

Staff Report of Public Comment Proceeding

GNSO Review of All Rights Protection Mechanisms in All gTLDs Policy Development Process Phase 1 Final Recommendations for ICANN Board Consideration

Publication Date: 4 June 2021

Prepared By: Ariel Liang

Public Comment Proceeding

Open Date:	7 April 2021
Close Date:	21 May 2021 (extended from 30 April 2021)
Staff Report Due Date:	4 June 2021

Important Information Links

[Announcement](#)
[Public Comment Proceeding](#)
[View Comments Submitted](#)

Staff Contact: Ariel Liang

Email: policy-staff@icann.org

Section I: General Overview and Next Steps

This Public Comment proceeding sought to obtain community input prior to Board consideration of the Phase 1 final recommendations from the GNSO Review of All Rights Protection Mechanisms (RPMs) in All gTLDs Policy Development Process (PDP).

The RPMs Phase 1 Final Report contains thirty-five (35) recommendations addressing the RPMs and the associated structures and procedures applicable to gTLDs launched under the 2012 New gTLD Program, specifically:

- The Uniform Rapid Suspension System (URS);
- The Trademark Clearinghouse (TMCH);
- The Sunrise and Trademark Claims services offered through the TMCH; and
- The Trademark Post-Delegation Dispute Resolution Procedure (TM-PDDRP).

The Working Group reached full consensus on thirty-four (34) recommendations and consensus on one (1) recommendation, which was TMCH Final Recommendation #1. A Minority Statement was jointly filed by seven (7) members of the Working Group with regard to TMCH Final Recommendation #1, which was incorporated as an Annex to the Final Report. The Minority Statement did not oppose the primary thrust of the recommendation itself, but noted concerns over the scope of "word marks" that can be accepted into the TMCH.

The recommendations, if approved by the Board, will impose obligations on contracted parties, as well as service providers with respect to the TMCH, URS, and TM-PDDRP. Under Section 11.3(i)(x) of the ICANN Bylaws, the GNSO Council's Supermajority support for these recommendations obligates the Board to adopt the recommendations unless, by a vote of more than two-thirds, the Board determines that the policy is not in the best interests of the ICANN community or ICANN.

ICANN org has prepared a summary of the submissions received, and this report, along with the full text of the comments received, will be transmitted to the ICANN Board. Along with the Phase 1 Final Report and the GNSO Council Recommendations Report, they will form the basis of the materials that will be considered by the Board.

Section II: Contributors

At the time this report was prepared, a total of sixteen (16) community submissions had been posted to the forum. The contributors, both individuals and organizations/groups, are listed below in chronological order by posting date. To the extent that quotations are used in the foregoing narrative (Section III), such citations will reference the contributor's initials.

Organizations and Groups:

Name	Submitted by
International Trademark Association (INTA)	Lori Schulman
Federal NIC (.fed.rep.br)	Saymon and Higor L. M.
ICANN GNSO Non-Commercial Stakeholder Group (NCSG)	Tomslin Samme-Nlar
ICANN GNSO Intellectual Property Constituency (IPC)	Susan Payne
ICANN GNSO Registries Stakeholder Group (RySG)	Elizabeth Bacon
ICANN GNSO Business Constituency (BC)	Steve DelBianco
ICANN At-Large Advisory Committee (ALAC)	At-Large Staff
Intellectual Property Scholars and Attorneys (IP S&A)	Mitch Stoltz

Individual:

Name	Affiliation (if provided)
George Kirikos	Leap of Faith Financial Services Inc.

Section III: Summary of Comments

***General Disclaimer:** This section represents a summary of the comments submitted to this public comment proceeding but does not address every specific position stated by each contributor. Readers interested in specific aspects of any of the summarized comments, or the full context of others, should refer directly to the specific contributions at the link referenced above (View Comments Submitted).*

General Comments from ICANN Community Structures

INTA, IPC, RySG, and BC support the recommendations within the RPMs PDP Phase 1 Final Report as a whole, and encourage the ICANN Board to adopt them in full.

Except for seven recommendations on which it expressed no opinion (considering them to be “technical, administrative or of significant concern only to RPM participants”, specifically: URS Final Recommendations #5, #12, #14, #15; TMCH Final Recommendation #4; Sunrise Final Recommendation #3; Trademark Claims Final Recommendation #5.), ALAC supported all the other recommendations in the Phase 1 Final Report, with the exception of URS Final Recommendation #2, which ALAC indicates “support with modifications”.

NCSG appreciates that the “Working Group is being careful about stimulating discussions and opening the debate to those involved, taking those inputs seriously”, while noting some complaints “about the confusion of the Initial Report and the lack of objective of its opening to public comments”. NCSG further notes that three of its most critical concerns on RPMs “were largely targeted in the final recommendations, especially those related to the URS (such as its Final Recommendation #2 to #4, #8 to #11 and #13)”, with “beneficial changes” being proposed. NCSG commends other final

recommendations, especially Trademark Claims Final Recommendation #6, as “positive and seem to be on a fruitful path despite fundamental disagreement about the efficiency of the mechanism”.

IPC appreciates “the tireless efforts of the co-chairs, all the Working Group members, and ICANN’s policy staff”, while noting its disappointment that “the Working Group was unable to reach any consensus to make more substantive and meaningful improvements to the rights protection framework put in place for new gTLDs”. Not intending to “re-open issues considered by the Working Group”, IPC further notes that it would like to have seen a number of additional changes and improvements to the RPMs, including but not limited to:

- Expanded matching rules for the TMCH and the RPMs that utilize it from the current “exact match” standard, including “mark plus” and “mark-contained” variations for the purpose of Trademark Claims in particular;
- Consideration of the adoption of some genuinely preventative protection against cybersquatting, such as the Globally Protected Marks List proposed by the original IRT;
- A fulsome consideration of whether any of the new gTLD RPMs should become consensus policy applicable to all TLDs;
- Adoption of a challenge mechanism or revision to the PDDRP to operate alongside the Registry Agreement provision as presented in the Sunrise Final Recommendation #1.

Comments on URS Final Recommendation #2

BC maintains “qualified support for this recommendation to the extent it does not mandate the redaction of revealed registration data from panel determinations, but instead leaves discretion for redaction to the URS panel”.

ALAC stresses that “[redaction] should only be used in exceptional circumstances on a fact-specific basis, taking into account both the data privacy interests of the Respondent and principles of accountability and transparency in connection with URS proceedings”.

Comments on URS Final Recommendation #8

RySG stresses that “compliance steps should be limited to the extent permitted by applicable law/regulation” and ICANN org already “has a robust compliance department and established practices”.

BC supports this recommendation but stresses that the proposed compliance mechanism for URS providers “must not devolve into a forum for aggrieved parties to challenge panel determinations or attempt to overturn the principles established by prior panel determinations”.

Comments on TMCH Final Recommendation #1 and the Minority Statement (Annex D of the Phase 1 Final Report)

NCSG notes that this recommendation “could be strongly improved by minor modification on its text, clarifying the concept of ‘word-mark’ and avoiding ambiguities that could result in a broad interpretation of the concept”. NCSG further notes that the Minority Statement on this recommendation “should have been taken more seriously” and become the “prevailing” opinion. NCSG suggests referring to the Applicant Guidebook and the “rules adopted by the GNSO Council [and] ICANN Board” that were put forward by the Special Trademark Issues Review Team (STI) – a group formed by the GNSO Council to develop proposals that meet the GNSO’s stated policy principles for new gTLDs – “to fend off an expansion of the rights related to domain names”. NCSG notes that the TMCH Final Recommendation #3 “seems to take good steps toward resolving the issue” regarding the definition of word marks, but “is not a deterrent to making the clarification presented in the minority statement”.

Both IPC and BC disagree with the assertion in the Minority Statement that the phrase “word marks” has not been satisfactorily defined. Both IPC and BC also disagree with the claim that the inclusion of stylization, device, or textual elements would enable misapprehension of the scope of the TMCH to “unwarrantedly expand trademark rights”.

IPC notes that “a trademark registration affords a penumbra of protection against infringement which goes beyond the mere use of a sign which is identical to the registered mark, instead extending to confusingly similar marks”. BC similarly notes that the Minority Statement “disregards the legal scope of protection afforded to trademarks, covering a likelihood of confusion with, rather than mere identity to, each mark”.

IPC explains that “since stylization and device elements cannot be represented in a domain name, the interpretation applied by the TMCH operator when accepting marks that incorporate such elements into the TMCH is entirely appropriate to meet the purpose of the Sunrise as a preventative RPM”. BC notes that “many small businesses apply to register unique design or stylization elements along with standard character text for their trademarks in a single trademark as a way to save money on filing and prosecution costs”.

IPC asks that “the Board not be swayed by the assertions made in the Minority Statement”, which were “considered at length by the Working Group”.

Comments on Sunrise Final Recommendation #1

RySG supports this recommendation in principle but notes that the phrasing “as to have the effect of circumventing RPMs” and “restricting (...) reasonable use of the sunrise RPM” is too vague to be implemented. RySG suggests a non-exhaustive list of conduct that clearly demonstrates such prohibited conduct, drafted in a tight enough manner as to make such conduct reasonably certain.

BC supports this recommendation but “cautions against implementation of this recommendation in a way that lacks any contractual teeth for meaningful enforcement”. BC notes that if the contractual compliance department requires “highly specific or explicit language to take action” against, for example, exorbitant Sunrise registration fees, the Board should instruct staff on the IRT to provide it.

ALAC supports this recommendation but cautions against action that would directly regulate registry pricing.

Comments on Certain Practices by the TMCH Validation Provider (Deloitte)

A group of intellectual property scholars and attorneys (IP S&A) jointly submitted a comment after the Public Comment proceeding deadline of 21 May 2021, as the commenter notified staff that their timely-submitted comment was not the correct version. All but three of the signatories to this comment are RPMs PDP Working Group members, as well as authors of the Minority Statement on TMCH Final Recommendation #1.

IP S&A specifically asks the ICANN Board to:

- 1) Direct ICANN staff to stop Deloitte’s practice of extracting words and letters from design and composite marks; and
- 2) Reverse Deloitte’s practice of keeping the Trademark Clearinghouse secret and off limits to public searching.

Regarding 1), IP S&A stresses that the Trademark Clearinghouse should include only registered text marks and exclude all design marks. Citing the recommendations developed by the STI, they believe that Deloitte “was violating a fundamental rule created by the GNSO, adopted by the GNSO Council, and accepted by...the ICANN Board” by “[extracting] words out of design and composite marks and

[including] them in the Clearinghouse, effectively granting protections to words that are deliberately not protected by most countries' trademark laws". They noted the Working Group's finding that "7 of the top 10 words that were most frequently the basis for [Trademark Claims Notice] are common dictionary words", which they believe were "extracted by Deloitte from design and composite marks". They also noted the finding presented in the Minority Statement that Deloitte had confirmed that "it would extract each and every word and letter from the broad set of examples...and include them in the Clearinghouse" (see pp.135-137 of the Phase 1 Final Report). The comment states that "ICANN staff, without consultation with trademark scholars or the broader community, directed Deloitte to accept all design and composite marks from all jurisdictions and extract the words".

Regarding 2), IP S&A notes that "the GNSO Council and the Board made no rule or recommendation about locking down the Trademark Clearinghouse to make it closed or secret" and as such "the secrecy of the Clearinghouse arose during 'implementation' and under the oversight and direction of ICANN staff".

While noting that the Working Group devoted time to the issue but could not find a single path forward, IP S&A requests that the ICANN Board direct ICANN org to revisit the issue as Deloitte's practice "came about because of actions taken by ICANN staff".

Comments on Annex B - Charter Questions

NCSG notes its disappointment that inputs received on General Overarching Charter Question #1 and Additional Overarching Charter Question #1 "were seemingly sidelined". NCSG further notes its concern that some groups' refusal to discuss these inputs in depth "is a serious barrier to the further legitimization of RPMs, preventing their eventual expansion from being considered".

NCSG also expresses concerns that, implicit in the discussion of TMCH Question #10, "there appears to be an attempt to expand trademark rights beyond their scope", which is "highly problematic".

NCSG was concerned at the lack of a proposed answer to TMCH Question #14.

NCSG suggests that Sunrise Preamble Question (b) and Sunrise Preamble Question (f) "should be the focus of the next steps on RPM, since the justification for improving, expanding or reformulating the system must identify the problems that it is possibly generating". NCSG notes the "difficulty in developing the debate on these essential points, perhaps due to the lack of available objective data".

NCSG considers the proposed answers to Trademark Claims Question #1 worrisome, and states that the intended results for the Trademark Claims service must be taken into account in any further discussion of expanding this mechanism, particularly "in light of the discussion about the freedom of registrars to adopt new RPMs".

Comments on Implementation

INTA believes that "a smooth, straight forward implementation process should follow" and does not support the use of an Operational Design Phase (ODP), "because these recommendations generally represent small modifications to existing policies and documents".

IPC similarly notes that the Phase 1 final recommendations are "not controversial" and "largely of the nature of procedural fixes and minor tweaks to existing policy or processes", and as such, these recommendations "should be taken forward without delay".

Comments on Specific Challenges

BC believes that “a Phase 1 post mortem is necessary to assess why it took five years for the [Working Group] to issue a Final Report”. BC notes that it may be worth considering whether the Working Group “took on too much responsibility initially, which could have been better handled among two or more separate [Working Groups] working concurrently”, as well as whether the “charter questions could have also been drafted with greater direction and specificity”.

Similarly, IPC also notes that the “unwieldy charter, which incorporated as charter questions for consideration, essentially verbatim, the wish-lists of different community constituent groups” is one of a number of challenges contributing to the Working Group’s “slow progress and relatively minimal outputs”. IPC also notes the challenge of the “three co-chair structure, which tended to assume a lack of neutrality such that different community interests needed to be balanced in the leadership group”.

IPC also highlights two additional challenges that it believes “relate to matters where the Board more clearly has a role to play”: 1) disruptive working group members and 2) lack of meaningful data.

Regarding disruptive members, IPC believes that “ICANN staff (in addition to PDP leadership) need to feel that they are supported and empowered to remove truly disruptive participants”. IPC further notes that “it is up to the Board and Org to take and proactively enforce a clear and unequivocal stance such that a participant who has been removed from one PDP, or Phase of a PDP, would only be allowed to join future efforts on very clear conditions as to future behavior”.

Regarding data, IPC flags its concern to the Board that potential changes to the longstanding and widely utilized UDRP, which is due to be reviewed in Phase 2 of the RPMs PDP, “may be considered without any clear factual basis, which could have unintended consequences”. However, IPC remains hopeful that the Phase 2 will “adhere to evidence-based policy making and not seek to modify existing policy absent a clear problem with empirical support”.

George Kirkos, an individual who was removed from participation in the Working Group, responded to IPC’s comments regarding disruptive members. He states that IPC made false statements and that its members sought to “weaponize the Expected Standards of Behavior to remove their policy opponents”. Mr. Kirkos goes on to claim that “double standards” were employed as “no one has removed Verisign from policy debates or working group membership”, despite Verisign’s lawsuits against ICANN.

Other Comments

George Kirikos pointed out several errors associated with members’ affiliations noted in “Annex F - Working Group Membership and Attendance” of the Phase 1 Final Report. He notes that he had previously noted these errors in his public comments for the Initial Report. Mr. Kirikos claims that these errors demonstrate that the public comments for the Phase 1 Initial Report were not reviewed by ICANN staff, the Working Group co-chairs, the GNSO Council, or anyone associated with the report. His conclusion is that the Phase 1 Final Report is “the product of an incompetent and dysfunctional group that only pretends to represent the public interest”.

Federal NIC submitted six separate comments unrelated to the Phase 1 final recommendations of the RPMs PDP or other content in the Phase 1 Final Report. In its comments, Federal NIC notes complaints about the new gTLD program and ICANN’s role in the Internet governance ecosystem. It also puts forward suggestions for ICANN concerning promotion of the public interest and defining rules related to pricing, geographic terms, and other aspects.

Section IV: Analysis of Comments

General Disclaimer: This section provides a brief analysis and evaluation of the comments submitted along with explanations regarding the basis for any recommendations provided within the analysis.

The comments generally reflect support for the Phase 1 Final Report, where 34 out of the 35 recommendations received full consensus support from the Working Group and one recommendation received consensus support, with all recommendations unanimously approved by the GNSO Council following its review of the Final Report. As noted by at least two commentators, the Phase 1 Final Report “primarily supports the status quo with respect to new gTLD RPMs” and the recommendations are “largely of the nature of procedural fixes and minor tweaks to existing policy or processes”. As such, implementation of the approved recommendations may be considered fairly straightforward.

Several comments addressed specific recommendations by providing suggestions or advising caution during implementation, if the ICANN Board adopts these recommendations.

The comments submitted in relation to TMCH Final Recommendation #1 and the Minority Statement reflect Working Group members’ views and differences that were expressed during the Working Group’s deliberations. The Working Group was unable to reach agreement to apply a different interpretation of the term “word marks”, and, as such, in keeping with the agreed principle of retaining the status quo in the absence of a different agreed requirement, the current interpretation by the TMCH Validation Provider (Deloitte) is to be maintained.

The comments about certain aspects of the TMCH Validation Provider’s practices, submitted by a group of intellectual property scholars and attorneys, relate to issues that were considered and debated extensively by the Working Group in the course of its work, including its review of the Public Comments submitted for the Phase 1 Initial Report. In particular, the idea of limiting the acceptance of design and composite marks into the TMCH had been put forward for Public Comment in the Working Group’s Initial Report phase as TMCH Individual Proposals #2 and #3 in the Phase 1 Initial Report for Public Comment (see [pp. 71-73](#)), while the suggestion to make the TMCH open and searchable had been put forward as TMCH Individual Proposal #7 (see [pp. 77-79](#)). For the Initial Report, the Working Group was unable to reach agreement after discussing these concepts at length and as such they were published as proposals that did not rise to the level of becoming preliminary recommendations. The Working Group noted that public comments submitted to the Initial Report reflected substantial opposition to the TMCH Individual Proposals #2 and #3 and sharply diverging opinions on TMCH Individual Proposal #7. As a result, the Working Group concluded that these proposals did not achieve a level of support that would allow them to go forward to a formal consensus call.

With regard to the additional changes and improvements to the RPMs that IPC would like to have seen adopted, in the absence of wide support for a change to the status quo, the Working Group put forward TMCH Final Recommendation #2 to maintain the current “exact match” rules of the TMCH and Sunrise Final Recommendation #6 against the inclusion of a challenge mechanism relating to Registry Operators’ determinations of Premium and/or Reserved Names. The idea of revising the TM-PDDRP to address price gouging by Registry Operators was raised during the Public Comment proceeding of the Phase 1 Initial Report and discussed by Working Group members, but it did not gain sufficient support to become a final recommendation. While the Working Group noted that several commenters who submitted public comments for the Initial Report supported the idea of a Globally Protected Mark List (GPML) as an additional protective measure for trademarks, the Working Group agreed that it would not develop any recommendations to create additional mandatory RPMsm such as a GPML. The Working Group had deliberated, and sought public comments during the Initial Report phase, about whether the URS should become an ICANN Consensus Policy but it was unable to reach a conclusion at the end of RPMs PDP Phase 1.

With regard to the comments on process improvements, the GNSO Council conducted a working group self-assessment to further evaluate these issues. Consequently, the GNSO Council is expected to scope and initiate the RPMs PDP Phase 2 effort by taking the working group’s feedback into account as well as actively applying process changes approved via its “PDP 3.0” improvements effort in order to enhance the efficiency and effectiveness of the policy process.

The Phase 1 Final Report notes some of the data challenges highlighted in some comments (see [pp. 85-86](#)). As this PDP is the first time that the RPMs have been subject to a policy review by the ICANN community, to date there has not been comprehensive studies or data collected that measures their effectiveness. The Working Group agreed early on in its work that, in order to fulfill its Charter requirements and effectively review each of the Phase 1 RPMs, it would need to analyze any available data (including data reported by Registry Operators and the various service Providers to ICANN org) as well as gather and examine new data, particularly with respect to the usage of the RPMs that were developed for the 2012 New gTLD Program. Although the Working Group engaged in extensive data collection and analysis efforts during its deliberations, it encountered challenges in obtaining sufficient quantitative data (as opposed to anecdotal reports) concerning the effectiveness of the Phase 1 RPMs. Therefore, the Working Group also put forward an Overarching Data Collection Recommendation aiming at addressing this data-related gap.

In relation to the accuracy of Working Group membership affiliation, such information is provided by the Working Group members and reported as such. “Affiliation”, for purposes of participation in a PDP, does not necessarily reflect an individual’s membership status in an ICANN community structure; it refers to the capacity in which that person participates in the PDP and is identified as such to the Working Group. ICANN staff do not verify members’ stated affiliations, although staff will assist members who wish to update their Statements of Interest, if requested to do so by that member.

In preparing its Final Report, the Working Group reviewed the public comments submitted for its Phase 1 Initial Report (from 55 contributors) and formed two sub teams to conduct concurrent analysis of the extensive comments to the preliminary recommendations, using a [Public Comment review tool](#) developed by support staff. In parallel, the Working Group reviewed the public comments for individually submitted proposals that did not rise to the level of becoming preliminary recommendations, as well as general input for its Initial Report. The Working Group’s extensive review and analysis of the public comments for the Phase 1 Initial Report are documented on this wiki page [here](#).

The full text of the comments received for this Public Comment proceeding, along with this summary, will be transmitted to the ICANN Board. They, along with the Final Report and the Bylaws-mandated GNSO Council Recommendations Report, will be considered by the ICANN Board during its deliberations as to whether or not to adopt the RPM Phase 1 recommendations.