



By email: for publication

Mr Rod Beckstrom, CEO & President  
Mr Steve Crocker, Chairman of the Board of Directors,  
Internet Corporation for Assigned Names & Numbers  
4676 Admiralty Way, Suite 330  
Marina Del Rey,  
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20 March 2012

Dear Mr Crocker and Mr Pritz,

**Recognising Co-Existence Agreements in the new gTLD Process:  
One Way of Reducing Defensive Registration at the Top Level**

In the panel session addressing Defensive Registration in the new gTLD programme held last week in Costa Rica, I proposed on behalf of MARQUES an idea that had been debated by members of the MARQUES Cyberspace Team, namely that Co-existence Agreements should be taken into account by the String Similarity examiners.

There was little or no opposition to this idea in Costa Rica and, as far as we can tell, it does not advantage or disadvantage any constituency or community of interest, encourage gaming or place additional costs on any party including ICANN. It is simple to implement.

This is how it could work:

- Two or more owners of registered trademarks find themselves in a Contention Set – for example UBS and UPS, NHL and DHL, Visa and Viva, IBM and BMI, ABC and CBC. In the real world, these organizations co-exist.
- Currently they are invited to discuss resolving contention between themselves, meaning that only one of them can proceed. If they cannot reach a resolution they go into an auction with the highest bidder winning. The loser faces “Permanent String Preclusion” – meaning they are locked out of the highest level of the domain name system forever. This is an unacceptable situation that we believe will inevitably lead to litigation. The fear of this is driving Defensive Registration at the top level in the first round.
- We propose that during discussions to resolve contention between two owners of registered trademarks, if each party agrees to enter into a co-existence agreement, they should both be allowed to proceed to delegation. The co-existence agreement could already be in place or ICANN could produce a template co-existence agreement.

As ICANN Board Member Bruce Tonkin has said, no-one confuses Audi, a German car manufacturer with Aldi, a German supermarket chain in the real world. Allowing them to co-exist in the domain name system as .com co-exists with both .co and .cm will reduce the need for defensive registrations at the top level. It means that brand owners do not have to rush to apply in the first round because they will not be locked out of the second and they do not have to spend money in an auction trying to outbid a third party with which, in the natural course of business, they do not compete.

We hope that you will give this idea further consideration. It is simple to implement and we hope it will be supported by Governments and members of the IP profession. We raised it briefly during the IRT's discussions three years ago but the idea fell by the wayside as bigger proposals were considered.

Please feel free to contact us if you wish to discuss this further.

Yours sincerely,

**Nick Wood**

Vice-Chair, MARQUES Cyberspace Team  
Council Member, MARQUES

**Caroline Perriard**

Chair, MARQUES CyberSpace Team

Notes:

MARQUES is the European Association of Trade Mark Owners. MARQUES represents trade mark owners across Europe who together own more than three million domain names (a conservative estimate). These domain names are relied upon by consumers across Europe as signposts of genuine goods and services. MARQUES brings together professional practitioners in trade marks and branding in the Member States of the European Community.

For more information, see [www.marques.org](http://www.marques.org).

The MARQUES Secretariat is based at Unit Q, Troon Way Business Centre, Humberstone Lane, Thurmastone, Leicester LE4 9HA, United Kingdom.