry operators such as Donuts and that they used the DPML blocks in preference to Sunrise registrations, where available. By expanding the scope of a cost-effective blocking mechanism, ideally across all new gTLD registries, the attractiveness of the

TMCH would be improved for trade mark holders.” (CL&V)

“While generally DPML blocks are considered useful, some of the clients expressed strong discontent with the terms under which the DPML is provided by some registries. In particular, Donuts’ DPML attracted criticism as it did not cover trade marks which were listed by Donuts as premium names. In one instance, the client’s trade mark was designated as a premium after the DPML block was purchased and the client only discovered that the DPML block it purchased was ineffective after a third party registered its trade mark as a domain name. This example further demonstrates that trade mark holders are often deprived of the RPMs as a result of registries’ complete discretion to designate any name as a premium name. Com Laude clients also expressed dissatisfaction that the manner in which Donuts premium lists are generated is opaque, leading to a perception that they are dynamic and influenced by the trade mark holder’s own brand protection activities, and thus generating a feeling of being penalized. Greater clarity over such block mechanisms, as well as a premium name challenge process, as referred to above, would greatly help to allay such concerns.” (CL&V)

“As noted on page 8 of the Draft Report, one of the RPMs that was discussed during the RPM development stage was the Globally Protected Marks List (GPML), although the GPML was not ultimately adopted as a mandatory RPM. As the feedback from Com Laude clients indicates that the need for an effective blocking mechanism is still present, and the DPML has demonstrated that block mechanisms can be effective, we urge ICANN to consider this further.” (CL&V)

“Despite the issues faced with respect to some of the DPML services, the DPML blocks are generally considered by the participating Com Laude clients the most cost-effective RPM in the New gTLD Program. As ICANN does not have the authority to improve the DPMLs offered at individual registry operators’ discretion, we suggest that serious consideration be given to introducing a similar mechanism, that allows trade mark holders to block their trade marks from registration in all new gTLD registries at a cost-effective fixed fee, as a mandatory RPM for future rounds.” (CL&V)

“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.” (RySG)

“IPC members have identified blocking mechanisms implemented across TLDs operated by a single entity as an additional Rights Protection Mechanism that ICANN should examine during the RPM review. While not administered by ICANN, blocking mechanisms such as Donuts’ DPML were utilized by IPC members and were considered helpful to manage the vast number of new gTLDs that were launched, necessitating defensive registration. Especially helpful were those blocking mechanisms that restricted registration of TMCH-eligible terms in a large number of new gTLDs. The feasibility and success of these blocking mechanisms indicates to many in the IPC that ICANN was perhaps mistaken in its conclusion that a Globally Protected Marks List was not achievable or practical. Therefore the IPC asks ICANN, within the context of this review, to further explore the possibility of a Globally Protected Marks List. It would be useful in determining whether there is truly a barrier to implementing a new gTLD-wide blocking mechanism and, to that end, the IPC recommends a full examination into the context in which blocks were most useful, the benefits to brand owners who purchased these blocks,

and the challenges that both brand owners and Registries experienced with blocking.” (IPC)

“Many of the INTA respondents reported that they have made use of registry-specific RPMs in the new gTLDs, either on their own behalf or on behalf of their clients. This demonstrates the importance, when reviewing the RPMs in the new gTLD program, to look not just at the ICANN-mandated RPMs but to review the overall RPM ecosystem. The most commonly-used registry specific RPM was the Domains Protected Marks List (DPML) operated by registry operator, Donuts, and the feedback received from INTA respondents consequently demonstrated greater familiarity with that offering. Some also had experience of the DPML offered by Rightside, or the similar block mechanism offered by Minds & Machines (MPML) (together referred to as Registry Blocks).

In considering whether to utilize Registry Blocks, INTA respondents refer to the cost and the number of TLDs likely to be covered as being the deciding factors. The perceived benefits of the Registry Blocks, for those who used them, were considered to be the efficiency and relative cost-effectiveness of being able to protect across multiple TLDs in one go, when compared to making numerous defensive registrations or having to bring enforcement proceedings. Some reported that, for their clients, bearing in mind the number and nature of the TLD strings, the Registry Blocks were not cost-effective and that they had opted instead to target, for defensive registrations, specific TLDs most relevant to the area of interest of the company.” (INTA)

“Although many INTA respondents considered the Registry Blocks to be a useful RPM mechanism, these same respondents also identified the following challenges:

☒ _Where a registry reserves the right to withdraw or change the block at any time, trademark owners are concerned that the block they have purchased could be unilaterally removed in the future.

☒ _Where specific names, which may include trademarks, have been designated as Premium names some or all of these (depending on the registry operator) are not eligible for the Registry Block. This could significantly reduce the value of the Block, depending in the extent to which the term is considered Premium.

☒ _Where the registry operator transfers the registry to another operator, the Registry Block will not apply. Trademark owners reported difficulties in keeping track of registry transfers, with the risk of being unaware that the block was no longer effective in a particular TLD. A number of respondents considered that additional publicity of such transfers would be beneficial.

☒ _The uncertainty of how much Internet “real estate” a given registry operator would ultimately occupy, due for example to string contentions and registry transfers. This has made it extremely difficult for trademark owners to accurately assess the usefulness and value of any individual Registry Block at the outset. For example, initially an applicant applied for relatively few registries, such that many may have concluded that their DPML was not good value for money. Subsequently, with the transfer of a number of registries from one applicant to another, that assessment might be different but the opportunity to block in some of the earlier applicant’s registries will already have been missed.” (INTA)

Section IV: Analysis of Comments

General Disclaimer: This section is intended to provide an analysis and evaluation of the

comments received along with explanations regarding the basis for any recommendations provided within the analysis.

ICANN appreciates the time spent by community members to provide their input on the [Draft Report: Rights Protection Mechanisms Review](#). The Draft Report is intended to provide an outline for an initial review of the effectiveness of the rights protection mechanisms established as safeguards in the New gTLD Program. As noted in the summary above, the comments covered a range of topics and the analysis is organized as follows:

1. Trademark Verification Process.
2. Trademark Clearinghouse Guidelines.
3. Proof of Use.
4. Matching Rules.
5. Misuse of Data.
6. Sunrise Period.
7. Limited Registration Periods.
8. Approved Launch Programs & Qualified Launch Program.
9. Sunrise Dispute Resolution Policy.
10. Reserved Names.
11. Trademark Claims Service.
12. Inclusion of Previously Abused Labels.
13. Extensions of Trademark Claims Service.
14. Uniform Rapid Suspension.
15. Post-Delegation Dispute Resolution Procedures.
16. Additional Rights Protection Mechanisms.

1. Trademark Verification Process.

Based on the feedback received, a number of challenges were identified around the trademark verification process for the Trademark Clearinghouse, particularly relating to communications and administrative requirements. For instance, trademark holders express some confusion in satisfying the “registration date” requirement, defined by the TMCH as the date of issuance of the registration certificate and not the start of the registration term, which in some jurisdictions relates back to the application filing date.

Furthermore, commenters reported difficulties in communication from the TMCH staff regarding proof of use evidence or rejection of a mark. A record may be flagged as “incorrect” without a helpful explanation of what is required to correct the mistake. Another key challenge is providing the TMCH with actual registration certificates in cases where the jurisdiction lacks an online trademark database that can be used for verification. Other comments also expressed difficulties in using the TMCH document upload system, obtaining translation of certificates, particularly class descriptions, and when entering any non-Latin text into the form provided by the TMCH, as the text needed to be in a format that could be copied and pasted into the appropriate field.

Comment from the Clearinghouse providers highlights that verification services are provided by a

global team based in different countries throughout the world and emphasizes their efforts in helping trademark holders satisfy the requirements for trademark inclusion into the TMCH by either providing additional guidance or holding educational webinar sessions aimed at reducing such errors. According to this comment, many of the errors made by trademark holders in satisfying the requirements for trademark inclusion appear to be related to misunderstandings of the Clearinghouse requirements. Suggestions from the community on how to make the verification process more effective include improving communication and learning tools, implementing a grace period for trademark owners to correct problems with their TMCH registrations, and providing TMCH staff with additional training. Another possible consideration to streamline the submission and verification process might be the addition of an electronic signature option for the declaration of use, as well as synchronizing submissions related to U.S. registered marks with the USPTO records database. In order to improve trademark verification standards to better serve global rights holders, feedback suggests greater outreach, especially in regions shown to have underutilized the Clearinghouse. The verification process is intended to be a clear and straightforward process leading to trademark inclusion in the Clearinghouse. ICANN takes note of the administrative challenges reported by the community in making use of the TMCH, and will raise these suggestions with the Clearinghouse service providers to determine which can be addressed in a timely and efficient manner.

2. Trademark Clearinghouse Guidelines.

Comments on the substance of the [Trademark Clearinghouse Guidelines](#) were minimal. Based on the feedback received, the Guidelines used by the TMCH for the trademark verification process should continue to prohibit marks that include a TLD or consist of a TLD (e.g. .ICANN). In addition, some comments support any mark containing word elements being eligible for entry in the TMCH, while other comments maintain that the Guidelines should be adjusted to exclude the registration of “design marks.”

In regard to the Guidelines and challenges related to submitting marks from specific jurisdictions, the Clearinghouse service provider comment notes that the TMCH is a global system intended to serve rights holders from all over the world and that the requirements have been unified to ensure that all applications are treated equally. This comment also points out the efforts of the TMCH service providers in educating trademark holders on this via webinars and providing tailored customer support.

The TMCH Guidelines were drafted based on the requirements specified for the Clearinghouse in the gTLD Applicant Guidebook and are intended to provide users with an overview of the eligibility requirements and what type of marks are accepted for inclusion in the Clearinghouse. While ICANN will engage the TMCH providers on how to improve any operational issues related to this process, additional areas, such as which marks are accepted, and continued evolution of the Guidelines may be the subject of community discussion in upcoming review processes.

3. Proof of Use.

Most comments express that the proof of use requirement was effective in meeting the goals of creating a standard that accommodates practices from multiple jurisdictions and treats all jurisdictions equally, prioritizing Sunrise registration by brand owners actively using their marks while restricting ineligible rights holders, and reducing gaming of the Sunrise service. However, a few

comments state that the proof of use requirement is overly strict as the same evidence of use sufficient for renewal with the USPTO may not be adequate in every case for what the proof of use verification requires for the TMCH.

Certain challenges in terms of satisfying the proof of use requirement were identified by trademark holders in the comments. For instance, samples of use submitted that included extra text were not accepted. Others identified the process as being a relatively time-consuming one. One comment states that although gaming appears to have been minimized, it would be useful to include additional metrics on potential gaming of Sunrise services through illegitimate trademark registrations with “token use.” In light of the costs associated with the verification process, some comments also encouraged ICANN to seek data surrounding the usefulness of requiring countries like Canada and the United States to submit such evidence when proof of use is already approved by the relevant jurisdiction.

A comment from the Clearinghouse service providers shared the perspective that the main challenge for trademark holders in terms of satisfying the proof of use requirement is submitting the sample of use, as it must contain the exact name of the registered trademark as recorded in the trademark record. Another challenge noted in this comment is submitting a sample of use for trademarks that are not yet commercialized but already registered. However, once the mark is commercialized, the Clearinghouse will accept the late proof of use submission, which helps resolve the issue but may cause some trademark holders to miss a sunrise period of their interest. Despite the number of challenges, the comment notes the efforts made in helping trademark holders understand the proof of use requirements and highlights the various chances trademark holders are given to correct proof of use deficiencies to help satisfy the requirement.

Broad stakeholder discussions took place to develop the proof of use requirement, intended to ensure that all registered trademarks are treated equally in order to be eligible to participate in Sunrise periods. Requirements related to proof use may be taken into account as a larger topic for consideration in policy development and other community discussions.

4. Matching Rules.

Based on the comments received, the majority of responses state that ICANN should reconsider the “identical match” definition, deemed to be overly strict and limiting for trademark holders, as they are unable to protect other terms related to their brands. This can lead to domain names being registered by third parties abusively and result in consumer confusion. Thus, the comments recommend greater flexibility on these rules and support the expansion of the matching rules to include plurals, “marks contained” or mark+keyword, and common typos of a mark.

The matching rules are intended to support protection of trademarks during the domain name registration process by providing an objective, automatable way of determining a match, rather than the Clearinghouse making subjective determinations. Indeed, an expansion of this requirement could require subjective judgment on which domain names are determined to be a “match” to a trademark, on a case-by-case basis. There may be a middle ground between existing matching rules and completely subjective judgment, e.g., additional algorithms to determine matches. ICANN has reviewed the suggestions made by the community in regard to the matching rules and this may be a topic considered in additional community discussions. In addition, the scope of the matching rules was one area identified by the GAC in recommending an independent review of the Trademark Clearinghouse, and this topic is expected to be explored in that review as well.

5. Misuse of Data.

Comments were received stating that the Clearinghouse structure was successful in balancing implementation of the services with data misuse concerns. However, these concerns have limited the Clearinghouse in helping trademark holders who want more information on whether a trademark identical to theirs is present in the Clearinghouse. Furthermore, comments express concern that some registries may be misusing the TMCH data by designating TMCH terms as premium names, which attract higher prices than regular Sunrise registrations. Regarding a potential query tool, while some comments were not in favor of implementing any search function, others showed interest in further exploring this option.

The Clearinghouse applies varying levels of technological and contractual restrictions depending upon the type of data accessed and the sensitivity of the data. ICANN appreciates the feedback that data misuse concerns have been minimal to date, and will continue to engage in further review discussions regarding any potential additional services such as query functions and requests for Clearinghouse data.

6. Sunrise Period.

Although the comments assert that the Sunrise period has generally achieved what it was intended to do and has generally been effective in protecting intellectual property rights, many indicate that its effectiveness has been diminished as a result of registry operators taking advantage of rights owners by labeling well known trademark names as “premium” and charging higher Sunrise registration fees. Another comment expresses concern over Sunrise registrations only being available for domain names that are considered to be an “identical match” to the trademarks, while trademarks that contain extra generic text may be registered by third parties abusively.

Comments addressed the various challenges faced in terms of registering a domain name during the Sunrise period, such as difficulty of finding information regarding the requirements and start dates of the Sunrise Periods as well as which registrars were participating in the Sunrise for a particular registry. In addition, trademark holders reported inconsistent Signed Mark Data (SMD) file acceptance by registrars and reservation of trademark terms from Sunrise registration, which was not revealed until the trademark holder attempted to register the name during Sunrise.

With this in mind, comments provided several suggestions on how to make the Sunrise process more effective such as: giving a trademark holder of the corresponding TMCH-verified trademark the right of first refusal once a reserved name is released, providing a definition for “premium names” and building in a mechanism to challenge the designation of such a “premium status.” In addition, some comments suggested that ICANN should consider a more regular and scheduled Sunrise Period to minimize the confusion and costs to registrants. Other suggestions included providing trademark owners with a clearer advance notice of Sunrise Periods, implementing a single uniform 60-day End-Date Sunrise system, and exploring alternative means of conveying proof of use and other signed mark data, such as authorization codes.

The Sunrise period allows trademark holders an advance opportunity to register domain names corresponding to their marks before names are generally available to the public. ICANN appreciates commenters’ consideration of these issues and values the suggestions made by the community on how to enhance this process. ICANN will make note of these issues during upcoming reviews, which may also be taken under consideration in the policy development process in the [GNSO](#).

7. Limited Registration Periods.

Overall, comments express satisfaction with Limited Registration Periods as a useful part of registry launch processes; however, a few cite challenges with costs and in keeping informed of timing and requirements of individual Limited Registration Periods, as they were not always well publicized or understood. Thus, comments suggest that it would be helpful if Limited Registration Periods were announced more widely with all the details and applicable criteria.

ICANN appreciates that the community found the LRP option to be useful in providing additional flexibilities for registries wishing to make domain names available for registration during an early phase. Operational challenges related to this process, such as cost and lack of awareness, could be taken into consideration as part of TLD startup processes in future program reviews discussions.

8. Approved Launch Programs & Qualified Launch Program.

Although most comments maintain that the [Qualified Launch Program](#) (QLP) is sufficiently flexible and useful for registries in launching and promoting their TLDs, several comments state that in some situations, the effectiveness of the QLP was limited where generic terms relevant to the TLD conflicted with names in the TMCH. Others express concern that the QLP gives preference to business partners above Sunrise-eligible rights owners and risks circumventing the RPMs. (Comments did not identify any instances of infringement during a QLP.) In addition, some comments noted that the QLP proved inadequate for geographic TLDs due to the limitation of 100 domains per TLD.

As provided for in the RPM Requirements, registries also had the ability to submit a request for an Approved Launch Program (ALP). If a program was approved by ICANN according to this process, the Registry would be allowed to conduct a registration process not otherwise permitted under the Trademark Clearinghouse Requirements specified in the Registry Agreement.

However, respondents indicated a lack of transparency into ICANN's handling of ALP applications, and requested that ICANN be more transparent. In order to provide transparency, all launch program statistics have been included in the Draft Report to provide the community with additional clarity on ALP requests. Requests that were withdrawn or denied were not posted for comment due to confidential reasons, and ALP guidelines do not provide that the original applicant submissions are to be made publicly available.

Where an ALP request has been under consideration by ICANN, ICANN has posted these for comment: three ALP applications have been published for public comment since announcing the opening of the application [process](#) in November 2013.

No ALP requests have been approved to date. Any Approved Launch Programs approved by ICANN will be posted along with the registry's TLD Startup Information.

Other suggestions on how to enhance the current programs include expanding the QLP to allow for registrations that match strings in the TMCH in cases where the use of the domain would not infringe on the relevant trademark.

As mentioned in the Draft Report, the QLP was developed to support the goals of a number of Launch Program applications received by ICANN and was intended to be a more efficient mechanism than asking registries to apply individually for ALPs. ICANN agrees that transparency is an important part of the review of proposed startup plans, and will continue to support this principle as these processes are reviewed and discussed. ICANN also notes the suggestions regarding potential improvements to the ICANN TLD Startup Information page.

9. Sunrise Dispute Resolution Policy.

Regarding the Sunrise Dispute Resolution Policy, most comments expressed a lack of experience with using the SDRP; however, one comment reports that the process is straightforward while another states that the requirements of the SDRP are unnecessarily burdensome to registry operators. The SDRP is a required element of each registry's TLD Startup Information and is published on ICANN's website; however, registries are not currently required to report data relating to this policy, such as the outcomes of disputes. Although few comments were received regarding this process, ICANN appreciates the input received and believes this will be useful for continuing community discussions.

10. Reserved Names.

While one comment expresses that the appropriate balance of registry discretion to reserve names from registration and the inclusion of names in the required RPMs was achieved, many express frustration with registry operators said to be taking unfair advantage of reserved names by withholding well-known trademark names from Sunrise and potentially allowing registry operators to circumvent the Sunrise requirements by using reserve lists. One comment, however, notes that upon request, some registries are willing to remove these names from their reserve list or decrease the registration fees. Suggested improvements include requiring publication of the reserved names list 60 days prior to Sunrise, as well as a 60-day notification of the addition or removal of names. ICANN takes note of the concerns expressed relating to reservation and release of domain names, and welcomes the suggestions received. This may be a relevant topic for future policy development discussions, as Specification 1 of the [Registry Agreement](#) includes in its enumeration of issues that may be subject to consensus policy: "reservation of registered names in the TLD that may not be registered initially or that may not be renewed due to reasons reasonably related to (i) avoidance of confusion among or misleading of users, (ii) intellectual property, or (iii) the technical management of the DNS or the Internet (e.g., establishment of reservations of names from registration)."

11. Trademark Claims Service.

Based on the comments received, the Trademark Claims service appears to be working as designed; however, some comments express concern that the language in the notice is intimidating and confusing to legitimate registrants with no intent to infringe. Others believe there is insufficient data to make any determinations in regard to how this service is working, thus further studies on situations in which Claims notices are generated would be useful.

Additional feedback received outlines the expressed shortcomings of the registration process such as the fact that there is no advance notice to the trademark holder of the potential registrant's intention to register the domain name, the ability of potential registrants to ignore the Claims notice and proceed with registration of the matching domain name, and that notices are only being sent for domain names considered to be an "identical match" to the trademark. Most of the comments also call attention to the limited length of the Claims period. In order to increase the value of this service, many comments recommend that the notification services should be extended beyond the required 90-day period.

Comments also identify technical issues relating to the operation of the Claims service, such as Claims notices not being received by trademark holders, registrars not providing the Claims services during the Limited Registration Periods, and repeatedly having to request Claims acceptance. In particular, one comment expresses that it would be helpful if notices could reflect when the claim was last

updated in order to remove the 48- hour Claims acceptance window. ICANN will take a closer look at the operational issues mentioned in the comments, and requests that any instances where registrars are not properly providing the Claims notice be submitted with these details via the [Contractual Compliance submission tool](#).

The feedback received specifies suggested improvements to the Claims service such as extending the Trademark Claims notices to potential registrants indefinitely and creating a searchable database of Claims notices so that trademark owners or their Agents can view all of the historical Claims notices. Other comments recommend modifying the language in the Claims notice to clarify the basic elements of trademark infringement, including text that mentions how laws vary by jurisdiction and urging registrants to consult with counsel, indicating whether the domain resolved an active website at the time the notice was issued and information of whether registrants had registered multiple domains. Also, in situations where there are multiple TMCH entries for one string, it would be helpful for the notices to be consolidated and not reiterated with only the mark information differing. All of the comments received suggest that having the Trademark notice in English and in the language of the registrant's registration agreement is sufficient; however, one comment suggests that it would be useful for Claims notices to be translated into the six UN languages, as some trademark holders have witnessed such notices being disregarded by registrants who do not speak English and are unable to understand them.

While most comments indicate that the Notice of Registered Names effectively communicates registration to the trademark holder and is received in a timely manner, input received suggests that it would be useful to include the information of the registrant data and a hyperlink to the domain, as well as a list of the options that are available to the trademark holder or a link to the ICANN website providing such information.

The Claims Notice is intended to provide a clear notice to the prospective domain name registrant of the scope of the Trademark Holder's rights. ICANN appreciates the suggestions received and encourages the community to continue discussions on potential modifications to the Trademark Claims service. Furthermore, ICANN will address operational improvements identified in the comments with the Trademark Clearinghouse service providers.

12. Inclusion of Previously Abused Labels.

Although comments find the idea of this add-on service to be useful for trademark holders in protecting against trademark abuse and infringement, comments point out that this service is not always well understood. It is generally described as underutilized and featuring validation price points that are seen as too high.

Of particular concern to many commenters was the fact that previously abused labels are only eligible for the Claims service and not for Sunrise service. In the previous community discussions that led to the development of the Abused Domain Name label service, an important principle was that the process should protect existing trademark rights and should not create additional ones, i.e., labels could be the subject of notices under the Trademark Claims process but would not be eligible for Sunrise protection in the same way as a label matching a verified trademark record.

Some of the feedback received expressed that the standards for verification of previously abused labels could be modified to be less strict, as well as lower in cost, resulting in an increased number of labels for inclusion. However, others oppose any easing of the TMCH verification requirements and

fear that this service could lead to an unlimited inclusion of names and abuse by trademark holders. The inclusion of up to 50 previously abused labels was developed by community stakeholders and was implemented to strengthen trademark protection available through the Clearinghouse. ICANN welcomes the input received on this topic and will support additional community discussions as to the Claims service and whether changes should be considered.

13. Extensions of Trademark Claims Service.

Most of the comments received maintain that the Trademark Claims service should be extended for an indefinite period, as this service is extremely useful for trademark holders; however, others cite challenges associated with extending this service, such as additional costs and technical burdens on registry operators. Instead, these comments express a preference that the TMCH continue to provide ongoing Claims notifications to rights holders after the required 90-day Claims period, rather than requiring the full Claims service of all registries.

The existing option of extending the Claims service gives registries the opportunity to offer the Claims for a definite or indefinite amount of time and to provide a notice to both the prospective domain name registrant and the trademark holder.

Currently, the Trademark Clearinghouse offers an Ongoing Notifications service at no additional cost that informs the trademark holder whenever someone has activated a domain name in a new gTLD that matches a term that is recorded in the Trademark Clearinghouse. However, this service does not include the notice to the prospective domain name registrant that is required during the 90-day Claims period.

In addition, extending the period of the Clearinghouse notifications beyond 90 days is one area identified by the GAC in recommending an independent review of the Trademark Clearinghouse, and this topic is expected to be explored in that review as well. ICANN appreciates the feedback received and expects it to be taken into consideration in continuing review discussions in the New gTLD Program.

14. Uniform Rapid Suspension.

While a few comments express that the Uniform Rapid Suspension appears to have achieved some of what it is intended to do by providing a quick and low-cost process for addressing infringement, most commenters agree that suspension of the domain name is not the optimal remedy in the majority of cases. Instead, transfer of the domain name is preferred. Additionally, some commenters stated that the "clear and convincing" standard of the URS is too strict and that the costs involved do not justify the remedy.

Other comments identify challenges associated with the URS, such as burdensome implementation and requirements not being met by providers. In addition, the ability for defaulting respondents in URS cases to reply for up to one year after the notice of default, even after a determination is issued, and to then receive a new review of the complaint is described as troublesome and an unnecessary extension of the process.

Numerous comments received suggest several factors that could be addressed to make the URS process more effective. Many of the comments suggest a loser-pays model where the losing party is expected to bear the cost of the URS proceedings, although there may be practical challenges associated with this model, such as difficulty collecting payment from a nonresponsive party. Other

comments strongly recommend incorporating a perpetual block or transfer as a possible remedy after expiration, or extending the length of suspension. In addition, comments suggest that the winning complainant should be given the right of first refusal to purchase the domain name when the suspension period expires, as well as an option to purchase the purchase the domain directly from the registrar within a certain time period following the decision.

Additional feedback recommends that ICANN consider adding a definition for “repeat offenders” to the URS, and that it also may be helpful to provide the Registry Operator, and not just the registrar, with the translated notice in the relevant local language. Furthermore, comments suggest that ICANN should clarify the renewal process and consider additional use of Clearinghouse SMD files in URS proceedings to leverage data already present in the Clearinghouse. Other suggestions include sending the Administrative contact the same notification that is sent to the registrant and registrar, eliminating the current 15-domain minimum and instead applying the same response-fee requirement to all URS complaints, and changing the standard from “clear and convincing” to “preponderance of the evidence.”

The URS was designed as a suspension process to complement the UDRP and to provide trademark owners with a quick and low-cost process to suspend websites infringing on their intellectual property rights as well as to help combat cybersquatting. ICANN takes note of the concerns over the possibility of the domain name being registered once more by another potential infringer once the suspension is released. While ICANN will engage the URS service providers on how to improve the operational issues related to this process, additional areas, such as considering alternative remedies, would require altering the substance of the process. These may be considered in future program reviews discussions, including policy discussions in the GNSO.

15. Post-Delegation Dispute Resolution Procedures.

Since there have no complaint filings under the Post-Delegation Dispute Resolution Procedures, most comments expressed an inability to provide meaningful feedback; however, commenters encourage ICANN to review it when data becomes available. Furthermore, one comment speculates that the procedure is unlikely to be used, as there may be significant issues in the burden of proof, cost of these proceedings, and with the remedies offered.

Post-Delegation Dispute Resolution Procedures have been developed to provide parties potentially harmed by a new gTLD Registry Operator's conduct an avenue to pursue a complaint about that conduct. Although few comments were received regarding the Post-Delegation Dispute Resolution Procedures as there have been no complaint filings, ICANN agrees that this procedure is an important part of the RPM ecosystem and will continue to include it in the ongoing review discussions on the New gTLD Program.

16. Additional Rights Protection Mechanisms.

In addition to the ICANN-mandated RPMs described in the draft paper, the comments received express significant interest in blocking mechanisms such as those offered by Minds & Machines (MPML), Rightside, and the Domains Protected Marks Lists (DPMLs) operated by Donuts. In general, these blocking mechanisms are considered to be useful and cost-effective for protecting trademarks across multiple TLDs.

Comments report that certain trademark holders have recorded their marks in the Clearinghouse for

the sole purpose of using DPML blocking mechanisms offered by individual registry operators, in preference to Sunrise registrations. Further, the feedback recommends that ICANN consider adopting a domain name blocking mechanism as a mandatory RPM across all new gTLD registries as well as an additional RPM that should be examined in the RPM review.

However, comments identified a few concerns related to these blocking mechanisms. According to the feedback received, not every TLD is obligated to provide a blocking option, and there is no single option across all of the TLDs who offer a blocking type of protection. In addition, comments state that a DPML may not cover trademarks designated by the registry as “premium names.” Trademark holders also report difficulties in keeping track of registry transfers and express concern over registries being able to withdraw or modify a purchased block at any time.

ICANN welcomes the feedback received on blocking mechanisms such as those offered by Minds & Machines (MPML), Rightside, and the Domains Protected Marks Lists (DPMLs) operated by Donuts. ICANN agrees that the experiences gained from registry-specific RPMs should be a topic to be examined in reviewing the rights protection mechanisms in the New gTLD Program, and expects that these will be taken into account in the continuing review discussions.

Conclusion.

As noted previously, ICANN appreciates the time spent by community members to provide their input on the [Draft Report: Rights Protection Mechanisms Review](#). As detailed in the analysis of the comments, ICANN will address the suggested operational improvements prior to implementation with the TMCH service providers. In addition, comments were received requesting further clarification on the published data and suggesting a number of additional questions to be included in the report. ICANN will carefully review these suggestions relating to key RPM topics and other relevant areas, and may consider incorporating them into the final RPM report, which is currently underway and is expected to be published following ICANN 53.

Lastly, a number of topics seemed to garner a strong opinion from the community, particularly relating to higher registration prices of “premium” names than regular Sunrise registrations, reservation and release of domain names, duration of the Trademark Claims service, proof of use requirements, and curative remedies, such as the suspension option provided by the URS vs. preventative rights protection measures, such as blocking mechanisms. Based on the significant comments generated, ICANN deems it reasonable to include these topics in upcoming program reviews discussions where additional policy development work may be considered.