

Five Key Takeaways From ICANN's London Meeting

This article appeared in Law360 on August 5, 2014.

The 50th Meeting of the Internet Corporation for Assigned Names and Numbers took place in London from June 22–26. This marked the first time that an ICANN meeting has been held in London, and also resulted in the largest attendance record for an ICANN meeting, with more than 3,300 individuals registered in attendance.

Despite what could be characterized as organized chaos on the ground during the meeting, the following five topics and takeaways began to emerge for brand owners and new generic top-level domain applicants—topics that have only continued to blossom and garner further attention in the month following the formal conclusion of the meeting.

1. Geographic Terms Trump Trademarks, According to the Argentina Proposal

In essence, the Argentina proposal seeks to block at all levels of the domain name system, "terms with national, cultural, geographic and religious significance," including "regions of countries, regions of continents, sub-regions of countries, rivers [and] mountains, among others" subject to registration through relevant national approval. The proposal adopts a highly aggressive posture toward inevitable conflicts between natural, cultural, geographic and religious terms on the one hand and trademarks on the other hand, no doubt in response to ongoing disputes within ICANN over the .amazon and .patagonia new gTLD applications.

Contrary to the principle of freedom of use of geographic names, allowing private companies to register geographic names as part of gTLDs [sic] strings creates a high risk for these names to be captured by companies that want to use them to reinforce their brand strategy or profit from the meaning of these names, limiting the possibility of utilizing them in the public interest of the affected communities.¹

Although the national, cultural, geographic and religious terms contemplated are clearly distinct from geographical indications, such as "bordeaux," "feta" or "darjeeling," the two have been conflated and the Argentina proposal has raised similar ire from nations vehemently opposing the .wine and .vin new gTLD applications within the Governmental Advisory Committee. Accordingly, based on serious concerns within the GAC that the Argentina proposal is not rooted in international legal norms, that it hinges upon impractical and ad hoc terminology lists, and that it fails to grasp the purpose or intent of exclusivity pursuant to national trademark legislation, the GAC agreed to take this discussion out from behind closed doors and into a more public forum, via a GAC project team.

Accordingly, it is incumbent upon all stakeholders to question and ultimately oppose the Argentina proposal by weighing in on project team deliberations leading up to ICANN 51 in Los Angeles in October. Indeed, ever-expanding blocks will certainly hamper registry growth and harm contracted parties. Most importantly, myriad companies, and even third-party legitimate users, may ultimately find their famous brands and desired strings wholly excluded from the domain name system.

2. Conflicts Addressed Between Trademark Sunrise Protection and the Domain Name Collision Mitigation Framework

To date, ICANN's domain name collision mitigation framework has failed to explicitly account for mandatory rights protection mechanisms, such as trademark sunrise and claims periods. Thus, many famous brands experienced frustration leading up to the London meeting, particularly because certain registry operators felt disinclined to allocate

¹ See GAC Meeting: Briefing to ICANN Community – Protection of Geographic Names in gTLDs (June 25, 2014).

names corresponding with famous trademarks during sunrise periods, and instead held them as reserved names on collision block lists—a practice technically permitted within the name collision mitigation framework and registry agreement.

In the closing moments of the London meeting, ICANN shocked both the trademark and registry communities when it announced that ICANN would not require collision block list names to be allocated during sunrise periods, and if collision block list names were ever released for registration down the road, then only a 90-day claims period would apply, rather than any sunrise period. Both brand owners and registry operators disagreed with this announcement. Specifically, sunrise allocation stands as the clear preference for brand owners, given the choice between sunrise protection and mere claims notifications. In addition, registry and registrar systems would require substantial and costly retooling in order to ensure adequate claims notices are delivered to registrants beyond original claims periods.

Accordingly, in the wake of ICANN 50, the Registry Stakeholder Group, Intellectual Property Constituency and Business Constituency all coalesced around a compromise counter proposal, based on the novel set of circumstances created by name collisions and mitigation measures. The compromise proposal prescribed a 30-day period for collision block list names to serve as the functional equivalent to the trademark sunrise period. In addition, the compromise proposal removed the additional 90-day claims period for collision block list names.² The New gTLD Program Committee within the ICANN board of directors stands poised to approve the domain name collision mitigation framework accounting for the compromise counter proposal.

3. The Circumvention of Rights Protection Mechanisms Has Reached a Boiling Point

ICANN leadership has increasingly emphasized its need for specific details in response to complaints from commercial stakeholders regarding the circumvention of intellectual property rights protection mechanisms in new gTLDs. In response, the Business Constituency and the International Trademark Association continue to gather specific evidence, screen grabs and industry news coverage expanding upon the ways in which certain registry operators and registrars have skirted the letter and spirit of new gTLD rights protection mechanisms. Some overarching categories of abuse examined to date include, *inter alia*:

- preregistration offers or allocation of domain names prior to trademark sunrise and devoid claims notifications;
- extortionate premium names programs or sunrise registration pricing covering famous trademarks;
- incorrect claims notices integrated with advertisements; and
- bulk premium name warehousing with registry affiliates.

Indeed, industry news coverage has already flagged a number of these practices in the public arena.³ The goal for commercial stakeholders and INTA will be to educate ICANN on the abusive practices brand owners are encountering in the marketplace, and also demand remedial action, despite the laissez-faire approach to pricing taken by ICANN in the past, and also in dealings with mere applicants who have not yet executed a registry agreement.

4. Improvements for a Second Application Round Are Already Under Formation and Consideration

While in London, the Generic Names Supporting Organization Council unanimously passed a motion that: created a discussion group to exchange experiences gained in the 2012 new gTLD application round and identify topics for further

² See Application of Rights Protection Mechanism to Name Collision Block Lists (July 17, 2014).

³ See, e.g., *Domain Incite*, “GoDaddy Risking Oscars Wrath With .BUZZ Premium Domains” (March 7, 2014); *Domain Incite*, “ICANN Smacks New gTLDs For Pre-Sunrise Auctions” (June 18, 2014).

study and policy development; solicited subject matter input from the ICANN board of directors; and requested a timetable from ICANN staff for the next application round, as well as a status report on pending studies evaluating the 2012 new gTLD application round.

Concurrently, the New TLD Applicant Group held a public session in London dedicated to new gTLD program lessons and potential improvements. Commentators generally agreed on the necessity for "a defined and predictable process across the board that works for all applicant categories." More pointedly, intellectual property representatives advocated:

- regulations governing premium names programs and trademark sunrise periods;
- completely redrafted objection procedures, with the exception of the legal rights objections;
- affirmations requiring that all domain names be subject to trademark sunrise periods; and
- protected marks lists, similar to Donuts Inc.'s domain protected marks list model but less expensive, across all new gTLDs.

Brand owners, prospective applicants in the second round, as well as prospective objectors, are all well advised to participate in this ongoing discussion, which will no doubt contribute to share guidelines for future new gTLD delegations.

5. ICANN Accountability Has Taken Center Stage in the Internet Assigned Numbers Authority (IANA) Transition

Community discussions to date concerning the IANA transition have concerned the process to transition IANA stewardship, and now, increasingly, enhancing accountability to the community. The accountability concerned addresses the absence of the historical contractual relationship between ICANN and the US Department of Commerce—more specifically, the theoretical possibility that the DOC could terminate its IANA contract with ICANN to renegotiate terms or engage some other qualified entity. As it stands, accountability generally already exists within ICANN in a multifaceted way, including, *inter alia*:

- overarching accountability and transparency commitments in the bylaws;
- well-documented relationships with contracted parties;
- periodic structural and effectiveness reviews mandated by the affirmation of commitments;
- bylaws-mandated accountability mechanisms, namely the ombudsman, reconsideration requests, and independent review panels;
- operational information on finances, metrics and performance;
- rigorous selection processes for ICANN board members;
- publication of board resolutions, minutes, and statements of interest; and
- United States rule of law as a Californian not-for-profit corporation.

In addition to exchanging ideas about improving upon this existing accountability framework, the community in London debated philosophical considerations behind accountability itself. From the debate, one message has been made loud and clear, as recently reaffirmed by US National Telecommunications and Information Administration Assistant Secretary Lawrence E. Strickling, the "important accountability issue will and should be addressed before any transition takes place."⁴

⁴ See U.S. NTIA, Keynote Address By Assistant Secretary Strickling At the American Enterprise Institute (July 22, 2014).

In other words, to place the matter in perspective, the IANA transition presents a unique opportunity with unprecedented pressure on ICANN to ensure its accountability framework and mechanisms work for the community—that they are cost effective, expeditious and efficient, while according due process to parties negatively affected by the actions or inactions made by ICANN.

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