



**The Institute of  
Patent and Trade Mark  
Attorneys of Australia**  
A.C.N. 004 194 263

26 November 2003

Ms Jo Lim  
auDA  
GPO Box 424G  
MELBOURNE VIC 3001

Dear Ms Lim,

**RE: Review of Policies in .au Second Level Domains  
Response to Second Public Consultation Report  
Our Ref: DCC:TG**

In response to the Second Public Consultation Report, we would like to make the following comments in relation to those recommendations of interest or concern to us.

### **3.1**

We agree with the general recommendations under this heading. However, with regard to the recommendation 3.1.2, we believe that it is essential that evidence of continued eligibility be provided at regular periods, i.e. each 2 years, which may or may not coincide with renewal terms. It appears there is a conflict in recognising that "license periods may be a point of competitive difference between registrars" and then recommending that the license period is set by auDA.

With regard to recommendation 3.1.3(a), there is a clear inconsistency between the term "Australian entity" and the proposed definition which would include a non-Australian entity which happens to own an Australian trade mark registration. We suggest that the term "Australian entity" be changed to some other term which is less ambiguous and will not be likely to mislead trade mark owners, in particular.

With regard to recommendation 3.1.3(d), it is stated that a person who relied on an application for a registered trade mark to license the domain name would need to show that the application "had been approved" when the licence came up for

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renewal. Perhaps all that needs to be shown on renewal, particularly if the first renewal is a 2 year period, is that the application is either still pending or has been approved. As you may know, it is often the case that an application for registration will not be approved within 2 years from the application date for one reason or another.

Concerning paragraph 3.1.3(f), I am not sure what is meant by “superior legal rights in the words forming the domain name”. Rights to trade marks are granted in relation to the use of the trade mark in respect of defined goods or services. The same word may be the subject of trade mark registration rights owned by different parties. It may be difficult to develop a procedure which can establish a “superior” right, particularly when comparing use of trade marks with use of domain names. However, in general, we agree that the license applicant must acknowledge that the domain name license may be challenged by somebody claiming rights in the words forming the domain name.

#### **4.1.2**

We agree that there must be a connection but we are not certain whether subparagraph (b) is intended to enable a domain name license holder to use a name which is derived from a registered traded mark. We believe that this should be the case.

With regard to the “cost implications” of 4.1.2(b), we believe that this is an area that may be left to the individual registrars to determine.

We agree with the recommendation 4.3 as set out in the report.

With regard to 5.1, while we agree that new 2LDs should be introduced over time, we can see no value in an “open slather” 2LD, as is the case in Canada and elsewhere, after having developed the policies which are currently in place or proposed. Further, the value of a new 2LD which is simply parallel to the com.au would add another level of complexity to the domain name system and a further level of confusion to users.

#### **6.1**

We agree that there should be no retrospective changes and that the proposed changes to eligibility and allocation policies should apply only to new and re-registered licenses. Existing rights of domain name license holders should be maintained. By introducing retrospectivity, user confidence in the system will be damaged as users will not be confident that, in the future, further retrospective changes will be made adversely affecting the rights the domain name licensees.

**6.2**

We agree that the dispute resolution procedures should be mandatory for all open 2LDs. Further, such dispute resolution procedures should also be mandatory for domain name licenses which are being renewed.

We await receipt of the further report in due course.

Yours sincerely,

**Doug Carter**  
President