



January 29, 2023

## Public Comment on Final Report from the EPDP on Specific Curative Rights Protections for IGOs

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The Internet Commerce Association is pleased to provide its comments herein, on the Final Report from the EPDP on Specific Curative Rights Protections for IGOs (the “Final Report”). Founded in 2006, the Internet Commerce Association (ICA) is a non-profit trade organization representing domain name registrants and investors, secondary market participants, and related service providers. Based in Washington D.C., the ICA’s mission is to assist with the development of domain name related policy and to advocate for fairness in policy and regulation.

The ICA has been deeply involved in these issue of IGOs and Rights Protection Mechanisms. ICA Directors, Nat Cohen and Jay Chapman were members of the original IGO-INGO Access to Curative Rights Policy Development Process (PDP) Working Group chaired by the ICA’s former General Counsel, Phil Corwin, that extensively studied these issues from 2014 to 2018 and issued its own [Final Report](#). Additionally, ICA Director Jay Chapman, as the representative for the Business Constituency, was a member of the EPDP which delivered the [current Final Report](#).

The ICA actively participated in the policy development process by providing its comments and advice at every opportunity, for example in; [our comments on the 2014 Preliminary Issue Report on IGOs and INGOs](#); [our comments on the 2017 Initial Report](#); in [the letter to the ICANN Board dated August 16, 2018 from various concerned stakeholders](#); in [our comments on the GNSO’s approval of Recommendations 1-4 of the Final Report, on August 2021](#); and in [our comments on the 2021 Initial Report](#). As such, the ICA is demonstrably committed to these issues and has developed considerable expertise in these issues over the years.

When it comes to the practical aspects of domain name dispute resolution, the ICA and its members are amongst the most foremost experts and leaders in the field. The ICA publishes a weekly UDRP Case Digest with expert commentary, distributed [via email](#) and [on the web](#). The ICA co-hosted with INTA, a [Mock UDRP Hearing](#) in 2021. ICA Director Nat Cohen’s company, Telepathy, developed the industry leading research and analysis tool for UDRP cases, [UDRP.tools](#). ICA Member and UDRP Panelist, Gerald Levine, wrote the leading treatise on the subject, [Domain Name Arbitration](#) and also hosts a weekly discussion group of UDRP Panelists and practitioners which the ICA attends. ICA Members include some of the most experienced and leading UDRP practitioners as well as several accredited UDRP Panelists. The ICA regularly contributes to the discourse and thought leadership on the UDRP through [scholarly articles](#)

[published in CircleID](#). The ICA presented at [WIPO's 20<sup>th</sup> Anniversary of the UDRP](#) in 2019 and presented at WIPO's "[Advanced Workshop on Domain Name Dispute Resolution: Precedent and Practice](#)" in 2022. The ICA published preliminary [UDRP Reform Proposals](#) in 2018 and in 2022 worked closely with IP practitioners and panelists to develop new draft consensus proposals for consideration in advance of Phase 2 of the RPM Working Group.

Accordingly, when it comes to any policy proposal which concerns domain name dispute resolution, or impacts the UDRP, or concerns registrants, the ICA has considerable knowledge and expertise to share, especially when it comes to dramatically revising the UDRP upon request of IGOs, as the Final Report proposes.

## **Background**

The ICA appreciates the work that the EPDP has undertaken and in particular commends the EPDP for making substantial changes to its recommendations as a result of public comments and stakeholder feedback since its Initial Report. Nevertheless, the GNSO's mandate to the IGO Work Track (now EPDP) was clear:

“Whether an appropriate policy solution can be developed that is generally consistent with [the first four recommendations from the GNSO's IGO-INGO Access to Curative Rights PDP] and:

a. accounts for the possibility that an IGO may enjoy jurisdictional immunity in certain circumstances;

**b. does not affect the right and ability of registrants to file judicial proceedings in a court of competent jurisdiction;**

**c. preserves registrants' rights to judicial review of an initial Uniform Domain Name Dispute Resolution Policy or Uniform Rapid Suspension decision; and**

d. recognizes that the existence and scope of IGO jurisdictional immunity in any particular situation is a legal issue to be determined by a court of competent jurisdiction.” [emphasis added]

Accordingly, any proposed policy solution which “*affects the right and ability of registrants to file judicial proceedings*” and/or which fails to “*preserve registrants' rights to judicial review*” of a UDRP or URS decision, **will not comply with the clear and specific mandate given by the GNSO** pursuant to the Addendum to the PDP Charter.<sup>1</sup> It is therefore crucial that the Board carefully evaluate whether the policy proposals made by the EPDP in the Final Report genuinely comply in spirit and in substance with the specific mandate provided to the EPDP.

### **Any Recommendation Should be Subject to RPM Working Group Review**

The ICA strongly recommends that no Final Recommendations be implemented without first having any such Board-approved recommendations be approved in the course of Phase 2 of the RPM Working Group or alternatively by a group of experts that is representative of both complainants and respondents. The UDRP has generally been successful for 22 years and any revisions to it must undergo evaluation and examination by the Working Group or expert group charged with reviewing the UDRP as a whole. It would be a mistake to consider any Recommendations or approve any Recommendations without first having them reviewed by the group best situated to evaluate and examine them in the context of the UDRP and URS as a whole.

### **The ICA Strongly Opposes the Removal of the Mutual Jurisdiction Requirement for IGOs**

Make no mistake about it; removal of the Mutual Jurisdiction provision for IGOs is a radical change to the UDRP and substantially undermines the rights of registrants to be able to effectively seek and obtain recourse in the courts, as is their right. As law professor Wendy Seltzer and former member of the ICANN Board pointed out in 2003, *“the possibility [of] appeal to national courts is no minor detail, but part of the balance of keeping domain name disputes in check. If UDRP arbitrators, or the ICANN “consensus” veer too far from national laws, they can be corrected by courts”*.<sup>ii</sup>

By exempting IGOs from agreeing to the Mutual Jurisdiction requirement, registrants are left without any assurance whatsoever that a court will assume jurisdiction in a post-UDRP action to overturn a UDRP transfer order. Indeed, the Recommendations expressly contemplate that after the removal of the Mutual Jurisdiction requirement, a registrant may have its case dismissed by a court because the IGOs will not have already agreed to a Mutual Jurisdiction and can therefore raise arguments as to jurisdiction and purported immunities. This is not a remote possibility, but rather a serious and predictable outcome which the Final Report *acknowledges* by its inclusion of Recommendations which expressly consider what would happen if the court did decline jurisdiction in the absence of an IGO’s submission to a Mutual Jurisdiction.

The Board must not lose sight of the fact that when the UDRP was originally established in 1999, there was a *“grand bargain”* wherein trademark owners would be able to avail themselves of a streamlined and low-cost dispute resolution system for clear cut cases of abusive domain name registrations, but domain name owners would not have to give up their right to go to a national court in order to overturn a wrongly decided UDRP case. Preliminary Recommendations #2 and #4 improperly seeks to undo that foundational grand bargain. The UDRP and URS are convenient, expedited, and lower cost *supplements* to available judicial process, not preemptive substitutes and it would be grossly unfair if ICANN were to on one hand *require* a domain name registrant to submit to the UDRP, while on the other hand *deny them the right* to seek recourse in court if the UDRP gets the case wrong, particularly when the original bargain was that registrants would be forced to participate in the UDRP but would not give up their right to go to court.

IGOs are not compelled to use the UDRP or URS. Rather, they may employ these procedures as an alternative to the normal avenue of recourse available to them like all other parties, namely going to court. However, if an IGO does decide to avail itself of these alternative dispute resolution procedures, it should not come at the cost of registrants' right to go to court to seek and obtain judicial review. Yet IGOs have continually claimed without any genuine merit, that 'they can't use the UDRP or URS as is, because of their privileges and immunities'. Nobody is forcing them to use these alternative procedures to courts, but if they wanted to, there is nothing stopping them.

### The Only Independent Expert Legal Opinion in the Record Does Not Support the Recommendations

Professor Swaine, an international law expert who was retained by the original PDP Working Group and whose legal opinion dated, June 17, 2016 was attached to its Final Report at Page 115<sup>iii</sup>, stated therein:

“As a purely legal matter, it seems unlikely that the Mutual Jurisdiction provision, as it may be accepted by an IGO, establishes or occasions a violation of IGO immunity... [and] it may seem more appropriate to require an IGO to abide by a judicial process, given that it has elected to initiate UDRP proceedings, than it would be require a domain-name registrant to accept the IGO's preferred alternative”.

The EPDP appears to have blindly accepted the IGOs protestations and assumed that the Mutual Jurisdiction would necessarily eliminate an IGO's immunities, when that does not appear to be the case. In the absence of a legal opinion contradicting Professor Swaine's conclusions, it appears that the EPDP has proposed a dramatic change to the existing UDRP without any legal basis. We therefore recommend that the Board carefully revisit the Swayne legal opinion and consider seeking independent expert legal advice before approving policy Recommendations which are not supported by the only independent expert legal opinion in the record.

Moreover, even if one were to incorrectly assume without any legal basis, that the Mutual Jurisdiction requirement in the UDRP would necessarily result in a broad waiver of IGO immunity, as Professor Swaine also pointed out “an IGO [may be able to] to assign a right of use to another (or, at least, to appoint an agent to enforce its interest)” and that “it is presumably within ICANN's authority to establish standing rules permitting such assignees to act as complainants.”

Indeed, Professor Swaine expressly states that:

“**No reform may be necessary:** in at least one case, a panel permitted a legal representative of an IGO to proceed as the complainant” [emphasis added]

and;

*“Indeed, several IGOs – including the International Mobile Satellite Organization (INMARSAT), the International Bank for Reconstruction and Development (IBRD), and the Bank for International Settlement (BFIS) – have prevailed in UDRP complaints.”*

Accordingly, there is no legal basis for the Recommendations made in the Final Report. It cites no legal basis or expert opinion for its professed concern about the Mutual Jurisdiction clause and apparently has solely relied upon representations made by IGOs themselves without any supporting evidence or independent expert legal basis. Accordingly, the Recommendation exempting IGOs from the usual requirement of agreeing to a Mutual Jurisdiction for a challenge to a UDRP transfer are unjustified and should not be accepted by the Board, which should insist upon evidence-based policy development rather than simply forming policy around the unsupported representations of an interested party.

### A Solution in Search of a Problem

The entire policy development process regarding IGOs originating from at least 2007, appears to be based largely upon a tempest in a teapot. Not only is there no apparent legal basis for the removal of the Mutual Jurisdiction provision, and not only can the UDRP be used in its current form (or as adapted by including a minor, specific acknowledgment that IGOs can use the UDRP via an agent, etc.), but there is no evidence that cybersquatting on IGO domain names is even happening on any significant basis. Had there had been a significant issue of cybersquatting on IGO marks, then surely we would have seen the evidence of this after so many years. Moreover, if IGOs were truly unable to use the UDRP instead of merely reluctant, then surely we would have seen them use the courts to deal with cybersquatting, yet we have seen no evidence of this in 22 years of the UDRP. In any event, the number of UDRP cases that have gone to court at the instance of the registrant is probably around a few dozen over the course of around 90,000 UDRPs in 22 years, meaning that the chances of a trademark owner, let alone an IGO, having to go to court are remarkably slim.

Accordingly, it really appears that this whole exercise is largely a solution in search of an actual problem. The Board should not permit any further expenditure of time, effort and resources on what appears to at most, amount to a remote and edge contingency, without obtaining actual evidence, beyond mere self-serving representations, that demonstrate that this is genuinely a problem that requires a comprehensive policy solution that dramatically eliminates the delicate balance of the UDRP. The ICA therefore strongly reiterates its consistent opposition to any Recommendations that would remove the requirement that IGOs agree to a “Mutual Jurisdiction”.

### **Final Recommendation #1: Definition of IGO Complainant**

Subject to expert review and consideration within the Phase 2 RPM Working Group as aforesaid, and subject to our opposition to the Recommendations generally, the ICA agrees with the definition of IGO as defined in Recommendation #1, however this definition of IGO should not be used in connection with the other Recommendations, but rather should be used in the course of making a minor revision to the UDRP and URS that expressly permits IGOs to use an agent or

proxy for the purposes of bringing a UDRP or URS, without the IGO itself submitting to a Mutual Jurisdiction.

### **Final Recommendation #2: Exemption from Submission to Submit to “Mutual Jurisdiction”**

For the reasons set out above, the ICA strongly opposes exempting IGOs from the crucial Mutual Jurisdiction requirements.

### **Final Recommendation #3: Arbitral Review following a UDRP Proceeding**

Arbitration following the dismissal of a court proceeding on the basis of IGO arguments about privileges and immunities is not a genuine solution, it only masquerades as one.

Registrants have historically relied upon the courts to play an instrumental role in reversing UDRP injustice, such as in the respective cases of ADO.com and IMI.com wherein UDRP transfer orders were overturned following court proceedings, with legal scholars and UDRP observers taking particular note of the egregious UDRP panel decisions which led to court proceedings in the first place.<sup>iv</sup>

If Recommendation #2 were to be approved thereby exempting IGOs from submitting to a “Mutual Jurisdiction” that means that IGOs will no longer have to accept the jurisdiction of a court for post-UDRP remedial action, and in fact can and likely will, move to dismiss the court action on the basis of their purported privileges and immunities. Once IGOs are exempted, registrants and courts will no longer be able to rely upon an IGO’s express submission to court jurisdiction and an IGO will be free – and likely would – argue that they are immune from all court proceedings.

If an IGO is permitted to commence a UDRP without having to submit to the Mutual Jurisdiction of a court, and the registrant unfortunately receives an incorrect or unfair UDRP transfer order, the registrant can file a court proceeding but if the IGO claims immunity (since it has not submitted to submit to a Mutual Jurisdiction) and the court finds that it cannot hear the case (since the IGO did not submit to a mutual jurisdiction), then the court case is dismissed.

What that means is that the EPDP’s Mandate to the EPDP has **not** been complied with since it required that any policy solutions be generally consistent with inter alia:

- b. does not affect the right and ability of registrants to file judicial proceedings in a court of competent jurisdiction;
- c. preserves registrants' rights to judicial review of an initial Uniform Domain Name Dispute Resolution Policy or Uniform Rapid Suspension decision; and

Recommendation #2 does not preserve registrants; rights to judicial review, but seeks to replace them with arbitration. Moreover, Recommendation #2 makes a mockery out of the requirement that registrants “right and ability to file judicial proceedings” is not affected, since the

Recommendation permits “filing” but does not preserve the right to get a court hearing on the merits. In the absence of the Mutual Jurisdiction Requirement, a court may decline jurisdiction, thereby depriving registrants of the thing that the GNSO commanded registrants not be deprived of; the right to go to court AND the right for judicial review. In other words, the registrant was to not only get the right to “file” but to actually get heard on the merits instead of potentially receiving a dismissal upon filing.

Furthermore, it is premature to ask stakeholders, and registrants in particular, if they support post UDRP arbitration when the arbitration procedure has not even been developed yet. The general framework set out in Annex “A” to the Final Report sounds innocuous and appears “agreeable”, but there exists serious concern with regard to the nature of any such arbitration.

First of all, creating a new arbitration system in light of the questionable existence of any major problem that must be addressed as aforesaid, seems like a very expensive, time consuming, and needless major exercise. Without clear evidence of a problem that is equivalent in scope to the magnitude of the purported solution, it is highly questionable that this is even remotely a prudent and responsible use of community and ICANN resources.

Secondly, the selection of an arbitration provider and the appointment of arbitrators are not minor features of an arbitration and can contribute to or even determine the outcome. The identification of an arbitration provider and the rules pertaining to the selection of an arbitration panel are therefore not minor details, and it cannot therefore be reasonably asked of stakeholders to provide an informed opinion on Recommendation #4 until such time as a complete proposal is in place. For example, if an arbitration procedure was fundamentally unfair in terms of the provider and the rules, then that would surely impact the assessment of whether Recommendation #4 is even viable. Registrants have long been victim to unbalanced treatment in the UDRP. Complainants alone get to shop for their preferred UDRP provider and UDRP providers generally cater to complainants who pay their fees, without any oversight by ICANN. UDRP roster panelists are nearly exclusively from the complainant bar and there is no oversight by ICANN. Registrants should not under any circumstances be subject to a new and comparable injustice when it comes to any arbitration scheme.

Thirdly, the question of which panelists are accredited to hear such an arbitration is a crucial one. To the extent possible, arbitration panelists should not be drawn from the rosters of current UDRP and URS providers and instead should be retired judges with extensive experience in intellectual property matters, drawn from the jurisdictions of the respective parties and/or the jurisdiction of the applicable law, to the extent possible.

Fourthly, as previously stated by the ICA in its Comment on the GNSO Initial Report on the IGO-INGO Access to Curative Rights Protection Mechanisms Policy Development Process on March 6, 2017,<sup>v</sup> all UN-affiliated or non-affiliated entities that are themselves an IGO, must be prohibited from acting as an arbitration provider. Allowing such an entity to preside over an appeal brought by a fellow IGO would inevitably create an appearance, and might well encompass the reality, of bias against the registrant “appellant”. Moreover, allowing any accredited UDRP provider to be the subsequent arbitration provider might well result in a

“confirmation by rehearing” by rather than a truly fresh “appeal” and would raise questions about the efficacy and fairness of the process.

Lastly, arbitrations are not cheap. A robust one as envisioned by the Final Report may and is very likely to be more expensive than going to court where judges and facilities are paid by the state. As ICANN knows from its own arbitration procedures, arbitrators and arbitrations can be very expensive. Forcing a registrant to use a private arbitration procedure instead of courts could be an undue financial burden on registrants who are generally far less financially capable than government backed organizations. This would also likely be prejudicial to registrants from developing countries where such costs could be completely prohibitive.

### **Our Final Recommendation**

Whatever path that the Board decides to take in connection with IGO participation in RPMs, it is critical that it be re-evaluated in the near and mid-term to ensure that approach works. The UDRP was not subject to review for over 22 years but there is no reason to not have a much earlier review of practices regarding IGOs to determine whether the experience of IGOs and other stakeholders is positive or whether adjustments need to be made. It would be a grievous error to employ a new and untested approach only to find out that it didn’t work as intended and to have no ready recourse for repealing it absent a lengthy and fraught policy development process. Accordingly, any new approach should be subject to a sunset clause which automatically repeals it unless a preemptive decision is made based upon evidence, consultation, and Consensus, to maintain it.

Lastly, the UDRP is a delicate procedure that cannot sustain ad hoc policy revisions without examining how they would affect and work with the existing and remaining procedures. The RPM Working Group is the group that has the requisite expertise to fully and comprehensively consider any proposed IGO-centric revisions within the overall UDRP and therefore it is strongly recommended that no implementation be undertaken of any new IGO-centric procedures until such time as the RPM WG has had an adequate opportunity to review them in context.

Yours truly,

**INTERNET COMMERCE ASSOCIATION**



Per:  
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<sup>i</sup> <https://gnso.icann.org/sites/default/files/file/field-file-attach/rpms-charter-addendum-07jan20-en.pdf>

<sup>ii</sup> [https://circleid.com/posts/why\\_wipo\\_does\\_not\\_like\\_the\\_udrp/](https://circleid.com/posts/why_wipo_does_not_like_the_udrp/)

<sup>iii</sup> [https://gnso.icann.org/sites/default/files/file/field-file-attach/igo-ingo-crp-access-final-17jul18-en\\_0.pdf](https://gnso.icann.org/sites/default/files/file/field-file-attach/igo-ingo-crp-access-final-17jul18-en_0.pdf)



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<sup>iv</sup> See <http://iplegalcorner.com/whats-so-outrageous-asking-high-prices-for-domain-names/> wherein noted UDRP scholar Gerald Levine stated, inter alia; “Regrettably, the distinguished Panel failed to examine the evidence carefully” and that “I think that criticism is fair [that] “the Panel put their combined fingers on the scale”, and “Unfortunately, the Panel in *Autobuses de Oriente* was also persuaded by false facts masquerading as elements (namely prices) and by incoherent reasoning of similarity of logos”); and also see <https://domainnamewire.com/2019/06/25/jury-overturms-horrible-cybersquatting-decision-for-imi-com/> (“Jury Overturms Horrible Cybersquatting Decision for IMI.COM”).

<sup>v</sup> <https://forum.icann.org/lists/comments-igo-ingo-crp-access-initial-20jan17/pdfb23CpD8fIN.pdf>