



International Trademark Association

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INTRODUCTION

The International Trademark Association (INTA) takes this opportunity to offer its response to auDA's proposed changes to the eligibility and allocation policies for domain names in the .au namespace. INTA is a 122-year-old not-for-profit organization dedicated to, among other things, educating business, the media and the worldwide public on the proper use and importance of trademarks. We have more than 4,000 members in 120 countries around the world. We compliment the Name Policy Advisory Panel's efforts to uphold a public consultation process before delivering its final recommendations to the auDA board. Considering the expanse of the Internet, all steps towards policy uniformity are of utmost importance to trademark owners and to the public. These comments arise from an in depth knowledge of the Internet and our close surveillance of ccTLD policies throughout the world.

INTA elects to respond to certain provisions of the report that are of greatest importance to our members. Our silence on the remaining provisions does not indicate our agreement or disagreement.

3. DOMAIN NAME LICENSE ELIGIBILITY

Recommendation 3.1.2 INTA continues to support auDA's regulation of clear renewal policies for domain name licenses. We strongly encourage auDA to only ratify closed 2LD domain name license periods (currently proposed to be set by the relevant authorities for closed 2LDs) that are consistent with the open 2LDs. Although this could be a competitive difference between the closed 2LD registrars, we think it is important to keep the license periods consistent to avoid confusion and to ensure continued compliance with the usage rules.

Recommendation 3.1.3(a) INTA is pleased with the clarification of auDA's policy regarding the eligibility of the domain name license applicants. It is imperative that owners of trademarks registered in Australia are able to protect their intellectual property rights in the .au namespace.

Recommendation 3.1.3(e) INTA appreciates the recommendation that the "list of purposes that would not be considered bona fide intent to license a domain name" not be limited to those listed. INTA feels that the list, as written¹ is currently acceptable as it

¹ i. licensing a domain name for the sole purpose of selling it;
ii. licensing a domain name for the purpose of diverting trade from another business or website;
iii. deliberately licensing misspellings of another trader's company or brand name in order to trade on the reputation of another trader's goodwill; and
iv. licensing and then passively holding a domain name license for the sole purpose of preventing another (eg. an Australian Registered Trade Mark owner) from licensing it.

relates to the protection of intellectual property rights. Nevertheless, cybersquatting is an evolving practice that tends to flow along with changes to the Internet. Therefore, we would recommend a caveat to the list that would provide room for changes, from time to time, to provide the auDA with authority to update the list as necessary.²

Recommendation 3.1.3 (f) INTA appreciates the consideration the Names Policy Advisory Panel gives to the possibility of requiring that domain name license applicants acknowledge that their applications do not knowingly conflict with any existing trademarks. Although the Panel declines to recommend the use of stronger language to the auDA, we continue to encourage this suggestion as a means to further deter cybersquatting. The inclusion of a simple phrase in the domain name license agreement (or terms and conditions for domain name license) wherein the domain name license applicant acknowledges that, to the best of his knowledge, the domain name license will not infringe the trademark rights validly granted to another party, would be a simple complement to auDA's efforts to minimize cybersquatting.

Recommendation 3.1.3(g) INTA recommends that all domain name license (open AND closed 2LDs) applicants and holders (retroactive) be bound by the auDA Dispute Resolution Procedure. We see no reason for an opt-in based policy for closed 2LD applicants. Requiring closed 2LD applicants to be bound to such a policy would be a harmless preventative measure to control any problems that may currently be unforeseeable by the Panel.

4. DOMAIN NAME ALLOCATION POLICY

Recommendation 4.1.2(b) While we applaud the provision in 4.1.1 which provides that there must be a substantial and close connection between the domain name and the domain name license holder, we do not support the content of 4.1.2 where the domain name *"is a name by which the domain name license holder is generally known (eg. an acronym, abbreviation, nickname or alias) or is otherwise derived from the name on which the domain name license application is based."* As written, this provision creates a giant loophole for an individual to adopt or allege that a trademark is a nickname in order to obtain the domain name that corresponds to that nickname. Moreover, there is not a reasonable burden of proof test that could be imposed upon an applicant to demonstrate their rights in a nickname. It would also be impractical to expect a complainant to disprove an applicant's assertion that the domain name is their commonly known nickname. It is unclear how long the applicant must be known by the nickname in order to deem themselves commonly identified by it, and to whom it must be commonly known. The ambiguity of this provision is dangerous to the success of the Australian namespace expansion.

² For example, "v. Any other purposes that may, in the opinion of the relevant auDA authorities (as provided in the Au UDRP), be considered as a violation of the legitimate rights of any third parties."

Recommendation 4.3 INTA suggests that when reviewing the “generic” word policy, auDA consider that a more appropriate name for the policy would instead be “dictionary” word policy since, under trademark law, the term “generic” has a very definite meaning. Indeed, *“when the word that formerly served as a trademark comes to signify to the general public the kind of product or service it names rather than representing a particular brand of that product or service,”*³ it has become “generic”. More importantly, INTA notes that “dictionary” words can and often do in fact serve as trademarks so long as they are not descriptive of the goods or services to which they are applied. For example, a company can receive a trademark registration for “winery” for a clothing line.⁴ INTA further suggests that auDA consider this fact when reviewing the policy in question.

5. INTRODUCTION OF NEW SECOND LEVEL DOMAINS IN .AU

INTA maintains its recommendation against expansion of the 2LD .au namespace for the reasons set forth in our comments submitted during the first public consultation process (found at <http://www.auda.org.au/panel/name/submissions/heltzer.html>). However, if auDA proceeds with the namespace expansion, we recommend each applicant undergo a strict pre-screening for charter compliance and that there be an opportunity for third parties to challenge the applicant's compliance. INTA is pleased that the expansion process will be available for public consultation as outlined in Recommendation 5.1.2.

6. IMPLEMENTATION ISSUES

Recommendation 6.1.1 INTA recommends that all policies should be retroactive, and a part of the re-licensing agreement, much like ICANN has done for gTLDs. We suggest revising the language of Recommendation 6.1.1 to read “ ..., and should only apply to existing domain name licenses if the license is re-registered to a different entity, when the existing license holder’s license expired, or if challenged by a third party/entity claiming legitimate rights and/or interests in the domain name, including:

(i) it has rights in a trademark or service mark to which the existing domain name is identical or confusingly similar;

(ii) the domain name holder / licensee has no rights or legitimate interests in respect of the domain name(s) that the third party is challenging; and

³ Mycounsel.com, Intellectual Property, “*How Trademarks Become Generic,*” <http://www.mycounsel.com/content/intelprop/trademark/nolonger/howgeneric.html>.

⁴ The term “winery” is cited as an example of a “generic” word in the existing policy. See <http://www.ina.com.au/register/names.html>.

(iii) that the domain name(s) has been registered and is being used in bad faith by the existing domain name holder/licensee.

Recommendation 6.2.1 INTA urges auDA to make the dispute resolution procedures mandatory for all license holders of open and closed 2LDs. As mentioned in our comments for Recommendation 3.1.3(g), we see no reason for an opt-in based policy.

CONCLUSION

INTA appreciates this opportunity to provide comments to the Name Policy Advisory Panel and welcomes the opportunity to consult on future proposals related to auDA's development of the .au namespace.

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