

New international procedure on internet cybersquatting

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The World Wrestling Federation (WWF), home of Stone Cold Steve Austin, the Headbangers, and Gorilla Monsoon, recently became the first organization to use the brand new anti-cybersquatting procedure under the Uniform Domain Dispute Resolution Policy.

The new Uniform Policy and Rules (to be found at www.icann.org) came into effect on January 3, 2000 for most domains. It's a digital intellectual property enforcement procedure for the new millenium. We'll see whether it will work.

The Policy aims to deal quickly and cheaply with domain names registered by cybersquatters. For example, it seems some some cybersquatter registered worldwrestlingfederation.com as a computer domain name, provoking the WWF to step into the ring.

Cybersquatting, as everyone probably knows by now, is when someone registers an internet domain name for bad faith reasons, usually in the hope of a quick profit by reselling the domain name to the "rightful" owner.

For years, it has been unclear what role, if any, an internet domain name registrar should play in policing trade mark issues as they affect domain names. The interests of trade mark owners clashed with the general principle of easy access to the internet. As well, the lack of any governing authority on the internet slowed action.

But in late 1998 the Internet Corporation for Assigned Names and Numbers (ICANN) appeared and took control. ICANN, ostensibly a private body, is in reality a creation of the US government.

ICANN's first move, in 1999, was to end Network Solutions' monopoly on granting .com, .net, and .org domain names. Network Solutions, a private company in Virginia, until then had had exclusive rights to give out such domain names, which it did on a first-come, first served basis, no questions asked. Network Solution's monopoly had been widely deplored as anti-competitive.

ICANN selected other domain name registrars around the world (including one in Canada: see getdomain.com) to compete with Network Solutions. Meanwhile, it considered how all the registrars should deal with domain name disputes, since it was obvious that there should be some co-ordinated policy. International consultations and weighty position papers followed.

The result was the Policy that has just come into effect. For many and perhaps most domain name disputes, the Policy is that domain name registrars will do nothing, unless it's clear the registration of the domain name is "abusive". If neither party to a dispute is "in bad faith", the parties will have to resolve the dispute in the courts, as best they can, despite the complex jurisdictional questions that may arise if they are in different countries. The registrars will abide by any court order or settlement, but will not otherwise get involved. The idea of special protection for "famous marks" seems to have been shelved for the time being.

But if the registration of the domain name may be "in bad faith", the Policy provides for a "Mandatory Administrative Proceeding", that is, mandatory to the allegedly bad faith registrant. The administrative process is designed to be quick (under 45 days) and cheap (\$1000.00 U.S. in fees, paid by the complainant). If the complaint is valid, the registrar will either disconnect the domain name, or transfer it to the complainant.

One of three "Providers", or arbitrators must be used, one of them the World Intellectual Property Organization (WIPO). Procedurally, the complainant sends its material to the Provider in hard copy and on-line, including whatever registrations or other material it relies on, and pays the fee. The Provider checks whether the material is in compliance with the Policy.

The onus is on the complainant to show that the dispute is an "Applicable Dispute" i.e. a clear case of bad faith. The complainant must show (i) that the domain name in dispute is identical or confusing to the complainant's trademark or service mark (it is not clear if common law rights are sufficient), (ii) that the person who registered the domain name has "no rights or legitimate interests in respect of the domain name", and (iii) the domain name has been registered, and "is being used in bad faith." Various listed factors can be considered by the Provider in deciding these questions (note that (ii) involves proving a negative.)

If satisfied *prima facie*, the Provider forwards the material to the respondent, the domain name owner. The respondent can then file responding material within 20 days.

The Panel may request "further statements or document from either of the Parties". In view of the stress on speed, it seems this generally will not happen. Hearings either in person or by phone will also be rare. The Panel will "determine the admissibility, relevance, materiality and weight of the evidence" and "shall decide a complaint in accordance with the Policy ... and any rule and principles that it deems applicable."

If the Panel decides to cancel or transfer the domain name, it will wait 10 days, to allow the respondent to start court proceedings in "a jurisdiction to which the complaint has submitted" (the complainant, in its materials, must agree to submit to the court jurisdiction the respondent is in, or where the respondent's registrar is located). If such proceedings are commenced within 10 days, the decision will not be implemented, pending the outcome of the court case.

All Panel decisions will be published in full over the internet.

Many possible procedural problems with the Policy immediately come to mind. But let's see how the case law develops, which shouldn't take long. Obviously, the wrestlers figure it's worth a shot, and who would want to argue with them?