



International Trademark Association

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INTA Response to RFC on .AU

INTA has elected to respond to **4.1.4, 4.1.5, 4.3.1, 4.3.2, and 4.5.2.**

4.1.4 Conflict between domain names and trade marks

Domain name license 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.

INTA Response: INTA supports the proposal set forth in 4.1.4, since it generally acknowledges the important role trade marks play in aiding the public in finding their way through an increasingly tangled World Wide Web. INTA commends auDA for taking the initiative in helping to create a safe online environment through trade mark protection. An Internet without respect for trade mark rights would be disastrous to trade mark owners and the public alike. Consumer confidence in the Internet would fade, while companies that own trade marks, faced with the piracy of their property, would be reluctant to market their goods and services online. This would take a considerable financial toll on national economies, as well as possibly lead to the loss of countless jobs. In some instances, it would also pose a risk to the health and safety of the consuming public.

INTA notes that requiring domain name applicants to acknowledge others' trade mark rights at the outset may itself have some modest deterrent effect on bad-faith registrations. To serve as an additional deterrent, however, we suggest that auDA add to the proposal in 4.1.4 so that at the time of registration, the domain name registrant explicitly states that to its knowledge, the domain name requested does not infringe upon the IP rights of a third party.

4.1.5 Renewal period for domain name licenses

All domain name licenses should be subject to a specified renewal period, and domain name license holders should be required to provide evidence of continued eligibility to hold the license at the time of renewal.

INTA Response: INTA strongly supports this proposal. We believe that clear renewal policies are an affirmative step in curbing instances of cybersquatting.

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.

INTA Response: Although it may appear that such special-purpose second level domains can be helpful in locating a particular entity (much like the yellow pages is divided up by category to help one find a particular entity), in practice, second level domain names create numerous problems.

First, there is the problem of deciding in which category a particular entity falls. A single company properly might be classified under several different categories, requiring that company to register its name for each of the applicable categories. Even more problematic is that a single company might not fall into any one of the enumerated categories.

Second, trade mark owners in particular have had numerous problems with unrelated third parties registering their trade marks as domain names under the currently existing generic top-level domains (TLDs). INTA believes that the addition of second level domains beyond those currently in existence for the .au would only exacerbate these problems. The public would be hurt by the resulting confusion caused by cybersquatters who have registered a trade mark as a domain name using a second-level domain.

Third, INTA believes that multiple second-level domain names are likely to cause problems for consumers seeking to reach specific sites. The requirement that a consumer enter multiple values as part of a Web address is likely to cause problems because there is a greater propensity for consumer error, preventing a consumer from reaching his or her desired site. Simplicity is better both for the consumer and the site owner.

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.

INTA Response: INTA agrees that the gateway alternative is one that is worth exploring, since it may help to alleviate problems that arise when multiple companies share a common name. We offer our assistance to auDA with respect to the gateway experiment and look forward to working with its representatives upon request.

4.5.2 Dispute resolution procedure

a. Dispute resolution procedures should apply to:

- i. all open 2LDs; and
- ii. closed 2LDs on an opt-in basis, with appropriate modifications if necessary.

- b. There should be two levels of dispute resolution procedure:
 - i. the first level should deal with due process - i.e. 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 - i.e. referral to a dispute panel for enforcement of third party rights.

- c. At the first (due process) level:
 - 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 license 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.

- d. At the second (bad faith) level:
 - i. there should be an appeal to an independent arbitrator;
 - ii. the arbitration should be binding on the applicant, the domain name license 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.

INTA Response: INTA believes that a reasonable administrative dispute resolution policy is an essential element of any plan for the administration of domain names on the Internet. For some time now, we have strongly supported the idea that any dispute policy needs to be consistent across the TLD space – including ccTLDs. A lack of uniformity and specificity will only lead to confusion on the part of trade mark and domain name holders, fundamental unfairness in the unequal treatment of rights in domain names and therefore inconsistent policies and precedent, chaos in the Internet community, and in the end, increased, rather than decreased transaction costs.

Consumers will ultimately pay the burden of these costs. If the goal is to create a system that is fair and predictable, and a relief to the current chaos, there can only be a single uniform system.

For this reason, INTA encourages auDA to take a leadership role amongst ccTLD administrators and adopt a policy that is consistent with the ICANN Uniform Dispute Resolution Policy (UDRP). As is noted by the ICANN Intellectual Property Constituency (IPC), of which INTA is a member:

“ICANN statistics show that the UDRP provides a valuable tool for the large number of cases where domain names in *.com*, *.net* and *.org* have been registered in bad faith. Approximately 1,500 UDRP proceedings have been initiated for determining rights of domain name holders who are alleged to have registered and used domain names in bad faith and roughly 900 decisions have been rendered. The results of UDRP proceedings indicate that cases involving cyberpirates and others acting in bad faith are quickly resolved in a fair, efficient, and cost-effective manner, and that domain name registrants have prevailed when their legitimate rights to the domain name have been established” (IPC, Intellectual Property Protection in New TLDs, August 24, 2000, http://ipc.songbird.com/New_TLD_Safeguards.htm).

INTA believes that the language in 4.5.2 (b)(ii) and (d)(i) through (vi), which refer to “second level (bad-faith)” registrations, is consistent, with the basics tenants of the ICANN UDRP. We compliment auDA for taking this important step and look forward to reviewing the complete policy.

We are concerned, however, with respect to 4.5.2(b)(i) and (c)(i) through (vi), which refer to “first (due process) level.” In particular, we note the phrase in 4.5.2(b)(i), which states, “i.e. where an applicant wishes to contest the implementation of a policy within a domain by a registrar.” This would seem to suggest that at least in this “first level,” which we are admittedly confused by as to its purpose, might permit multiple policies to exist, including trade mark/domain name dispute resolution policies, WHOIS access, and other important tools necessary to safeguard consumer and trade mark owners’ rights in cyberspace. This would run counter to INTA’s overall position, which calls for uniformity of policies across the DNS. While INTA strongly supports due process in the domain name assignment system, at this time we cannot offer support for the “first-level” proposed in 4.5.2 and request further clarification for auDA regarding its intended purpose.

Additional Comment -- WHOIS

Information on domains registered in *.au* should continue to be made available through a WHOIS site. The contact and ownership data in the WHOIS system is the most reliable method trade mark owners have to determine the identity and location of a cybersquatter, thereby preventing consumer confusion. INTA compliments auDA for providing access to the *.au* WHOIS site.