

# COMMENTS FROM ICANN'S NON-COMMERCIAL USERS CONSTITUENCY (NCUC)

## The GNSO New TLD Committee's Draft Final Report On The Introduction Of New Generic Top Level Domains

GNSO Policy Development Process (GNSO PDP- Dec05)

12 June 2007

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### Overview

ICANN's Non-Commercial Users' Constituency (NCUC) appreciates this opportunity to comment on the GNSO Draft Recommendations for New GTLD Policy. While much progress has been made in recent weeks to resolve differences, much work remains before a consensus policy can be reached. The NCUC refers to its earlier constituency statements on the introduction of new gtlds, in particular, its statement of December 2006.<sup>1</sup>

Our overall concern remains that despite platitudes to certain, transparent and predictable criteria—the GNSO's draft recommendations create arbitrary vetoes and excessive challenges to applications. There are some for incumbents; for trademark rights holders; for the easily offended, for repressive governments and worst of all, for “the public”. It's a wolf in sheep's clothing. A recipe for irregularity, discretion and uncertainty in the new domain name space.<sup>2</sup>

Among the more troubling proposals is the introduction of criteria in which strings must be ‘morally’ acceptable and not contrary to ‘public order’ (Recommendation #6). A concept borrowed from trademark law without precedent in the regulation of non-commercial speech.<sup>3</sup> NCUC opposes any string criteria related to ‘morality’ or ‘public order’ as beyond ICANN's technical mandate.

Following recent discussions and revisions, the draft now refers<sup>4</sup>, in passing, to ‘freedom of speech’ rights, but concerns remain that a restriction on certain expression in part of the world will be extended outside that nation, possibly even to the entire world, through ICANN policy. If the GNSO disagrees with NCUC and ultimately include string criteria on morality and public

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<sup>1</sup> Available online at: [http://www.ipjustice.org/ICANN/NCUC\\_Comments\\_on\\_New\\_gTLDs.pdf](http://www.ipjustice.org/ICANN/NCUC_Comments_on_New_gTLDs.pdf)

<sup>2</sup> Indeed— one of its refrains is a ‘*substantial opposition*’ formula. This is not rule based predictable criteria.

<sup>3</sup> ICANN should defer to nations' laws on obscenity and not attempt to gold-plate them with unrelated concepts from trade mark law.

<sup>4</sup> This was added to the draft on 7 June 2007 to Recommendation 6.

order in its final report, then the recommendations should make clear that ICANN policy on this matter will not be more restrictive than the national law in which an applicant operates.

NCUC remains particularly troubled with Recommendation #20 that would allow the showing of a “substantial opposition” to entirely reject an application. It swallows up any attempt to limit string criteria to technical, operational, and financial evaluations. Recommendation #20 violates internationally recognized freedom of expression guarantees and insures that no controversial string application will ever be granted.

NCUC continues to reject Recommendation 11 and an expanded role of ICANN staff and outside expert panels to evaluate string criteria that is not technical, financial, nor operational.

### **Recommendation 1.**

This is a laudable Recommendation and we support it. We support the broad introduction of many new gTLDs.<sup>5</sup> We welcome the recognition that there are no technical constraints to introducing new gtlds and we hope to see consumer choice and demand served by a more robust approach in the future. ICANN’s role is not to second guess the market place and decide which ideas are likely to succeed, but rather, to facilitate the process for the consumer’s decision.

We refer to our concerns above as to the relationship between transparent, predictable criteria and vetoes over applications from unlimited sources.<sup>6</sup> By the many grounds for challenge introduced, criteria will be created and applied *ex post facto* by those responsible for determining challenges. We are also concerned that “normally” in this context be defined more precisely. These issues must be addressed if the objectives of this Recommendation are to be achieved. In particular, a public opposition period is in direct contraction with Recommendation 1 and Implementation Principle A: “New generic top-level domains (gTLDs) must be introduced in an orderly, timely and predictable way.”

### **Recommendation 2**

It is beyond dispute that the DNS does not mirror trade mark regulation. Rather it grants plenary rights in words,<sup>7</sup> without any of the compromises in the requirements for recognition, the limits

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<sup>5</sup> We note the defensive and cautious approach employed in the discussion on this recommendation is symptomatic of the suspicion with which the creation of new a gTLD has historically been approached— as the grant of an indulgence. This has led to the artificial scarcity of today.

<sup>6</sup> We also welcome standard contracts albeit that we believe that everyone would be also served by stronger analysis and recommendations on standardization in Rights Protection Mechanisms.

<sup>7</sup> G. Dinwoodie, *(National) Trademark Laws and the (Non National) Domain Name System*, 21 U. PA. J. Int’l Econ. L. 495 (2000) p. 520.

to infringement and the defenses.<sup>8</sup> This is best reflected in the serious issue in the DNS, whereby— *all* rights-holders now seek protection from dilutive use –when only truly famous marks are entitled to that protection in trade mark law.

The Recommendation is vague and thus a general veto for incumbents at the top level. We refer to Professor Christine Haight Farley’s legal briefing paper (Attachment A) as to the meaning of confusingly similar.<sup>9</sup> We also refer to Professor Jacqueline Lipton’s legal briefing paper (Attachment B) and its discussion regarding the limitations within trademark law on the rights of trademark holders to regulate speech.

The GNSO’s draft recommendations cherry pick from trade mark law to create a pastiche of ‘values’ –divorced from context and structure.<sup>10</sup> No account is taken of the legal requirement of use in commerce<sup>11</sup> –yet trade mark law requires this. What about fair use, comment, nominative

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<sup>8</sup> Those include the requirements that marks be well-known or famous before dilution can be claimed; the limits to dilution, the requirement that the speech must be commercial and the infringing use— use as a trade mark, the prohibition on generic and descriptive marks; honest concurrent use; geographic and territorial limits and others.

<sup>9</sup> It says in (iii)“In addition, the concept of “confusingly similar” is used to mean that there is a likelihood of confusion on the part of the relevant public. In international trade mark law, confusion may be visual, phonetic or conceptual. The Committee used a wide variety of existing law to come to some agreement that strings should not be confusingly similar either to existing top-level domains like .com and .net or to existing trademark and famous names”

<sup>10</sup> The pre 7 June draft, referred to consumer confidence and security. These have now gone. No criteria replace them to provide any qualifications.

<sup>11</sup> See §10(6) of the UK 1994 Trade Marks Act 1994 which requires use in the course of trade for infringement. See also Art. 5 of the Trade Marks Directive (89/104). In *Arsenal Football Club v Matthew Reed* [2003] R.P.C. 9 the ECJ affirmed the proprietor cannot prohibit the use of a sign identical to the trade mark for goods also identical, if that use cannot affect his interests as proprietor having regard to its functions—so that certain uses for purely descriptive purposes are excluded from the scope of Art. 5(1). This includes use creating the impression of a link in trade, so that the use must be in the course of trade and in relation to goods within Art. 5(1). If there is identity of sign and goods or services, the protection under Art.5(1) (a) is absolute, whereas Art.5(1) (b) also requires a likelihood of confusion, see *Anheuser-Busch v Budejovicky Budvar NP* Case C -245/02 [2005] E.T.M.R 27. See also §10(6) which enables comparative advertising –also permitted by Directive (97/55/EC)—but also reference to and identification of genuine goods and services of the proprietor provided honest. See Lanham Act, 15 U.S.C. §1114(1)(a) which defines infringement as use of “*a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive...*”. Further under the Federal Trademark Dilution Act (FTDA) a claimant alleging a violation must prove inter alia: “*the defendant is making a commercial use of the mark in commerce.*” The Anticybersquatting Consumer Protection Act 1999 (ACPA) requires bad faith *intent to profit*. See *Taubman v. Webfeats* 319 F.3d 770 (6th Circuit 2003) (“The Lanham Act is constitutional because it only regulates commercial speech, which is entitled to reduced protections under the First Amendment” many expressions of a

use, criticism, parody and tribute? All protected at law. Under the US Anti-Cybersquatting Consumer Protection Act (ACPA) for example, unless inherently distinctive (i.e. made up words), marks comprised of descriptive (ordinary dictionary) words must acquire secondary meanings in order to become distinctive, otherwise famousness must be made out.<sup>12</sup> Even then there is the safe harbor for fair and lawful use of another's trademark in a domain name.<sup>13</sup> These balancing requirements are not reflected in the Recommendation—although lip service is paid to them.<sup>14</sup> Defined criteria are absent and the promised balance and protection—a blank page open to numerous interpretations.

This Recommendation fails to adequately accommodate non-commercial speech and fair use of trademarks. Presumably what this all really means is that no “sucks” gTLDs (cyber-gripes) will ever be granted, nor indeed notdotcom, or anything that refers to or discusses an association with an existing trademark. Real competition often requires overlapping services that offer consumers choice.<sup>15</sup>

### **Recommendation 3.**

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mark were not a 'trademark use' and not likely to cause confusion and therefore "outside the jurisdiction of the Lanham Act and necessarily protected by the First Amendment."). See *Bosley Med. Inst. v. Kremer*, 403 F.3d 672 (9th Cir. 2005)(non-commercial expression of opinion was not a "trademark use" subject to regulation by the mark holder). See also *1-800 Contacts v. WhenU.com* 414 F3d 400 (2d Cir. 2005), (the vast majority of uses were outside the scope of trademark law and only those specific uses visually associated with the sale of goods/services could be regulated by trademark).

<sup>12</sup> The following factors are to be considered in relation to distinctiveness and famousness under 15 U.S.C. §1125(c)(1): (A) the degree of inherent or acquired distinctiveness of the mark; (B)the duration and extend of use of the mark in connection with the goods or services with which the mark is used; (C)the duration and extent of advertising and publicity of the mark; (D)the geographical extent of the trading area in which the mark is used; (E)the channels of trade for the goods and services with which the mark is used; (F) the degree of recognition of the mark in the trading areas and the channels of trade used by the marks' owner and the person against whom the injunction is sought; (G)the nature and extent of use of the same or similar marks by third parties; and (H) the Act by which it was registered.

<sup>13</sup> 15 U.S.C. §1125(B)(ii).

<sup>14</sup> See (ix) “*The proposed implementation plan deals with a comprehensive range of potentially controversial (for whatever reason) string applications which balances the need for reasonable protection of existing legal rights and the capacity to innovate with new uses for top level domains that may be attractive to a wide range of users*” In fact –this claimed balance is entirely absent. We can only assume it refers to implementation guideline 6 “*ICANN will provide for the ability to settle conflicts between applicants (such as string contention) at any time. A defined mechanism and a certain period for resolution of identified conflicts will be provided.*”

<sup>15</sup> Muller & McKnight, *The Post .com Internet*, (2003) at p. 11, [www.digital-convergence.info](http://www.digital-convergence.info).

This ground for challenge is for rights holders. The language is vague and overbroad— “*existing legal rights of others*.”<sup>16</sup>

There is no recognition that trade marks (and other legal rights) have legal limits<sup>17</sup> and — *defenses*.<sup>18</sup> This Recommendation should also state that *such legal rights are subject to their legal limits* under their own national law. Without this—only half of trade mark law is adopted—the claimed rights, *but none of the defenses*.

After recent discussion and forthcoming revisions, the draft now refers to ‘Freedom of Speech’.<sup>19</sup> We welcome the amendment to the Recommendation, although believe it should use the term “Freedom of Expression” since that is the term used in international treaties and agreements. We remain concerned however that general references to Conventions and Treaties must be translated into real protection for the right of the public to make use of their legal rights to language and free speech.

Bizarrely, the level of support for the rights-holder seems to be thought to be determining –rather than the validity or extent of his claimed rights and the existence of defences:

*“ii. An application may be rejected or deferred if it is determined, based on public comments or otherwise, that there is **substantial opposition** to it from significant established institutions of the economic sector, or cultural or language community, to which it is targeted or which it is intended to support. **ICANN staff will develop criteria and procedures for making this determination**, which may be based upon ICANN’s procedures which were used to examine the 2003 round of sponsored TLD applications.”*

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<sup>16</sup> Prior to 7 June, it also employed “*prior third party rights*” and gave the examples of trade marks and rights in names and acronyms of inter-governmental organizations.

<sup>17</sup> E.g.—commercial use; geographic and territorial limits; the Nice Classification system for classes; requirements of true fame for dilution.

<sup>18</sup> E.g. fair use; genericness/descriptiveness; honest concurrent use; own name; invalidity; deceptiveness, geography, etc.

<sup>19</sup> We would also like to see recognition of the rights of all to the commons of language. These include but are not limited to the rights of the public to free speech and to use descriptive and generic words, including where permitted by the law of the nation state where they reside, to use words which may be subject to Legal Rights in particular classes of the Nice Classification System—outside those classes. In relation to unregistered Legal Rights, they include the right to use words that are not subject to protection in their nation state or where no goodwill or reputation arises in their nation state in relation to such a word. They include the right to make fair and legitimate use of words in which others may claim Legal Rights. Trade mark law does this—via the limits, and the highly sophisticated compromises in the defenses.

What is provided for here is discretion.<sup>20</sup> This (now recommendation #20) cannot be meaningfully considered absent the criteria. We also oppose the “*substantial opposition*” formula—used again elsewhere. This is not predictable criteria and nor in this case is it of any relevance whatsoever to the nature and quality of the rights claimed and the existence of limits and defences. We refer to the objectives of Recommendation 1 and their contradiction with a public opposition period.

### **Recommendation 5**

We oppose any attempts to create lists of reserved names. Even examples are to be avoided as they can only become prescriptive.

We are concerned that geographic names should not be fenced off from the commons of language and rather should be free for the use of all. This has been the traditional approach of trade mark law and remains the case in many nations.<sup>21</sup> Moreover the proposed recommendation does not make allowances for the duplication of geographic names outside the ccTLDs—where the real issues arise and the means of resolving competing concurrent use and fair and nominative use.

### **Recommendation 6**

Again, we welcome the amendment to include recognition of rights to Freedom of Expression.<sup>22</sup> It is quite clear that this applies to single words and to strings, see *Taubman v. Webfeats* 319 F.3d 770 (6th Circuit 2003) (“*The rooftops of our past have evolved into the Internet domain names of our present. We find that the domain name is a type of public expression, no different in scope*”).

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<sup>20</sup> Further, it continues: iii. There are a number of ways in which ICANN could approach the resolution of this type of problem which includes the full range of “ICANN saying nothing; ICANN identifies a possible issuing and ICANN files a complaint; ICANN identifies a possible issue but relies on a complainant to file it formally; ICANN identifies an issue, makes a decision and the applicant can appeal.” iv. The final approach to this set of potentially controversial problems will be resolved through ongoing discussions with members of the Committee and ICANN’s implementation team. This is Byzantine and esoteric. To the uninitiated it is also meaningless. To the initiated it represents the ability to lobby against a particular application. We refer the Council to the admirable aims expressed in Recommendation 1.

<sup>21</sup> The UK 1994 Trade Marks Act provides at §3(1)(c) that trade marks which consist exclusively of signs or designations which serve to indicate geographical origin should not be registered and the ECJ has interpreted this as requiring that geographical names which are liable to be used as undertakings must remain available to such undertakings as indications of the geographical origin of the category of goods concerned, see *Windsurfing Chiemsee* [1999] ETMR 585. See however the European Regulation 2081/92 on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs, as amended by Regulation 535/97, which allows protections for these products.

<sup>22</sup> This change was made on 7 June 2007.

*than a billboard or a pulpit, and [defendant] has a First Amendment right to express his opinion about [plaintiff], as long as his speech is not commercially misleading, the Lanham Act cannot be summoned to prevent it).*

We welcome the deletion of GAC Public Policy principle 2.1 from the GNSO's recommendations. We objected in the strongest possible terms to the vague standard of "sensitivities," which would subject all to the most restrictive views and had no place in the international legal order. GAC quoted selectively from the preamble to the 1948 Universal Declaration of Human Rights (UDHR) without reference to the enumerated specific right to Freedom of Expression in Article 19.<sup>23</sup> The UDHR Art. 29(2) provides the only permitted limits.<sup>24</sup> Similarly, the European Convention on Human Rights (ECHR) mandates Freedom of Expression should only be subject to limits prescribed by law<sup>25</sup> and necessary in a democratic society for one of the enumerated purposes, see Article 10<sup>26</sup> which also applies to commercial expression.<sup>27</sup> Strict scrutiny is applied to any attempt to limit the free expression of an idea.<sup>28</sup>

This Recommendation is borrowed from trade mark law<sup>29</sup> and the French concept of 'ordre public.'<sup>30</sup> This is now subject to Article 10 ECHR<sup>31</sup> and Freedom of Expression and the modern

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<sup>23</sup> "Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers."

<sup>24</sup> "(2) In the exercise of his rights and freedoms, everyone shall be subject only to such limitations **as are determined by law solely for the purpose** of securing due recognition and respect for the rights and freedoms of others and of meeting the just requirements of morality, public order and the general welfare in a democratic society."

<sup>25</sup> This binds all in the UK because it binds the courts who must interpret all law in accordance with it, §6 Human Rights Act 1998.

<sup>26</sup> "(1) Everyone has the right to freedom of expression. This right shall include freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers...(2) The exercise of these freedoms, since it carries with it duties and responsibilities, *may be subject to such formalities, conditions, restrictions or penalties as are prescribed by law and are necessary in a democratic society*, in the interests of national security, territorial integrity or public safety, for the prevention of disorder or crime, for the protection of health or morals, for the protection of the reputation or rights of others, for preventing the disclosure of information received in confidence, or for maintaining the authority and impartiality of the judiciary."

<sup>27</sup> See *Casado Coca v Spain* (1994) 18 EHRR 1 §§33-37

<sup>28</sup> Art 10's limitations must be justified by objectives in the public interest, in so far as those derogations are in accordance with the law, motivated by one or more of the legitimate aims under those provisions and necessary in a democratic society, that is to say justified by a pressing social need and, in particular, proportionate to the legitimate aim pursued, see Case C-112/00 *Schmidberger Internationale Transporte und Planzuge v Austria* [2003] 2 CMLR 34, p.1043.

<sup>29</sup> Art. 6 quinquies, paragraph B3 of the Paris Convention of 20 March 1883 (as last revised at Stockholm on 14 July 1967) provides for refusal and invalidity of registration in relation to trade marks that are 'contrary to morality or public order'. See Art. 7(1)(f) of the Community Trade Mark Regulation and Art. 3(1)(f) of the Trade Marks

standard is high.<sup>32</sup> While a few nations limit Free Expression by laws preventing hate speech, and incitement to violence, lowering the threshold to ‘sensitivities’ is tantamount to mandating political correctness,<sup>33</sup> forced hegemony, and is dangerous and to be resisted in every context. It does not matter how laudable the public policy objective, ICANN should remain content neutral.<sup>34</sup>

We oppose any string criteria based on morality and public order. The context is not exclusively commercial speech so trade mark law is not an analogy as registration of marks on government Registers involves an element of state sanction<sup>35</sup> that is not true of the DNS (though many seek it).<sup>36</sup> There is no consensus on the regulation of morality in non-commercial speech in

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Directive. In the UK §3(3)(a) of the Trade Marks Act 1994, trade marks shall not be registered if they are ‘contrary to public policy or accepted principles of morality’.

<sup>30</sup> *Philips Electronics NV v Remington Consumer Products* [1998] RPC 283 at 310 per Jacob J. See also the use of the words ‘contrary to ... public order’ in the English text of Article 6 quinquies of the Paris Convention and the words ‘qui sont contraires à l’ordre public’ in the French language versions of Article 7(1)(f) of the Community Trade Mark Regulation and Article 3(1)(f) of the Trade Marks Directive.

<sup>31</sup> This is treated as falling within prevention of disorder as the relevant enumerated purpose. That is, by accommodating the concept of ‘*ordre public*’ within the ‘*prevention of disorder*’ (in the French text of the Convention ‘*à la défense de l’ordre*’) under Article 10. However, the right to freedom of expression predominates and any real doubt as to the applicability of the objection must be resolved by upholding the right to freedom of expression, hence acceptability for registration.

<sup>32</sup> See Case R 111/2002-4 *Dick Lexic Limited’s Application* (25 March 2003) the Fourth Board of Appeal of the Community Trade Marks Office at §9 “these words merely designate things but they do not transmit any message; secondly, the association of the two words does not necessarily reinforce the connotation of the mark.... In principle, the mark does not proclaim an opinion, **it contains no incitement, and conveys no insult**. In the Board’s opinion, in these circumstances, the mark should not be regarded as contrary to either public policy or accepted principles of morality.” See also IN THE MATTER OF Application No. 2376955, to register a trade mark in classes 25 & 26 by Sporting Kicks Ltd, Decision by C Hamilton 11 November 2005 where the level was a badge of antagonism and likely to cause alarm or distress.

<sup>33</sup> The only measure we are aware of is the Additional Protocol (to the European Convention on Cybercrime) concerning the Criminalization of Acts of a Racist and Xenophobic Nature Committed Through Computer Systems in force in 2006. The US did not sign or ratify due to its conflict with First Amendment Free Speech and nor did the UK.

<sup>34</sup> In *Reno v. American Civil Liberties Union*, 117 St. Ct. 2329 not even the legitimate and important congressional goal of protecting children from harmful materials, was to abridge the freedom of speech protected by the First Amendment.

<sup>35</sup> For the US position see, *Moral Intervention in the Trademark Arena: Barring the Registration of Scandalous and Immoral Trademarks* (1993) 83 TMR 661 by Stephen R. Baird

<sup>36</sup> Further, trade mark laws are territorially limited and ccTLDs are premised on the assumption that a nation is monocultural with a unitary legal system and a generally accepted standard of morality and taste often with only one or two dominant religions. No such standards can be extrapolated globally in a multicultural context.



international law. We refer to the quote from *Taubman* (above)—the TLDs are billboards. *Democracies do not have laws requiring people to speak or behave morally.* Some nations do have such rules – undemocratic theocracies mainly.

ICANN should stick to its technical remit, which it risks grossly exceeding here. It should defer to applicable national laws on matters of public order and morality. Applicants should comply with the content laws in the countries in which they operate.<sup>37</sup> The only real issue is, in any event, public order which is already served by nations’ own laws on obscenity, fighting words, hate speech and incitement.

Please be aware that criticism, satire, parody of others and their beliefs are a fundamental tenant of Freedom of Expression<sup>38</sup> *which includes the right to offend.* ICANN must ensure this *in practice* and mere references to Treaties and Conventions do not go far enough.

### **Recommendation 7**

We record that this must be limited to transparent, predictable and minimum technical requirements only. These must be published. They must then be adhered to neutrally, fairly and without discrimination.

### **Recommendation 8**

We support this recommendation to the extent that the criteria is truly limited to minimum financial and organizational operational capability. We remain concerned that in implementation of this recommendation, burdensome, expensive, and unnecessary criteria could be applied. All criteria must be transparent, predictable and minimum. They must be published. They must then be adhered to neutrally, fairly and without discrimination.

### **Recommendation 9**

We strongly support this recommendation and again stress the need for all criteria to be limited to minimum operational, financial, and technical considerations. We also stress the need that all evaluation criteria be objective and measurable. We note that a ‘public opposition process’ as

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<sup>37</sup> If the proposed name would infringe *a law* in a nation state which objects to the application—the application could be granted with conditions restricting or preventing its use in the objecting state(s) which we understand is technically possible. This would prevent one State imposing its laws on others.

<sup>38</sup> We refer to the Parliamentary Assembly of the Council of Europe Resolution 1510 (2006) on Freedom of Expression and Respect for Religious Beliefs: “10. *Human rights and fundamental freedoms are universally recognized, in particular under the Universal Declaration of Human Rights and international covenants of the United Nations. The application of these rights is not, however, universally coherent. **The Assembly should fight against any lowering of these standards.....***11. *What is likely to cause substantial offence to persons of a particular religious persuasion will vary significantly from time to time and from place to place.* 12. *The Assembly is of the opinion that freedom of expression as protected under Article 10 of the European Convention on Human Rights **should not be further restricted to meet increasing sensitivities of certain religious groups.** At the same time, the Assembly emphasises that hate speech against any religious group is not compatible with the fundamental rights and freedoms guaranteed by the European Convention on Human Rights and the case law of the European Court of Human Rights.*”

contemplated by Recommendation 20 and the use of ICANN staff and expert panels (Rec. #11) to evaluate any additional criteria will significantly detract from the goals of Recommendation 9.

### **Recommendation 11**

The use of ICANN staff to evaluate applicant criteria should be limited to the function of determining whether objective operational, technical, and financial criteria are met only. ICANN staff should not be making evaluations about morality or other public policy objectives. We furthermore strongly oppose any use of “Expert” panels to adjudicate someone’s right to use a domain name. Neither ICANN staff nor expert panels can provide any level of public accountability or legitimacy to adjudicate fundamental rights. This will only invite insider lobbying and gaming. Getting this issue right in the policy gives meaning to the rest of the recommendations. Without objectivity, neutrality, impartiality and accountability here –all of the other Recommendations are meaningless platitudes. This function should be tendered out – just as the validation process in the Sunrise Rights Protection Mechanism has been in some cases. Arms length contractors should perform this task.

### **Recommendation 12**

Our position in relation to Recommendation 11 applies *mutandis mutandi*. This should be tendered to qualified professionals, selected by rota, at arms-length who apply certain criteria.

### **Recommendation 20**

As discussed above, we strongly oppose the ‘*substantial opposition*’ criteria for rejecting a domain. A public opposition period grants a veto on the creation of a domain for any vocal (or well-financed) minority, or for any competitor in the marketplace of ideas or services.

Recommendation #20 is *totally* incompatible with internationally recognized Freedom of Expression guarantees. Not even trade mark applicants must have everyone agree –they can still succeed in the face of an opposition. This Recommendation will insure that no controversial gtlds will exist and provides the means for killing the following types of applications for new gtlds:

- The Catholic Church objects to the Church of England’s application for “.christian”;
- China objects to an application of “.humanrights” in Chinese characters;
- A competing bank applies for a “.bank”;
- Competing factions within the same community each claim to be the rightful owner;
- The Moral Majority objects to Planned Parenthood’s application for “.abortion”.

Recommendation 20 swallows up any attempt to narrow the string criteria to technical, operational and financial evaluations. It asks for objections based on entirely subjective and unknowable criteria and for unlimited reasons and by unlimited parties. ICANN should endeavor to keep the core neutral of these types of policy conflicts, both because they invite disaster for ICANN to become entwined in such issues, but also because such a policy is incompatible with freedom of expression rights. In short, Recommendation #20 is bad policy for the public and it is bad policy for ICANN.

**ATTACHMENT A TO NCUC STATEMENT**

**LEGAL BRIEFING FROM LAW PROFESSOR CHRISTINE HAIGHT FARLEY**

**Professor of Law and Associate Dean for Faculty and Academic Affairs**

**American University Washington College of Law**

**RESPONSE TO THE DRAFT FINAL REPORT OF THE GNSO NEW GTLDS  
COMMITTEE ON THE INTRODUCTION OF NEW GENERIC TOP-LEVEL  
DOMAINS**

**June 6, 2007**

**Statement by Christine Haight Farley**

**Professor of law**

**American University Washington College of Law**

I want to begin by commending the GNSO New TLDs Committee on their policy recommendations and implementation guidelines for the introduction of new top-level domains. Through the Draft Final Report ICANN has explicitly stated its intention to make the GTLD application process open and transparent. The Draft Final Report has focused the issues and prompted a useful discussion. However, because I believe that the Draft Final Report includes a number of misstatements of domestic and international trademark law, I offer my legal analysis of these provisions.

I will address my remarks only to Recommendations 2, 3 and 6 as these recommendations rely heavily on trademark law concepts.

Before I make observations specific to these recommendations, I would like to offer some general remarks about the overall incongruence between trademarks and domain names. It is important to note at the outset this general lack of equivalence between trademark law and domain name policy. For instance, trademark law the world over is fundamentally based on the concept of territoriality. Thus trademark law seeks to protect regionally and market-based marks without implication for the protection or availability of that mark in another region. In contrast, domain names have global reach, are accessible everywhere and have implications for speech around the world.

Likewise, trademark protections hinge on what the relevant consumer thinks. Again, the law considers the viewpoints of consumers of a particular country, region or market, and acknowledges the variability of these viewpoints across regions. Domain names are not directed to a certain class or geographical region of consumers—they are accessible to all. Therefore in order to take account of consumers' viewpoints, it would be necessary to consider a global public. The resulting one-size-fits-all approach would be anathema to trademark law in that it would leave consumers confused in one place while unjustifiably denying speech rights in another.

Finally, trademarks rights are not applied abstractly of in theory, but are always considered in context. Thus, in order to determine whether the use of a mark by another would likely cause confusion, it is necessary to analyze how mark is used in commerce. Consideration will be given to what goods or services it is applied to, what design or color scheme accompanies the use, what the level of consumer sophistication is, what marketing channels are used, etc. Generic top-level

domains are necessarily abstract. We can not know in advance what the content of a website hosted at a certain address will be. It is therefore impossible to make fine-tuned conclusions about the appropriateness of certain domains. For these reasons, I strongly urge domain name policy makers to consider carefully the appropriateness of importing trademark law concepts into domain name policy.

**Recommendation 2: “Strings must not be confusingly similar to an existing top-level domain.”**

In this recommendation, the Committee seems to be collapsing two distinctly different concepts: confusing similarity and likelihood of confusion. The Draft Final Report states that “‘confusingly similar’ is used to mean that there is a likelihood of confusion.”<sup>39</sup> However, confusingly similar is a different legal standard than likelihood of confusion. The Committee appears to base this recommendation on Section 3.7.7.9 of the ICANN Registrar Accreditation Agreement, which it cites, implying that the legal standard is consistent. But that section of the ICANN Agreement explicitly employs the standard of infringement, which is likelihood of confusion.

A determination about whether use of a mark by another is “confusingly similar” is simply a first step in the analysis of infringement. As the committee correctly notes, account will be taken of visual, phonetic and conceptual similarity. But this determination does not end the analysis. Delta Dental and Delta Airlines are confusingly similar, but are not likely to cause confusion, and therefore do not infringe. As U.S. trademark law clearly sets out, the standard for infringement is where the use of a mark is such “as to be likely, when used on or in connection with the goods of such other person, to cause confusion, or to cause mistake, or to deceive...”<sup>40</sup> While it may be that most cases of confusing similarity are likely to cause confusion, because the infringement standard takes account of how the mark is used, some cases of confusing similarity will not likely cause confusion.

In trademark law, where there is confusing similarity and the mark is used on similar goods or services, a likelihood of confusion will usually be found. European trademark law recognizes this point perhaps more readily than U.S. trademark law. As a result, sometimes “confusingly similar” is used as shorthand for “likelihood of confusion.” However, these concepts must remain distinct in domain name policy where there is no opportunity to consider how the mark is being used. As applied to domain names, the only level of analysis is the first level of analysis: confusing similarity.

A related problem with this recommendation is that it equates domain names with trademarks as legally protectable properties. They are not. Trademarks are legally protected intellectual property because it is believed that the commercial use of a mark by another that is

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<sup>39</sup> See Draft Final Report of the GNSO New TLDs Committee on the Introduction of New Generic Top-level Domains, 2.iii (2007), [available at http://gnso.icann.org/drafts/pdp-dec05-draft-fr.htm](http://gnso.icann.org/drafts/pdp-dec05-draft-fr.htm) (as of June 6, 2007).

<sup>40</sup> See Lanham Act, 15 U.S.C. § 1051 (3) (d).

likely to cause confusion would injure consumers. Trademarks are legally protectable intellectual property also because their owners have developed valuable goodwill in the marks. Neither of these conditions of legal protection apply in the case of domain names.

Moreover, it is not clear what consumers would be confused about when encountering a string that is confusingly similar to an existing top-level domain. Because, unlike trademarks, strings are not inherently commercial communication means, it does not follow that consumers would incorrectly assume that the string would indicate source of origin. For example, <http://nmhm.washingtondc.museum/> does not suggest to consumers a connection with [www.museum.com](http://www.museum.com).

Beyond top-level domains, the Draft Final Report states that “strings should not be confusingly similar either to existing top-level domains like .com and .net or to existing trademark and *famous names*.”<sup>41</sup> The Draft Final Report notes that the Committee relied on “a wide variety of existing law” to reach this standard.<sup>42</sup> And yet, “famous names” is not a legal category under any trademark law. International trademark law grants rights to “well-known marks”<sup>43</sup> and to “trade names,”<sup>44</sup> and U.S. law grants rights to “famous marks,”<sup>45</sup> but “famous names” seems to be a construct created by the Committee. Clearly, the domain name policy should protect only recognized intellectual property.

**Recommendation 3: “Strings must not infringe the existing legal rights of others that are recognized or enforced under generally accepted and internationally recognized principles of law.”**

There are simply too many legally recognized trademarks in the world to make this recommendation workable. The United States alone registers well over 100,000 trademarks each year<sup>46</sup> and there were 1,322,155 active certificates of registration last year. In the United States,

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<sup>41</sup> See Draft Final Report of the GNSO New TLDs Committee on the Introduction of New Generic Top-level Domains, 2.iii (2007) (emphasis added), [available at](http://gns0.icann.org/drafts/pdp-dec05-draft-fr.htm) <http://gns0.icann.org/drafts/pdp-dec05-draft-fr.htm> (as of June 6, 2007).

<sup>42</sup> *Id.*

<sup>43</sup> See Paris Convention, at Article 6*bis* (1979), [available at](http://www.wipo.int/treaties/en/ip/paris/trtdocs_wo020.html) [http://www.wipo.int/treaties/en/ip/paris/trtdocs\\_wo020.html](http://www.wipo.int/treaties/en/ip/paris/trtdocs_wo020.html) (as of June 6, 2007).

<sup>44</sup> See Paris Convention, at Article 1 (stating “[t]he protection of industrial property has as its object patents, utility models, industrial designs, trademarks, service marks, trade names, indications of source or appellations of origin, and the repression of unfair competition.”), [available at](http://www.wipo.int/treaties/en/ip/paris/trtdocs_wo020.html) [http://www.wipo.int/treaties/en/ip/paris/trtdocs\\_wo020.html](http://www.wipo.int/treaties/en/ip/paris/trtdocs_wo020.html) (as of June 6, 2007).

<sup>45</sup> 15 U.S.C. § 1127 (c).

<sup>46</sup> In 2006, the USPTO reported that 147,118 trademarks were registered. See [http://www.uspto.gov/web/offices/com/annual/2006/50315\\_table15.html](http://www.uspto.gov/web/offices/com/annual/2006/50315_table15.html) (as of June 6, 2007).

state registered trademarks and common law trademarks are also legally recognized. Protected trademarks include generic terms, geographical terms, names, and fanciful words.

**Recommendation 6: “Strings must not be contrary to generally accepted legal norms relating to morality and public order.”**

The Committee is correct that a variety of trademark legislation restrict registrations based on some notion of offense or immorality. Unfortunately, the Committee seeks to extend this trademark law concept to domain name policy. This extension is not a natural one and presents many problems in its application.

Where these content restrictions exist in trademark law they are understood as merely restricting the registration of trademarks, not the use of such trademarks. That is, under certain legislation a trademark may be deemed unregistrable but the trademark owner may still use the trademark in commerce and may even have the benefit of legal protection over the trademark. The only restriction is that the trademark owner is denied certain benefits of registration.

The United States has such a content restriction in its trademark law.<sup>47</sup> What saves this legislation from violating the First Amendment is that it is not a restriction on use; it is merely a restriction on certain legal benefits deriving from federal registration. Any restriction of the use of the trademark would need to comply with the First Amendment. For instance, a mark may be restricted from use where it has been found to be obscene. Obscenity is a legal category whose threshold is well above the category of immoral or offensive speech.

The restriction of a generic top-level domain is more akin to the restriction on use than to the restriction on federal trademark registration. Because restricting offensive words in Generic top-level Domains would concomitantly restrict the ability of all speakers, commercial and non-commercial, ICANN should consider legal models outside of trademark law that better address the balance of speech rights.

This recommendation also illustrates the lack of fit between trademark law and domain name policy. Because trademark law is territorial in nature, legal standards reflect the consumer perspectives of the particular state. These standards are thus expected to vary from state to state as the way consumers respond to marks in one state may differ from the way consumers would respond to the same mark in another state. Trademark content restrictions are similar in approach. For instance, under U.S. trademark law, a mark will be refused registration if it is deemed to be scandalous or immoral when considered from the perspective of “a substantial composite of the general public.”<sup>48</sup> The “public” is understood to mean the U.S. public. In order to extend this legal

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<sup>47</sup> Under U.S. law, marks can be refused registration if they are regarded as “immoral or scandalous.” 15 U.S.C. § 2 (a). However, even if a mark is found to be immoral and therefore unregistrable, a mark owner may still use the mark to market its goods in commerce and may still avail itself of federal trademark protections including bringing suit in U.S. courts.

<sup>48</sup> See e.g., *In re Mavety Media Group*, 33 F.3d 1367 (Fed. Cir. 1994).



standard to domain names it would be necessary to consider a substantial composite of the general public of the entire world. This is obviously an unworkable standard.

Moreover, trademark law standards are always applied in the context of how a consumer would encounter the mark. Thus, the USPTO and the courts consider the entire label, what products or services are sold under the mark and what channels of commerce and marketing will be used. As a result, marks challenged as being scandalous may in fact be found to have a double entendre.<sup>49</sup> The extension of this trademark law standard to domain name policy thus risks prohibiting words as generic top-level domains that could well be used in inoffensive ways.

A few other observations are in order. First, under U.S. trademark law, in cases of doubt or ambiguity, both the USPTO and the Federal Circuit will pass the mark to publication to give others the opportunity to object.<sup>50</sup> If ICANN finally decides to employ any content restrictions, erring on the side of permitting the speech should be the rule.

Second, the Paris Convention permits rather than requires content restrictions. Article *6quinquies* of the Paris Convention merely allows a Member state to deny registration to a mark duly registered in another Member state on the grounds of morality or public order.<sup>51</sup> This article makes clear the expectation that a mark may be acceptable in one state, while it is offensive in another. The WTO TRIPS Agreement is silent on content restrictions.<sup>52</sup>

Finally, although some trademarks have been denied registration under U.S. trademark law, this remains a little known or utilized provision of U.S. trademark law. Furthermore, the majority of challenges brought under this provision are brought by third parties and not the USPTO.

Thank you for your consideration.

Respectfully submitted,

Christine Haight Farley  
Professor of Law and Associate Dean for Faculty and Academic Affairs  
American University Washington College of Law - Washington, DC 20016  
Phone: 1-202-274-4171 Fax: 1-202-274-4015  
Email: cfarley@wcl.american.edu Web: www.wcl.american.edu/faculty/farley

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<sup>49</sup> See e.g., *In re Hershey*, 6 U.S.P.Q.2d 1470 (T.T.A.B. 1988) (where the mark was considered in the context of the design that accompanied it and found not to be scandalous).

<sup>50</sup> McCarthy on Trademarks and Unfair Competition, § 19.77.

<sup>51</sup> See Paris Convention, at Article *6quinquies* (stating that marks duly registered in another Member state *may* be refused registration “when they are contrary to morality or public order and, in particular, of such a nature as to deceive the public. ”), available at [http://www.wipo.int/treaties/en/ip/paris/trtdocs\\_wo020.html](http://www.wipo.int/treaties/en/ip/paris/trtdocs_wo020.html) (as of June 6, 2007).

<sup>52</sup> See TRIPS: Agreement on Trade Related Aspects of Intellectual Property Rights §2, available at [http://www.wto.org/english/tratop\\_e/trips\\_e/t\\_agm3\\_e.htm#2](http://www.wto.org/english/tratop_e/trips_e/t_agm3_e.htm#2) (as of June 6, 2007).

**ATTACHMENT B TO NCUC STATEMENT**

**LEGAL BRIEFING FROM LAW PROFESSOR JACQUELINE LIPTON**

**Professor of Law**

**Co-Director, Center for Law, Technology and the Arts**

**Associate Director, Frederick K Cox Center for International Law**

**Case Western Reserve University School of Law**

# New Top Level Domain Name Introduction Proposals

## Briefing Paper: Some Legal Issues

Professor Jacqueline Lipton

June 6, 2007

### Background

I have been asked to prepare a brief legal issues paper for IP Justice, by its Executive Director, Robin Gross. The paper is in respect of ICANN's recent Proposed Recommendations for the introduction of new generic Top Level Domain Names (gTLDs) and the Noncommercial Users' Constituency's (NCUC) suggested amendments to those recommendations.<sup>53</sup>

### Issues Raised by IP Justice and NCUC (ICANN Recommendations 3, 6, 8, and 11)

The current ICANN recommendations contemplate that ICANN should implement a process that would accommodate the introduction of new gTLDs that are not currently available to Internet domain name registrants or registries. In its recommendation paper,<sup>54</sup> it contemplates several principles for deciding on strings of characters that may be utilized in a new gTLD. These principles include:

- New strings should not infringe the existing legal rights of others (*Recommendation 3*).
- New strings should not be contrary to generally accepted legal norms relating to morality/public order (*Recommendation 6*).
- Applications for new strings should be rejected or deferred if there is substantial opposition to a relevant string from 'among significant established institutions of the economic sector, or cultural or language community, to which it is targeted or which it is intended to support' (*Recommendation 8*).
- ICANN staff evaluators will make preliminary determinations about applications for new gTLD strings (*Recommendation 11*).

The NCUC and IP Justice have raised particular concerns about aspects of these recommendations.<sup>55</sup> Specifically, they are concerned that some of ICANN's proposals give too

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<sup>53</sup> Available at <http://www.ipjustice.org/ICANN/062007.html>, last viewed on June 5, 2007.

<sup>54</sup> Available at <http://www.ipjustice.org/ICANN/GNSORecomOverview11May2007.htm>, last viewed on June 5, 2007.

<sup>55</sup> These concerns are voiced at on IP Justice's website in NCUC's Recommended Amendments to the ICANN proposals: <http://www.ipjustice.org/ICANN/062007.html>, last viewed on June 5, 2007.

much weight to trademark holders' interests without giving sufficient weight to other competing legal interests in words and phrases, such as those arising from legal concepts of free speech.<sup>56</sup> They have also voiced concerns that under Recommendation 6, ICANN may by default be trying to legislate internationally for morality and public order and that this may not be an appropriate burden for ICANN, as opposed to national lawmakers. They raise related concerns with respect to ICANN Recommendations 8 and 11 in the sense that these recommendations focus more on international legal and cultural norms than on the technical capacities and functions of ICANN. Recommendation 8 also raises the specter of censorship in the introduction/use of new gTLDs by bodies that have not been clearly defined in the ICANN proposals. It is also unclear how decisions would be made as to the rejection or deferral of new strings on this basis. Which organizations would be consulted? Whose policies would be applied? What experts, if any, would ICANN consult?

### **ICANN Recommendations 5, 9 and 12**

I would add some similar concerns about the following ICANN recommendations:

- New strings should not include country, territory or place names or words describing countries, territories, languages or peoples in the absence of agreement with relevant governments or public authorities (*Recommendation 5*).
- Applications for new gTLDs must entail a clear and pre-published application process using 'objective' and 'measurable' criteria (*Recommendation 9*).
- Dispute resolution processes must be established prior to the start of the relevant process (*Recommendation 12*).

**Recommendation 5.** This recommendation raises the specter of government censorship or control of particular gTLDs. This may or may not prove to be a problem in practice given the existence of two character country-code top level domains (ccTLDs) within the current system. These ccTLDs have apparently not, to date, created major problems, at least as compared with some of the issues arising under currently available gTLDs. However, it is possible that a new gTLD string pertaining to a country would prove to be more desirable than a corresponding ccTLD and this recommendation may give imbalances of power or control over particular new gTLDs to certain governments or public authorities. In some ways this concern mirrors the concerns of IP Justice and the NCUC about Recommendation 8 to the extent that it is unclear under that recommendation whose policies should be protected in the decision to defer or reject registration of a particular gTLD string. An associated concern with recommendation 5 is that it may not always be clear who is the relevant government or public authority who would need to

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<sup>56</sup> See for example recommendation 3 which specifically mentions 'trademark' rights under the original ICANN proposal, but would additionally include free expression rights under the suggested NCUC amendments.

agree to the use of a particular new gTLD: for example, would all Asian countries have to agree to the use of a '.asia' gTLD and, if so, how should 'Asian country' be defined in this context and who should define it?<sup>57</sup> Moreover, who should decide which 'public authorities' should be consulted about use of particular new gTLDs? How should 'public authority' be defined here?

**Recommendation 9.** This recommendation calls for the use of pre-published 'objective' and 'measurable' criteria in the application process for new gTLDs. It is not clear how ICANN *per se* would establish such criteria. If it is contemplated that ICANN would consult relevant national and international bodies or individuals in discharging this problem, then perhaps this recommendation is not so problematic. However, such a consultation process would likely take a long time and may slow down the introduction of new gTLDs for a considerable period. Such a process would entail: (a) identifying relevant expert bodies; (b) consulting with them on relevant issues; and, (c) translating relevant issues into a set of pre-published objective and measurable criteria for the new gTLD application process. This further assumes that such issues are indeed transferable to objective and measurable criteria.

**Recommendation 12.** Dispute resolution processes may be much more problematic in practice than contemplated by ICANN's recommendation 12. My assumption is that Recommendation 12 refers to simple dispute resolution processes for new gTLDs such as those currently in effect under the Uniform Domain Name Dispute Resolution Policy (UDRP)<sup>58</sup> for some existing gTLDs. The problem here is that dispute resolution processes that take account of multiple legal interests outside commercial trademark interests are not easy in practice. Different jurisdictions, and different bodies within the same jurisdiction, may diverge widely in attitudes and even in laws on free speech, public order etc. Arbitrators under simple UDRP-style dispute resolution processes may not be equipped to handle these kinds of disputes. Dispute resolution procedures may therefore have to be somewhat more complex than is currently contemplated by ICANN if they are to take account of a variety of competing legal interests, rather than merely trademark interests. For example, while there are some things a simple arbitration process can handle well, there are other things that are much more complex and difficult and may need to be turned over to national courts or experts.<sup>59</sup>

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<sup>57</sup> In Australia, for example, 'Asia' colloquially tends to refer to Asia-Pacific countries such as Malaysia, Thailand, Indonesia etc, while in the United Kingdom, the term is more likely to be used to refer to countries such as India and Pakistan, with the term 'oriental' often reserved for Asia-Pacific countries.

<sup>58</sup> Full text available at: <http://www.icann.org/udrp/udrp-policy-24oct99.htm>, last viewed on June 6, 2007.

<sup>59</sup> For example, an arbitrator can generally quite easily tell if a domain name has been registered for a socially wasteful purpose (eg registering a domain name and offering it up for sale without using the relevant website for any other purpose). This can be established by simply looking at the website and probably comes under a heading like 'socially wasteful bad faith cybersquatting'. However, if the relevant website contains some content and is being

## **General Discussion**

It is important to start re-focusing the regulation of the Internet domain name system generally on interests outside of pure trademark interests. The introduction of new gTLDs and the development of processes for introducing them may provide a good opportunity for achieving this goal. However, any attempt to regulate broad policy issues relating to social and cultural norms on speech, public order and morality in domain names will be very difficult for any national or international body or group. ICANN also faces the practical difficulty that its major area of expertise is technical and functional. It is therefore important for ICANN to clarify what groups, bodies or individuals it might utilize in carrying out future legal and social developments within development of its domain name processes. In particular, ICANN should consider more specifically who to consult in formalizing specific processes for: (a) the introduction of new gTLD strings; (b) establishing dispute resolution procedures for those strings; and, (c) deciding whether the introduction of particular new strings should be deferred or rejected.

It should also be noted at the outset that many of the key problems identified by ICANN, IP Justice and the NCUC reflect legal issues that have arisen in the past with respect to existing gTLDs, although perhaps in slightly different contexts. In other words, the balance between trademark interests and other legitimate interests in Internet domain names, for example, has already proved problematic in situations involving disputes about registration and use of domain names under existing gTLDs (notably .com, .org and .net). Thus, in many ways, the 'balance of interests' questions in the new gTLD debates could be regarded as an extension of unresolved issues under current domain name laws and policies. The addition of new gTLD processes will likely exacerbate existing legal problems. The upside of this is that it may, and hopefully will, provide a new forum for addressing some of these problems.

In my view, it is important to put the debate about new gTLD processes into its historical context in order to properly address the concerns that have been raised here. So please bear with

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used in some way to communicate a message – whether complimentary or not - about an associated trademark holder or other entity, it is much more difficult for an arbitrator to establish respective rights and interests in the relevant domain name. This kind of situation (eg unauthorized fan website, unauthorized political commentary, unauthorized gripe site or parody site about a trademark holder) will entail balancing free speech interests against the legal rights of the complainant. Those legal rights themselves may be based in a variety of laws such as trademark, privacy, unfair competition etc. Any dispute resolution mechanism that truly attempts to balance these interests effectively, either in an existing domain space or with respect to an application to register a new gTLD, is going to have to be a lot more complex than existing systems like the UDRP. The question is how to establish such a system and who should administer it. ICANN may not be best charged with this function at the end of the day. See also discussion in Conclusion section of: Jacqueline Lipton, *Who Owns 'Hillary.com'? Political Speech and the First Amendment in Cyberspace*, BOSTON COLLEGE LAW REVIEW, (forthcoming, spring 2008), draft available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=982430](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=982430).

me for a couple of paragraphs while I describe this context and why it is important now. The current framework for regulating disputes relating to ‘.com’, ‘.net’ and ‘.org’ domain names has been focused largely on the protection of commercial trademark holders against cybersquatters.<sup>60</sup> There is little harmonized attention paid to the protection of other legitimate interests in relevant Internet domain names within this framework. This is evidenced in the drafting of the UDRP and the American Anti-Cybersquatting Consumer Protection Act (ACPA).<sup>61</sup> While these regulations do make allowances for ‘legitimate interests’ in domain names where relevant domain names have not been registered or used in bad faith,<sup>62</sup> they do not set out rules to affirmatively protect non-trademark-based registrations and uses of .com, .org or .net domain names.<sup>63</sup> This is not particularly surprising because it was not the intention behind these rules to do so.

The historical focus on the protection of trademarks against bad faith cybersquatters is understandable within its context. These were key concerns of relevant regulators in the mid to late 1990s when e-commerce was in its infancy, and governments wanted to encourage this new medium of commerce. It was widely thought – although not universally agreed – that bad faith cybersquatting *per se* was a socially wasteful activity that potentially harmed the development of electronic commerce without producing any associated social benefits.<sup>64</sup> There is probably

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<sup>60</sup> “Cybersquatting, according to the United States federal law known as the Anti-Cybersquatting Consumer Protection Act, is registering, trafficking in, or using a domain name with bad-faith intent to profit from the goodwill of a trademark belonging to someone else. The cybersquatter then offers to sell the domain to the person or company who owns a trademark contained within the name at an inflated price.” (definition from Wikipedia, available at: <http://en.wikipedia.org/wiki/Cybersquatting>, last viewed on June 6, 2007).

<sup>61</sup> 15 U.S.C. § 1125(d).

<sup>62</sup> 15 U.S.C. § 1125(d)(1)(B)(ii); UDRP, para. 4(c).

<sup>63</sup> With the exception of 15 U.S.C. § 1129 from the ACPA which does protect personal names against bad faith cybersquatters regardless of trademark status.

<sup>64</sup> See, for example, discussion in Jacqueline Lipton, *Beyond Cybersquatting: Taking Domain Name Disputes Past Trademark Policy*, 40 WAKE FOREST LAW REVIEW 1361, 1369-1371 (2005) (full text available at: <http://www.law.wfu.edu/prebuilt/w08-lipton.pdf>, last viewed on June 5, 2007). The most cited example of traditional cybersquatting is probably the case of Dennis Toeppen who registered reportedly around 100 domain names corresponding with well known marks in the hope of making significant amounts of money for transfer of the names to relevant trademark holders. Today, Toeppen chronicles his own story at: <http://www.toeppen.com/>, last viewed on June 5, 2007. Many have written about conduct such as Toeppen’s and about its place in the development of the current gTLD regulation system. For a summary of these legal developments in the late 1990s and more detail on the concerns I raise here, see: Jacqueline Lipton, *Beyond Cybersquatting: Taking Domain Name Disputes Past Trademark Policy*, 40 WAKE FOREST LAW REVIEW 1361 (2005) (full text available at: <http://www.law.wfu.edu/prebuilt/w08-lipton.pdf>, last viewed on June 5, 2007).

nothing inherently wrong with the UDRP and ACPA in this respect. They did deal with a real world problem and, in many respects, they are now old news. Presumably, this is why debates today about the introduction of new gTLD processes do not dwell on the rules and regulations implemented in 1999. However, those rules and regulations have raised new post-1999 problems that have not yet been addressed in a systematic way.<sup>65</sup>

Issues under the existing domain name system that relate to the balance of trademark interests with other legitimate interests in domain names do include the need to balance trademark interests with interests such as: interests in personal names, cultural and geographic indicators, free speech (including the right to parody, comment on and criticize a trademark holder), other basic human rights, and rights to free and democratic government.<sup>66</sup> ICANN has identified some of these issues in its recommendations. IP Justice and the NCUC have raised concerns about clarification of, as well as appropriate implementation of, ICANN's stated goals here.

The main problem for ICANN in identifying and implementing these kinds of 'interest balancing ideals' is that, as with its administration of existing gTLDs, ICANN's expertise is largely technical and functional. It is not a body staffed with people whose main expertise is to deal with these difficult balances of competing legal and social interests in multiple societies around the world. Effectively bringing debates about international public order and morality, as well as free speech and human rights generally, into a predominantly technical process comes at a high cost. However, failing to address these issues in a relevant forum also comes at a high cost, as previous and current experiences have shown us.

What is needed at this point is a combination of the following: (1) ensuring that the technical aspects of this process do not somehow become a default proxy to legislate for

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<sup>65</sup> Despite some attempts to refer certain issues to the World Intellectual Property Organization ('WIPO'); for example, the need to balance trademark interests against interests in personal names and geographic and cultural indicators. These issues are discussed in the Second WIPO Internet Domain Name Process, Chapters 5-6, available in full text at: <http://www.wipo.int/amc/en/processes/process2/report/html/report.html>, last viewed on June 5, 2007.

<sup>66</sup> I have written previously, and in detail, about many of these issues in the following articles: Jacqueline Lipton, *Beyond Cybersquatting: Taking Domain Name Disputes Past Trademark Policy*, 40 WAKE FOREST LAW REVIEW 1361 (2005) (full text available at: <http://www.law.wfu.edu/prebuilt/w08-lipton.pdf>); Jacqueline Lipton, *Commerce vs Commentary: Gripe Sites, Parody and the First Amendment in Cyberspace*, WASHINGTON UNIVERSITY LAW REVIEW (forthcoming, summer 2007), draft available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=925691](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=925691); Jacqueline Lipton, *Who Owns 'Hillary.com'? Political Speech and the First Amendment in Cyberspace*, BOSTON COLLEGE LAW REVIEW, (forthcoming, spring 2008), draft available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=982430](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=982430).



important and complex national and international social, cultural and legal norms; (2) more clearly identifying bodies or individuals who can appropriately identify and make recommendations on relevant issues within the development of the more technical aspects of the process; and, (3) ensuring that these bodies are brought into the relevant process in time to prevent damage to important legal and social interests. To some extent, that may be what is happening at the moment, but this process may need to be more formalized to avoid exacerbating some of the problems that have arisen in the past under the current domain name system.

## **Conclusions**

The aim of this briefing paper has been to raise awareness of ideas that may be pertinent in the ongoing process to develop new gTLDs. My hope is that this paper generates, or at least facilitates, useful debate in this context. There are, as yet, no clear solutions to many of the problems addressed. We seem to be at a point in the development of the new gTLD processes where it would be useful to more fully identify and discuss relevant legal and social issues, as well as bodies and individuals that may be best suited to advise on them, and ultimately help draft and implement regulations about them where possible. This is an important time in the development of the domain name system and this kind of debate and development would prove extremely useful, particularly in order to avoid some of the practical problems with respect to new gTLDs that are already evident in the administration of domain names registered under existing gTLDs.

Jacqueline D. Lipton, Ph.D.

Professor of Law

Co-Director, Center for Law, Technology and the Arts

Associate Director, Frederick K Cox Center for International Law

Case Western Reserve University School of Law

11075 East Blvd, Cleveland, Ohio, 44106, USA

Email: [JDL14@case.edu](mailto:JDL14@case.edu)    Tel: + 1 216 368 3303    Fax: + 1 216 368 2086