

Report of Public Comments

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Prepared By:	ICANN staff		
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Section I: General Overview and Next Steps			
<p>Comments were received on the Proof of Use and Matching Rules memorandum. These raised some questions and suggestions which are described in the analysis. Comments were also received on other topics relating to the Trademark Clearinghouse; these comments are addressed briefly.</p>			
Section II: Contributors			
<p><i>At the time this report was prepared, a total of 12 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>			
<u>Organizations and Groups:</u>			
Name	Submitted by	Initials	
At-Large Advisory Committee	ICANN At-Large Staff	ALAC	
Business Constituency	Steve DelBianco	BC	
Smart Internet Foundation	Irina Danelia	SIF	
Enterprise Operating Systems Inc.		EOS	
Valideus	Brian Beckham	VAL	
Intellectual Property Constituency	Claudio DiGangi	IPC	
Sedari	Liz Williams	SED	
Minds + Machines	Elaine Pruis	MM	
European Communities Trade Mark Association	Ewa Grabiak	ECTA	
IPRota	Naiara Elizagarate	IPR	
DotGreen Community Inc.	Tim Switzer	DGR	
FAITID	Maxim Alzoba	FAI	
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).

Proof of Use Memo

Comments on this memorandum covered the following topics:

I. General Comments on the Proof of Use Requirement

As a threshold matter, we note that the ICANN requirement for trademark owners to provide evidence of use in order to participate in Sunrise registration processes exceeds the registration examination practices of the vast majority of jurisdictions worldwide; as such, inclusion (or not) in the Clearinghouse has no bearing on trademark office determinations, or trademark owners' underlying rights. (VAL)

ECTA is further concerned that the proof of use requirement does not correspond with trade mark law in various countries or regions. For example, once registered, the owner of a Community Trade Mark has 5 years in which to use the mark before any third party can challenge the registration on the grounds of non-use. (ECTA)

In the background section, ICANN specifies that where a trademark is nationally or regionally registered, verification of proof of use by the TMCH is required for sunrise domain registration eligibility. In contrast, proof of use is not required for court-validated and statute/treaty protected marks. Nevertheless, there is no apparent reason why a court-validated mark should be exempt from the proof of use requirement. A mark could have been validated by a court decades previously, and no proof of use will be required. Consequently it may be possible that this mark could now be abandoned or out of the market and yet, still be eligible for inclusion without the obligation to demonstrate proof of use. Has ICANN thoroughly considered such cases? (IPR)

II. Declaration

The proposed wording of the Declaration of Use goes beyond what is necessary to achieve the objectives. (ECTA)

The Declaration of Use contains language as to completeness. However, the proposal is that there should only be a single sample of use. Accordingly, it cannot be correct to describe such as "complete." (ECTA)

Future notification requirement is an unnecessary administrative burden on rights holders in having to maintain procedures to notification of changes of use to the TMCH. Having to notify of abandonment of a mark, when there is an annual verification exercise, is also an unnecessary administrative burden on rights holders. (ECTA)

III. List of Samples

It should be made clear that the proposed "list of accepted samples" is non-exclusive/merely illustrative. (We believe this is implicit in the proposal, and would only require confirmation of the already present underlying intention.) (VAL)

The examples for samples of use are appropriately broader than would be required for, say, the USPTO and finds the list of acceptable samples helpful. However, is this list illustrative or exclusive? (IPC)

Unintended consequence of relaxed proof of use standard is that "use" is unlikely to have any impact on preventing potentially fraudulent Sunrise domain name registrations. (IPC)

IV. Renewals

We believe that, as with the declaration of use, a renewal declaration should only be required every 5 years. (A majority of trademark offices operate on a 10-year renewal basis.) (VAL)

ICANN should only permit the Clearinghouse to seek any renewal fees once the first new gTLD registry goes live, i.e., the fee should be waived prior to delegation and "go live". (This will benefit the Clearinghouse provider by avoiding a flood of last-minute trademark data deposits.) (VAL)

Annual renewal is burdensome for verification; declaration of use at 5 years is appropriate. Both should occur on the same 5-year cycle (half the typical 10-year cycle most jurisdictions use) (IPC)

All TMCH records require an annual renewal, but the re-verification of proof of use and submission of a new sample will be required once every 5 years. What is the rationale for the disparity in renewal periods? (IPR)

V. Disputes

We believe that if an opposition/challenge proceeding in a national or regional office would result (by the respective national/regional office) in revocation/invalidation of a previously Clearinghouse-validated mark, that mark should be removed from the Clearinghouse, and no longer be able to form the basis for Sunrise registrations or IP Claims. (This would merely extend the underlying principle of the existing, narrowly-tailored Sunrise Dispute Resolution Policy (SDRP) presently contemplated in AGB § 6.2.4.) (VAL)

ICANN should commence discussions on a lightweight procedure for appealing any refusal to record a mark in the Clearinghouse, and also for any rejection of declarations/evidence of use. (VAL)

ICANN should consider whether a refusal to register a mark into the Clearinghouse, a rejection of a declaration/evidence of use, and any appeals should be made public. (VAL)

The IPC agrees that the TMCH should serve as a neutral repository for trademark rights, and should

not be make legal determinations that relate to substantive rights. (IPC)

The IPC asserts that the proper focus should be on developing adequate safeguards, at the registry level, to ensure sufficient processes for aggrieved parties to challenge potentially fraudulent Sunrise domain name registrations.

To accomplish this objective, ICANN must update Section 6.2.4 of the Applicant Guidebook, which describes the Sunrise Dispute Resolution Procedure (SDRP) that is mandatory for all registries, but which is currently limited in terms of the scope of challenges that may be brought. As a result, Section 6.2.4 should be expanded to include provisions that enable third-parties to challenge the validity of “Proof of Use” submissions. (IPC)

So far as the proposed challenge procedures are concerned, ECTA believes that challengers ought to have the ability to obtain copies of the Declarations of Proof and samples. (ECTA)

Matching Rules Memo

Comments on the matching rules memorandum covered the following topics:

I. Identical match definition

We believe that ICANN and the Clearinghouse are capable of providing “matching data” for labels that go beyond an exact match of a Clearinghouse-deposited mark. This could include plurals, “marks contained” or mark+keyword, and common typos. (This principle has been applied, e.g., to more recent TLD launches such as .ASIA.) Appropriate limitations could include labels corresponding to recovered, defensively-held domain names. This would facilitate both IP Claims and any “blocking” mechanisms (whether the latter is encouraged by ICANN or provided directly by registries adopting best-practices). (VAL)

ICANN’s should consider initiating discussion on allowing for matching rules to account for characters beyond the two examples listed in the AGB and Explanatory Materials (“@” and “&”). (VAL)

There is no stated reason why the @ and & characters should receive special consideration over other characters such as #, ", §, >, + and others that often appear in marks and can be translated into words. It is arbitrary and inequitable to limit character translation to only @ and &. (IPC)

II. Languages and translation

Upon review of the possible methods for translating “@” and “&” as described in the “Explanatory Memorandum: Implementing the Matching Rules”, the Business Constituency requests that the languages for translations of “@” and “&” be chosen on a per-record basis by the trademark owner. (BC)

III. Costs

Furthermore, requiring that translations of “@” and “&” match the official language of the trademark registry would likely result in additional costs to brand owners for additional submissions of the same

mark to the Trademark Clearinghouse. (BC)

It would be inappropriate for the Clearinghouse to charge mark owners an increasing fee based on the number of special character-created exact matches requested, at least not without public evidence outlining the rationale for such fees. (This should be an aspect of the Clearinghouse's operations that should be readily scalable and technically efficient, i.e., we believe that any burden to the Clearinghouse to address this should be de minimis.) (VAL)

We are also concerned about the concept that the Clearinghouse would charge for each match rather than for each mark listed. Obviously, paying per match would increase the financial burden to trademark owners likely beyond a reasonable fee for each mark and is against the ongoing understanding of how costs would be borne by rights holders. (IPC)

At the very least, a cost study should be submitted by the Clearinghouse provider demonstrating the significant cost burden to them if they implemented the above matching rules before such a fundamental change in the cost structure is implemented.

Indeed, it does not seem that the automated systems that would already be in place to conduct this matching would be dramatically taxed with these matching rules. (IPC)

The fee for the additional entry should not cost as much as the first, as they are "matches" and not unique marks. The additional entry fee should reflect the work required to enter the matches into the TMCH, which would simply be data entry. (MM)

Other Topics

I. RFP provider bids

The ALAC wishes to request further information on the following:

- Intellectual property rights affect or impact ICANN's decision and selection of TMCH providers. Legally, except trade secrets, intellectual property rights, including Patents, Copyright, Trademarks, should be publicly disclosed in due course either for subsistence or exercise. Will intellectual property rights that affect or impact ICANN's decision or selection, be disclosed to the community in due course, or will they be allowed to remain secret?
- Will ICANN (and its community) be appropriately licensed on royalty-free or RAND (reasonable and non-discriminatory) basis by the relevant intellectual property owners?
- Is ICANN developing necessary intellectual property policy for decision-making or contract negotiation? (ALAC)

II. Regional participation

At the TMCH repository presentation in Toronto, we have noticed that the demonstrated web interface supports input solely for ASCII-based script. We want to draw your attention to the importance of ensuring a possibility for ALL trademarks including those registered in non-ASCII scripts to benefit from TMCH. (SIF)

We also believe that the ICANN should launch a global promotional campaign to increase awareness of the TMCH instrument and to educate the TM holders about concrete procedures of its usage. We would expect the ICANN to announce a plan of such an awareness raising campaign and to publish a TMCH user manual (including descriptions of the user interface, TM submission procedure, etc). We also suggest ICANN should consider a possibility to team up with with new gTLD registry operators to run joint campaigns on the regional level. This approach can boost efficacy of communication and benefit potential TMCH customers.

III. Trademark Eligibility

The definition of “word marks” should be clarified to include the textual elements of marks consisting of stylized text or design/logo plus text. (This would recognize registration principles of national trademark offices, and was employed for the ICM Sunrise.) (VAL)

What ICANN intends to capture/address by “other marks that constitute intellectual property” should be clarified. (This was added in the April 2011 discussion draft AGB, without explanation.) (VAL)

IV. General

ICANN is not in a position to regulate the complexities of Trademark law, particularly at the international level. Any policy or procedure that ICANN undertakes will be overly burdensome and remain subject to legal disagreement. As soon as you offer that domains represent the same as a trademark you have opened pandora's box. If you must implement any trademark strategy create a gTLD such as example.tm.us where the tm represents a trademark and the specific country is included. Make the national registration services responsible for those country codes responsible for determining trademark who holds or doesn't hold a trademark. Please let the rest of us live in calm without such useless legal shenanigans that only benefit lawyers and corporations with deep pockets. (EOS)

V. Bulk upload

We would support ICANN’s encouragement for the Clearinghouse to provide a bulk upload function. (This is more efficient for both the Clearinghouse provider and trademark owners.) (VAL)

VI. Sunrise and Claims implementation

We would also support the opening of a public comment period on ICANN’s 13 April 2012 Draft Implementation Model (which, along with the AGB, is the principle document underlying the present Explanatory Memorandum). (VAL)

Requests that models and requirements be posted for public comment for a period of at least 30 days. Working sessions and status updates, while helpful, are not a substitute for the “robust mechanisms for public input, accountability, and transparency,” provided for in the Affirmation of Commitments. (IPC)

We also understand there is ongoing discussion on a proposed alternative Clearinghouse/Sunrise/IP Claims model. We look forward to ICANN’s clarification on the relationship of this proposal to the current Draft Implementation Model and the present Explanatory Memorandum. (VAL)

We urge ICANN operational staff to review the alternative model as soon as possible. (SED)

The ICANN model makes the TMCH process unnecessarily complex. Instead, we fully support the model proposed by the community for the following reasons:

- The community developed alternate model meets the IRTP requirements
- The community developed alternate model is sustainable for long-term implementation (extended claims service)
- There is consensus approval of the model from the Registries and Registrars (those that must deliver the TMCH to the market)
- The community developed alternate model makes supporting a block list more feasible
- It will be less expensive than the ICANN model for all users.

In order to retain the multi-stakeholder development of the new gTLD program, the final model must consider the Registrar and Registry technical community. If the TMCH provider cannot support a live query element, a new provider should be selected. (MM)

As a new gTLD applicant for .GREEN, we support this alternative model and ask that ICANN continue to interface collaboratively with the Registries / Registrars and the rest of the ICANN community on using this implementation model as they work with their external TMCH providers. (DGR)

VII. Intellectual Property Policy for ICANN

The ALAC further advises that ICANN needs to implement a thoughtful and comprehensive intellectual property policy in which the global public interest is properly secured. In this regard, the Internet Engineering Task Force (IETF) intellectual property policy sets a good example. (ALAC)

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.

Proof of Use Memo

I. General Comments on the Proof of Use Requirement

A set of comments noted that many jurisdictions do not have a requirement to prove use for a trademark registration in the jurisdiction. As was discussed during the development of the requirements for Sunrise and Trademark Claims services, the Clearinghouse is not seeking to replicate any particular jurisdictional requirements. Rather, the intention is to have a process and standard that will accommodate trademark holders from all global regions in regard to the sunrise process. See previous discussion of this requirement at <http://archive.icann.org/en/topics/new-gtlds/trademark-protections-evidence-use-07jun11-en.pdf>.

One comment inquired as to why the proof of use requirement is applicable to the category of registered trademarks, and not to marks protected by statute or treaty, or court-validated trademarks. In the case of a court-validated trademark, the trademark will typically already have been shown to have been used -- generally, a court is determining that a party has a right in a trademark via some manner other than registration, such as use. In the case of a trademark protected by statute or treaty, this is a special category of protection that exists regardless of use.

In all cases, the party entering the record into the Clearinghouse has a continuing obligation to update the record, including notice of the proof of use information changes or becomes inaccurate.

II. Declaration

These comments suggested changes to the declaration that is included in the proof use verification process. The first concerned usage of the word "complete," and suggested that a rights holder could not attest to a sample as complete, since it would only be a single sample of use. The word "complete" in this instance refers to the sample being submitted, that is, parts of the sample have not been redacted or excluded. ICANN will look at whether this language can be clarified with that intent.

The other suggested change concerns the elimination of the future notification requirement as being too burdensome. It may be the case that national jurisdictions do not have such a requirement; however, the data in the Clearinghouse is being relied on by a number of parties to process domain name registration transactions. The party submitting the data should bear the responsibility for providing updates. A notice to the Clearinghouse of new information is in line with good data practices and should not be burdensome.

III. List of Samples

Comments noted that it was unclear whether the list of samples provided in the explanatory memorandum was a list of examples, or whether items on the list are the only samples that would be accepted. The list was intended to be exclusive, however, the list contains a few broad categories:

- a. Labels, tags, or containers from a product. This provides a physical indication that a product is available for use or access by consumers.
- b. Advertising and marketing materials (including brochures, pamphlets, catalogues, product manuals, displays or signage, press releases, screen shots, or social media marketing materials).

This is meant to show that the rights holder is communicating to consumers that a product or service has a particular source. There are specific documents that could be contained in these categories in addition to those specifically included in the list, at the discretion of the validator.

Another comment suggested that the proof of use standard would not prevent potentially fraudulent sunrise domain name registrations. Fraud is a separate category of transaction and there are processes in place to address this.

IV. Renewals

Based on public comment, the approach has been updated to allow for 5-year terms for records in the Clearinghouse. Unless the data has changed, there will be no steps required of the rights holder during that term.

A comment inquired as to why a record would need to be renewed every year, while the proof of use sample would only need to be reviewed every 5 years. Community discussion on the implementation of this requirement suggested that annual re-verification of proof of use would be burdensome for the rights holder and would not add significant value since this information would be unlikely to change from year to year. However, to ensure that data remains relatively current, a re-verification of the sample is required every five years.

V. Disputes

A comment suggested that marks that are successfully challenged or opposed in a jurisdiction should be removed from the Clearinghouse. This is foreseen, such that the data can be removed if the Clearinghouse is notified that data previously verified record has become invalid, according to a process for notice and review by the Clearinghouse verification service provider.

A comment also suggested a lightweight procedure for appealing Clearinghouse decisions; this is also foreseen in the dispute resolution procedures to be published.

A comment suggested that challengers should have access to the declaration and samples of proof of use submitted. As the declaration is a standard declaration for all users, it can be assumed that all parties have submitted this declaration. With regard to the samples, access to these should not be needed since the dispute initiated to trigger a review concerns a decision to accept a Clearinghouse record, and all the information in the record is reviewed as part of consideration of the dispute.

A comment suggested that there is a need for a mechanism for aggrieved parties to challenge fraudulent sunrise registrations as well as the validity of proof of use submissions. These are foreseen as two different processes. For parties to challenge to a Clearinghouse determination, the procedure for review of decisions will be available as referred to above. With regard to the registry sunrise processes, the Clearinghouse will have the ability to update a record according to the outcome of a registry dispute resolution process. Each registry is required to have a procedure to address disputes concerning registration of sunrise domain names.

Matching Rules Memo

I. Identical match definition

Some comments suggested that the Matching Rules should account for additional characters as special characters beyond the two (& and @) that are noted in the memorandum. The matching rules

rely on the STI recommendations (see <http://gnso.icann.org/issues/sti/sti-wt-recommendations-11dec09-en.pdf>) which stipulated that only these special characters would be subject to the spelling out of the character. An expanded list of characters for matching rules could be considered if such was recommended by the community.

The suggestion to include plurals or marks contained is explicitly addressed in the Applicant Guidebook, such that these are currently excluded from the definition of Identical Match; however, these could also be addressed based on additional community discussion.

II. Languages and translation

One comment suggested that the appropriate language(s) for translation should be chosen on a per-record basis by the rights holder. This has been implemented according to the languages of the particular jurisdiction where the trademark has been issued.

III. Costs

Several comments questioned the nature of the additional fee based on the number of matching labels. For clarification, the base fee includes up to ten matches. If the trademark generates more matching labels, then the rights holder has the option to select those which are most important. If the rights holder does not wish to choose among the options, it can associate additional domain name labels to the record for a nominal fee.

Some comments interpreted the matching rules to mean that each matching domain name generated from a trademark record would involve an additional fee. In fact, up to ten matching domain name labels are included in the record. As is explained in the memorandum, the fee for additional matches helps to (i) mitigate the database and query service costs associated with each individual label, and (ii) discourage attempts to gain additional matches by deliberately seeking trademarks with special characters in them.

A comment suggested that the matching rules will result in additional costs due to a need to submit the same mark to the Clearinghouse multiple times. It is understood that a rights holder may have registered a trademark in multiple jurisdictions; however, these are different trademark registrations. The Clearinghouse does not have a means to determine which countries are relevant absent submission of this information by the rights holder.

Other Topics

I. RFP provider bids

A comment requests information on intellectual property rights and the selection of Clearinghouse providers. Note that the instructions to RFP respondents suggested that they should not include material they deemed confidential or proprietary in their responses. (See Q&A at

<http://archive.icann.org/en/topics/new-gtlds/tmc-rfi-additional-qanda-17nov11-en.pdf>.)

Specific provisions regarding intellectual property and the database were negotiated with Clearinghouse providers.

II. Regional participation

A comment noted that the web interface demonstrated at the ICANN meeting in Toronto supported only ASCII-based scripts. This is not the case; the database has been designed to support trademark data in scripts and languages around the globe.

A comment suggests a global promotional campaign and publication of educational materials such as a user manual. These suggestions are appreciated and this is being accounted for in the project plan.

III. Trademark Eligibility

Comments posed questions about the categories of trademarks that are accepted in the Clearinghouse. Per section 3.2 of the Clearinghouse in the Applicant Guidebook,

The standards for inclusion in the Clearinghouse are:

- 3.2.1 Nationally or regionally registered word marks from all jurisdictions.
- 3.2.2 Any word mark that has been validated through a court of law or other judicial proceeding.
- 3.2.3 Any word mark protected by a statute or treaty in effect at the time the mark is submitted to the Clearinghouse for inclusion.
- 3.2.4 Other marks that constitute intellectual property.

A comment inquired as to what would be included in “other marks that constitute intellectual property” as in 3.2.4. This was part of discussions with the Governmental Advisory Committee (see <https://gacweb.icann.org/download/attachments/1540128/board-notes-gac-scorecard-clean-15apr11-en.pdf?version=2&modificationDate=1318703820000>) concerning implementation of the Clearinghouse. As described in the Applicant Guidebook, “Data supporting entry into the Clearinghouse of marks that constitute intellectual property of types other than those set forth in sections 3.2.1-3.2.3 above shall be determined by the registry operator and the Clearinghouse based on the services any given registry operator chooses to provide.”

IV. General

A comment stated that ICANN should not be attempting to regulate trademark law at the international level. This is not the intention of the Clearinghouse. Rather, the Clearinghouse was proposed by IP stakeholders as a means to assist with rights protection in the new gTLD space. The formation of the Clearinghouse has been carefully discussed and balanced. The Clearinghouse is intended as an information repository, and is not seeking to replace or supplant the role of trademark offices worldwide.

V. Bulk upload

A comment noted that there was support for a bulk upload function; this is being implemented.

VI. Sunrise and Claims implementation

Some comments relate to the Draft Implementation Model published in April 2012, and alternative technical models under discussion for operation of the Sunrise and Trademark Claims services by registries. All of these submissions relating to support for the Alternative Implementation Proposal (see <http://newgtlds.icann.org/en/about/trademark-clearinghouse>) were reviewed carefully during the discussions of the technical model for sunrise and claims, and most aspects of the alternative proposal were ultimately adopted.

VII. Intellectual Property Policy for ICANN

A comment suggested that ICANN should implement an intellectual property policy along the lines of that used by the IETF. This suggestion is noted.