

INTA Internet Committee Comments
Registry Restrictions Dispute Resolution Procedure (RRDRP)
April 1, 2010

The Internet Committee of the International Trademark Association (“INTA”) appreciates this opportunity to comment on the February 2010 RRDRP.

I. Process Concerns

As of the April 1 due date of this submission, ICANN has issued nineteen separate topics for public comment, with nine topics closing for comment on the same day. This overload of information, especially under the short deadlines, has significantly curtailed the public’s ability to provide meaningful evaluation and input on the issues under consideration. The Committee continues to strongly encourage ICANN to reassess and restructure its public comment process to enable it to adequately consult the public as it is required to under the Affirmation of Commitments.

II. Introduction

At the outset, the Committee notes that there are existing parallels between the Trademark PDDRP proposed procedures and those proposed in the Registry Restrictions Dispute Resolution Procedure (RRDRP) that need further examination, comparison and consideration as to whether these two proposals should be combined. In particular, improvements may be realized through economies of scale by combining the procedures, not to mention minimizing complexities and number of different rules for the different procedures (TC, PDDRP, RRDRP, URS, UDRP....) that must be integrated by the public.

Although the RRDRP affords aggrieved parties remedies where ICANN is not able to act in a timely manner, the Committee hopes that ICANN's compliance program will soon be robust enough to be able to promptly handle any such post-delegation disputes without the need for third party intervention through an RRDRP or PDDRP process. The Committee is concerned that through establishing an RRDRP and PDDRP process, ICANN may completely remove itself from addressing certain situations that initially fall squarely within ICANN's compliance responsibilities.

As noted, the RRDRP is necessary to preventing abusive practices in domain name registrations, but the Committee suggests that, as proposed, the RRDRP could be more balanced in its approach. The Committee’s comments are therefore focused on proposed changes to the process that should bring about a clear, predictable and balanced procedure for addressing post-delegation disputes as they relate to community restrictions.

III. Standing

The present draft requires that a complainant under the RRDRP be “a harmed organization or individual as a result of a community-based gTLD registry operator not complying with the restrictions set out in the Registry Agreement.” However, in the next paragraph, the draft reads “to qualify for standing for a community claim, an objector must prove both: it is an established institution, and it has an ongoing relationship with a defined community that consists of a restricted population.” There is an ambiguity here as to whether individuals have standing and, if so, under what circumstances. Some clarifying language is needed to confirm that standing is not limited to institutions.

Limiting standing to object to a community-based gTLD operator’s *ultra vires* actions to only those associated with “defined communities” also appears to be unduly restrictive. As an example, one could envision a “.apple” community-based gTLD which is intended for the benefit of an apple growers association. APPLE is also a well-known trademark for computers and related devices, owned by Apple Computer Inc. Although the allowance of domain name registrations like “computer.apple” in the “.apple” registry to Apple Computer Inc. competitors or to cybersquatters may best be handled through a PDDRP process, the fact that the same conduct may constitute both a trademark and an Apple Computer Inc. brand-related community violation appears to point in favor of one procedure and procedural rules with broader standing criteria, such as likelihood of harm, rather than two separate procedures as proposed under the PDDRP and RRDRP. Creating one procedure with registry restrictions and trademark violations as distinct causes of action could also allow dispute resolution providers to develop greater depth of experience.

As described above, the present draft is somewhat vague as to whether the community invoked by the objector must be the same community that the gTLD at issue was meant to serve. It appears not, but this should be clarified.

As a further point of clarification, in no cases should the registry be permitted to circumvent the provisions of the RRDRP through the activities of any affiliated parties.

IV. Complaint, Response and Fees

Under the heading Complaint, and the sub-heading Content, the RRDRP states, “[a]t the same time the Complaint is filed, the Complainant will pay a non-refundable filing fee in the amount set in accordance with the applicable RRDRP provider rules.” Although the RRDRP contemplates that the Registry will also pay a filing fee, no similar statement is contained under the heading Response to the Complaint.

The Committee recommends that the following statement be inserted under the heading Response to the Complaint: “At the same time the Response is filed, the Respondent will pay a non-refundable filing fee in the amount set in accordance with the applicable RRDRP provider rules. This filing fee will be the same filing fee as that paid by the Complainant.”

V. Appointment of Experts

The provisions permitting the dispute resolution provider to appoint experts on its own motion and at the parties’ expense is highly objectionable. It is unfair for the panel to introduce potentially outcome-determinative testimony through an expert that neither party has solicited and which neither party will be given a chance to cross-examine. It is particularly unfair to require the parties to shoulder an unknown expense for an expert that they had no role in

selecting and whose testimony they may not have even felt was necessary to decide the case. Allowing the panel to select the expert rather than the parties also opens the door for the panelist to influence the outcome by selecting an expert with particular biases.

If the panel is going to be empowered to choose an expert, there must be strict limitations. First, there should be a predetermined scale of fees for experts so that parties can accurately assess the potential costs of bringing a case. Second, the panel's intention to appoint an expert should be communicated to the parties at the earliest possible stage, so that the parties may lodge objections. Finally, any appointed expert should prepare a report summarizing their conclusions and this report should be provided to the parties in sufficient time to allow the parties to present contrary arguments and evidence, potentially including a rebuttal from another expert. All of these materials should form the record presented to the panel for its consideration.

VI. Hearings

While the present draft states that disputes under this RRDRP will usually be resolved without a hearing, it also provides that the Expert may "decide on its own initiative, or at the request of a party to hold a hearing." This proposal appears to be too liberal in allowing hearings to take place, which could unnecessarily require resources and increase expenses. Consistent with the UDRP rules, the Expert should decide, in its sole discretion, whether a hearing is necessary due to "exceptional circumstances." See, i.e., UDRP Rule 13. Whatever the criteria, they should be spelled out in the rules.

If a party requests a hearing over the objection of the other party(ies), and the Expert determines a hearing is necessary due to exceptional circumstances, the requesting party must be required to pay the costs for the hearing. This includes the costs for a teleconference, videoconference, or web-conference, as well as the fee of the Expert, but excludes the non-requesting party's attorneys' fees. If the parties stipulate to a hearing, the costs should be apportioned equally.

VII. Remedies and Expert Determination

Presently, the draft provides that registrations made in violation of the agreement restrictions may not be deleted as a remedy, since the registrant is not a party to the action. It is too far reaching to impose an absolute prohibition on this remedy. For instance, if the registrar is the registrant of the domain name, or is affiliated with or has some other relationship that gives the registrar control over the registrant of the subject domain name, deletion of a violating registration may be a proper remedy.

Furthermore, this scenario illustrates the advantage of combining the RRDRP and PDDRP administrative proceedings. See Comment to Standing section above, and Relationship to Post Delegation Procedure below.

The proposed procedure also states that the Expert will *recommend* the appropriate remedies. Unless the Expert's determination has "teeth," the procedure will not be effective. Therefore, the Determination should *impose* remedies, rather than merely recommend them. See i.e., UDRP 4.i.

Specifically, under the heading, the Expert Determination, in the last bullet, it is contemplated that ICANN has the ability in extraordinary circumstances not to follow the Expert Determination that the registry operator was not meeting its obligations. Yet there is no similar

provision for ICANN not to follow an Expert Determination that the registry operator was meeting its obligation. Additionally, it is unclear whether extraordinary circumstances must exist for ICANN to amend the remedies recommended by the Expert.

To clarify these issues, the Committee recommends modifying this provision to read: “The Expert Determination and the recommended remedies found in the Expert Determination shall, absent extraordinary circumstances, be approved and enforced by ICANN. Extraordinary circumstances are circumstances such as an ICANN finding of Expert or provider bias, or other circumstances that prejudice the neutrality of the proceeding. In the event that ICANN determines that extraordinary circumstances exist which warrant not following the Expert Determination, then ICANN may ask that the matter be re-heard by another Expert or another provider as appropriate.

VIII. Relationship to Post Delegation Procedure (PDDRP)

The introduction to the draft Registry Restrictions Dispute Resolution Procedure, states “[s]till under consideration is whether this procedure and the Post-Delegation Dispute Resolution Procedure can be combined as one.” The RRDRP and the PDDRP provide virtually identical administrative procedures to one another. The purposes differ in that one provides a remedy to trademark holders when a registry acts in bad faith and one provides a remedy to individuals and institutions associated with a community when a registry is not policing registrations within the agreed restrictions for a community-based restricted gTLD.

A stated goal of both the RRDRP and the PDDRP is to provide efficiency. We believe that stated goal is best met by combining the two procedures into one.

The provider(s) selected to implement both the RRDRP and the PDDRP will likely be the same. The procedures set forth in both the RRDRP and the PDDRP are very similar. Combining the RRDRP and the PDDRP ensures uniformity in the processes and reduces the likelihood of leaving any particular group without a remedy under the procedures. Combining the two procedures also makes it possible for a Complainant to plead alternative grounds for standing (which could be the case as noted in the “.apple” example above). Further, combining the two procedures eliminates the possibility that changes will unintentionally be made to one procedure and not the other.

Thank you for considering our views on these important issues. Should you have any questions regarding our submission, please contact INTA External Relations Manager, Claudio Digangi at: cdigangi@inta.org

About INTA & The Internet Committee

The International Trademark Association (INTA) is a more than 131-year-old global organization with members in over 190 countries. One of INTA’s key goals is the promotion and protection of trademarks as a primary means for consumers to make informed choices regarding the products and services they purchase. During the last decade, INTA has served as a leading voice for trademark owners in the development of cyberspace, including as a founding member of ICANN’s Intellectual Property Constituency (IPC).

INTA's Internet Committee is a group of over two hundred trademark owners and professionals from around the world charged with evaluating treaties, laws, regulations and procedures relating to domain name assignment, use of trademarks on the Internet, and unfair competition on the Internet, whose mission is to advance the balanced protection of trademarks on the Internet.