



November 20, 2009

Dear Madam, Sir,

Re: ICANN-staff proposed "Trademark Post-Delegation Dispute Resolution Procedure" found in DAG, version 3

The mandate of the World Intellectual Property Organization, an intergovernmental organization of 184 member States, involves the balanced protection of intellectual property rights. For over a decade WIPO has addressed questions raised by the intersection of the DNS and intellectual property laws. Through its Arbitration and Mediation Center, WIPO has provided substantial public and informal input concerning ICANN's New gTLD Program. Notably, the WIPO Center submitted to ICANN on March 13, 2009 a proposal for a [Post-Delegation Procedure for New gTLD Registries](#) and on April 3, 2009, a complementary proposal for an [Expedited \(Domain Name\) Suspension Mechanism](#). Further to these proposals and more generally, the WIPO Center provided substantive comments on the [Draft](#) and [Final](#) IRT Reports.

From that background, we submit the following comments on the ICANN-staff proposed "PDDRP" as conceptually reflected in version 3 of ICANN's DAG.

We are encouraged to note that ICANN shares the WIPO view, advocated since early 2008, that DNS stakeholders will be well-served by the availability of a trademark-based Post-Delegation Dispute Resolution Procedure. However, we are concerned that the current form of the ICANN-staff proposed PDDRP risks undercutting its intended effectiveness. In particular, it is not immediately clear that the PDDRP in its present form matches the intent behind the Affirmation of Commitments in terms of ensuring accountability of DNS actors, preserving DNS security and stability, and promoting consumer confidence.

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Stakeholders such as the International Trademark Association have expressed strong reservations concerning the validity of certain assumptions underlying the perceived economic and consumer benefits of ICANN's New gTLD Program. Apart from these fundamental questions, it should be a pre-condition that registration interests benefitting from DNS expansion are balanced by respect for the GNSO recommendation concerning protecting the existing legal rights of others.

The PDDRP would not replace ICANN's own contractual compliance oversight responsibilities.

Like WIPO's proposed Post-Delegation Procedure for New gTLD Registries, the PDDRP would be neutral, outsourced, standardized assistance to ICANN. It does not remove from ICANN the responsibility to meaningfully implement and enforce its own registry contracts which themselves should acknowledge existing trademark rights, nor would a PDDRP in itself add to such rights.

WIPO supports the IRT concept that a trademark owner would have the ability to initiate proceedings if the parties and ICANN could not timely and conclusively resolve the dispute under ICANN's contractual framework. To meaningfully address trademark protection in new gTLDs, ICANN should align its own contractual compliance responsibilities with DNS realities. Declining the availability of a straightforward option to facilitate ICANN's enforcement of its own contract terms in relation to trademark abuse appears inconsistent and may invite resource-consumptive court litigation.

The PDDRP should operate to encourage responsible registry conduct.

An effective PDDRP would promote responsible registry conduct by incentivizing registries to adopt reasonable, meaningful RPMs and balanced policies and best practices. Such registries would benefit from safe harbors where they acted to address (both at launch, and later as may be required and appropriate) known relevant abuses. While it will not be possible or realistic for registries to prevent or act on all trademark abuses, an effective PDDRP would encourage implementation of measures aimed at minimizing such abuse.

A meaningful PDDRP should capture registry conduct causing or materially contributing to trademark abuse at both the top and second levels.

The PDDRP proscribes conduct causing or materially contributing to trademark abuse at the top level. To preserve the intended preventive effect of the PDDRP, and importantly to promote responsible registry conduct, the same standard should apply also at the second level. After all, the requirement of responsible registry management does not end at the top level.

The PDDRP must be predictable for all parties, including the identification of safe harbors for registries.

Neither trademark owners nor registries (or registrants for that matter) should have to guess about the principal consequences of the availability of a PDDRP. For example, guidance may be found in such consideration factors as expressed in the [WIPO-proposed Post-Delegation Procedure](#), but absent in the PDDRP. Ensuring a reasonable degree of predictability and stability is a question of system design and effective implementation. Each party to a PDDRP case would have to meet a number of reasonable conditions in relation to available RPMs.

Merely by way of possible examples, such RPMs must be accessible in real-time, not be accompanied by onerous fees, promptly followed-up on, and designed to meaningfully cover the principal abuse scenarios. On the other hand, again merely by way of example, trademark owners invoking RPMs should include all reasonably available identification of registrant parties, a description of their practices, clear evidence of trademark rights, information about the use or inadequacy of other RPMs for particular instances and, in appropriate cases indications of the systemic or otherwise relevant character of the trademark abuse, in addition to undertakings reasonably connected with the remedy being sought.

These beacons for safe PDDRP harbors are primarily raised here (and these may need to be tested and evolve in practice) to illustrate our view that the conflicting positions on the PDDRP cannot be reconciled by hollowing out the PDDRP, but rather by stakeholders concretely addressing its operation and suggested consideration factors on a practical level.

Escalating remedies to address abusive registrations should be available under the PDDRP, within limits.

Available remedies must meet users' needs but must also find their limits both in the nature of the PDDRP (which leaves open court options), as well as in ICANN's own responsibilities as the DNS mandating agency. For example, for second-level abuses, appropriate remedies addressing trademark abusive domain names themselves should be available where it is impracticable for brand owners to file multitudes of UDRP or (cyclical) URS proceedings. On the other hand, neither monetary damages nor direct third-party determinations that a registry operator contract must be terminated would be appropriate in a PDDRP framework.

PDDRP modalities should reflect the weight of such a mechanism.

The proposed PDDRP word limits and time periods (which generally mirror the UDRP) do not reflect the intended weight of the procedure. Fees should likewise be reasonable, yet sufficient to prevent misuse (e.g., as with the Draft WIPO DRSP Fees for LRO Procedures published as part of DAG, v3).

Mr. Kurt Pritz, Mr. John Jeffrey, Ms. Amy Stathos – November 20, 2009

Further thought should be given to the best way of ensuring that any possible follow-up legal action in other fora would not unreasonably restrict the timely implementation of appropriately ordered PDDRP remedies.

Now that the foundation has been laid for a meaningful procedure to address possible trademark abuse by ICANN-approved TLD registries, balanced yet crucial adjustments are within reach.

We are, again, encouraged that ICANN sees benefit in a Post-Delegation Procedure, and we look forward to opportunities to collaborate with ICANN to adapt the (substantive and procedural) modalities of the proposed PDDRP.

We are posting a copy of this letter on the WIPO website for public information at <http://www.wipo.int/amc/en/domains/resources/icann/>.

Yours sincerely,



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WIPO Arbitration and Mediation Center