



A survey of the decisions of the various dispute-resolution service providers under the ICANN Uniform Dispute Resolution Policy (UDRP) clearly demonstrates that there is no meaningful relationship between trademark law and the ownership of domain names

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This article was published on 5 February 2005 but written in May 2002.

Citation: Kelsall, R J, 'A survey of the decisions of the various dispute-resolution service providers under the ICANN Uniform Dispute Resolution Policy (UDRP) clearly demonstrates that there is no meaningful relationship between trademark law and the ownership of domain names', (2005) *The Student Law Journal*. This article is available from: <http://www.studentlawjournal.com/articles/2005/ugrad/judreviewdw.pdf>

Abstract:

Domain names have become increasingly important in recent years. As many people scramble to obtain a web-presence to increase their business profitability, disputes have arisen over domain names. Many of these disputes emerge from the fact that trademark law allows for multiple uses of the same name for different products. Only one version of each word in a Top Level Domain or Country Code Top Level Domain is allowed. Thus, many actions were initially brought under domestic trademark law or passing off. Due to the jurisdictional problems, domestic legislation has proved inadequate.

The governing body of the Internet, the Internet Corporation for Assigned Names and Numbers (ICANN) attempted to resolve this problem with the Uniform Dispute Resolution Policy (UDRP). However, this problem has been fraught with allegations of protection of domain above and beyond the remit of trademark law. There have been many cases where domain names have been handed to famous trademark holders when the current user of the domain name appears to have legitimate rights in the domain name.

Disputes arise over the rights to surnames in domain names. What gives a particular person the rights to a domain name over a person with that surname? Domain names can also encourage freedom of speech. There have been decisions which have handed tenuously linked domain names to trademark holders and hence impinged on the principal of freedom of speech.

Essay:

“It is clear that nothing in trademark law requires that title to domain names that incorporate trademarks or portions of trademarks be provided to trademark holders. To hold otherwise would create an immediate and indefinite monopoly to all famous mark holders on the Internet... Trademark law does not support such a monopoly”¹

Introduction

Domain names have become of increasing importance as the Internet revolution has taken-off. There were 21,522,642 .com domain names registered at the time of writing². Thus many of the short, ‘catchy’ and applicable domain names have already been registered. Consequently, domain names have value. This is due to the fact that when a surfer is unsure of the domain name of a company they will merely type in the company’s trademark or business name followed by .com. Whilst this will work in cases where the business has been intelligent enough to register their trademark as a domain name prior to the Internet boom, some companies either failed to register their business name as a domain name or have competition for that domain name from another business operating under the same name. Accordingly, there is competition between these potential domain name holders. This problem is further exacerbated by the practice of reverse-domain-name-hijacking and cybersquatting. Cybersquatting involves an Internet ‘entrepreneur’ registering domain names which are likely to have some value and then attempting to sell them to the most obvious person connected with the domain name, i.e. a famous trademark holder³.

What is a Domain Name?

A domain name is a human comprehensible alternative to the string of numbers called an Internet Protocol address, which web servers use to

¹ Quote from the case of “Strick Corporation v James B. Strickland” (EDPA) 27 August 2001. Quote taken from the *Domain Name Handbook* at <http://www.domainhandbook.com/dd.html> (last accessed on 16 March 2001)

² Domain name statistics from <http://www.domainstats.com> (last accessed 23 April 2002)

³ Such examples include attempting to sell <http://www.marksandspencer.co.uk> to the Marks & Spencer company.

identify each other on the Internet⁴. Due to the difficulty of remembering a series of numbers, alphabetical domain names were “developed to make the ‘addresses’ easier for humans to remember and use when communicating on the Internet.”⁵ This has, however, created more problems than it solved. Domain names are served on a “first-come, first-served” by the Internet Corporation for Assigned Names and Numbers (ICANN). Due to this policy, the popular domain names were quickly unavailable for purchase. For example, there are at least two companies which are known by the business name “Pitman”. This begs the question of who should be awarded the domain name <http://www.pitman.com> when Pitman Training Ltd and Pitman Publishing Company both wish to purchase the domain name⁶. This is dealt with by ICANN using their Uniform Dispute Resolution Policy (UDRP) which is administered by approved agencies.

What is a Trademark?

A Trademark is defined in UK law as “any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of another undertaking.”⁷ Trademark holders do not obtain a monopoly to the Trademark but merely the right to use the name in connection with particular goods or services nationwide. Companies can theoretically establish themselves in different spheres of work and use the same trademark⁸. A national registered trademark can be obtained through the UK Patents Office⁹ under the Trademarks Act 1994 or can be registered as a Community Trademark under European Community Law¹⁰.

⁴ Chissick, Michael & Kelman, Alistair, *Electronic Commerce: Law and Practice*, 2nd Edition, 2000, Sweet & Maxwell, p.23

⁵ Johnson, Susan Thomas, “Internet Domain Name and Trademark Disputes: Shifting Paradigms in Intellectual Property”, (2001) 43 *Arizona Law Review* 465, p.468

⁶ Pitman Training Limited v Nominet UK [1997] FSR 797

⁷ Trade Marks Act 1994, s.1

⁸ One does have to be careful that no dilution of the trademark occurs or that a passing-off action is not brought

⁹ See The Patent Office – Trade Mark section at <http://www.patent.gov.uk/tm/index.htm> (last accessed 26 April 2002)

¹⁰ Council Regulation 40/94 on Community Trade Mark which is administered by the Office for Harmonisation in the Internal Market

Domain Names and Trademarks

There are two potential problems: firstly, no two domain names can be the same and, secondly, trademark law is territorial rather than global¹¹. It can be argued that no two domain names can be the same is not a great problem as alternative generic Top Level Domains (gTLDs) and Country Code Top Level Domains (ccTLDs) are available. This does not, however, solve the problem. This is due to the fact that there are only three gTLDs¹² and that ccTLDs are only, barring a few exceptions¹³, connected to companies operating in that country. Once these have been taken, companies have to look at alternatives to their trading name or take action via the UDRP. An example of the former is shown when attempting to register ABA as a gTLD. The domain name <http://www.aba.com> is registered to the American Bankers Association, <http://www.aba.org> to the American Birding Association and <http://www.aba.net> to Ansaback. All of these appear *bona fide* users of the domain name and thus the American Bar Association was left with the less intuitive domain of <http://www.abanet.net>¹⁴. Thus, should trademark holders be granted domain names based purely on their right as a trademark holder? This situation appears reminiscent of the situation in America where a consumer or business could purchase, for a fee, a telephone number which equated to some memorable phrase. For example, 1-800-HOLIDAY was acquired by Holiday Inns¹⁵. Domain names also have a similar commodity in which they allow Internet users ease of access to the firm.

The second problem is probably one of the most important. If trademark law is to be applied to domain names then problems arise over what trademark law should be applied. Although “registered trademark regimes are relatively

¹¹ Waelde, Charlotte, “Trade Marks and Domain Names: There's a Lot in a Name” in Edwards, L. & Waelde, C. *Law and the Internet: A Framework for Electronic Commerce*, Hart (2000), p.135

¹² The three being .com, .org and .net

¹³ Examples of which include “.tv” which is the ccTLD of Tuvalu and is proving popular amongst television companies and media companies. An example of a company which has had to obtain such a domain is Liverpool FC. Their website is <http://www.liverpool.tv>

¹⁴ Lloyd, Ian J., *Information Technology Law*, 3rd Edition, (2000), Butterworths, p.472

¹⁵ Eng, Kevin, “Breaking Through the Looking Glass: An Analysis of Trademark Rights in Domain Names Across Top Level Domains”, (2000) 6 *Boston University Journal of Science and Technology Law* 7, para.12

uniform from country to country, there still exists significant differences.”¹⁶ Each country has their own procedures for granting a trademark and, *ergo*, this means that there is no uniformity if trademark law is applied to domain name disputes. Thus, conflicts arise when companies with similar trade names attempt to register the same domain name¹⁷.

Domain names have value and it has been suggested that domain names could be used as loan collateral¹⁸. Some legal problems are attached to this debate with the prominent problem being that domain names are not considered property. However, financiers may be able to use it as some form of security against a loan. If this is the case, then the financier has to be sure that the domain name will not be lost to another trademark holder as this would remove some, if not all, security for the loan. When eToys were declared bankrupt the only real asset of the company was the domain name. The financiers decided that this should be sold in order to pay-off creditors. This again suggests that the reason that domain names require regulation is due to the value which can be gained by them.

Recent Problems in Cyberspace

The recent increase in people obtaining access to the Internet has meant that many entrepreneurs have seen opportunities to exploit this new medium. This was shown in the late 1990s where a plethora of new companies began to trade on the Internet. This “dot com” boom showed to people the amount of money that could possibly be made on the Internet. However, the market quickly became saturated with too many companies competing for too few customers and the bubble eventually burst. During this similar time other problems arose in connection to domain names: namely reverse-domain name hijacking and domain name hijacking (cybersquatters).

¹⁶ Smith, Graham J.H., *Internet Law and Regulation*, 3rd Edition, 2002, Sweet & Maxwell, p.73

¹⁷ Prince PLC v Prince Sports Group, Inc. [1998] F.S.R. 21

¹⁸ Lipton, Jacqueline, “What’s in a (Domain) Name? Web Address as Loan Collateral”, (1999) 2 *The Journal of Information, Law and Technology (JILT)*, available from <http://elj.warwick.ac.uk/jilt/99-2/lipton.html>

Reverse-Domain Name Hijacking

This is the situation where a trademark holder has pursued a policy of preventing anyone, even those people with a legitimate use to the name, from using a domain name which is linked, either explicitly or tenuously, to their trademark. This is obviously a problem due to the fact that there are some forty-two categories under which goods and services may be classified under the Trade Mark Act 1994 in the UK. Thus, it is conceivable that all forty-two right holders could be competing for one domain name. This is further exacerbated as every other country may have similar trademark law and if they all want a .com domain then there may be thousands of legitimate applicants. The problem is alleviated somewhat in the United Kingdom as the .uk ccTLD is sub-divided into more domain names¹⁹. However, the common practice of companies in the USA registering under the .com gTLD means the problem appears much more obvious in the USA. Further complications occur where human surnames can be registered as trademarks. In this situation, thousands of people could conceivably hold rights in the domain name.

Aggressive attacks on legitimate holders of a domain name by trademark holders can be seen in the case of ty.com²⁰. The reason the domain was chosen was due to the fact that the registrant's son was called Ty. A California toy company, Ty Inc., attempted to buy the domain name from the registrant and when he refused, they alleged trademark infringement. The registrant was not in the business of selling toys. He therefore had a legitimate use to the domain name. This is a problem that every domain name holder dreads and is a typical case of attempting to protect the rights of "these Davids against the complaints of corporate Goliaths"²¹. Expensive litigation led to Ty Inc. paying Mr Giacalone a "very, very substantial sum" for

¹⁹ For example: .co.uk (for UK companies), .org.uk (for UK Non-Profit Making organisations)

²⁰ See Giacalone v. Network Solutions Inc. available at <http://cyber.law.harvard.edu/metaschool/fisher/domain/dncases/giacalon.htm> (last accessed 26 April 2002) and Giacalone v. Network Solutions Inc., No. C-96-20434 (N.D. Cal. June 13, 1996). This case was dismissed after the parties reached an out of court settlement.

²¹ Wolff, Adrian, "COMMENT: Pursuing Domain Name Pirates Into Uncharted Waters: Internet Domain Names That Conflict With Corporate Trademarks" (1997) 34 *San Diego Law Review* 1463, p.1485

the rights to the ty.com site. This situation could have been avoided, however, if there had been some clear and predictable law for the parties to follow²².

Domain Name Hijacking/Cybersquatters

Cybersquatting occurs when applicable domain names to large companies are bought by individuals with the intent to profit from their registration by selling them to the famous trademark holder. It has been suggested that "Internet users recognise domain names as indicating a connection with the person named."²³ There are two options for the trademark holder in the UK: an action for infringement of the right under the Trade Mark Act 1994 or an action for passing off. Until the case of *One in a Million*²⁴, there had been no English authority on the repercussions of cybersquatting. The registrant had registered numerous domain names such as <http://www.ladbrokes.com> and <http://www.marksandspencer.com>. The defendant argued that registration of these names had taken place so that profit could be made by the sale of the domain names to the trademark holders or to other legitimate holders. This, it was argued, meant that a threat of passing off could not occur. The court rejected this argument and said that passing off had occurred as the registrant had misrepresented himself to the register as being connected to companies as "marksandspencer" is a distinctive mark.

These legal challenges do bring with it their own problems. They are slow, cumbersome and expensive²⁵. Problems also arise with jurisdictional issues insofar that trademark law and passing-off is a national issue whereas the Internet is a global environment.

²² It is, of course, not a good idea for a large company to sue individuals, especially those who chose a domain name due to their child's name. The bad publicity can tarnish a company's reputation when purchase of a different domain name would avoid these problems.

²³ Phillips, Jeremy & Firth, Alison, *Introduction to Intellectual Property Law*, 4th Edition, 2001, Butterworths, p.365

²⁴ British Telecommunication PLC, Virgin Enterprises Ltd, J Sainsbury PLC, Marks & Spencer PLC and Ladbroke Group PLC v One in a Million [1999] FSR 1

²⁵ Phillips & Firth, *op. cit.*, n.23, p.365

Attempts to Internationalise Trademark Law

It is acknowledged that there are basic similarities amongst national trademark law. However, the differences in legislation are shown in areas such as dilution, geographical terms, famous marks, rights of publicity, and religious and social issues²⁶. This leads to uncertainty for trademark holders.

The USA has attempted to internationalise trademark law via number of pieces of legislation. The Federal Dilution Act 1995 allows the owner of a famous mark to claim against an organisation using the same law, even though there is no competition between the parties. This Act is gaining wider recognition due to certain international treaties requiring the signatory nationals to afford dilution protection to trademark owners²⁷. The Domain Name Piracy Prevention Act 1999 sought to prevent consumers becoming confused by bad-faith registrations of domain names which are identical, or confusingly similar to, distinctive trademarks²⁸. Cybersquatting was addressed by the Anti-Cybersquatting Consumer Protection Act 1999. An action can be brought against a cybersquatter where registration of a domain name has been made in bad faith with intent to profit. The cybersquatter must also be in the business of trading domain names. If the mark is famous, then the domain name must be identical or confusingly similar to the mark or it must dilute the mark²⁹.

Uniform Dispute Resolution Policy

The inadequacy of the nationalistic policies and the uncertainty as to whether it can transcend national boundaries has led to a possible contractual solution. Reed suggests that “[i]t seems likely that the conflict between the domain name system and the legal protection of trade names will be unable to be resolved by legal protection.”³⁰ Domain names are a valuable commodity

²⁶ Maher, David W., “A Cyberspace Perspective on Governance, Standards and Control: Trademark Law on the Internet – Will it Scale? The Challenge to Develop International Trademark Law” (1997) 16 *The John Marshall Journal of Computer and Information Law* 3, p.13

²⁷ Ibid, p.14

²⁸ Johnson, Susan Thomas, *op. cit.*, n.5, p.485

²⁹ For a more details discussion see Smith, Graham J.H., *op. cit.*, n.16, p.155

³⁰ Reed, Christopher, *Internet Law: Text and Materials*, 1st Edition, Butterworths, 2000, p.47

and thus it is important to look at the UDRP offered by ICANN, the regulatory body of the domain names system. ICANN is not an organ of a government or country and should therefore be able to act impartially. Their decisions should give an indication of the security of possession of the domain name and whether this is linked to trademark ownership.

The ICANN policy is now the preferred method to deal with any possible infringements of trademark law. Every person who purchases a domain name agrees to adhere to this process due to the contractual nature of the agreement³¹. The UDRP came out of a proposal put forward by the World Intellectual Property Organisation (WIPO). Some substantive changes were made which generally benefited trademark holders³². Paragraph 2 states that “to your knowledge, the registration of a domain name does not infringe upon or otherwise violate the rights of any third party.”³³ The emphasis is also placed on the registrant to determine that the registration does not infringe any rights. The appears to remove any requirements which may have previously been placed on the registrar to ensure that registrations made in bad faith are limited. Paragraph 4 sets out the administrative proceeding. In order for a complainant to bring an action, they must show that:

- (i) [the]... domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and³⁴
- (ii) [the registration has]... no rights or legitimate interests in respect of the domain name; and³⁵
- (iii) [the]... domain name has been registered and is being used in bad faith.³⁶

³¹ Ibid, p.49

³² Froomkin, Michael, “ICANN’s “Uniform Dispute Resolution Policy” – Causes and Partial Cures” (2002) 67(3) *Brooklyn Law Review* 605, p.653

³³ Uniform Domain Name Dispute Resolution Policy (UDRP), Paragraph 2, available from ICANN at <http://www.icann.org/dndr/udrp/policy.htm> (last accessed 1 April 2002)

³⁴ Ibid, Para.4(a)(i)

³⁵ Ibid, Para.4(a)(ii)

³⁶ Ibid, Para.4(a)(iii)

These would appear to be sensible obstacles that the complainant must fulfil before they can bring an action. However, the possible complaints appear to be limited to trademark holders. It is questionable as to whether complainants with unregistered rights would be successful in bringing an action³⁷. If the tests were too easy then a trademark holder could bring an action where the domain had a tenuous link to their trademark. This would appear to legitimise the process of reverse domain name hijacking. This is not a situation which ICANN would like to approve of. Many consumer groups have pressured for the protection of websites which pose little or no threat to the trademark holder.

The whole rationale behind the UDRP appears to be to assist trademark holders where their trademark has been used in a domain name for unscrupulous purposes. The procedure allows for people who feel that their mark is infringed to bring an action using one of the resolution service providers³⁸. The problem with this is that the financial costs of bringing an action, although relatively low, are still beyond the reach of a small firm or an individual. Thus, it appears as though this process has been tailored so that it provides trademark owners with a cheap and quick way of obtaining domain names which they may have overlooked to purchase.

Looking at the success of the UDRP, it would appear as though it has had a huge impact on cybersquatters. It has been commented that “cybersquatters are, typically, now no longer interested in squatting in generic top-level domains because of the exposure under the Policy and are targeting the country code domains to which the Policy does not extend.”³⁹ This is due to the bad faith requirement mentioned above. The hallmark of a cybersquatter

³⁷ There may be a defence under the UDRP, Para.4(c)(ii)

³⁸ There are currently four approved providers for the UDRP. These are “Asia Domain Name Dispute Resolution Centre” (ADNDRC), “CPR Institute for Dispute Resolution” (CPR), the “National Arbitration Forum” (NAF) and the “World Intellectual Property Organisation” (WIPO). ADNDRC replaced E-Resolution on 28 February 2002. List available from <http://www.icann.org/dndr/udrp/approved-providers.htm> (last accessed 24 April 2002)

³⁹ Osborne, Dawn, “ICANN Dispute Resolution – A Resounding Success!”, available from *DomainNotes* at http://www.domainnotes.com/news/print/0,,5281_489951,00.html (last accessed on 16 March 2002)

is their registration with intent to profit⁴⁰. This is quite a straightforward situation where a registrant has registered a domain name which is famous and usually a trademark. One example is Guccione Media, who owned the trademark “Gear Magazine”. They managed to reclaim the domain name <http://www.gearmagazine.com>⁴¹ from the respondent, who was attempting to sell the domain name to Guccione. The respondent had no legitimate rights to use the domain name and hence the trademark owner reclaimed the domain⁴².

There is also a problem with this bad faith requirement. There have been a number of cases where the obvious domain name holder has attempted to purchase the domain name from the registrant. They have contacted the registrant prior to bringing an action under the UDRP and offered a sum of money for the domain name. Where the registrant does not reject this amount out of hand straight away, the Panels have been implied that the registrant is intending to make commercial gain from the domain name and thus has the requisite bad faith. This appears to be an untenable situation as these situations are on the increase and the willingness of the Panel to find bad faith in such a situation is encouraging this inequitable practice.

The UDRP does not explicitly provide a preventative measure for reverse domain name hijacking (RDNH). Paragraph 15 states⁴³:

“If after considering the submissions the Panel finds that the complainant was brought in bad faith, for example in an attempt at Reverse Domain Name Hijacking or was brought primarily to harass the domain-name holder, the Panel shall declare in its decision that the complaint was brought in bad

⁴⁰ UDRP Policy, *op. cit.*, n.33, Para.4(b)(i)

⁴¹ Guccione Media, LLC v. ListenToThis, before the National Arbitration Forum. Case available from <http://www.arbforum.com/domains/decisions/94430.htm> (last accessed 24 April 2002)

⁴² It is interesting to note that all the gTLDs apart from .net are now registered to Guccione Media LLC. They therefore own the domains gearmagazine.com/.org/.biz/.info

⁴³ UDRP Rules, *op. cit.*, n.33, Para.15(e)

faith and constitutes and abuse of the administrative proceeding.”

This does provide for a shaming process but fails to lack any deterrent effect. By February 2002 there were at most only a handful of decision where RDNH had been declared⁴⁴. The eagerness with which the Panel will declare RDNH appears to be low. It appears that the circumstances when RDNH will be found are when the trademark has been awarded after the domain name has been registered⁴⁵.

Decisions of the UDRP

Having outlined the process that trademark holders can use to regain their domain name it is appropriate to look at whether trademark holders are given ownership of domain names. Since the implementation of the UDRP approximately 4333 cases have been decided by the various providers⁴⁶. From these hearings, 89.57% have been heard by single panels, 9.62% by three member panels and 0.81% where the panel type is not listed or unavailable. The single panels have awarded the domain name to the complainant in 82.68% of the cases, to the respondent in 16.72% of cases and have had split decisions in 0.59% of cases. The hearings held by three member panels have provided quite different results. The domain name has been handed to the complainant in 58.27% of cases, to the respondent in 40.29% of cases and have had a split decision in 1.44% of cases. Thus, it would appear on the face of these results that the decisions of the UDRP providers appear to award domain names to trademark holders and, *ergo*, there is some correlation between domain names and trademarks. However, before such a statement can be made, further examination of this empirical evidence needs to occur.

⁴⁴ Froomkin, Michael, *op. cit.*, n.32, p.667 and footnote number 179.

⁴⁵ NetLearning Inc v Dan Parisi, No. FA0008000095471, available from <http://www.arbforum.com/domains/decisions/95471.htm> (last accessed 28 April 2002)

⁴⁶ Information correct as of 18 February 2002. Available from UDRPInfo.com at <http://www.udrpinfo.com> (last accessed 28 April 2002)

Really Bad Decisions⁴⁷

There are a number of decisions which appear to be stretching the policy to the extreme and goes beyond the rationale of the policy. An example of such an occasion was the decision of the domain name <http://www.Guinness-beer-really-sucks.com>. In this case, Guinness brought an action under 4(a)(i) stating that the domain was registered with bad faith and that the respondent had no rights in the domain name. The Panel somewhat surprising found that the domain name is “confusing similar” to the Guinness domain name. How such a result was arrived at is unknown as the normal Internet user would surely not associate this domain name with the Guinness trademark. Thus, it appears as though the UDRP process can be used to extend the rights of the trademark holder. The case of <http://www.crew.com> further dumbfounded the Internet community. In this case, the Panel allowed for this generic word to be handed to the complainant under 4(a)(iii) due to the fact that the complainant had a trademark on the word “crew”. The Panel also stipulated that any generic name which was trademarked should not be registered to a person other than the person who holds the trademark to that name. This again shows that there appears to be an extremely meaningful relationship between trademarks and domain names. The phrase “confusingly similar” under 4(a)(i) has also been stretched well beyond the normal definition. In the case of <http://www.bodacious-tatas.com> the trademark that was apparently infringed was “Tata & Sons”. The Panel said that the aforementioned domain name was “confusingly similar” to the trademark and thus ordered the domain to be transferred to the complainant. The three previous cases were all heard by the WIPO Panel. Thus, it could be argued that WIPO has inherent bias in awarding domain names to trademark holders. However, the National Arbitration Foundation (NAF) has also made a surprising award in the case of <http://www.esquire.com>. The case involved the “Esquire” trademark for a magazine. The Panel held that the respondent registered the name with the intention to sell the domain name to the complainant. However, there was no evidence that such an action was to occur and the domain had already been sold to a *bona fide* party who

⁴⁷ Mueller, Milton, *Rough Justice – An Analysis of ICANN’s Uniform Dispute Resolution Policy*, November 2000, Available from <http://dcc.syr.edu/roughjustice.pdf>

intended to use the domain for e-mail purposes. Thus, it would appear from these examples that domain names are intrinsically linked to trademark law. Where a trademark owner brings an action before the Panel, they are likely to have the domain name awarded to them. There are a number of suggested reasons for this practice. It is argued that many of the panellists for WIPO and NAF first “form conclusions about whether a registrant is a cybersquatter of some sort. If they believe that the registrant is a bad actor, they tend to stretch the UDRP definitions to cover the particular facts of the case, in many cases coming up with highly imaginative definitions of “use”, “identical or confusingly similar”, or other policy criteria.”⁴⁸ E-Resolution on the other hand (who have a lower transfer rate of domains than WIPO or NAF) appear to adopt a more literal reading of the policy. Thus, this has led to some bias in the choice of forum. Many trademark holders will use the process offered by WIPO or NAF as the chance that they can reclaim the domain, however tenuously linked to the trademark, appears to be greatly increased. Geist also suggests that the complainant win as a percentage is greatly increased when the panel composes of three members rather than one⁴⁹. This situation has not changed since the time of Geist’s article in August 2001⁵⁰.

Reverse Domain Name Hijacking

RDNH has been used by trademark holders to exploit the trend of the Panels in awarding questionable domain names to rights holders. This abusive use of the trademark is not specifically addressed by the UDRP policy. Mueller suggests that “panellists at WIPO and NAF seem much more confident about discerning bad faith among registrants than among complainants.”⁵¹ This statement can be illustrated the few cases which have declared RDNH. A few examples are the cases of <http://www.k2r.com>,⁵² <http://www.qtrade.com>⁵³

⁴⁸ Mueller, Milton., *op. cit.*, n.47, p.22

⁴⁹ Geist, Michael, *Fair.com?: An Examination of the Allegation of Systematic Unfairness in the ICANN UDRP* (2001), p.19. Available from <http://aix1.uottawa.ca/~geist/geistudrp.pdf> (last accessed 08 May 2002)

⁵⁰ Geist, Michael, *Fundamentally Fair.com? An Update on Bias Allegations and the ICANN UDRP*, (2002), p.5 to 9. Available from <http://aix1.uottawa.ca/~geist/fairupdate.pdf>

⁵¹ Mueller, Milton., *op. cit.*, n.47, p.25

⁵² K2r Produkte AG v. Jeremie Trigano, Case No: WIPO D2000-0622, available from <http://arbiter.wipo.int/domains/decisions/html/2000/d2000-0622.html> (last accessed 03 May 2002)

and <http://www.smartdesign.com>.⁵⁴ Froomkin suggests that there are, in total, sixteen decisions where RDNH has been found under the UDRP⁵⁵. This could be due to the number of highly arguable claims that are brought under the UDRP. However, it is argued that when this low number is combined with the high number of “abusive” decisions against respondents and where a finding of RDNH is expected to be found but is not, then it would appear to suggest that the policy is ineffective against RDNH⁵⁶. The policy and the decisions would therefore appear to legitimise this over enthusiastic process of allowing trademark holders to own any domain name slightly connected with their mark and suggest that there is a strong link between trademark law and domain name ownership.

Trademark Protection and Free Speech

Free speech has an important role in the Internet. “The Internet is a forum for discussion, commentary and information exchange as well as commerce”.⁵⁷ Over zealous protection of trademarks in domain names can lead to a conflict between trademark protection and free speech. The US Constitution protects free speech via the First Amendment. This sort of challenge has been brought before the US courts in the case of *ACLU of Georgia v Miller*⁵⁸. This case concerned the now defunct Georgia Computer Systems Protection Act 1991⁵⁹. This attempted to create “a new criminal offence of transmitting data which uses a name, trade name, logo, etc falsely to identify the transmitter, or which falsely states or implies that the transmitter has permission or is authorised to use the name, etc.”⁶⁰ This appeared to criminalize many domain names which would previously have been legal and, *ergo*, impinge of the right of freedom of speech.

⁵³ Qtrade Canada Inc. V Bank Of Hydro, Case No: E-Res AF-0169, available from <http://www.eresolution.ca/services/dnd/decisions/0169.htm> (last accessed 03 May 2002)

⁵⁴ Smart Design LLC v. Carolyn Hughes, Case No: WIPO D2000-0993, available from <http://arbiter.wipo.int/domains/decisions/html/2000/d2000-0993.html> (last accessed 03 May 2002)

⁵⁵ Froomkin, Michael., *op. cit.*, n.32, p.667 – details in footnote 179.

⁵⁶ Froomkin, Michael., *op. cit.*, n.32, p.667-668

⁵⁷ Mueller, Milton., *op. cit.*, n.47, p.23

⁵⁸ Case 1:96-cv-2475-MHS (ND Ga, 20 June 1997). Judgment available from <http://www.aclu.org/court/aclugavmiller.html> (last accessed 03 May 2002)

⁵⁹ Ga Code 1981, 16 September 1990 to 16 September 1994 – as cited in Reed, Christopher., *op. cit.*, n.30, p.46, footnote 6

⁶⁰ Reed, Christopher, *op. cit.*, n.30, p.46

Where the purpose of the domain name is to make legitimate criticism, the ICANN procedure is likely to allow the respondent to keep the domain name. The Panel in the dispute over the domain name <http://www.natwestsucks.com> stated that:

“Those who have genuine grievances against others or wish to express criticisms of them... must be at liberty.... to express their views”⁶¹

This would appear to suggest that trademark law will not extend to domain names when there is a public interest in the free speech and the ability to notify other uses of the inadequacies of the company. This does appear to be, however, a little chink of light in the night of the UDRP as it appears as though the dispute resolution providers generally award domain names to famous trademark holders, regardless of the tenuous link between the two.

Recent Decisions

The ICANN website posts all of the decisions on the website⁶². A number of decisions will now be examined to see whether there is any correlation between domain names and trademark law.

Obvious Decisions

There are a number of cases where the obvious infringement of a trademark has occurred. The case of <http://www.france-telecom.com> was decided recently⁶³. The complainant, France Telecom, have trademarks in the company name dating back to 1986. The respondent was France Telecom Users Group. The complainant owns over thirty domains with the words

⁶¹ National Westminster Bank PLC v. Purge I.T. and Purge I.T. Ltd, Case No: WIPO D2000 – 0636, <http://arbiter.wipo.int/domains/decisions/html/2000/d2000-0636.html> (last accessed 03 May 2002)

⁶² ICANN List of Proceedings Sorted By Decision date – available from <http://www.icann.org/udrp/proceedings-list-dec.htm>. All cases are drawn from decisions made on or after 1 January 2002.

⁶³ France Telecom SA v. France Telecom Users Group, Case No. WIPO D2002-0144, available from <http://arbiter.wipo.int/domains/decisions/html/2002/d2002-0144.html> (last accessed 29 April 2002)

“France” and “Telecom” forming part of the domain. The respondent failed to participate in the arbitration. The domain name was thus handed over to France Telecom. The Panel suggested that the insertion of a hyphen between the two names did not affect the attractive power of the word France Telecom. This would appear to affirm the hypothesis that holders of famous trademarks have the rights to them, regardless of whether the word is split by a hyphen or not.

There have also been a number of recent cases involving the company Delta Airline⁶⁴. The claims have been relatively straightforward, involving the domain names <http://www.deltaairline.com>, <http://www.delta-airline.com> and <http://www.deltairline.com>. The most problematical out of the three domains was the latter due to the missing “a”. However, a common problem with Internet use is the misspelling of domain names and e-mail addresses so the Panel declared that merely removing one of the letters will not make the domain distinctive from the famous trademark.

Liverpool Football Club has been one of the most popular, famous and successful clubs of recent times. They currently operate their online presence via the domain name <http://www.liverpoolfc.tv>. Recently, the football club used the UDRP to regain the domain name <http://www.liverpoolfc.com>⁶⁵. Liverpool Football Club have trademarks for the name “Liverpool Football Club” and “LFC”. The common practice with football clubs is to abbreviate the ‘Football Club’ to ‘FC’ and thus the most obvious domain name for Internet users would be the domain in dispute as .com is the most popular suffix. The respondent claimed that he was using the domain name as it stood for “Liverpool Fashion Club”. This was, however, rejected by the Panel as he also had domains such as <http://www.parisfc.com> and <http://www.romefc.com> and had not, like the Liverpool domain, made any

⁶⁴ Delta Corporate Identity, Inc. v. Dotsan, Case No. NAF FA0203000105750, available from <http://www.arbforum.com/domains/decisions/105750.htm> (last accessed 29 April 2002)

⁶⁵ The Liverpool Football Club and Athletic Grounds Public Limited Company and the LiverpoolFC.TV Limited v. Andrew James Hetherington, Case No. WIPO D2002-0046, available from <http://arbiter.wipo.int/domains/decisions/html/2002/d2002-0046.html> (last accessed 30 April 2002)

profitable use of the domain. The respondent had also attempted to sell the domain name. Once more it would appear as though the service providers are linking trademark law to domain names and giving domain names to extremely famous trademark holders.

Peculiar Decisions

There have been a number of decisions which suggest that the UDRP goes too far with the application of trademark law to domain names. This would appear to go beyond the spirit of the UDRP and would seem to suggest that domains with a tenuous link to their trademark could be reclaimed from the current owner of the domain. This is problematic due to the very nature of trademark law. As numerous trademarks can be held for the same name but for different goods or services then it appears problematic when deciding why one company can have the domain name over another company. There appears no criteria or obvious solution in the present structure and thus may be decided on the might of the legal force behind a company, rather than the merits of the case.

One such example is the dispute over the domain name <http://www.jt.com>.⁶⁶ The complaint in this case was brought by Japan Tobacco Inc. who identifies itself and its products with the mark “JT”. The company also owns over 100 trademarks worldwide for the mark “JT”. The domain name was transferred from the respondent to the complainant on the basis that the respondent had attempted to sell the domain name for more than his “out-of-pocket expenses”. This, to the Panel, indicated his bad faith in registration of the domain name. This would appear a good decision as the respondent failed to reply to the case and appeared to look like a cybersquatter – which is what the UDRP was designed to curtail. However, the problem with this case is why was <http://www.jt.com> transferred to Japan Tobacco Inc. and not to another trademark holder of “JT”. This appears to be the inequity of the system. This could lead to a chain of claims where trademark holders keep

⁶⁶ Japan Tobacco Inc. v. Yoshiki Okada, Case No, WIPO D2000-0492, available from <http://arbiter.wipo.int/domains/decisions/html/2000/d2000-0492.html> (last accessed 30 April 2002)

challenging each other on their rights to the domain name which could end up flooding the system.

Another bizarre decision could be seen in the case of <http://www.hpmilenium.com>.⁶⁷ In this case, the respondent was trading in Venezuela and attempting to sell products similar to Hewlett Packard, who use the initials “HP” to trade under. The case was ultimately decided on the grounds that the respondent was passing off their goods as those of Hewlett Packard. However, whilst the preventative measure of ceasing the respondents’ rights to the domain name is understandable, the debatable issue is why Hewlett Packard were awarded the domain name. Whilst the mark of HP should be protected, it appears untenable that they should be awarded the domain purely because it contains the letters “hp” followed by the incorrectly spelt “milenium”. It may have been more appropriate for the Panel to cancel this domain name, rather than award Hewlett Packard the domain name. This may not be a problem with the system *per se* but rather the application of the procedure.

Personal Names

The UDRP has also awarded domain names to famous celebrities. This would appear to again be an untenable situation due to the fact that there are literally hundreds of thousands of people who could have the right to the same domain name. The only difference may be that the fame of the person in question is greater than an ordinary member of the public. This begs the question of why fame is allowed to be the deciding factor in such as case.

The Panel surprised the Internet community in the case of <http://www.juliaroberts.com>⁶⁸. Ms Roberts is an extremely famous Hollywood actress. She did not, however, have any registered trademark in her name. It was alleged that she had obtained a common law trademark under USA

⁶⁷ Hewlett-Packard Company v. Inversiones HP Milenium C.A., Case No: NAF FA0203000105775, available from <http://www.arbforum.com/domains/decisions/105775.htm> (last accessed 30 April 2002)

⁶⁸ Julia Fiona Roberts v. Russell Boyd, Case No. WIPO D2000-0210, available from <http://arbiter.wipo.int/domains/decisions/html/2000/d2000-0210.html> (last accessed 03 May 2002)

law⁶⁹. The domain name was hence awarded to Julia Roberts. This again appears to be an extension of trademark law to domain names. Unsatisfied with awarding domain names to registered trademark holders, the Panel is now awarding domain names to unregistered trademark holders. This provides uncertainty in the process as when a registrant attempts to register a domain name they will not be certain that the domain name, if challenged, will remain with them. Whilst there is some basis for awarding domain names to registered trademarks holders, the mere fact of the unregistered nature of marks like “Julia Roberts” means confidence in setting up a business on the Internet may be undermined.

Another example is the case of <http://www.damonhill.com>.⁷⁰ Damon Hill is an ex-Formula One World Champion. A trademark was obtained in 1995 for his name for a variety of activities. The domain name was registered in 1998 apparently for a website which would show photographs of a “dam on the hill”. This may be a unconvincing argument. However, the respondent had made no effort to sell the domain name, even when he was offered the chance by the complainant. The domain name was ordered to be transferred to Damon Hill Grand Prix Limited. It could be argued that this is a problematic decision. It appears as though the only reason that the domain name was awarded was due to the extreme fame that Damon Hill had obtained⁷¹. It could be argued that the domain was not registered in bad faith, as there was no intent to profit. Thus, the decision could come under-fire as what would happen if someone called Damon Hill had challenged the mark and who is not as famous? It could be argued that it may not have been transferred and that the Panel is making their decision purely on grounds of the association of a name to a particular person.

⁶⁹ United States Lanham Act, Section 2(d), 15 U.S.C. Section 1052(d)

⁷⁰ Damon Hill Grand Prix Limited v The New Group, Case No: WIPO D2001-1362, available from <http://arbiter.wipo.int/domains/decisions/html/2001/d2001-1362.html> (last accessed 03 May 2002)

⁷¹ According to the 1990 USA Census, the surname “Hill” is the 33rd most popular surname in the USA. Data available from <http://www.census.gov/genealogy/names/dist.all.last> (last accessed 03 May 2002)

It has been suggested that personal names will remain with the registrant where the person is a political figure as these names cannot be exploited commercially⁷². This declared in the recent case of Kathleen Kennedy Townsend⁷³. This could complicate the area further where a political figure leaves politics and moves into a commercial business.

A Workable Alternative

Garry Anderson of the World Intellectual Piracy Organization⁷⁴ has suggested that the UDRP overreaches trademarks as there are literally thousands of legitimate claims to a particular domain name. Legislation currently states that overreaching of trademarks is illegal but the Panels appear to be neglecting this principle when using the UDRP to resolve the issue of domain name ownership between trademark holders.

Anderson suggests that the whole Domain Name Structure should be altered in order to reduce the number of conflicts between domain names. Thus, a registered trademark will receive the TLD of .reg. Then, the company will be registered in the country code of the domain name. Then, the class under which they are registered is recorded in the domain name. Finally, the trademark will make up the last part of the domain name. Consequently, a company like Apple Computers would have the domain name <http://apple.computer.us.reg/>. This would appear to be a commonsensical approach to the problem of domain name and would reduce the volume of disputes over domain names.

Conclusion

From the information collected, it appears as though the various dispute-resolution service providers under the ICANN Uniform Dispute Resolution Policy (UDRP) do generally award domain names to trademark holders. This

⁷² Bowman, Lisa. M., "Cybersquatters claim victory in domain battle", 29 April 2002, available from ZDNet News at <http://zdnet.com.com/2100-1105-894403.html> (last accessed 08 May 2002)

⁷³ Kathleen Kennedy Townsend v. B. G. Birt, Case No. WIPO D2002-0030, available from <http://arbiter.wipo.int/domains/decisions/html/2002/d2002-0030.html> (last accessed 08 May 2002)

⁷⁴ Their website is available at <http://www.wipo.org.uk>

has been shown in many cases outlined above and further emphasised in cases which come under the umbrella of really bad decisions. The main factor which is considered in the decision-making process appears to be how famous the mark is. Thus, if this is sufficient to generate a level of confusion then the domain could be removed from a legitimate domain name holder and awarded to the more famous, and arguably obvious, trademark holder. This situation is unsatisfactory as it goes against the basic principles of the Internet which are the free exchange and pool of information, thoughts and views.

The UDRP has dealt with one of the main problems in the Internet, cybersquatting. This was a good move by ICANN as such activity has caused both consumers and business many problems as websites have been problematic to be found. However, the policy does not have the same effect on RDNH. This problem is of increasing importance due to the aggressive pursuit of any questionable domains which may include part of, or elude to, the trademark. The lack of any punitive powers to deal with such challenges has compromised the possible deterrent effects of bringing an action.

The UDRP has been a success with cybersquatters. Domain name registry by cybersquatters has decreased but the policy appears to be plagued with allegations of foul-play with regard to domain names which are challenged by famous trademark holders. The technological solution outlined above would appear to be the easiest solution to the problem of jurisdiction and extension of domain names. However, it is unlikely that such a course of action will ever occur due to the billions of pounds which would be spent on re-branding and related issues.

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