

Comments on auDA Name Policy Advisory Panel Review of Policies in “.au” Second Level Domains

Comments on “.csiro.au” Closed Second Level Domain

CSIRO has no concerns regarding the current administration of the “.csiro.au” second level domain (2LD), and the Public Consultation Report does not propose any change in this area.

CSIRO would not, at this stage, intend to opt in to the proposed dispute resolution procedure for the “.csiro.au” 2LD although CSIRO supports this procedure for open 2LDs. There should be no presumption that closed 2LDs will opt in to the common procedure and closed 2LDs should be free to establish their own separate and specific dispute resolution procedures if they wish to do so.

Comments other Second Level Domains

CSIRO also has a direct interest in the “.com.au” 2LD and other open 2LDs. CSIRO, and joint ventures in which we are involved (such as CRCs), have already registered, and will in future wish to register, a significant number of domain names in these spaces.

CSIRO generally agrees with the reforms proposed by the Name Policy Advisory Panel. However we have a number of concerns which are discussed below. Appendix A summarises our views against each of the specific recommendations of the Panel.

Dealing with Conflicts

One indicator of a successful domain name registration system is that it minimises conflicts between competing applicants for the same domain name. CSIRO believes that a guiding principle in the Panel’s considerations should be to limit the available domain names to those which are as specific as possible to a single entity.

Literal conflict, in which one entity holds a registered trade mark and another a registered company name or business name in *identical* terms, is unlikely. This situation would represent a flaw in the system of intellectual property which would be beyond auDA’s power to remedy.

Conflict between domain name applicants is more likely to occur in practice where domain names may cover a number of similar trade marks or company or business names.

For example, a search of the Australian Business Register on “penfold” returns over 500 hits. Elimination of duplicates (the ABR includes, for most entries, both a business name and the name of the person(s) or entity trading under that name) results in a list of 220 persons or entities carrying on business under some variant of the name “Penfold”¹.

Each of these businesses might be taken to be entitled to register the domain name “penfolds.com.au”. In fact this domain name is held by none of them but is licensed to Southcorp Wines Pty Ltd, the owner of the registered trade mark “Penfolds”.

A competing claim by any of the 220 businesses to the domain name would only be possible if a loose test was applied to the link between the underlying IP and the registered domain name. That is, if the domain name registration system allowed the registered company name WC Penfold Ltd, for example, to support the domain name “penfolds.com.au”².

For this reason CSIRO has significant concerns with Proposal 4.1.3. CSIRO’s view is that registration of domain names should be linked strictly to the exact form of registered trade marks or company or business names. CSIRO believes that auDA should develop a restrictive list of allowable exceptions to this³.

Eligibility for a Domain Name

Eligibility Criteria

The Panel’s proposal that the same eligibility criteria should apply to all open 2LDs meets the aim of simplicity. However CSIRO is concerned that this approach fails to protect the distinctive purpose of each 2LD, in accordance with Proposal 4.1.1. Over time, increasing competition for domain names may result in applications spilling over from “.com.au” to other 2LDs.

We suggest that entry to each 2LD should be restricted by specific eligibility criteria. For open 2LDs other than “.asn.au” and “.org.au” these will be similar to those proposed in Schedule A to the Report, as follows:

2LD	Purpose	Eligibility
.com.au	Commercial entities trading in Australia	Australian Business Number (an Australian Company Number or registration

¹ Also eliminated were a small number of accidental duplications (where the same entity is listed twice with slight variations of name) and entries where “penfold” was not considered a substantial component of the registered name (e.g. “Penfold” as a given name or as one name among others in a partnership).

² The example of WC Penfolds (the stationers) is chosen deliberately over the more minor businesses on the list because it is quite likely that this business would be able to produce evidence of a widespread trading reputation under the name “Penfolds”, possibly amounting to an unregistered trade mark.

³ For example omission of common words such as “the” or “Pty Ltd” would be permitted.

		number for a State or Territory registered business name would also suffice, but each such active entity now also has an ABN)
.conf.au	Short duration conferences and exhibitions	No stipulation as to type of entity. Applicants must satisfy the registrar as to the nature of the activity conducted.
.info.au	Major information resources	No stipulation as to type of entity. Applicants must satisfy the registrar as to the nature of their activities.
.id.au	Individuals	Evidence of individual identity (e.g. Australian passport or driver's licence)
.net.au	Entities carrying on internet-related business in Australia	Same eligibility criteria as ".com.au" Applicants must also satisfy the registrar as to the nature of their business.

More significant difficulties arise with the ".org.au" 2LD which appears to overlap with both ".asn.au" and ".com.au". CSIRO suggests that a distinction should be drawn between commercial ("for profit") entities and those operating on a not-for-profit basis. Eligibility for registration under either ".org.au" or ".asn.au" should be restricted as follows:

2LD	Purpose	Eligibility
.org.au or .asn.au	Not-for-profit bodies, including charities, sporting and special interest clubs	Incorporated associations and registered trade unions and political parties are eligible ⁴ Any other type of incorporated body ⁵ must establish its non-profit status by reference to its constitution

One advantage of this approach is that an application for a domain name under ".com.au" (which will presumably represent the majority of applications) is subject to only one form of eligibility checking – a search of the Australian Business Register⁶.

Such a search will also reveal many charities or other bodies which would be eligible for domain names under ".org.au" or other 2LDs, but which are required under the GST legislation to hold an ABN. In general, CSIRO believes that spillover *into* ".com.au" is unlikely to be a problem and such applicants should be able to choose either 2LD, or both.

⁴ There may be other specific forms of registration which of themselves establish the entity on a not-for-profit basis.

⁵ For example many non-profit bodies are established as companies limited by guarantee.

⁶ The ABR is a register maintained under the GST legislation of all entities which hold an Australian Business Number. Given the breadth of the requirement under the legislation to hold an ABN, it can be assumed that this represents a complete listing of all entities which carry on business in Australia.

None of the suggested eligibility criteria above depend on provision of a statutory declaration. CSIRO shares the concerns of other members of the Panel about the weakness of this form of evidence. Supporting evidence as to the identity of the declarant does not, in CSIRO's view, add great weight. In most cases, the declarant will be a person closely associated with the applicant entity, whose identity will be easily established⁷. Such persons have the greatest incentive to make false or misleading statements in order to obtain a domain name.

In more specialised business-related domains (".net.au" and any new 2LDs such as the hypothetical ".banking.au"), the connection between the applicant's business and the 2LD in which registration is sought must be considered. Generally it is in an entity's own interest to select an appropriate 2LD. Whether selection of an inappropriate domain name represents a serious problem depends largely on the unresolved issue of the relationship between ".com.au" and the more specialised 2LDs. For example, does registration of a domain name in one specialised domain allow (or prohibit) the same entity from registering under ".com.au"?

Conditions of Registration

CSIRO suggests that registrars should be given a discretion to impose conditions on licensing of domain names, as a means of resolving disputes which may arise between competing applicants or potential applicants. CSIRO envisages that conditions which might be imposed include requiring a web site to include specific content or a link to another web site⁸. Such conditions might be used to provide a compromise where a conflict between competing claimants over a domain name cannot easily be resolved, or where the registrar is aware at the time of registration that a competing claim may exist.

Clearly, this proposal would require further consideration and discussion. Apart from anything else, this would impose a administrative burden on registrars.

Entitlement to a Domain Name

Once an applicant's eligibility for grant of a domain name licence under a particular 2LD is established, the second question is what domain name(s) should be licensed. Assignment of inappropriate domain names allows cybersquatting and gives rise to many other problems which affect domain name registrars.

CSIRO agrees with Proposal 4.1.2 that limiting the number of domain names per entity to one, or any other arbitrary number, is not of itself an appropriate solution to this problem. However CSIRO believes that there should be a very close correlation between the

⁷ The Panel may wish to consider in what situations, if any, evidence from individual members of the public or other disinterested parties might be relevant to a domain name application.

⁸ For example, the following text and link might be required: "This site is owned by Penfolds Winemakers. If you are looking for Penfolds Jewellers go [here](#)"

entity's registered trade marks or company or business names which may have a similar effect in practice.

Linkage of Domain Names to Existing Intellectual Property Rights

CSIRO supports the thrust of the Public Consultation Report that domain name registrars should follow rather than lead in the granting of IP rights. As far as possible, registration of a corresponding domain name should be an automatic and "as of right" extension of the ownership of a company name, business name or registered trade mark.

CSIRO believes that auDA should not be seen to usurp the role of IP Australia, ASIC and the various State and Territory business name registrars. Current and future auDA policies will undoubtedly affect the number and type of applications being made to these other authorities and auDA should continue to liaise with them. However CSIRO believes that auDA's position should be that it is for each of these other authorities to enforce its own policies, for example in relation to genuine intention to use a registered name.

Extension to Trade Marks

Trade marks are a relevant form of intellectual property and CSIRO supports the extension of the principle discussed above to registered trade marks.

However registered trade marks are unlike business or company names in that:

- trade marks are registered under one or more classes of products or services; and
- trade marks often consist of words associated with a particular logo or decorative get-up – in such cases the words by themselves are not necessarily protected.

Neither of these distinctions can be recognised in a domain name. Further consideration should be given to the conditions on which a registered trade mark may form the basis for registration of a domain name. As a starting point, CSIRO suggests that:

- Applicants should be encouraged or required to either:
 1. register their domain name under a specific 2LD (e.g. ".banking.au") corresponding to the class(es) of products or services for which the trade mark is registered, once these are established; or
 2. include in their domain name a generic description of the products or services for which the trade mark is registered.
- Registration of a domain name should be available only where a name is registered as a trade mark without associated get-up or decoration.

We assume that the Panel does not support unregistered trade marks as a basis for domain name registration, as the Paper refers only to registered marks in section 4.1.1. Reliance on unregistered trade marks would create considerable difficulty and CSIRO would not support such an approach.

Trade Mark Applications

CSIRO agrees, with some misgivings, that an *application* for trade mark registration should also serve as a basis for registration of a domain name. The potential delays in trade mark registration justify this approach. However this may lead to an increase in spurious trade mark applications for the sole purpose of obtaining a domain name, even if only temporarily. To combat this CSIRO suggests that stringent measures should apply to this type of domain name application, such the following:

1. Each application should be manually screened. Registrars should have a discretion to reject applications which are obviously not bona fide or where the trade mark application is unlikely to succeed⁹
2. The applicant should be required to report regularly on the progress of the trade mark application. The registrar should promptly revoke the domain name licence when he or she becomes aware that the trade mark application has been rejected. Failure to report (after a suitable warning) would also be a ground for revocation of the domain name licence.
3. The applicant should be required to indemnify registrars, auDA and other relevant entities against claims arising from registration of the domain name.

The fee thrown away by lodging a spurious trade mark application may be insignificant compared to the value to a business of a registered domain name. To discourage trivial applications and to cover the costs of manual processing and follow-up (as well as the increased likelihood of dispute proceedings) CSIRO suggests that domain name applications of this type should attract a significant application fee.

Renewal Period

CSIRO agrees with Proposal 4.1.5. We suggest that the documentation signed by all new registrants should include an acknowledgement that renewal of a registered domain name will be subject to the policies applying *at the time of renewal*.

The renewal period is yet to be discussed. *Prima facie* this would be the same for all 2LDs. However closed 2LDs should be free to set different renewal periods where appropriate. The period of a domain name licence under “.conf.au” would presumably be shorter than other 2LDs, with no expectation of renewal.

⁹ Grounds for rejection would include existing registration of a sufficiently similar trade mark, or an application consisting solely of generic and/or geographical names. Limiting domain names to trade marks consisting solely of words, as discussed above, would also assist in this regard.

Restriction of Generic, Geographic and Objectionable Names

CSIRO believes that the owner of a registered company or business name should be entitled to registration under “.com.au” even if the registered name consist of generic and/or geographic words. The owner of such a company or business name should have the same right to domain name registration as any other name owner. The same would apply to registration of incorporated associations under “.org.au” and to individuals (whose name happened to correspond to a generic word or geographical name) under “.id.au”.

That is, the only criteria for registration of a domain name should be those set out in Proposals 4.1.1 and 4.1.3. CSIRO recognises that this may be open to abuse and may lead to spurious applications/registrations, particularly of business names¹⁰. However the alternative approach may discriminate against existing *bona fide* name-owners.

It is doubtful that a comprehensive definition of generic and geographical names could be developed by reference to external sources¹¹. Definitions which relied on input or judgement by registrars would be open to dispute. CSIRO’s suggested approach is consistent with the principle that domain name registrars should follow not lead in granting IP rights and will avoid the disputes which would undoubtedly arise from any attempt to define what names are considered generic or geographical.

Secondly, CSIRO proposes that functional and/or geographic descriptions (but not objectionable words) should be allowed as an *addition* to a company or business name for the purpose of registering a domain name¹². This would increase the number of available domain names and allow names which are more informative or more easily searchable while remaining specific to the registered trade mark or company or business name of the applicant. However it is recognised that this proposal will add an administrative burden to registrars, and raise an additional criterion on which subjective evidence may be required.

Introduction of new Second Level Domains

CSIRO supports the introduction of new 2LDs wherever there is a community of interest or market sector which would benefit from being differentiated from more generic domains such as “.com.au” or “.org.au”. The “pros” of Proposal 4.3.1 outweigh the “cons”.

¹⁰ For an ingenious example of registration of a generic name as a trade mark, committee members are invited to view the image corresponding to Registered Trade Mark No. 779906 (searchable using the ATMOSS search facility at http://www.ipaustralia.gov.au/trademarks/T_home.htm).

¹¹ The Yellow Pages index cannot be regarded as a complete listing of product or service names. It does not include, for example, domain name registration services.

¹² For an example where this has already been done, compare <http://www.impulse.com.au> and <http://www.impulseairlines.com.au>.

However Proposal 4.3.1 creates a problem, which must be resolved, of the relationship between newer, more specific 2LDs and “.com.au”.

Gateways

CSIRO supports the introduction of gateways¹³. However difficulties may arise where commercial operators seek registration as gateways, but in fact wish to promote only their own products or those of their licensees/franchisees/subscribers¹⁴. CSIRO suggests that genuine gateways (i.e. where the applicant guarantees equal access to all interested parties) should be registered as new (closed) 2LDs. An application for registration as a gateway should be made by an organisation which would in effect be the registrar of the new 2LD. The applicant should be required to demonstrate that the gateway will provide access on equal terms to all members of the relevant community of interest, market sector etc., and to agree that equal access will be provided throughout the term of the licence

Gateways should not formally be recognised within open 2LDs. auDA cannot prevent domain names registered under open 2LDs being used as gateways. Many gateways will take this form, e.g. where the gateway is the domain name of a peak industry body such as the Master Builders Association¹⁵ or a large business such as Ford which operates through authorised/franchised retail or service outlets¹⁶. If an applicant wishes to use a domain name as a gateway auDA should neither support nor prevent this. However the domain name must comply with the existing naming rules, in particular the prohibition of generic names.

¹³ Such web sites already exist – see for example <http://www.wineaustralia.com.au/Default>.

¹⁴ For example the Australian Wines of Distinction web site (<http://www.australianwines.com.au>) gives access only to a limited number of winemaker’s web sites, each of which is owned by Southcorp Wines.

¹⁵ <http://www.mba.org.au> is currently inactive.

¹⁶ Ford already uses provides access to its dealer network through its web site (<http://www.ford.com.au>).

Appendix A

CSIRO Comments on each Proposal

<p>4.1.1 Eligibility to apply for a domain name licence</p> <p>a. The proposed use of the domain name licence must fit the purpose envisaged by the relevant 2LD - refer to Schedule A.</p> <p>b. There must be a declaration of a bona fide intention to use the domain name licence for the purpose envisaged by the relevant 2LD.</p> <p>c. A bona fide intention to use the domain name licence for the purpose envisaged by the relevant 2LD should be demonstrated in accordance with the rules applicable in that 2LD - refer to Schedule A.</p> <p>d. It is not considered bona fide to license a domain name for the sole purpose of selling it.</p>	<p>Agreed. The eligibility criteria for each 2LD should be tightly linked to the defined purpose, rather than using common criteria. There are also problems with the defined purpose of “.org.au”. See Eligibility Criteria above</p> <p>Agreed</p> <p>Agreed</p> <p>Agreed</p>
<p>4.1.2 One domain name licence per entity</p> <p>The current rule of only one domain name licence per entity be removed.</p>	<p>Agreed.</p>
<p>4.1.3 Direct derivation of a domain name from an entity name</p> <p>a. There must be a connection between the domain name and the domain name licence holder.</p> <p>b. A connection between the domain name and the name of the domain name licence holder can be demonstrated by:</p> <ul style="list-style-type: none"> i. an exact match between the domain name and the name or trade mark of the domain name licence holder; or ii. a direct semantic connection between the domain name and the name of the domain name licence holder. 	<p>Paragraphs a and b(i) are agreed. CSIRO does not support the relatively broad approach envisaged by paragraph b(ii). Semantic connections should be limited to a small set of restrictive rules, for example omission of common words.</p>

<p>4.1.4 Conflict between domain names and trade marks Domain name licence applicants should acknowledge at the time of application that their entitlement to a domain name may be challenged by a third party with existing trade mark rights in the domain name.</p>	<p>Such acknowledgements may be useful. However CSIRO believes that the major concern is to design a domain name registration system which minimises challenges by limiting available domain names to those to which a single entity has a clear right.</p>
<p>4.1.5 Renewal period for domain name licences All domain name licences should be subject to a specified renewal period, and domain name licence holders should be required to provide evidence of continued eligibility to hold the licence at the time of renewal.</p>	<p>Agreed. New registrants should acknowledge that renewal of a registered domain name will be subject to the policies applying <i>at the time of renewal</i>.</p>
<p>4.2.1 Restriction on licensing of generic, geographic or objectionable names Retain the current policy restricting the licensing of generic, geographic and objectionable domain names and apply it across all open 2LDs. Adopt the following 'reserved list' approach:</p> <ol style="list-style-type: none"> a. clear definition of 'generic', 'geographic' and 'objectionable' will be developed with reference to appropriate sources (eg. Yellow Pages Index); b. domain names that have to date been rejected by the current registrars for being generic, geographic or objectionable will be placed on a reserved list; c. new applications for domain names that may be considered generic, geographic or objectionable may be referred to auDA; d. if the domain name is determined by auDA (according to the definition) to be generic, geographic or objectionable, then it will be added to the reserved list; e. applicants can challenge domain names on the reserved list, and auDA will determine whether the name should remain on the reserved list or whether changed circumstances mean the name can be licensed; and f. restrictions in relation to the registration of generic or geographic domain names should yield if the applicant seeking domain name 	<p>CSIRO is not convinced that a restricted names list is practicable or desirable. The owner of a registered company or business name should be entitled to registration under ".com.au" even if the registered name consist of generic and/or geographic words.</p> <p>Functional and/or geographic descriptions should also be allowed as an <i>addition</i> to a company or business name for the purpose of registering a domain name.</p>

<p>registration can provide evidence of trade mark rights in the domain name.</p>	
<p>4.2.2 Licensing of generic and/or geographic names Relax the current policy and enable licensing of generic and geographic domain names using an appropriate licence allocation system, such as a market-based one.</p>	<p>See above</p>
<p>4.3.1 Introduction of new .au 2LDs Introduce new 2LDs in the .au domain space, subject to the ICANN experience of introducing new gTLDs.</p>	<p>Agreed. However the relationship between “.com.au” and more specific 2LDs needs to be examined.</p>
<p>4.3.2 Introduction of a system of gateways Consideration be given to the introduction of a gateway structure, following consultation, along the lines of one or more of the possible models.</p>	<p>Agreed. CSIRO favours the introduction of new 2LDs as gateways.</p>
<p>4.4.1 Domain names that begin with a number Domain names that begin with a number should be allowed, however domain name licence applicants should be made aware of the potential problems.</p>	<p>Agreed</p>
<p>4.4.2 Country codes and gTLDs as domain names The prohibition on two character alpha domain names or domain names that match existing or new gTLDs should be maintained.</p>	<p>Agreed</p>
<p>4.5.1 Retrospectivity and prospectivity Changes to domain name eligibility and allocation policies will not have retrospective effect for current domain name licence holders, and will only apply to existing domain name licences at the time of re-registration.</p>	<p>Agreed.</p>
<p>4.5.2 Dispute resolution procedure a. Dispute resolution procedures should apply to:</p> <ul style="list-style-type: none"> i. all open 2LDs; and ii. closed 2LDs on an opt-in basis, with appropriate modifications if 	<p>CSIRO supports the establishment of a common dispute resolution procedure for all open 2LDs. There should be no presumption that closed 2LDs will opt in to the common procedure and closed 2LDs should be free to establish their own specific dispute resolution procedures.</p> <p>CSIRO generally supports the proposed two</p>

<p>necessary.</p> <p>b. There should be two levels of dispute resolution procedure:</p> <ul style="list-style-type: none"> i. the first level should deal with due process - ie. where an applicant wishes to contest the implementation of a policy within a domain by a registrar; and ii. the second level should deal with bad faith registration and/or use of a domain name - ie. referral to a dispute panel for enforcement of third party rights. <p>c. At the first (due process) level:</p> <ul style="list-style-type: none"> i. there should be a first appeal initially to the registrar; ii. there should be a second appeal to an independent arbitrator; iii. the arbitration should be compulsory and binding on the applicant, the domain name licence holder and all registrars; iv. the domain name should be frozen pending arbitration; v. only an eligible applicant should have access; and vi. the remedy should be restricted to registration of the domain name. <p>d. At the second (bad faith) level:</p> <ul style="list-style-type: none"> i. there should be an appeal to an independent arbitrator; ii. the arbitration should be binding on the applicant, the domain name licence holder and all registrars; iii. it should be restricted to bad faith registration and/or use of a domain name; iv. the domain name should be frozen pending arbitration; v. only eligible applicants should have access; and vi. the remedy can be cancellation of the registration or transfer of the domain name to a successful applicant. 	<p>level process. The second level should not be limited to cases where the initial application or registration is alleged to be in bad faith. Both parties may have genuine competing claims to a domain name.</p>
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