



WIPO Conference: 10 Years UDRP – What's Next?

October 12, 2009

Theme 2.2: New Directions in Rights Protection – WIPO Overview of Rapid Suspension and Post-Delegation Procedures

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ICANN New gTLD Program: WIPO voices concerns

- **Report of the First WIPO Internet Domain Name Process:**
 - ▶ Warns of the potential of abusive domain name registrations that lead to consumer confusion and undermining of public trust in the Internet.
 - ▶ Recommends that any introduction of new gTLDs be in a “slow and controlled manner.”
- **WIPO Press Release of March 16, 2009:**
 - ▶ “This is a watershed moment in the development of the Domain Name System (DNS), and is of genuine concern for trademark holders.”

WIPO Activities Related to ICANN New gTLD Program

- **Follows a decade of WIPO addressing questions raised by the intersection of the DNS and IP laws.**
 - ▶ First and Second WIPO Internet Domain Name Processes.
 - ▶ Report of the First WIPO Internet Domain Name Process led to ICANN's adoption of the UDRP.
 - ▶ Registry-specific policy development (.biz, .info, .mobi, .asia) and ccTLDs.
 - ▶ Adopted in 2001, the “Joint Recommendation Concerning Provisions on the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet.”
 - ▶ Produced in 2005, upon ICANN's request, Report on “New Generic Top-Level Domains: Intellectual Property Considerations.”

ICANN New gTLD Program: WIPO Contributions

1. Trademark-Based Pre-Delegation Dispute Resolution Procedure for New gTLD Registries.
2. Trademark-Based Post-Delegation Dispute Resolution Procedure for New gTLD Registries (/ Registrars).
3. Discussion Draft Trademark-Based Expedited (Domain Name) Suspension Mechanism (2nd and lower level registrations).
4. Comments on IRT Draft and Final Reports.
5. Ongoing Engagement.

WIPO Guiding Principles

- Safeguard observance of IP principles and laws in the DNS.
- Workable, efficient and scalable system design.
- Strike a balance between:
 - ▶ IP interests (including orderly functioning of market/consumer protection);
 - ▶ practical interests of compliant registries/registrars to minimize operational burdens; and,
 - ▶ legitimate expectations of good-faith domain name registrants.

WIPO Recommendations

1. **Trademark-based Pre-Delegation Dispute Resolution Procedure (published in DAG I, II & III)**

- WIPO Center responded on January 18, 2008, to ICANN's request for "Expressions of Interest from Potential Dispute Resolution Service Providers for New gTLD Program."
- Worked with ICANN in the development of the substantive criteria and procedural rules for the Legal Rights Objections (LRO) procedure.
- Accepted to administer disputes under the LRO Procedure.
- ICANN DAG v3 includes:
 - ▶ Substantive Criteria – reflecting the "WIPO Joint Recommendation Concerning Provisions on the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet."
 - ▶ New gTLD LRO Dispute Resolution Procedure.
 - ▶ WIPO DRSP Rules for New gTLD Dispute Resolution Procedure.
 - ▶ WIPO DRSP Schedule of Fees and Costs.

WIPO Recommendations

2. Trademark-Based Post-Delegation Dispute Resolution Procedure

- In a March 13, 2009 letter, WIPO called for a permanent administrative option to allow for filing of complaints, when the registry operator's actual manner of operation or use is alleged to cause or materially contribute to trademark abuse.
- ICANN confirmed the availability of trademark-based post-delegation mechanism in the New gTLD Program Explanatory Memorandum on "Protection of Rights of Others in New gTLDs" of October 8, 2008.
- WIPO Center communicated to ICANN on February 5, 2009, a substantive proposal for a trademark-based post-delegation dispute resolution procedure.

WIPO Recommendations

2. Trademark-Based Post-Delegation Dispute Resolution Procedure (cont'd)

- Intended as a form of standardized assistance to ICANN's own compliance oversight responsibilities, provides an administrative alternative to court litigation, encourages responsible conduct by relevant actors, and enhances the security and stability of the DNS.
- WIPO's proposed criteria build on pre-delegation LRO criteria and consideration factors, existing UDRP jurisprudence, and accepted principles of law.

WIPO Recommendations

2. Trademark-Based Post-Delegation Dispute Resolution Procedure (cont'd)

Example scenarios include:

- ▶ Registry operator uses the TLD for a purpose unreasonably inconsistent with relevant representations made in the application phase, such that trademarks are infringed.
- ▶ Registry operator turns a blind eye to systemic cybersquatting in its TLD, instead of adopting appropriate mechanisms to counter such abuse.

WIPO Recommendations

2. Trademark-Based Post-Delegation Dispute Resolution Procedure (cont'd)

- Given the perceived convergence of registry, registrar, and registrant roles within the DNS, the WIPO Center further recommends to extend the concept behind this proposal also to address relevant registrar conduct.
- See WIPO Letter to ICANN of April 9, 2009, on the observed conduct of one particular ICANN-accredited registrar, which led to ICANN's announced de-accreditation of said registrar. Alleged conduct in lawsuits involving the registrar included "UDRP evasion services" and "contributory cybersquatting."

WIPO Recommendations

2. Trademark-Based Post-Delegation Dispute Resolution Procedure (cont'd)

- Supported by the ICANN IRT Draft and Final Reports – dialogue on design elements.
- ICANN DAG III as such includes “Proposed Trademark Post-Delegation Dispute Resolution Procedure (Trademark PDDRP)” – October 2009. However:
 - ▶ Top-Level: “by clear and convincing evidence that the registry operator’s *affirmative conduct* in its operation or use of its gTLD, that is identical or confusingly similar to the complainant’s mark, causes or materially contributes to the gTLD: [...]”
 - ▶ Does “affirmative conduct” include willful blindness?

WIPO Recommendations

2. Trademark-Based Post-Delegation Dispute Resolution Procedure (cont'd)

- ICANN DAG III as such includes “Proposed Trademark Post-Delegation Dispute Resolution Procedure (Trademark PDDRP)” – October 2009
 - ▶ Second-Level: “by clear and convincing evidence: (a) that there is [a] *substantial ongoing* pattern or practice of specific bad faith intent by the registry operator to profit from the sale of trademark infringing domain names; and (b) of the registry operator’s *bad faith intent to profit* from the systematic registration of domain names within the gTLD, that are identical or confusingly similar to the complainant’s mark, which: [...]”
 - ▶ Relationship between (a) and (b) unclear.
 - ▶ Is willful blindness “bad faith intent to profit”?
 - ▶ Intent/pattern required for both registry and registrants?

WIPO Recommendations

3. Discussion Draft Expedited (Domain Name) Suspension Mechanism

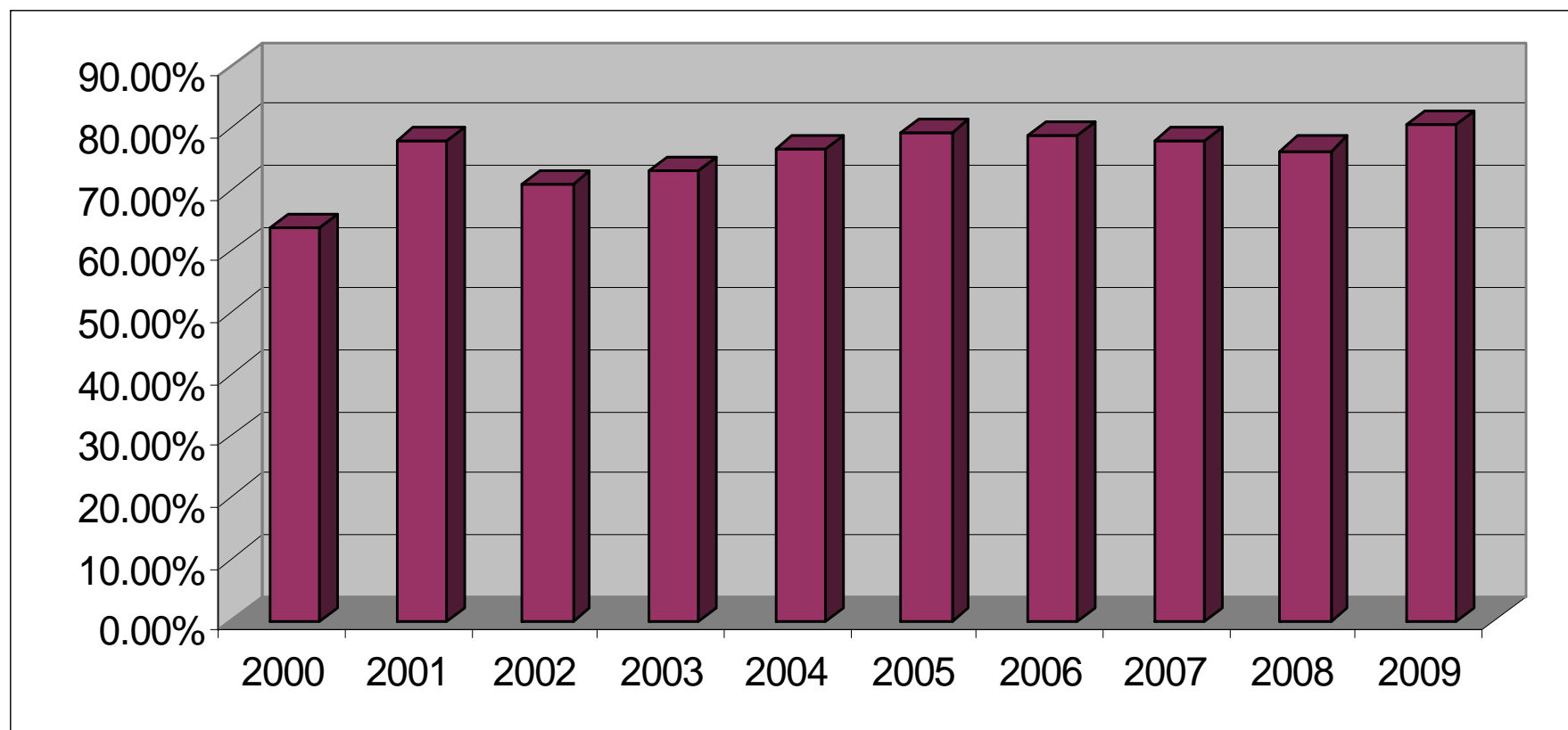
- ▶ Communicated to ICANN on April 3, 2009.
- ▶ Intended to present options for brand owners to combat cybersquatting in a cost and time effective manner.
- ▶ Intended as a narrowly tailored complement to the UDRP.
- ▶ “Automated” default judgments.
- ▶ Includes an important safety valve mechanism for defaulting respondents.
- ▶ ICANN IRT recommends “Uniform Rapid Suspension Mechanism” (URS) – May 2009.
- ▶ ICANN submits “URS” for GNSO Consideration – October 2009.

WIPO Recommendations

3. Discussion Draft Expedited (Domain Name) Suspension Mechanism (cont'd)

- ▶ WIPO observations on IRT URS submitted for GNSO consideration:
 - ▶ Requiring panelist evaluation even in URS default cases would unnecessarily increase costs and burdens to trademark owners.
 - ▶ The duration of the proposed remedy (balance of registration period) is of limited effectiveness.
 - ▶ The URS substantive criteria adaptations are not clear.
 - ▶ Elements of the URS may be adjusted with a view to time and cost-efficiency.

WIPO UDRP Cases: Respondent Default



Looking at WIPO UDRP Cases - the vast majority are undefended - overall default rate in WIPO cases around 75%

WIPO engages in continued dialogue

4. Comments on IRT Draft and Final Reports.

- ▶ IRT Reports represent substantive progress and a serious foundation for mechanisms designed to prevent to trademark abuse.
- ▶ WIPO Center commends the IRT for the Final IRT Report, and the consequential efforts of individual IRT members.
- ▶ WIPO Comments to Draft IRT Report (May 10, 2009).
- ▶ WIPO Comments to Final IRT Report (June 18, 2009).

5. Ongoing ICANN Consultations.

Additional Information

www.wipo.int/amc/en/domains/newgtld/

The screenshot shows the WIPO website interface. At the top left is the WIPO logo and the text 'WORLD INTELLECTUAL PROPERTY ORGANIZATION'. Below this is a navigation menu with 'IP SERVICES' highlighted. The main content area is titled 'WIPO Activities Related to New gTLDs' and contains several paragraphs of text discussing the intersection of DNS and IP laws, ICANN's role, and various dispute resolution procedures. A left sidebar contains a table of contents for the Arbitration and Mediation Center. At the bottom, there is an 'E-NEWSLETTER' section and a status bar showing 'Done' and 'Local intranet'.

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WIPO Activities Related to New gTLDs

For over a decade, WIPO has addressed questions raised by the intersection of the Domain Name System (DNS) and intellectual property (IP) laws. Notably, in 1998 and 2001 WIPO undertook [two international consultation processes](#) to develop specific related recommendations, including one that led to ICANN's adoption of the Uniform Domain Name Dispute Resolution Policy ([UDRP](#)). In 2005, WIPO produced at ICANN's request, the report: "[New Generic Top-Level Domains: Intellectual Property Considerations](#)."

The DNS landscape appears set to undergo considerable change in the future, with significant trademark ramifications, following [ICANN's announcement](#) of its plans for a potentially broad expansion of the existing number of gTLDs and also for the related introduction of internationalized (non-Latin script, e.g., Arabic, Chinese, Cyrillic) domain names (IDNs) at the top level.

WIPO continues to provide leadership in the development of solutions to tensions between the DNS and the IP system, and has been collaborating with ICANN in an attempt to safeguard existing intellectual property rights in the event that the introduction of new gTLDs will proceed as presently envisioned by ICANN. Such collaboration encompasses proposing, as outlined below, scalable dispute resolution procedures and policies to protect intellectual property interests in the DNS while striking a balance with the practical interests and legitimate expectations of the many DNS actors.

Pre- (TLD) Delegation Dispute Resolution Procedure

In December 2007, ICANN sought "Expressions of Interest from Potential Dispute Resolution Service Providers for New gTLD Program." In January 2008, the WIPO Center signaled its readiness to assist ICANN in devising and applying intellectual property-based dispute resolution procedures in relation to ICANN's New gTLD Program. From that time, using the WIPO "[Joint Recommendation Concerning Provisions on the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet](#)" as its foundation, the WIPO Center has collaborated with ICANN on the development of substantive criteria and procedural rules for pre-(TLD) delegation dispute resolution for trademark-based "Legal Rights Objections" (LRO) as set out in section 3.4.2 of ICANN's [Draft Applicant Guidebook, Version 2](#). The WIPO Center has also subsequently accepted to administer disputes under the LRO Procedure.

Post- (TLD) Delegation Dispute Resolution Procedure

From early 2008, the WIPO Center has advocated to ICANN the possible advantages of a permanent administrative (court alternative) option for brand owners to file objections against a registry operator whose operation or use of an approved new gTLD is alleged to cause or materially contribute to trademark abuse. On February 5, 2009, the WIPO Center communicated to ICANN a concrete substantive proposal for such a trademark-based post-delegation dispute resolution procedure aimed at addressing such conduct directly at the source. This proposal, published in a [letter of March 13, 2009](#), is intended to act as a form of neutral, outsourced, and standardized assistance to ICANN's own compliance oversight responsibilities while also encouraging responsible conduct by relevant actors and generally enhancing the security and stability of the DNS.

Given the perceived convergence of registry, registrar, and registrant roles within the DNS, the WIPO Center has further recommended to extend the concept behind this proposed post delegation dispute resolution procedure for new gTLD registries to also address registrar conduct through ICANN registrar contracts. Such a higher-level procedure to address registry and registrar conduct is a critical foundation to effective rights protection mechanisms in new gTLDs. Without such a procedure, DNS stakeholders, including trademark owners, domain name registrants, dispute resolution service providers, and indeed registries and registrars themselves may be faced with perpetual resource consumptive disputes.

Complementary Rights Protection Mechanisms

While the UDRP will remain an important curative tool for particular disputes involving the considered transfer of a disputed domain name to the trademark owner, the WIPO Center has also advocated the additional availability of a range of appropriate rights protection mechanisms to safeguard legitimate trademark interests in the DNS.

In a [letter of April 3, 2009](#), the WIPO Center communicated to ICANN a discussion draft for a rights protection mechanism to apply to second (and lower) level domain name registrations in new gTLDs. Such an expedited (domain name) suspension mechanism is intended to expand present options for mark owners to combat cybersquatting in a time and cost effective manner, and would be a further streamlined narrowly tailored complement to the existing UDRP option.

ICANN Implementation Recommendation Team

In response to public comments made to ICANN's Draft Applicant Guidebook, ICANN defined trademark protection as an overarching issue requiring further consideration. The ICANN Board [resolved in March 2009](#) to request that the ICANN Intellectual Property Constituency (IPC) convene an "Implementation Recommendation Team" (IRT) to develop and propose solutions to the overarching issue of trademark protection stemming from ICANN's New gTLD Program.

The IRT published its [Draft Report](#) on April 24, 2009 and its [Final Report](#) on May 29, 2009, both of which distilled a range of differing rights protection mechanism proposals including inter alia, WIPO's Post-Delegation procedure and expedited suspension mechanism proposals.

Done

Local intranet 100%

Additional Information

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