

## Proposed Principal Terms of IANA Intellectual Property Agreements

This draft relates to a possible use of the IETF Trust as an independent entity to hold certain IANA-related IPR, specifically, the three IANA trademarks (INTERNET ASSIGNED NUMBERS AUTHORITY, IANA and the IANA logo) and any registrations of such marks (the “IANA Marks”) and the three IANA-related domain names ([iana.org](http://iana.org), [iana.net](http://iana.net), and [iana.com](http://iana.com)) (the “IANA Domains”) (collectively, the “IANA IPR”).

### A. Background

The ICG proposal<sup>1</sup> indicates that the IANA trademark and [iana.org](http://iana.org) domain should be transferred to an entity independent of the IANA Numbering Services Operator. The CWG has also agreed<sup>2</sup> that the IANA trademarks and domains should be transferred to an entity independent of the IANA Functions Operator.

The IETF Trust (the “Trust”) would be a potentially acceptable candidate for this role. The following is an overview of how the role and responsibilities could be fulfilled by the Trust.

The IETF Trust is a Virginia USA private or “common-law” trust,<sup>3</sup> the trustees of which are the members of the IETF Administrative Oversight Committee (IAOC), and the beneficiary of which is “the IETF as a whole.”<sup>4</sup> The purpose of the IETF Trust includes “acquiring, holding, maintaining and licensing certain existing and future intellectual property and other property used in connection with the Internet standards process and its administration, for the advancement of the science and technology associated with the Internet and related technology.”<sup>5</sup>

### B. Framework

There would need to be three different types of agreements to transfer the IANA IPR from ICANN to the Trust, to hold the IANA IPR and to license the IANA IPR to the IANA service provider(s), specifically:

1. An Assignment Agreement between ICANN (as “Assignor”) and the IETF Trust (as “Assignee”) transferring the IANA IPR to the IETF Trust;
2. An agreement or agreements between the IETF Trust and the names,<sup>6</sup> numbers, and protocol communities (the “Operational Communities”) regarding the relationship between the Trust and each Operational Community and the relationship among the Operational Communities, including the Trust’s commitments, duties and obligations to each Community; and

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<sup>1</sup>IANA Stewardship Transition Coordination Group (ICG). *Proposal to Transition the Stewardship of the Internet Assigned Numbers Authority (IANA) Functions from the U.S. Commerce Department’s National Telecommunications and Information Administration (NTIA) to the Global Multistakeholder Community*. October 2015. <<http://www.ianacg.org/icg-files/documents/IANA-transition-proposal-v9.pdf>>

<sup>2</sup> Notes, Recordings, Transcript CWG IANA Meeting #75 - 21 January 2016 <<http://mm.icann.org/pipermail/cwg-stewardship/2016-January/004629.html>>

<sup>3</sup> In a common-law trust, the trustees have legal ownership of the trust assets, but the beneficiary has beneficial ownership (i.e., the beneficiary owns the benefits associated with the assets).

<sup>4</sup> If the IETF stops developing technical standards for the Internet, then the IETF’s successor with respect to the development of technical standards for the Internet will become the beneficiary, if approved by the IESG or its successor. IETF Trust Agreement, Section IV <<http://trustee.ietf.org/trust-agreement-2014.html>>.

<sup>5</sup> <<http://trustee.ietf.org/trust-agreement-2014.html>> clause 2.1

<sup>6</sup> The names community will need to identify an appropriate legal entity to enter into this agreement on behalf of the names community.

3. A License Agreement whereby the IETF Trust grants to ICANN (as the post-transition IANA service provider) the right to use the IANA IPR and the right to sublicense that right to PTI. If, at some future time, one of the Operational Communities should contract with another party (“IANA service provider”) for administrative services for their respective IANA registries, it will be necessary for a similar license agreement to be entered into whereby the IETF Trust to grants the right to use the IANA IPR to that IANA service provider.

The principal terms of each of these agreements are described below.

The community agreement(s) would recognize the right of each Operational Community to identify (and enter into agreement with, if applicable) their selected IANA service provider, and the obligation of the IETF Trust to provide, update, and revoke licenses as needed to support these selections.

In order to perform the tasks required of a trademark owner and to preserve the value and integrity of the IANA trademarks, the IETF Trust would maintain the trademark registrations, license the marks and monitor the quality of the services offered under the marks and the use of the trademarks. Trust actions would include enforcement against unauthorized users and engaging in quality control of the services provided by the licensed user(s). The community agreement(s) would also govern how the Trust and the relevant IANA communities would work together to perform quality control and to address issues involving a licensee before taking action to resolve a quality issue or other breaches of the license agreement(s). The community agreement(s) would also specify how and to what extent the communities control actions of the Trust, including how they each would hold the Trust accountable for its performance.

The Trust would also serve as the registrant for the IANA domain names. Technical control of the domain names would be held by ICANN as long as it performed all IANA operations. Registration of the domain names would be through a registrar that offers multi-party sign off (details below) for changes to be made.

### **C. Terms**

The following are key principal terms that will be included in the agreements outlined above.

#### **1. IP Assignment Agreement (between ICANN and IETF Trust)<sup>7</sup>**

- a. ICANN and the Trust will enter into an Assignment Agreement, effective upon the IANA Transition,<sup>8</sup> to transfer and assign all of its right, title and interest in and to the IANA IPR, including all goodwill appurtenant to the IANA trademarks, to the IETF Trust (the “Transfer”). The IETF Trust will not assume any obligations or liabilities of ICANN that arose prior to the effective date of the Transfer (the “Transfer Date”).<sup>9</sup>
- b. ICANN will file all necessary assignment documentation with all local, national and regional offices in which the IANA IPR is registered including, without limitation, the U.S. Patent and Trademark Office and the registrar for the IANA domain names (currently GoDaddy), and will pay all fees associated with such filings. With respect to the IANA domain names, the IETF Trust will be designated as the administrative contact as well as registrant with the registrar. Registration of the domain names will be made through a registrar that requires approval from both administrative and technical contacts before certain technical changes

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<sup>7</sup> ICANN legal will need to review and comment on this.

<sup>8</sup> IANA Transition should be defined.

<sup>9</sup> We should determine if there are any specific obligations or liabilities.

to the domain name are made in the relevant registries; if the current registrar cannot provide this service, ICANN will move the registration to one that can provide the service as part of the assignment of the domain names to the IETF Trust. In particular, the registrar selected must support the following features:

- i. For changes to the technical contact information, approval of both the technical and administrative contact is required. The registrant can override the need for the other parties to approve, but only after a period of some days (we suggest something between 5 and 10 days, but the number is to be set as part of implementation). The goal is to ensure that a change initiated by one party cannot happen without other parties being apprised, and cannot happen unilaterally without adequate notice to permit any legal disputes to be initiated.
  - ii. The name must be configured to renew automatically. Removal of this setting requires the approval of both administrative and technical contacts, with override only possible by the registrant after the same period as above. The Trust shall arrange sufficient funds to ensure renewal is successful. Notices of pending, successful, and failed renewals must go to both technical and administrative contacts.
  - iii. The name must be set to prohibit registrar transfers. Removal of this setting requires the approval of both administrative and technical contacts, with override only possible by the registrant after the same period as above. The Trust shall arrange sufficient funds to ensure renewal is successful. Transfer approval notices must be set to both technical and administrative contacts.
  - iv. The name must be configured to prohibit deletion. Removal of this setting requires the approval of both administrative and technical contacts, with override only possible by the registrant after the same period as above.
  - v. The name must be configured to prohibit update. To permit the functions below, removal of this setting requires approval only by one of the administrative or technical contact, with notices going to both contacts.
  - vi. For changes to DS or NS records to be passed through the registry, such changes can be made entirely by the technical contact, but with notification to the administrative contact.
  - vii. Optionally, for changes to DS or NS records to be passed through the registry, such changes can be made by the administrative contact only with the approval of the technical contact.
- c. ICANN will make customary representations and warranties to the IETF Trust regarding title to the IANA IPR, absence of actual or threatened litigation, the existence of any licenses or other encumbrances on the IANA IPR, and non-infringement of third party rights, all qualified by the knowledge of ICANN's in-house legal department.
  - d. ICANN will indemnify the IETF Trust, PTI and any future licensee of the IANA IPR against any liability associated with use of the IANA IPR prior to the Transfer Date. The IETF Trust will indemnify ICANN and any prior licensee of the IANA IPR against any liability associated

with use of the IANA IPR after the Transfer Date to the extent that IETF Trust receives a comparable indemnity from PTI or its successor entity.

## **2. Community Agreement(s) (between IETF Trust, IETF, RIRs, and the names community)**

- a. This Agreement will ensure that the IETF Trust holds and licenses the IANA IPR in a manner that is agreed with the IETF, RIRs and the names community.
- b. For purposes of this Agreement, the RIRs, the IETF and the names community will each select three (3) representatives (the “IANA IPR Reps”) to serve on an IANA Community Coordination Group (“CCG”). One Representative from each Operational Community will be designated to be a co-chair of the CCG and that community’s primary point of contact with the IETF Trust. The CCG will provide advice and approvals to the Trust on matters pertaining to the IANA IPR, and the representatives of each community will provide advice and approvals to the Trust on matters pertaining uniquely to that community.
- c. The IETF Trust will hold, maintain and renew the IANA IPR in accordance with IPR management best practices and shall seek new territorial registrations of the trademarks and additional domain name registrations based on the IANA IPR as instructed by the CCG.
- d. The IETF Trust will license the IANA IPR to ICANN and any successor provider(s) of the IANA functions identified by the IANA IPR Reps for one or more Operational Communities. Such license shall include the provisions described in Section 3 below. The IETF Trust will terminate the license to ICANN or any successor, in whole, solely upon the instructions of the CCG or in part, solely upon the instructions of the relevant IANA IPR Rep(s).
- e. The community agreement(s) will also include an agreement whereby the Trust delegates some or all of its quality control duties to the communities in accordance with each community’s practice and method of maintaining oversight and control over the quality of services provided to that community. Notwithstanding such delegation, the Trust will still have the ultimate responsibility for quality control.

## **3. IANA IPR License Agreement (between IETF Trust and ICANN and/or future IANA service providers)**

- a. The IETF Trust will grant ICANN (“Licensee”) an exclusive,<sup>10</sup> worldwide, royalty-free license to use, display and reproduce the IANA marks in connection with the provision and marketing of the IANA functions for protocol parameters, numbers and names. ICANN will

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<sup>10</sup> There are three basic types of trademark licenses: exclusive, non-exclusive and sole. In an exclusive license, only the licensee can use the marks as a brand for the particular goods or services covered by the license. The licensor cannot use the marks and cannot license the marks to others for the same goods and services. In a non-exclusive license, the licensor can use the mark for particular goods and services and can license the mark to multiple licensees for the same goods and services. In a sole license, the licensor and licensee can use the mark for the same goods and services, but the licensor cannot grant any other licenses for the same marks for the same goods and services. Trademark licenses only cover use of the marks as brands and in some cases, in the tradename of the licensee. Non-trademark uses do not require a license. For instance, the communities will not need a license, since the communities will not be using the marks as brands for their services. Rather, the communities will be using the marks in a descriptive or “nominative” (naming) sense.

have the right to grant a sublicense to PTI for PTI's use of the IANA Marks . If Licensee is replaced as a service provider by one or two communities while being retained by one or two communities, the license will be partially terminated but shall remain exclusive for the services provided to the remaining community or communities. The Trust will grant exclusive license(s) for the relevant services to the new licensee(s) chosen by the terminating communities..

- b. Licensee will agree that all services offered under the IANA marks will be of a consistent quality at least equal to the quality of services offered by ICANN immediately prior to the grant of this license. The Trust will be responsible for monitoring and controlling the quality of goods and services offered under the marks, including approvals of any material changes to such services, but may delegate such responsibility to each community with regard to services offered to that community. However, the Trust will still be ultimately responsible for such quality control.
- c. All use of the IANA marks shall be in accordance with mutually-agreed quality requirements, as well as size, color, placement and similar guidelines to be agreed.
- d. The IETF Trust will authorize Licensee to operate the IANA Domains and any number of sub-domains. IETF Trust shall appoint ICANN as the technical contact for the IANA Domains during the term of the agreement. ICANN will authorize PTI to use the IANA Domains and all associated subdomains exclusively for purposes related to offering the IANA functions.
- e. All goodwill arising from use of the IANA IPR will inure to the benefit of the IETF Trust, and Licensee will not register or reserve any mark that contains, is identical or confusingly similar to any IANA mark in any jurisdiction, whether as a trademark, service mark, trade name or domain name.
- f. The IETF Trust will be responsible for enforcing the IANA Marks against infringers, at its expense. All decisions regarding enforcement shall be approved by the CCG or by the relevant IANA IPR Reps. Each party will use reasonable efforts to notify the other party and the IICG of any such infringement that comes to its attention. IETF Trust will be entitled to retain all damages received as a result of its enforcement of the IANA marks, after the expenses of ICANN, PTI, CCG, the operational communities and the Trust are reimbursed on a pro rata basis.
- g. If the IETF Trust believes that Licensee has materially breached the agreement, the Trust will confer with the CCG regarding a course of action.
  - i. If agreed with the CCG, the Trust will provide notice of the breach to the Licensee along with a reasonable opportunity to cure the breach, for a period of no less than 60 days. If the breach is also a breach of an agreement between an operational community and the Licensee or a failure under relevant operational guidelines, the Trust and the relevant IANA IPR Reps will coordinate handling of the breach.
  - ii. If the Licensee can't cure the breach within this period, the Licensee, the Trust and the CCG (or the relevant IANA IPR Reps) will enter into an escalation procedure, beginning with executive consultation followed by mediation.

- iii. If the breach is still not cured by the Licensee, the Trust may request that the relevant operational community or communities begin the process to engage a new IANA service provider. The community or communities will start the procedure (but if they disagree with the Trust, they will confer to reach a mutually acceptable resolution). When the relevant community selects a new IANA service provider, this agreement will be terminated with regard to the relevant services simultaneously with the execution of a license to the replacement service provider. The Trust is not entitled to terminate the agreement in the event of a an insolvency or bankruptcy event by PTI.
  
- h. If the agreement is terminated in its entirety, Licensee will immediately cease all use of the IANA IPR and shall transfer technical control of the IANA Domains to its successor or successors, subject to any transition period agreed between the community or communities and PTI. If the agreement is partially terminated, Licensee will immediately cease all use of the IANA IPR related to the terminated services and will transfer technical control of the relevant subdomain(s) to the successor licensee for the terminated services.