.berlin

Best Practice IP Protection in cityTLDs – A Draft

Summary

This White Paper concerns the challenges for applicants for a new top-level domain (TLD) which is based on the string related to a city. In detail it covers the aspects how to protect intellectual property rights of third parties within the new name space and which protection measures could be a best practice for future city top-level domain (cityTLD) launches.

This document is also a response to the "A perfect Sunrise" paper prepared by the Intellectual Property Constituency (IPC) at ICANN. It is a current summary based on a multi-stakeholder approach with talks and consultation with many people and parties involved in this matter. It is based on the experience of our company dotBERLIN GmbH & Co. KG in this respect.

Since the topic of this White Paper is sensitive and relevant to trademark owners, countries, public authorities and the Internet community at large, we also would like to inform the public how we plan to protect intellectual property rights with the .berlin name space. The current registration policy draft for .berlin includes sunrise policies which are prepared with input of renowned experts from the Internet community including experts from WIPO, INTA, DENIC, ALAC, LSE, eco and others. We invite interested parties to join this group and shape the sunrise policies for .berlin and cityTLDs.

This paper concludes that a number of distinct rights protection mechanisms are essential for a cityTLD. A proper protection of intellectual property will not only benefit and satisfy the right holders, it will also contribute to an allover success of the cityTLD.

We are happy to share and challenge our knowledge and experience with any parties interested.

This document is preliminary and may be updated from time to time.

Content

Ideas for Best Practice IP Protection in cityTLDs

1.   Background

Experts believe that among the new top-level domains the top-level domains for cities, so-called cityTLDs, will become an important part of the development of the Domain-Name-System (DNS) in the future. cityTLDs are seen as a reasonable expansion of the DNS within the ICANN mission, since city identity is based on some of the oldest, strongest and most popular intellectual property that has been created and used in mankind. Cities are today also global drivers of innovation and progress and will herd more than two-third of the world's population in 2030.

.berlin was the first cityTLD showing up at ICANN with a serious intent to get approved, but several other applicants are awaiting the next opportunity to apply for a cityTLD string as well, including .paris, .bcn (Barcelona) and .nyc (New York City).

Since 2005, when we started to address cityTLDs as a new global development, numerous stakeholders were involved in the discussion on cityTLDs, from citizens to business and from local administration to the United Nations Internet Governance Forum IGF. At ICANN the Governmental Advisory Committee GAC was pursuing extensive work and discussion in terms of cityTLDs and GeoTLDs. Presentations and consultation were also made with IPC, BC, ALAC, and GNSO constituency councilors.

Addressed by us, an important point in the discussions has been, from the beginning, the question how to protect intellectual property rights of third parties within the cityTLD namespace. We used many opportunities to discuss this particular cityTLD with stakeholders in the city, national and internationally. We also contributed substantial papers on cityTLDs and GeoTLDs issues for information and discussion at various occasions, for instance the IGF, ICANN meetings and in ICANN discussion forums.

Regular consultations with the German Trademark Association (Markenverband) and the European Trademark Association (AIM) have been performed as well as a presentation at the International Trademark Association (INTA) conference in Berlin in 2008.

Team members of dotBERLIN have extensive experience in intellectual property issues related to domain names: as former managers in global marketing positions in the pharmaceutical and IT industry, as owners and defenders of intellectual property and domain names, as participants in the .info, .biz, .eu, .asia sunrise phases and as WIPO case challenger.

2.   IP Protection in cityTLDs

Without any doubt rights protection management is one of the most important legal and economic issues in the launch of new TLDs. Therefore it is worth to spend some thoughts on how to anticipate the lessons we all learned from past TLD introductions, both gTLDs and ccTLDs, on how to incorporate the latest developments on the IP and domain front, and how to establish a best practice for the upcoming TLDs. Since different types of new TLDs might require different mechanisms of rights protection this paper will focus on the particular type of cityTLDs.

Based on the paper "A perfect Sunrise" prepared by the Intellectual Property Constituency (IPC) at ICANN we propose for cityTLDs the following rights protection mechanisms (RPM).

2.1.   The Sunrise Scheme - Keep it simple but not stupid

cityTLD registries should consider the experience that has been made in previous sunrise phases when setting up their sunrise schemes. It should always be kept in mind that the sunrise communication involves various entities and at the end the information has to reach the end user properly, whether it is an individual or an organization.

Too simple sunrise schemes like "First come, first served" or "Trademarks only" might appeal at the first view but bear the threat of neglecting the needs of particular TLDs like the cityTLDs.

Too complicated sunrise schemes in past TLD launches not only led to multiple error opportunities for registrants and negative press response for the registry but also to a decreased volume in domain name registrations and numerous dispute cases at the end of the day which are not in the interest of any party involved.

Furthermore past sunrise phases have shown that a sophisticated and by this often complicated sunrise scheme does not necessarily lead to a better justice in the domain name allocation and a guarantee that trademark owners get their domain name.

We think that the cityTLDs sunrise scheme should be simple and robust and should anticipate the experiences from previous TLD introductions. We think a simple and single sunrise phase with clearly defined policies and eligibility criteria might have a much better allover market impact than a multiple, long and less accepted sunrise phase.

Two other points might also be important to mention for cityTLDs – the introduction of eligibility **cut off date** which excludes last minute trademark grabbers and cybersquatters and the **requirement of demonstrable usage** of the applied intellectual property.

2.2.   Timely Sunrise Communication and Education

Another important point, besides the convenience of the sunrise phase, is a timely communication and education of the public and authorities concerned about the sunrise. This is not only essential for the allover success of the cityTLD's sunrise for the city community but also for the registrar community and IP rights holders.

The cityTLD operator should run an outreach program which includes mass media, communication platforms of chambers and business associations, (trademark) lawyers, administration and other parties and multipliers, at least within the city community.

Our response of many talks with various parties concerned was that 3 to 6 months before the sunrise is scheduled to start the communication and education campaign should start, multiplicators might even be involved and trained earlier.

2.3.   Accreditation of Registrars

Based on the negative experience with so-called "Phantom Registars" in the .eu registration of domain names a cityTLD should require the use of an ICANN Accredited Registrar only. Each ICANN Accredited Registrar can decide whether or not to participate in a cityTLD's sunrise and RPM. The limited potential of cityTLDs in terms of the number of domain registrations, compared to some gTLDs, will also limit the number of participating Accredited Registrars.

2.4. Amendments and Reconsideration of Sunrise Applications

The experience of previous sunrise phases has shown that the option and use of amendments and reconsideration of applications is valued by both, the sunrise applicant and the registrar. Due to simple mistakes and misconceptions in applications in the cityTLD's sunrise applicants with intellectual property rights will be much safer in acquiring their desired domain name and registrars will have economic value by additional revenues when amendments and reconsiderations are allowed.

2.5. Transparent Sunrise Whois and Sunrise Challenge Mechanisms

Basis for simple to file sunrise challenges in cityTLD domain names is an accurate, easily accessible and transparent sunrise Whois database which contains at least information on

- strings reserved prior to the sunrise (e.g. authorities),
- applicant data including address, email and timestamp of application,
- the availability of the data above for several years after the sunrise has finished.

Sunrise challenges in cityTLDs should allow third parties and owners of legal rights, which match a domain name, to challenge the sunrise registration. Therefore for cityTLDs also a sunrise Dispute Resolution Policy is needed.

2.6. TLD Policies and Policy Enforcement

cityTLDs may require various policies to ensure a proper use of the namespace and added value for the city community concerned and the Internet Community at large. Complementary to the respective cityTLD's policies the dispute policies we think that are at least needed are:

- Sunrise Dispute Resolution Policy
- Eligibility Requirement Dispute Resolution Policy
- Uniform Domain Name Dispute Resolution Policy

We think that the monitoring of the compliance to the cityTLD's policies and requirements could be done by the (Internet) community members themselves, in case of the sunrise by the owners of intellectual property respectively. The dispute policies should allow

- concerned parties including the registry to file a challenge,
- low challenge fees,
- timely and affordable resolution mechanisms,
- strict enforcement of decisions on the registrar and/or registry level.

In the past similar policies have been introduced successfully to a lot of new TLDs like .asia, .cat, and .travel.

2.7. Name String Notification and Take Down Procedures

IP right holders have multiple expressed that a name string notification combined with effective take down procedures might be a rational way to decrease the incentive and effects of fraud domain name registrations, not only in new TLDs. Based on the national legal framework of the cityTLDs location, the cityTLDs may offer name string notification as a paid subscription service where the owner of a legal right is notified of a registration of a new domain name which includes the monitored name string. Takedown procedures may additionally supplement the name string notification.

2.8. Domain Names pre-allocated in the Community Interest

We have found that pre-allocating domain names in the Public and Community Interest is not only a reasonable way of funding and developing a TLD initiative, but also a basis for the immense ICANN application fee. It is also a mechanism which, in our experience, is understood and welcomed by city officials and representatives of community organizations to limit fraud.

With the pre-allocation of domain names a basic order in the cityTLD namespace may be established which makes frequently used community search terms intuitively accessible (simply by type-in) to citizens, businesses and visitors. The organisations to target for a pre-allcocation may include the following:

- Government, administration, authorities, institutions, politics (e.g. www.mayor.paris)
- Tourism and city marketing organizations (e.g. www.visit.nyc)
- Chambers of Commerce, Industry and Guildes (e.g. www.business.london)
- Cultural, sport and welfare organisations (e.g. www.culture.berlin)
- Famous trademarks
- Others including hotels, businesses, city maps or yellow pages

2.9. Premium Names and Tenders

There are several terms that may neither fit into the categories of pre-allocated community terms or into the brand or intellectual property category. Such generic words and phrases could be for instance "music", "textmessage" or "student" and will be valuable domain names with the respective cityTLD namespace.

To avoid the mass registration and hording of such generic domains by a few individuals (speculators and domaingrabbers) the introduction of a premium name scheme (e.g. allocated via an auction) or tenders (e.g. like the .asia Pioneer program) could be recommended to cityTLD operators. Especially RFP-like tenders offer the opportunity to create added value to the cityTLD when the applicant outlines how a domain name will be used for the benefit of the community.

2.10. Sunrise Validation

The .info and .biz sunrise experience has shown that a validation of sunrise applications is essential to a smooth start-up of a top-level domain. Validation of all sunrise applications through a trusted and skilled validation agent together with an attractive pricing is the key to decrease incentives for both cybersquatting and trademark grabbing. There are today several outsource providers that are able to handle sunrise validations.

Entities physically located in a city might also have an advantage in the sunrise against parties from abroad when applying for the same string. A local trademark for certain goods or services might be much better known in the local city community than a similar international trademark for other goods and services which might even be not available in the city.

3. Final Comments

cityTLDs offer tremendous benefits for the city, the city society and citizens as well as for owners of intellectual property and the Internet community at large. When applying appropriate policies, cityTLD have the chance to obtain the standing and relevance ccTLDs and some gTLDs have.

Operating a cityTLD not only poses many challenges how to incorporate the community but also how to incorporate the interests of owners of trademarks, and other rights. We can learn a lot from previous gTLD introductions. Neither over-regulated policies, community IDs, narrow eligibility criteria or a complicated registrations processing nor the opposite have been helpful for the success of the TLD.

Therefore policy principles should include simple and open domain registration processes yet as much respecting trademark rights as possible for interested parties. This will be more beneficial to the respective city and cityTLD as a whole, than an over-regulated verification procedure, which in addition will be cost-intensive. Instead a strict and properly enforced registration policy will assure that only eligible parties will be able operate domain names within the cityTLD's namespace.

At the end we would like to make a comment to the intellectual property community: We would appreciate if you as a community would see cityTLDs as a great opportunity for brands to get answers and solutions for ongoing and future developments like regionalization, localization and individualization of the Internet.

With cityTLDs we expect that brands get closer to their target groups with local offerings, events and contacts to meet the demand of a constantly changing market - cityTLDs offer an excellent opportunity to apply the value of global brands to a local target group.

Last but not least we think that cityTLDs will support search engines to deliver better search results to Internet users.