



New gTLD Program Explanatory Memorandum

Protection of Rights of Others in New gTLDs

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Background - New gTLD Program

Since ICANN was founded ten years ago as a not-for-profit, multi-stakeholder organization dedicated to coordinating the Internet's addressing system, one of its foundational principles, recognized by the United States and other governments, has been to promote competition in the domain-name marketplace while ensuring Internet security and stability. The expansion will allow for more innovation, choice and change to the Internet's addressing system, now constrained by only 21 generic top-level domain names. In a world with 1.5 billion Internet users—and growing—diversity, choice and competition are key to the continued success and reach of the global network.

The decision to launch these coming new gTLD application rounds followed a detailed and lengthy consultation process with all constituencies of the global Internet community. Representatives from a wide variety of stakeholders—governments, individuals, civil society, business and intellectual property constituencies, and the technology community—were engaged in discussions for more than 18 months. In October 2007, the Generic Names Supporting Organization (GNSO)—one of the groups that coordinate global Internet policy at ICANN—completed its policy development work on new gTLDs and approved a set of recommendations. The culmination of this policy development process was a decision by the ICANN Board of Directors to adopt the community-developed policy in June 2008 at the ICANN meeting in Paris. A thorough brief to the policy process and outcomes can be found at <http://gnso.icann.org/issues/new-gtlds/>.

This paper is part of a series of papers that will serve as explanatory memoranda published by ICANN to assist the Internet community to better understand the Request for Proposal (RFP), also known as *applicant guidebook*. A public comment period for the RFP will allow for detailed review and input to be made by the Internet community. Those comments will then be used to revise the documents in preparation of a final RFP. ICANN will release the final RFP in the first half of 2009. For current information, timelines and activities related to the New gTLD Program, please go to <http://www.icann.org/en/topics/new-gtld-program.htm>.

Please note that this is a discussion draft only. Potential applicants should not rely on any of the proposed details of the new gTLD program as the program remains subject to further consultation and revision.

Summary of Key Points in this Paper

- An objection process will enable rights holders to assert that proposed gTLD strings would infringe their legal rights.
- The new gTLD registry agreements will provide for post-delegation dispute mechanisms to deal with claims of infringement that might arise after a new gTLD is delegated and begins operation.
- At the second-level, applicants for new gTLDs will be required to describe in their applications a proposed rights protection mechanism, which will be published when its agreement is made public.
- All new gTLDs must ensure that all second-level registrations will be subject to ICANN's Uniform Domain Name Dispute Resolution Policy (UDRP).

Introduction and Solicitation of Comments

ICANN is seeking comments on the role of Protecting the Rights of Others in ICANN's New gTLD Program. This paper is part of a series of papers that will serve as explanatory memoranda published by ICANN to assist the Internet community to better understand the Request for Proposal (RFP), also known as *applicant guidebook*. A public comment period for the RFP will allow for detailed review and input to be made by the Internet community. Those comments will then be used to revise the documents in preparation of a final RFP that will be released in the first half of 2009. For current information, timelines and activities related to the New gTLD Program, please go to <http://www.icann.org/en/topics/new-gtld-program.htm>.

Background

Since ICANN was founded 10 years ago, one of its key mandates has been to promote competition in the domain-name marketplace. Beginning with the White Paper <http://www.icann.org/general/white-paper-05jun98.htm> and ICANN's first Memorandum of Understanding <http://www.icann.org/en/general/agreements.htm> with the United States Government, the introduction of new gTLDs has been one of ICANN's central tasks.

The introduction of new generic top-level domains (gTLDs) will foster choice and innovation by increasing competition at the registry level. The decision to launch these coming new gTLD application rounds followed a detailed and lengthy consultation process with all constituencies of the global Internet community. Representatives from a wide variety of stakeholders—governments, individuals, civil society, business and intellectual property constituencies, and the technology community—were engaged in discussions for more than 18 months. In October 2007, the Generic Names Supporting Organization (GNSO)—one of the groups that coordinate global Internet policy at ICANN—completed its policy development work on new gTLDs and approved a set of recommendations. The culmination of this policy development process was a decision

by the ICANN Board of Directors to adopt the community-developed policy in June 2008 at the ICANN meeting in Paris.

In 2000, ICANN accepted applications for new TLDs resulting in new gTLDs being introduced in 2001. In 2004, ICANN accepted additional applications for sponsored TLDs, which were created in 2005 and 2006. In each of these prior new gTLD rounds, the protection of legal rights of third parties was a feature of the application and evaluation process. ICANN has not mandated any specific pre- or post-launch rights protection mechanism. Instead, as part of the application process, the applicant was asked, "What measures will be taken to discourage registration of domain names that infringe intellectual property rights?" and "What registration practices will be employed to minimize abusive registrations?" The applicant then had the opportunity to outline its own rights protection mechanism, which could be considered and commented on by ICANN.

As one of ICANN's goals is to encourage diversity of registry services and service providers, a wide variety of gTLD registry models have developed. In 2007, the GNSO's Protecting the Rights of Others working group concluded that best practice guidelines that would be suitable for one registry model may not be appropriate for another. It therefore declined to recommend any particular approved model Rights Protection Mechanism." (See *PRO WG Final Report* <http://gns0.icann.org/drafts/GNSO-PRO-WG-final-01Jun07.pdf>, and also for reference *The Perfect Sunrise?: How pre-launch Rights Protection Mechanisms and successful registry operations go hand in hand.* <http://www.ipconstituency.org/PDFs/A%20Perfect%20Sunrise.PDF>.)

The GNSO's conclusion is supported by registry community practice. In the recent rounds of expansion, several new gTLDs were approved including, .info, .biz, .asia, .aero and .mobi. These gTLDs each had a unique model for protecting rights holders. Some of the expansion gTLDs used a Sunrise Process (though no two gTLDs used the process in the same way) by which rights holders had the opportunity to register domain names before opening up registration to the public, while others, like .aero, eschewed the Sunrise Process in exchange for a more formalistic mechanism that suited their community-based systems.

ICANN has long recognized the importance of ensuring that the introduction of new gTLDs is conducted consistent with the protection of the rights of trademark holders, communities and other rights holders from abusive registration and infringement. For the new gTLD process, ICANN has sought input from numerous stakeholders, including, businesses, its constituencies and governments to devise an approach to protecting the rights of third-parties. The plan consists of addressing rights protection issues at both the top-level and the second-level. At the top-level, ICANN is implementing an objection-based process for dispute resolution. At the second-level, ICANN is implementing a process whereby new gTLDs will be required to describe their proposed "Rights Protection Mechanism." All new gTLDs will be obligated to ensure that, at a minimum, all second-level registrations will be subject to ICANN's long-standing and successful Uniform Dispute Resolution Policy <http://www.icann.org/en/udrp/#udrp>.

Protection of Rights of Others at the Top Level

ICANN is implementing an objection-based process pursuant to which rights holders can assert that proposed gTLD strings would infringe their legal rights. This process should discourage entities from applying for gTLD strings that obviously would violate intellectual

property rights of others. To that end, the dispute resolution panels presiding over these matters will be provided specific criteria that are being developed with intellectual property experts, to consider when determining whether a TLD infringes the rights of others. One consideration in this analysis, however, is that it is not unusual for more than one entity to have a trademark in the same word or phrase either for different products or services or registered in different jurisdictions. Accordingly, the process is being developed with that understanding.

To further protect against infringement ICANN is also including a placeholder in the new gTLD registry agreements for the future development of post-delegation dispute resolution processes to deal with claims of infringement that might arise after a new gTLD is delegated and begins operation.

The proposed process for protecting rights at the top level is based on the policy-development work conducted by ICANN's GNSO. As part of the evaluation process for the introduction of new gTLDs, the GNSO conducted an in-depth study to determine whether new gTLDs should be granted and if so, what safeguards should be put in place to protect the Internet, its stakeholders, applicants and other interested third parties. The GNSO enlisted the help of all GNSO council members and a wide range of interested stakeholders and observers. The GNSO received constituency impact statements from the Commercial and Business Users Constituency, the Intellectual Property Constituency, the Internet Service Provider and Connectivity Provider Constituency, the Non-Commercial Users' Constituency, the Registrars Constituency and the gTLD Registry Constituency. (See *ICANN Generic Names Supporting Organization's Final Report on the Introduction of New Generic Top-Level Domains*, dated August 8, 2007 <http://gns0.icann.org/issues/new-gtlds/pdp-dec05-fr-part-a-08aug07.htm>.)

In its final report on the introduction of new gTLDs, the GNSO made a number of recommendations designed to maintain the security and stability of the Internet. As part of this report, the GNSO stated, "Strings must not infringe the existing legal rights of others that are recognized or enforceable under generally accepted and internationally recognized principles of law." For the most part, the constituencies agreed that appropriate mechanisms must be in place to address conflicts that may arise between any proposed new string and the rights of others.

Protection of Rights of Others at the Second Level

At the second-level, ICANN is implementing a process whereby new gTLDs will be required to describe in their applications a proposed Rights Protection Mechanism. The Rights Protection Mechanism will be published to the community at the time the applications are made public. In addition, all new gTLDs will be obligated to ensure that, at a minimum, all second-level registrations will be subject to ICANN's long-standing and successful Uniform Dispute Resolution Policy <http://www.icann.org/en/udrp/#udrp>. Also, the Registry Agreement for new gTLDs will incorporate the recommendations of the GNSO's Working Group on Protecting the Rights of Others <http://gns0.icann.org/drafts/GNSO-PRO-WG-final-01Jun07.pdf>.

The GNSO's PRO working group used several different work methods, including an analysis of existing registry operations and some ccTLD registries, an online questionnaire which posed a range of questions related to existing and future rights protection mechanism and the working group utilized internal expertise. The working group

discussed various approaches to protecting the rights of others including whether to provide additional protections beyond the current registration agreement and Uniform Dispute Resolution Process in new top-level domains, or whether to recommend a “best practices” approach to providing such protections.

The online questionnaire provided some interesting results. Though not statistically significant, there was a 50:50 split between respondents who answered the question about whether “IP owners need new or enhanced protection rights.” The majority of respondents said that the rights protection mechanism provided by registry operators met their needs.

In its report on the protection of rights holders, the working group recommended that all registry operators should implement a Rights Protection Mechanism. The working group, in part, based its recommendations on the online questionnaire, in which 81% of the respondents indicated that registries should be mandated to provide enhanced protections during the introduction of new top-level domains. The working group found that there is no universal plan but that, any number of strategies may be successful, including the Sunrise Process, by which rights holders have the opportunity to register domain names before opening up registration to the public. Additionally, the working group recommended that each registry operator should implement an authentication process to verify the rights holders’ standing. The GNSO received constituency impact statements from the Commercial and Business Users Constituency, the Intellectual Property Constituency, the Internet Service Provider and Connectivity Provider Constituency, the Non-Commercial Users’ Constituency, the Registrars Constituency and the gTLD Registry Constituency.

Below is a summary of the working group’s recommendations, which will be incorporated into the Registry Agreement for new gTLDs:

1. That there is no universal rights protection mechanism.
2. That each new gTLD should adopt and implement a dispute mechanism under which a third party could challenge another’s use of that gTLD’s rights protection mechanism that results in obtaining a domain name registration.
3. That the legal rights on which a party bases its participation and seeks to protect in a rights protection mechanism should be subject to actual authentication, at least if the authenticity of such rights is challenged.
4. That if a new gTLD elects to use a Sunrise Process as its rights protection mechanism, it should restrict eligible legal rights in such a manner as to discourage abusive registration.
5. That regardless of other authentication of legal rights, all new gTLDs should institute measures to deter abuse of the rights protection mechanisms and clearly false submissions. These measures could be automated or conducted on an ad hoc basis to focus on rights protection mechanism submissions that are nonsensical or likely to be false (e.g., registration number is 12345, date is 00/00/00, name is John Doe).
6. That all legal rights to be protected in a rights protection mechanism must be capable of being authenticated.