Cherine Chalaby
New gTLD Program Committee
Internet Corporation for Assigned Names & Numbers
12025 East Waterfront Drive, Suite 300
Los Angeles, CA 90094-2536

July 18, 2014

Re: Name collisions and the importance of Sunrise for blocked SLDs matching trademarks.

Dear Mr. Chalaby:

The Internet Committee of the International Trademark Association (INTA)[1] writes to express its concerns about ICANN's apparent position regarding the release of those second-level domain names (SLDs) that have been blocked as part of ICANN's attempt to mitigate the security risks posed by name collisions. Specifically, INTA is concerned that ICANN may allow registry operators to release their blocked SLDs, making them generally available for registration, even if such SLDs have not previously gone through a Sunrise period, despite the fact that such blocked SLDs could consist of exact matches to famous trademarks recorded in the Trademark Clearinghouse. In addition to causing significant harm to intellectual property interests, this risks the deception of consumers and an undermining of consumer trust in the new gTLD program generally. Because such an approach is inconsistent with the carefully crafted and negotiated Rights Protection Mechanisms (RPMs) outlined in the new gTLD Applicant Guidebook, the RPM Requirements, and the New gTLD Registry Agreement, INTA urges the NGPC and Board to reconsider this approach.

Background.

As part of its name collision management plan, ICANN has allowed some new gTLD registry operators an alternate path to proceed to delegation upon the condition that they first block

[1] The International Trademark Association (INTA) is a global association of trademark owners and professionals dedicated to supporting trademarks and related intellectual property in order to protect consumers and to promote fair and effective commerce. INTA's members are more than 6,400 organizations from 190 countries. INTA's member organizations represent some 30,000 trademark professionals and include brand owners from major corporations as well as small- and medium-sized enterprises, law firms and nonprofits.

those SLDs that pose a name collision risk to the DNS. As part of this alternative path to delegation, ICANN provided specific name collision block lists to each new gTLD registry operator. For some new gTLDs those ICANN-generated block lists numbered in the hundreds or even thousands; nearly all included at least some SLDs composed entirely of exact matches of famous trademarks. Indeed, the manner in which the block lists were generated, based on the Day In The Life datasets, made this inevitable. Until recently, INTA understood that those exact-match blocked SLDs would eventually go through a Sunrise period whenever they were ultimately released (if ever) as part of their registry operator's Name Collision Occurrence Assessment. Yet at the conclusion of the ICANN 50 public forum session on June 26th, INTA learned for the first time that ICANN is assuming that some of those exact match SLDs may be released to the general public without any sort of Sunrise. As Akram Atallah stated:

> [W]e have clarified before when we put the framework for the alternative mitigation and we reserve the collision names that every registry should actually treat the reserved name – the blocked names as if they are – basically read them as registrable. So you can go through the registration process but you cannot actually allocate them. So if a registry went through that process, then they don't have to do anything more. So if they put them through the sunrise and claims, then they don't have to go through any more process. As all reserved names, if they did not do that, when they release them from the reserved list, they will have to do the claims as all reserved names have to go. So that's the recommendation that was put back then, and this is still the recommendation now.

This statement seems to be based on two troubling assumptions: 1) that registry operators using the alternative path to delegation automatically include (or have already included) their blocked SLDs in their initial Sunrise, and thus do not need to offer another Sunrise upon their release from the block list; and 2) that even "if they did not do that," the availability of Trademark Claims service for those names would compensate for the absence of a Sunrise whenever the blocked SLDs are released. Based on a review of verifiable facts that support the following reasons, INTA urges ICANN not to accept, either of those flawed assumptions. INTA takes the position that all name collision SLDs matching trademarks recorded in the Trademark Clearinghouse should be subject to a Sunrise period – either during the TLD's primary Sunrise, or, if not included in the primary Sunrise, during a secondary name collision SLD Sunrise which, for that set of names, would be a primary Sunrise.

Analysis.

The New gTLD Rights Protection Mechanism Requirements require *all* SLDs, except Qualified Launch Program names and self-allocated promotional Specification 5 names, to go through Sunrise.[2] Although name collision names were not contemplated when the RPMs were drafted, to exempt that set of names from Sunrise would clearly violate the spirit of the RPMs. This basic proposition is confirmed by ICANN's FAQ on Name Collision, which makes clear that such names should be included in a Sunrise period:

> Names in the SLD block list for a TLD must be included in the Sunrise and Claims, subject to the registry's usual policies, but cannot be activated until the mitigation measures have been implemented.[3]

ICANN's position inaccurately assumes that registry operators have been including their blocked SLDs in their initial Sunrises, as names available for *allocation* but not *activation* (until the name collision risk has been mitigated). But not all registry operators have been doing so.[4] Some new gTLD registries have concluded their Sunrise periods without allowing Sunrise registrations of SLDs that exactly match trademarks registered in the TMCH because those SLD strings are included in their name collision block lists.

ICANN staff's current position appears to be that these registries never need to put these previously-blocked SLDs through a Sunrise. This is simply not consistent with the spirit of the RPM Requirements, and is based on an inaccurate understanding of actual registry operator practice with respect to name collision names. It is unclear what ICANN's position is regarding registries that have not yet conducted their Sunrise, or are mid-Sunrise at the time the name collisions lists are unblocked but, for the avoidance of doubt, the names should clearly go through the primary Sunrise if it is still running, or yet to run.

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2 See Rights Protection Mechanism Requirements Section 2.2.4, http://newgtlds.icann.org/en/about/trademark-clearinghouse/rpm-requirements-30sep13-en.pdf ("Except pursuant to a Launch Program (as identified in Section 4.5.2) or Registry Operator's self-allocation or registration to itself of domain names pursuant to Section 3.2 of Specification 5 of the [Registry] Agreement, Registry Operator MUST NOT allow a domain name to be Allocated or registered in the TLD to a registrant that is not a Sunrise-Eligible Rights Holder with a valid SMD file prior to the Allocation or registration of all Sunrise Registrations.").

3 ICANN, FAQ on Name Collision, https://www.icann.org/resources/pages/faqs-2013-12-06-en (last visited July 14, 2014).

4 For example, the registry operators for .CLUB, .BERLIN, .GLOBAL, .HORSE, .COUNTRY, and .LUXURY have refused to allocate exact-match trademark SLDs to qualifying trademark owners because the terms are included on their list of SLDs to block due to name collision risk.

The availability of Trademark Claims service once blocked SLDs are released – or of curative RPMs like the UDRP or URS for that matter – does not compensate for the absence of a Sunrise for those blocked SLDs. RPMs such as Sunrise, claims, URS, and UDRP are complementary: they are not substitutes for one another, and the goals and benefits of preventative measures, such as Sunrise, are not the same as the goals and benefits of curative measures. As noted in the Open Letter from the Implementation Recommendation Team that accompanied the IRT's Final Draft Report, each proposed RPM:

> is part of a tapestry of solutions which are interrelated and interdependent. The proposals have been designed comprehensively to balance in relation to one another and the removal of any proposal will likely require further strengthening of the others.

ICANN's planned release of blocked SLDs that exactly match trademarks but that will never be subject to a Sunrise would severely disrupt this RPM ecosystem. If bad actors are able to grab even a fraction of those exact-match SLDs and then misuse them to offer unsafe counterfeit goods (or to distribute malware, or to fraudulently solicit personally identifiable information, etc.), the harm will be immediate and in many cases permanent – not just for the owners of the intellectual property being misused, but for consumers and for consumer trust in new gTLDs generally. Such harm cannot be addressed solely by *post hoc* remedies like the URS and UDRP. Such remedies clearly have a valuable place in the RPM tapestry, but they are not adequate by themselves, when divorced from their preemptive counterparts like Sunrise, to counterbalance the scope of harm the RPMs were intended to address and avoid.

In short, by failing to apply the preemptive RPMs, namely Sunrise, to name collision SLDs, ICANN would permit a major circumvention of the carefully crafted and negotiated rights protection measures, to the detriment of the new gTLD program as a whole, the ICANN community, and the broader consuming public.

Recommendations.

For the foregoing reasons, INTA recommends that ICANN require that all trademarked names that registry operators are forced to block under their alternative path to delegation plans be available for allocation during the original Sunrise period or be subject, upon release, to a secondary Sunrise period. The sole exception would be for dotBrand registries qualifying for Spec 13, which are not obliged to run a Sunrise period unless they later decide to open the registry to third-party registrations.

INTA also recommends that ICANN immediately issues clarification, which is both published on the website and sent direct to relevant registry operators, notifying them that all names on their name collision block lists should be made available for allocation during the initial Sunrise to qualifying trademark holders, notwithstanding that those names cannot be activated at present. This will prevent the situation being further exacerbated and limit the number of registries who are obliged to offer a secondary Sunrise.

INTA understands that the Registry Stakeholder Group, Business and Intellectual Property Constituencies have between them developed an alternative proposal to the one being proposed by ICANN staff as referred to above, which all would be willing to accept as a compromise and consider to be a preferable solution. For the avoidance of doubt, INTA does not object to this alternative proposal, in these very specific and limited circumstances.

INTA trusts that ICANN will take the necessary steps as a matter of urgency to ensure that trademark owners are afforded the protections that they were promised, and to which the ICANN community agreed.

Sincerely,

Bruce J. MacPherson

Director, External Relations

International Trademark Association (INTA)