

IP Client Advisory: Six Takeaways from ICANN 56 in Helsinki

ICANN 56, the most recent public meeting of the nonprofit Internet Corporation for Assigned Names and Numbers, was held in Helsinki, Finland, in June 2016. In examining the proceedings, our Internet practice has identified the following six takeaways, covering a range of topics that should be of interest to brand owners, future applicants for generic top-level domains (gTLDs) and registry operators alike.

1. Community Moves Ahead on Accountability “Work Stream 2,” Focusing on “Jurisdictional” Issues

A Cross Community Working Group has been working on a number of issues related to increasing ICANN’s accountability to the community after the “IANA function” transitions away from US government oversight. One such issue is ICANN’s commitment, including in its bylaws, to remaining headquartered in the United States and subject to US jurisdiction. Several working group participants attempted to re-open this question in an effort to subvert the decision to keep ICANN operating in the United States under California law.

Given that litigation against ICANN in the United States is an accountability mechanism of last resort for US businesses and brand owners, commercial stakeholder representatives have been attempting to counterbalance these early inflammatory comments and re-focus discussions on other issue. The team discussing these matters has not yet held its first formal meeting, so it

remains to be seen whether the controversy around ICANN’s jurisdiction will resurface.

2. Working Group Pushes Ahead in Developing Rules of the Road for Future gTLD Launches

Debate on what rules should apply to future launches of new gTLDs (known as the “Subsequent Procedures Working Group”) continues on a number of threshold issues, including whether future new gTLD applications should continue in discrete rounds or whether some form of ongoing open rolling application process should become the standard. The group also discussed whether there should be a separate, and possibly early, application track for .Brand TLDs—although many have cautioned that setting up a priority track could incentivize gaming. Ultimately, with few issues apparently conducive to quick community consensus, we continue to anticipate a long, drawn-out process to review and revise new gTLD policy and implementation issues, with the next opportunity for additional gTLD applications not likely until 2018 or later.

3. Efforts to Devise a New Domain Name Registration Directory Service Focus on Critical Issues for Brand Owners

Access to accurate domain name registration data is critical for brand owners seeking to enforce trademark rights against counterfeiters, cybersquatters and infringers operating online, as well as to counter online fraud and abuse.

An ICANN Working Group is considering the possibility of a new registration data system (known as the Next-Generation Registration Directory Service, or “RDS,” which is likely to give greater consideration to national privacy and data protection laws and could, therefore, present a huge hurdle for brand owners who enjoy free and easy access to such data under today’s WHOIS system. The Working Group is considering the possibility of “gated access” to registration data, which could range from a fairly lightweight mechanism requiring a username and password to access such data or a much more restricted system that might require a court order or similar legal process before registration data would be made available.

The Working Group is still in the process of identifying possible requirements for inclusion in the new RDS and has begun collecting “use cases” to facilitate its deliberations on such requirements. The use cases should help highlight which RDS requirements will be necessary to facilitate legitimate access to the registration data (such as intellectual property enforcement) and which should be withheld to foreclose illegitimate purposes (such as harassment or cyberbullying). Brand owners will need to continue to advocate for reasonable access to the legitimate data they need to facilitate intellectual property enforcement efforts.

4. Community Comes Together to Discuss Controversial Geographic Names Issues

The ICANN community continues to debate a variety of issues related to whether various kinds of “geographic” names can serve as a top level domain (e.g., .AMAZON) and as second-level domain names (e.g., JAPAN.SHOP). Brand owners and others within the ICANN community continued to pressure the Governmental Advisory Committee (GAC) to abandon the so-called “Argentina Proposal,” which proposes denying new gTLD status to any term of geographic or cultural significance

(including mountains, rivers, regions, geographic indications and many other terms), without the express approval of the relevant governmental authority. The GAC continues to prevaricate in publishing a revised Proposal, likely anticipating additional community opposition that it is not prepared to counter.

A Cross-Community Working Group on Use of Country and Territory Names as TLDs (CWG-UCTN) continues to make incremental progress on a framework for the use of full country and territory names, as well as three-letter and two-letter country codes, as gTLDs. It comes as no surprise that discussion regarding two- and three-letter codes has been split between ccTLD managers who wish to continue the current prohibition against using such names as gTLDs and members from the gTLD community, who have generally advocated for the full release of all two- and three-letter names, subject to a prohibition on the co-existence of confusingly similar strings.

Finally, shortly after ICANN 56, ICANN published for public comment its [proposed measures](#) for two-letter names to avoid confusion with corresponding country codes. The proposed measures would require registry operators to implement certain “confusion mitigation” measures in order to obtain ICANN approval to release two-letter names that have been withheld to date due to government opposition. The adoption of such community-driven criteria to mitigate confusion is a positive development and should significantly ease the burden for .Brand TLD registry operators in obtaining ICANN’s permission to release two-letter names at the second level.

Because there are multiple work streams considering the issue of geographic names in the DNS, the community is now entertaining the possibility of unifying these efforts into a single cross-community working group, although there has not been any additional movement in this regard.

5. Rights Protection Mechanism Review Working Group Considers the “Post-Delegation Dispute Resolution Procedure”

The Working Group reviewing Rights Protection Mechanisms (the RPM Review Working Group) is tasked with reviewing all existing ICANN RPMs available to intellectual property owners and assessing whether such mechanisms are effective. The working group has begun to consider the RPM known as the Trademark Post-Delegation Dispute Resolution Procedure (PDDRP). The PDDRP was designed to remedy issues of registry operator misconduct involving widespread trademark infringement and cybersquatting in a new gTLD. The current version requires the complainant to prove, by clear and convincing evidence, a specific showing of bad faith by the registry to profit from such registrations. No PDDRP complaints have been filed to date, which may be attributable to this high standard of proof. The Working Group recently agreed to conduct a survey asking the community whether they have considered bringing such an action, and, if so, why they have not availed themselves of this remedy. The Working Group is also considering possible improvements, including whether the PDDRP should permit the filing of a “joint complaint” by multiple potentially unaffiliated trademark owners. Improvements to the PDDRP, including a joint filing option would reduce costs to each individual complainant, maximize efficiency and reduce administrative burdens for the PDDRP provider. The Working Group will continue to address all the RPMs in turn, and brand owner participation and input will be critical.

6. Intellectual Property Community Opens Direct Dialogue with Contracted Parties on Contractual Compliance and “Public Interest Commitments”

During ICANN 56, the IPC met with the Registry Stakeholders Group (RySG) and Registrar

Stakeholders Group (RrSG) to discuss their contractual obligations to protect third-party intellectual property rights.

The IPC and RySG spent their session discussing Section 3(a) of Specification 11, which requires registry operators to include a provision in their Registry-Registrar Agreements under which registrars must include provisions in their registration agreements with registrants prohibiting various forms of abuse, including trademark and copyright infringement. Registry operators asserted that there was no requirement that they then *enforce* that provision vis-à-vis registrants and associated website content. The IPC countered that registries’ Public Interest Commitments were designed to protect the public and, therefore, that the language prohibiting intellectual property infringement and abuse should be interpreted broadly in line with the public interest. ICANN has typically sided with the narrow registry interpretation, but the debate on this issue will continue.

The meeting between the IPC and the RrSG was somewhat less contentious and focused on improving registrar processes for handling abuse complaints concerning intellectual property infringement. Fundamentally, intellectual property owners expressed an interest in understanding, from a registrar’s perspective, what would constitute an actionable complaint and what might be an appropriate registrar response to such a complaint. The two sides agreed that recommendations contained within the Final Report of the Privacy & Proxy Services Accreditation Issues (PPSAI) Working Group provided helpful guidance regarding scenarios in which registrant identities were hidden behind privacy or proxy service shields. However, the discussion yielded little insight into the broader registrar approach to handling abuse complaints. Indeed, similar to the approach regarding registry operators, registrars continue to assert that they are not contractually required to render legal judgments regarding whether

behavior that has prompted a complaint actually constitutes infringement or other activity that may be prohibited under the local law of a given jurisdiction (which may or may not be the jurisdiction of the registrant or registrar). Again, ICANN has generally sided with registrars, taking a rather laissez-faire approach to contractual compliance around anti-abuse provisions in the Registrar Accreditation Agreement. Ultimately, while direct dialogue between intellectual property owner representatives and contracted party representatives may facilitate common understanding, it remains to be seen whether ongoing dialogue will lead to meaningful change.

Conclusion

As always, we hope that our guidance proves useful and informative to you, whether protecting your brands amidst an ever-expanding Internet naming system, navigating the new gTLD launch process, or considering applying for a new gTLD in the future.

Please let us know if you wish to discuss any of these or any other ICANN advocacy matters in greater detail. We look forward to continuing to provide you with key updates on ICANN matters, prior to and during the next ICANN Meeting, due to take place in Hyderabad, India from November 3-9, 2016.

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