1. Additional Discussions

A) Some members of the group suggested that that there be a "Reserved" list of names of countries possibly limited to a "few" languages drawn from 6 UN languages and the principal languages of each such country (possibly including by reference confusingly similar names whether written, depicted or sounded). In this manner people could know in advance exactly what was protected. The List could be "absolute" or it could be an exclusion only to apply to identical or confusing Domain Names adopted in bad faith thus preserving legitimate adoption both past and future.

Other members replied that a reserved list does not satisfy the requirements agreed by the WIPO2 process, because there is no recommendation in the WIPO-2 report to exclude absolutely the use of country names, and the WIPO-2 report recommends that confusingly similar names also be subject to the UDRP, which is not provided for by a "reserved" list.

Indeed, the suggestion to provide for a reserved list of country names was discussed in the context of the Second WIPO Internet Domain Name Process. It was felt that such exclusionary mechanisms would be both overly broad and unduly narrow. They would be unduly broad because they would prevent persons or entities with a legitimate interest in the domain name to register and use it (whereas a legitimate interest constitutes a defense under the UDRP). They would be unduly narrow because they would not cover misleadingly similar variations of the names that are to be protected.

B) Some members stated that if WIPO-2 recommendations are adopted by the ICANN Board they should be identical in all other respects to the current UDRP, that is there should be no special appeal in the form of compulsory arbitration or otherwise. It was felt by several people that Constitutional imperatives in their country cannot allow them to contract out of the right to have access to their courts. However, the most important objection was that the fundamental basis for the Agreement of all parties to the UDRP Agreement accepted by the Board in Santiago, Chile was the access of any party at any time to a court of competent jurisdiction. NO ONE was willing to be denied access to the Courts at any stage of UDRP proceedings and it was this condition that formed a cornerstone of the acceptance of UDRP by all the constituencies of the (DNSO) GNSO. This constitutes a "fundamental" change that should not be made without the clear acceptance of the (members of the Policy Arm) GNSO of ICANN.

Other members replied that binding arbitration is not prohibited by the Constitutions of the 134 countries that are signatories to the UN Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the so-called New York Convention). See:

http://www.uncitral.org/english/status/status-e.htm

They also noted that in the United States, consumers can be compelled to arbitration by contracts of adhesion.

Other members replied noting that use of international arbitration for disputes involving intergovernmental organizations is routine, and that the evolution of the misuse of names of intergovernmental organizations justifies the change to the previous agreement. Others replied there was little evidence to support the seriousness of the problem justifying such a radical change.

Concerning the question of "concurrence of the parties to the UDRP", these members noted that the original UDRP is essentially identical to the recommendations made in the first WIPO process, so it is not clear why the parties that agreed to the WIPO-2 recommendations are not the appropriate parties to agree to amendments to

the original UDRP. Furthermore, if one takes a purely formal approach, the UDRP is implemented in the form of contractual conditions imposed by ICANN on the basis of a decision of the ICANN Board. Thus, in the view of these members, the ICANN Board clearly has the power to decide to amend those contractual conditions, that is, to amend the UDRP. The question however, remains whether it should. Others argued that the question is not simply "if" the Board can do it but who needs to be consulted/in agreement in order for the Board to decide whether it should do it. The changes from the original WIPO UDRP proposal were not merely "cosmetic" but were negotiated and substantive.

Concerning referral to the GNSO, these members noted that the whole purpose of this joint working group was to refer the matter to all ICANN constituencies, including of course the GNSO. The joint working group included representatives of GNSO, who were forthright and articulate in presenting the GNSO position.

Thus, felt these members, the GNSO has been given ample and sufficient scope to present its position, which is to oppose implementation of the WIPO-2 recommendations. Further consultation with the GNSO would serve no purpose and the Board should decide whether or not to implement the WIPO recommendations while taking into consideration the opposition expressed by the GNSO.

C) Some members felt that a new, independent dispute resolution policy should be created. They stated that there are a number of advantages in creating an independent UDRP (assuming the difficulties of any change are overcome):

-The existing trademark UDRP is quite different to the new types of dispute resolution proposed.

• In relation to IGOs, UDRP panelists could (under some implementations) in effect
. be setting new international law. They are not qualified to do this.

• In relation to country names, §234 of the WIPO report recognizes that the legal entitlement of a country to its corresponding name at the international level is not firmly established. There is no jurisprudence, similar to the century of trademark jurisprudence, to guide a dispute resolution panelist in this field.

• The current proposals have many problems, as discussed elsewhere in this report, and may result in contested resolutions. This would bring the existing UDRP for trademarks into disrepute.

• Today's panelists typically have their expertise rooted in trademarks : panelists for disputed IGOs and country names may need different or at least additional skills to perform their task efficiently.

In essence, a separate system is needed because the characteristics of the solution proposed by WIPO differ sufficiently from the characteristics of the existing UDRP.

Characteristic	Trademark UDRP	IGOs	Count names
Non-binding nature: resource to Court	Yes	No	No

1

1. http://wipo2.wipo.int/process2/report/html/report.html
2 Depending on choice of implementation

possible			
Panellists expertise in trademark law relevant.	Yes	No	No
Protection based on reserve-list	No	Yes	Yes
History of relevant jurisprudence	Yes	No	No

For this reason, these members recommended that taking into account the rest of the areas of this report, the Board only give consideration to four options:

1. take no further action
2. create a new independent UDRP for IGOs
3. create a new independent UDRP for country names
4. create a new independent UDRP for IGOs and country names.

Other members noted that the statement "UDRP panelists could (under some implementations) "in effect "be setting new international law" is not literally correct. International law can only be created by treaties or actions of sovereign states, so it is not clear how a UDRP panelist that has her mandate under a contract of adhesion from a private company could be setting new international law.

Other members noted that, while lawyers have their definitions, it is very difficult to explain to a layperson that a globally effective "rule" that takes away domain names deemed to be registered in "bad faith" is somehow not really a law.

That is, pointed out these members, some might consider the UDRP system to be equivalent to "international law" in its effects.

Regarding the table of characteristics above, some members pointed out that there was no suggestion to change the appeals mechanism for disputes regarding country names, so the first row under the column country name should ,arguably, read "yes".

These members also queried what the row "protection based on reserve list" is supposed to mean. As previously stated, the WIPO-2 process did not recommend any such mechanism, so it is not clear whether this row is particularly relevant. In any case, there is not any reserve list mechanism for IGO or country names, so it is not clear that the entries in this row are factually correct.

Finally, stated these members, it is not clear what the row "history of relevant jurisprudence" refers to. The criteria in the current UDRP do not exactly match the laws of any particular country, the reference cannot be to national case law (jurisprudence). If the reference is to the case law of the UDRP itself, then, stated these members, this case law did not exist prior to the creation of the UDRP. Surely case law for an amended UDRP would develop over time exactly the same way that case law for the original UDRP developed over time.

Concerning whether or not the UDRP matches national laws, some members stated that the criteria in the UDRP are fundamentally jurisdictional; the substantive law is determined under

traditional choice of law principles with reference to the law relevant to the registrant. No other rule could achieve the stated goal of having the UDRP produce the same result as would be obtained in court. Given the abbreviated procedure, not all arbitrators are as careful about this as they should be, but that doesn't change the underlying structure.

Furthermore, it is clear that reference to existing national law is the intention of the UDRP as it states that the name should not be transferred if the registrant has rights to it; those rights are not defined in the UDRP, and can have no source other than the relevant national law.

However, pointed out other members, the UDRP establishes a whole new basis for transfer of a namebad faith. Bad faith is generally not part of relevant national law of trademark ownership and infringement, 4lthough it does form the essential basis for the tort of unfair competition which is a common law principle and codified in civil law countries

D) Some members expressed support for a separate DRP for country names and IGOs. They noted that the INTA said as much in its May 8, 2002 letter to Francis Gurry:

[T]he Association endorses consideration of the tandem adoption of a dispute resolution mechanism to be used only to resolve matters concerning the bad faith registration or use of a country name as a domain name. The burden of establishing bad faith registration or use of a country name should rest with the government of the country claiming such bad faith, and because "legal entitlement of a country to its corresponding name, at the international level, is not firmly established," (see The Protection of Country Names in the Domain Name System, Paragraph 34, WIPO, March 29, 2002) the level of bad faith that a national government must demonstrate to succeed in a dispute should at a minimum be equal to and, likely greater than, the level required under the trademark UDRP. The country name dispute resolution policy must also include legitimate rights or defenses to a cause of action initiated by a national government (see above).

Further, they stated, at heart is the point about the repute of the trademark UDRP. It works rather well. All the discussion we have had over WIPO 2 informs us that there are many traps and potential causes of failure. This is the most cogent reason for two separate policies.

Other members, considering that the Group is supposed to submit concrete implementation options to the Board, stated that proponents of an independent UDRP should provide the actual text of the proposed independent UDRP, and the text determining how that independent UDRP would be referenced in ICANN's model registry and registrar contracts. Otherwise, they said, it might be difficult for the Board actually to consider that option for implementation. However, presumably if this option was of serious interest to the Board after whatever consultations it chooses to have it would ask WIPO or another Organization or Committee struck for the purpose to develop a concrete set of rules for such a UDRP solution.

2. Final Conclusions and Recommendation

It should be stressed, once again, that there was no consensus within the Group. Also, it should be noted that the Group did not consider it appropriate to vote or to otherwise attempt to quantify members" opinions, so the expression "some members" means exactly that. It could be a minority or a majority, but it does not represent either unanimity, nor consensus

.

Some members of the Group recommend that the ICANN Board make a decision with respect to amending the Policy and Rules. They suggest that no further discussion should take place regarding the actual language of the revisions. They suggest that the Board should make a decision to accept or to reject as a block the amendments shown in Annex 1 of this Final Report.

Some members recommend that if WIPO-2 recommendations are adopted by the ICANN Board they should be identical in all other respects to the current UDRP, that is there should be no special appeal in the form of compulsory arbitration or otherwise.
Some members of the group recommend that that there be a "Reserved" list of names of countries limited to a "'few"' languages drawn from 6 UN languages and the principal languages of each such country.

Some members felt that a new, independent dispute resolution policy should be created.

Some members of the Group recommend that the ICANN Board undertake a comprehensive review of whether implementation of the WIPO recommendations would require ICANN to prescribe adherence to normative rules, not based on established laws, for the resolution of competing third-party claims to rights to register names and that the Board should decide whether to extend the normative rules of the UDRP as recommended by WIPO-2.

Some members of the Group recommend that the ICANN Board should not extend the normative rules of the UDRP as recommended by WIPO-2, because implementation of the WIPO recommendations would require ICANN to prescribe adherence to normative rules, not based on established laws, for the resolution of competing third-party claims to rights to register names.

Some members of the Group believe that such an important change to the UDRP constitutes a-policy decision" and should be formally referred to the GNSO with this Report in keeping with the ICANN by-laws. Should the GNSO approve the WIPO-2 recommendations, that would give the Board good authority to implement said recommendations in the form approved by the constituencies through the GNSO.

Annex 1: Proposal for amendments to the UDRP

This annex presents, in the form of revision marks, suggested changes to the UDRP in order to implement the recommendations transmitted to ICANN by the World Intellectual Property Organization (WIPO) on 21 February 2003. The WIPO recommendations are available at: http://www.icann.org/correspondence/gurry-letter-to-cerf-lynn-21feb03.htm

The definition of "international intergovernmental organization" (IGO) which appears below has been supplied by the United Nations Office of Legal Affairs, Treaty Section, which is the UN office that specializes in questions related to intergovernmental organizations.

The arbitration clause in case of a dispute involving an IGO is deliberately tailored to give the non-IGO party an environment as close as possible to a domestic court environment. As an exception to that principle, if the country of residence of the non-IGO party has not ratified the New York Convention for the Recognition and Enforcement of Foreign Arbitral Awards, then the place of arbitration should not be in that country, since, if it were, it would prove difficult to enforce the award; in this case the place of arbitration should be Geneva, Switzerland, since that is widely accepted as a neutral arbitration venue.

It is suggested that IGOs be allowed to use arbitration for all disputes, not just those brought under the new provisions proposed by WIPO. This suggestion goes beyond what was proposed by WIPO. If it is not accepted, then the square brackets in the definition of "Mutual Jurisdiction" should be lifted (deleted).

Only the affected portions of the Policy and Rules of Procedure are reproduced below, together with the proposed changes. The full text of the current Policy and Rules of Procedure can be found at:

http://www.icann.org/dndr/udrp/policy.htm

and

http://www.icann.org/dndr/udrp/uniform-rules.htm

Uniform Domain Name Dispute Resolution Policy

4. Mandatory Administrative Proceeding.

This Paragraph sets forth the type of disputes for which you are required to submit to a mandatory administrative proceeding. These proceedings will be conducted before one of the administrative-dispute-resolution service providers listed at www.icann.org/udrp/approved-providers.htm (each, a "Provider").

a. Applicable Disputes. You are required to submit to a mandatory administrative proceeding in the event that a third party (a "complainant") asserts to the applicable Provider, in compliance with the Rules of Procedure, that

(i) your domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and

(ii) you have no rights or legitimate interests in respect of the domain name; and

(iii) your domain name has been registered and is being used in bad faith.

Or in the event that an international intergovernmental organization (IGO) asserts to the applicable Provider, in compliance with the Rules of Procedure, that

(iv) the registration or use, as a domain name, of the name or abbreviation of the IGO that has been communicated under Article 6*ter* of the Paris Convention is of a nature:

(a) to suggest to the public that a connection exists between the domain name holder and the IGO; or

(b) to mislead the public as to the existence of a connection between the domain name holder and the IGO; or

(v) on the ground that the registration or use, as a domain name, of a name or abbreviation protected under an international treaty violates the terms of that treaty.

Or in the event that the government of a country recognized by the United Nation asserts to the applicable Provider, in compliance with the Rules of Procedure, that

(vi) your domain name is identical or confusingly similar to either the long or short name of the country, as provided by the United Nations Terminology Bulletin, in either any of the official language(s) of the country concerned or in any of the six official languages of the United Nations; and

(vii) you have no rights or legitimate interests in respect of the domain name; and

(viii) the domain name is of a nature that is likely to mislead users into believing that there is an association between the

domain name holder and the constitutional authorities of the country in question; and

(ix) you registered the domain name after 21 February 2003.

In the administrative proceeding, the complainant must prove that each of elements (i) (ii) and (iii); or (iv)(a) or (iv)(b) or (v); or (vi), (vii), (viii) and (ix) ~~these three elements~~ are present, as applicable.

...

k. Availability of Court Proceedings. The mandatory administrative proceeding requirements set forth in Paragraph 4 shall not prevent either you or the complainant from submitting the dispute to a court or arbitration panel of competent jurisdiction for independent resolution before such mandatory administrative proceeding is commenced or after such proceeding is concluded. If an Administrative Panel decides that your domain name registration should be canceled or transferred, we will wait ten (10) business days (as observed in the location of our principal office) after we are informed by the applicable Provider of the Administrative Panel's decision before implementing that decision. We will then implement the decision unless we have received from you during that ten (10) business day period official documentation (such as a copy of a complaint, file-stamped by the clerk of the court or secretariat of the arbitration institution) that you have commenced a lawsuit or arbitration against the complainant in a jurisdiction to which the complainant has submitted under Paragraph 3(b)(xiii) of the Rules of Procedure. (In general, that jurisdiction is either the location of our principal office or of your address as shown in our Whois database. See Pragraphs 1 and 3(b)(xiii) of the Rules of Procedure for details.) If we receive such documentation within the ten (10) business day period, we will not implement the Administrative Panel's decision, and we will take no further action, until we receive (i) evidence satisfactory to us of a resolution between the parties; (ii) evidence satisfactory to us that your lawsuit or arbitration claim has been dismissed or withdrawn; or (iii) a copy of an order from such court or arbitration panel dismissing your lawsuit or arbitration claim or ordering that you do not have the right to continue to use your domain name.

...

Rules for Uniform Domain Name Dispute Resolution Policy

1. Definitions

In these Rules:

...

Government means a body with juridical personality established by a country that is a member of the United Nations by an act, however characterized, creating enforceable rights and obligations and governed by public law. A party asserting to be a government shall assert that it has, under applicable national law, the authority and power to act as a party under the UDRP and to represent the country in any proceeding under the UDRP or arising out of or in conjuction with the UDRP.

ICANN refers to the Internet Corporation for Assigned Names and Numbers.

International Intergovernmenal Organization (IGO) means an organization with international juridical personality established by international agreement, however characterized, creating enforceable rights and obligations and governed by international law. It includes organizations created by international treaties.

Mutual Jurisdiction means a court jurisdiction at the location of either (a) the principal office of the Registrar (provided the domain-name holder has submitted in its Registration Agreement to that jurisdiction for court adjudication of disputes concerning or arising from the use of the domain name) or (b) the domain-name holder's address as shown for the registration of the domain name in Registrar's Whois database at the time the complaint is submitted to the Provider. Except that if the complainant is [made under 4.a(iv) or 4.a(v) of the Policy by] an international intergovernmental organization (IGO) then mutual jurisdiction means an arbitration court constituted under the rules of either the American Arbitration Association International Rules, the International Chamber of Commerce, the London Court of International Arbitration, or the World Intellectual Property Organization Arbitration Centre.

If one party is not an IGO, then:

a) That party may choose the arbitral institution from the above; if no choice is made the institution shall be the World Intellectual Property Organization Arbitration Centre.
b) The place of arbitration shall be the residence of the party that is not an IGO, except that if that residence is in a country that has not ratified the New York Convention for the Recognition and Enforcement of Foreign Arbitral Awards, then the place of arbitration shall be Geneva, Switzerland.
c) The law applying to the dispute shall be the national law of that party.
d) That party may choose whether there are one or three arbitrators; if no choice is made there shall be one arbitrator.
e) All arbitrators shall be nationals of the country of residence of that party;

If both parties are IGOs, then the place of arbitration shall be Geneva, Switzerland, there shall be three arbitrators, and the institution shall be the World Intellectual Property Organization Arbitration Centre.

...

3. The Complaint

...

(b) The complaint shall be submitted in hard copy and (except to the extent not available for annexes) in electronic form and shall:

...

(xiii) State that Complainant will submit, with respect to any challenges to a decision in the administrative proceeding canceling or transferring the domain name, to the jurisdiction of the courts or arbitral tribunal in at least one specified Mutual Jurisdiction;

...