



## The Internet Corporation for Assigned Names and Numbers

12 February 2014

Mr. Richard Phillips  
President  
Intellectual Property Owners Association  
1501 M Street, NW, Suite 1150  
Washington, DC 20005

Dear Mr. Phillips:

Thank you for your letter of 2 December 2013 concerning the provisions of the New gTLD Registry Agreement. We appreciate that you took the time to write to us, and we have posted the letter to the New gTLD correspondence page (<http://www.icann.org/en/news/correspondence/phillips-to-chehade-02dec13-en.pdf>). As you are no doubt aware, the agreement was developed as part of the New gTLD Program, based on extensive stakeholder feedback and development, in which many of your members participated.

Your letter contained feedback in two areas: requirements concerning reservation and release of domain names, and suggested additions to the New gTLD Program.

In regard to the first topic, allow me to clarify a few points on the provisions you referenced in relation to a registry operator's ability to reserve names from registration:

A "reserved" status means that the name is not available for registration by any party (i.e., generally unavailable rather than reserved "for" one particular party). In line with longstanding registry practice, ICANN's agreement with new gTLD registry operators provides the flexibility for the registry operator to reserve names from registration at its discretion (e.g., certain domain labels might be considered inappropriate for the TLD and reserved from registration by any party).

However, under the new gTLD registry agreement, if a reserved name is released for registration at any point, it is subject to the Trademark Claims process. This provides that, if a name matches a Trademark Clearinghouse record, the relevant rights holders will receive a notification of the registration and can determine whether additional action is needed.

The new gTLD registry agreement also provides that up to 100 names (over the life of the TLD) may be allocated to the registry for operation or promotion of the TLD. This is to allow registries to use a limited number of names for registry use, for example, creating dedicated pages for a service or creating pages to promote or run a program). These names are not "reserved."

It appears that the IPO concerns are focused around the possible later release of reserved names for registration. However, note that protections have been built in to guard against abuse in this instance.

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First, the requirement for the Trademark Claims service to be applied means that when a name changes status, at a minimum, the rights holders with matching records in the Trademark Clearinghouse will receive a notification of such names being registered.

Second, post-delegation mechanisms exist for cases where a registry operator is promoting infringing behavior. The Trademark Post-Delegation Dispute Resolution Procedure (PDDRP) allows a complainant with standing to demonstrate that: *(a) there is a substantial pattern or practice of specific bad faith intent by the registry operator to profit from the sale of trademark infringing domain names; and (b) the registry operator's bad faith intent to profit from the systematic registration of domain names within the gTLD that are identical or confusingly similar to the complainant's mark.* A PDDRP determination may result a variety of graduated enforcement tools against the registry operator if it is determined that the registry operator is liable under the Trademark PDDRP.

As to the second topic in your letter, we note the two specific suggestions, a requirement for registries to check reserved names against the Trademark Clearinghouse, and a dispute resolution procedure regarding reserved names. As described above, we believe your concerns relate to possible release of reserved names to third parties, and the measures above protect against potential harms to intellectual property rights that could result in such a case. To pursue ongoing work in this area, we encourage you to engage in the bottom-up policy process through the Generic Names Supporting Organization (GNSO), which develops policy applicable to gTLDs. See <http://gnso.icann.org/en/about/participation.htm>.

We take note of and share your view on the importance of effective protection of intellectual property rights in the New gTLD Program. The rights protection mechanisms built into the program are the result of significant work through ICANN's multi-stakeholder process, and ICANN remains committed to monitoring these new initiatives as they move from implementation to operation.

Again, we thank you for taking the time to write to us and look forward to your continued involvement in ICANN's work.

Sincerely,

A handwritten signature in blue ink that reads "Akram Atallah".

Akram Atallah  
President, Global Domains Division