Trademarks, UDRP & UDRP variants

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Agenda

- **Background to UDRP**
  (Uniform Domain Name Dispute Resolution Policy & UDRP Variants)

- **Overview of TM law & its application to DN disputes.**

- **UDRP & Variants, Overview and discussion.**
BACKGROUND TO
UDRP & ITS VARIANTS
History & aim

UDRP adopted by ICANN in 1999.

Aim

• to provide cheap, efficient ADR mechanism
• for countering threats to IPR
• in wake of cybersquatting.

Cybersquatting

• arose as major problem from mid-1990s.
UDRP history: Contributing factors

Marketing

- DNs were acquiring (new) functionality as marketing tools for businesses.

.com

- Extreme focus on getting DNs registered under .com.

Basic principle for allocation of DNs

- “First come first served”.
- At same time, DNs cannot be shared.

Relatively primitive state of search engines.
Litigation?

- Litigation in courts under TM laws
  - was first main way of countering cybersquatting;
  - but problematic for several reasons.
TRADEMARK LAW
Any sign,

• or any combination of signs,
• capable of distinguishing the goods or services of one undertaking
• from those of other undertakings,
• shall be capable of constituting a trademark.

• TRIPS Art 15 (1) (1)
Rationale

Enable consumers to (accurately)

• recognise and distinguish between goods/services in marketplace and thereby
• make (informed) choice about whether or not to purchase these.

Means for

• advertising of business, and means for
• business to acquire goodwill etc.
TM rules

Rules are primarily national:

• “The conditions for the filing and registration of trademarks shall be determined in each country of the Union by its domestic legislation”.

• see Paris Convention for the Protection of Industrial Property of 1883, Article 6(1)

Some harmonization: TRIPS Agreement 1994

• Article 15 (defining what may be protected)
• Article 16 (protection for well-known TMs).
EC legislation

- to approximate the laws of the Member States relating to trade marks;

**Community Trade Mark Regulation**
- codified version 2009.
Registration + conditions

Registration

• Protection of TM typically requires that TM be registered (with government agency).

Conditions for successful registration: e.g.,

• TM must be distinctive,
• not misleading/deceptive
• not in violation of public order or morality.

Distinctiveness:

• Generic terms tend not to qualify for TM prot.
• e.g., “beer”, “ice-cream”
<table>
<thead>
<tr>
<th>Store</th>
<th>Mac</th>
<th>iPod</th>
<th>iPhone</th>
<th>iPad</th>
</tr>
</thead>
</table>

Sources: Apple.com & [René Magritte](https://www.renemagritte.org)
Unregistered marks

Protection for unregistered marks

• Protect merely on basis that TM has been
  • used consistently and
  • acquired a certain profile in the marketplace.

• Only some jurisdictions.
Exclusive right

- to use TM for a certain period.
- In Norway, ten years.

Coexisting TMs

- Usually, TM may coexist if
  - each party operates in different geographical areas; or
  - each party uses the TM in relation to different classes of goods/services; and in either case
  - there is no likelihood of consumers being confused.
### Class 45: Legal services; security services for the protection of property and individuals; personal and social services rendered by others to meet the needs of individuals.

<table>
<thead>
<tr>
<th>Serial No. (En)</th>
<th>Indication of Goods or Services</th>
<th>Basic No.</th>
<th>Serial No. (Fr)</th>
<th>Serial No. (De)</th>
<th>Serial No. (Es)</th>
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<td>L0029</td>
<td>L0017</td>
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<td>C0157</td>
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<td>450112</td>
<td>A0055</td>
<td>E0003</td>
<td>A0042</td>
</tr>
</tbody>
</table>
International classification

See further: Nice Agreement

- Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (1957),
- Fifty states are party.
- This classifies goods and services into different categories for TM registration purposes.
TM infringement

Typically if a party uses

- identical or deceptively similar sign
- in relation to the same class of goods/services
- in the same territory as the TM.

Likelihood of confusion:

- Infringement if
  - closely related class of goods/services,
  - and there is a likelihood of confusion.
Infringing famous marks

Special protection
“famous” or “well-known” TMs

• regardless of the class of goods/services in relation to which the sign is used:
• see, e.g., Australia’s federal Trade Marks Act of 1995, s 120(3).
Famous marks & TM Dilution

Cf. doctrine of “dilution” (US law)

- 15 UTC, S. 1125 (c)(1)
- Owner of famous TM entitled to injunction to prevent commercial use of TM which causes “dilution of the distinctive quality of the mark”.
- Regardless of competition or confusion.

Other jurisdictions

- Similar protection is often available: see, e.g., UK Trade Marks Act of 1994, s. 10(3).
Likelihood of confusion

• "likelihood of association with earlier mark"
• S. 8(1)(b) of the Community Trade Mark Regulation of 1994.
Application of TM law to DN disputes

<table>
<thead>
<tr>
<th>DN per se ≠ TM</th>
</tr>
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<tbody>
<tr>
<td>• at least in some jurisdictions, such as Norway.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Registration/use of DN may infringe TM-owner’s rights.</th>
</tr>
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<tbody>
<tr>
<td>• Second- or third-level domains.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Post domain path?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• <a href="http://www.SLD.com/.../.../trademark.htm">http://www.SLD.com/.../.../trademark.htm</a></td>
</tr>
<tr>
<td>• US court: no TM infringement</td>
</tr>
<tr>
<td>• no indication of commercial origin.</td>
</tr>
<tr>
<td>• “post-domain path is merely an indicator as to how the website’s data is organized with the host computer’s files”</td>
</tr>
<tr>
<td>• See <em>Interactive Products Corp. v. a2zMobile Office Solutions Inc.</em> 326 F.3d 687 (6th Cir 2003).</td>
</tr>
<tr>
<td>• However: <a href="#">OLG Hamburg</a>, (2.3.2010 – 5 W 17/10)</td>
</tr>
</tbody>
</table>
Use?

Use

• Is DN being *used* as TM in relation to goods or services of TM-holder?

No use?

• Some courts have been reluctant to find “use” criterion satisfied in cybersquatting cases: e.g.,
  • *CSR Ltd v. Resource Capital Australia Pty Ltd* [2003] FCA 279 (per Hill J.);
  • *British Telecommunications v. One in a Million* (1998) 42 IPR 189.
Tort of passing off & misleading trade practices

**Tort of passing off**

- (see, e.g., *British Telecommunications v. One in a Million* (1998) 42 IPR 189 (per UK Ct. of Appeal))
- *easyJet Airline Co Ltd v. Dainty t/as easyRealestate* [2002] FSR 6)

**Law on misleading/deceptive trade practices**

- *CSR Ltd v. Resource Capital Australia Pty Ltd* – supra.
- Ikea.com.cn
- *Avnet Inc v. Isoact Ltd* [1998] FSR 16
Cybersquatting

• Courts curb cybersquatting under variety of heads of action
Early cybersquatting case law USA

Leading cases

- *Intermatic Inc v. Toeppen*, 977 F Supp 1227 (ND Ill 1996)
- *Panavision International LP v. Toeppen*, 141 F 3d 1316 (9th Cir. Ct. of Appeal 1998).

Is TM used or is DN a mere address?

- Equivalent to telephone number?
- Courts: TM is used. DN is more than mere address.

TM dilution

- Customers of TM-holder “will be discouraged”
- Cannot find its webpage by typing in <[trademark].com>
- Forced to wade through hundreds of websites.
USA : ACPA

Anti-cybersquatting Consumer Protection Act (ACPA) 1999

• § 43(d) to Trade Mark Act of 1946
• Codified at 15 USC, s. 1025(d)

TM infringement if

• DN registrant has bad faith intention to profit from reg. TM
• by registering or using a DN that is
  • identical or
  • confusingly similar to,
  • or dilutive of, the TM.

ACPA principles very similar to UDRP, but differences, e.g.:

• ACPA only applies to famous and/or distinctive marks;
• requires “bad faith intent to profit”;
• beefs up remedies.
DN as property?

**Kremen v. Cohen & Network Solutions**
- DN = type of “property”, susceptible to conversion.

Cf. claim that DN under .noTLD = property of registrant.

**Internet standards (as specified in RFC 1591)**
- Describe allocation of DNs in terms of “delegation”,
- Dnd in some jurisdictions, use of DN has been by revocable license
  - (e.g., Australia).
UDRP & VARIANTS:
OVERVIEW & DISCUSSION
UDRP Overview

**UDRP**

- Mandatory policy for DN under gTLD
- Applies between DN registrar and DN registrant
- Some ccTLDs have adopted UDRP (e.g., .tv).

**UDRP variants**

- ccTLD policies closely modelled on UDRP, (e.g., auDRP).

**Rapid procedures for new gTLDs**

- Uniform Rapid Suspension system (URS) for next round of new gTLDs
- Rapid Evaluation Service (RES), only for .xxx
UDRP Dispute resolution providers (DRPs)

ICANN-approved dispute resolution providers:

- WIPO’s Arbitration and Mediation Centre;
- National Arbitration Forum (NAF);
- Asian Domain Name Dispute Resolution Centre (ADNDRC);
- Czech Arbitration Court (CAC).

Former DPRs

- CPR Institute for Dispute Resolution
- eResolutions
## Complainant with legal right

### Complainant
- can be anyone in world
- with a TM or some other name to which they have legal rights.

### UDRP protects registered TMs

### Protects unregistered marks
- E.g., famous personal names: Julia Roberts
- But: Sting & Bruce Springsteen cases

### DNs involving geographical indicators
- tend not to be accepted. Examples <Madrid.com>; <Brisbane.com>; <Heidelberg.net>.
- Exceptions, particularly if statutory rights violated <Potsdam.com>
UDRP Requirements

Confusing similarity or identical

Lack of legitimate right

Bad faith registration & use
UDRP Remedies

- **Transfer**: Transfer of DN to Complainant
- **Cancel**: Cancel registration;
- **Dismiss**: Dismiss complaint
UDRP Appeals process?

**UDRP appeals**
- Not within UDRP system

**Court appeals**
- Appeal to court in “mutual jurisdiction”
- Respondent has 10 days to appeal after panel decision.
UDRP Advantages

Advantages

• Quick, cheap,
• online possibility,
• simple and relatively clear rules,
• publicly available decisions,
• minimisation of jurisdictional and choice-of-law problems.

Success by default

• “UDRP has been an effective remedy for cybersquatting
  • primarily because it makes it economically inefficient
  • for abusive registrants to defend their names”
• (Cf. Mueller, “Success by Default”)
# UDRP Problems

## Forum Shopping?
- Complainant chooses arbitrator

## Transparency?
- Trial and pleadings not public

## Lacking Rules
- No rules of evidence
- No possibility to challenge independence or impartiality

## Open or Vague Rules?
- Open panellist selection process
- Bad faith rule rather vague

## Appeal?
- No right of appeal

## Time
- Too brief?

## Bias?
- (Possible) bias of panels in favour of TM owners
- Many TM lawyers, few academics

## Inconsistencies
- Inconsistency of decisions
- But cf. WIPO “consensus view” ([WIPO Overview 2.0](#))
UDRP Solutions?

Mueller (in “Success by Default”):

• Require Complainants to pay $1,000 bond additional to costs of filing complaint
• Clarify criteria for finding “confusing similarity” to TM
• Expand list of factors that show “bad faith” to formally encompass “passive holding” and identity concealment, but make list finite

Nominet’s

• Provides for right of appeal in Dispute Resolution Service,
• imposes initial mediation phase
• replaces “bad faith” requirement with requirement to show “unfair advantage or detriment”.

Courts

• Courts do not appear to place much weight on UDRP panel decisions;
• Arguably should be de novo hearing (despite traditional court deference to arbitration outcomes) due to procedural deficiencies with UDRP.
• Some court decisions clearly opposed to earlier UDRP outcomes
  • See, e.g., Lamparello v. Falwell, dec. of 24.8.2005 by US Ct. of Appeals 4th Cir. (permitting gripe site <www.falwell.com>)
  • Bosley Medical Institute v. Kremer, dec. of 4.4.2005 by US Ct. of Appeals 9th Cir.
Does the Uniform Domain Name Dispute Resolution Policy (UDRP) need a review?

Results | Messages | Flag

Does the Uniform Domain Name Dispute Resolution Policy (UDRP) need a review?

© YES
© NO

SUBMIT VOTE »

This poll was created on 2011-06-15 08:57:00 by kkornails

http://www.misterpoll.com/polls/526882
UDRP Review?

ICANN GNSO

• Possible new policy development process (PDP) currently discussed by GNSO

Status

• Issue report requested
• Preliminary issue report published by ICANN staff
• Public comment period just closed
Literature

• Thornburg, “Going Private: Technology, Due Process, and Internet Dispute Resolution”, *University of California at Davis Law Review*, 2000, vol. 34, 151–220;
• Hörnle, *Cross-border Internet Dispute Resolution* (Cambridge: Cambridge University Press, 2009), pp. 186 et seq.
• Komaitis, “The current state of domain name regulation : domain names as second class citizens in a mark-dominated world” (London; New York: Routledge 2010).