

## **WIPO General Assembly**

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### **WIPO ARBITRATION AND MEDIATION CENTER, INCLUDING INTERNET DOMAIN NAMES**

*Document prepared by the Secretariat*

1. This document provides an update on the WIPO Arbitration and Mediation Center's ("Center") activities as an international resource for time- and cost-efficient alternatives to court litigation of intellectual property disputes, acting both as a provider of legal and organizational expertise and as an administrator of cases.
2. This document also provides an update on the domain name-related activities of WIPO, as previously reported in WO/GA/39/10.<sup>1</sup> It covers the Center's administration of domain name disputes under different policies and various related aspects of the Internet Domain Name System (DNS), as well as selected policy developments, in particular rights protection mechanisms (RPMs) for the introduction of new generic top-level domains (gTLDs), the emergence of internationalized domain names (IDNs) as gTLDs, the contentious issue of revision by the Internet Corporation for Assigned Names and Numbers (ICANN) of the Uniform Domain Name Dispute Resolution Policy (UDRP), and the status of the recommendations made by the Member States of WIPO in the context of the Second WIPO Internet Domain Name Process.

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<sup>1</sup> [http://www.wipo.int/edocs/mdocs/govbody/en/wo\\_ga\\_39/wo\\_ga\\_39\\_10.pdf](http://www.wipo.int/edocs/mdocs/govbody/en/wo_ga_39/wo_ga_39_10.pdf).

## I. ARBITRATION AND MEDIATION OF INTELLECTUAL PROPERTY DISPUTES AND RELATED INITIATIVES

3. In 2010, the Center worked to optimize the potential of its arbitration and mediation procedures to meet the needs of intellectual property right holders for timeliness and cost-effectiveness in the resolution of disputes in relation to those rights. The principal component of this effort is quality management and resolution of cases conducted under those procedures, which entails training<sup>2</sup> and appointing qualified arbitrators and mediators, maintaining up-to-date case administration infrastructure, including through use of information technology, and active management of WIPO cases, including support to appointed neutrals. In particular, in 2010, parties involved in several arbitrations arising out of international patent, trademark and software disputes under WIPO Rules used the WIPO Electronic Case Facility (ECAF), facilitating online case communication and storage of documents. The Center also undertook research into the expectations and experience of intellectual property stakeholders by commencing an International Survey of Dispute Resolution in International Technology Transactions.<sup>3</sup>

4. Last year the Center continued to engage with intellectual property owners and users and their representative organizations towards the establishment of alternative dispute resolution procedures specifically adapted to the particular features of recurrent disputes in their areas of activity.<sup>4</sup> For example, following its earlier development of special rules for the Association of International Collective Management of Audiovisual Works, the Center in 2010 developed at the request of the "Entidad de Gestión de Derechos de los Productores Audiovisuales" (EGEDA), the collecting society that represents the interests of audiovisual producers in Spain, the WIPO Expedited Arbitration Rules for EGEDA tailored to the specific needs of EGEDA's right holders. The Center furthermore has provided technical assistance that was requested in the development of "Procedures for the Operation of the Third Party Beneficiary" and "Rules for Mediation of a Dispute in Relation to a Standard Material Transfer Agreement" in the context of the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA).<sup>5</sup> As part of collaboration between the International Council of Museums (ICOM) and WIPO, the Center developed the ICOM-WIPO Mediation Rules which provide a special mediation service for art and cultural heritage disputes involving ICOM members' areas of activity.<sup>6</sup> The Center also assisted the Intellectual Property Office of the Philippines in its establishment of specialized arbitration procedures under the laws of the Philippines.

5. The Center has administered a number of mediation and arbitration cases relating to science and technology collaborations. As a result of Center contact with the coordinators of the European DESCA project, a dispute resolution clause providing for WIPO Mediation followed by WIPO Expedited Arbitration has been included as the first option in the updated DESCA model consortium agreement.<sup>7</sup> The DESCA model agreement covers many industries

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<sup>2</sup> All workshops and other events organized by the Center are listed at <http://www.wipo.int/amc/en/events>.

<sup>3</sup> See <http://www.wipo.int/amc/en/center/survey/>.

<sup>4</sup> See <http://www.wipo.int/amc/en/center/specific-sectors/>.

<sup>5</sup> In March 2011, the Center was appointed by the ITPGRFA to act as Administrator under these Mediation Rules. See also <http://www.wipo.int/amc/en/center/specific-sectors/biodiversity/>.

<sup>6</sup> This collaboration was formalized in a Memorandum of Understanding on May 3, 2011. See also <http://www.wipo.int/amc/en/center/specific-sectors/art/icom/>.

<sup>7</sup> DESCA, which stands for "Development of a Simplified Consortium Agreement", is a model consortium agreement initially developed for research projects funded by the European Commission under the Seventh Framework Programme (FP7) under the auspices of the DESCA Core Group. The DESCA model agreement is estimated to be used by some 75% of companies, research organizations, universities and individuals involved in cross-border research projects funded by FP7. This program covers all research-related EU initiatives including in the areas of health, food, agriculture, fisheries, biotechnology, ICT, nano-technologies, materials and new production technologies, energy, environment, transport (including aeronautics), socio-economic sciences, space and security. More information about DESCA: <http://www.desca-fp7.eu/>.

internationally and is also open for participation of non-European entities in research consortia. As part of a broader effort recently culminating in a Memorandum of Understanding between WIPO and the Association of University Technology Managers (AUTM), the Center continued its collaboration with AUTM for the purpose of providing information and services for efficient and effective dispute resolution to university technology transfer offices around the world.

## II. DOMAIN NAME CASE ADMINISTRATION

### A. UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY

6. The DNS raises a number of challenges for the protection of intellectual property, which, due to the global nature of the Internet, call for an international approach. WIPO has addressed these challenges since 1998 by developing specific solutions, most notably in the First<sup>8</sup> and Second<sup>9</sup> WIPO Internet Domain Name Processes. In particular, the Center provides trademark owners with efficient international mechanisms to deal with the bad-faith registration and use of domain names corresponding to their trademark rights.

7. The Center administers dispute resolution procedures principally under the UDRP. The UDRP was adopted by ICANN on the basis of recommendations made by WIPO in the First WIPO Internet Domain Name Process. The UDRP is limited to clear cases of bad-faith, abusive registration and use of domain names and has proven highly popular among trademark owners. It does not prevent either party from submitting a dispute to a competent court of justice; but very few cases that have been decided under the UDRP have been brought before a national court of justice.<sup>10</sup>

8. Since December 1999, the Center has administered more than 21,000 UDRP and UDRP-based cases. Demand for this WIPO service continued in 2010 with trademark holders filing 2,696 complaints, an increase of 28% over the 2009 level. The Center makes available extended online statistics to assist WIPO case parties and neutrals, trademark attorneys, domain name policy makers, the media and academics.<sup>11</sup>

9. A diverse mixture of individuals and enterprises, foundations and institutions used the Center's dispute resolution procedures in 2010. The top five sectors for complainant business activity were Retail, Banking and Finance, Biotechnology and Pharmaceuticals, Internet and IT, and Fashion. WIPO UDRP proceedings have so far involved parties from 163 countries. Reflecting the truly global scope of this dispute mechanism, in 2010 alone, named parties to WIPO cases represented over 112 countries. In function of the language of the applicable registration agreement of the domain name at issue, WIPO UDRP proceedings have so far been conducted in 18 different languages.<sup>12</sup>

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<sup>8</sup> The Management of Internet Names and Addresses: Intellectual Property Issues – Final Report of the First WIPO Internet Domain Name Process, WIPO publication No. 439, also available at <http://www.wipo.int/amc/en/processes/process1/report>.

<sup>9</sup> The Recognition of Rights and the Use of Names in the Internet Domain Name System – Report of the Second WIPO Internet Domain Name Process, WIPO Publication No. 843, also available at <http://www.wipo.int/amc/en/processes/process2/report>.

<sup>10</sup> See Selected UDRP-related Court Cases at <http://www.wipo.int/amc/en/domains/challenged>.

<sup>11</sup> Available statistics cover many categories, such as “areas of complainant activity”, “named respondents”, “domain name script” and “25 most cited decisions in complaint”. See <http://www.wipo.int/amc/en/domains/statistics>.

<sup>12</sup> In alphabetical order, Chinese, Danish, Dutch, English, French, German, Hebrew, Italian, Japanese, Korean, Norwegian, Polish, Portuguese, Romanian, Russian, Spanish, Swedish, Turkish.

10. All WIPO panel decisions are posted on the Center's website. The Center offers an online overview of broad decision trends on important case issues via the WIPO Overview of WIPO Panel Views on Selected UDRP Questions (WIPO Overview) which distills thousands of UDRP cases handled by the Center. This globally used instrument was created in recognition of the need that has been expressed to identify, as much as possible, consensus among UDRP decisions so as to help maintain the consistency of WIPO UDRP jurisprudence.<sup>13</sup>

11. To facilitate access to these decisions according to subject matter, the Center also offers an online searchable Legal Index of WIPO UDRP Decisions.<sup>14</sup> One of the Organization's most visited web pages, the Legal Index has become an essential professional resource, allowing panelists, parties, academics or any interested person to familiarize themselves with WIPO case precedent. The Index is updated periodically to include new search categories that primarily reflect developments in the DNS itself.

12. One such development concerns the growth in the number of professional domain name investors and the volume of their activity, and the use of computer software to automatically register (sometimes expired) domain names and their "parking" of often competing advertisements on pay-per-click portal sites. In addition to their value as commercial identifiers, domain names have increasingly taken on aspects of commodities for speculative gain. Whereas traditional domain name abuse involved the registration of domain names by individuals seeking to turn a profit on the "squatted" names, nowadays a growing number of "domainers" are deriving income from the large-scale automated registration of domain names corresponding not only to dictionary terms but also to third-party identifiers.

13. As the leading provider of case administration services under the UDRP, WIPO must monitor such developments with a view to continually adjusting its practices. One such area of attention is the widespread use of privacy and proxy registration services, which according to ICANN estimates now involves some 25% of domain name registrations. In combination with varying reliability of "WHOIS" registrant contact data, this poses significant challenges for filing parties, providers, and panels in ascertaining appropriate respondent identity in UDRP proceedings.

14. Following ICANN's acceptance of a WIPO proposal, from December 2009 the Center became the first UDRP provider to remove the requirement to submit and distribute paper copies of pleadings in the UDRP process, primarily through the exclusive use of email.<sup>15</sup> WIPO's eUDRP procedure benefits all stakeholders by eliminating the use of vast quantities of paper and the associated production and shipping costs, as well as improving the timeliness of UDRP proceedings without prejudicing either complainants or respondents.

15. The Center regularly organizes Domain Name Dispute Resolution Workshops for interested parties<sup>16</sup> and meetings of its Domain Name Panelists.

16. A broader UDRP-related development which may present significant concerns for trademark owners is described in paragraphs 32 and 33 herein.

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<sup>13</sup> The Overview is available at <http://www.wipo.int/amc/en/domains/search/overview>.

<sup>14</sup> The WIPO Legal Index is available at <http://www.wipo.int/cgi-bin/domains/search/legalindex>.

<sup>15</sup> Full details of WIPO's eUDRP implementation are available at

<http://www.wipo.int/amc/en/domains/rules/eudrp/> and

<http://www.wipo.int/export/sites/www/amc/en/docs/icann301208.pdf>.

<sup>16</sup> See footnote 2, *supra*.

## B. COUNTRY CODE TOP-LEVEL DOMAINS

17. While the mandatory application of the UDRP is limited to domain names registered in gTLDs, such as .com, .net, and .org, the Center also assists ccTLD registries in their establishment of registration conditions and dispute resolution procedures that conform with best practices in intellectual property protection. These procedures are mostly modeled after the UDRP, but may take account of the particular circumstances and needs of individual ccTLDs. Following further additions during the past 12 months, the Center provides domain name dispute resolution services to 65 ccTLD registries.<sup>17</sup> In line with a global increase in the share of ccTLD registrations in recent years, the collective percentage of disputed ccTLD domain names in WIPO cases rose to 15% of all cases in 2010 from just 1% in 2000.

## III. POLICY DEVELOPMENTS IN THE DOMAIN NAME SYSTEM

18. Two policy developments in relation to ICANN will in particular present not only opportunities but also serious legal and practical challenges for intellectual property rights owners and users. One of these is the exponential introduction, now expected for the course of 2012, of potentially hundreds of further new gTLDs. Such new gTLDs may be of an “open” nature (similar to .com), or may take on more specific or restrictive characteristics, for example taking the form of .[city], .[community], .[brand], .[language], .[culture], or .[industry]. A second development of importance concerns the introduction of IDNs at the top level. In terms of DNS policy, furthermore, a source of concern is a potential ICANN, largely registration-driven, effort to revise the UDRP. Also, ICANN’s planned expansion of the DNS raises rights protection questions in connection with the Second WIPO Internet Domain Name Process.

## A. NEW GENERIC TOP-LEVEL DOMAINS

19. At its Meeting in Singapore in June 20, 2011, ICANN’s Board voted to approve implementation of its New gTLD Program.<sup>18</sup> Information about the adopted application process and conditions for new gTLDs has been published in ICANN’s “Applicant Guidebook”, which has gone through a series of drafts over the past few years.<sup>19</sup> Per current ICANN timelines, ICANN expects to receive applications for new gTLDs (including IDNs; see discussion in paragraphs 34 and 35 herein) for processing as of January 2012, with approved new gTLDs possibly becoming operational later that year still, followed, where applicable, by registrations of individual domain names.<sup>20</sup>

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<sup>17</sup> Against the background of the global emergence of domain names in local language scripts, in 2010 the Center commenced the provision of domain name dispute resolution services for امارات (dotEmarat), in addition to .AE. The United Arab Emirates now not only utilizes its existing .AE two-letter country code in Latin characters, but also the امارات (dotEmarat) Internationalized ccTLD in Arabic script. The full list of ccTLDs which have retained the Center as domain name dispute resolution provider is available at <http://www.wipo.int/amc/en/domains/cctld>.

<sup>18</sup> See <http://www.icann.org/en/minutes/resolutions-20jun11-en.htm>. For further background including references, see document WO/GA/39/10, in particular paragraph 14.

<sup>19</sup> May 2011 Applicant Guidebook available at <http://www.icann.org/en/topics/new-gtlds/comments-7-en.htm>. (Previous drafts of ICANN’s Applicant Guidebook were published respectively in October 2008: <http://www.icann.org/en/topics/new-gtlds/draft-rfp-24oct08-en.pdf>; February 2009: <http://www.icann.org/en/topics/new-gtlds/draft-rfp-clean-18feb09-en.pdf>; October 2009: <http://www.icann.org/en/topics/new-gtlds/draft-rfp-redline-04oct09-en.pdf>; May 2010: <http://www.icann.org/en/topics/new-gtlds/draft-rfp-clean-28may10-en.pdf>; November 2010: <http://www.icann.org/en/topics/new-gtlds/draft-rfp-clean-12nov10-en.pdf>; and April 2011: <http://www.icann.org/en/topics/new-gtlds/draft-rfp-redline-15apr11-en.pdf>.)

<sup>20</sup> <http://www.icann.org/en/minutes/timeline-new-gtld-program-20jun11.pdf>.

20. By way of background on ICANN's New gTLD Program, the GNSO in September 2007 issued a set of recommendations (approved by ICANN's Board in June 2008) to implement a process that allows for the introduction of further new gTLDs. These GNSO recommendations include the following recommendation, of particular relevance for trademark owners: "Recommendation 3: Strings must not infringe the existing legal rights of others that are recognized or enforceable under generally accepted and internationally recognized principles of law. Examples of these legal rights that are internationally recognized include, but are not limited to, rights defined in the Paris Convention for the Protection of [Industrial] Property (in particular trademark rights), the Universal Declaration of Human Rights (UDHR) and the International Covenant on Civil and Political Rights (ICCPR) (in particular freedom of expression rights)."

21. On its part, ICANN's Governmental Advisory Committee (GAC) issued in 2007 the "GAC Principles regarding New gTLDs," which state *inter alia*: "2.3 The process for introducing new gTLDs must make proper allowance for prior third party rights, in particular trademark rights as well as rights in the names and acronyms of inter-governmental organizations (IGOs)."<sup>21</sup>

22. Subsequent discussions of ICANN's New gTLD Program, and within that, trademark RPMs, have been contentious and are seen as having been subject to special commercial interests. In its role, the Center has been monitoring the development of the various RPMs resulting from these ICANN discussions.<sup>22</sup> For example, the Center provided targeted input to the Implementation Recommendation Team (IRT), a group of DNS stakeholders which the ICANN Board convened in March 2009 to develop and propose solutions to the issue of trademark protection in new gTLDs. This ICANN initiative followed the expression of serious misgivings by intellectual property stakeholders about the level of protection then foreseen in ICANN's Applicant Guidebook. ICANN submitted the subsequent recommendations of the IRT to a series of further committee and *ad hoc* processes, which are widely seen to have diluted the intended effectiveness of the RPMs, both in operational and in substantive terms.<sup>23</sup>

23. Based on its DNS experience, in particular in the design and implementation of trademark-based RPMs, the Center's contributions to ICANN have focused on enhancing the overall workability of such mechanisms – for all stakeholders.<sup>24</sup> Such contributions take account of the fact that, as has been observed, the current design of ICANN's new gTLD RPMs substantially reflects the input of ICANN's own contracting parties, namely registries and registrars. By missing a contractual opportunity for a forward-looking approach to the functional integration of existing norms, such narrow focus risks a disservice to the DNS itself. The Center remains committed to working with stakeholders to attempt to safeguard the observance of general principles of intellectual property protection in any new gTLDs ultimately approved by ICANN. Set out below is a broad description of the RPMs adapted and adopted by ICANN, in relation to the top level and the second level respectively.

(i) Top Level Rights Protection Mechanisms

- Pre- (TLD) Delegation Dispute Resolution Procedure

24. The Center has replied to ICANN's December 2007 request for "Expressions of Interest from Potential Dispute Resolution Service Providers for New gTLD Program" in relation to a

<sup>21</sup> See [http://gac.icann.org/web/home/gTLD\\_principles.pdf](http://gac.icann.org/web/home/gTLD_principles.pdf).

<sup>22</sup> See <http://www.wipo.int/amc/en/domains/newgtld/>.

<sup>23</sup> For further background including references, see document WO/GA/39/10, in particular paragraphs 23-30.

It is noted here that ICANN summarily rejected an IRT proposal for a "Globally Protected Marks List".

<sup>24</sup> A full record of the Center's communications with ICANN in this regard are available at <http://www.wipo.int/amc/en/domains/resources/icann/>.

number of RPMs, including a pre-delegation procedure for "Legal Rights Objections" (other objection grounds recognized by ICANN are: "String Confusion Objections," "Community Objections," and "Limited Public Interest Objections"<sup>25</sup>). The substantive criteria for this Legal Rights Objections procedure are rooted in the "WIPO Joint Recommendation Concerning Provisions on the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet"<sup>26</sup> (Joint Recommendation) adopted by the WIPO General Assembly in September 2001. In addition to the adoption of these criteria, the Center has also assisted ICANN in its development of procedural rules for Legal Rights Objections as integrated in ICANN's Applicant Guidebook.<sup>27</sup> The pre-delegation proposal has met with broad support, and the Center will exclusively administer such disputes.<sup>28</sup> While, consistent with the Joint Recommendation, the prime focus of pre-delegation Legal Rights Objections concerns trademarks, following a Center letter on the subject, beginning with publication of its November 2010 Applicant Guidebook ICANN also foresees processes for IGOs to file objections to an applied-for gTLD which they believe may impinge on their rights (see paragraphs 37 to 41 herein). The Center expects to work with ICANN towards the implementation of the pre-delegation procedure in the further course of 2011.

- Post- (TLD) Delegation Dispute Resolution Procedure

25. From early 2008, the Center has discussed with ICANN the potential usefulness of a permanent administrative option, additional to the pre-delegation procedure described in the preceding paragraph, that would allow for the filing of a complaint with respect to an approved new gTLD registry operator whose manner of operation or use of its registry is alleged to cause or materially contribute to trademark abuse. In early 2009, the Center communicated to ICANN a concrete substantive proposal for such a trademark-based post-delegation dispute resolution procedure addressing such potential gTLD registry behavior.<sup>29</sup> This proposal was intended as a form of standardized assistance to ICANN's own compliance oversight responsibilities, provide an administrative alternative to court litigation, encourage responsible conduct by relevant actors including through the provision of safe harbors for good-faith registry operators, thereby enhancing the security and stability of the DNS; ICANN's contractual framework offers an opportunity for a public-private partnership designed to reduce burdens associated with anticipated levels of infringement and realistic enforcement options.

26. Following various ICANN committee processes and consultations with registry operators, the effectiveness of the Post-Delegation Dispute Resolution Procedure (PDDRP) as adopted by ICANN remains uncertain, in particular given the addition of overlapping procedural layers, and issues concerning the intended substantive scope of this mechanism.

27. However this may be, given the perceived convergence of registry, registrar, and registrant roles within the DNS, the Center has further recommended, *inter alia* taking account of its UDRP-based experiences, that ICANN consider extending the PDDRP for registries also

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<sup>25</sup> The Applicant Guidebook further foresees a number of other procedures which governments may avail themselves of following ICANN announcement of new gTLD applications. Notably, section 1.1.2.4 provides for "GAC Early Warning," and section 1.1.2.7 provides for "Receipt of GAC Advice on New gTLDs" for the ICANN Board's consideration.

<sup>26</sup> See [http://www.wipo.int/about-ip/en/development\\_iplaw/pub845-toc.htm](http://www.wipo.int/about-ip/en/development_iplaw/pub845-toc.htm).

<sup>27</sup> See section 3.2 of the Applicant Guidebook.

<sup>28</sup> See WIPO Rules for New gTLD Dispute Resolution, and Schedule of Fees and Costs, respectively at <http://www.icann.org/en/topics/new-gtlds/draft-wipo-rules-clean-30may11-en.pdf>, and <http://www.icann.org/en/topics/new-gtlds/draft-wipo-fees-clean-30may11-en.pdf>.

<sup>29</sup> See <http://www.wipo.int/amc/en/docs/icann130309.pdf>.

to registrar conduct.<sup>30</sup> A relevant consideration here is that ICANN now anticipates allowing cross-ownership by registries of registrars.<sup>31</sup>

(ii) Second Level Rights Protection Mechanisms

- Trademark Clearinghouse

28. ICANN's New gTLD Program includes a "Trademark Clearinghouse" as a centralized repository of authenticated trademark data which could be invoked as the basis for filing under new gTLD RPMs. The adoption of this concept involved extensive ICANN discussions in particular of the relation to trademark office determinations; other issues include fee apportionment, any envisaged process for Clearinghouse removal of marks, and treatment of non-Latin script and word+design marks. The Center has commented that any such Clearinghouse should not unfairly burden rights holders in the treatment of trademark registrations legitimately obtained through examination and registration systems as applied in many global jurisdictions, and that, if and where appropriate, practical measures may be envisaged to identify any allegedly inappropriate invocation of rights in specific contexts.

29. ICANN's current formulation of the Clearinghouse would purport to allow for inclusion of all nationally or regionally registered word marks, any word marks protected by statute or treaty or validated by court, and "[o]ther marks that constitute intellectual property" (the latter being undefined). With respect to RPMs utilizing Clearinghouse data, ICANN currently proposes to limit the availability of "Sunrise" services (i.e., an opportunity for a trademark owner, for a fee, to preemptively register an exact match of its mark as a domain name) to those trademarks for which current use can be demonstrated. On the other hand, owners of trademarks not substantiated by demonstration of current use would still be eligible to participate in a time-limited 60-day "Claims" service (i.e., notice to a potential domain name registrant of the existence of a potentially conflicting trademark right). Both Sunrise and Claims services are presently limited to exact matches of a word mark to a domain name. It is anticipated that such limitations may give rise to gaming, with attendant financial and enforcement burdens for trademark owners and increased potential for consumer confusion. The demonstration of use required for Sunrise services similarly applies to the invocation of trademarks as a basis for a complaint filed under the "Uniform Rapid Suspension" RPM described in the following paragraphs.

- Uniform Rapid Suspension System

30. While the UDRP is to remain an important curative tool for disputes involving the considered transfer of a disputed domain name to the trademark owner, the Center has advocated the introduction of a lighter second-level RPM for appropriate cases. To this end, the Center in April 2009 communicated to ICANN a discussion draft of an Expedited (Domain Name) Suspension Mechanism.<sup>32</sup> Such draft took account of the need to strike a reasonable balance between the protection of trademark rights recognized by law, the practical interests of good-faith registration authorities to minimize operational burdens, and the legitimate expectations of *bona fide* domain name registrants.

31. ICANN's New gTLD Program now includes such a UDRP-complementary mechanism. However, as evolved from a sequence of ICANN processes and committees, this Uniform Rapid Suspension (URS) system is viewed to have become an overburdened procedure. For the URS

<sup>30</sup> See, *inter alia*, <http://www.wipo.int/amc/en/docs/icann260310rap.pdf>.

<sup>31</sup> See <http://www.icann.org/en/minutes/resolutions-05nov10-en.htm>.

<sup>32</sup> See <http://www.wipo.int/amc/en/docs/icann030409.pdf>.



to function as an efficient and enforceable complement to the UDRP, many issues remain to be addressed.<sup>33</sup>

## B. CALLS MADE FOR REVIEW OF THE WIPO-INITIATED UDRP

32. Accommodating the dynamic development of the DNS, the UDRP has been offering an effective alternative to court litigation for trademark owners, domain name registrants, and registration authorities. Nevertheless, efforts appear underway at ICANN which risk destabilizing this well-respected enforcement tool. In May 2011, at the behest of ICANN's GNSO, ICANN convened a webinar with a broad representation of stakeholders to solicit views on the UDRP.<sup>34</sup> Reflecting the sentiment of a clear majority of participants that more harm than good could result from such ICANN review, and that, with exponential DNS growth around the corner and untested new RPMs being introduced, this in any event is not the right time for any such exercise, ICANN Staff in a Preliminary Issues Report recommended to the GNSO "that a [process] on the UDRP not be initiated at this time". That sentiment was again in evidence among a clear majority of participants in a further ICANN-convened expert panel session at its June 2011 Singapore Meeting in which WIPO took part. Subject to consideration in its discretion by ICANN's GNSO, the fate of ICANN Staff's recommendation remains uncertain.

33. The UDRP functions today as the remarkable result of care invested by many stakeholders over more than ten years, for public and private benefit. By accommodating evolving norms and practices, the UDRP has proven to be a flexible and fair dispute resolution system. Given ICANN's institutional structure, where intellectual property holds a mere minority vote, it appears likely that such a review process would end up burdening and diluting the UDRP. Any destabilization of the UDRP would not only further weaken the protection of trademarks in the DNS, but might also cause rights holders to consider addressing cybersquatting by pursuing registrants and registration authorities in court, as was the practice prior to the availability of the UDRP. The Center actively follows ICANN's intentions with regard to the UDRP.

## C. INTERNATIONALIZED DOMAIN NAMES (IDNs)

34. As noted in paragraphs 2 and 18,<sup>35</sup> another significant policy development in the DNS is the introduction of IDNs (non-Latin script) at the top level. Such introduction connects with ICANN's New gTLD Program where potential new gTLD applications are expected to be made for IDNs.

35. Separately, ICANN's Final Implementation Plan for IDN ccTLD Fast Track Process was published on November 16, 2009.<sup>36</sup> Since then, this has allowed for the introduction of several IDN ccTLDs, associated with the two-letter codes in the ISO 3166-1 standard.<sup>37</sup> As of June 2011, ICANN has received a total of 33 requests for IDN ccTLD(s) representing 22 languages.<sup>38</sup> Approved requests continue to be delegated into the DNS root zone.

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<sup>33</sup> An extensive inventory of these issues is provided *inter alia* in the Center's letter of December 2, 2010, available at <http://www.wipo.int/amc/en/docs/icann021210.pdf>.

<sup>34</sup> See <https://community.icann.org/display/gnsoudrpd/ Webinar+on+the+Current+State+of+the+UDRP>.

This webinar followed publication in February 2010 of an ICANN-convened working group Initial Report on which the Center submitted public comments in March 2010; see generally document WO/GA/39/10, paragraph 31.

<sup>35</sup> See also footnote 17, *supra*.

<sup>36</sup> See <http://www.icann.org/en/topics/idn/fast-track/idn-ccTld-implementation-plan-16nov09-en.pdf>.

<sup>37</sup> See [http://www.iso.org/iso/english\\_country\\_names\\_and\\_code\\_elements](http://www.iso.org/iso/english_country_names_and_code_elements).

<sup>38</sup> See <http://www.icann.org/en/topics/idn/fast-track/>.

#### D. OTHER IDENTIFIERS

36. In addition to and in connection with the above, there are further developments taking place at ICANN in relation to the protection of non-trademark identifiers.

37. It is recalled that the First WIPO Internet Domain Name Process addressed the relationship between domain names and trademarks. The Second WIPO Internet Domain Name Process concerned the relationship between domain names and five other types of identifiers that had not been addressed, namely, International Nonproprietary Names for pharmaceutical substances (INNs), the names and acronyms of IGOs, personal names, geographical identifiers, including country names, and trade names.

38. At its meeting from September 23 to October 1, 2002, the WIPO General Assembly recommended amending the UDRP in order to provide protection for country names and for the names and acronyms of IGOs.<sup>39</sup> The WIPO Secretariat transmitted these recommendations (WIPO-2 Recommendations) to ICANN in February 2003.<sup>40</sup>

39. Following further WIPO communications, in a letter of March 2006,<sup>41</sup> the then President and CEO of ICANN informed the Secretariat that it had not been possible to achieve a consensus among the various constituencies of ICANN. However, while expressing doubts about the options for moving forward with the WIPO-2 Recommendations as a whole, the letter indicated that progress might be possible with regard to the protection of names and acronyms of IGOs for which an established basis exists in international law.

40. In June 2007, ICANN Staff produced an Issues Report on Dispute Handling for IGO Names and Abbreviations,<sup>42</sup> recommending not to initiate a process on the issue of the protection of IGO names and acronyms, but rather, to consider a dispute resolution policy covering such identifiers in any new gTLDs. In June 2007, the GNSO requested ICANN Staff to provide a report on a draft IGO Domain Name Dispute Resolution Procedure, primarily foreseen for new gTLDs. Such Report was produced by ICANN Staff in September 2007,<sup>43</sup> but has not been adopted by the GNSO.

41. In the context of its now adopted New gTLD Program, ICANN appears to have limited its consideration of the protection of the names and acronyms of IGOs to providing potential recourse through pre-delegation objection procedures concerning the top level (i.e., an applied-for TLD), discussed in paragraph 24 above.<sup>44</sup> ICANN consideration of such identifiers at the second level remains outstanding.

42. Concerning geographical terms, ICANN's GAC, in particular, has expressed concerns about their protection in the new gTLDs. In 2007 it issued the "GAC Principles regarding New gTLDs,"<sup>45</sup> which states *inter alia*: "2.2 ICANN should avoid [in the introduction of new gTLDs] country, territory or place names, and country, territory or regional language or people

<sup>39</sup> See [http://www.wipo.int/edocs/mdocs/govbody/en/wo\\_ga\\_28/wo\\_ga\\_28\\_3.pdf](http://www.wipo.int/edocs/mdocs/govbody/en/wo_ga_28/wo_ga_28_3.pdf); see also documents SCT/9/8, paragraphs 6 to 11; and, SCT/9/9, paragraph 149.

<sup>40</sup> See [http://www.wipo.int/amc/en/docs/wipo\\_doc](http://www.wipo.int/amc/en/docs/wipo_doc).

<sup>41</sup> A similar letter was sent to the then Chairman of the GAC. It is posted on ICANN's web site at <http://www.icann.org/correspondence/twomey-to-farmizi-13mar06.pdf>.

<sup>42</sup> GNSO Issues Report on Dispute Handling for IGO Names and Abbreviations is posted on ICANN's web site at, <http://gns0.icann.org/issues/igo-names/issues-report-igo-drp-15jun07.pdf>.

<sup>43</sup> See <http://gns0.icann.org/drafts/gns0-igo-drp-report-v2-28sep07.pdf>.

<sup>44</sup> As to the Red Cross and the International Olympic Committee (IOC), the Board of ICANN at its Meeting in Singapore recognized the need for "incorporation of text concerning protection for specific requested Red Cross and IOC names for the top level only during the initial application round, until the GNSO and GAC develop policy advice based on the global public interest." See footnote 18, *supra*.

<sup>45</sup> See [http://gac.icann.org/web/home/gTLD\\_principles.pdf](http://gac.icann.org/web/home/gTLD_principles.pdf).

descriptions, unless in agreement with the relevant governments or public authorities. [...]

2.7 Applicant registries for new gTLDs should pledge to: (a) Adopt, before the new gTLD is introduced, appropriate procedures for blocking, at no cost and upon demand of governments, public authorities or IGOs, names with national or geographic significance at the second level of any new gTLD. (b) Ensure procedures to allow governments, public authorities or IGOs to challenge abuses of names with national or geographic significance at the second level of any new gTLD.”

43. The GAC submitted, upon the ICANN Board’s request, letters in April, May, and August 2009 to ICANN recommending *inter alia*, specific measures to protect geographic names in new gTLDs, including reserving names. The GAC in its March 2010 Nairobi *Communiqué*<sup>46</sup> had called for a mechanism to address derivation from conditions of approval, and also inclusion of commonly used abbreviations or regions not listed in ISO 3166-2.

44. Concerning the top level, ICANN’s Applicant Guidebook foresees that “applications for strings that are country or territory names will not be approved, as they are not available under the New gTLD Program in this application round.”<sup>47</sup> Applied-for strings which are considered by ICANN to be certain other geographic names, e.g., capital city names, would need to be accompanied by documentation of support or non-objection from the relevant governments or public authorities.<sup>48</sup> Concerning second level registrations, ICANN’s base registry agreement includes a “Schedule of Reserved Names at the Second Level in gTLD Registries” which makes provision for certain country and territory names.<sup>49</sup>

45. Overall, the Center has endeavored to apprise relevant sectors within the Secretariat on the above-mentioned matters, including in support of the work of the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT).<sup>50</sup> The agenda of the twenty-sixth session of the SCT includes an update on developments in the context of the expansion of the DNS planned by ICANN. The Center’s consultation within the Secretariat also includes the substantive basis for the RPMs discussed in the present document. This notably includes the appropriate scope of the pre- and post-delegation dispute resolution mechanisms discussed in paragraphs 24 and 25 to 27, against the backdrop of broader developments in relation to Internet intermediaries.

46. The Secretariat will continue to monitor these developments and provide input where possible.

47. *The WIPO General Assembly is invited to take note of the contents of this document.*

[End of document]

<sup>46</sup> See <http://nbo.icann.org/meetings/nairobi2010/presentation-gac-soac-reports-12mar10-en.pdf>.

<sup>47</sup> See <http://www.icann.org/en/topics/new-gtlds/rfp-redline-30may11-en.pdf>, from section 2.2.1.4.1 “Treatment of Country or Territory Names”.

<sup>48</sup> See <http://www.icann.org/en/topics/new-gtlds/rfp-redline-30may11-en.pdf>, from section 2.2.1.4.2 “Geographic Names Requiring Government Support”. For objections by governments more generally, see footnote 25, *supra*.

<sup>49</sup> See <http://www.icann.org/en/topics/new-gtlds/agreement-specs-redline-30may11-en.pdf>, at Specification 5.

<sup>50</sup> See e.g., documents SCT/24/4 and SCT 25/3 available at [http://www.wipo.int/edocs/mdocs/sct/en/sct\\_24/sct\\_24\\_4.pdf](http://www.wipo.int/edocs/mdocs/sct/en/sct_24/sct_24_4.pdf) and [http://www.wipo.int/edocs/mdocs/sct/en/sct\\_25/sct\\_25\\_3.pdf](http://www.wipo.int/edocs/mdocs/sct/en/sct_25/sct_25_3.pdf) respectively.