

# Welcome to the New Generic Top-Level Domains Consultation Session



# ICANN's New gTLD Program: Trademark-related Concerns

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### Eun Joo Min Head, Legal Development Section Arbitration and Mediation Center World Intellectual Property Organization





#### ARBITRATION AND MEDIATION CENTER

# **World Intellectual Property Organization**

- Intergovernmental organization with 184 Member States, dedicated to the promotion of balanced and accessible intellectual property systems.
- Addressing IP questions raised by the DNS since 1998.
- Undertook the First and Second WIPO Internet Domain Name Processes to develop recommendations addressing the interface between IP and DN systems.
- Report of the First WIPO Internet Domain Name Process led to ICANN's adoption of the UDRP.
- Adopted in 2001, the "Joint Recommendation Concerning Provisions on the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet."
- Produced in 2005, upon ICANN's request, Report on "New Generic Top-Level Domains: Intellectual Property Considerations."





## **WIPO Arbitration and Mediation Center**

### Non-Domain Names

- ADR Resource Institution
- Administering Authority
  - Arbitration, mediation, expert determination cases relating to patent, software/IT, copyright, trademark, consultancy, distribution agreements, joint venture, employment, etc.

### Domain Names

- Policy Development: UDRP, registry specific policies (.biz, .info, .mobi, .asia), and ccTLDs
- Case Administration
  - Administered over 15,500 UDRP/UDRP-based cases, involving over 27,700 domain names.
  - Administered over 15,000 cases under registry-specific policies (.biz STOP, .info Sunrise, .name ERDRP, .mobi sunrise and Premium Name Trademark Application Rules).
  - Provides dispute resolution services to 58 ccTLDs.





## ICANN-Envisaged New gTLDs Expansion: Trademark-related Concerns

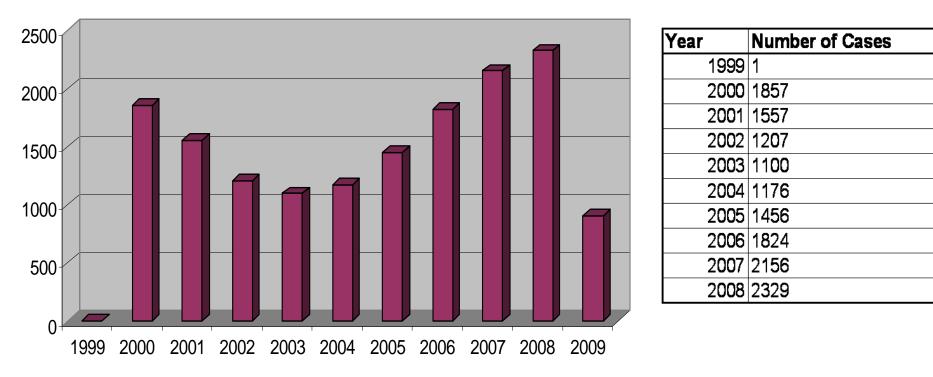
- Presents business opportunities as well as legal and practical challenges.
- WIPO Press Release of March 16, 2009: "This is a watershed moment in the development of the Domain Name System (DNS), and is of genuine concern for trademark holders."
- Concerns broadly shared and expressed, including by governments (GAC Principles regarding New gTLDs, March 2007, and ensuing documents).

Trademark abuse  $\rightarrow$  consumer confusion  $\rightarrow$  undermining of public trust in the DNS





## WIPO UDRP Domain Name Cases: Cybersquatting remains on the rise



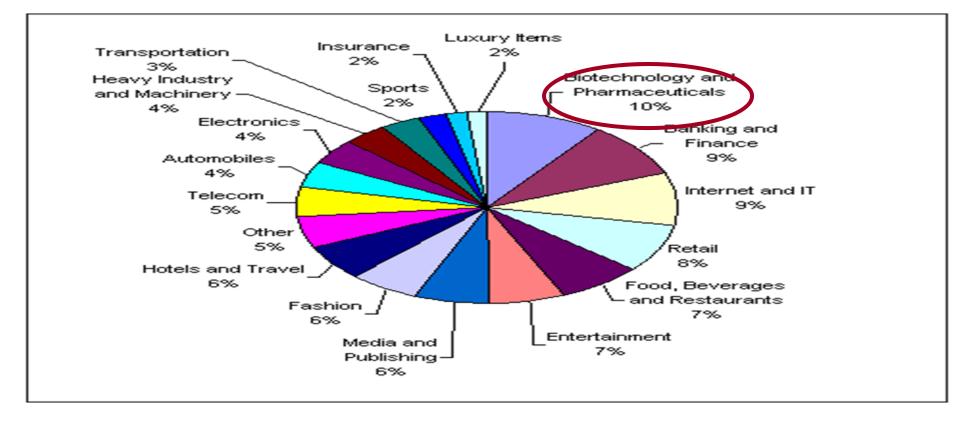
◆ 2,329 cases filed in 2008 represent an 8% increase over 2007.

http://www.wipo.int/amc/en/domains/resources/icann





### Areas of WIPO UDRP Complainant Activity (2008) - no sector is spared from cybersquatting



Pharmaceutical manufacturers remained top filers –

domain names used to provide online sales of (counterfeit) medications and drugs





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- D2008-1419 <acompliabuyonline.com>: "an online pharmacy site on which the Respondent sells a large variety of drugs including <u>counterfeit products and placebo products</u>"
- D2005-0552 <blockstate</li>
  D2005-0552 <blockstate</li>
  counterfeit goods on a website accessible through the Domain Name is paradigmatic bad faith. [...] registered this Domain Name with the bad faith intent to deceive consumers with its counterfeit products."
- D2004-0794 <cialisapcalis.com>, <cialis-viagra.info>: "Respondent is using the contested domain names in a way that is <u>potentially</u> <u>harmful to the consumers' health</u>. In fact, Respondent's website creates the false impression that those who purchase pharmaceutical products from Respondent's website are buying safe and effective products from Complainant that have been approved by health authority laws and regulations. [...] The products sold on Respondent's website are therefore <u>illegal and potentially</u> ."

(Full text of decisions is available on the WIPO Center's website at: <a href="http://www.wipo.int/amc/en/domains/search/">http://www.wipo.int/amc/en/domains/search/</a> )

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02000 0333	tannina aragotore.biz	- Holmann Eartoure Ao		remmated
		F. Hoffmann-La Roche AG	ORG-174337	Transfer
D2006-0512	puretamiflu.com	F. Hoffmann-La Roche AG	N/A	Transfer
D2006-0467	order-tamiflu-h5n1.com	F. Hoffmann-La Roche AG	Martha Sypkens	Transfer
D2006-0466	tamiflu-tamiflu.com	F. Hoffmann-La Roche AG	Eugenia Moskovchuk	Transfer
D2006-0451	all-about-tamiflu.com	F. Hoffmann-La Roche AG	Macalve e-dominios S.A.	Transfer
D2006-0448	tamiflu-antibiotic.com	F. Hoffmann-La Roche AG	Tamiflu-Antibiotic.com	Transfer
D2006-0424	tamifluonline.org	F. Hoffmann-La Roche AG	Titan Net	Transfer
<u>D2006-0410</u>	tamifluandeffectivenessandsafety.com tamifludogsveterinary.com tamifluedorel.com tamifluparvo.com tamiflulocaterincolorado.com	F. Hoffmann-La Roche	Xrt Services P/L	<u>Transfer</u>
D2006-0404	buytamifluonline.net	F. Hoffmann-La Roche AG	Dron&K	Transfer
D2006-0386	purchasetamiflu.org	F. Hoffmann-La Roche AG	Domain Master	Transfer
D2006-0371	detamiflu.info	F. Hoffmann-La Roche AG	Alexander	Transfer
	pianetatamiflu.com super-tamiflu.info tamiflumondo.com	F. Hoffmann-La Roche AG	AndrewZZZ	<u>Transfer</u>
D2006-0354	tamifluvacine.com	F. Hoffmann-La Roche AG	Brian Pubrat	Transfer
D2006-0348	buycheaptamiflu.com	Hoffmann-La Roche Inc.	US Online Pharmacies	Transfer
	rumsfeldandtamiflu.net sambucolvstamiflu.com tamifluforsale.com tamifluforsale.org tamifluuk.net tamifluuk.net tamifluscams.com	F. Hoffmann-La Roche AG	DOMIBOT	<u>Transfer</u>
D2006-0326	onlineconsultationtamiflu.com whatistamiflu.com	F. Hoffmann-La Roche AG	Spiral Matrix	<u>Transfer</u>
D2006-0308	tamiflu-cure.com	Hoffmann-La Roche Inc.	Tamiflu Shop	Transfer
D2006-0306	eccellentetamiflu.com superioretamiflu.com virtualetamiflu.com	F. Hoffmann-La Roche AG	Fred	<u>Transfer</u>
D2006-0246	suner-tamiflu.com	F. Hoffmann-La Roche AC	Fred	Tranefer
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# **WIPO Proposals, Comments**

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

### WIPO Recommendations

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- 1. Trademark-based Pre-Delegation Dispute Resolution Procedure (published in DAG I & II)
  - WIPO Center responded on January 18, 2008, to ICANN's request for "Expressions of Interest from Potential Dispute Resolution Service Providers for New gTLD Program."
  - Worked with ICANN in the development of the substantive criteria for the Legal Rights Objections (LRO) procedure - taking into account the "WIPO Joint Recommendation Concerning Provisions on the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet."
  - Accepted to administer disputes under LRO Procedure.

### WIPO Recommendations

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- 2. Trademark-Based Post-Delegation Dispute Resolution Procedure
  - In Jan 18, 2008 letter, WIPO called for a a permanent administrative option to allow for filing of complaints, when the registry's actual manner of operation or use is alleged to cause or materially contribute to trademark abuse.
  - ICANN confirmed availability of trademark-based post-delegation mechanism in the New gTLD Program Explanatory Memorandum on "Protection of Rights of Others in New gTLDs" of Oct 8, 2008
  - WIPO Center communicated to ICANN on Feb 5, 2009, a substantive proposal for a trademark-based post-delegation dispute resolution procedure.

### WIPO Recommendations

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- 2. Trademark-Based Post-Delegation Dispute Resolution Procedure (cont'd)
  - Intended as a form of standardized assistance to ICANN's own compliance oversight responsibilities, provides an administrative alternative to court litigation, encourages responsible conduct by relevant actors, and enhances the security and stability of the DNS.
  - The criteria build on pre-delegation LRO criteria and consideration factors, existing UDRP jurisprudence, and accepted principles of law.

### WIPO Recommendations

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

Scenarios:

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

### WIPO Recommendations

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- 2. Trademark-Based Post-Delegation Dispute Resolution Procedure (cont'd)
  - Given the perceived convergence of registry, registrar, and registrant roles within the DNS, the WIPO Center further recommends to extend the concept behind this proposal also to address relevant registrar conduct.
  - See WIPO Letter to ICANN of April 9, 2009, on the observed conduct of one particular ICANNaccredited registrar. Alleged conduct in lawsuits involving the registrar included "UDRP evasion services" and "contributory cybersquatting."

### WIPO Recommendations

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- 3. Discussion Draft Expedited (Domain Name) Suspension Mechanism
  - Communicated to ICANN on April 3, 2009.
  - Intended to present options for brand owners to combat cybersquatting in a cost and time effective manner.
  - Intended as a narrowly tailored complement to the UDRP.
  - Includes an important safety valve mechanism for defaulting respondents.

# **WIPO Comments to IRT Reports**

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





# **General Comments**

- System design should minimize burdens on users and stakeholders.
- Implementation should take account of operational realities.
- Relationship between mechanisms should be further clarified.



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# **IP Clearinghouse**

- Ubiquitous role envisaged for the Clearinghouse calls for adequate safeguards and ICANN oversight.
- Differentiation of roles may be appropriate for the Clearinghouse.
- Trademark owners should not shoulder the entire burden of financing a Clearinghouse.



### **Uniform Rapid Suspension Mechanism**

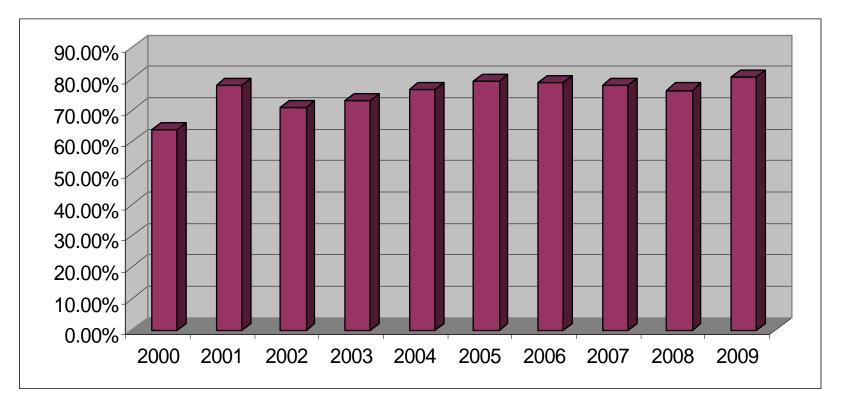
• Requiring panelist evaluation even in URS default cases would unnecessarily increase costs and burdens to trademark owners.

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- The duration of the proposed remedy is of limited effectiveness.
- The URS must interoperate with the UDRP.
- The URS substantive criteria adaptations are not clear.
- Elements of the URS may be adjusted with a view to time and cost-efficiency.



### **WIPO UDRP Cases: Respondent Default**



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





## Post-Delegation Dispute Resolution Mechanism at the Top Level

- Post-delegation system design must bear in mind its intended preventive effect.
- Trademark owners should be given the option to initiate a post-delegation *sua sponte*.
- We recommend an analogous dispute resolution procedure for ICANN-accredited registrars.





# **Additional Information**

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Website: http://www.wipo.int/amc/en/domains/resources/icann





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