

05 July 2016

RySG input to GNSO PDP Working Group on the Review of all Rights Protection Mechanisms (RPMs) in all gTLDs

The Registry Stakeholder Group (RySG) acknowledges the hard work of the PDP Working Group on the Review of all Rights Protection Mechanisms (RPMs) in all gTLDs (hereafter the “Working Group”). We also appreciate this opportunity to provide our feedback on the list of questions specified for Phase One of the Working Group’s activities. Our responses to the questions raised in the Working Group’s 25 May 2016 email follow below.

Question 1: What are your general views, concerns, and questions on the RPMs listed in Phase One?

We are supportive of the general approach adopted by the Working Group in starting its review by looking at the new generic Top Level Domain (gTLD) RPMs. We believe that the Working Group should look both at whether the new gTLD RPMs are effective overall, and at any necessary improvements to the RPMs. This achieved, we believe that the RPMs should proceed through a Consensus Policy process to become effective for all applicable registry operators, and not be limited to new gTLD operators. To the extent possible, we believe that all gTLD registry operators should operate on an equal playing field, including with respect to the implementation of RPMs for all registries.

We believe that the new gTLD RPMs have been generally effective, well-balanced, and sufficient to provide protections to intellectual property (IP) rights holders with the advent of the new gTLD program. That said, there are specific implementation details applicable to each of the major RPMs under study during Phase 1 that we believe should be taken into account by the Working Group that we address in the subsequent section.

Question 2: What issues, concerning the Phase One RPMs are most relevant to your work and what do you feel it is essential that our WG be aware of or focus on as it proceeds in its tasks?

Post-Delegation Dispute Resolution Procedures (PDDRs)

Trademark Clearinghouse (TMCH) and the associated availability through the TMCH

We expect that one topic under consideration by the Working Group will be the inclusion of generic trademarks in the TMCH. We believe that the continued inclusion of generic marks in the TMCH is appropriate and necessary to allow brand owners to protect their intellectual property. However, we believe that RPMs need to strike a balance: given the volume of generic marks in the TMCH and the potential for legitimate registrations by third parties we would strongly oppose efforts by the Working Group to restrict registries from reserving or including on their premium lists any names that are recorded in the TMCH. For example, though “Coach” is a well-known trademark, it is also a common generic term, and potentially a highly-valuable premium name in many TLDs that refer to skills, interests, or professions. Similarly, some public authorities use names that are generic in nature (for example, “police”) and need to be protected via reserved lists in Geo TLDs to protect the public interest.

Sunrise periods and the Trademark Claims notification service

One topic that we recommend be taken up by the Working Group is the question of whether Specification 13 or Code of Conduct-exempt TLDs should be required to operate a trademark claims period. We note that many of the .brand TLDs have yet to launch, and that this particular question may require further study as more use cases for closed TLDs emerge. However, to date no URS or UDRP cases have been filed in Specification 13 or Code of Conduct-exempt TLDs despite .brand TLDs being exempted from the mandatory Sunrise Period.

Considering the limited universe of registrants, we support the continued exemption of .brand TLDs from the requirement to carry out the Sunrise Period. We recommend that the Working Group also consider whether this exemption should equally apply to TLDs that have received an exemption from the Registry Operator Code of Conduct, given that the universe of potential registrants in these TLDs is even more narrowly limited (i.e. to just the Registry Operator and its Affiliates).

SLAs and the Trademark Clearinghouse

Another question that should be considered by the Working Group is whether Service Level Agreements (SLAs) for the TMCH providers should have been established and published. The early implementation of the TMCH saw notable outages that resulted in several-day delays for brand owners to get notifications that domains matching their TMCH-registered marks had been registered.

Multiple TMCH Providers

One critical decision made by ICANN in implementing the new gTLD RPMs was the decision to require that all registries and trademark holders integrate with a single TMCH provider rather than allowing multiple providers to offer TMCH services. This could have potentially created a competitive marketplace for these services and driven down the costs associated with implementation and brand protection for registries and trademark holders, respectively. It also would have better incented providers to provide high-levels of service. To the extent possible, the Working Group should study the impact of using a single provider and consider whether the Sunrise and Claims services could have benefitted from the use of multiple providers.

Uniform Rapid Suspension System (URS)

We believe that URS had generally been fulfilling its intended purpose of providing a more expedient and cost effective mechanism for trademark owners to seek relief in the most clear-cut cases of trademark infringement. We believe that the URS threshold is appropriate and has been well-applied by the current providers. While we would oppose any efforts to change the existing standard for the URS, one avenue that the Working Group could explore is whether suspension remains the appropriate remedy for successful URS cases or whether, considering the high standard for a URS to be successful, additional remedies (such as transfer) should be made available to the complainant. In exploring whether additional remedies should be made available, the Working Group could explore whether the relatively low uptake of the URS is related to the limited remedies available. A simplified or shortened URS procedure could even be considered for entities who frequently (more than 5 times per year cumulatively) lose URS proceedings and are considered to have a bad reputation as described in Section 5.9.1 of URS process.

Question 3: What questions and specific data points would you advise the WG to pursue in this data gathering effort?

Clarify Existing Metrics Reported by the TMCH

In previous comments by the RySG on the RPM Report¹, we called out several of the metrics currently provided by the TMCH that would benefit from additional context or clarification. These include:

- Whether TM+50 labels are included in the reported number of marks in the TMCH;
- How many *unique* domain names have received claims notices.

As a first step, we recommend that the working group review the existing metrics provided by the TMCH against the potential areas for improvement identified by the RySG that could provide a more robust picture of the effectiveness of the new gTLD RPMs being reviewed in Phase 1.

TMCH Performance

As noted, early implementation of the TMCH saw several apparent outages and delays for brand owners to receive notices. Publication of statistics regarding the performance of the TMCH and consideration of whether this could have been improved via published SLAs may provide valuable data to guide the Working Group's recommendations.

Provide Additional Data Regarding the Utilization of the New gTLD RPMs

Additionally, we believe that there are areas in which the RPM Review could benefit from considering additional data related to the utilization of the new gTLD RPMs. Some examples of additional data points that could be taken under consideration within the Working Group, and made available to the public for increased transparency about the effectiveness of new gTLD RPMs, include the following:

- The number of Previously abused labels recorded in the TMCH
- The number of Trademark Claims against Previously Abused Labels;
- The number of domains registered that correspond to Previously Abused Labels;
- Whether there is a relationship between Sunrise pricing and the volume of Sunrise registrations;
- Statistics about the number of start-date Sunrise Periods versus end-date Sunrise Periods;
- Whether there is a significant difference in the volume of registrations received during a start date sunrise versus an end date sunrise;
- Statistics on the number of registration attempts made for a domains matching TMCH-recorded marks and the number of registrations that were ultimately fulfilled;
- The number of rejected trademarks from the TMCH and the reasons for rejection; and
- Available information regarding what led rightsholders to use the URS versus the UDRP (or visa versa).

¹ <https://forum.icann.org/lists/comments-rpm-review-02feb15/pdfXZzI1iOvOF.pdf>

Seek out Data on the Impact of the New gTLD RPMs on Free Speech

While we are not aware of any specific data suggesting that Claims notifications have had a significant impact on legitimate registrations of domain names and free speech, we believe that this question warrants further research by the Working Group.

Consider Cost-Effectiveness of New gTLD RPMs

Another key principle that we believe must be accounted for by the working group and studied using real data is the cost-effectiveness of the new gTLD RPMs. This should include an assessment of the costs incurred by providers Deloitte, IBM and Chip in providing the services compared against the fees charged to ICANN for performing those services. It also should consider the cost to registries and registrars to implement the new gTLD RPMs, and to trademark holders to protect their intellectual property in the new gTLD space. Relevant data points to these ends could include:

- Costs to the Deloitte to carry out trademark verification? The extent to which these costs varies by region?
- The costs to registries and registrars to implement the new gTLD RPMs, including, but not limited to the integration fees
- The volume of Sunrise Registrations during various Sunrise Periods, and whether there was a relationship between the cost of a Sunrise registration and the volume of registrations that the registry received?