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FICPI COMMENTS ON: PRELIMINARY ISSUE REPORT ON THE CURRENT STATE OF THE UNIFORM DISPUTE RESOLUTION POLICY ("PRELIMINARY REPORT")

FICPI, the International Federation of Intellectual Property Attorneys, broadly representative of the free profession throughout the world, is pleased to have an opportunity to comment herewith on the Preliminary GNSO Issue Report on The Current State of the Uniform Dispute Resolution Policy" ("Preliminary Report").

EXECUTIVE SUMMARY

FICPI fully agrees that the Uniform Dispute Resolution Policy (UDRP) has successfully offered parties a far less expensive alternative to costly litigation for resolving international disputes involving domain name cybersquatting, and that the internet community has come to rely on the consistency, predictability, efficiency, and fairness generally associated with the present implementation of the UDRP.

Overall the current UDRP functions well in meeting the needs of both domain name holders and trademark owners. It must be recognised that these two groups are not mutually exclusive but that trademark owners and domain name holders are very often one and the same. FICPI members are responsible for representation of both groups.

WHEN IS THE BEST TIME FOR A PDP REVIEW?

FICPI agrees with the staff recommendation "*that a PDP on the UDRP not be initiated at this time*".

FICPI points out that determination of the best time to proceed with a policy development process (PDP) on the UDRP must be guided by considerations of necessity, benefit and timing. FICPI concludes that a PDP should not be undertaken at the present time:

- A policy review is not necessary because the general conclusion and agreement among the users is that the UDRP works well and generally satisfies the needs of the Internet community. Early criticism and doubts, arising from uncertain dispute resolution results, have dissipated as a growing body of UDRP precedent, related court decisions and national laws have brought more certainty and consistency to the UDRP outcomes.

- A policy review presents more risk than benefit to the relevant stakeholders because it would replace the current stability resulting from the established UDRP with the uncertainty arising from an ongoing and lengthy debate over potential changes to the UDRP. Further, the time,

money and other resources involved in a PDP would not be well spent as most stakeholders agree that there is no pressing need for changing the fundamental nature of the UDRP.

- A review now would be especially unwise given the uncertainty created by the launch of new gTLDs. The introduction of new rights protection mechanisms as part of these new gTLDs launch creates a great deal of uncertainty, concern and expense for the affected stakeholders. The UDRP represents one constant in the process providing stability and consistency for the affected stakeholders. Accordingly, this would not be a good time to disrupt that stability.

POSSIBLE CHANGES AND IMPROVEMENTS

If and when the work in updating and developing the current UDRP commences, FICPI believe that only minor changes are needed:

BAD FAITH REQUIREMENT

One necessary change is to modify the "bad faith" requirement so as to allow challengers to succeed in instances wherein there has been either use or registration in bad faith on the part of the domain name registrant. This would improve the fairness of the current requirement, which calls for use and registration in bad faith.

In this respect, it may also be noted that subsequent dispute resolution policies adopted by most ccTLDs based on the UDRP have changed this provision to require a showing that the domain name was "registered or is being used in bad faith" emphasis added. A similar change to the UDRP would therefore bring it in line with current law and best practices, and would add to the consistency of UDRP results.

PROCEDURAL CHANGES

As concluded by the ICANN staff, further addressed in the information and discussions associated with the webinar of May 10, as well as discussed during the ICANN public meeting in Singapore, the main part of proposed changes relates to the implementation of the UDRP, rather than the language of the policy itself.

FICPI supports several procedural changes to the UDRP and agrees that these could be accomplished without a generic names supporting organisation (GNSO) PDP:

a| Reduce cost and time for cases where there is no submission of response from the respondent. Most UDRP cases result in a default by the registrant who apparently has no defence and is clearly involved in cybersquatting. Nevertheless, these proceedings require full payment of fees and the legal expense of a complete submission of proof with the filing of the complaint.

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A number of ccTLD dispute resolution systems (the majority of which are based on the UDRP but have been further developed) have introduced the possibilities of both faster and less expensive procedures when no response from the domain name registrant is forthcoming. This is also true of the Czech Arbitration Court, as well as the new gTLDs option of the URS - a lower cost option for dispute resolution in clear cases of cybersquatting. FICPI recommends changes to the UDRP procedures that would similarly reduce the cost and time for decision in cases of default on the part of the registrant.

b| WHOIS information: The availability of accurate identity and contact information of domain name holders is essential for effective intellectual property rights enforcement. FICPI urges ICANN, registrars and others tasked with the registration of domain names to provide up-to-date and accurate identity ("WHOIS") information to those with a legitimate need to obtain such information, particularly those pursuing infringement of intellectual property rights.[1] Further, WHOIS record modifications after filing but before commencement of action lead to unnecessary deficiencies and amendments in the context of the UDRP process. This is particularly usual when third party privacy/proxies details are contained in the WHOIS. FICPI notes that in those instances, the current rules are not clear as to who is the correct respondent and what is the proper jurisdiction for such cases. Presently, requisite amendments of UDRP complaints based on incorrect WHOIS information causes delays and unnecessary extra costs for the complainant.

c| Education and clear instructions/guidance to registrars, on what is required from them in the context of a UDRP proceeding and is needed. This has, in fact also been invited by many registrars. In addition, ICANN should consider stricter enforcement of existing registrar contracts in order to make sure that registrars comply with UDRP decisions.

d| As a good source of information for complainants, respondents and their attorneys, the dispute resolution service providers should co-operate with ICANN in creating a common and easily searchable database of prior UDRP decisions.

PROPOSED AND DISCUSSED CHANGES NOT SUPPORTED BY FICPI

Although most of the suggested changes to the UDRP are based on procedural changes which are necessary at least to some extent, there are also some suggestions that could severely hurt the UDRP process and/or are not legally or practical necessary:

a| Safe Harbour: Additional free speech "safe harbours" are not needed – sufficient protection already exists. One of the concerns voiced as justification for changing the UDRP is the false

[1] FICPI RESOLUTION1, World congress in Paris 2006

assertion that the UDRP as currently implemented does not protect free speech. In this regard, it is important to note that a UDRP decision only involves the domain name per se; nothing in a UDRP ruling affects the actual content of a website. Secondly, it is also important to note that the Policy itself, in Paragraph 4(c)(iii), already provides a safe harbour for "free speech" when the domain name registrant is "making legitimate noncommercial or fair use of the domain name".

b| Preventing advocates/lawyers from serving as panellists: The UDRP Policy has been criticised for allowing UDRP panellists to also represent parties in unrelated proceedings, allegedly creating the appearance of a conflict of interest. This issue has been addressed in UDRP decisions, which recognise that the legal systems of many countries allow practicing attorneys to serve as both advocates and magistrates in civil proceedings, provided there is no conflict of interest in the particular matter. The UDRP Rules are currently clear in requiring panellist disclosures to prevent conflicts of interest in particular cases. FICPI concludes that the issue of conflicts is best addressed on a case-by-case basis, as currently done, and not through a blanket prohibition on attorneys serving dual roles in unrelated matters.

CONCLUSION

FICPI agrees with, and strongly supports, the ICANN staff conclusion that - although not perfect in all details - the UDRP should be untouched for the time being. Opening up the policy to a PDP may ultimately undermine the procedure.

The number of procedural changes needed can easily be undertaken without a GNSO PDP.

As to the Policy as such, the bad faith requirement needs to be modified and updated, with the simple change of "and" to "or". However, this minor change does not have to be conducted before the introduction of the new gTLDs.

As FICPI's members represent both trademark owners and domain name holders of more than 87 countries/regions worldwide, FICPI hereby also offer our further assistance to ICANN in any specific or general question relating to the UDRP use and possible changes.

IMPORTANT NOTE:

The views set forth in this paper have been provisionally approved by the Bureau of FICPI and are subject to final approval by the Executive Committee (ExCo). The content of the paper may therefore change following review by the ExCo.