

Domain Name Disputes and Evaluation of The ICANN's Uniform Domain Name Dispute Resolution Policy

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The proliferation of the Internet has led to an explosion in the number of registered domain names. With the '.com' burst, there has been an increase in the number of domain name disputes leading to an anarchy in this special branch of intellectual property. ICANN's Uniform Domain Name Dispute Resolution Policy (UDRP) is an international dispute resolution procedure that enables trademark holders to challenge the registrant of an Internet domain name, bring the name to binding arbitration and, if the challenge is successful, gain control of the name. The policy was defined in October 1999 and the first case was decided in December 1999. Since then, UDRP has gone a long way in resolving domain name disputes. However, an analysis of the decided cases under the UDRP regime tells a different story. The present paper critically analyses some of those decided cases and also highlights the lacunae in the UDRP and also provides some suggestions for the improvement of UDRP.

Keywords: Domain names, UDRP, ICANN, cyber squatters, cyber twins, cyber parasites

The phenomenal growth of the Internet as a commercial medium has brought about a new set of concerns in the realm of intellectual property¹. As the Internet grows in prominence as a venue for business, the Courts will be called upon to apply traditional legal principles to new avenues of commerce. Domain name disputes present such cases².

The proliferation of the Internet has led to an explosion in the number of registered domain names - those trendy '.com' web addresses that have all but transformed modern business. However, it is interesting to note that Internet-

accessible computers actually read a series of Internet Protocol (IP) numbers rather than domain names³. Because these numbers are random and difficult to remember, the US Government developed a system which links each IP number to a specific domain name⁴. This system is commonly referred to as the domain name system.

The Indian Trademark law, as embodied in the Trademarks Act, 1999, allows concurrent use of the same trademark by multiple parties, provided such use does not create a likelihood of consumer confusion⁵. On the Internet, however, concurrent use of the same name is precluded⁶. This restriction has

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led to a spate of disputes between domain name holders, trademark owners, and private individuals. According to the latest available information (as of January 2003), the estimated number of users with registered domain names is 171.6 million throughout the world. Roughly 30 % of registered domain names have '.net' (61.9 million), around 24 % have '.com' (40.5 million) and around 1 % have '.org' (1.11 million) as top level domain. The remaining 40 %, or about seventy million domain names, can be divided into 250 different types throughout the world⁷.

There are many cases of domain name 'pirates' or 'squatters', who hold a domain name for ransom. In yet other cases, the parties might be mere 'twins', both having a legitimate right to use the same name in different areas or contexts. From this stems the problem of 'reverse domain name hijacking'.

What are Domain Names?

A domain name is the Internet equivalent of a telephone number or address. For instance, the domain name for the Harvard University is *www.harvard.edu*. To send an e-mail to the Department of Law of Harvard, one would have to enter *law@harvard.edu* into an e-mail programme, where law is the e-mail account, @ is a sign literally meaning "at", and *harvard.edu* is the domain name. In essence, it is like telling the software: send e-mail to the Department of Law at the domain *harvard.edu*

Domain Name System

Machines communicating over the Internet, however, do not actually 'talk' in terms

of domain names. Instead, domain name is a proxy for the IP address, which is like a telephone number, although there is no logical correspondence between the IP number and the domain name⁸. When logging onto the Internet through a 'server', the server interprets the domain name into its corresponding IP address. Thus, a domain name such as *search.msn.co.in*, should map onto an IP address such as 207.46.176.53. This is called the domain name system.

Classification of Domain Names

Domain names are divided into hierarchies. A specific domain name can be divided into a top-level domain (TLD); a second level domain (SLD) and a sub-domain (SD).

Using *law.harvard.edu* as an example, the general template for domain names is as follows:

www.	law.	harvard.	edu
	3 rd	2 nd	1 st
	SD	SLD	TLD

Again, top-level domains can be classified into generic and country code TLDs. The top-level of the hierarchy appears after the last dot ('.') in a domain name. In *harvard.edu*, the top level domain name is '.edu'. Among the various TLDs the '.com' name is the most common TLD name, and is used to indicate that the domain name is owned by a commercial enterprise. Other common top-level domain names include '.org' (for non-profit organizations), '.net' (for network and Internet related organizations), '.edu' (for colleges and universities), and '.gov' (for government entities).

In addition to these generic domain names, a top-level domain name corresponding to a two-letter country code of ISO 3166 has been assigned to every country⁹. For instance, '.in' indicates a domain in India, and '.fr' indicates a French domain.

Domain Name Registration

Unlike country code top-level domain names, which are issued by authorities in each country, generic top-level domains are issued by Registrars, which are accredited by Internet Corporation for Assigned Names and Numbers (ICANN), a non-profit organization, which administers and is responsible for IP address space allocation, protocol parameter assignment, domain name system management and the root server system management. Currently, there are 157 such Registrars around the globe. Until April 1999, Network Solutions Inc was the only authority, which could issue domain names for the '.com', '.net', '.edu', '.gov', etc., generic TLDs. Currently, it costs \$100 for an initial two years of use, with \$50 for each additional year. The domain name is limited to twenty-six characters including the TLD, but the use of a shorter, and more user-friendly name is recommended¹⁰.

Comments

As a species of intellectual property created by the digital age, domain names are most widely known and discussed. Unlike telephone numbers, domain names ending in '.com' are unique for the entire world. They are easy to remember and use, and it is precisely for this reason that they have assumed a key role in e-commerce. Thus

domain names have assumed much the same role in virtual space, as trademarks in real space. These factors have fuelled the drive for domain names and thereby, resulting in the consequential disputes.

Domain Name Disputes

Domain name disputes tend to fall into four categories: (i) cyber squatters, (ii) cyber parasites, (iii) cyber twins, and (iv) reverse domain name hijacking.

Cyber Squatters

The term, cyber squatter, refers to someone who has speculatively registered or has acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant, who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of the documented out-of-pocket costs directly related to the domain name¹¹. Sometimes parties register names expecting to auction them off to the highest bidder. This practice has led to the emergence of domain name brokers¹². Yet other squatters indulge in insatiable activities, eating up all names that are even remotely related to their business to preempt other squatters¹³.

In the case of *British Telecommunications v One in a Million*¹⁴, the defendants had registered as domain names, a number of well-known trade names, associated with large corporations, including *sainsburys.com*, *marksandspencer.com*, and *britishtelecom.com*, with which they had no connection. They then offered them to the companies associated with each name for

an amount, much more than they had paid for them. The Court of Appeal findings for the plaintiff, traced the origins of passing off back to the 16th century and quoted *A G Spalding & Bros v A W Gamage Ltd*¹⁵:

“Nobody has any right to represent his goods as the goods of somebody else. It is also sometimes stated in the proposition that nobody has the right to pass off his goods as the goods of somebody else.”

Cyber Parasites

Like cyber squatters, cyber parasites also expect to gain financially; however, unlike squatters, such gain is expected through the use of the domain name. In some cases, a famous name will be registered by another; in other cases, a mark that is similar to¹⁶, or a commonly mistyped version of a famous name will be used. The dispute might arise between direct competitors, between those in similar lines of business, or between those who simply wish to indulge in ‘passing off’ of the name’s fame¹⁷.

In the Indian case of *Yahoo! Inc v Akash Arora & Anr*¹⁸, the Delhi High Court dealt with a matter of a similar nature. The case involved a petition by Yahoo! Inc, seeking injunctive relief against the defendants who were attempting to use the domain name *yahooindia.com* for Internet related services. The defendants contended that firstly, there could be no passing off plaintiff’s services because the service rendered by them could not be said to be goods within the meaning of the Trade and Merchandise Marks Act, 1958, which only dealt with goods and not services, and secondly, Yahoo was a dictionary

word which was not distinctive and since the defendants has been using a disclaimer, there could be no chance of deception and therefore no passing off.

The Court treated the matter as one of “passing off” and concluded that appropriation of ‘yahoo’ name by the defendants justified, bringing of this action and thereby granted an injunction against the defendants. The Court gave the following reasoning; firstly, there were several cases where services had been included with the scope of passing off. Accordingly, services rendered had come to be recognized for an action in passing off¹⁹; secondly, a domain name served the same function as a trademark and was entitled to equal protection as a trademark²⁰; thirdly, the two marks were identical, save for the word, INDIA, and there was every possibility of an Internet user being confused that both domain names came from a common source. This was particularly so since Yahoo! Inc itself had used regional names after the word Yahoo!; fourthly, the disclaimer used by Akash Arora was of no relevance because, due to the nature of Internet use, the defendants appropriation of the plaintiff’s mark as a domain name and home page address could not be adequately communicated by a disclaimer; and lastly, dictionary words could attract distinctiveness.

In a similar case before the Bombay High Court, in the matter of *Rediff Communication Limited v Cyberbooth*, A.I.R. 2000 Bom. 27, the plaintiff had filed a case of passing off against the defendant, who had adopted the domain name *radiff.com* as part of their trading style, which was alleged to be deceptively similar

to the domain name of the plaintiff, *rediff.com*. The Court findings in favour of the plaintiff held that since both, the plaintiff and the defendant had a common field of activity, both operated on the net, and both provided information of a similar nature, and both offered a chat line therefore, there is every possibility of an Internet user getting confused and deceived in believing that both domain names belong to one common source and connection although the two belong to two different persons. The Court was satisfied that the defendants have adopted the domain name *radiff.com* with the intention to trade on the plaintiff's reputation and accordingly the defendant was prohibited from using the said domain name.

Cyber Twins

When both the domain name holder and the challenger have a legitimate claim to a domain name then they are known as cyber twins. The cases involving cyber twins are the most difficult ones, because, but for the domain name dispute, the law of trademark and unfair competition might otherwise allow each party to enjoy concurrent use of the name²¹.

In the case of *Indian Farmers Fertiliser Cooperation Ltd v International Foodstuffs Co*²², before the WIPO Arbitration and Mediation Center, the dispute was relating to the domain name *iffco.com*. The defendants had registered the domain name *iffco.com* and had been using it with good faith. The complainant had domain names related to *iffco.com* and had a legitimate interest in the domain name. The complainant had alleged the defendant of diverting the net surfers to its own website.

However, the Arbitration Center dismissed the case, as both the parties had legitimate interest in the domain name and the complainant had failed to prove "bad faith" on the part of the defendant.

In a similar matter, which came up before the Delhi High Court, in the case of *Online India Capital Co Pvt Ltd & Anr v Dimensions Corporate*²³, the plaintiffs had filed a case of passing off against the defendant, who had adopted the domain name *mutualfundindia.com*, which was alleged to be deceptively similar to the plaintiffs' domain name, *mutualfundsindia.com*. However, the Court relying upon few other cases²⁴, dismissed the plaintiffs' contentions, as the plaintiffs had failed to prove that their domain name had acquired a secondary meaning, which is a *prima facie* requirement to grant a protection to a descriptive name.

Reverse Domain Name Hijacking

In certain cases, the complainant may try to over extend the scope of their famous name, and thereby might indulge in 'reverse domain name hijacking (RDNH)'. RDNH is an attempt by a trademark holder, in bad faith, to take control of a domain name from another, who is not in breach of trademark laws, and who has a legitimate interest in the name. The Rules for the Uniform Domain Name Dispute Resolution Policy (UDRP) make explicit reference to RDNH. Rule 15(e) of the UDRP provides that where a complaint was brought in bad faith, such as in an attempt at RDNH, or primarily to harass the domain name registrant (which many would consider RDNH), then the panel is required to "declare in its decision

that the complaint was brought in bad faith and constitutes an abuse of the administrative proceeding.” In some of the cases before the panel, bad faith is clear, such as where the complainant’s behaviour is plainly malicious and the claim brought without any basis²⁵. However, this will not be the norm, and while the UDRP lists factors illustrative of bad faith on the part of a registrant to assist identifying bad faith on their part, no such factors are listed as indicating bad faith on the part of the complainant in the RDNH context. However, this slight lacuna has been overcome by panels, which have stated that bad faith in this context is bringing a claim despite actual knowledge of a legitimate right or lack of bad faith on the part of the registrant²⁶, or where it should have been obvious that the complaint had no real prospect of success²⁷.

Analysis of UDRP

The Background

Domain name disputes have a number of characteristics that make traditional Court proceedings unsuitable for their resolution:

—Firstly, the Internet being a global system, there is no settled rule as to where jurisdiction lies, so that a single case may involve several different municipal Courts asserting jurisdiction, with the result that a whole series of actions may have to be brought in relation to trademarks in different countries.

—Secondly, a similar volume of Court proceedings may be required if the same name has been registered in multiple ccTLDs.

—Thirdly, the speed at which an Internet site can be created, and the ease at which it can be reached, may make the need to resolve a dispute urgent.

—Fourthly, the cost of registering a domain name is extremely low in comparison with the economic damage that it may cause, or the cost of litigation²⁸.

Because of these factors, since 1995 there has been available an alternative, specially designed dispute resolution policy (DRP) for resolving domain name disputes [at least as regards generic TLDs (gTLDs)]²⁹ that is intended to be time and cost efficient in comparison with Court proceedings. But over the time, there was a call for a new entity to manage the domain name system³⁰. In response to such concerns, ICANN was formed³¹, and WIPO was entrusted with developing UDRP.

With the approval of other Member States of the United Nations, WIPO undertook this process, issuing its findings to ICANN in April 1999 in its report “The Management of Internet Names and Addresses: Intellectual Property Issues: Final Report of the WIPO Internet Domain Name Process”³². After a series of resolutions and conferences, ICANN adopted the Final Report and approved the UDRP³³ and the accompanying Rules for the UDRP³⁴ in October 1999³⁵. The UDRP improves upon the NSI policies in three significant respects:

—First, the domain name is not placed ‘on hold’ or affected in any way until the end of proceedings³⁶.

—Second, there is a far greater burden on complainants, who must show both that the registrant lacks any legitimate interests in the name, and is using the registered name in bad faith³⁷.

—Third, the policy is wider in that it is applicable where the domain name is ‘confusingly similar’ to the relevant mark (and not just where it is identical), and applies to service marks as well as trademarks³⁸.

Evaluation

The UDRP is available for complaints regarding any domain name within the ‘.com’, ‘.net’ and ‘.org’ TLDs (along with the seven new gTLDs). This is mandatory, ICANN requires all approved registrars dealing in those TLDs to incorporate the policy in its agreement with domain name registrants³⁹. Of these three TLDs, particularly ‘.com’, accounts for the vast majority of all domain names registered⁴⁰, this makes the UDRP by far the most important single domain name-related procedure available worldwide. Domain name holders are required to submit to a mandatory administrative proceeding directed by one of the approved dispute resolution providers. The dispute resolution providers that have been approved by ICANN are⁴¹:

—WIPO, Geneva (approved effective from 1 December 1999);

—National Arbitration Forum (NAF), Minneapolis, USA (approved effective from 13 December 1999);

—Centre for Public Resources Institute for Dispute Resolution (CPRIDR), USA (approved effective from 22 May 2000);

—eResolution Consortium (eRes), Canada (Note: not accepting proceedings commenced after 30 November 2001); and

—The Asian Domain Name Dispute Resolution Centre (ADNDRC), Beijing, and Hong Kong (approved effective 28 February 2002).

All these dispute resolution providers follow the ICANN accredited UDRP in dispute resolution. WIPO has been, by far the most popular dispute resolution provider since the introduction of the UDRP.

Proceedings are initiated by the complainant, by filing a complaint with one of the ICANN-approved dispute resolution service providers. The complainant can opt for either a one-person panel or a three-person panel. The provider selects the panellist in one-person panel⁴². Both the respondent and complainant have discretion in the choice of panellists for three-person panels, but the complainant still chooses the provider⁴³. Once the provider verifies that the complaint complies with basic UDRP requirements, it sends the complaint to the domain name registrant, who must respond within twenty days. The respondent has the discretion of opting for a three-person panel if the complainant has requested a one-person panel, but the respondent will be required to pay one-half of the applicable fees for the three-person panel (otherwise the complainant is fully responsible for the fee). Upon receiving the registrant’s response, the provider has five days to appoint an arbitration panel of one or three members, which must issue a

decision within two weeks. The domain holder has ten days to appeal an adverse decision to a court of mutual jurisdiction (either the jurisdiction of the registrar or the jurisdiction of the domain holder, whichever is selected by the complainant). The remedies available to a complainant are limited to the transfer or cancellation of the domain name and no monetary damages are awarded. Proceedings are then conducted and the decision is made by an appointed expert, or by a panel of three such experts where either party so requests.

As the context requires, the proceedings are quick and inexpensive in comparison with traditional methods. There is no discovery, hearing or trial. The decision is made on the basis of the submissions of the complainant and registrant/respondent, which are limited in scope⁴⁴. Decisions must be published online⁴⁵. The typical proceedings, from complaint to decision, last less than 45 days. Average costs are around \$1500 (to be paid by the complainant).

To succeed under the UDRP, a complainant must show three elements⁴⁶:

- (i) that the domain name is identical or confusingly similar to a trademark or service mark of the complainant;
- (ii) that the registrant has no rights or legitimate interests in the domain name; and
- (iii) that the registrant has registered and used the name in bad faith.

It is the second and third elements that distinguish the UDRP from trademark law. The Policy includes a non-exhaustive list of factors indicative of

each of the existence of a legitimate interest⁴⁷ and the presence of bad faith⁴⁸.

Bias Towards Trademark Holders

The UDRP has proven to be extremely popular with trademark holders. Within 10 months of its availability (from December 1999), more than 1000 decisions had been published, and by May 2002 (25 months) that figure had reached 4750, concerning 8200 domain names⁴⁹. However, the policy has not proven to be so popular with registrants and some commentators. This is because, while the Policy has generally been properly applied⁵⁰, at times, all three of the substantive elements of the Policy have been confused, conflated, or ignored. Some decisions have been made on grounds that do little short of violence to the language of the requirements. In every instance, the flawed application of the policy has favoured the complainant. The clearest example of the erosion of the first element of the policy can be seen in relation to the gripe sites.

The general approach towards gripe sites was established in *Wal-Mart Stores Inc v Walsucks*⁵¹, concerning the domain name *www.walmartcanadasucks.com*. Despite noting that “users, including potential customers of complainant, are not likely to conclude that complainant is the sponsor of the identified websites”, the panel found the first element of a claim under the UDRP, *i.e.*, confusing similarity, on the quite astonishing basis that “it is likely that such users will choose to visit the sites, if only to satisfy their curiosity”. This is an illogical reasoning, and is also extending the rights

of trademark holders to uses that are not confusingly similar.

Perhaps, the proper place for this dispute to be resolved was a Court of law and not the UDRP. The correct approach was displayed in *CompUSA Management v Customized Computer Training*⁵². The *CompUSA* case concerned protest sites at the domain names *www.stopcompusa.com* and *www.bancompusa.com*. The panel in that case held :

“There is absolutely no confusion or similarity, much less identity, between the domain names and the trademarks held by complainant. No one could confuse ‘COMPUSA’ or anyone (sic) of the registered trademarks, and ‘STOPCOMPUSA.COM’ and ‘BANCOMPUSA.COM’ ... a large company, faced with criticism from an individual, has attempted to use this process and procedure to stifle that criticism. If the actions and conduct of respondent are wrongful, then complainant has access to the Courts of law, where the truthfulness of the allegations made by respondent can be challenged. Use of this forum by complainant in this context is inappropriate and constitutes ‘cyberbullying’⁵³”.

Some critics are even of the opinion that by allowing complainants to choose the provider and since, the complainants also pay the panellist’s fees⁵⁴, panellists have a strong incentive to develop a reputation for deciding cases in favour of complainants. It would be pertinent to note that providers publish statistics as to win/lose records, serving as indirect advertising to trademark holders, who

will wish to use the most complainant friendly, dispute resolution provider. Further, studies have shown that WIPO⁵⁵, the leading provider, which is a body of the United Nations and whose very reason for being is to promote the protection of intellectual property rights, through its influence, rewards the dispute resolution providers, with those findings in favour of complainants, by being given more cases (and so more fees), while the more registrant-friendly panellists are starved of them for fear of deterring business⁵⁶. The harsh reality of this ‘forum-shopping’ was demonstrated by the closure of eResolution, the most registrant-friendly of the 4 original providers⁵⁷.

Vague Definition

The UDRP was created to establish a uniform means of administering domain name conflicts. It is difficult to provide consistent standards, however, when its key terms are both vague and unfamiliar and perhaps intentionally so, given the variety of existing trademark laws and concepts. Several reported decisions have revealed that different panellists have given seriously conflicting interpretations of these terms. Consequently, even after 7,324 decisions, domain name registrants are still somewhat unclear as to which types of uses would constitute ‘bad faith’ as opposed to ‘rights or legitimate interests’. Both parties have relied on the ambiguities of the guidelines to assert their respective contentions.

One unresolved issue is how broadly the term ‘use’ can be construed within the

context of 'bad faith'. The panel in *Telstra Corporation Limited v Nuclear Marshmallows*⁵⁸, determined that registration alone may be sufficient to establish bad faith in particular circumstances, despite the lack of any other overt action. However, in *Loblaws Inc v Yogeninternational*⁵⁹, the panel found that inactive use was insufficient evidence of 'bad faith' and allowed the respondent to retain the name. It noted that the domain name may have been registered in bad faith, but concluded that the requisite bad faith usage had not been established by the display of a standard 'under construction' page⁶⁰.

Appeals to Court

In terms of external constraints, although the policy is designed to be soft-law, supplementing rather than replacing national Courts, in practice it is much 'harder', as the chances of Courts actually reviewing the decisions are in practice very limited⁶¹. The opportunities for appeal to a Court from a panel decision are limited: the ten-day time limit effectively meaning only those registrants with legal representation during the initial proceedings will have the time to do so, and whether they will have any cause of action is doubtful (although in the US, ACPA specifically provides for such an action)⁶². Domain name registrants have taken advantage of the right to seek judicial review in a small, but significant number of cases. The empirical evidence is that only 73 of the nearly 7,324 UDRP decisions to date have been challenged in a municipal Court⁶³.

At least two US Courts thus far have held that they are not bound by UDRP

decisions, although the legal effect of these decisions remains unclear⁶⁴. The case of *Weber-Stephen Products Co v Armitage Hardware & Building Supply*⁶⁵ involved a trademark lawsuit brought by a manufacturer against a retailer who had registered *webergrills.com* and various other domain names incorporating the manufacturer's trademarks. The manufacturer had initiated a UDRP proceeding one day prior to filing the lawsuit. The retailer asked the Court to declare the UDRP proceeding non-binding and to stay the Court case pending UDRP resolution. Relying largely upon the language of the UDRP itself, the Weber court noted that the policy contemplates the possibility of parallel legal proceedings, and that it does not intend UDRP panel decisions to be binding on Courts. The Court held that it was not bound by the outcome of UDRP proceedings, and it granted the requested stay.

Generic Names

Generic words generally are not protected under trademark law due to the commonness of the word and the interest in preserving the word's utility in multiple contexts. Although, the word may be incorporated into a trademark with another word or phrase, the generic word itself is normally considered to be in public domain. In the case of registration of domain names, generic words are normally allowed and in case of a dispute, the first person to register the word is considered to have a better title over others. The panel reiterated such reasoning in *CRS Technology Corp*

v *Condenet, Inc*⁶⁶, (*concierge.com*), declaring that the first person or entity to register the domain name should prevail in circumstances such as these where the domain name is a generic word.

Administrative panels do not consistently apply trademark law to generic words, however in *J Crew Int'l v crew.com, (crew.com)*⁶⁷, the panel split in a decision over rights to the generic word 'crew' in response to a complaint by J Crew, a leading retailer of men's and women's apparel. The respondent had registered or acquired more than 50 domain names consisting of trademarks or other generic words primarily for the purpose of selling, renting, or otherwise transferring the names. The majority of the panel determined that the domain name, *crew.com* is identical to the trademark 'crew'. It concluded that, given the respondent's speculative behaviour and awareness of the trademark, the domain name should be transferred to the complainant. The dissenting panellist contended that the majority seems to assume that a trademark owner has some sort of God-given right to use the trademark to the exclusion of others and warned that the majority's decision "creates a dangerous and unauthorized situation whereby the registration and use of generic words as domains can be prevented by trademark owners wishing to own their generic trademarks in gross."

Procedure

Although efficiency is often lauded as one of the benefits of the UDRP, the proceeding's truncated nature may not be suitable for relatively complex cases

involving a variety of claims and factual assertions. Administrative panels generally prohibit in-person hearings, including teleconferences, videoconferences, and web conferences. The process includes no testimony, cross-examination, briefing, or argument; moreover, the arbitration grants no power for discovery aside from the ability to request additional documents. Rebuttals are limited to the discretion of the panellists. The UDRP has no mechanism for evidentiary review; therefore, facts, such as trademark rights, may be merely alleged. Photocopies of trademark certificates, copies of advertisements, or letterhead are usually attached to a complaint as exhibits, but the documents need not be authenticated. More difficulty arises when the complainant owns a common-law mark and cannot provide any registration at all. Often the panellist must make a determination on the validity or existence of alleged trademark rights despite the fact that many panellists have no particular expertise in trademark law.

The panel in *Document Technologies Inc v International Electronic Communications Inc (htmlase.com)* noted the limited capacity of UDRP proceedings⁶⁸. Responding to the complainant's contention that cross-examination of the respondent's evidence would prove bad faith registration and use, the panel said that such a matter should be resolved in "a forum, like a United States Court, that permits for a more probing, searing search for the truth. This proceeding is not conducive to such credibility determinations given the lack of discovery and, in the normal course, the lack of live

testimony.” The minimal evidentiary requirements of UDRP proceedings render the system difficult to evaluate.

Choice of the Law

The UDRP provides little guidance as to which laws should prevail when two parties belong to different jurisdictions with contradictory rules. The only explicit reference in the rules to choice of law questions can be found in provision 15(a): “A panel shall decide a complaint on the basis of the statements and documents submitted and in accordance with the policy, these rules and any rules and principles of law that it deems applicable”⁶⁹. As national trademark laws enforce different standards for such uses as parody or criticism, panellists may be left with the burden of trying to balance one nation’s laws and interests against another’s.

Several cases demonstrate the ambiguity of the choice of law question. In *Excelentísimo Ayuntamiento de Barcelona v Barcelona.com Inc (barcelona.com)*⁷⁰, a conflict existed between US law’s limits on protection of geographical names and Spanish law’s provision for such protection. The panel ruled to transfer the domain name from the US travel agent registrant to the City Government of Barcelona, declaring that the holder “is definitely taking advantage of the normal confusion of the public which by using a Barcelona route in Internet would normally expect to reach some official body or representative of the city of Barcelona itself.” In *Tourism and Corporate Automation Ltd v TSI Ltd (tourplan.com)*⁷¹, the panellist dismissed

both parties’ jurisdictional laws altogether. A complainant from New Zealand with offices in London challenged a registration made in Australia by an Australian citizen. The panellist, who was from the United States, declared that the UDRP specifies “no mandatory body of law to follow in making a decision” and that he would therefore apply US law: “I determine that it is not feasible for any given arbitrator or panel to be familiar with all bodies of trademark and unfair trade law in all countries reached by the Internet, and that it is therefore sufficient for this proceeding that I am reasonably familiar with US trademark law.”

Solutions to the Problem

Many of the current problems with the UDRP would be resolved if panels were given less discretion, which would be achieved if the policy were clearer. The UDRP needs to be amended to clarify the position relating to geographical indicators and personal names (that they are beyond the scope of the policy); gripe sites (that criticism is a legitimate interest, and that the concept of tarnishment is not suitable for the UDRP) and bad faith (that it is a separate element that the complainant must prove). Future problems, and in particular inconsistent decisions, could be avoided if an appeal level was added to the system. If the decisions of an appeal panel served as binding precedent for all panels, problems of interpretation could be swiftly resolved. The idea of an appeal level was initially rejected as unnecessary due to the availability of appeal to Courts, and too complicated for the streamlined

procedure⁷². However, the appeal to national Courts option has proven ineffective, and an appeal level would not greatly complicate the process if it were kept to a similar timescale as the initial procedure⁷³, and if appeals were limited to resolving inconsistencies and questions of interpretation⁷⁴. Even with an internal appeals system, the external constraint of appeals to national courts need to be made more practical. The decision of the panel could still take effect within 10 days, unless the registrant notifies the provider of his intention to bring a Court action. The registrant could then have perhaps 30 days to file in Court. The power of providers to control the allocation of cases to particular panellists should be eliminated. Instead, each provider should be made to operate a 'cab-rank' rule, where panellists are allocated cases in a certain order, subject to availability and conflicts of interest⁷⁵. This would require a certain amount of policing by ICANN, but would not be time-consuming, requiring a simple check of published decisions to ensure that all panellists were hearing approximately the same number of cases.

Conclusion and Suggestions

It is an undisputed fact that UDRP serves an important function to resolve domain name disputes in an out-of-court proceeding that can be implemented on an international basis. The question is whether the process is as fair and effective as it should be, and astonishingly, the answer is somewhat elusive. The UDRP has certain flaws in its present form and it can be demarcated as follows:

- it is biased in favour of trademark holders,
- it provides practically no privacy protection for the name, address and phone no. of registrants,
- it creates an enormous potential for reverse domain name hijacking, thereby threatening registrants to surrender their domain names,
- it provides little guidance as to which laws should prevail when two parties belong to different jurisdictions,
- it provides for minimal evidentiary requirements for the proceedings, thereby rendering the system difficult to evaluate,
- it fails to protect fundamental free-speech interests including parody and criticism of corporations, and
- its key terms are both vague and unfamiliar.

Although, the UDRP has shortcomings, some more acute than others, inconsistent and sometimes uninformed decisions, vague terminology, a significant market gap among providers suggesting inequalities of service, and insufficient data to review the justice of decisions or process, nevertheless, it has done a commendable job.

After a thorough review of the existing case laws and well researched documents on the topic, it is proposed that the following suggestions may be considered:

- Demand advanced payments before registration of a domain name, thus greatly increasing the cost of mass domain name speculation,
- Provide more precise definitions and provide more examples for terms such as bad faith and legitimate interests,

—Recommend a choice of law provision to guide disputes among complainants and respondents of diverse jurisdictions,
 —Provide guidelines for evidentiary documentation, especially for common law mark owners,
 —Provide guidelines for the refusal of cases.

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