

QUESTIONNAIRE ON THE STATE OF THE UDRP

We would appreciate receiving your responses to these questions by May 6, 2011.

BACKGROUND

ICANN Staff has been asked¹ to write an Issue Report on the current state of the UDRP and consider balanced revisions to address cybersquatting if appropriate. Staff is thus aiming to look at how the UDRP has addressed the problem of cybersquatting to date, and any insufficiencies / inequalities associated with the process as well as whether the definition of cybersquatting inherent within the existing UDRP language needs to be reviewed or updated. This Issue Report will be considered by the GNSO Council as it decides whether to commence a new policy development process (PDP) on the UDRP.

As part of this effort, Staff is conducting research to identify potential issues that might be examined as part of a PDP on the UDRP. As a provider of UDRP Services, you may be uniquely positioned in having key information on the UDRP, data and facts necessary for any such process. Staff thus requests your input to this important process in answering the questions below. Your insight and expertise will be of assistance to Staff in drafting this Issue Report.

This Questionnaire was developed in collaboration with a drafting team convened by the GNSO Council. Participation is purely voluntary, but encouraged, as a valuable resource to inform the ICANN community of the current state of the UDRP, and whether the UDRP can be improved. The responses will be made publicly available on ICANN's website, and will be referenced by Staff in the Issue Report on the UDRP.

Please note that the purpose of this preliminary inquiry is to identify issues that may be appropriate for further analysis as part of this possible PDP. These questions are not intended to solve any of these issues or to suggest any revisions to the UDRP, but merely to identify areas deserving further exploration. This is intended to be a brain-storming exercise, and is not intended to be used for statistical analysis, or to compare or evaluate UDRP providers. If the GNSO Council votes to commence a PDP on the UDRP, we expect to solicit your expertise and in-depth knowledge in the future through additional means, including, workshops, webinars, public comment periods and dialogue with the working group to be formed to conduct the PDP.

We anticipate that some of the data requested below may not be easily accessible to you. In such event, you may note that in your response, or in the alternative, you may indicate a date by which you could provide such information.

¹ The GNSO Council's resolution requesting an Issue Report on the Current State of the UDRP is posted at: <http://gns0.icann.org/resolutions/#201102>

Thank you in advance for your help and willingness to participate in this important process.

QUESTIONS

1. Please describe how the UDRP has addressed the problem of cybersquatting to-date.

The CAC would like to stress out that the question could probably be better addressed by the parties to the disputes for the reasons explained in our answer to question 2. Nevertheless we are of the opinion that the UDRP has worked in a satisfactory manner for more than 10 years and became a model proceeding for many other domain name procedures. In spite of the undisputable success of the UDRP it should be noted that the domain name world evolves quickly and UDRP will sooner or later face the necessity to move on as well. In the below text we pointed out several problematic issues about the current status of the UDRP and we believe others will be mentioned by other interested parties.

2. Please provide your organization's *opinion* on whether the definition of cybersquatting in the existing UDRP language ought to be reviewed or updated, and if so, how.

We would like to stress out that as a UDRP Provider the CAC should maintain its impartial and independent position, therefore it should follow the exact wording of the UDRP at the first place. Determining if the current language should be changed, as far as the very definition of cybersquatting is concerned, should be, in the opinion of the CAC, a matter of discussion of all the interested parties, though the UDRP Provider is not, due to its nature of an impartial body, one of those parties.

However, keeping our independent position in mind, we would like to point out that based on our practice in both UDRP and .eu ADR procedures the current UDRP definition of cybersquatting does not cover some instances of clearly malicious conduct on the part of domain name registrants.

In concrete, the current definition of bad faith element says:

... your domain name has been registered **and** is being used in bad faith

It is questionable if the cumulative construction of this provision is appropriate. For example, if the domain name is acquired in good faith by a licensee of a trade mark owner and subsequently the license is terminated, it seems logical to enable the trade mark owner to have the domain name transferred to it, provided that the licensee uses it in bad faith.

A similar question can be raised regarding the cumulative requirement of the lack of legitimate interest and bad faith.

The Czech Arbitration Court, being also a .eu ADR Provider, may provide an interesting observation acquired in ADR proceedings in which both the cumulative requirements mentioned above were changed into alternative. The “success rate” in ADR Proceedings is basically the same as in UDRP Proceedings, not significantly higher, even though the burden of proof on the part of the Complainant is lower due to applying alternative requirements. Therefore applying alternative requirements does not appear to result in increasing the percentage of successful Complaints but rather to enable Panels to deal with border-line cases in a fair manner.

3. How many UDRP Proceedings have been filed with your organization?

47

Of these, how many (please provide total numbers and percentages for each question):

a. Result in a decision

37 = 79%

b. Are terminated before decision

7 = 15%

c. Are responded to by the respondent

13 = 28%

d. Are appealed to a Court by the respondent (as far as you are aware)

0

e. Are appealed to a Court by the complainant (as far as you are aware)

0

f. Result in a ruling ordering a transfer to the complainant or a cancellation of the disputed domain name

29 = 62%

g. Result in a ruling allowing the respondent to retain the disputed domain name

8 = 17%

h. Involve privacy and/or proxy services set out on a year by year basis (as far as you are aware)

2009: 3 of 21

2010: 2 of 18

2011: 5 of 8

- i. Are proceedings where the respondent is not represented by counsel (as far as you are aware)

12 out of 17 in which the Respondent made any appearance (i.e. submitted the Response or negotiated a settlement)

- j. Are proceedings where the respondent requested a finding of reverse domain name hijacking (RDNH) and, of those cases where the respondent requested such a finding, the number and percentage of the proceedings in which a finding of RDNH was made

2 in which Respondent requested finding of domain name hijacking, out of which in 1 case the reverse domain name hijacking was found by the Panel

- k. Are proceedings where the language of the proceedings has been contested or challenged.

3 = 6%

- l. Involve disputed domain names that are deleted due to expiration either (i) after filing of the complaint and before commencement of, or (ii) during the course of the proceedings

In 1 case the domain name expired before filing a Complaint but was not deleted yet; the deletion was not made during the dispute due to a registrar lock.

- m. Involve disputed domain names that are transferred to another registrar either (i) after filing of the complaint and before commencement of, or (ii) during the course of the proceedings

0

- n. Involve disputed domain names that are transferred to another registrant either (i) after filing of the complaint and before commencement of, or (ii) during the course of the proceedings

0

- o. Involve proceedings where updates to WHOIS records either (i) after filing of the complaint and before commencement of, or (ii) prior to or during the course of the proceedings have raised concerns or problems (as far as you are aware)

0

- p. Involve proceedings where a decision ordering cancellation or transfer of the disputed domain name is not implemented by the registrar

1 = 2%

4. Please highlight the means in place to seek to balance fairness and efficiency in administration of the UDRP.

I. The CAC would like to highlight electronic form of communication as the crucial means of making the administration of UDRP utmost efficient. Surely, the major steps have been already taken during the last amendment of the Rules for UDRP in 2010. The CAC appreciates the amendment very much as it was the first UDRP Provider to provide electronic-only proceeding. However, there is still a place for improvements.

Specifically, the Rules for UDRP require the Provider to send the Complaint, including any annexes, in electronic form by e-mail to the Respondent. There are two issues regarding this provision:

1) The volume of annexes can be very large therefore the Respondent's mailbox might not be able to accept such an e-mail. As a result, the Respondent might not be properly electronically informed about the proceeding.

2) The Provider (and subsequently the Panel) has only limited means to verify delivery of the notification e-mail as the servers usually do not provide notification of delivery.

Both problems could be tackled by sending only an e-mail notice to the Respondent describing how to access the complaint on another electronic storage which would maintain records on whether the Respondent did access it. In such case the Panel would have precise information on the delivery of the complaint to the Respondent.

As a result, sending the written notice by post could be omitted in cases where the Respondent confirmed the delivery of the e-mail notice by picking up the complaint on the electronic storage which would mean another step towards bigger efficiency.

II. There are constant issues concerning the domain name holder's identity. This is unfortunately a problem not falling exclusively into UDRP field as the WHOIS accuracy and the usage of privacy/proxy registration services are concerned.

The Complainant is often in a difficult position when considering filing a complaint. The WHOIS record may be insufficient and inaccurate or the domain holder's identity is concealed behind a privacy/proxy registration service provider. Building a strong case is therefore complicated if one is not sure against whom the complaint should be actually filed.

As a result, the Complainant only learns about the domain holder's identity after the provision of the verification by registrar after filing a Complaint.

We understand that this question could be effectively dealt with mainly by other means than UDRP amendment, however UDRP could specify a point in time which would be decisive in order to determine who should be the Respondent in UDRP Proceedings.

Of course, the issue is covered by existing case law, nevertheless establishing it directly in the applicable rules would be more appropriate.

III. The third observation is closely related to the second one as not only the domain holder's identity is difficult to find out before starting UDRP. The language of the Registration agreement is also a piece of information almost impossible to reveal before filing a complaint.

Surely, an obligatory publication of the information in WHOIS would be the most helpful in this regard.

5. Please highlight any insufficiencies/inequalities you see with the UDRP and its implementation.

I. UDRP could incorporate clear instructions and obligations for the registrars. At the moment the cooperation between the Provider and the registrar is not in fact complicated, however the registrars have very limited clear responsibilities according to the UDRP.

If we follow the course of the proceeding, the first of the responsibilities should be the registrar obligation to block the domain name against possible transfer as soon as it is notified of filing the complaint by the Provider (at the moment, Paragraph 8(a) of the UDRP prohibits the domain holder to transfer the domain name during a dispute and gives the registrar **right** to cancel any such transfer).

Secondly, the obligation to provide the Provider with verification regarding the identity of the domain holder, language of the registration agreement, etc. should be specified, including the term in which the registrar should provide it and possibly the information it should contain (or even a prescribed form).

Thirdly, an obligation could be constituted to transfer a domain name to the Complainant during a suspended dispute based on the settlement reached by the parties. At the moment, the UDRP and the Rules for UDRP do not even contain any provision on possible suspension. The CAC included this issue into its Supplemental Rules and other Providers also enable suspensions, however clear rules would be welcome.

All the above mentioned forms of cooperation are in practice provided by the registrars, however should the UDRP be reviewed, constituting clear guidelines would be appropriate. As mentioned during workshop on registrar best practices regarding UDRP in Sydney, the registrars are sometimes unfamiliar with the UDRP rules and practice and their obligations within it. Setting up rules for their behavior within UDRP would help them protect their customers (domain holders) who are otherwise in danger that they will not learn about pending procedure.

II. Distribution of the fee in three-member Panel cases. According to the applicable rules, in case the Complainant preferred single-member Panel but the Respondent asks for three-member Panel, the Respondent is required to pay one half of the fee for three-member Panel. The other half therefore must be borne by the Complainant. The problem is that the half of the total fee for three-member Panel can be higher than the fee originally paid by the Complainant in the beginning of the dispute; therefore the Complainant must be asked to pay additional fee. Notwithstanding the fact that such an additional payment could be considered unfair under circumstances where it is the Respondent, not the Complainant, who asks for the three-member Panel, the Rules for UDRP do not give any guidance as to the case where the Complainant refuses to pay additional fee. The Provider is thus not entitled to terminate the dispute.

A possible solution is to require the Respondent to pay the difference between the fee for single-member Panel and the fee for three-member Panel in case it elects three-member Panel. This model has been adopted in .eu ADR and is very efficient and less complicated.

6. Please provide any other information or documents that you would like Staff to consider as it prepares the Issue Report on the UDRP.

None.