# Comments on The IRT Final Report Uniform Rapid Suspension

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Presentation Comments

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## **UDRP Summary**

Lack of judicial oversight;

Some jurisdictions prohibit any action to contest UDRP result

Failure to apply traditional trademark laws;

Failure to abide by original intent;

Unbalanced in favor trademark holders;

ICANN does not manage the process;

Complaints dropping as % of domain names

Cost of defense often *greater* than complainant cost.

### Consistency Represented by Authorities

The UDRP is not intended to provide the holders of intellectual property rights more protection in Cyberspace than they are afforded in the physical world.

Final report of the WIPO Internet Domain Name Process, April 30, 1999.

### Trademarks & Original Intent

#### Trademarks:

- Limited by jurisdiction
- Limitated by class of goods/services

"A trademark only gives the right to prohibit the use of it so far as to protect the owner's goodwill against the sale of another's product as his." *Prestonettes, Inc. v. Coty*, 264 U.S. 359 (1924).

#### WIPO Final Report, 1999:

- Limited to cases of bad faith, abusive registration that violate trademark rights (p. vi);
- No new rights of intellectual property (p. 11-12);
- No greater protection to intellectual property in cyberspace than elsewhere. (*Id.*)
- No reduction of other rights held by others (*Id.*);
- The UDRP was created as an inexpensive solution. (Final Report, p.43.) to deal with special targets of well known and famous brands. (p.79).

### International UDRP Court of Justice

No importation of local laws (Aspis.com).

Autonomous concepts of legitimacy and bad faith to be interpreted consistently under the Policy, regardless of the geographical location of the parties. (*Aspis.com*).

Didn't we import local law to establish the trademark right?

## Examples of Abuse

- Complainant can win even when no trademark existed when domain was registered. (WIPO Panel Overview 1.4)
- Common law trademark rights can be established through use in jurisdictions where "common law" or unregistered rights are not recognized. (*luiscobos.com*)
- A complainant can claim trademark rights in a term it has expressly disclaimed. (airbornesystems.com - 2008)
- Drugstore is a valid trademark (complainant disclaimed the word "drugstore" apart from the figurative design) (drugstore1.com)
- "The burden to avoid conflict with established rights, even if less than universally established, should rest upon the registrant." (CTV.com, dissent)
- 2,600 page complaint not harrasment in *CheapAutoInsurance.com*
- Complaint filed after breaching contract to purchase not bad faith (nmclassified.com)

#### Problems with URS

- Not Rapid
- Poor notification system
- Too many domains/parties
- What is a trademark?
  - Acquired distinctiveness, Figurative Marks, Disclaimers
- TM may post-date the domain
- New confusing burden of proof with no absolute rules for the panel decision.
- Legitimate Interest forgotten (all inclusive)
- Bad Faith all inclusive
- Too many domains/parties/issues
- Suspension is a bad idea
- Abusive complaints far too tolerant
- Free Do-over right to file UDRP

# Suggested Solutions

#### **Normal UDRP complaint**

**Notice** to Respondent same as UDRP BUT all exhibits sent electronically.

#### **14-Day Response** Within 14 days:

- Elect to defend and pay a nominal fee (\$50 \$100)
  - o UDRP proceeds
  - o Traditional response in 20 days
  - o Fee credited or recovered if defense successful
- Elect to surrender the name.
  - o UDRP halts
  - o Domain immediately transferred to complainant
- o Do nothing
  - o Domain immediately suspended
  - o UDRP proceeds as normal

**Reverse Domain Name Highjacking** Same bad faith standard applies to both parties. Trademark alone is not sufficient to avoid RDNH. 2,600 page complaint not harassment in *cheapAutoInsurance.com* (2009)

#### **Appeal Rights to "Super Panel"**

o Qualified neutral panelists only

### Thank You

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