

# The ICANN GNSO “Business Constituency”



## ICANN Business Constituency comment

on

### Initial Report from the EPDP on Specific Curative Rights Protections for IGOs

24-Oct-2021

#### Background

This document is the response of the ICANN Business Constituency (BC), from the perspective of business users and registrants, as defined in our Charter:

The mission of the Business Constituency is to ensure that ICANN policy positions are consistent with the development of an Internet that:

1. Promotes end-user confidence because it is a safe place to conduct business;
2. Is competitive in the supply of registry and registrar and related services; and
3. Is technically stable, secure and reliable.

#### General Comment on Initial Report from the EPDP on Specific Curative Rights Protections for IGOs<sup>1</sup>

The BC extends its appreciation to the members of the EPDP for examining the important question asked of the EPDP by the GNSO<sup>2</sup>, namely: "Whether an appropriate policy solution can be developed that is generally consistent with the first four recommendations from the GNSO IGO-INGO Access to Curative Rights PDP and:

- accounts for the possibility that an IGO may enjoy jurisdictional immunity in certain circumstances;
- does not affect the right and ability of registrants to file judicial proceedings in a court of competent jurisdiction;
- preserves registrants' rights to judicial review of an initial [Uniform Domain Name Dispute Resolution Policy or Uniform Rapid Suspension decision; and
- 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."

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<sup>1</sup> ICANN Public comment page at <https://www.icann.org/en/public-comment/proceeding/initial-report-epdp-specific-curative-rights-protections-igos-14-09-2021>

<sup>2</sup> <https://gns0.icann.org/en/council/resolutions/2020-current#202001>

As previously stated in the BC's Comment on IGO-INGO Access to Curative Rights Protection Mechanisms Policy Recommendations for ICANN Board Consideration,<sup>3</sup> the UDRP recently celebrated its 20th anniversary and has been widely credited as an effective tool for dealing with clear cases of cybersquatting. Also as previously stated by the BC in its Comment, the original IGO Working Group considered IGO and INGO access to the UDRP and URS and determined that "the UDRP and URS could be satisfactorily used by IGOs and INGOs to address clear cases of cybersquatting" and that some had even "done so to-date", although such cases are extremely rare. Accordingly, the BC wishes to re-emphasize its original Comment that it continues to "support the existing UDRP and URS framework for IGOs" without the need "to conceive, develop, and implement a separate rights protection mechanism for IGOs."

Given that the UDRP has successfully dealt with tens of thousands of abusive domain name registrations over the course of its 21+ year history, any adjustments to the UDRP to address participation by IGOs as recommended by this EPDP, should nonetheless undergo further review and consideration by the Phase 2 RPM Working Group, as that is the body with the requisite expertise to contemplate how any such adjustments can and should work within an already successful RPM regime.

The BC also previously stated in its aforementioned Comment<sup>4</sup> that "examination of the [access to UDRP and immunity of IGOs issue] should be addressed within a dedicated small group under the umbrella of the RPM Working Group where hopefully a solution may be found which satisfies all stakeholders". Notwithstanding the August 2021 procedural decision of the GNSO Council to continue IGO curative rights work via this EPDP, the BC continues to see value in subsequent expert review and consideration of EPDP recommendations within the RPM Working Group in Phase 2. Otherwise, there is risk that well-intentioned revisions to the UDRP to address the discrete issue of IGO participation, could inadvertently result in destabilization of the to-date successful practice, procedure, and case law of the UDRP. Therefore, the BC recommends that the RPM Working Group during Phase 2, review and consider how the current Proposed Recommendations or any subsequent Final Recommendations work along with the existing UDRP for overall internal consistency.

### **Specific BC Comments on Preliminary Recommendations**

#### **Preliminary Recommendation 1: Proposed Recommendation regarding UDRP and URS Eligibility Requirements for IGOs**

Subject to review and consideration by the expert Phase 2 RPM Working Group, the BC supports Preliminary Recommendation 1, as it is consistent with our previous position in favor of further "assist[ing] IGOs in accessing their existing rights under the existing UDRP and URS" and that "IGOs should be able to access the UDRP even without a registered trademark". The BC therefore supports

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<sup>3</sup> [https://www.icannbc.org/assets/docs/positions-statements/2019/2019\\_08August\\_20%20BC%20comment%20on%20IGO-INGO%20access%20to%20curative%20RPMs.pdf](https://www.icannbc.org/assets/docs/positions-statements/2019/2019_08August_20%20BC%20comment%20on%20IGO-INGO%20access%20to%20curative%20RPMs.pdf)

<sup>4</sup> [https://www.icannbc.org/assets/docs/positions-statements/2019/2019\\_08August\\_20%20BC%20comment%20on%20IGO-INGO%20access%20to%20curative%20RPMs.pdf](https://www.icannbc.org/assets/docs/positions-statements/2019/2019_08August_20%20BC%20comment%20on%20IGO-INGO%20access%20to%20curative%20RPMs.pdf)

the proposed inclusion of a definition of “IGO Complainant” and the accompanying proposed explanatory text regarding how an IGO may show rights in a mark.

**Preliminary Recommendation 2: Proposed Recommendations to Address IGO Immunities While Preserving a Registrant’s Right to Seek Review of a UDRP or URS Decision Issued Against It**

Acknowledging that the GNSO Council has already elected not to approve original Recommendation #5 from the IGO-INGO Access to Curative Rights Protections PDP, the BC agrees that if Preliminary Recommendations #3, #4, #5 and #6 are approved, then the original Recommendation #5 shall be superseded and replaced by these cumulative recommendations.

**Preliminary Recommendation #3: Exemption from Agreement to Submit to Mutual Jurisdiction for IGO Complainants**

Privileges and immunities amongst IGOs are not simple, and the application of such by individual countries is not uniform. Thus, the BC stands by its prior position noted in its Comments on the Final Report of the previous IGO Working Group, “claims of jurisdictional immunity to a court proceeding can and should be advanced before such national court and cannot be pre-determined by ICANN fashioning a blanket rule that does not take into account the facts and circumstances of each case.” Accordingly, one potential compromise alternative to exempting an IGO from the mandatory submission to a “Mutual Jurisdiction”, would be amending UDRP Rules Section 3(b)(xii) with an explicit caveat as follows: “State that Complainant, without prejudice to an IGO Complainant’s privileges and sovereign immunity, will submit, with respect to any challenges to a decision in the administrative proceeding canceling or transferring the domain name, to the jurisdiction of the courts in at least one specified Mutual Jurisdiction.”

As part and parcel of an IGO deciding to proceed with a UDRP or URS instead of court litigation, an IGO should – as it is currently required to do – submit to the jurisdiction of at least one location for subsequent court proceedings brought by a registrant. This ensures that a registrant who has a *bona fide* case to overturn an errant UDRP or URS decision has unfettered access to either, as provided for by current UDRP procedure, the courts of the registrant’s location or the location of the registrant’s registrar. While recognizing that such cases would be extremely rare, by completely removing the requirement to submit to a “Mutual Jurisdiction,” trademark owners, businesses, and individuals who are on the receiving end of an errant UDRP or URS decision would be denied even the simple ability to contest IGO privileges and immunities in a court of competent jurisdiction under applicable national laws.

Nevertheless, removal of the “Mutual Jurisdiction” requirement must only be implemented in accordance with Option 2 of Preliminary Recommendation 4, as discussed below.

**Preliminary Recommendation #4: Arbitral Review following a UDRP Proceeding**

The BC believes that registrants should be able to effectively pursue relief through litigation under national laws where a national court assumes jurisdiction despite any IGO claims of sovereign immunity, having regard to the particular circumstances of each case. The BC also believes however, that registrants should be able to alternatively, pursue relief through binding arbitration. Furthermore, the BC believes that IGOs and registrants should be actively encouraged to mutually agree to avoid court litigation altogether and pursue resolution post-UDRP, through binding arbitration, as suggested by Recommendation #4, Paragraph (i).

The BC therefore supports Preliminary Recommendation 4 in conjunction with Option 2.

Importantly, under Option 2, a registrant business, trademark owner, or individual, retains the natural right to obtain actual adjudication on the merits of the dispute through their selection of either litigation in a court of competent mutual jurisdiction or binding arbitration. In contrast, Option 1 leaves no effective recourse on the merits if a registrant exercises its right to seek resolution through national courts rather than through arbitration and the court nevertheless declines jurisdiction based upon IGO immunity.

The BC therefore stands by its previous guidance, “that in those rare instances in which a losing registrant seeks judicial appeal and the IGO subsequently successfully asserts its immunity to the court’s jurisdiction...the decision rendered against the registrant in the predecessor UDRP or URS may be brought before a to-be-determined arbitration forum for de novo review and determination.”

The BC therefore recommends that the Working Group adopt and make clear, that there are two viable options for post-UDRP and post-URS disputes, namely;

- a) The parties mutually agree to resolve a dispute arising from a UDRP or URS decision by binding arbitration; or
- b) Either party may decide to resolve the post-UDRP or post-URS dispute by recourse to national courts. If the national court declines to assume jurisdiction based upon IGO immunity, then the registrant may seek recourse through binding arbitration.

As such, in any event, either a court or an arbitration tribunal will be able to resolve all such disputes on the merits. In other words, a registrant can choose to arbitrate instead of litigate, or can choose to litigate instead of arbitrate. But if the court won’t hear the dispute due to IGO immunity, then arbitration is really the only option and that should proceed as otherwise there would be no avenue to effectively “appeal” a URS or UDRP decision.

#### **Preliminary Recommendation #5: Arbitral Review following a URS Proceeding**

For the same reasons as the BC supports Option 2 of Recommendation #4, the BC supports Option 2 of Recommendation #5.

#### **Preliminary Recommendation #6: Applicable Law in an Arbitration Proceeding**

The BC supports Recommendation 6 in conjunction with Option 1, as it is consistent with the current practice of enabling a complainant to specify one particular Mutual Jurisdiction, but in this case the complainant would be electing the laws of a particular jurisdiction for a subsequent arbitration.

With regards to the proposed “non-exhaustive general principles” to govern arbitration as set out at Subsection (iii). the BC stresses that an arbitral process should follow as close as possible, the robust procedures and safeguards available in a credible national court, including but not limited to oral hearing, cross-examination of witnesses, discovery of evidence, availability of motions, etc. The question of which panelists are accredited to hear such an appeal 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 and public international law, drawn from the jurisdictions of the respective parties and/or the jurisdiction of the applicable law, to the extent possible.

**Concluding BC Recommendation**

Whatever path that the GNSO decides to take in connection with IGO participation in RPMs, it is critical that it be examined from a holistic perspective in the near and mid-term as part of the RPM Review PDP to ensure that the approach remains internally consistent and effective.

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This comment was drafted by Jay Chapman, Andy Abrams, Zak Muscovitch, Marie Pattullo, and Jimson Olufuye.

It was approved in accord with our Charter.