

PROPOSAL FOR TRADEMARK CLEARINGHOUSE
REVISED – FEBRUARY 2010

1. Introduction

The proposal for establishment for the Trademark Clearinghouse was among the potential solutions to trademark protection issues in new gTLDs. It was developed through community consultations including the recommendations of the Implementation Recommendations Team (see <http://icann.org/en/topics/new-gtlds/irt-final-report-trademark-protection-29may09-en.pdf>) and others, and feedback gathered in online fora and public meetings. (The Implementation Recommendation Team (IRT) was assembled to help identify and propose rights protection mechanisms (RPMs) for trademark holders within the New gTLD Program.)

After receiving recommendations from the IRT relating to the proposed Clearinghouse and extensive comments and consultation with the broader community, a revised proposal for the Clearinghouse was developed.

Given that the original GNSO Policy direction was very general in nature, the ICANN Board provided the GNSO council with the opportunity to offer input on the specific rights protection mechanism of a Trademark Clearinghouse. The GNSO promptly took on this task and established the Special Trademark Issues Review Team (“STI”) to review the proposal and offer its input upon which the GNSO would be able to reach consensus.

While the STI could not reach unanimous consensus on every specific detail, it did reach such consensus on many aspects and broad consensus on many others. The GNSO unanimously approved the concept of a Trademark Clearinghouse as well as the GNSO-STI Model that was developed.

The following Trademark Clearinghouse proposal is reflected as clean and redlined versions, with the base being the staff proposal initially posted on October 2009 for public comment and sent to the GNSO for consideration. That baseline has been revised to reflect revisions as set out in the GNSO-STI Model. The new proposal below seeks to balance public comment and the GNSO-STI Model in cases where the public comment was particularly pointed and significant.

One major discussion point surrounding the Trademark Clearinghouse is the treatment of trademark registrations during Sunrise or Trademark Claims services. Significant comments were generated about the GNSO-STI Model in that it provides registries the discretion whether to recognize trademark registrations from countries that do not perform substantive review. The IPC submitted a Minority Statement on this issue and significant opposing comments were submitted by a variety of others, including trademark holder associations and several large trademark holders. Compromise is sought.

The exclusion of marks that have not undergone substantive review allows registries to treat registered trademarks differently depending on where they were registered. The new proposal suggests an approach to ensure that all nationally or multi-nationally registered trademarks could be eligible for the Sunrise or Trademark Claims services. The proposal recommends the availability of additional validation processes for trademarks from countries that do not conduct substantive review. Namely, validation that those marks have been used in connection with the applicable goods and services for which they were registered.

Specifically, the proposal now suggests that, in addition to recognizing court-validated marks, registries must choose to recognize in Sunrise or Trademark Claims services either: (i) all nationally or multi-nationally registered trademarks (regardless of whether the country of registration conducts a substantive review); or (ii) nationally or multi-nationally registered AND validated trademarks in the Trademark Clearinghouse database. (Such validation could be satisfied either at time of trademark registration, as in some countries that conduct substantive review, or by subsequent validation by the Trademark Clearinghouse or its agents to determine whether the trademark holder has used the registered trademarks in connection with the goods and services applicable to the registration.)

This proposal is an attempt to address the goal of the GNSO-STI Model, as well as those that are concerned that marks in non-substantive review countries can simply be excluded from Sunrise or Trademark Claim services. As always, community input is sought on this compromise or any other suggestions to address these competing concerns.

2. Clearinghouse – Purpose

The Trademark Clearinghouse is proposed as a central repository for information to be authenticated, stored, and disseminated pertaining to the rights of trademark holders. As such, the recommendation is that a service provider or providers be awarded the right to serve as a Trademark Clearinghouse Service Provider to accept, authenticate and facilitate the transmission of information related to certain trademarks. This entity will be separate from ICANN to the full extent possible.

The Clearinghouse will be required to separate its two primary functions: (i) authentication of the trademarks included in the Clearinghouse, and (ii) serving as a database to provide information to the new gTLD registries to support Sunrise or Trademark Claims Services. Whether the same provider could serve both functions or whether two providers would be more appropriate is to be determined. However, the Trademark Clearinghouse Service Provider should be required to maintain a separate Trademark Clearinghouse database, and may not store any data in the Clearinghouse database related to its provision of ancillary services, if any.

The Registry should only need to connect with one centralized database to obtain the information it needs to conduct its Sunrise or Trademark Claims Services regardless of the details of the Trademark Clearinghouse Service Provider's contract(s) with ICANN.

As set forth more fully below, there had been some suggestions that the role of the Clearinghouse be expanded beyond trademark rights and that the data which can be submitted be expanded beyond trademarks and service marks. As described below, there is no prohibition against the Trademark Clearinghouse Service Provider providing ancillary services, if any, as long as those services and any data used for those services are kept separate from the Clearinghouse database.

The Clearinghouse will simply be a repository of authenticated information and disseminator of the information to limited recipients. Its functions will be performed in accordance with a limited charter, and will not have any discretionary powers. The Clearinghouse administrator(s) cannot create policy. Before any changes are made to the Clearinghouse functions, they will undergo the same ICANN public comment period as is now being conducted. Inclusion in the Clearinghouse is not proof of any right, nor does it create any legal rights. Further, failure to submit trademarks into the Clearinghouse should not

be perceived to be lack of vigilance by Trademark holders or waiver of any rights, nor can any negative influence be drawn from such failure. ""

3. **Service Provider(s)**

The selection of Trademark Clearinghouse Service Provider(s) would necessarily encompass a variety of criteria, but the foremost considerations should be the ability to store, authenticate and disseminate the data at the highest level of technical stability and security without interference with the integrity or timeliness of the registration process or registry operations. Public commentary has suggested that the best way to protect the integrity of the data and to avoid concerns that arise through sole-source providers would be to separate the functions of database administration and data authentication. One entity would authenticate registrations ensuring they qualify as registered or court-validated marks. The other would maintain the database and provide Sunrise and Trademark Claims Services (described below). Discretion will be used in balancing efficiencies as to whether separate entities will be used, one to “authenticate” and the other to, “administer” in order to preserve integrity of the data. It is thought that with separation, the authenticator will have less incentive to approve applications for registration.

The Clearinghouse should be separate and independent from ICANN: not be operated by ICANN and clear and distinct from ICANN. It should operate based on market needs and collect fees from those who use its services. ICANN may coordinate or specify interfaces used by registries and registrars, and provide some oversight or quality assurance function to ensure rights protection goals are appropriately met. The Trademark Clearinghouse Service Provider(s) (authenticator and administrator) will be selected through an open and transparent process to ensure low costs and reliable, consistent service for all those utilizing the Clearinghouse services.

The Service Provider(s) providing the authentication of the trademarks submitted into the Clearinghouse should adhere to rigorous standards and requirements that would be specified in an ICANN contractual agreement. The model to be suggested for this contractual relationship would be similar to the detailed registrar accreditation agreement, rather than the minimal accreditation practice adopted by ICANN for UDRP providers. The contract should include service level agreement metrics, customer service availability (seven days per week, 24 hours per day, 365 days per year), data escrow requirements, and equal access requirements for all persons and entities required to access the Trademark Clearinghouse database. To the extent practicable, the Agreement should also include indemnification by Service Provider for errors such as false positives for participants such as Registries, ICANN, Registrants and Registrars.

The Clearinghouse Service Provider(s) should utilize regional marks authentication service providers (whether directly or through sub contractors) to take advantage of local experts who understand the nuances of the trademark in question. The specific performance criteria details would be addressed in the contract awarded to the service provider but, should at least require that the provider:

- a) provide 24 hour accessibility seven days a week (database administrator);
- b) employ systems that are technically reliable and secure (database administrator);

- c) use globally accessible and scalable systems so that multiple marks from multiple sources in multiple languages can be accommodated and sufficiently cataloged (database administrator and validator);
- d) accept submissions from all over the world - the entry point for trademark holders to submit their data into the Clearinghouse database could be regional entities or one entity;
- e) allow for multiple languages, with exact implementation details to be determined;
- f) provide access by the Registrant to verify and research Trademark Claims Notices;
- g) have the relevant experience in database administration, validation or authentication, as well as accessibility to and knowledge of the various relevant trademark laws (database administrator and authenticator); and
- h) must ensure through performance requirements, including those involving interface with registries and registrars, that neither domain name registration timeliness, nor registry or registrar operations will be hindered (database administrator).

4. **Criteria for Inclusion in the Clearinghouse**

The trademark holder would only be required to submit to one entry point – a single point of entry will lead to access to the entire Clearinghouse database. If regional entry points are used, ICANN should host an information page describing how to locate regional submission points. Regardless of the entry point into the Clearinghouse, the authentication procedures established will be uniform.

The current standards for inclusion in the Clearinghouse are:

- a) Nationally or multi-nationally registered “text mark” trademarks from all jurisdictions (including countries where there is no substantive review).
- b) Any text mark that has been validated through a court of law or other judicial proceeding.

No Common law rights should be included in the Trademark Clearinghouse Database, except for court-validated common law marks. This shall not preclude any gTLD registry from entering into a separate agreement, with no ICANN involvement, with the Clearinghouse Service Provider to collect and verify other information for ancillary services, provided that any such information be held separate from the Trademark Clearinghouse Database. The type of data supporting an application for a registered mark would be a copy of the registration or the relevant ownership information, including, the requisite registration number(s), the jurisdictions where the registrations have issued and the name of the owner of record. Data supporting a judicially validated mark would include the court documents, properly entered by the court, evidencing the validation of a given mark.

Registrations that include top level extensions such as “.com” as part of the trademark or service mark will not be permitted in the Clearinghouse regardless of whether a registration has issued (i.e., if a trademark existed for example.com, example.com would not be permitted in the Clearinghouse).

All trademark holders seeking to have their marks included in the Clearinghouse would be required to submit a declaration, affidavit or other sworn statement that the information provided is true and current and has not been supplied for an improper purpose. The trademark holder would also be

required to attest that it will keep the information supplied to the Clearinghouse current so that if, during the time the mark is included in the Clearinghouse, a trademark registration gets cancelled or is transferred to another entity, or in the case of a common law trademark the holder abandons use of the trademark, the trademark holder has an affirmative obligation to notify the Clearinghouse. There would be penalties for failing to keep information current. Moreover, it is anticipated that there will be a process whereby registrations can be removed from the Clearinghouse if it is discovered that the trademarks are procured by fraud or if the data is inaccurate.

As an additional safeguard, the data authentication would have to be renewed periodically by any trademark holder wishing to remain in the Clearinghouse. Electronic submission should facilitate the process and outweigh any perceived burden associated with it. The reason for periodic authentication is to streamline the efficiencies of the Clearinghouse and the information the registry operators will need to process and limit the marks at issue to the ones that are in use.

All trademark holders seeking to have their marks included in the Clearinghouse, will have to consent to the use of the information by the Clearinghouse. However, such consent would extend only to use in connection with the stated purpose of the Trademark Clearinghouse Database. The reason for such a provision would be to prevent the Clearinghouse from using the data in other ways. There should be no bar on the Trademark Clearinghouse Service Provider or other third party service providers providing ancillary services on a non-exclusive basis. For example, additional information might consist of a list of generic words or common typographical variations of its trademark to be used in a post-launch Trademarks Claims Service or Trademark Watch Service.

In order not to have a competitive advantage over competitors, the Trademark Clearinghouse database (as well as other relevant data obtained by the Trademark Clearinghouse to perform ancillary services) should be licensed to competitors interested in providing ancillary services on equal and non-discriminatory terms and on commercially reasonable terms. Accordingly, two licensing options would be offered to the trademark holder: (a) a license to use its data for all required features of the Trademark Clearinghouse, with no permitted use of such data for ancillary services either by the Trademark Clearinghouse Service provider or any other entity; or (b) license to use its data for the mandatory features of the Trademark Clearinghouse and for any ancillary uses reasonably related to the protection of trademarks in new gTLDs, which would include a license to allow the Clearinghouse to license the use and data in the Trademark Clearinghouse to competitors that also provide those ancillary services. The specific implementation details will be determined, and all terms and conditions related to the provision of such services shall be included in the Trademark Clearinghouse Service Provider's agreement with ICANN and subject to ICANN review.

If the Trademark Clearinghouse Service Provider does provide ancillary services, any information should be stored in a separate database. Access by the Registrant to verify and research Trademark Claims Notices shall not be considered an ancillary service, and shall be provided without cost to the Registrant. Obviously, centralized data of this kind could have appeal for sale for marketing purposes, etc. but misuse of the data by the service providers would be grounds for immediate termination.

5. **Data Authentication Guidelines**

One core function for inclusion in the Clearinghouse would be to authenticate that the data meets certain minimum criteria. As such, the following minimum criteria are suggested:

- a) An acceptable list of data authentications sources, i.e. the web sites of patent and trademark offices throughout the world, third party providers who can obtain information from various trademark offices, etc.;
- b) Name, address and contact information of the applicant is accurate, current and matches that of the registered owner of the trademarks listed;
- c) Electronic contact information is provided and accurate;
- d) The registration numbers and countries match the information in the respective trademark office data base for that registration number; and

6. **Mandatory Pre-Launch Use of the Trademark Clearinghouse**

All new gTLD registries will be required to use the Trademark Clearinghouse to support its pre-launch rights protection mechanisms (RPMs) that must, at a minimum, consist of either a Sunrise or a pre-launch Trademark Claims Service. Such services shall meet the minimum standards specified in the IRT Report. There is no requirement that a registry adopt both of these RPMs.

The Trademark Claims Notice should provide clear notice to the Registrant of the scope of the trademark holder's rights in order to minimize the chilling effect on registrants. A form that describes the required elements is attached. The specific statement by Registrant warrants that: (i) the Registrant has received notification that the trademark(s) is included in the Clearinghouse; (ii) the Registrants has received and understood the notice; and (iii) to the best of the Registrant's knowledge, the registration and use of the requested domain name will not infringe on the trademark rights that are the subject of the notice.

If feasible, the Trademark Claims Notice should provide links, or provide alternative methods of providing access, to the Registrant for accessing the Trademark Clearinghouse Database information reference in the Trademark Claims Notice for a better understanding of the Trademark rights being claimed by the trademark holder. These links shall be provided in real time without cost to the Registrant. The implementation details are to be determined. Preferably, the Trademark Claims Notice should be provided in the language used for the rest of the interaction with the registrar or registry, but at the very least in the most appropriate UN-sponsored language (as specified by the prospective registrant or registrar/registry). Then, if the domain name is registered, the registrar (again through an interface with the Clearinghouse) will notify the trademark holders(s) of the registration. This notification should not be before the registration is effectuated so as not to provide an opportunity for a trademark holder to inappropriately attempt to block a legitimate registrant from registering a name in which the registrant has legitimate rights.

The Trademark Clearinghouse Database should be structured to report to registries domain names that are considered an “Identical Match” with the validated trademarks. “Identical Match” means that the domain name consists of the complete and identical textual elements of the trademark. In this regard: (a) spaces contained within a mark that are either replaced by hyphens (and vice versa) or omitted; (b) only certain special characters contained within a trademark are spelled out with appropriate words describing it (@ and &); (c) punctuation or special characters contained within a mark that are unable to be used in a second-level domain name may either be (i) omitted or (ii) replaced by spaces, hyphens or underscores and still be considered identical matches; and (d) no plural and no “marks contained” would qualify for inclusion.

Notification should be limited to identical marks so as to ensure operational integrity, limitation of overly broad notifications and an unmanageable volume of processing by the Clearinghouse.

7. Protection for Trademarks in the Trademark Clearinghouse

New gTLD registries must provide Sunrise or Trademark Claims services for all trademarks in the Trademark Clearinghouse, except as follows:

- a) In those services, registries must recognize either (i) or (ii):
 - (i) all nationally or multi-nationally registered trademarks in the Trademark Clearinghouse Database; or
 - (ii) all nationally or multi-nationally registered AND validated trademarks in the Trademark Clearinghouse database. (Such validation could be satisfied either at time of trademark registration, as in some countries, or by subsequent validation by the Trademark Clearinghouse or its agents to determine whether the trademark holder has used the registered trademarks in connection with the goods and services applicable to the registration.)

NOTE: The GNSO-STI Model for section 7.a. would read as follows “trademarks from a country where there is no substantive review upon registration (protection may be provided to these trademarks at registry discretion).” The alternative approach developed in response to various comments and suggestions is meant to accomplish the goals of the GNSO and satisfy the concerns that have been raised.

or

- b) In a gTLD with eligibility requirements (i.e., registration restrictions), registries shall have discretion whether to include trademarks that do not satisfy such eligibility requirements.

The Trademark Clearinghouse or its agent shall develop a list of the countries that conduct substantive review upon trademark registration.

8. Sunrise Registration Process

In lieu of a pre-launch Trademark Claims Service, the IRT proposes that each new gTLD registry operator be required to provide a Sunrise registration process that applies sunrise eligibility requirements (SERs) as a floor, verified by Clearinghouse data, and incorporates a Sunrise Dispute Resolution Policy (SDRP).

The proposed SER's include: (i) ownership of a trademark of national effect that issued on or before the effective date of the registry agreement and was applied for on or before ICANN publishes new gTLD application list that is identical (as defined in section 6 above) to the applied for domain name; (ii) optional registry elected requirements re: international class of goods or services covered by registration; (iii) representation that all provided information is true and correct; and (iv) provision of data sufficient to document trademark registration or facilitate its authentication to the Clearinghouse.

The proposed SRDP must allow challenges based on at least the following four grounds: (i) at time the challenged domain name was registered, the registrant did not own a trademark registration of national effect; (ii) the domain name is not identical to the trademark on which the registrant based its Sunrise registration; (iii) the trademark registration on which the registrant based its Sunrise registration is not of national effect; and (iv) the trademark registration on which the domain name registrant based its Sunrise registration did not issue on or before the effective date of the Registry Agreement and was not applied for on or before ICANN announced the applications received.

8. Costs of the Clearinghouse

Costs should be completely borne by the parties utilizing the services. ICANN should not be expected to fund the costs of operating the Trademark Clearinghouse. The Clearinghouse should not be expected to fund ICANN from its fees. For a Clearinghouse to be effective, the new gTLD registry operators would need to have certain obligations to use the information provided to it by the Clearinghouse. Part of the registry agreement would require the operator to use the information provided by the Clearinghouse.

TRADEMARK NOTICE

[In English and the language of the registration agreement]

You have received this Trademark Notice because you have applied for a domain name which matches at least one trademark record submitted to the Trademark Clearinghouse.

You may or may not be entitled to register the domain name depending on your intended use and whether it is the same or significantly overlaps with the trademarks listed below.

Your rights to register this domain name may or may not be protected as noncommercial use or "fair use" by the laws of your country. [in bold italics or all caps]

Please read the trademark information below carefully, including the trademarks, jurisdictions, and goods and service for which the trademarks are registered. Please be aware that not all jurisdictions review trademark applications closely, so some of the trademark information below may exist in a national or regional registry which does not conduct a thorough or substantive review of trademark rights prior to registration.

If you have questions, you may want to consult an attorney or legal expert on trademarks and intellectual property for guidance.

If you continue with this registration, you represent that, you have received and you understand this notice and to the best of your knowledge, your registration and use of the requested domain name will not infringe on the trademark rights listed below. The following [number] Trademarks are listed in the Trademark Clearinghouse:

1. Mark: Jurisdiction: Goods: [click here for more if maximum character count is exceeded] International Class of Goods and Services or Equivalent if applicable: Trademark Registrant: Trademark Registrant Contact:

[with links to the TM registrations as listed in the TM Clearinghouse]

2. Mark: Jurisdiction: Goods: [click here for more if maximum character count is exceeded] International Class of Goods and Services or Equivalent if applicable: Trademark Registrant:

Trademark Registrant Contact:

***** [with links to the TM registrations as listed in the TM Clearinghouse]

X. 1. Mark: Jurisdiction: Goods: [click here for more if maximum character count is exceeded] International Class of Goods and Services or Equivalent if applicable: Trademark Registrant: Trademark Registrant Contact: