



*presents*

# Domain Names and Cybersquatting

Protecting Your Brand and Marks From Online Infringement

A Live 90-Minute Audio Conference with Interactive Q&A

Today's panel features:

Paul D. McGrady, Jr., **Greenberg Traurig**, Chicago

Karol A. Kepchar, Partner, **Akin Gump Strauss Hauer & Feld**, Washington, D.C.

Ira J. Levy, Partner, **Goodwin Procter**, New York

**Tuesday, June 16, 2009**

The conference begins at:

**1 pm Eastern**

**12 pm Central**

**11 am Mountain**

**10 am Pacific**

The audio portion of this conference will be accessible by telephone only. Please refer to the dial in instructions emailed to registrants to access the audio portion of the conference.

**Check back later for additional handouts.**

CLICK ON EACH FILE IN THE LEFT HAND COLUMN TO SEE INDIVIDUAL PRESENTATIONS.

If no column is present: click **Bookmarks**  or **Pages**  on the left side of the window.

If no icons are present: Click **View**, select **Navigational Panels**, and chose either **Bookmarks** or **Pages**.

If you need assistance or to register for the audio portion, please call Strafford customer service at **800-926-7926 ext. 10**



AKIN GUMP  
STRAUSS HAUER & FELD LLP

Attorneys at Law

# Enforcing Trademarks Against Infringement by Domain Names: The Litigation Option

---

Karol A. Kepchar

June 16, 2009

# A Domain Name is an Address

- ↓ Fundamentally, a street address for a location on the Internet, for example:  
**http://www.akingump.com**
- ↓ Domain name ownership is first and foremost a contractual right (there may also be a trademark right, but not necessarily so)



# What is a “Trademark”?

---

**The term trademark includes any word, name, symbol or device, or any combination thereof, used to identify and distinguish a person’s goods, including a unique product, from those of others, and to indicate the source of the goods, even if that source is unknown. 15 U.S.C. § 1127**

# Trademarks

---



The Interior Décor of  
RAINFOREST CAFE



The INTEL Tone Logo

The  
scent of  
plumeria  
on yarn

# Domain Names are Trademarks If.....

- They Function to indicate Source or Sponsorship of the Products, Services or Business.
- That usually means that the domain name corresponds to an existing mark.
- “From Scratch” – Amazon.com domain name corresponds to Amazon.com mark in content of site, ads etc.
- Compare: flowers.com resolves to site of 1-800-FLOWERS.COM (a registered trademark)

# Registering/Protecting Domain Names As Trademarks

---

- ↓ You cannot register URLs (xyz.com), unless also used as a MARK .
- ↓ Generally, TLD's serve no source indicating function -- therefore, their addition to an otherwise unprotectable term typically cannot render it protectable.

# Assessing the Trademark Threat/Damage of Domain Names

---

- ↓ Is the registered domain name active?
- ↓ If active, is the website content **DAMAGING** – e.g., competitor, counterfeits, pornographic?
- ↓ What is the TLD for the domain name? Is it a .com or .es?
- ↓ **Priorities**



# Causes of Action: Domain Name Litigation

## The Umbrella of “Unfair Competition”

- Keyword Advertising
- Metatag Usage
- Pop-up advertising
- Cybersquatting
- Trademark Infringement

## Domain Name Disputes: The UDRP Option

Ira J. Levy

Michelle King (Summer Associate)

June 16, 2009

# UDRP Overview

- ✓ Background
- ✓ Procedure
- ✓ Common Concerns



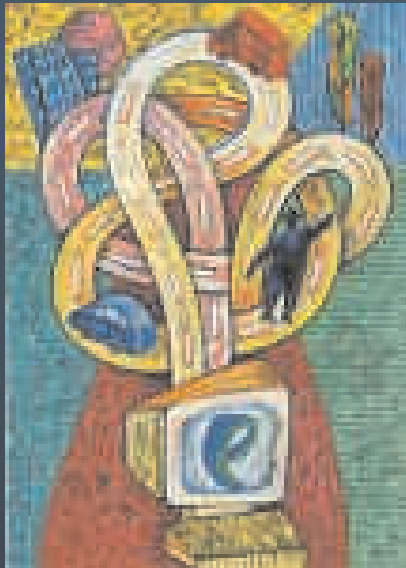
## What is UDRP?

- The UDRP (Uniform Domain Name Dispute Resolution Policy) was adopted in late 1999 by ICANN (the private authority responsible for the administration of certain Internet technical parameters) to offer an alternative to litigation in local courts to settle complaints by trademark owners about cybersquatting.



## To Whom Does UDRP Apply?

- All accredited registrars in the .biz, .com, .info, .name, .net, and .org top-level domains.



# Benefits to Using UDRP

- Speed
- Ease of Filing
- Informal Proceedings
- Experts Making the Decisions
- International in Scope
- Relatively Low Cost



# Various Providers



- World Intellectual Property Organization (WIPO)
- National Arbitration Forum (NAF)
- Asian Domain Name Dispute Resolution Centre (ADNDRC)
- Czech Arbitration Court (CAC)



**ASIAN DOMAIN NAME DISPUTE RESOLUTION CENTRE**

— A charitable institution limited by guarantee registered in Hong Kong

## UDRP — Elements

- Alternative dispute resolution where third party asserts that
  - A domain name is “identical or confusingly similar to a trademark or service mark in which the complainant has rights”
  - The registrant has “no rights or legitimate interests in respect of the domain name”
  - The domain name was “registered and is being used in bad faith.”



## UDRP—Identical/confusingly similar

- Usually not an issue.
- Panel will ignore addition of:
  - .com or other TLD
  - generic descriptive word
  - omission/addition of letters or characters

## UDRP—Legitimate Interest

- Demonstrable preparations to use domain name or name corresponding to domain name in connection with a bona fide offering of goods or services
  - Use of a domain name for purposes of offering search engine services with “pop-up” advertisements and “sponsored links” to competitors of the complainant, is not legitimate or bona fide under the Policy. See *Bang Olufsen a/s v. Unasi Inc.*, WIPO Case No. D2005-0728; *Deutsche Telekom AG v. Dong Wang*, WIPO Case No 2005-0819.
- Registrant is commonly known by the domain name, even if no trademark rights
- Legitimate non-commercial or fair use of the domain name without intent for commercial gain to misleadingly divert consumers or tarnish the mark at issue.

## UDRP—Bad faith

- Registration for purposes of selling the domain name to the complainant or a competitor of the complainant
- Registration to prevent the trademark owner from reflecting the mark in a domain name, if there is a pattern of such conduct.
  - A pattern of conduct can involve multiple UDRP cases with similar fact patterns or a single case where the respondent registered multiple domains that are similar to known trademarks. The registration of two domain names in the same case is generally not sufficient to show a pattern.
- Registration for the primary purpose of disrupting the business of a competitor
  - Panel can make an inference of bad faith where a website with a confusingly similar domain name is used by the respondent to provide “sponsored links” to competitors of a complainant. See *Duane Morris LLP v. Unasi Inc.*, WIPO Case No. D2005-1313.
- Registrant intentionally attempts to attract visitors by creating likelihood of confusion as to source, sponsorship, affiliation or endorsement.

## UDRP—Bad faith

- Linking to a website displaying pornography from which Respondent derives revenue from the diversion of Internet users is prima facie evidence of bad faith. See *Ty Inc v. O.Z. Names* WIPO Case No. D2000-0370.
  - Mere association with pornography may indicate bad faith.

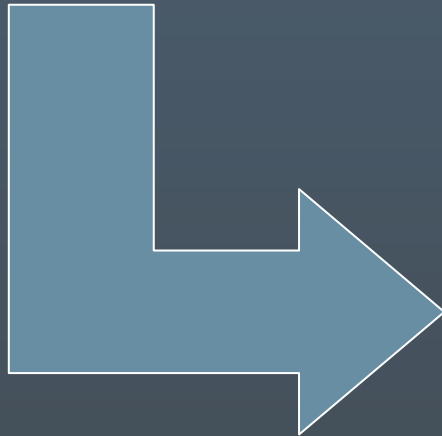
“Typosquatting” See *AltaVista Co. v. Stoneybrook*, D2000-0886 (WIPO Oct. 26, 2000).

## UDRP—Bad faith

- Failure to use “little diligence as performing a trademark or website search (at no cost at all) that would have disclosed the existence of Complainant” may suggest bad faith. See *HBH, Limited Partnership v. Michele Dinoia/ SZK.com*, WIPO Case No. D2005-1159.

# Domain Name Dispute Process

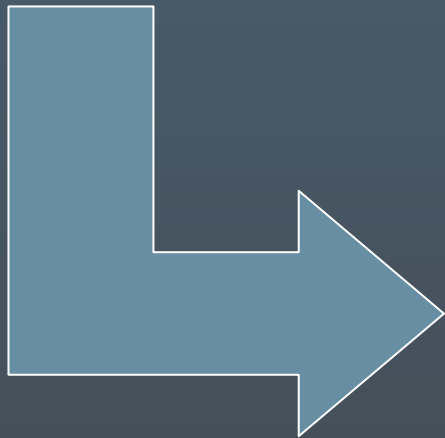
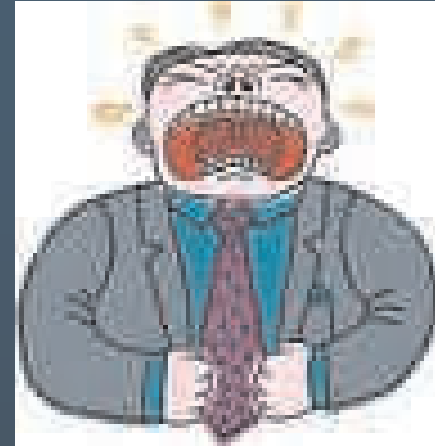
## Step 1: Complaint Filed



A party files a domain name complaint with the arbitration provider in accordance with UDRP Rules and Policy AND the supplemental rules of the approved provider.

# Domain Name Dispute Process

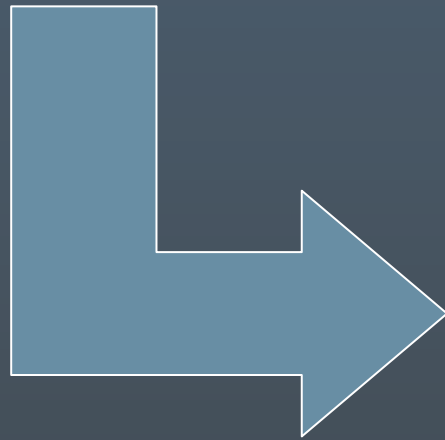
## Step 2: Deficiency Check



Once the case is filed, the provider reviews the complaint for administrative compliance. The complainant has 5 days to bring the complaint into compliance with the rules or it will be dismissed.

# Domain Name Dispute Process

## Step 3: Commencement

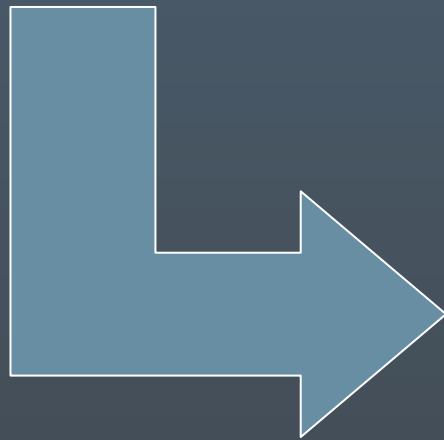


Once the complaint has been processed and accepted by the provider, the case is commenced. In most cases the respondent has 20 days to file a response with the provider in accordance with UDRP Policy and Rules as well as provider supplemental rules.

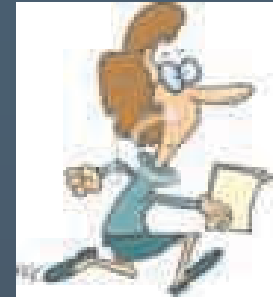


# Domain Name Dispute Process

## Step 4: Response Filed

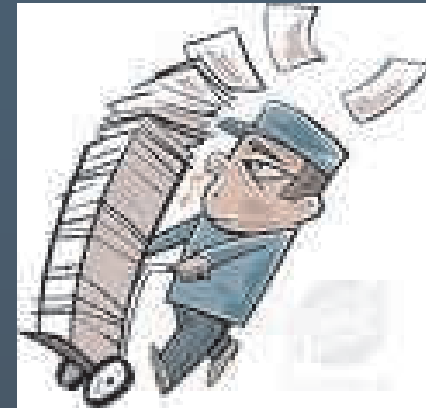
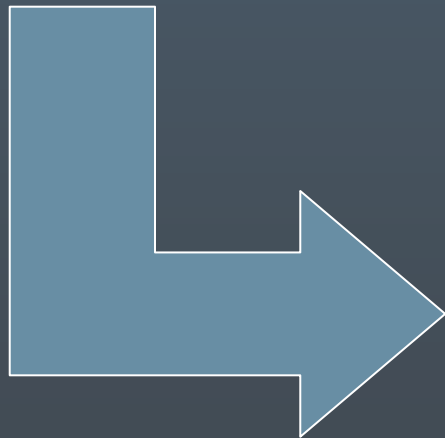


The respondent files a written response with the provider. If the respondent does not provide a written response, the deciding panel will only consider the complainant's submissions.



# Domain Name Dispute Process

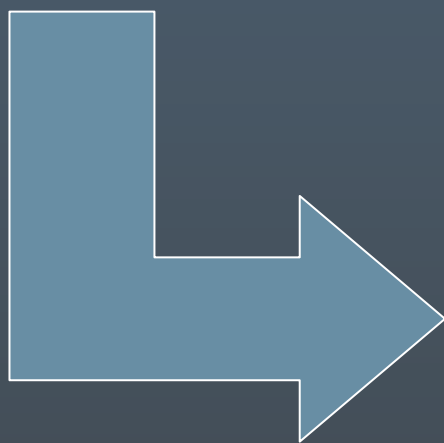
## Step 5: Additional Submissions Accepted?



Each party may submit additional submissions depending on the arbitration provider being used. Refer to the supplemental rules of each provider for details.

# Domain Name Dispute Process

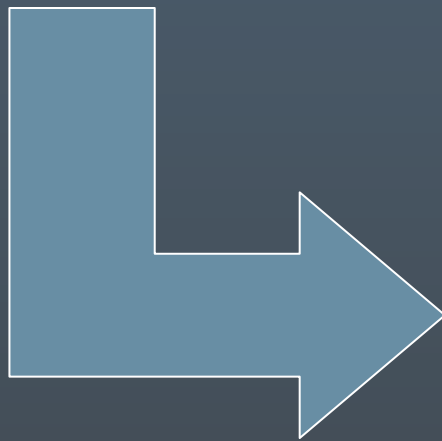
## Step 6: Panel Assignment



The provider assigns a panel to hear the case.

# Domain Name Dispute Process

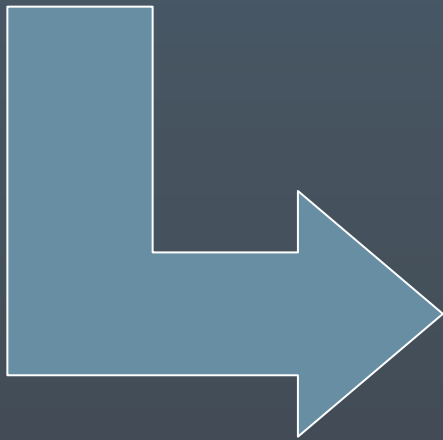
## Step 7: Panel Review



The panel reviews the complaint and the response and has the discretion to review any additional submissions from the parties.

# Domain Name Dispute Process

Step 8: Decision  
Issued (Total:  
approx. 45 days)



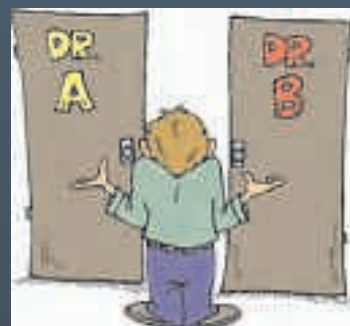
The panel issues a decision. The decision is published and communicated to the parties, the registrar, and the appropriate Internet body (e.g. ICANN).

# Common Concerns Under UDRP

- Forum Shopping



- Choice of Law



- Consent to Transfer Prior to Panel Finding



## Common Concerns Under UDRP

- Transferring When a Domain Name Includes a Trademark Not Owned by the Complainant
- Lack of Precedent

# Common Concerns Under UDRP

- Language/Interpretation Issues
- Is 10 Days Enough Time for Respondent to Respond?
- No In-Person Hearings: Expediency v. Due Process





## UDRP — Larger issues

- UDRP resolutions do not preclude subsequent litigation of trademark issues in federal court.
- Many perceive a pro-complainant bias in the decisions of the service providers, especially WIPO. See M. Mueller, *Rough Justice: An Analysis of ICANN's Uniform Dispute Resolution Policy (v. 2.1)*.

# Litigation vs. UDRP

- UDRP:
  - Quick
  - Cheap
  - Non-binding (i.e., does not preclude litigation)
  - No jurisdictional issues (registrant must agree to submit to UDRP)
  - No discovery
  - No money damages
  - Requires bad faith registration; not just use
  - May be more favorable to mark owners

# Litigation vs. UDRP

- Litigation:
  - Binding
  - Discovery available
  - Damages available
  - Liability can be predicated on bad faith registration or use
  - Expensive
  - Time-consuming
  - May be difficulty obtaining subject matter jurisdiction

GOODWIN | PROCTER

Ira Jay Levy

Goodwin|Procter LLP  
The New York Times Building  
620 Eighth Avenue  
New York, NY 10018-1405  
t: 212-459-7456  
f: 212-355-3333

[llevy@goodwinprocter.com](mailto:llevy@goodwinprocter.com)



AKIN GUMP  
STRAUSS HAUER & FELD LLP

Attorneys at Law

# Enforcing Trademarks Against Infringement by Domain Names: The Litigation Option

---

Karol A. Kepchar

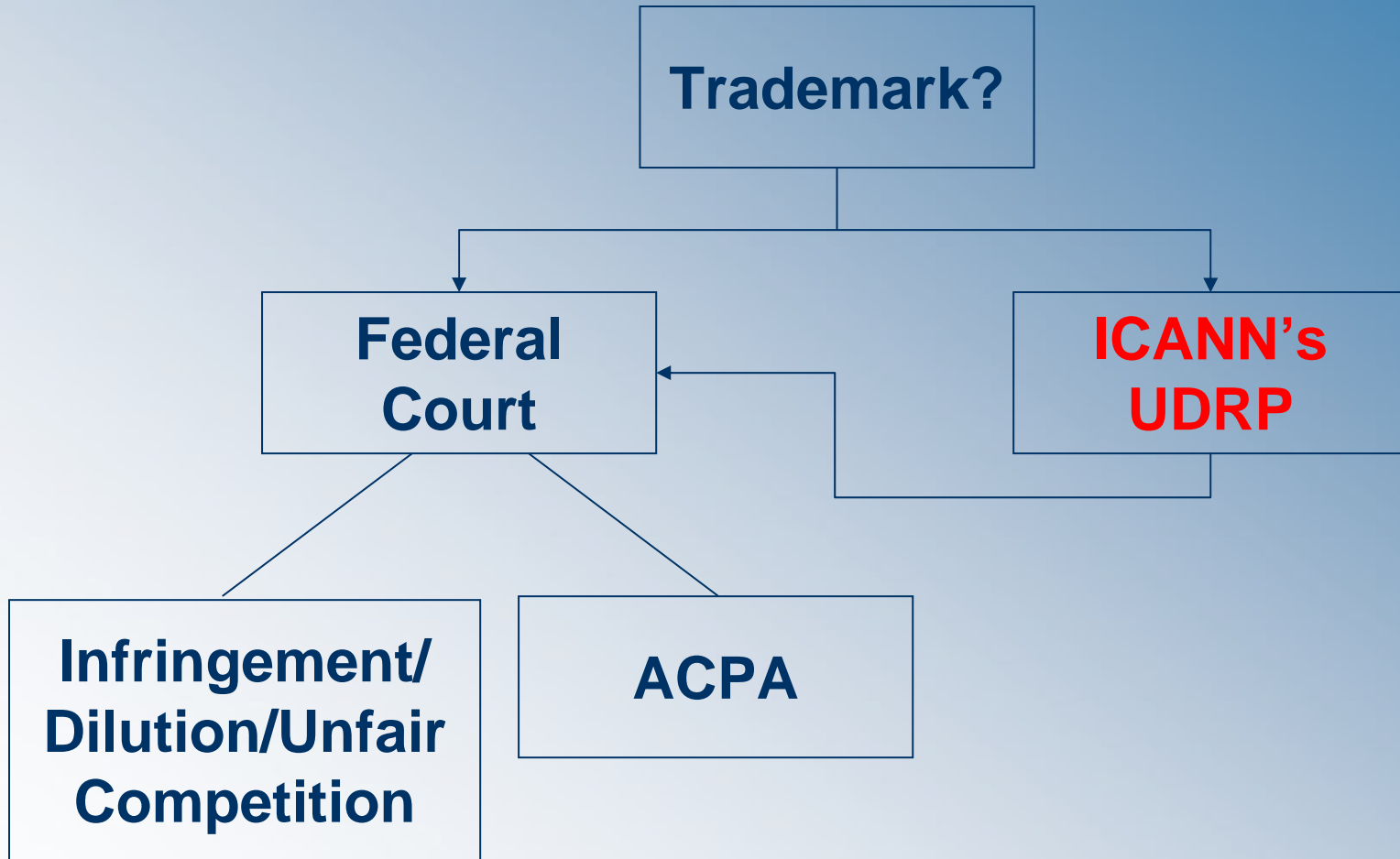
June 16, 2009

# Causes of Action: Domain Name Litigation

## The Umbrella of “Unfair Competition”

- Keyword Advertising
- Metatag Usage
- Pop-up advertising
- Cybersquatting
- Trademark Infringement

# Domain Name Litigation



# UDRP: Pros and Cons

---

## PROS

- ↓ Relatively speedy.
- ↓ Relatively inexpensive
- ↓ Overwhelmingly favors complainants.
- ↓ Can file a lawsuit in consented jurisdiction if adverse decision.
- ↓ Personal jurisdiction not an issue.

## CONS

- ↓ Jurisdiction narrow: cybersquatting.
- ↓ Inconsistent rulings.
- ↓ No administrative appeal process.
- ↓ Must make entire case in the complaint.
- ↓ Does not cover all TLDs.



# Domain Name Disputes: Litigation Theories

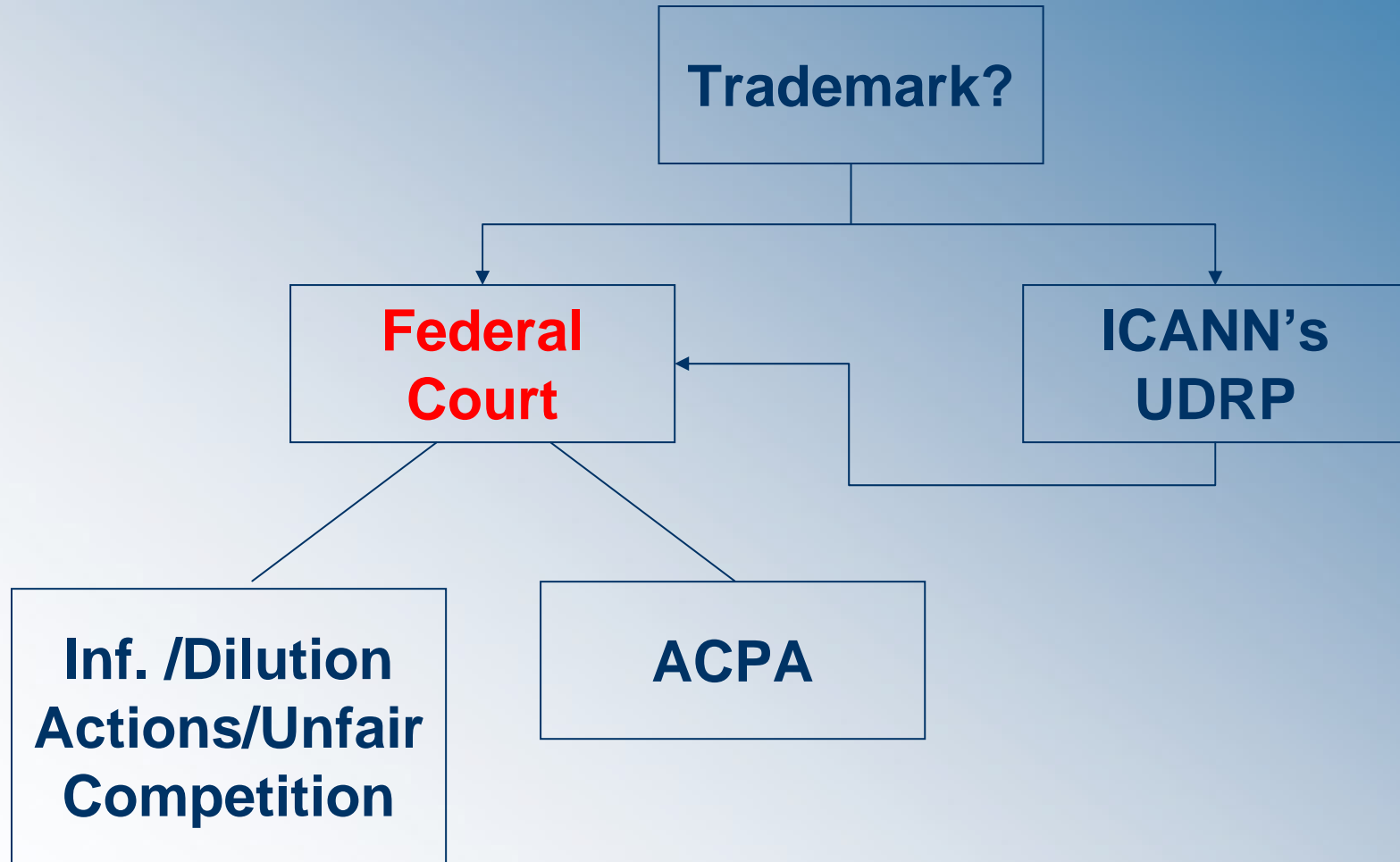
## Federal Lanham Act:

**Anti-Cybersquatting Consumer Protection Act.  
15 U.S.C. § 1125(d).**

**Trademark Infringement (§1114 for registered, §  
1125(a) for unregistered), dilution (§ 1125(c)).  
15 U.S.C. § 1051 *et seq.***

State and common law claims: unfair competition,  
trademark infringement, dilution.

# Domain Name Litigation



# Anti-Cybersquatting Consumer Protection Act (ACPA)

---

- ↓ Brought by owner of trademark or service mark.
- ↓ Against one who has “bad faith intent to profit” from the mark who “registers, traffics or uses” a domain name that:
  - ☞ (1) is identical or confusingly similar to a distinctive mark or
  - ☞ (2) dilutive to a famous mark.

15 U.S.C. § 1125(d)(1)(A).

# Factors Considered in Determining “Bad Faith”

---

- ↓ IP rights of the registrant, or if personal name.
- ↓ Prior use in *bona fide* offering of goods/services.
- ↓ Non-commercial fair use of mark in the site.
- ↓ Intent to divert or mislead consumers.
- ↓ Offer to transfer or sell, or pattern.
- ↓ False contact information or “warehousing.”
- ↓ Is it a “famous” mark?

# ACPA: Pros and Cons

---

## PROS

- ↓ Can proceed *in rem* if personal jurisdiction not possible.
- ↓ Damages award.
- ↓ Statutory damages between \$1000 and \$100,000 per domain name, *in personam*.
- ↓ Federal Court judgment.

## CONS

- ↓ Relatively expensive.
- ↓ Can be lengthy.
- ↓ Only remedy in *in rem* action is cancellation or transfer of the domain name.

# Lanham Act & State Law Claims: Pros and Cons

---

## PROS

- ↓ Also covers non-cybersquatting infringements.
- ↓ A larger body of law.

## CONS

- ↓ The expense in time and resources
- ↓ Dilution claim is only for “famous and distinctive” marks.

# Avoiding “Whack-a-Mole” Enforcement Situations

---

- ↓ **Establish a rational domain name policy including defensive registration – what tlds and markets are key?**
- ↓ **Assess the magnitude of the threat from offending registrations.**
- ↓ **Select the right strategy to deal with the problem.**

# Suits Against Registrars

---

## *Verizon v. OnlineNIC*

\$33 million default judgment (\$50k per domain name, under ACPA)

## *Verizon v. Navigation Catalysts*

“Tasting” case – preliminary injunction issued

Yahoo! and others are suing accredited registrars, otherwise immune, claiming “bad faith”



# Challenges and Strategies

---

Cyberflight - found to indicate bad faith.

Tasting – Less of an issue (less profitable, OnlineNIC-sized judgments, penalties to registrars for large delete percentages.

Preemptive Registration or after-the-fact enforcement? Policies must change to make IP enforcement easier and less costly.



AKIN GUMP  
STRAUSS HAUER & FELD LLP

Attorneys at Law

---

**Karol A. Kepchar, Esquire**  
**Akin Gump Strauss Hauer & Feld LLP**  
**1333 New Hampshire Avenue NW**  
**Washington, DC 20036**  
**202.887.4104**  
**[kkepchar@akingump.com](mailto:kkepchar@akingump.com)**

# Domain Name Protection Strategies

Ira Jay Levy  
ilevy@goodwinprocter.com

June 16, 2009

# Domain Name Protection Strategies

- The Five Step Plan
  - Know what you have
  - Understand your needs
  - Manage effectively
  - Proactively monitor
  - Police when appropriate

# Know What You Have

- Create a catalogue of domain names
- Match your current catalogue to your business needs
- Match your current catalogue to your growth plans
- Match your current catalogue against the “risk” areas
- Fill in key protection gaps
- Establish procedures for systematic review
- Establish plans for addition of new marks

# Understand Your Needs

- Develop a strategy
  - Main name (XYZ.com)
  - Obvious variations (XY-Z.com)
  - Other TLDs (XYZ.net, XYZ.co.uk)
  - Nicknames (threelittleletters.com)
  - Slogans (theendofthealphabet.com)
  - Obvious typos (zyx.com; wxyz.com)
  - Criticism names (xyzsucks.com)
- Playing defense
  - Dollars and Sense
- Brand-life cycle
- Competitor Issues
- The global economy

# Manage Effectively

- Cost effective strategy
- If a tree falls in the woods...
- Know where the problems are
- Maintain, prune, and nurture

# Proactively Monitor

- Prioritize
- Identify Resources
  - Outside service
  - “alerts”
- Have a plan, but be flexible
- SEO



## Police When Appropriate

- Understand the harm
- In-house versus outside
- Jurisdictions
- Forums
- Cost benefit



[ June 12, 2009 ]

# Cybersquatting in the New Top Levels

**GT** GreenbergTraurig

GREENBERG TRAUIG, LLP • ATTORNEYS AT LAW • [WWW.GTLAW.COM](http://WWW.GTLAW.COM)

©2009, Greenberg Traurig, LLP. Attorneys at Law. All rights reserved.

## What are the New Top Levels?

- **ICANN is in the process of launching another round of new top level domain names. Brand owners will soon be able to express their brands on the right hand side of the “dot”.**
- **So, for example, instead of <coke.com>, that brand owner can apply to be the registry for all “.coke” domain names.**
- **Not all new TLD’s will be branded. For example, an entrepreneur could apply to be the registry for <.soda>.**

## Questions Raised:

- **How do you keep you mark from becoming someone else's top level domain name?**
  - e.g. <.coke> registry assigned to a party other than Coca Cola
  
- **How do you keep your mark from becoming someone else's second level domain name?**
  - e.g. <coke.soda> assigned to a party other than Coca Cola

# Preventing Squatting in the Top Level

## ■ **Natural Barriers:**

- \$185,000 application fee
- Registry requirements
- Legal expenses

## ■ **ICANN Barriers:**

- Objection /Dispute Resolution based on prior trademark rights
- String Content/Auctions

## ■ **Legislative Barriers:**

- ACPA? Dilution?

## Preventing Squatting in the Top Level (continued)

### ■ IRT Recommendations:

- A “Globally Protected Marks” list of “Super Marks”.

**Identical Match:** Denial, Appeals Process

**Confusing Similarity:** Comparison, Denial, Appeals Process

# Preventing Squatting in the Second Level

## ■ **Natural Barriers:**

- Few

## ■ **ICANN Barriers:**

- UDRP

## ■ **Legislative Barriers:**

- ACPA

## Preventing Squatting in the Second Level *(continued)*

### ■ IRT Recommendations:

- Registries must adopt some form of RPM
- Initial Blocking of “Super Marks”
- IP Claims Service for marks registered with IP Clearinghouse
- Sunrise registrations in lieu of IP Claims Service with Sunrise Dispute Policy
- Uniform Rapid Suspension System





# Thank you for your time.

**Paul D. Grady**  
**Greenberg Traurig, LLP**

*Chicago Office*  
77 West Wacker Drive, Suite 3100  
Chicago, IL 60601  
312-456-8426

**GT** GreenbergTraurig

ALBANY | AMSTERDAM | ATLANTA | AUSTIN | BERLIN | BOSTON | BRUSSELS | CHICAGO | DALLAS  
DELAWARE | DENVER | DORAL | FORT LAUDERDALE | HOUSTON | LAS VEGAS | LONDON | LOS ANGELES  
MIAMI | MILAN | NEW JERSEY | NEW YORK | ORANGE COUNTY | ORLANDO | PALM BEACH NORTH  
PALM BEACH SOUTH | PHILADELPHIA | PHOENIX | ROME | SACRAMENTO | SHANGHAI | SILICON VALLEY  
TALLAHASSEE | TAMPA | TOKYO | TYSONS CORNER | WASHINGTON, D.C. | WHITE PLAINS | ZURICH

**Uniform Dispute Resolution Policy (“UDRP”):  
Outlining Common Concerns and Basic Procedural Points**  
Prepared for the Legal Publishing Group of Strafford Publications by

**Ira Jay Levy  
Michelle King<sup>1</sup>  
Goodwin|Procter LLP  
ilevy@goodwinprocter.com  
June 16, 2009**

---

<sup>1</sup> Ira Levy is a partner and Michelle King is a summer associate with Goodwin Procter, LLP. Ira is a member of the litigation department where he runs the trademark and copyright litigation practice.

**I. Purpose Behind Uniform Domain Name Dispute Resolution Policy (“UDRP”):**

**A. What is the UDRP?**

1. The UDRP establishes an administrative procedure for speedy, low-cost resolution of a specific category of disputes: those arising from abusive, bad faith registrations of domain names. In such cases, commonly called "cybersquatting," a holder of trademark rights initiates the administrative procedure by filing a complaint with an approved dispute resolution service provider.

**B. What types of disputes are covered by UDRP arbitration?**

1. According to Para. 4(a) of the UDRP Policy, this administrative procedure is available for disputes concerning an alleged abusive registration of a domain name; the following criteria meet the qualifications:

(a) the domain name registered by the domain name registrant is identical or confusingly similar to a trademark or service mark in which the complainant (the person or entity bringing the complaint) has rights;

(b) the domain name registrant has no rights or legitimate interests in respect of the domain name in question; and

(c) the domain name has been registered and is being used in bad faith.

**C. What are the benefits to using UDRP arbitration?**

1. Speed

2. Ease of Filing

3. Informal Proceedings

4. Decision-Makers Experts in the Fields of Name Issues, Electronic Commerce, the Internet, and Dispute Resolution

5. International in Scope: UDRP proceedings provide a single means for resolving a domain name dispute regardless of where the registrar or the domain name holder or the complainant are located.

6. Relatively Low-Cost Fees

**II. Various Providers:**

**A. World Intellectual Property Organization (“WIPO”)**

1. **Approved:** Effective December 1, 1999
2. **Fee Schedule:** See WIPO Supp. Rule 16 (1999).

Number of Domain Names in Dispute	1 person panel	3 person panel
1-5	\$1,150	\$2,500
6-10	\$1,300	\$2,600
More than 10	\$1,400	\$2,800

3. **Supplemental Submissions:**

(a) WIPO's supplemental rules are silent as to the treatment of supplemental filings; however, WIPO has stated that “[t]he admissibility of any unsolicited supplemental filings is subject to the discretion of the panel.” WIPO Arbitration and Mediation Center, Guide to WIPO Domain Name Dispute Resolution, <http://www.wipo.int/amc> (last visited June 11, 2009); compare Delikomat Betriebsverpflegung Gesellschaft m.b.H v. Alexander Lehner, WIPO Case No. D200101447 (Feb. 20, 2002) (allowing supplemental filings, in line with the majority position among decisions) with Viacom Int. Inc. and MTV Networks Europe v. Rattan Singh Mahon, WIPO Case No. D2000-1440 (Dec. 22, 2000).

4. **Internal Appeals:**

(a) WIPO’s supplemental rules are silent as to the treatment of internal appeals procedures.

**B. The National Arbitration Forum (“NAF”)**

1. **Approved:** Effective December 23, 1999
2. **Fee Schedule:** See NAF Supp. Rule 16(a)(1999).

Number of Domain Names in Dispute	1 person panel	3 person panel
1	\$1,150	\$2,500
2	\$1,300	\$2,600
3 — 5	\$1,400	\$2,800
6 — 10	\$1,750	\$3,500
11 — 15	\$2,000	\$4,000
16 or more	To be determined in consultation with the Forum.	To be determined in consultation with the Forum.

3. **Supplemental Submissions:**

(a) Additional written statements or documents must be submitted within five calendar days after the response was submitted or by the last date that the response was due to the NAF, whichever occurs first. See NAF Supp. Rule 7(a)(1999).

(b) Additional submissions must meet the requirements in Supp. Rule 7.a as well as the following requirements:

(i) Be accompanied by an additional submission fee of \$250;

(ii) Include proof of service of these submissions by opposing parties; and

(iii) Be submitted in electronic form to the NAF and opposing parties. See NAF Supp. Rule 7(b)(1999).

(c) The opposing party may respond to the additional submission within five calendar days after the additional submission was submitted. See NAF Supp. Rule 7(c)(1999).<sup>2</sup>

4. **Internal Appeals:**

(a) First-level dispute decisions or a registry operator finding of “no decision” can be submitted. The panel will consider appeals submitted in accordance with Paragraph 4.3 of the Policy, along with any documentary evidence annexed in accordance with Paragraph 4.3.6. See NAF Supp. Rule 8(b)(1999).

C. **The Asian Domain Name Dispute Resolution Centre (“ADNDRC”)**

1. **Approved:** Effective February 28, 2002

2. **Fee Schedule:** See ADNDRC Supp. Rule 14 (2002).

Number of Domain Names in Dispute	1 person panel	3 person panel
1-2	\$1,000	\$2,500
3-5	\$1,200	\$3,000
6-9	\$1,600	\$3,600
10 or more	\$3,000	\$7,000

<sup>2</sup> A party may submit an additional submission under Supp. Rule 7(a) or 7(c), but not both. National Arbitration Forum, File a UDRP Additional Submission, <http://domains.adrforum.com> (last visited June 11, 2009).

3. **Supplemental Submissions:**

(a) ADNDRC’s supplemental rules are silent as to the treatment of supplemental submissions.

4. **Internal Appeals:**

(a) If a party disagrees with the first-level (the applicable registry operator’s decision) or the result of the first-level dispute process is a “no decision,” then the party has a right to appeal. See ADNDRC Art. 5, Rules 1-6 (2002).

**D. The Czech Arbitration Court (“CAC”)**

1. **Approved:** Effective January 23, 2008

2. **Fee Schedule:** See CAC Supp. Rule 12, Art. 19 (2008).

<b>Number of Domain Names in Dispute</b>	<b>1 person panel</b>	<b>3 person panel</b>
1-2	\$1,665	\$3,339
3-5	\$1926	\$3933
6-9	\$2178	\$4,518
10 or more	To be decided in consultation with CAC	To be decided in consultation with CAC

3. **Supplemental Submissions:**

(a) Additional documents and/or arguments can be submitted throughout the UDRP proceeding via the on-line platform using the Non-Standard Communication (“NSC”) form. It is up to the discretion of the panel, however, to determine the extent to which it will consider any additional arguments and/or evidence before rendering its decision. See Czech Arbitration Court, FAQ, <http://www.adr.eu/adr/help/index.php#12> (last visited June 12, 2009).

4. **Internal Appeals:**

(a) The decision of the panel is not subject to appeal within the scope of the administrative proceeding. However, according to § 4(k) of the UDRP Policy the administrative proceeding requirements shall not prevent either the complainant or the domain name holder from submitting the dispute to a court of competent jurisdiction for independent resolution before the administrative proceeding is commenced or after it is concluded. See Czech Arbitration Court, FAQ, <http://www.adr.eu/adr/help/index.php#12> (last visited June 12, 2009).

### III. Common Concerns with UDRP Proceedings:

#### A. **Forum Shopping:**

1. The UDRP has been accused of forum shopping and of using a biased system that is financially supported by trademark owners. The two first major studies reporting grounds of bias to the UDRP were the statistical analyses of Mueller and Geist. See Milton Mueller, Success by Default: A New Profile of Domain Name Trademark Disputes under ICANN's UDRP, Syracuse U. Sch. Info. Stud. (2002); Michael Geist, Fair.com?: An Examination of the Allegations of Systematic Unfairness in the ICANN UDRP, 27 Brook. J. of Int'l L. 903 (2002).

(a) **Biased Dispute Resolution Providers (Mueller):** Within Mueller's study, he presented statistical evidence that suggested that forum shopping in favor of claimants was occurring to the financial benefit of WIPO and NAF. Based on statistics that were gathered around the time of Mueller's analysis, WIPO and NAF had obtained the majority of the market share of claims (61% and 31%) due to their favorable outcomes for trademark interests. Mueller at 16.

(i) **Criticisms of Mueller's Analysis:** The International Trademark Association ("INTA") has combated Mueller's accusations of forum shopping by arguing that the selection of dispute resolution providers was not based mainly on their resolutions for claimants. Instead, INTA held that the international reputation of WIPO and NAF was the driving force behind their popularity. See Ned Branthover, UDRP – A Success Story: A Rebuttal to the Analysis and Conclusions of Professor Mueller in "Rough Justice," INTA Internet Committee 5 (2002), [http://www.inta.org/downloads/tap\\_udrp\\_1paper2002.pdf](http://www.inta.org/downloads/tap_udrp_1paper2002.pdf). The INTA also suggested that Muller's conjecture that a non-biased procedure would have a fifty-fifty result was mistaken since the UDRP was designed for abusive cases. Id. at 4. Also, the INTA stressed that respondents have the option of court redress as an alternative. Id. at 6.

#### B. **Choice of Law:**

1. When two parties from two different countries assert legitimate rights to the same name, a choice of law issue arises. The UDRP offers no guidance on which country's law to apply. Therefore, the one or three party panel is free to decide which country's laws should be applied. See UDRP Rule 15(a) (1999).

#### C. **What to do when respondent consents to transfer prior to panel making a finding on the three elements:**

1. A mix of cases show that some panels choose to place an immediate order following the decision of the respondent to consent to transferring the domain name to the complainant while other panels choose to walk through the traditional three elements involved in UDRP proceedings to reach an order. Compare Montes de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga y Antequera v. Rare Names, Web Reg., WIPO Case No. D2009-0292 (May 4, 2009) (withholding granting an order based on the consent-to-transfer request), with Google Inc. v. Herit

Shah, WIPO Case No. D2009-0405 (May 15, 2009) (deciding not to make finding on three elements and to grant order based on consent-to-transfer request). However, the developing majority practice is now to make an order based on the consent-to-transfer request. See Neil Brown, Transfer by Consent Orders Without Reasons, 2009, <http://www.domaintimes.info> (last visited June 11, 2009).

**D. Transferring when a domain name includes a trademark not owned by the Complainant:**

**1. No rule against such a transfer:**

The Panel notes that the Domain Name includes the ALLI trade mark, the rights in which belong to an individual or entity that is not party to these proceedings. In view of the fact that the Policy and the Rules are silent on the requirement of the consent of the owner of a trade mark incorporated in the Domain Name not belonging to the Complainant, the Panel considers that this is not an impediment to an order for the transfer of the Domain Name though the Panel notes that *it would have been preferable for such consent to have been obtained prior to the filing of the Complaint* but that the Complainant may yet seek to do this to protect their own position and claim to the Domain Name.

Hoffmann-La Roche A.G. v. P. Martin, WIPO Case No. D2009-0323 (May 15, 2009) (emphasis added) (finding that it could transfer domain name to complainant, even though half of the domain name consisted of a trademark not owned by that company but by its rival) ; see also Neil Brown, Can a Panel Order Transfer When a Domain Name Includes a Trademark Not Owned by the Complainant?, 2009, [http://www.domaintimes.info/index.php?option=com\\_content&view=article&id=19:can-a-panel-order-transfer-when-a-domain-name-includes-a-trademark-not-owned-by-the-complainant&catid=6:currentarticles&Itemid=4](http://www.domaintimes.info/index.php?option=com_content&view=article&id=19:can-a-panel-order-transfer-when-a-domain-name-includes-a-trademark-not-owned-by-the-complainant&catid=6:currentarticles&Itemid=4) (last visited June 11, 2009).

**E. Lack of Precedent:** See IV. C. of this outline.

**F. Language Concerns:**

**1.** The language of the proceedings must be the one used in the registration contract, unless the parties agree a different language. See UDRP Rule 11(a)(1999). The panel may change the language taking into account relevant circumstances. See UDRP Rule 11(b)(1999). In addition, all the current translations of the UDRP have been unofficially done by dispute resolution providers and registrars. Juan Pablo Cortes Dieguez, An Analysis of the UDRP Experience – Is it Time for Reform?, 24 Comp. L. & Sec. Rep. 349, 355 (2008). Critics have stated that the lack of an official UDRP translation violates many national laws that require that information forming part of a consumer contract be translated into the consumers’ local language in order to be valid. See Michael Froomkin, ICANN’s “Uniform Dispute Resolution Policy”—Causes and (Partial) Cures, 67 Brook. L. Rev. 605, 674 (2002).



#### IV. **Procedural Key Points:**

##### A. **How do you start a UDRP Arbitration?**

1. **Initiating a Complaint:** A party files a domain name complaint “in accordance with the Policy and Rules” to any arbitration provider approved by ICANN. UDRP Rule 3(a)(1999).

(a) Must be submitted in hard copy and in electronic form; additional information that must be present in the complaint is listed in detail in UDRP Rule 3(b)(i)-(xv).

2. **Serving/Notification of a Complaint:** Prior to sending respondent the complaint, the arbitration provider will review the complaint for administrative compliance with ICANN Policy and Rules. Assuming that complainant has paid the necessary fees for services, the provider will forward the complaint to the respondent within three calendar days. See UDRP Rule 4(a)(1999).

3. **Response:** Respondent has twenty days from the date of commencement of the administrative proceeding (*not from the day respondent receives notice of the complaint*) to submit a response to the arbitration provider. See UDRP Rule 5(a)(1999).

(a) Must be submitted in hard copy and in electronic form; additional information that must be present in the response is listed in detail in UDRP Rule 5(b)(i)-(ix).

##### 4. **Choice and Size of Panel:**

(a) **Size:** The parties may choose a single member panel or, at the option of either party, a three member panel to decide the dispute. If neither party opts for a three member panel, the dispute will be decided by a single panelist. 4 Thomas J. McCarthy, McCarthy on Trademarks and Unfair Competition § 25:74.75 (4th ed. 2009).

##### (b) **Selection of Panel Members:**

(i) If neither complainant nor respondent opts for a three member panel, then the dispute resolution provider will appoint one panelist from its own list of approved panelists. In this case, the parties have no control over the identity of that panelist. See UDRP Rule 6(b)(1999).

(ii) If the complainant opts and pays for a three member panel, the complainant will provide a list of three candidates from any ICANN-approved Provider’s list of panelists. The respondent, in the response, then provides a list of three

candidates from any ICANN-approved Provider's list of panelists.<sup>3</sup> See UDRP Rule 6(c)(1999).

(iii) If either the complainant or the respondent opts and pays for a three member panel, then the provider attempts to appoint one panelist from each of the two lists of three candidates provided by the parties. See UDRP Rule 6(e)(1999).

(1) If the provider is unable within five days to secure the appointment of a panelist from a party's list of candidates, the provider shall make the appointment from its own list of panelists. See UDRP Rule 6(e)(1999).

(2) The third panelist is appointed by the provider from a list of five candidates submitted by the provider to the parties, the provider making the selection in a manner "that reasonably balances the preferences of both parties." UDRP Rule 6(e)(1999).

**5. Submissions (Necessary/Optional):**

(a) **Necessary:** A complaint is the only necessary submission to carry on an UDRP proceeding. If a respondent chooses not to submit a response, the panel will make a decision regarding the domain name based upon the complainant's submissions. See UDRP Rule 5(e)(1999).

(b) **Optional/Supplemental:**

(i) The panel has discretion to request further documents or statements from either party. See UDRP Rule 12 (1999). However, only in exceptional circumstances will additional pleadings or evidence be accepted. See *FMR Corp. v. Native Am. Warrior Soc'y*, WIPO Case No. D2004-0978 (Jan. 20, 2005) (Because of the aims of simplicity and speed within UDRP proceedings, panels accept statements only rarely).<sup>4</sup>

**6. In-Person Hearings:**

(a) In-person hearings (including hearings by teleconference, videoconference, and web conference) are not permitted, unless the panel decides that a hearing is necessary. See UDRP Rule 13 (1999).

---

<sup>3</sup> A similar selection of panelists by both sides occurs if it is the Respondent who opts and pays for a three member panel.

<sup>4</sup> Exact policies on supplemental submissions vary slightly within the supplemental rules of each ICANN-approved arbitration provider.

7. **Defaults:**

(a) Commonly, the respondent/domain name owner does not contest the allegations.<sup>5</sup> The panelist may treat the lack of response as an admission of all the factual allegations of the trademark owner *or* to conduct some factual review of the allegations. See UDRP Rule 14(a) & (b)(1999); see also 4 McCarthy § 25:74.75.

8. **Panel Decision Timeline:**

(a) The panel shall forward its decision within fourteen days to the arbitration provider of its appointment. See UDRP Rule 15(b)(1999).

9. **Communication of Decision to Parties:**

(a) The provider shall communication the decision to each party within three calendar days from receiving the decision from the panel. See UDRP Rule 16 (1999).

**B. Who decides issues of choice of law?**

1. UDRP Rule 15(a) permits the panel to “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.”

(a) When both the complainant and the domain name owner are from the same nation, *most* panels will apply the law of that nation. Compare The Rockport Co., L.L.C. v. Gerald A. Powell, WIPO Case No. D2000-64 (April 6, 2000) (“Since all parties are domiciled in the United States, to the extent that it would assist the Panel in determining whether the Complainant has met its burden as established by Paragraph 4(a) of the Policy, the Panel will look to the principles of the law of the United States.”) with Myer Stores Ltd. v. Mr. David John Singh, WIPO Case No. D2001-0763 (July 10, 2001) (U.S. law applied even though both parties were Australians).

(b) When a UDRP transfer of a domain name is challenged in a United States court under the Lanham Act, only United States law will be applied. See Barcelona.com, Inc. v. Excelentísimo Ayuntamiento de Barcelona, 330 F.3d 617 (4th Cir. 2003) (UDRP panel used Spanish law to determine that City of Barcelona had valid trademark rights in its name. When challenged under the Lanham Act’s ACPA, the U.S. court of appeals held that it was error for the lower court to apply Spanish law; only U.S. law could be applied.).

---

<sup>5</sup> Froomkin at 674-75 (“[T]he UDRP does not require actual notice to respondents, only attempted notice for a relatively short period of time... The decision to forgo requiring actual notice in absolutely all cases is understandable, given the efforts that the sleaziest registrants go to hide their contract details in shady registrations. The short deadlines, on the other hand, are completely unfair... The time problem is especially acute for consumers and small or medium enterprises (“SMEs”) that do not have an Internet-savvy intellectual property lawyer on retainer or indeed any lawyer at all.”).

C. **Precedential Weight of Panel Decisions:**

1. No specifications on what weight as precedent one panel decision has on subsequent panels. See UDRP Rule 15(a)(1999) (“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.”).<sup>6</sup>

D. **Effect of Settlement or Court Action:**

1. Disputing parties may engage in court action before, during, or after UDRP proceedings. See *Broadbridge Media, L.L.C. v. Hypercd.com*, 106 F. Supp. 2d 505, 511 (S.D.N.Y. 2000) (“First, ICANN’s policy, rules and complaint form do not state that a complainant gives up the right to proceed in court by filing a domain name dispute complaint.”).

(a) If court action begins before an administrative proceeding, the panel has the discretion to suspend or terminate the proceeding or to continue towards a decision. See 4 McCarthy § 25:74.75.

E. **Court Review After Panel Decision:**

1. **10 Day Waiting Period:** If a panel decides that a domain name should be transferred or deleted, the registrar will wait ten business days before acting on the decision. See 4 McCarthy § 25:74.75. The panel’s decision will be followed unless the registrar receives documentation that the respondent has commenced a lawsuit.<sup>7</sup>

2. **De novo Review of the Issues:** Lanham Act § 32(2)(D)(v) states that when a domain name owner challenges a UDRP panel decision in a U.S. court, the court will apply U.S. trademark law and not the UDRP policy. As a result, the court challenge is not an “appeal” of the UDRP decision in a formal sense. See *Hawes v. Network Solutions, Inc.*, 337 F.3d 377 (4th Cir. 2003) (holding that a Lanham Act lawsuit is neither an appellate review of, or gives deference to, UDRP proceedings or lawsuits pending in foreign courts concerning the domain name).

---

<sup>6</sup> Although not required, some panelists do cite from other UDRP decisions as similar or distinguishable from their own. See, e.g., *Brisbane City Council v. Warren Bolton Consulting Pty Ltd.*, 2001 WL 1705440 (May 7, 2001).

<sup>7</sup> According to the Second Circuit, the UDRP Rule 3(b)(xiii), which specifies the proper jurisdiction, does not control which jurisdiction or venue is proper in which to bring a lawsuit under the Anti-cybersquatting Consumer Protection Act of 1999 (“ACPA”) challenging a UDRP decision.