

October 3, 2018

## Donuts Inc. Response to Comments Regarding Modification of the Domains Protected Marks List Service

ICANN's RSEP review of a proposed Registry Service, or modification thereto, is limited in scope to determining whether the Registry Service raises any security, stability or competition concerns. In this instance, ICANN performed a thorough review and found that the proposed modification to the Domains Protected Marks List ("DPML") service offered by Donuts Inc. ("Donuts") does not raise security, stability or competition concerns. ICANN currently posts all proposed changes to the gTLD Registry Agreements ("RAs") for public comment. The purpose of such a public comment period is to provide the community an opportunity to weigh in on whether the proposed amendment appropriately encapsulates the new or modified service. It is not intended to be a community forum on the popularity of the service. In this case, it is of note that the proposed amendment language was not discussed or challenged by any of the commenters.

Instead, the comments focused on the substance of any trademark protection service and not on the language of the specifically proposed amendment. Of note, the ICANN Business Constituency ("BC") registered its support for the modification to the service, while five academics and the one legacy registry with market power raised concerns about trademark protection services and the perceived expansion of trademark rights. Again, no commenters claimed that the service raised security and stability or competition concerns and there were no comments on the substance of the amendment to the RA.

We appreciate the BC's support for the DPML service. The BC members are the customers for the service and the ones that requested the modification.

While not an open issue at this point, we would like to respond to the substantive trademark concerns raised in the two other comments, to provide greater context for the benefit of all, as there appears to be a lack of understanding of the DPML service. Domain name registrations are provided by their nature on a first-come-first-served basis to the public. There is nothing to prevent someone from registering a single term across all available gTLDs. Once a registration is in place, no one else can register the same domain; it's effectively blocked for use by others and may only be used by the registrant. In this regard, the blocking of domain names through DPML functions in the same manner as a registration. There is no obligation under the RA or any applicable law that a registry make a registered or blocked name available for use by another party. At any point in time, a trademark holder may register its name in every available gTLD, while another trademark holder of the same mark would be prevented from doing so. Thus in this regard, a DPML block is no different than a registration.

The academic commenters misconstrue what the DPML service itself provides. To take their example, Princeton Venture Hub, Princeton Hulu Farm, The Princeton Review, and Princeton Plasma Physics Laboratory all are able use the DPML or DPML Plus service to protect their full

trademark (e.g. [www.princetonhulufarm.TLD](http://www.princetonhulufarm.TLD) or [www.princetonplasmaphysicslaboratory.TLD](http://www.princetonplasmaphysicslaboratory.TLD) ). DPML and DPML Plus do not enable any of those entities to “own” a single word in their trademark (such as “Princeton”) at the expense of the others. Even if they had trademark rights to the word “Princeton,” only one entity would be able to register or block the name. Again, blocked names are no different than registrations in this regard.

Moreover, the DPML service does not give unfettered trademark rights. The DPML service is subject to a DPML dispute resolution process managed by a third-party provider and available to anyone wishing to challenge a party’s use of the DPML service.

Surprisingly, the legacy registry with market power is concerned about the possibility of Delta Airlines usurping the trademark rights of Delta Faucet, yet [delta.com](http://delta.com) does just that in its own legacy registry. The delta.com registration prevents Delta Faucet from using a domain name that matches all or part of its trademark. Presumably, Delta Airlines “got there first” or valued and paid more for that registration; consequently, any/all other Deltas cannot use that domain name.

Regarding the concerns of the legacy registry with market power as to the genesis of this RSEP, Donuts and ICANN have had a different legal interpretation of the RSEP requirements and we agreed to file the underlying RSEP to resolve the good-faith disagreement.

While it should not be surprising that the legacy registry with market power – for competitive purposes, and not for the benefit of registrants – is trying to throw road blocks on new entrants in the market and on innovation in the industry, it is disappointing to see it occur.