

# Dispute Resolution Procedures

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# Nature of Disputes

- Internet domain names are available on a first-come, first-served basis.
- Domain name disputes arise largely from the practice of cyber-squatting, which involves the preemptive registration of trademarks by third parties as domain names.
- Cyber-squatters exploit the first-come, first-served nature of the domain name registration system to register names of trademarks, famous people or businesses with which they have no connection.

# Cyber-squatting: A definition

- Cyber-squatting involves the pre-emptive, bad faith registration of trademarks as domain names by third parties who do not possess rights in such names.
- Cyber-squatters usually try to sell these domain names to original owners for big amounts, or they try to attract web traffic to unrelated commercial offers.

# A dispute!

- The practice of cyber-squatting gives rise to disputes between trademark owners and domain name registrants.
- The judicial system is territorially based and thus cannot always provide a comprehensive solution to a conflict of a global dimension.

# First WIPO Internet Domain Name Process (1)

- The United States Government asked the World Intellectual Property Organization (WIPO) to explore the possibility of establishing an effective mechanism to deal with Internet cross-border disputes.
- In 1998, the first WIPO Internet Domain Name Process was conducted, an open international process of consultations concerning possible practices and procedures for preventing and resolving domain name disputes.

# First WIPO Internet Domain Name Process (2)

- Among the recommendations was the institution of a policy to be followed uniformly by all registrars that would provide an administrative remedy for domain name disputes in all gTLDs.

# What is the UDRP?

- The UDRP is the Uniform Dispute Resolution Policy, adopted by the Internet Corporation for Assigned Names & Numbers (ICANN) on August 26, 1999. The UDRP is based on recommendations made by the WIPO in the Report of the First WIPO Internet Domain Name Process, focusing on the problems caused by the conflict between trademarks and domain names.

# More about the UDRP

- The UDRP sets out the legal framework for the resolution of disputes between a domain name registrant and a third party over the abusive registration and use of an Internet domain name.

# Approved Providers for UDRP

- Asian Domain Name Dispute Resolution Centre (ADNDRC)
- CPR Institute for Dispute Resolution (CPR)
- The National Arbitration Forum (NAF)
- World Intellectual Property Organization (WIPO)

# UDRP

- Applicable to all gTLDs and certain ccTLDs
- Global scope
- Time- and cost-effective
- Enforceable decisions
- Transparent

# Parties of a UDRP case

- Complainant
- Respondent
- Dispute Resolution Service Provider (DRSP)
- Panel
- Registrar

# UDRP Procedure

1. Filing of a complaint (Complainant)
2. Complaint Compliance Review (DRSP)
3. Commencement of administrative proceeding (DRSP)
4. Filing of response (Respondent)
5. Appointment of panel (DRSP)
6. Panel decision (Panel)
7. Notification of decision (DRSP)
8. Implementation of decision (Registrar)

# UDRP Fees (1)

- The WIPO Center operates on a not-for-profit basis.
- The filing fees depend on two factors:
  1. Number of domain names included in the dispute
  2. Number of panelists
- For a single-member panel the fees are \$1,500, however, for a three-member panel the fees are \$3,000

# UDRP fees (2)

- In case of a single-member panel, the full fee is payable by the complainant.
- If a three-member panel is requested by the complainant, the fee is also paid in full by the complainant.
- However, in case of a three-member panel is requested by the respondent, the fee is split equally between the complainant and the respondent.

# Filing a complaint

- WIPO makes available on their website a model complaint which provides a framework for drafting a complaint in accordance with the UDRP criteria and rules.
- The complaint must be submitted electronically and in hardcopy to the WIPO Center, and a copy must be sent to the respondent and the registrar

# Filing a response

- Similar to the case of filing a complaint, the WIPO also makes available model response to facilitate the task of filing a response.
- The response must be submitted to the WIPO Center electronically and in hardcopy, with a copy to the complainant.

# Language of proceedings

- The WIPO Center's multilingual staff and facilities enable it to handle domain name cases in many different languages.
- Till date, the WIPO Center has administered cases in ten different languages, namely, Chinese, English, French, German, Japanese, Korean, Norwegian, Portuguese, Russian, and Spanish.

# UDRP Decisions (1)

- The remedies available to a complainant in a UDRP proceeding are limited to the transfer of the disputed domain name to the complainant, or the option of the cancellation of the domain name.
- Neither monetary nor injunctive relief is available.

# UDRP Decisions (2)

- Decisions are taken by the panel on the basis of the submitted complaint and response, without oral hearing.
- If the panel decides the transfer or the cancellation of the disputed domain name, the concerned registrar will normally implement the decision within ten business days.
- If the complaint is denied, the registrar will unlock the domain name for the benefit of the respondent.

# UDRP Decisions (3)

- As required by the UDRP rules, the WIPO Center posts all panel decisions in full on its website, except when a panel determines in an exceptional case to redact portions of its decision.

# Statistics (1)

- On October 16<sup>th</sup> 2006, WIPO announced that they handled more than 25,000 domain name case in just seven years of operation
- The 25,000<sup>th</sup> case was related to a cyber-squatting dispute handled under the UDRP in which the panelist ordered the transfer of the domain name "redlionhotels.com" to the trademark owner, The Red Lion Hotels chain.

# Statistics (2)

- In the period since the launch of its dispute resolution services under the UDRP in 1999 through August 2006, 9,567 UDRP or UDRP-based cases have been filed with the WIPO Center, covering 17,912 separate domain names involving parties from 136 countries.

# Statistics (3)

- Most of the 9,567 UDRP and UDRP-based cases disputes concern international domains, with
- .com representing around 79% of names involved.
- .net (11%)
- .org (6%)
- .info (2%)
- Others (2%)

# Statistics (4)

- Since launch till August 2006, 8,936 (i.e. 97%) cases have been resolved.

# Major ccTLDs adopting the UDRP

- .AE (United Arab Emirates)
- .AU (Australia)
- .BZ (Belize)
- .CC (Cocos Islands)
- .CH (Switzerland)
- .ES (Spain)
- .FR (France)
- .TV (Tuvalu)
- .WS (Samoa)

# Internationalized Domain Names (IDNs)

- The UDRP applies to all domain name registrations in the gTLDs, including “internationalized” domain names.
- At the end of December 2002, the WIPO Center had received 33 complaints in relation to “internationalized” domain names.

# Conclusion (1)

- Benefits of the UDRP:
  - Rapid resolution
  - Cost effective
  - International jurisdiction
  - Simple procedure
  - Consistency in decisions
  - Availability of appellate process.

# Conclusion (2)

- Limitations of the UDRP:
  - The UDRP does not apply to approximately 150 ccTLDs
  - Under the UDRP, the standards are the domain holder's "bad faith" and absence of "rights or legitimate interests"
  - Panelists may come from different backgrounds and may not be familiar with trademark law.