



**Litigation and Intellectual Property**

31 March 2010

British Broadcasting Corporation and BBC Worldwide Limited

Submission to ICANN on proposals re Uniform Rapid Suspension System ("URS")

Introduction

The British Broadcasting Corporation (BBC) is the United Kingdom's Public Service television and radio broadcaster established by Royal Charter and publicly funded by a licence fee. BBC Worldwide Limited is a wholly owned company within the BBC group, responsible for the commercial exploitation of the BBC's output in order to generate revenue for the BBC.

Overall, the BBC reaches 93% of the UK public each week with information, education and entertainment provided via TV, radio and online platforms. It is also a global broadcaster, as Europe's largest exporter of TV programmes and the provider of trusted, independent and impartial international news to a weekly audience of around 250 million households, with over 17 million unique users online.<sup>1</sup> The BBC has been at the forefront of the digital revolution. Ever since its launch in the 1990s as a text-and news-led service, [bbc.co.uk](http://bbc.co.uk) has been confirmed as an important reason given by people in the UK for connecting to the internet in the first place.<sup>2</sup> The BBC has also pioneered online audio and video services: BBC iPlayer, allowing audiences to catch up with the last seven days of BBC TV and radio, launched on Christmas Day 2007 and total views by UK audiences have now passed 500 million.<sup>3</sup> Innovation continues. The latest independent forecasts suggest that the BBC-proposed consortium, Project Canvas, will have internet-connected TV devices offering iPlayer and other on-demand services to 3.4m UK homes by 2014.<sup>4</sup>

The BBC and BBC Worldwide appreciate the opportunity to submit these comments in connection with the URS proposals.

General comments

As we have previously stated, we remain unconvinced about the extent of demand for new gTLDs and feel the case for their introduction remains unclear and lacking in evidence.

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<sup>1</sup> BBC Annual Report 2008/09

<sup>2</sup> For example, One survey revealed that 9% of internet users agree that "the existence of the BBC's website [www.bbc.co.uk](http://www.bbc.co.uk) was one of the main reasons why I first accessed the Internet" (TNS, December 2007)

<sup>3</sup> BBC Server Data, 2009

<sup>4</sup> Enders Analysis, 2009; Project Canvas is subject to an ongoing regulatory approvals process (a "non-service approval") by the BBC Trust.

In particular, we believe ICANN must provide additional data and explanation as to how the gTLD proposals will create economic value for all on the internet by expanding the domain name aggregate resource. It does not seem clear at all that the proposals will necessarily create new value and indeed they may contribute to the inefficiency of the system. Prima facie, it seems that the value of internet domain names and brands resides in their visibility and reputation. There is no obvious way to legitimately tap into the value of a domain name unless it is already visible and reputable. If it is, there appears to be a substantial incentive for its owner to protect it, and little incentive to create a different one, even if new opportunities became available. (NB The concept of incumbency is not transferable to this instance, as owners of reputable and well-known internet brands are only incumbent on their own brand, not on market segments that could be "liberalised" in any way.) It could be assumed that as a rule, very few new categories of operators can benefit from a gTLD extension in terms of visibility and reputation. Exceptions to this rule may concern non industrial entities, such as geographical, cultural or urban communities. It is therefore very hard to see how the increase in domain names will per se increase competition unless it is accompanied by effective anti-hoarding and abuse remedies. These may be beyond ICANN's competence and power.

In summary, we remain deeply concerned at the threat to brand integrity and attendant financial implications for brand owners, and the significant risk of consumer detriment. We outline some specific concerns below but will of course continue to respond to any further data and arguments ICANN provides. The BBC will continue to engage in the wider issues around ICANN's gTLD implementation and seek to provide constructive input into the possible opportunities and threats they create. However, we cannot imagine that ICANN would wish to take further steps towards its implementation of an expansion in gTLDs until the crucial brand holder protection issues are resolved.

#### Background

In the IRT Report the original purpose of the URS was to (i) reduce the need for defensive registrations, (ii) provide a cost-effective and timely mechanism for brand owners to protect their trademarks, and (iii) promote consumer protection on the Internet. In our submissions on the STI on 26 January 2010 we stated that, the then current URS proposal was inadequate to do this and should be revised in order to meet its original objectives. This remains our view, as set out below.

#### Detailed comments:

1. Exclusion from the URS of trade marks registered in jurisdictions which do not perform a 'substantive review'
  - As with the TMCH this proposal would presumably exclude all European Community trade marks as OHIM does not conduct relative grounds examination.
  - It would also presumably exclude all UK marks registered after October 2007 as the UK IPO abolished relative grounds examination at that time. Query what would happen to UK marks registered before that date? Potential complications will arise in determining which UK marks qualify for the URS and which do not, as relevant date ought to be the date at which examination process was completed rather than when the mark was registered.

- A number of other European jurisdictions would also be excluded.
- In any event, it is flawed to exclude marks simply because they are registered in jurisdictions which do not conduct a substantive review since many jurisdictions provide perfectly acceptable alternatives. In the UK and through OHIM, for example, marks are examined on absolute grounds (to confirm they accord with the requirements set out under the relevant trade mark legislation) and, if accepted for registration, the owners of potentially conflicting marks are notified of the application and are given the opportunity to oppose. Such oppositions, if commenced, are conducted in a rigorous and adversarial manner with both parties afforded the opportunity to submit and respond to evidence, be heard and make submissions. Both systems also provide for appeals to the relevant courts.
- Further, the nature of URS procedure is such that it involves an assessment of the Complainant's grounds to object. It is presumably open to the Examiner to treat a particular registration with a degree of caution, where it originates from a jurisdiction without any robust examination and/or opposition. The Complainant should therefore not be denied the right to use the URS.
- The proposal claims that the standard is similar to the UDRP standard but in fact excludes common law rights, which the UDRP takes into account. We would urge ICANN to include common law rights in this regard.

## 2. Non-exhaustive circumstances which demonstrate bad faith

- Criteria (iii) should refer to the registrant having registered the name primarily for the purpose of disrupting the business of another, rather than of a competitor. There may be many reasons why someone might register a domain name in order to disrupt the business of a third party who is not a commercial competitor.

## 3. Notice and Locking of Domain

- The fact that following a complaint a domain gets 'locked' but still resolves (see p3, presumably to the offending website), following which there is a period of at least 20 days (with a further extension possible including the Default period) when the offending website remains visible, could cause substantial ongoing damage to a TM owner whose rights are being infringed. We consider there should be some provision for an interim remedy at least in cases of significant potential harm (akin to an interim injunction in court actions).

## 4. Default of Response

- What is the reasoning behind allowing the Respondent to be in default for up to 30 days following a Determination before they would be charged a fee with their Response? Since all default cases proceed to an Examination (ie they are not automatically decided in favour of the Complainant), filing a Response at any time after the Determination inevitably means that the URS Provider has to do additional work as a direct result of the failure of the

Registrant to act in a timely manner. In these circumstances we consider that the Registrant should pay a fee. Prior to the determination, the Registrant will have had a proposed 20 days to serve a response and the ability to seek a 7 day extension.

- We strongly object to the proposal that a registrant who fails to file a response shall have the right to a de novo review at any time for up to two years after the determination. Whilst we welcome the fact that a time limit has now been placed on this de novo review, two years is much too long.
- We also strongly object to the proposal that where the Registrant files such a request for a de novo review, the domain name then resolves back to the original IP address. Under this proposal a registrant could do nothing for up to two years, during which time the domain name resolves to an informational website, but on filing their late appeal the original offending website is reinstated. There is no reasonable justification for this in a case where the Registrant has delayed in this manner. The status quo should be maintained pending the outcome of any review. The domain name should resolve back to the original IP address only where the Response has been filed within a limited grace period, ie a few months.

#### 5. Defences

- It is ironic that a complainant can only launch a URS procedure on the basis of TM rights whereas a Registrant can defend such action on the basis of common law rights. If a URS procedure can accommodate a consideration of a Registrant's common law rights we do not see why it cannot also consider a complainant's common law rights.
- We do not agree that the fact that the domain name is not part of a wider pattern or series of abusive registrations should in itself be a free standing defence (para 5.7(d)).

#### 6. Remedy

- We maintain our view that, at the very least, the successful Complainant should be given first refusal to register the domain name when it next comes up for renewal.

#### 7. Abusive Complaints

- It is not really possible to comment on this whilst "defining Abusive Complaints remains under consideration". However, we are strongly of the view that the mere fact that a complaint fails should not constitute an "Abusive Complaint".