

**INTA Internet Committee Reply Comments
on the New gTLD Board Committee Consideration of GAC Safeguard Advice
June 4, 2013**

The Internet Committee of the International Trademark Association (INTA) is pleased to provide reply comments concerning “how the Board New gTLD Committee should address section IV.1.b and Annex I of the GAC Beijing Communiqué,”¹ regarding safeguards applicable to broad categories of new gTLD strings.

Importance of the GAC Advice

We first want to express our appreciation for the high level of participation that national governments and distinct economies, as represented in the GAC, have continued to demonstrate with respect to the new gTLD program. We share the governments’ interest in making the Internet safe and secure for its users, and encouraging its participants to be respectful of intellectual property rights and consumer interests within the global marketplace. Accordingly, we welcome a proactive approach to developing safeguards that will improve the prevention of abuses in domain spaces that are likely to be highly prone to consumer fraud and brand disparagement. Indeed, we believe that such measures are essential for the viability of the new gTLD program.

We appreciate the GAC’s recognition that certain strings target sectors that face persistent intellectual property abuse and fraud – which impedes innovation, hinders competition, and reduces consumer confidence in the Internet. We recognize that the GAC provided extensive public policy advice on new gTLDs, with its primary initial written advice, the *GAC Principles Regarding New gTLDs* (*GAC Principles*), having been delivered to the Board for consideration in advance of the Board’s decision to adopt and implement the GNSO policy recommendations on new gTLDs.² However, we believe the *GAC Principles* were not sufficiently considered by ICANN prior to its adoption of the GNSO policy recommendations on new gTLDs. Since that time, the GAC has regularly engaged with the Board to address its original public policy concerns, as identified in its *GAC Principles*, for ensuring a safe and orderly introduction of new gTLDs.

The GAC’s contributions include over twenty (20) separate formal communications to the Board, including the “Brussels Scorecard” discussions and its Toronto Communiqué. Almost all of its advice was contributed before ICANN revealed the status and nature of the new gTLD applicant pool. We also note that INTA’s previous comments on rights holder protection (and those

¹ See <https://www.icann.org/en/news/public-comment/gac-safeguard-advice-23apr13-en.htm>.

² See *GAC Principles Regarding New gTLDs*, available at:

https://gacweb.icann.org/download/attachments/27132037/gTLD_principles_0.pdf?version=1&modificationDate=1323820021000&api=v2

expressed by the GNSO's Intellectual Property Constituency (IPC)) were not addressed prior to ICANN's decision to launch the new gTLD program. As we see it, the need for the GAC to propose the safeguards it has is symptomatic of ICANN's inadequate consideration of the GAC's previous advice, and the recommendations of several of its GNSO constituencies.

The six specified safeguards the GAC identified generally reflect the types of safeguards the public has recommended to mitigate abusive, infringing or fraudulent activity in the operation of the new gTLDs. As such, we generally support the GAC's ideas, and believe they will promote the stability and vitality of registries and registrars, while advancing ICANN's mission as a public interest coordinator of the DNS. We also applaud the GAC for continuing to express its concerns through the ICANN process. Only if all stakeholders work through that process—and that process is made to work for all stakeholders—can ICANN's governance model promote the public interest.

As ICANN's question about the process for considering the proposed GAC safeguards implies, better coordination between ICANN and the GAC is welcomed by all stakeholders, and we appreciate that this issue has been considered within the framework of the Accountability and Transparency Reviews under the Affirmation of Commitments agreement. The better the coordination between ICANN and the GAC becomes, the better the GAC can achieve broad support for its advice and recommendations, and the less often may there be a need to design special processes for their consideration and/or handle some recommendations post-launch.

Considerations in Designing a Process to Address the Proposed GAC Safeguards

The operative question we understand to be posed by ICANN's request for public comments is how best to consider, expand upon, and where appropriate implement the GAC safeguards, given the current status of the new gTLD program. As much of a challenge as the timing presents, we believe it is the Board's essential responsibility is to provide fair and due consideration of the GAC's Advice as required under the ICANN Bylaws.

With that said, ICANN is close to finalizing the Registry Agreement (RA) and Registrar Accreditation Agreement (RAA) and proceeding to contracting and delegation of at least some new gTLD registries. The GAC advice implicates various registry applications differently. Work is already underway on addressing some of the issues raised in the safeguards. For these reasons, we recommend the following process be undertaken:

- First ICANN should identify those elements in the safeguards that would significantly diminish on-going effectiveness if the registry were to launch without the safeguard in place, and undertake to finalize those policies and implement them before launch (or before finalization of the RA or RAA, as applicable). To the extent possible, where such a

safeguard impacts an identifiable portion of registry applications, ICANN should endeavor to delay only the specific applications implicated by particular safeguards.

- Second, ICANN should create placeholders in the RA, as appropriate, explicitly to incorporate the remaining safeguards, so that when they are developed, their implementation will not require execution of replacement registry agreements.
- Third, ICANN should allow each applicant to revise, where needed, their application(s) to self-identify (through Public Interest Commitment Specifications (PICs) or otherwise) proper implementation of the safeguards that will later become binding through contract. Since some applicants have already anticipated the need for safeguards and built those safeguards into their applications, not all applicants would need to revise their pending applications. For applications remaining to be evaluated, evaluators should consider the extent to which applicants have proposed implementation of the safeguards, and conceivably prompt them to consider amendments to implement the safeguards.

This proposed process is designed to hold to a minimum any disruption to the preparations for contracting and delegation of new gTLDs, particularly those less likely to implicate the issues raised by the GAC. Nonetheless, it would be preferable to have these safeguards apply to all Registries, including those where the benefit appears to be negligible, rather than not to have them apply to any Registries.

A. Identifying Safeguard elements that must be in place at launch

Among the various elements of the GAC Safeguards that apply to all new gTLDs, two Safeguards in particular should, and can be addressed prior to launch:

Safeguard 2: Mitigating Abusive Activity and Safeguard 6: Consequences –These Safeguards are the only Safeguards that, on their face, appear to require application of particular terms to registrants (presumably through section 3.7.7 of the Registrar Accreditation Agreement)—specifically prohibiting the use of the domain for various malicious behaviors and providing that such violations (or the provision of false Whois information) can result in suspension of the domain. ICANN is on the verge of approving the 2013 RAA for execution by registrars, probably as a prerequisite to offering registrations in new gTLDs. Moreover, the contractual terms would likely be relatively simple, and the Safeguards do not appear to require up-front implementation measures by registries or registrars. Therefore, ICANN should endeavor to include the required terms in the 2013 RAA, before it is finalized.

B. Comments on Process for Consideration of Additional Safeguards

In our view, the additional Safeguards can be developed in parallel with preparations for the launch of the first new gTLDs, so long as (a) their development proceeds in parallel, and (b) appropriate specifications are placed in the RA, in order that their implementation does not depend on amending or signing new RAs. More specifically:

Safeguard 1: Whois Verification and Checks, Safeguard 3: Security Checks, and Safeguard 4: Documentation – These Safeguards propose that Registries be responsible twice a year for statistically significant numbers of checks to identify inaccurate Whois data, for periodically conducting technical checks for malicious use of domains in the registry, and for maintaining statistical reports related to these checks. Because these entail ongoing sampling obligations (as opposed to checks that are considered a prerequisite to individual registrations), and because the registry Whois verification is in addition to the registrar’s obligation to carry out the proposed Whois Accuracy Program Specification incorporated into the 2013 RAA, launch of new gTLDs need not be delayed by Safeguard 1, 3 and 4, so long as their prompt development continues.

Category 1: Consumer Protection, Sensitive Strings, and Regulated Markets – Among the Safeguards intended to apply to particular categories of new gTLDs, the Category 1 restriction increases the consequences for violations of law by registrants using domains with strings that suggest regulated markets. We encourage further discussions between ICANN and the GAC concerning this recommendation in order to refine this Safeguard. If the primary purpose of this Safeguard is to render illegal conduct a basis for terminating the domain registration, such a requirement seems to already exist in the 2013 RAA and should not add additional burden to registries to ensure compliance. If more is intended, appropriate discussion could explore how registries are to discern violations of law in regulated industries as diverse as debt collection and organic farming or establish working relationships with all relevant regulatory bodies worldwide. At a minimum, we support the requirement that registrants maintain a single point of contact for notification of complaints and post contact details of their relevant regulators.

Category 2 – Although the Category 2 advice strikes at the core of the business model proposed in the applications at issue, the substance of the GAC’s advice is that(1) in the case of Restricted Access, although registrations may be restricted as appropriate to types of risk associated with the TLD, it should not give any undue preference to particular registrars or registrants, and (2) in the case of Exclusive Access, exclusive registry access should only be allowed where such exclusivity serves a public interest goal. Regardless of what one may think of this advice, in both cases, it proposes potentially to require that *more* applicants be eligible to register names. While it would be difficult to close an open registry after launch, the reverse poses fewer issues. Therefore any policy development process

concerning Restricted Access registries and Exclusive Access registries (i.e. ‘closed generics’) can occur simultaneous to or after preparations for launch.

In this regard, we note a continuing need to define carefully what registries are considered “closed generic” registries and that the list of ‘closed generic’ “Exclusive Access” registries appears to be consistent with the comment of the Intellectual Property Constituency to the effect that they do not include “‘closed’ gTLDs that identically match the applicant’s trademark for the same or related goods or services to be provided in connection with the proposed TLD - regardless of whether or not those TLDs are also ordinary dictionary terms”³ (in other words, “.brand” applications, including where the string is a dictionary term used as an arbitrary mark).

Interrelation of the Safeguards with the Single-Registrant-Single-User Exception or Applicability to a .Brand Registry Agreement Variation

The GAC Safeguards, as proposed, apply to all new gTLDs and are subject to contractual oversight. In many ways, this would be the simplest way to proceed, because all gTLD Registry operators would be subject to the same standards and obligations, without the need for any assessment of their particular Registry offerings. We note in passing, however, that just as the Single-Registrant-Single-User (SRSU) exception to the Registry Operator Code of Conduct exempts SRSU registries from certain requirements (where there is no corresponding benefit to imposing them because the manner of operation of the Registry poses no real risk) some of the Safeguard provisions might be exemptible for SRSU registries or in a variant form Registry Agreement that has been proposed for certain “.brand” registries to address, for example in issues related to the redelegation of strings consisting of an organization’s established intellectual property. To the extent justified, such limited exemptions would likely also reduce attendant workload and costs within ICANN’s contractual compliance team, and avoid diverting resources from dealing with compliance of those registries where there is a genuine benefit.

By way of example, “.Brand” registries, where domains will only be issued internally within the Registry operator’s corporate family, are unlikely to require an agreement between the Registry and itself to mitigate abusive activity, technical checks to ensure that the registry itself is not distributing malware, or statistical reports of the same.

In parallel with the continued processing of applications including recommending strings for delegation, it would be beneficial for ICANN and the GAC to identify where these safeguards are truly applicable and beneficial, and where they are not, in order to avoid imposing additional

³ See <http://forum.icann.org/lists/comments-closed-generic-05feb13/msg00253.html>.

workload and cost on some types of Registry where there is no genuine corresponding benefit to be achieved, and to avoid imposing obligations on some specific categories of Registry which may be difficult or impossible to comply with in practice.

Strings for Further GAC Consideration

In closing, it should also be noted that there are other specifics in the GAC Communiqué that ICANN has not put forth for comment, such as the GAC list of strings that “should not proceed beyond Initial Evaluation.” *See* GAC Communiqué, section IV.1.c. The process for development of the Applicant Guidebook has involved extensive development and review of geographic names to be included on reserve lists, which do not include the names objected to here, and that a Community Objection processes was designed to address a government’s potential concern with a specific new gTLD application. We are concerned in particular about the designation of certain strings in the Communiqué where the strings already exist as protected trademarks in the relevant countries, which strongly suggests that their source-indicating function can co-exist with their geographic meaning. The principle articulated in the IPC comment concerning so-called “closed generics,” that ICANN should allow strings that “identically match the applicant’s trademark for the same or related goods or services to be provided in connection with the proposed TLD - regardless of whether or not those TLDs are also ordinary dictionary terms” should apply equally to trademarks that are also geographic names (provided they do not appear on a reserved list).

Thank for you considering our views on these important issues. Should you have any questions regarding our submission, please contact INTA External Relations Manager, Claudio DiGangi at: cdigangi@gmail.com

About the INTA Internet Committee

The International Trademark Association (INTA) is a more than 134-year-old global association of trademark owners and professionals, with members in over 190 countries, dedicated to supporting trademarks and related intellectual property in order to protect consumers and to promote fair and effective commerce. During the last decade and a half, INTA has served as a leading voice for trademark owners in the development of cyberspace.

INTA’s Internet Committee is a group of nearly two hundred trademark owners and professionals from around the world charged with evaluating treaties, laws, regulations and procedures relating to domain name assignment, use of trademarks on the Internet, and unfair competition on the Internet, and to develop and advocate policies to protect consumers and advance the balanced protection of trademarks on the Internet.