

Domain Name Dispute Resolution Under UDRP and KIDRC

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Question:

Supposed you have recently positioned to work with Samsung as a key staff member of its Intellectual Property department. However, you have noticed that someone registered the domain names `<samsungsiltronic.com>` and `<samsunghealthcare.co.kr>`, which include trademark "SAMSUNG" in entirety.

Although you has attempted several times to contact him via email and phone call to discuss about the infringement of trademark, there is no reply at all.

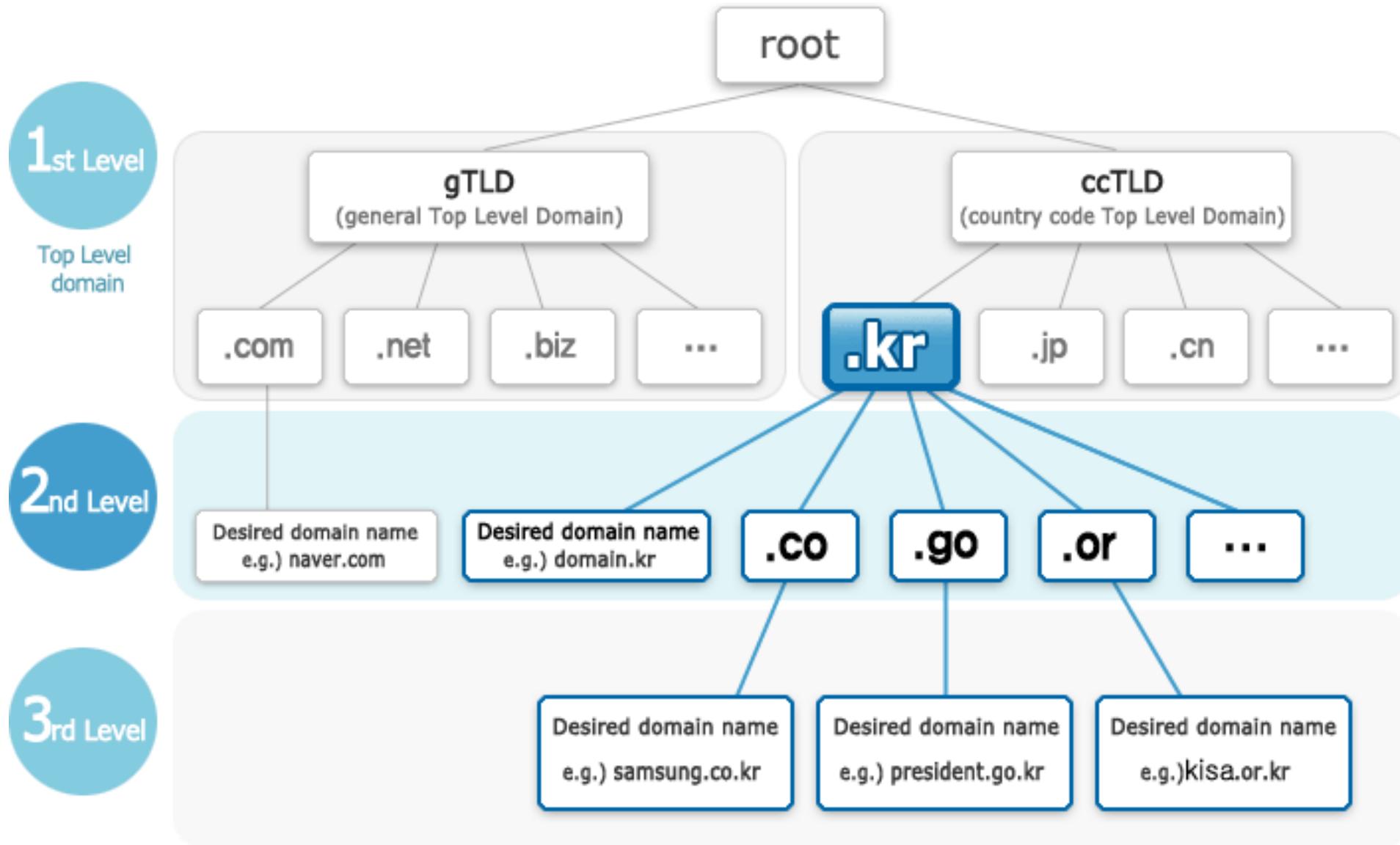
How would you handle this dispute?

- (i) Which forum could you go to resolve DN disputes?
- (ii) Which procedural rules applies to the dispute resolution?
- (iii) What remedy you might get in the process?
- (iv) How can you enforce the decision?

1. Domain Names

* A domain name consists of one or more parts, technically called labels, that are conventionally delimited by dots, such as `<samsungsiltronic.com>` or `<samsunghealthcare.co.kr>`.

- (1) **gTLD; Generic top-level domain names** are one of the categories of top-level domains (TLDs) for use in the Domain Name System of the Internet. A top-level domain is the last level of every fully qualified domain name. The core group of generic top-level domains consists of .com, .net, .org, .biz, and .info etc.
- (2) **ccTLD: country code top-level domain (ccTLD)** is a two-letter Internet top-level domain (TLD) that is used to designate a specific country or territory. Each country has its own unique ccTLD. For example, ".us" represents the United States, ".kr" represents the Republic of Korea., and ".ca" represents Canada.



2-1. WHY DO DOMAIN NAME DISPUTES HAPPEN?

(1) Registration of domain names is on a first-come, first-served basis.

(2) A Registrar does not strictly review bad faith registration when someone purchase the domain name through him.

(3) Most disputes over domain names arise when a cybersquatter registers a domain name in bad faith with the explicit purpose of profiting off of the registered trademark of another.

- Cybersquatting:

- registering, trafficking in, or using a domain name with bad faith intent to profit from the goodwill of a trademark belonging to someone else

2-2. What is the Registration Agreement between Registrant and Registrar?

(1) Upon registration of a domain name, a registrant enters into a contract with a registrar, which includes UDRP.

(2) The contract describes the terms under which the registrar agrees to register and maintain the requested name.

2-3. What is the UDRP?(1)

- (1) The UDRP is an out-of-court dispute resolution mechanism for trademark owners to resolve cases of bad-faith, abusive registration and use of domain names.
- (2) Designed by WIPO in 1999, the UDRP applies (by contract) to all domain name registrations in ICANN-approved TLDs, both current and new. The UDRP or a variant also applies to a number of ccTLDs.
- (3) Standing to file a UDRP case is limited to trademark owners, who must assert their rights in the complaint. In order to prevail, the complainant must further demonstrate that the domain name registrant lacks rights or legitimate interests in the name, and that the registrant has registered and uses the DN in bad faith.
- (4) If the complaint is successful, the infringing domain name registration is transferred to the complainant following a ten-day waiting period in the event the respondent would seek recourse to a court of competent jurisdiction.

2-4 What is the UDRP?(1)

Uniform Domain-Name Dispute Resolution Policy

(1) The UDRP is a policy between a registrar and its customer and is included in registration agreements for all ICANN-accredited registrars.

(2) The Uniform Domain-Name Dispute Resolution Policy (UDRP) has been adopted by ICANN-accredited registrars in all gTLDs (.aero, .asia, .biz, .cat, .com, .coop, .info, .jobs, .mobi, .museum, .name, .net, .org, .pro, .tel and .travel).

(3) Dispute resolution proceedings arising from alleged abusive registrations of domain names (for example, cybersquatting) may be initiated by an owner of trademark rights.

3. Court or ADR

UDRP Paragraph 4(k)

Availability of Court Proceedings. The mandatory administrative proceeding requirements set forth in Paragraph 4 shall not prevent either you or the complainant from submitting the dispute to a court of competent jurisdiction for independent resolution before such mandatory administrative proceeding is commenced or after such proceeding is concluded.

Alternative to UDRP

- There are alternative avenues available to address domain name disputes instead of or alongside filing a Uniform Domain-Name Dispute-Resolution Policy (UDRP) complaint.

Some of these options include:

1. **Negotiation and Settlement:** The parties involved can attempt to resolve the dispute through direct negotiation and reach a mutually acceptable settlement. This may involve discussing the issue, identifying common interests, and finding a compromise that satisfies both parties.
2. **Alternative Dispute Resolution (ADR):** ADR methods, such as arbitration or expert determination, provide a private and streamlined process for resolving domain name disputes. In these cases, an independent arbitrator or expert is appointed to review the evidence presented by both parties and make a binding decision.
3. **Lawsuit:** If the dispute involves significant legal issues or complex circumstances, the complainant may choose to file a lawsuit in a court of law. This option allows for a judicial resolution of the matter, with the court making a binding decision on the dispute.

3. UDRP Dispute Resolution Service Providers

(1) gTLD-WIPO/NAF/ADNDRCC

WIPO

Asian Domain Name Dispute Resolution Centre (ADNDRC)

National Arbitration Forum (NAF)

Arab Center for Domain Name Dispute Resolution (ACDR)

Canadian International Internet Dispute Resolution Centre (CIIDRC)

The Czech Arbitration Center for Internet Disputes (ADR.eu)

(2) ccTLD-KIDRC associated with krnic

- Each country establishes its own policies and procedures for resolving domain name disputes within its ccTLD. These policies may vary and may have their own dispute resolution mechanisms..
- Some ccTLDs have adopted similar dispute resolution policies to the UDRP, while others may rely on local courts or alternative dispute resolution methods. KIDRC rules are modelled after UDRP.

WIPO

- (1) Initiated by WIPO in 1999, the Uniform Domain Name Dispute Resolution Policy (UDRP) provides trademark owners worldwide with an effective remedy, outside of court to address clear-cut cases of cybersquatting.
- (2) The UDRP applies to all generic Top Level Domains (gTLDs) including the over 1,200 new gTLDs now operational. Many country code Top Level Domains (ccTLDs) also relying on WIPO services for their UDRP-based policies.

WIPO Dispute Resolution Services for ccTLDs

(1) WIPO provides domain name dispute resolution services for 76 ccTLD operators.

Many of these ccTLDs have adopted the UDRP; others have adopted tailored UDRP variations or Expedited Arbitration.

(2) Where a ccTLD has adopted the UDRP, those domain names may be consolidated with gTLD domain names against a single registrant in a single UDRP complaint.

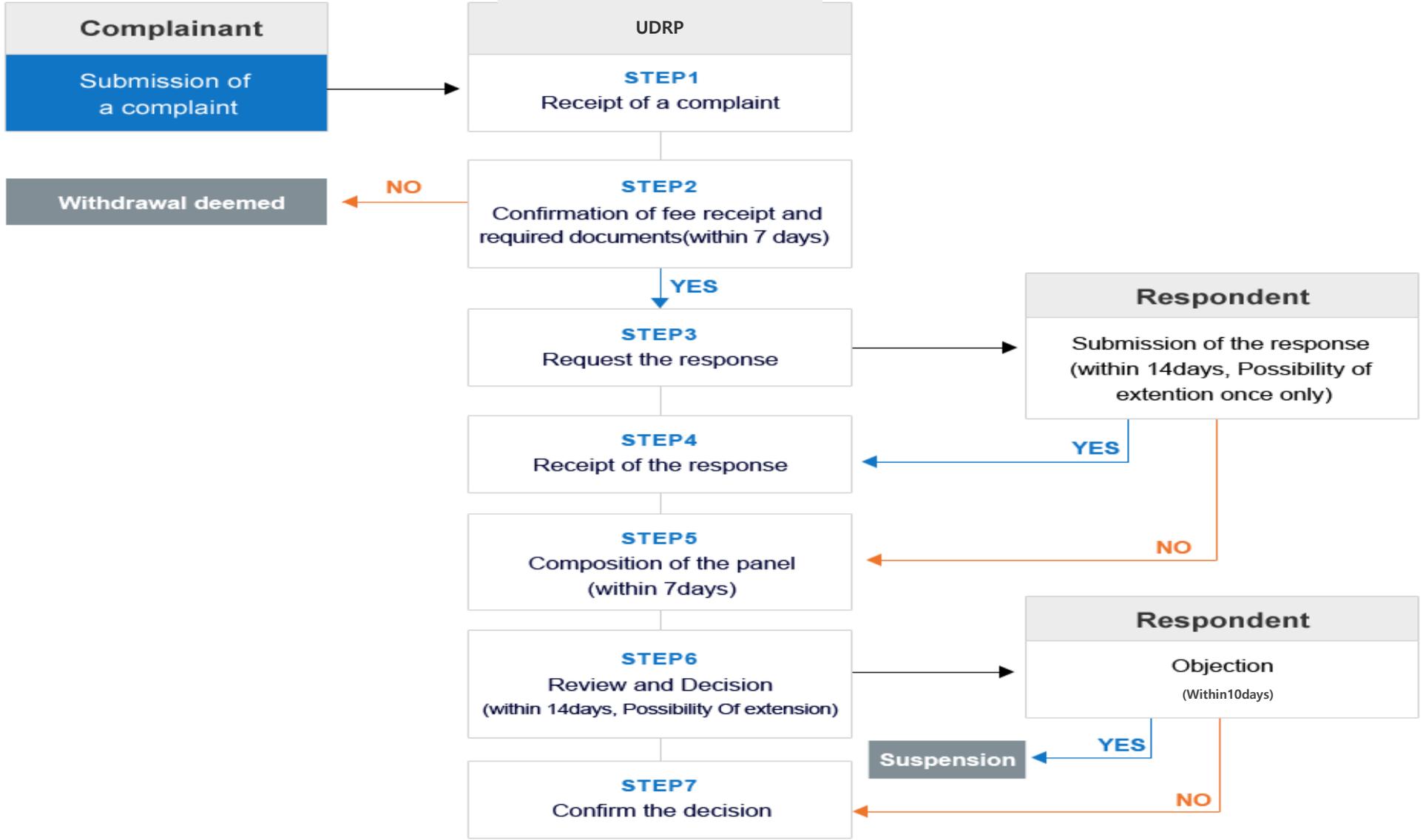
Further to its not-for-profit ADR services, WIPO provides a free online database with links to the websites of over 250 ccTLDs so trademark owners may find the applicable procedure.

ccTLDs adopting the UDRP:

.ag, .as, .bm, .bs, .bz, .cc, .cd, .co, .cy, .dj, .ec, .fj, .fm, .gd, .gq, .gt, .ki, .la, .lc, .md, .me, .ml, .mw, .nr, .nu, .pa, .pk, .pn, .pr, .pw, .ro, .sc, .sl, .so, .tj, .tk, .tt, .tv, .ug, .ve, .vg, .ws.

Examples of UDRP variations: .ch, .es, .fr, .mx, .nl

4. UDRP Proceedings flowchart



4. Tests under UDRP

Under paragraph 4(a) of the Policy, the Complainant is required to prove all of the following three elements:

(1) Identical or similarity test

Respondent's domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and

(2) legitimate interests test

Respondent has no rights or legitimate interests in the domain name; and

(3) bad faith test

Respondent's domain name was registered and used in bad faith.

<samsungsiltronic.com>

Samsung Electronics Co. Ltd v. NA/Ki Choi, WIPO Case No. D2007-0011

The complainant is the owner of trademarks "Samsung". The Respondent did not reply to the Complainant's contentions.

- (1) The disputed domain name consists of "samsung" and "siltronic" with which the Complainant has planned a joint venture project shortly before the Respondent registered the DN.
- (2) The name "samsungsiltronic" has no apparent association with the Respondent.
- (3) The Panel considers that the Respondent in all likelihood registered the disputed domain name with the expectation of taking advantage of the reputation of the Complainant's trademark.
- (4) In conclusion the Panel orders that the domain name <samsungsiltronic.com> be transferred to the Complainant.

4. Korean Internet Address Dispute Resolution Committee (KIDRC)

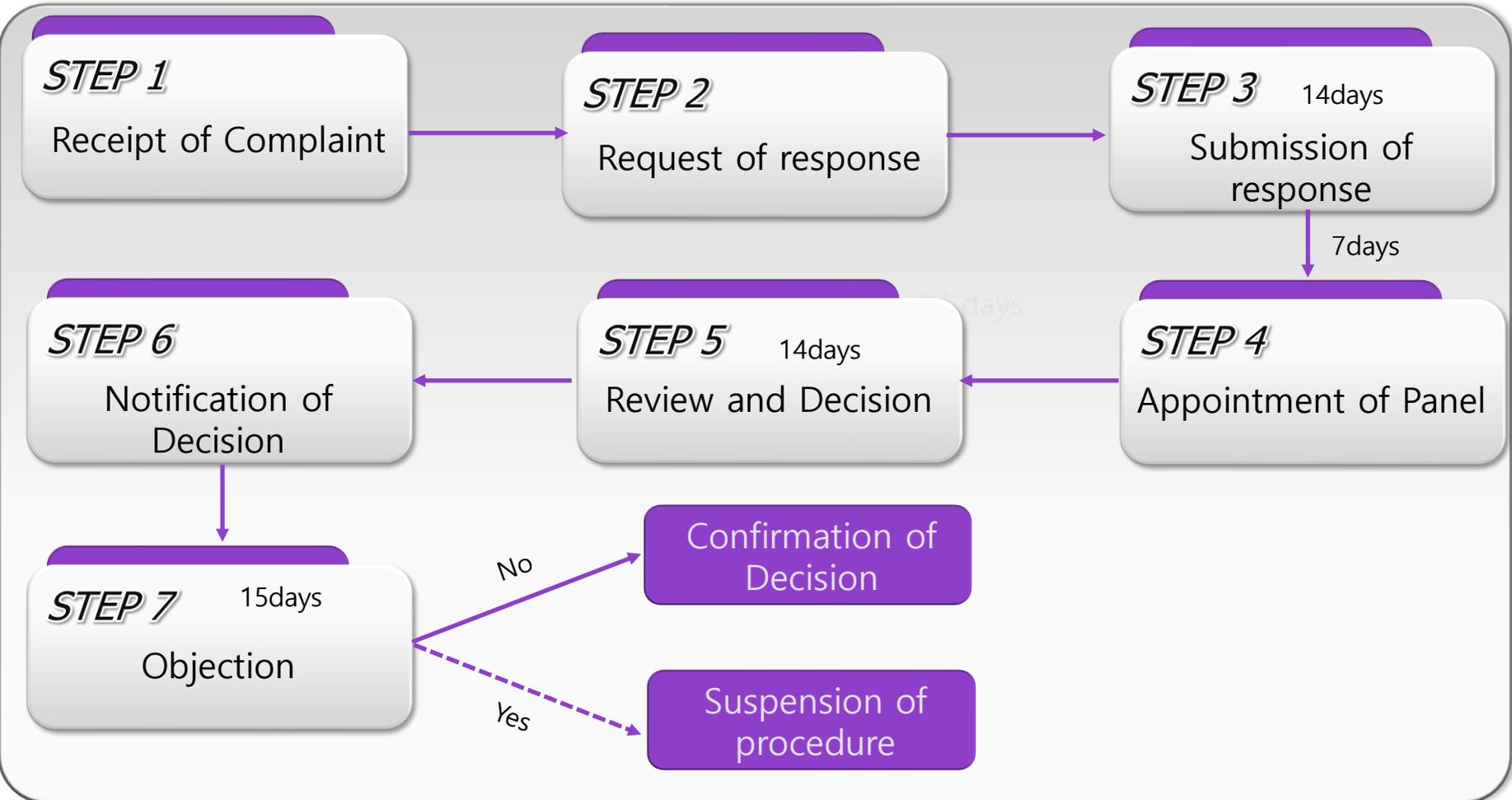
- In 2004 KIDRC was established under the Act on Internet Address Resources which is revised further in 2009
- KIDRC offers ODR service which modeled after UDRP (Uniform Domain Name Dispute Resolution Policy).
- KIDRC is also functioning as the Seoul branch office of ADNDRC (Asian Domain Name Dispute Resolution Centre) to handle gTLD domain name disputes as well.

Basic Mechanism of the Domain Name Law In Korea

- ▶ Legislature has adopted statutory provisions
 - Act on Internet Address Resources (AIAR),
 - Unfair Competition Prevention and Trade Secret Protection Act (UCPA),
 - Trademark Act

- ▶ Domain name disputes may resolved at the courts or at KIDRC

KIDRC Procedure



Under the rules of KIDRC

Complainant must prove one of following elements:

- (1) the Respondent's use of the domain name infringes the Complainant's trademark rights (Trademark Act. S.66)
- (2) the Respondent's use of the domain name leads to confusion with the Complainant's products or business conduct (Unfair Competition Act. S.2)
- (3) the Respondent's use of the domain name damages the distinctiveness or reputation of the Complainant's trademark or service mark (Unfair competition Act. S.2)
- (4) the Respondent's domain name registration is conducted to interfere Complainant's registration or to obtain unjustifiable profits. (Internet Address Resources Act. S.12)

INTERNET ADDRESS RESOURCES ACT

Article 12 (Prohibiting Registration of Domain Names for Unlawful Purposes)

- (1) No one shall obstruct the registration of any domain name, etc. of persons who have a legitimate source of authority, or register, possess or use domain name for unlawful purposes, such as reaping illegal profits from persons who have a legitimate source of authority.

- (2) When anyone registers, possesses or uses a domain name, etc., in violation of paragraph (1), persons who have a legitimate source of authority may request the cancellation of such domain name or transfer of registration of such domain name, etc. to a court.

<samsunghealthcare.co.kr>

Samsung electronic v. a person in Republic of Korea, KIDRC case no. D2015-0032

- (i) Trademark SAMSUNG +Healthcare
- (ii) The Respondent has no legitimate interests and rights
- (iii) Registration and use of the DN in bad faith to obtain monetary gains or profits or to protect the Complainant from registering it.
(Internet Address Resources Act. 12, 18)

5. Salient Features of UDRP and KIDRC's Rules

**Since the Rules of KIDRC are basically modelled after UDRP, there are many common elements.

(1) Speedy and inexpensive

(i) Process can generally be completed **within 2~3 months**

(ii) Fee

- UDRP

- (WIPO) USD 1,500 for one panelist or USD 4,000 for three panelists
- Complaints may also be submitted to ADNDRC (also its Seoul office), NAF or Czech Arbitration Court

- KIDRC

- KRW 800,000 (about USD 640) for one panelist or KRW 1,600,000 (about USD 1280) for three panelists. (1USD=1250KRW)

(1-1) For both UDRP and KIDRC proceedings, costs are borne by complainant

unless complainant chooses one member panel and registrant chooses three member panel, in which case the additional costs shall be split evenly among the parties.

(2) Cross-border Disputes

(i) Under UDRP and KIDRC process

many complainants are internationally well known trademark owners. It provides legal complexity arising from conflict of law issues.

(ii) As a result UDRP and KIDRC processes help the parties **overcoming legal complexity arising from conflict of law issues** such as jurisdiction and choice of law.

(3) Non-binding Arbitration

Arbitration is different from mediation because the neutral arbitrator has the authority to make a decision about the dispute and arbitral decision (award) is binding.

However, since the Respondent may object the decision, it could be said that UDRP process is the non-binding arbitration.

Objection to Panel's Decision

- UDRP
 - A party objecting to the decision has 10 business days to file an appeal with a competent court.
- KIDRC
 - A party objecting to the panel's decision may file an appeal with a competent court within 15 days of receiving the decision.

(4) Paperless ODR– No face to face hearing.

Under UDRP and KIDRC the process are based on paperless ODR without face to face hearing. This saves time and money in resolving domain name disputes without travelling in long distance to participate in hearing sessions.

(5) Remedy

Under UDRP and KIDRC rules **its remedy** is limited to the transfer or the cancellation of disputed domain names but monetary claims for damages are not allowed.

(6) Difference of Tests for Decision

- UDRP

A Complainant must prove each of the following elements to win in a UDRP proceeding:

- The domain name is identical or confusingly similar to a trademark or service mark in which the petitioner has rights;
- The registrant does not have any rights or legitimate interest in respect of the domain name; and
- The registrant registered the domain name and is using it in bad faith.

- KIDRC must prove one of the following elements

- (1) Registrant's use of the domain name infringes Complainant's rights in a trade/service mark;
- (2) Registrant's use of the domain name causes confusion with Complainant's products or business widely known; or
- (3) Registrant's use of the domain name damages the distinctiveness or reputation of the Complainant's trademark
- (4) the Respondent's domain name registration is conducted to interfere Complainant's registration or to obtain unjustifiable profits.

(7)UDRP/KIDRC--Elements of bad faith:

(1) Registering a domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name.

(2) Registering a domain name to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that the domain name owner has engaged in a pattern of such conduct

(3) Registering a domain name primarily for the purpose of disrupting the business of a competitor; or intentionally attempting to attract, for commercial gain, Internet users to the registrant's web site, by creating a likelihood of confusion with the petitioner's mark as a source identifier.

(8) Reverse Domain Name Hijacking (RDNH)

UDRP Rule 15 (e)

“ In accordance with UDRP Rule 15 (e),”If after considering the submissions, the panel finds that the complaint was brought in bad faith, for example, **in an attempt at reverse domain name hijacking**, or was brought primarily to harass the domain-name holder, the panel shall declare in its decision that the complaint was brought in bad faith and constitutes an abuse of the administrative proceeding.”

* Under KIDRC’s Rules there is no provision about RDNH.

Conclusion:

1. ICANN developed the unique ADR system of UDRP
speedy and inexpensive.
Cross-border dispute resolution
enforceable
2. UDRP Panel
expert of both substantive law and of procedural law
3. Since 1999, there have been still so many cybersquatters in
relation with both ccTLD and gTLD.