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The Uniform Domain Name Dispute Resolution Procedure: Is Too Much of a Good Thing a Bad Thing?

*Julia Hörnle**

The Uniform Domain Name Dispute Resolution Procedure (UDRP) was drafted to provide a fast, convenient, and efficient dispute resolution procedure for the benefit of trademark holders whose marks have been unlawfully registered as domain names. The procedure is fast, convenient, and efficient. However, the procedure also raises questions about sufficient due process and fairness. Phrased differently, is the procedure too fast and too efficient to the extent that it is unfair? This article aims to examine whether the UDRP is fair (in that it complies with due process) and to determine the extent the UDRP could serve as a model for other Online Dispute Resolution (ODR) processes.

ODR is dispute resolution that combines the information processing powers of computers with the networked communication facilities of the Internet. For purposes of this article, ODR represents dispute resolution techniques using information and communication technologies (ICT) utilized outside the courts, in particular Internet applications. ODR is particularly useful for the resolution of Internet disputes when the parties are in different locations because the technology overcomes distance and alleviates typical jurisdictional problems in the courts. While ODR has great potential for the resolution of Internet disputes (not considered here), the procedures used should be fair. The UDRP has probably been the largest experiment in the use of ODR to date. Thus, the UDRP seems like an appropriate starting point for an inquiry into due process. Accordingly, this article examines the UDRP and points out where it should be amended to make it procedurally fair. Hopefully, this critique of the UDRP assists to develop fair ODR policies for other Internet disputes.

This article moves in three parts. The first part provides background for the discussion by describing the UDRP. The second part focuses on different aspects of procedural due process, such as the independence and impartiality of the decision-maker or institutional body, notice of the proceedings, fair hearing requirements, language of the proceedings, technology, judicial review or appeal, the role of the courts, and transparency. The final part examines the extent that the UDRP can be used as a model for future dispute resolution mechanisms and argues that substantial amendments are needed to guarantee due process and fairness.

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I. BRIEF DESCRIPTION OF THE UDRP

The Internet Corporation for Assigned Names and Numbers (ICANN), the body the U.S. government tasked with governing the Internet domain name system, adopted the UDRP on August 26, 1999. The UDRP is designed to solve disputes between a trademark owner and a domain name registrant.¹ These disputes arise when the registrant has registered a domain name identical or confusingly similar to the trademark, the registrant has no rights or legitimate interests in the name, and the registrant has registered and used the domain name in bad faith.² The UDRP does not deal with conflicts between two trademark holders or between a trademark holder and a registrant with rights or legitimate interests. In particular, the UDRP does not apply if the registrant has been known by the name, has used it in connection with a bona fide offering of goods or services, or has used it for a legitimate non-commercial purpose.³

The UDRP was drafted narrowly for the purpose of combating the Internet phenomenon known as cybersquatting. Cybersquatting is the registration of a domain name similar to a trademark for an illegitimate purpose *i.e.*, selling the domain name to the trademark owner at an inflated price, selling the domain name to a competitor of the trademark owner and preventing the trademark owner from using the name, or deflecting traffic from the (famous) trademark owner onto the registrant's own site in an attempt to increase traffic and advertising revenue.⁴

Further discussion of the substantive issues of the UDRP is outside the scope of this article. It is enough to know that the UDRP (and its associated rules) does not merely lay down the procedure for dispute resolution; the UDRP also forms the applicable substantive law for the resolution of disputes within its scope. The main consideration in the design of the UDRP was to create a convenient, cost-effective and fast procedure to combat cybersquatting.⁵

The UDRP is procedurally similar to arbitration in that a private adjudicator (a one- or three-member panel) produces a binding decision.⁶ How-

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1. The UDRP applies to generic, top-level domains such as .com, .net, and .org. Some of the country-code top level domains also have copied the UDRP.
 2. ICANN, Uniform Domain Name Dispute Resolution Policy, ¶ 4(a) (Aug. 26, 1999), available at <http://www.icann.org/dndr/udrp/policy.htm> [hereinafter UDRP].
 3. *Id.* ¶ 4(c).
 4. *Id.* ¶ 4(b); See, e.g., *Geoffrey, Inc. v. Not the Usual*, WIPO Case No. D2006-0882, ¶ 6 (Oct. 18, 2006). WIPO domain name decisions are available at <http://www.wipo.int/amc/en/domains/decisions>.
 5. World Intellectual Prop. Org. [WIPO], *New Generic Top Level Domains: Intellectual Property Considerations*, ¶ 38, available at <http://www.wipo.int/amc/en/domains/reports/newgtld-ip/> (last visited Sept. 8, 2008).
 6. The UDRP calls the procedure "Mandatory Administrative Procedure."

ever, the procedure differs from arbitration because the decisions are not final and do not have *res judicata* effect between the parties.⁷ Either party can initiate proceedings before a competent court after the panel's decision.⁸

Like arbitration, the UDRP is based on a contractual regime. The UDRP has been described as a "contractually-mandated private system for the benefit of non-contracting parties."⁹ The procedure begins when the domain name registrant agrees to submit disputes to the UDRP regime under the terms of the contract between the domain name registrar and the domain name registrant. This agreement, however, is in no sense voluntary. ICANN, the ultimate regulator of the domain name system, requires each domain name registrar to incorporate the UDRP into their contracts with customers. In that way, the UDRP is a regulatory dispute resolution scheme implemented by a chain of contracts.¹⁰

Furthermore, the registrar will enforce the binding decisions if neither party commences litigation before the courts¹¹ because of contractual obligations (as part of their license from ICANN) to comply with a panel order to cancel or transfer a domain name. Because the only remedy a panel can award is a cancellation or transfer of a domain name,¹² a registrar can directly implement the order of a panel, through its *de facto* power to cancel or transfer domain names.¹³ This means that the UDRP is self-enforcing.¹⁴ While the self-enforcing nature of the UDRP is effective, the system creates the risk

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7. See *SALLEN v. CORINTHIANS LICENCIAMENTOS LTDA*, 273 F.3d 14, 26-27 (1st Cir. 2001); *Storey v. Cello Holdings, LLC*, 347 F.3d 370, 373-74, 381 (2nd Cir. 2003); *Parisi v. Netlearning, Inc.*, 139 F. Supp. 2d 745, 752 (E.D. Va. 2001); Nilanjana Chatterjee, *Arbitration Proceedings Under ICANN's Uniform Domain Name Dispute Resolution Policy- Myth or Reality*, 10 VINDEBONA J. OF INT'L COM. L. & ARB. 67, 86-87 (2006); Chad D. Emerson, *Wasting Time in Cyberspace: The UDRP's Inefficient Approach Toward Arbitrating Internet Domain Name Disputes*, 34 U. BALT. L. REV. 161, 177 (2004).
 8. UDRP, *supra* note 2, ¶ 4(k).
 9. Elizabeth G. Thornburg, *Fast, Cheap and Out of Control: Lessons from the ICANN Dispute Resolution Process*, 6 J. SMALL AND EMERGING BUS. L. 191, 197 (2002).
 10. *Storey*, 347 F.3d at 381; *Parisi*, 139 F. Supp. 2d at 751.
 11. UDRP, *supra* note 2, ¶ 4(k) (stating that the registrar waits ten days before implementing a decision to transfer or cancel the domain name in order to see whether the registrant commences court proceedings).
 12. UDRP, *supra* note 2, ¶ 4(i) (stating that panels cannot order damages or any other remedy).
 13. *Id.*
 14. *But see Dluhos v. Strasberg*, 321 F.3d 365, 372-73 (3rd Cir. 2003) (holding that a UDRP decision cannot be enforced as an arbitration award); *Parisi*, 139 F. Supp. 2d at 752.

that domain name registrants will perceive the UDRP as illegitimate and contrary to guarantees of due process.¹⁵

To the extent that the UDRP lowers the hurdle for complainants by cutting the cost, time, and effort to seek redress, the UDRP shifts the burden of filing suit from the trademark holder to the domain name registrant, who has to go to court to prevent or remedy a transfer or cancellation of the name. However, the mere fact that the UDRP shifts this burden does not render the UDRP automatically unfair.¹⁶

Five dispute resolution service providers have received ICANN approval.¹⁷ At present, only three are deciding cases under the UDRP: the Arbitration and Mediation Center of WIPO,¹⁸ the National Arbitration Forum (NAF),¹⁹ and the Asian Domain Name Dispute Resolution Centre (ADNDRC).²⁰ The complainant trademark owner selects which of the dispute resolution service providers should hear the case.²¹

For .eu domain names, the European Commission and the .eu registry (EURID) have setup a dispute resolution procedure clearly modeled after, and almost identical to, the UDRP.²² The first (and to date, only) dispute

15. Laurence R. Helfer, *Whither the UDRP: Autonomous, Americanized or Cosmopolitan?*, 12 *CARDOZO J. INT'L & COMP. L.* 493, 496 (2004).
16. Thornburg, 6 J. SMALL & EMERGING BUS. L., *supra* note 9, at 215-16; Elizabeth G. Thornburg, *Going Private: Technology, Due Process and Internet Dispute Resolution*, 34 *U.C. DAVIS L. REV.* 151, 193 (2000).
17. Although ICANN has approved a total of five dispute resolution service providers, two have ceased to accept cases. E-Resolution ceased operations on November 30, 2001. Recently, Conflict Prevention & Resolution [CPR] also ceased to accept UDRP cases. This section refers to the CPR Rules, where they contained interesting points, but it should be noted that the scheme is no longer operative. CPR registered 141 cases (including pending cases) by July 11, 2006. CPR ceased to accept new UDRP cases in January 2007.
18. WIPO had 8925 cases on its files (including pending cases) until July 11, 2006; *see generally* WIPO Arbitration and Mediation Center, <http://www.wipo.int/amc/en/domains/statistics/cases.jsp> (last visited Aug. 7, 2008).
19. National Arbitration Forum [NAF] registered 6694 cases (including pending cases) until July 11, 2006; *see generally* NAF, Domain Name Dispute Proceedings and Decisions, <http://domains.adrforum.com/decision.aspx> (last visited Aug. 7, 2008).
20. *See* Asian Domain Name Dispute Resolution Centre [ADNDRC], <http://www.adndrc.org/adndrc/index.html> (last visited July 28, 2008) [hereinafter ADNDRC] (The Beijing office has had about eighty-eight cases (including pending cases) until July 2006, and the Hong-Kong office has had about eighty-four (including pending cases)).
21. UDRP, *supra* note 2, ¶ 4(d).
22. *See* Commission Regulation 874/2004, Laying down public policy rules concerning the implementation and functions of the .eu Top Level Domain, 2004 O.J. (L162) 40 (EC).

resolution provider accredited to resolve disputes under .eu ADR policy²³ is the Czech Court of Arbitration.²⁴

II. A CRITIQUE OF THE UDRP: ANALYSIS OF DUE PROCESS ISSUES

A. Independence and Impartiality

1. Complainant Win Rates

Various studies have examined the statistical outcomes of UDRP decisions. In a 2000 study, Milton Mueller found that trademark owners succeeded in obtaining the disputed domain name about eighty percent of the time across all dispute resolution service providers.²⁵ By 2006, that percentage had increased to around eighty-four percent.²⁶ While these figures seem high, they do not, by themselves, evidence any unfairness in the procedure because it is impossible to know what percentage of cases are “true” cybersquatting cases.²⁷

A comparison between the “complainant win” rate of each dispute resolution provider and the provider’s market share reveals interesting results. In his 2000 study,²⁸ Mueller found that the complainant success rates were much higher with the two providers with overwhelming market share²⁹ as opposed to the provider with the lowest market share^{30,31}. He poses the ques-

23. Like the UDRP, the .eu ADR policy does not comprise any mediation (compare with the Nominet procedure which claims to settle sixty percent of all its cases by mediation); *see* Nominet, DRS Overview, <http://www.nominet.org.uk/disputes/drs/> (last visited July 28, 2008).

24. EURID appointed the Czech Court of Arbitration on April 12, 2005.

25. Milton Mueller, *Rough Justice, An Analysis of ICANN’s Uniform Dispute Resolution Policy*, <http://dcc.syr.edu/miscarticles/roughjustice.pdf> (last visited Sept. 8, 2008).

26. The group of UDRP dispute resolution providers has changed since then, as ADNDRC only started to operate in April 2002, and e-Resolution has gone out of business. However, WIPO and NAF still hear the lion’s share of cases. The author examined the statistics of each provider as shown on the respective websites on July 12, 2006. This figure ignores not only pending cases, but also any withdrawn cases or split decisions and is therefore higher than the true figures. This method has resulted in 10,680 claimant win cases, out of a total of 12,675 cases (not counting withdrawn cases), equaling 84.3%.

27. It is impossible to judge the fairness of a procedure merely by the win-loss rate of a particular party.

28. Mueller, *supra* note 25, at 14-16.

29. *Id.* at 11 (WIPO – 67.5% and NAF – 71.5% complainant win rate (these figures include the withdrawn/settled cases)); *Id.* at 11 (WIPO – 61% and NAF – 31% market share).

30. *Id.* at 11 (e-Resolution complainants won in 44.2% of cases (this includes the withdrawn/settled cases)); *Id.* at 14 (e-Resolution market share 7%).

tion of whether these figures are indicative of a systemic bias. The complainant selects the dispute resolution provider, and, as a consequence, the provider has an incentive to appear to be “complainant-friendly” in order to increase its market share.³² To avoid such systemic problems, Mueller recommends that the registrar of the domain name at issue should choose which dispute resolution provider hears the case.³³

While plausible, the claim that forum shopping leads to bias should still be questioned. Although demonstrating a clear and persuasive causal link between forum shopping and the actual decision-making is difficult, it does not mean that such a link does not exist. Providers have an incentive to create the right perception about dispute outcomes in the mind of the complainant’s advisor.³⁴ The incentive to appear complainant-friendly may *indirectly* impact the independence and impartiality of the panelists themselves,

31. Ignoring any pending cases, I counted the number of decisions in which the domain name was transferred or cancelled (claimant win) and the cases where the claim was denied (respondent win). I also counted the cases that were withdrawn or those where the panel returned a split verdict, *i.e.* where there are several domain names and only some were transferred (neither claimant nor respondent wins). My analysis of the website data of July 12, 2006 produced the following figures:

	WIPO	NAF	CPR	ADNDRC
Complainant Win	66.3%	74.5%	54.2%	54.1%
Market Share	55.9%	42.5%	0.9%	0.7%

32. See Mueller, *supra* note 25, at 18 (stating that “it proves that forum-shopping exists to some degree.” Mueller also examined other factors such as price, which he concludes is not a strong explanatory factor, (*Id.* at 15) the complainant’s country of origin, which he found significant (NAF for U.S. complainants and WIPO for complainants outside the U.S.) (*Id.* at 17) and speed of decision (*Id.* at 18). He nevertheless concludes that decision outcome is the strongest factor (*Id.*); see also Marcelo Halpern & Ajay K. Mehrotra, *From International Treaties to Internet Norms: The Evolution of International Trademark Disputes in the Internet Age*, 21 U. PA. J. INT’L ECON. L. 523, 558 (2000); Michael Geist, *Fair.com?: An Examination of the Allegations of Systemic Unfairness in the ICANN UDRP*, 27 BROOK. J. INT’L L. 903, 906 (2002); Michael Fromkin & David Post, *Froomkin and Post Send Letter to ICANN Board* (Jan. 26, 2000), http://www.icannwatch.org/archive/post_froomkin_udrp_letter.htm.; Michael Fromkin, *ICANN’s “Uniform Dispute Resolution Policy” – Causes and (Partial) Cures*, 67 BROOK. L. REV. 608, 672-73 (2002).
33. See Mueller, *supra* note 25, at 19-20. However, allowing the registrar to choose the dispute resolution provider may lead to the reverse problem that service providers have to appear to be registrant-friendly.
34. Fromkin, 67 BROOK. L. REV., *supra* note 32, at 690; Thornburg, 6 J. SMALL & EMERGING BUS. L., *supra* note 9, at 220.

but this connection is extremely difficult to show³⁵ because the provider's role is limited to providing administrative support. The following discussion will therefore focus on the impartiality and independence of the panelists.

2. Impartiality and Independence of the Panelists

Individual panelists are subject to an express obligation of independence and impartiality and must declare any conflicts of interest.³⁶ The panels have held that a panelist must only recuse himself or herself if a reasonable, objective person would doubt the panelist's impartiality. For instance, a panelist should recuse himself or herself if: there is a conflict of interest, such as a personal financial interest; he or she has previously represented a party; he or she has represented a third party in a dispute against one of the parties; or the panelist has demonstrated a personal bias. The evidence of bias must establish more than just a hint or insinuation; rather, it must establish serious doubt.³⁷

However, the UDRP rules do not expressly provide that a party may challenge the panel on the grounds of independence or partiality to an independent third party.³⁸ Clearly, a provision allowing either party to challenge the appointment of a panelist, even after a decision has been made, is necessary to prevent the appointment of a biased panelist.³⁹ This independent third party could be an appellate body or a court.

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35. See *AFMA Inc v. Globemedia*, WIPO Case No. D2001-0558, ¶ 4 (Oct. 18, 2006) (Bernstein, Panelist) (holding that the provider's role is limited to the administration of cases and refusing to accept that the provider can be biased).
 36. ICANN, Rules for Uniform Domain Name Dispute Resolution Policy, ¶ 7 (Oct. 24, 1999), available at <http://www.icann.org/udrp/udrp-rules-24oct99.htm> [hereinafter Rules]; ADNDRC, The Supplemental Rules, Art. 9 (Feb. 28, 2002), available at http://www.adndrc.org/adndrc/p_supplemental_rules.html [hereinafter ADNDRC Supplements]; WIPO, WIPO Arbitration and Mediation Rules, Art. 19, available at http://www.wipo.int/freepublications/en/arbitration/446/wipo_pub_446.pdf (last visited July 28, 2008) [hereinafter WIPO Rules]; NAF, UDRP Supplemental Rules, Art. 10 (Nov. 1, 2007), available at <http://domain.adrforum.com/users/icann/resources/UDRPSupRules20071101.pdf> [hereinafter NAF Supplements].
 37. *Britannia Bldg. Soc'y v. Britannia Fraud Prevention*, WIPO Case No D2001-0505, ¶ 4(c) (July 6, 2001) (Bernstein, Panelist).
 38. Only the .eu ADR Rules and the NAF Rules expressly provide for a challenge of a panelist on the basis of lack of impartiality, independence, or integrity, but then only before the institution itself and not an independent third party. See ADR.eu, ADR Rules, ¶ B(5)(c) (Dec. 5, 2005), available at http://www.adreu.eurid.eu/html/en/adr/adr_rules/eu%20adr%20rules.pdf [hereinafter ADR.eu Supplements]; NAF Supplements, *supra* note 36, ¶ 10.
 39. Froomkin, 67 *BROOK. L. REV.*, *supra* note 32, at 689.

3. Selection of Panelists

Providers can influence the outcome of decisions through the selection and allocation of panelists.⁴⁰ For this reason it is necessary to examine in more detail *who* the panelists are and to address questions of systemic bias. For example, if *all* panelists are practicing trademark lawyers who typically represent trademark owners, such a panel composition would appear indicative of systemic bias, even if the individual panelist's bias cannot be shown. However, the panels themselves, absent any sign of an *individual* panelist's bias, have not accepted any arguments that trademark lawyers should not sit on panels.⁴¹

In commercial arbitration, it has been widely accepted to appoint arbitrators active in the relevant sector, but the same should not be automatically assumed for the UDRP procedure, which is mandatory and public. M. Scott Donahey suggests that the impartiality requirements have to be more stringent under the UDRP than in commercial arbitration because “[t]he parties interested in the UDRP process are often private individuals with little experience with the litigation process or with trademark law. The audience of the UDRP process is far more likely to find an appearance of impropriety in a given situation.”⁴² While asserting the actual integrity and impartiality of the panels,

Donahey argues that to avoid allegations of systemic bias, it would be better if no panelists represent clients in (other) UDRP procedures. However, he also argues that this is unrealistic, as it would effectively bar practitioners from serving as panelists.⁴³

While a majority of the WIPO panelists are indeed trademark lawyers, a significant portion of panelists have a different background. For example, forty-eight out of 391 panelists, or 12.3 percent, are academics.⁴⁴ Still, the high proportion of trademark attorneys among UDRP panelists is discouraging, and a more balanced composition of the panelists would be desirable.⁴⁵

40. Mueller, *supra* note 25, at 11.

41. See *Britannia Bld'g Soc'y*, Case No. D2001-0505 ¶ 4(a); *United Servs. Auto. Assoc. v. Ang Wa Assoc.*, WIPO Case No. D2004-0535, ¶ 4 (Sept. 29, 2004).

42. M. Scott Donahey, *The Uniform Domain Name Dispute Resolution Process and the Appearance of Partiality – Panelists Impaled on the Horns of a Dilemma*, 19 J. INT'L ARB. 33, 35 (2002).

43. *Id.* at 38.

44. ADR.eu, *Panelists*, <http://www.adr.eu/adr/panelists/index.php> (last visited Sept. 8, 2008) [hereinafter *Panelists*] (providing a list of WIPO Panelists and their CVs. It is fair to say that there is a lower likelihood of systemic pro-trademark holder bias among academics than there is among trademark lawyers (this is an assumption made)).

45. Froomkin, 67 BROOK. L. REV., *supra* note 32, at 693; see *Panelists*, *supra* note 44 (the majority of panelists are IP attorneys).

4. Allocation of Panelists

In addition to *who* the panelists are, the question of *how* panelists are allocated to individual cases is an important and troubling aspect of the UDRP in this context.⁴⁶ If appointment is left to the provider, it raises the issue whether providers are apt to appoint panelists who have shown pro-complainant leanings. This problem is mitigated if the parties influence the appointment of panelists.

At a minimum, the parties can decide whether their case is heard by a one-member or three-member panel.⁴⁷ However, the parties do not choose who “sits” on the single member panel—panelists are appointed by the dispute resolution service provider.⁴⁸ If the complainant or the respondent decides that the case should be heard by a three-member panel, each party provides a list of three candidates and the provider selects one member from each list. For the third member of the panel, usually the provider draws up a list of five possible candidates and each party deletes two names from that list.⁴⁹ While the parties cannot appoint the panelists, they at least have some degree of influence over panel composition.

Obviously, non-transparent or even biased panel allocation is more of an issue for single-member panels. The parties in cases coming before three-member panels have some influence over the panel appointment.⁵⁰ Michael Geist examined the difference in the complainant-win rates for single-member panels, where panel allocation is solely controlled by the provider, and three-member panels, where the parties have some degree of control. The result was astonishing: complainants won eighty-three percent of the cases decided by sole panelists, whereas only fifty-eight percent of complainants won in cases decided by three-member panels.⁵¹ He posits that the reasons for this remarkable difference are the input respondents have on who sits on the panel and that the deliberation that occurs between the three-member

46. Geist, *supra* note 32, at 911.

47. Rules, *supra* note 36, ¶¶ 3(b)(iv), 5(b)(iv).

48. *Id.* ¶ 6(b) (providing that a single panelist is appointed by the dispute resolution service provider); ADR.eu Supplements, *supra* note 38, ¶ 4(b) (providing the same procedure under the .eu ADR Rules).

49. Rules, *supra* note 36, ¶ 6(e).

50. At least where the respondent takes part in the procedure.

51. Geist, *supra* note 32, at 912-22.

panelists results in more balanced decision-making.⁵² Thus, he recommends that all UDRP cases be heard by three-member panels.⁵³

The process for the appointment of single panelists is indeed not transparent. The UDRP Rules merely provide that the dispute resolution provider selects the single panelist, unless a three-member panel is requested.⁵⁴ The WIPO Rules⁵⁵ and the NAF Rules⁵⁶ do not shed any more light on the selection of single panel members. The .eu ADR procedure also does not explain how panelists are appointed.⁵⁷

Interestingly, the ADNDRC Rules include the following benchmarks for how the panelists shall be appointed:

- (i) the nature of the dispute;
- (ii) the availability of the panelist;
- (iii) the identity of the parties;
- (iv) the independence and impartiality of the panelist;
- (v) any stipulation in the registration agreement; and
- (vi) any suggestions made by the parties themselves.⁵⁸

It is laudable that the ADNDRC has attempted to formulate criteria for the selection of panelists in order to make the process more transparent. However, after looking at the criteria more closely, they are vague and it is questionable how useful they truly are. It is unclear how the nature of the dispute might influence the selection. It is likewise unclear how the identity of the parties is relevant for choosing a panelist, although it would be sensible to choose a panelist of the same nationality as the parties, if their nationality is the same,⁵⁹ or to choose a panelist of a completely diverse nationality⁶⁰ if the parties are nationals of different countries.⁶¹ Furthermore,

52. *Id.* at 930-31. Geist excluded other factors, such as the possibility that in three-member panel cases, the respondent has a better case and hence elects a three-member panel. He found that complainants request a significant number of three-member panels and that in some cases where the complainant requests a three-member panel, the respondent defaults (which might indicate that the respondent has a “bad” case).

53. *Id.*

54. Rules, *supra* note 36, ¶ 6(b).

55. WIPO, Supplemental Rules for Uniform Domain Name Dispute Resolution Policy, ¶ 7 (Dec. 1, 1999), available at <http://arbitrator.wipo.int/domains/rules/supplemental/index.html#7> [hereinafter WIPO Supplements].

56. NAF Supplements, *supra* note 36, ¶ 9(c)(iii).

57. ADR.eu Supplements, *supra* note 38, ¶ B(4)(a) (stating that “the panelists shall be selected in accordance to the internal procedures of the Providers”).

58. ADNDRC Supplements, *supra* note 36, Art. 8(1).

59. *Twist Giyim Sanayi Pazarlama Ve Ticaret A.S v. Machka Co.*, WIPO Case No. D2005-0957, ¶ 1 (Nov. 28, 2005).

60. *William Hill Org. v. Statton*, WIPO Case No. D2000-0827, ¶ 1 (Oct. 31, 2000).

the panelist's language capability and availability are other important, practical criteria.⁶² Even in light of these factors, a completely random selection of panelists would seem more fair.

Significantly, the ADNDRC Rules allow the parties some influence over the selection, even where only a single panelist is appointed. First, the selection benchmark includes any stipulation in the registrant's registration agreement.⁶³ Second, the Rules provide that if the parties do not elect to have a three-member panel, and if the respondent files a defense, the ADNDRC sends the parties a list of five panelists to rank, and the highest ranking panelist is appointed.⁶⁴

After his analysis, Michael Geist concluded that "case allocation appears to be heavily biased toward ensuring that a majority of cases are steered towards complainant-friendly panelists."⁶⁵ However, such a statement is difficult to prove empirically, as opposed to anecdotally,⁶⁶ because there may be a multitude of factors that determine an appointed panelist. My aim in this article is not to prove whether panelist allocation under the UDRP is truly biased, but merely to point out that non-transparent allocation of arbitrators to a case is problematic.⁶⁷

61. Choosing a panelist of a diverse nationality may be a problem where the panelist needs to speak the language of one of the parties. *See* Tatra Banka v. US Ware, Inc., WIPO Case No. D2004-0643, ¶ 1 (Oct. 6, 2004), in which the appointment of the panelist was challenged on the basis that he was Czech and one of the parties was Slovak. This challenge rightly failed, as it would have been impossible to find a panelist who speaks the relevant language, as there are few, if any, panelists who speak the language, *e.g.* Korean panelists who speak Czech.
62. Rules, *supra* note 36, ¶11(a) (the language of the proceedings should generally be the language of the registration agreement—this provision of course has an impact on panelist selection).
63. If only by choosing the registrar in the first place.
64. ADNRC Supplements, *supra* note 36, Art.8 (4) & (5). If the case is a default case, then the ADNDRC appoints the single panelist without reference to a list. This footnote refers to the rules of the Beijing Office, but Art. 8 is the same in the supplemental rules for the Hong Kong and the Seoul Offices.
65. Geist, *supra* note 32, at 912, 928. For example, he discovered from his analysis of the data that fifty-six percent of all NAF single panel cases (778 of 1379) were decided by only six people.
66. For example, Professor Mueller has never been appointed as a single panelist by WIPO, which raises the question whether the reason for this is that he has criticized the UDRP as being complainant-biased.
67. Merely working out how many cases each panelist has heard and in how many cases he or she has ruled in favor of the complainant is probably not sufficient, as this would not take account of other factors.

There are two possible solutions to avoid any appearance of bias: 1) allow the parties some control over the choice of arbitrator;⁶⁸ or 2) make a random selection from a qualified pool, after practical criteria such as availability, nationality, and language capability have been satisfied.⁶⁹ Additionally, in the context of the UDRP, it may indeed improve the quality of decision-making to have all cases decided by a three-member panel.⁷⁰

5. Conclusion

A distinction has to be made between the role of the dispute resolution service provider and the panelists when discussing the independence and impartiality of the UDRP. The provider's independence and impartiality can only be guaranteed if providers are randomly allocated to cases. However, the independence and impartiality of the panelists are more important for the case outcome and should be the focus of this discussion. This article recommends that any party alleging a conflict of interest or bias of a panelist should be ruled upon by an independent third party. In addition, the composition of the panels should be more balanced, with fewer trademark attorneys and more non-trademark interests, such as academics, on the lists. Next, the parties should either have more control over the allocation of the panelists or such allocation should be randomized. Finally, the UDRP should consider the introduction of three-member panels for all cases in order to improve the quality of decision-making.

B. Notice and Service to the Respondent

It can be difficult for any complainant in an international dispute to trace a respondent and effect actual notice. In order to overcome this issue, the Rules state that the complainant need not achieve actual notice. Instead, service is effected when the dispute resolution provider sends the notification and complaint to the contact points listed in the UDRP Rules. The contact points are (i) all contacts in the Registrar's *Whois* and billing database (by post, fax, e-mail); (ii) an e-mail to "postmaster@" at the disputed domain name; (iii) an e-mail address on the website to which the domain name resolves; and (iv) any contact details provided by the respondent or the com-

68. For example, giving the parties a list of nine arbitrators from which they can each strike four.

69. Froomkin, 67 *BROOK. L. REV.*, *supra* note 32, at 691 (discussing all options and stating that registrar selection would be best. However the problem with registrar selection is that registrars themselves have an incentive to be 'registrant-friendly.' Hence, such a system might create systemic bias poled the reverse way).

70. Having three-member panels for all cases would still be cheaper than court proceedings: the current fees are \$4,000 (WIPO for 1-5 domain names), \$2,600-\$2,900 (NAF for 1-5 domain names), and \$2,500-\$3,000 (ADNDRC for 1-5 domain names).

plainant. The provider must send the notification and the complaint to all these various contact points.⁷¹ These provisions on notice and service are fair since it is in the respondent's sphere of control to keep his or her contact details with the registrar up-to-date.

C. Fair Hearing: Minimum Standards and Equality

The principle of fair hearing means that the parties should have a fair and equal opportunity to argue their case as to law and fact. The principle raises two distinct, but frequently conflated, issues: balancing minimum standards of quality with rationality and equality.

Because of the principle of party autonomy, it is difficult in commercial arbitration to draw a bottom line of procedural fairness minimum requirements; a discussion of "fair hearing" is usually limited to the issue of equality. However, the UDRP is fundamentally different from commercial arbitration because it is a mandatory, rather than a voluntary, procedure and, therefore, fairness and equality should have a separate meaning.⁷² While parties in commercial arbitration may freely choose to renounce procedural protections and agree to "throw a dice," parties should not be forced to do so by a mandatory dispute resolution procedure.⁷³ The parties to UDRP should not give up procedural protections because the UDRP has public law elements and is not an entirely private procedure.⁷⁴

An examination of whether the UDRP provides for a fair hearing, therefore, raises two questions: 1) does the UDRP comply with minimum standards of fairness; and 2) does the UDRP treat both parties equally? Rule 10(b) of the UDRP Rules addresses these two principles and provides that "in all cases, the panel shall ensure that the parties are treated with equality and that each party is given a fair opportunity to present its case." This statement of principle notwithstanding, each party's opportunity to present its respective case is severely and stringently curtailed in the following five ways.

71. Rules, *supra* note 36, ¶ 2(a).

72. *Parisi v. Netlearning, Inc.*, 139 F. Supp 2d 745, 751 (E.D. Va. 2001) ("the UDRP's unique contractual arrangements renders the FAA's provisions for judicial review of arbitration awards inapplicable") Thornburg, 6 J. SMALL AND EMERGING BUS. L., *supra* note 9, at 215; Donahey, *supra* note 42, at 34-35; Stephen J. Ware, *Domain Name Arbitration in the Arbitration-Law Context: Consent to, and Fairness in the UDRP*, 6 J. SMALL & EMERGING BUS. L. 129-65, 150, 153-54 (2002) (arguing that fairness is secondary to consent, and, since domain name registrants consent to participate in the UDRP when registering a domain name, the consent provides sufficient legitimacy).

73. I am not asserting here, of course, that the decision-making process under the UDRP is the equivalent to throwing a dice.

74. *See Eurotech, Inc v. Cosmos European Travels, AG*, 189 F. Supp. 2d 385, 392 (E.D. Va. 2002) (holding that 'arbitration' under WIPO auspices was not an entirely private matter, as WIPO was a quasi-public organization).

1. No (Online) Hearings

First, the rule that there are no hearings, absent any exceptional circumstances, affects both parties.⁷⁵ The UDRP Rules make clear that this includes any form of tele-, web- or video-conferencing.⁷⁶ In practice, this makes any form of hearing extremely rare.⁷⁷

The same applies for the .eu domain name procedure.⁷⁸ Interestingly, the Czech Arbitration Court (the only dispute resolution provider accredited to date) *does* envisage the use of ICT and online hearings. Its Supplemental ADR Rules provides: "In case the panel determines, in its sole discretion, that an in-person hearing is necessary, the hearing will be carried out by teleconference, videoconference, or web conference at the CHAT address of the provider if both parties agree with the use of such technology."⁷⁹

In the ordinary procedure of the majority of cases, parties' submissions are limited to two documents: a complaint and a response.⁸⁰ However, the credibility and accuracy of these documents is at issue because there is no opportunity to probe this information in the examination of witnesses, and the UDRP does not provide any penalties for making false statements in the complaint or the response.⁸¹

2. Further Submissions

Secondly, considering the above limitation of the materials, the next issue concerns the extent that the panel can probe further if there are any gaps in the evidence. Can panels ask for further submissions or ask for clarification of specific points?

The UDRP Rules indeed provide that a panel may request further statements or documents.⁸² Interestingly, this power is rarely exercised: according to the legal index of all WIPO UDRP decisions, panels have availed

75. Rules, *supra* note 36, ¶ 13.

76. *Id.*

77. AT&T Corp. v. Thompson, WIPO Case No. D2001-0830, ¶ 5(a) (Aug. 15, 2001); Nintendo of Am., Inc. v. Enic. Net, WIPO Case No. D2001-1369, ¶ 3 (Feb. 14, 2002); Massoli v. Linq Entm't, Inc., WIPO Case No. D2004-1042 ¶ 6 (Feb. 15, 2004); Millennium Broad'ing Corp. v. Publ'n France Monde, NAF Case No. FA0010000095752, Findings ¶ 6 (Nov. 22, 2000) (the panels refused to follow a request for an oral hearing by stating that no such hearing is necessary).

78. ADR.eu Supplements, *supra* note 38, ¶ 9.

79. *Id.* ¶ 7.

80. Rules, *supra* note 36, ¶¶ 3, 5.

81. Thornburg, 6 J. SMALL AND EMERGING BUS. L., *supra* note 9, at 217-18.

82. Rules, *supra* note 36, ¶ 12; ADR.eu Supplements, *supra* note 38, ¶ 8 (stating the panel may request or admit, in its sole discretion, further statements or documents from either of the parties).

themselves of this power only in 0.42% of all cases.⁸³ Panels may well find it difficult to find the time to request and consider additional evidence, as the panel has only fourteen days from its appointment to make a decision.⁸⁴ However, in exceptional circumstances, the panel can extend the time for reaching its decisions. In some of the few cases where the panels have asked for further evidence, the panels have considered additional evidence.⁸⁵

3. Complainant Has No Right of Reply

The third point to make here is that the complainant has no regular right to a reply. The UDRP Rules do not expressly allow the parties to submit further statements or documents on their own initiative.⁸⁶ The Rules merely provide that the panel decides the admissibility of evidence, including any supplemental filings.⁸⁷

The WIPO and ADNDRC Rules do not add anything to the UDRP Rules on this point. By contrast, the NAF Rules allow either party to file additional written statements or documents⁸⁸ within five days after the response deadline for the additional, and substantial, sum of \$400.⁸⁹ If one party files such an additional statement or document, the other party is entitled to respond to it within five days.⁹⁰ The CPR Rules allow parties to submit further statements and documents but leave it to the discretion of each individual panel whether to admit such supplemental statements and documents.

While the respondent is able to react and answer to the allegations made by the complainant, the complainant cannot, as a matter of course, respond to the points raised in the response. This inability to reply requires the complainant to anticipate the respondent's case, putting the complainant at a disadvantage. The inability to reply is also contrary to the principle that each party should have an opportunity to respond to the submissions of the other. This disadvantage has caused some WIPO panels to allow complainants to

83. Thirty-eight cases out of 9008 as of July, 31 2006.

84. Rules, *supra* note 36, ¶ 15(b).

85. Draw-Tite, Inc. v. Plattsburgh Spring, Inc., WIPO Case No. D2000-0017, ¶ 3 (Mar. 14, 2000); Fiji Rugby Union v. Webmasters Ltd., WIPO Case No. D2003-0643, ¶ 3 (Dec. 24, 2003).

86. Pointed out by the panel in *Classmates Online, Inc. v. Zuccarini*, WIPO Case No. D2002-0635, ¶ 3 (Sept. 24, 2002).

87. Rules, *supra* note 36, ¶ 10(d), *Admerex Ltd. v. Metyor, Inc.*, WIPO Case No. D2005-1246, ¶ 3 (Jan. 31, 2006).

88. But it included no amendments to the original "pleadings."

89. NAF Supplements, *supra* note 36, ¶¶ 7(a), (b).

90. *Id.*, ¶ 7(c).

submit an additional statement to deal with unanticipated defenses.⁹¹ However, in most cases, the panels have disallowed a reply in the interest of expedience.⁹²

4. Narrow Word or Page Limit

Fourth, most dispute resolution providers impose a narrow word and/or page limit on the complaint and the response.⁹³ In some cases, the providers insist on these word and page limits.⁹⁴ Considering that the complaint and the response contain all legal arguments for the case, these limits can be extremely restrictive. However, in other cases, panels have taken into account the full submissions, even though they exceeded the word or page limit.⁹⁵ Furthermore, the word and page limits only apply to the legal argu-

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91. WIPO, *Index of WIPO UDRP Panel Decisions*, <http://arbitrator.wipo.int/cgi-bin/domains/search/legalindex?lang=eng#12300> (last visited Aug. 10, 2008). The WIPO Legal Index of Decisions indicates that there have been ninety-nine decisions in which a supplemental filing was requested; forty of these have been granted. *See, e.g.*, *Investissement Marius Saradar S.A.L. v. Naffah*, WIPO Case No. D2000-0853, ¶ 3 (Nov. 22, 2000); *Custom Bilt Metals v. Conquest Consulting*, WIPO Case No. D2004-0023, ¶ 3 (Apr. 6, 2004); *Sw. Airlines, Co. v. Cattitude*, WIPO Case No. D2005-0410, ¶ 3 (June 12, 2005); *Microsoft Corp. v. Source One Mgmt Servs., Inc.*, WIPO Case No. D2005-0508, ¶ 3 (July 4, 2005). In *Benzer v. FutureSoft Consulting, Inc.*, WIPO Case No. D2000-1648, ¶ 3 (Apr. 12, 2001) (stating that the complainant had a right to reply).
 92. In fifty-nine out of ninety-nine decisions, the panels have refused to consider supplemental filings, *see* WIPO, *Index of WIPO UDRP Panel Decisions*, *supra* note 91. *See, e.g.*, *Plaza Operating Partners, Ltd. v. Pop Data Techs., Inc.*, WIPO Case No. D2000-0166, ¶ 3 (June 1, 2000); *Parfums Christian Dior, SA v. Jadore*, WIPO Case No. D2000-0938, ¶ 3 (Nov. 3, 2000); *E.W. Scripps Co. v. Sinologic Indus.*, WIPO Case No. D2003-0447, ¶ 3 (July 1, 2003); *DK Bellevue, Inc. v. Landers*, WIPO Case No. D2003-0780, ¶ 3 (Nov. 24, 2003).
 93. ADR.eu Supplements, *supra* note 38, ¶ 11. WIPO provides a word limit of 5000 words for each the complaint and the response but no word limit for the panel decision, WIPO Supplements, *supra* note 36, ¶ 10; NAF provides that the complaint and the response must not exceed ten pages, NAF Supplements, *supra* note 36, ¶¶ 4(a), 5(a); ADNDRC Rules provide for an even tighter word limit of only 3000 words for the complaint and the response but no word limit for the panel decision, ADNDRC Supplements, *supra* note 36, ¶ 13.
 94. *Giga Prop. v. Sadkovaya*, WIPO Case No. D2005-0976, ¶ 3 (Dec. 5, 2005) (requiring the complainant to submit a shorter complaint complying with the word-limit).
 95. *Valero Energy Corp. v. Am. Dist. Sys.*, WIPO Case No. D2001-0581, ¶ 3 (Aug. 12, 2001); *Dykema Gossett PLLC v. DefaultData.com*, NAF Case No. FA0104000097031 (Apr. 10, 2001); *Trustees v. Turnberry, Scotland Golf and Leisure*, NAF Case No. FA0208000122224 (Nov. 3, 2002) (finding that the respondent complied with the ten-page limit, even though the response was

ments, not to the evidence adduced in any annexes.⁹⁶ Therefore, in practice, this limit does not unduly restrict the parties' opportunity to present their respective cases.

5. Short Time Limit for Filing the Response

Fifth, the short time limit for filing the response, which only affects respondents (and hence offends the equality principle), is the main restriction. The respondent has twenty days (less than three weeks)⁹⁷ from the day the dispute resolution provider forwarded the complaint to file a response.⁹⁸ This is a short time period if the respondent has to find a lawyer, prepare his or her case, and gather evidence in order to show a legitimate use of the domain name.⁹⁹ Moreover, the period for preparing the response is even shorter if the respondent cannot be reached by (more or less) instantaneous forms of communication such as fax or email, if the communication is delayed in the post, or if the respondent is temporarily absent (*e.g.*, on holiday). In addition, this extremely short time limit for serving a response is determinative for the outcome in a case, as there are usually no other opportunities to submit legal arguments or evidence. Therefore this time limit is likely to hamper the respondent's defense significantly.

The UDRP Rules provide that in "exceptional circumstances," the dispute resolution provider may extend the deadline for filing the response.¹⁰⁰ This wording suggests that an extension won't be granted as a matter of course, but rather that either the dispute resolution provider or the panel has discretion whether to grant such an extension. Neither the WIPO Rules nor the ADNDRC Rules elaborate further on the precise circumstances in which an extension will be granted or how the deadline for filing a response can be extended.

11,000 words, which in Font Times Roman, Size 12 would be about twenty-two to twenty-five pages).

96. *AFMA Inc v. Globemedia*, WIPO Case No. D2001-0558, ¶ (Oct. 18, 2006). The word-limit applies only to the description of the grounds set out in the Policy. The word-limit does not apply to evidence, which may be submitted in the Annexes.
97. *See Commission Regulation*, *supra* note 22, Art. 22 (8). Under the .eu domain name procedure, the respondent has thirty *working* days. It seems that a lesson has been learned from the tightness of the deadline under the UDRP.
98. Rules, *supra* note 36, ¶¶ 5(a), 4(c).
99. A showing of legitimate use includes: demonstrating preparations to use the domain name in connection with a bona fide offering of goods or services, a showing that the registrant was known under that name, or demonstrating legitimate non-commercial fair use. UDRP, *supra* note 2, ¶4(c)(i) -(iii).
100. Rules, *supra* note 36, ¶ 5(d).

The NAF Rules stipulate a mandatory procedure.¹⁰¹ The respondent must ask the complainant whether he or she agrees to the extension and submit the request in writing before the deadline for filing the response, stating the exceptional circumstances and how much additional time is needed.¹⁰² The maximum extension granted is an additional twenty days, and the respondent must pay a filing fee of \$100.¹⁰³ This raises the question of whether and in what circumstances extra time has been allowed to a respondent and how restrictive the criterion of “exceptional circumstances” really is.¹⁰⁴

Looking at some of the relevant WIPO decisions,¹⁰⁵ it seems that the WIPO Center obtains the complainant’s comments before deciding whether or not to grant an extension of time for filing the response.¹⁰⁶ Short extensions of two to twelve days have been allowed in some cases.¹⁰⁷ However, the WIPO Center has been reluctant to grant an extension of fourteen days or more in cases where the complainant did not consent to such an extension.¹⁰⁸

101. NAF Supplements, *supra* note 36, ¶ 6(a)(i).

102. *Id.*

103. *Id.* Presumably this fee is to cover additional administrative costs, but the fee also serves to deter respondents.

104. Based on an examination of WIPO and NAF Panel decisions, as these two providers cover the lion’s share of all cases.

105. No quantitative research has been undertaken. Analyzing all the decisions in which the issue of an extension of time for filing the Response or the issue of a late filing of a Response arose: a key word search of all WIPO domain name decisions for ‘extension of time’ in the same phrase as ‘Response’ indicates that there are 6767 decisions as of July 31, 2006. See WIPO, *WIPO Search*, <http://www.wipo.int/search/index.html?q1=&charset=utf-8> (last visited July 28, 2008). A random sample of twenty WIPO cases has been examined in closer detail.

106. Rules, *supra* note 36, ¶ 5(d) (providing that the parties may extend the time by written agreement with the approval of the dispute resolution provider. If the complainant agrees to the extension of time, the WIPO Center will usually grant such an extension); See *Puerto Rico Tourism Co. v. Virtual Countries Inc.*, WIPO Case No. D2002-1129, ¶ 6 (Apr. 14, 2003) (where the due date for the Response fell on January 2, 2003, and the complainant agreed that the deadline should be extended by twenty days because of the Christmas holiday period).

107. *Willis v. NetHollywood*, WIPO Case No. D2004-1030, ¶ 3 (Feb. 17, 2004) (the respondent asked for an extension of sixty days, the WIPO Center permitted seven days); *Benzer v. FutureSoft Consulting Inc.*, WIPO Case No. D2000-1648, ¶ 3 (Apr. 10, 2001) (allowing twelve days because one of the respondents was out of his country of residence).

108. *Int’l Health Ins. Danmark Forsikringsaktieselskab v. Cortes jr.*, WIPO Case No. D2003-0091, ¶ 3 (Sept. 4, 2003); *NetHollywood*, WIPO Case No. D2004-1030 ¶ 3; *Leading Hotels of the World Ltd. v. Online Travel Group*, WIPO Case No. D2002-0241, ¶ 3 (May 24, 2002).

Panels emphasize the duty to ensure that proceedings are conducted in an expeditious manner when reviewing a time extension request.¹⁰⁹ Most panels have narrowly interpreted the “exceptional circumstances” clause, and several panels have held that late responses should be disregarded absent real exceptional circumstances.¹¹⁰

In sharp contrast, the NAF more readily allows extensions of time, provided that the respondent has timely filed a formal request for extension and the \$100 fee and complied with the Rule (6)(a)(i) procedure.¹¹¹ The fee requirement has been criticized in the literature.¹¹² However, when these authors claim that NAF is harsh on this issue, they usually overlook the fact that NAF has introduced a procedure to deal with, and readily grants, extensions.¹¹³ Most NAF panel decisions do not state whether the complainant has

109. Rules, *supra* note 36, ¶ 10(c); *NetHollywood*, WIPO Case No. D2004-1030 ¶ 3; *Museum of Science v. Date*, WIPO Case No D2004-0614, ¶ 3 (Oct. 11, 2004) (reasoning that otherwise parties will feel free to disregard deadlines, and respondents will regularly submit late responses).
110. 1099 Pro Inc. v. Convey Compliance Systems Inc., WIPO Case No. D2003-0033, ¶ 3 (Apr. 1, 2003) (refusing to accept a Response filed ten days late, even though the respondent was not legally represented or advised. The reason that the period concerned was the ‘busiest time of our season’ was not regarded as sufficient cause for an extension); *Mobile Commc’n Serv. Inc v. WebReg*, WIPO Case D2005-1304, ¶ 3 (Feb. 24, 2005) (refusing to accept a Response eight days late, and considering that the respondent’s clerical error in entering the wrong date in its calendar was not a valid ground to accept a late submission, nor was the reason that the respondent’s legal representative was busy on another case); *Fashiontv.com GmbH v. Olic*, WIPO Case D2005-0994, ¶ 3 (Dec. 8, 2005) (disregarding a Response filed two days late where the respondent’s reason was difficulties in obtaining evidence, which was not exceptional circumstances); *OMV AG v. SC Mondokommerz SRL*, WIPO Case DRO2005-0005, ¶ 3 (Jan. 5, 2005) (regarding the mislaying of files in the respondent’s archive as not a sufficient ground for an extension of time in).
111. NAF, *Domain Name Dispute Proceedings and Decisions*, <http://domains.adrforum.com/decision.aspx> (last visited Aug. 10, 2008). A search for the phrase ‘extension of time’ flushed out fifty-five records. Out of these, the NAF refused to accept a request for an extension of time in two cases and refused to allow a late Response in four others. The majority of decisions do not give a reason for granting a request, but rather simply state that the respondent applied for an extension of time in accordance with the procedure, and that it was granted. In one example, the NAF allowed an extension of time of fifteen days because the respondent had problems finding an available lawyer. *Youtv Inc v. Alemdar*, NAF Case No. FA0003000094243 (Apr. 25, 2000); *Charles Letts & Co. Ltd. v. Citipublications*, NAF Case No. FA0604000692150 (July 17, 2006) (giving the respondent an additional twenty days because as he was out of his country of residence).
112. See Thornburg, 6 J. SMALL AND EMERGING BUS. L., *supra* note 9, at 215.
113. See Froomkin, 67 BROOK. L. REV., *supra* note 32, at 703.

agreed to the extension, but the respondent must have conferred with the complainant as part of the procedure. In the few cases where the panel did not allow an extension of time, the respondent had not complied with the procedure for the request under NAF Rule 6(a)(i).¹¹⁴ Where the response was simply late, most panels have refused to take it into account,¹¹⁵ whereas a few other panels have still considered it.¹¹⁶

The conclusion from the foregoing is that, although there is a possibility to extend the extremely short time limit for serving the response in exceptional circumstances, this does not alleviate the problem that this time limit is too short. An extension will still only be granted in really exceptional circumstances (WIPO) or is restricted to an additional twenty days (NAF). Furthermore, the panel decisions are inconsistent on whether a late response is permissible.

The mere fact that a keyword search used to find WIPO cases¹¹⁷ in which there has been an issue about the extension of time for filing a response returned 6767 cases (out of a total of 9008)¹¹⁸ shows that the tightness of the twenty day deadline causes problems for many respondents preparing their cases. Mueller explains the high default rate partly by the fact that the UDRP procedure moves so fast that ordinary domain name registrants may be prevented from defending themselves.¹¹⁹

It can also be argued that there is an imbalance between the complainant and the respondent: the complainant has no time limit for preparing the com-

114. *Tata Sons Ltd v. Pulickal*, NAF Case No. FA0508000545232 (Oct. 11, 2005); *Victoria's Secret et al v. Hardin*, NAF Case No. FA0102000096694 (Mar. 31, 2001).

115. *Foley & Lardner v. Wick*, NAF Case No FA0207000114758 (Sept. 10, 2002) (refusing to accept the Response, even though the electronic copy was filed on time, because the hardcopy form and Annexes were four days late); *Tata Sons Ltd*, NAF Case No. FA0508000545232 (where the Response was a couple of days late); *see also* *Wombat Enterprises Inc. v. Advanced Network Tech*, NAF Case No. FA0010000095823 (Nov. 17, 2000); *Gorstew Ltd. v. Shop A-Z.com Inc.*, NAF Case No. FA0005000094941 (July 11, 2000).

116. *Tall Oaks Publ'g Inc. v. Nat'l Trade Publ'ns Inc.*, NAF Case No FA0003000094346 (May 5, 2000) (the Panel took into consideration a Response which was eleven days overdue without having been given any reason for the late filing). *See also* *Gaiam Inc. v. Nielsen*, NAF Case No. FA0204000112469 (July 2, 2002) (accepting a Response twenty-two days after the deadline because the respondent asserted that he had not received the Complaint until after the deadline had expired).

117. The search engine on the NAF decision site does not allow the use of the Boolean connector 'within,' which makes it impossible to search for a phrase.

118. As of July 31, 2006.

119. Mueller, *supra* note 25, at 12.

plaint, while the respondent faces an extremely tight deadline.¹²⁰ Admittedly, this is a prejudice inherent in all forms of adjudication. The party commencing the proceedings is always at a tactical advantage, as they choose the right moment to do so. However, under the UDRP, the trademark owner always starts the proceedings, and the registrant is always in the position of respondent because the UDRP does not allow the registrant to proactively ask for a declaration of its legitimate rights and that the registration was not abusive. In that sense, it could be argued that the UDRP is severely discriminating against the domain name registrant, who is handicapped in the preparation of a defense.

6. Conclusion

This section has discussed the procedural restrictions which the UDRP and the supplemental rules impose on the parties in proving their respective cases. The question to be answered is whether these strictures make the procedure unfair. On this issue, it is important to decide which yardstick the procedure should be measured against. Since the UDRP is a mandatory procedure, the procedural standards of traditional commercial arbitration should not be applied. If the purpose of a procedure is to establish the facts and apply the law, sufficient legal argument and evidence must be allowed in order to make the procedure rational and fair. Decision outcomes that are based on partial facts and arguments are irrational. On the other hand, too much procedure will lead to delay and expense, making the process inaccessible and slow. Hence, the amount of procedural protections has to be proportionate to the issues at stake.

A domain name can be extremely valuable to the parties, and an application of the UDRP involves many fact-intensive issues that require evidence.¹²¹ Such fact-intensive issues include proving: the existence of an unregistered trademark, the respondent's legitimate interest in the domain name, and the question of bad faith. As discussed above, the parties' opportunity to present their respective case has been severely curtailed. Many authors have stated that the UDRP is not a suitable forum to decide such complex and important issues. This cannot be formulated more concisely than in Fromkin's words: "[W]ithout cross-examination, expert testimony and a greater inquiry into the facts than the current system allows, arbitrators have little choice but to shoot from the hip, and this increases the odds that they will miss."¹²²

The main procedural defects are the lack of provision for (online) hearings, the lack of a right to reply, the restrictions on further submissions of material, and most significantly, the short time limit for filing the response. These defects mean that the UDRP has too stringently curtailed legal argu-

120. Thornburg, 6 J. SMALL AND EMERGING BUS. L., *supra* note 9, at 216.

121. *Id.* at 198-99.

122. Fromkin, 67 BROOK. L. REV., *supra* note 32, at 698.

ment and factual evidence, restricting the amount of material the panels can consider and leading to irrational and inconsistent decisions. In addition, there is also a violation of the principle of equality. The procedure does not treat the parties equally: complainants have the unequal burden of anticipating the respondents' cases, and respondents are crippled by the short time frame set for the response. For these reasons, this article submits that the procedure is unfair.

A longer time period for filing the response, such as eight rather than three weeks, would not prejudice the complainant disproportionately. Likewise, the use of ICT (*e.g.*, web-conferencing, teleconferencing, video-conferencing) to accommodate distant hearings may make the procedure more fair by allowing more argument and evidence to be admitted, further questions to be put to the parties to clarify issues, and some limited cross-examination, without adding too much in terms of cost and delay. The rules governing further submissions should be relaxed, and a right of reply should be introduced.

D. Language

In many UDRP proceedings, the complainant trademark holder and the respondent domain name registrant are located in different countries and speak different languages. Hence, it is not surprising that language issues have arisen in many proceedings. The language issue is a tricky one. Proceedings conducted in a language foreign to one party may well deprive that party of meaningful access to the proceedings or a fair and equal opportunity to present its case. On the other hand, translation may add significant cost.¹²³ In this context, it should be noted that an official version of the UDRP exists in English only.

Rule 11(a) of the UDRP Rules states that the proceedings shall be held in the language of the registration agreement,¹²⁴ and the panel may direct that documents be translated into that language.¹²⁵ The purpose of this rule is to protect the respondent, who, of course, chooses the registrar. Thereby, the respondent has some influence on the language of the registration agreement and, indirectly, the proceedings.

However, Rule 11(a) also states that the panel has discretion to direct that the proceedings may be conducted in another language.¹²⁶ Clearly, a rigid rule that proceedings should always be conducted in the language of the registration agreement does not make sense. Such a rule would be non-sensi-

123. *Beiersdorf AG v. Good Deal Comm'ns*, WIPO Case No D2000-1759, ¶ 3 (Apr. 2, 2001).

124. Rules, *supra* note 36, ¶ 11(a). Same applies to the .eu ADR proceedings, *see* Commission Regulation, *supra* note 22, Art. 22(4) (most Panel proceedings are conducted in English).

125. Rules, *supra* note 35, ¶ 11(b).

126. *Id.* ¶ 11(a).

cal, for example, where both parties are proficient and comfortable with communicating in the same language, but the registration agreement is in a different language, or where the respondent,¹²⁷ despite being notified in the language of the registration agreement, does not file a response that objects to the use of that language.¹²⁸ WIPO panels have made clear that the notification of the complaint should always be in the language of the registration agreement in order to give the respondent an opportunity to appreciate the true nature of the proceedings as well as a chance to object to the proceedings being held in that language.¹²⁹

One language issue that arises for some domain name registrants is that there may be no registration agreement available in their vernacular. Presumably, most registrars offer their registration agreements in their own national language. For example, for the .com generic top-level domain, most registrars are based in the U.S., Canada, Western Europe, some Asian countries (Korea, China, Japan, India, Singapore, and Malaysia), Australia, and New Zealand.¹³⁰ However, a .com domain name registrant in, for example, Poland or Thailand would have to sign a registration agreement in a foreign language¹³¹ and thus conduct the proceedings in that language, as well as bear the cost of translation.

A second issue may arise from the way panels have exercised their discretion under Rule 11(a) of the UDRP. In particular, the question arises whether panels are able to assess the respondent's language proficiency merely on the basis of a one-off communication, such as a letter written to the dispute resolution provider or to the complainant. In many cases, panels have allowed proceedings in English on a vague assessment that the respondent would be proficient in that language.¹³²

127. See *Deutsche Messe AG v. Hyungho*, WIPO Case No D2003-0679, ¶ 3 (Nov. 13, 2003); *Dassault Aviation v. Park*, WIPO Case No D2003-0989, ¶ 3 (Feb. 12, 2004) (holding that the Korean respondent was able to communicate in English without difficulty).

128. See *Amazon.com, Inc. v. Kim*, WIPO Case No D2003-0774, ¶ 3 (2003); *Auchan v. Oushang Chaoshi*, WIPO Case No D2005-0407, ¶ 3 (Sept. 30, 2005).

129. WIPO Supplements, *supra* note 36, ¶ 4 (a); *Beiersdorf AG v. Good Deal Comm'ns*, WIPO Case No D2000-1759, ¶ 3 (Apr. 2, 2001); *Auchan*, WIPO Case No D2005-0407 ¶ 3.

130. There are also registrars in Russia, Turkey, Jordan, Kuwait and Israel. The only Eastern European state was Latvia, and the only South-American state was Brazil. See VeriSign, COM NET Registry, http://www.verisign.com/information-services/naming-services/com-net-registry/page_002166.html (last visited July 28, 2008).

131. Probably English.

132. See *Beiersdorf AG*, WIPO Case No D2000-1759 ¶ 3; *Deutsche Messe AG*, WIPO Case No D2003-0679 ¶ 3; *Dassault Aviation*, WIPO Case No D2003-

For example, in one case, the domain name was registered with Neptia, a Korean registrar, and the respondent requested in a letter, written in English, that the proceedings be held in Korean, pointing out that the registration agreement was in Korean and that he did not speak English well.¹³³ The panel simply took this letter itself as proof that the registrant was able to communicate in English, declining to conduct the proceedings in Korean and reaching a default decision when the registrant did not file a response.¹³⁴

In conclusion, to comply with Rules 10(b) and 11(a) of the UDRP, the notification must at least be translated into the language of the registration agreement. This article recommends that panels should be slow to infer that respondents are proficient in English, and the panel should allow respondents to file documents in the language of the registration agreement.

E. Use of Online Technology

The use of online technology is important and renders dispute resolution more fair and efficient. Use of online technology in the UDRP procedure varies slightly between the different dispute resolution service providers. WIPO, NAF, and ADNDRC allow the parties to communicate via e-mail and submit the complaint and the response as an attachment thereto.¹³⁵ Alternatively, WIPO, NAF, ADNDRC, and the Czech Court of Arbitration have set up an online case-filing system, which enables both parties to file their submissions by uploading documents through the Internet.¹³⁶ In addition, the WIPO, NAF, and ADNDRC have made model form documents available in Word or electronic format to facilitate filing.¹³⁷

0989 ¶ 3; *Auchan*, WIPO Case No D2005-0407 ¶ 3; *BEA Systems v. Park*, NFA Case No. FA0204000110843 (June 21, 2002).

133. *BEA Systems*, NFA Case No FA0204000110843.

134. *Id.*

135. WIPO, *Complaints Under the Uniform Domain Name Dispute Resolution Policy*, <http://www.wipo.int/amc/en/domains/filing/udrp/index.html> (last visited Sept. 14, 2007) [hereinafter WIPO, *Complaints*]; NAF, *File a UDRP Complaint*, <http://domains.adrforum.com/main.aspx?itemID=530&hideBar=False&navID=235&news=26> (last visited Sept. 14, 2007) [hereinafter NAF, *File a UDRP Complaint*]; ADNDRC, *Download Forms*, http://www.adndrc.org/adndrc/bj_download.html (last visited Sept. 14, 2007) [hereinafter ADNDRC, *Download Forms*]; ADNDRC Supplements, *supra* note 36.

136. WIPO, *Complaints*, *supra* note 135; NAF, *File a UDRP Complaint*, *supra* note 135; ADNDRC, *Download Forms*, *supra* note 135; *ADR.eu, Alternative Dispute Resolution*, <http://www.adre.eurid.edu/> (website no longer available) [hereinafter *ADR.eu, Alternative Dispute Resolution*].

137. WIPO, *Complaints*, *supra* note 135; NAF, *File a UDRP Complaint*, *supra* note 135; ADNDRC, *Download Forms*, *supra* note 135; *ADR.eu, Alternative Dispute Resolution*, *supra* note 136.

As discussed above, the UDRP does not envisage the use of innovative communications for online hearings.¹³⁸ In order to improve communication and the decision process, the imaginative use of technology for real-time interaction, such as video and web-conferencing, should be explored.¹³⁹

F. Lack of Appeal and Inconsistency of Decisions

One defect of the UDRP procedure is that it does not provide for an appeal process whatsoever. The lack of appeal process applies to both challenges to procedural matters and appeals of substantive matters.¹⁴⁰

1. Challenge on Procedural Matters

Whether a party can challenge aspects of the UDRP *procedure* either before or after a decision has been reached is important in this discussion of due process. For example, one party may wish to assert a serious irregularity of procedure, which prevented the party from having an opportunity to present its case. Examples of procedural irregularities include when the panel disregards a response, when the panel breaches a procedural rule, such as inadvertently allowing *ex parte* communications, or when a party challenges the appointment of a panelist on the basis of a conflict of interests. In these scenarios, the question arises as to whether and how the aggrieved party can challenge the procedure or, if a decision has already been reached, the decision.

While the UDRP Rules contain various procedural protections for the parties, including a stipulation about fair hearing¹⁴¹ and independence and impartiality of the panels,¹⁴² there is no procedure for the parties to challenge

138. Contrast this with the provisions in the Czech Court of Arbitration's Supplemental .eu ADR Rules, ADR.edu Supplements, *supra* note 38.

139. Froomkin, 67 *BROOK. L. REV.*, *supra* note 32, at 705; Thornburg, 6 *J. SMALL AND EMERGING BUS. L.*, *supra* note 9, at 219.

140. The same is true for the .eu procedure, *see* .eu ADR.edu Supplements, *supra* note 38, ¶ 12(a), unlike the procedure established by Nominet for .uk country code domain names, which provides for an appeal to a panel of three experts, *see* Nominet, *Appeals*, <http://www.nominet.org.uk/disputes/drs/appeals/> (last visited Sept. 14, 2007).

141. ADR.edu Supplements, *supra* note 38, ¶ 10(b).

142. *Id.* ¶ 7.

a panel decision if these rules are breached,¹⁴³ and this inability to appeal puts the rules' effectiveness into doubt.¹⁴⁴

Since there is no appeal body or procedure, the only institutions apt to hear such a challenge are the panel itself or the dispute resolution provider.¹⁴⁵ There is no "higher" appeal body or third party to consider procedural challenges, unlike traditional arbitration, where the courts can hear procedural challenges under their supervisory and/or enforcement jurisdiction.

The provider's procedural rules are mostly silent on this point. Only the CPR Rules explicitly empower the panel to decide any procedural or jurisdictional challenges. The CPR Rules also state that challenges to the independence, impartiality, or integrity of the panel itself will be decided by an officer of the CPR.¹⁴⁶ The NAF Rules expressly state that, before a decision has been reached, a party can challenge the appointment of a panelist on the grounds of lack of independence or impartiality by filing a request with the NAF.¹⁴⁷ The panels usually consider procedural challenges when reaching a decision; however, no procedural challenges are possible after the panel has reached its decision.¹⁴⁸

In very exceptional cases, a panel may allow a case to be reheard on the application of the complainant. Very exceptional cases include those in which the complainant was deprived of justice in the first proceeding because of serious misconduct on the part of a panelist, witness, lawyer, the presence of perjured evidence, or where there has been another serious breach of due process.¹⁴⁹ However, the panel has allowed the complainant to refile the

143. *Britannia Bldg. Soc'y v. Britannia Fraud Prevention*, WIPO Case No D2001-0505, ¶ 4 (July 6, 2001) (Bernstein, Panelist) ("Neither the Policy nor the Rules explicitly creates a procedure through which a party can raise concerns about the suitability of a designated panelist . . . however . . . it is critical that a mechanism be provided to ensure compliance with Rule 7 and also with the prescription of Rule 10 (b).").

144. Froomkin, 67 *BROOK. L. REV.*, *supra* note 32, at 689 ("Current procedures rely on arbitrators to disclose potential conflicts, but this is clearly insufficient, since the truly biased person will tend to downplay the extent of conflicts.").

145. *Britannia Bldg. Soc'y*, Case No. D2001-0505 ¶ 4.

146. NAF Supplements, *supra* note 36, ¶ 9.

147. *Id.* ¶ 10.

148. *Tatra Banka v. US Ware, Inc.*, WIPO Case No. D2004-0643, ¶ 3 (Oct. 6, 2004); *United Servs. Auto. Assoc. v. Ang Wa Assoc.*, WIPO Case No. D2004-0535, ¶¶ 3, 4 (Sept. 29, 2004); *Conorzio del Prosciutto di Parma v. Domain Name Clearing Co.*, WIPO Case No. D2000-0629, ¶ 3 (Sept. 18, 2000); *CV Ranch, L.P. v. Default Data.com a/ka Brian Wick*, NAF Claim No. FA 02120000139595 (Feb. 21, 2003).

149. *Grove Broad. Co. v. Telesystems Commc'n Ltd.*, WIPO Case No. D2000-0703, ¶ 6 (Nov. 10, 2000); *Creo Prod. Inc. v. Website In Dev.*, WIPO Case No. D2000-1490, ¶ 6 (Jan. 19, 2001); *Koninklijke Philips Elec v. Relson Ltd.*,

complaint only where the breach was so serious that it amounted to a miscarriage of justice, which carries a high burden of proof.¹⁵⁰

In any case, these rulings on rehearings only benefit the *complainant*, not the respondent.¹⁵¹ This result is unfair and infringes on the principle of equality between the parties by giving the complainant, but not the respondent, “a second bite of the apple” to rectify infringements of due process.¹⁵²

For these reasons, the UDRP rules should provide for a procedure that allows either party to challenge a decision in the event of a breach of the fair hearing or the independent and impartial panel requirements. The UDRP rules can provide both parties such procedure by way of a rehearing by a different panel or by appeal to a “superior” body or court of law. While successful challenges probably will be rare, the suggested procedure should not lead to significant costs or delay.¹⁵³

2. Substantive Appeals

The UDRP similarly does not provide for appeals in substantive matters. The UDRP rules do not contain a procedure to review the decision on the factual findings or points of law. The lack of an appeal procedure for a substantive review not only lowers standards for individual justice, leaving the losing party with no opportunity to correct mistakes in the application of the law, but also leads to a lower quality of justice overall; with no authoritative rulings on points of law, there are reams of inconsistent decisions.

The lack of appeal and the discrepancies of UDRP decisions have been heavily criticized in the literature.¹⁵⁴ The UDRP has established a novel substantive law combating cybersquatting on a global basis, with panels staffed by lawyers from many different legal cultures and traditions. Furthermore, panelists are free to take into account any law that they deem applicable.¹⁵⁵ Given the diverse and cosmopolitan nature of panels, plus the murky choice

WIPO Case No. D2002-0001, ¶ 5 (June 14, 2002); AOL LLC v. Robert Farris, NAF Case No. FA0605000721968 (July 7, 2006) (stating the general principle all these cases concerned a refiling of the Complaint based on new evidence, rather than serious misconduct or breach of natural justice).

150. Grove Broad. Co., Case No. D2000-0703 ¶ 6; Creo Prod. Inc., Case No. D2000-1490 ¶ 6; Koninklijke Philips Elec., Case No. D2002-0001 ¶ 5; AOL LLC, NAF Case No. FA0605000721968.
151. Glimcher Univ. Mall v. GNO, NAF Case No. FA0107000098010 (Aug. 23, 2001) (A respondent cannot counterclaim or seek a free-standing declaration of reverse domain name highjacking).
152. Froomkin, 67 *BROOK. L. REV.*, *supra* note 32, at 699.
153. The establishment of an appeal body is discussed *below*.
154. Thornburg, 6 *J. SMALL AND EMERGING BUS. L.*, *supra* note 9, at 224; M. Scott Donahay *A Proposal for an Appellate Panel for the Uniform Domain Name Dispute Resolution Policy*, 18 *J. INT’L ARB.* 131, 134 (2001).
155. Rules, *supra* note 36, ¶ 15(a).

of law clause,¹⁵⁶ it is not surprising that there are many inconsistent interpretations of the UDRP.¹⁵⁷

An appeal process would help to generate coherence and a greater degree of legal certainty.¹⁵⁸ In order to achieve greater coherence and certainty, appeal rulings should have the force of legal precedent. Appeals could be heard by special, i.e., more senior, appeal panels composed of three or five “special” panelists – senior lawyers with long-standing experience in hearing UDRP cases.

On the other hand, an appeal procedure is apt to lead to delay and an increase of costs.¹⁵⁹ One remedy might be to make appeals subject to a leave requirement, where leave is given only if the case raises new important issues for the development of a consistent UDRP law, and the outcome of a case depends on the interpretation of the UDRP.¹⁶⁰ The appeal process should also contain strict time limits.¹⁶¹ The leave requirement and the strict time limits should ensure that the appeal process does not introduce excessive costs and delay. Another way to manage the costs would be through a special fee imposed on the appellant, as well as either a small fee imposed on each domain name registration or an appeal fee added to each UDRP case.¹⁶²

3. Conclusion as to Appeals

The UDRP should provide for an appeal system, allowing an aggrieved party to challenge procedural mischief or a decision based upon a procedural mishap. Such appeals could be heard by special appeal panels, established across all service providers, composed of three to five senior panelists.

The lack of an appeal system notwithstanding, the losing party can go to court.¹⁶³ As Circuit Judge Sotomayor has stated: “Unlike traditional arbitration proceedings, UDRP proceedings are structured specifically to permit the domain-name registrant two bites at the apple.”¹⁶⁴ From a superficial point of view, the parties’ ability to start court proceedings seemingly remedies the due process concerns about the UDRP being a “rough and ready” procedure,

156. Thornburg, 6 J. SMALL AND EMERGING BUS. L., *supra* note 9, at 210 (this has “resulted in eclectic and unprincipled choice of law decisions, creating uncertainty about applicable law”); *see also* Helfer, *supra* note 15, at 495.

157. Panels tend to refer to other Panel decisions, but there is a huge body of decisions and a systematic search through all decisions is next to impossible.

158. Helfer, *supra* note 15, at 495.

159. Mueller, *supra* note 25, at 12 (arguing against an appeal system for the UDRP).

160. Donahey, *supra* note 154, at 133.

161. *Id.*

162. *Id.*

163. UDRP, *supra* note 2, ¶ 4(k).

164. Storey v. Cello Holdings, LLC, 347 F.3d 370, 373-74, 381 (2nd Cir. 2003).

as well as the lack of appeal. However, this is not the case, as is shown in the next section.

G. Court Proceedings as Parallel Proceedings

If the complainant loses, the status quo is maintained unless and until the complainant can provide the registrar with a court decision ordering the transfer or cancellation of the domain name. On the other hand, if the respondent loses the UDRP case, and the panel has ordered the cancellation or transfer of the domain name, the registrar will implement that decision unless the respondent starts court proceedings. The respondent has ten business days from the date the registrar was notified of the panel's decision to provide the registrar with official documentation showing that the respondent has initiated court proceedings, seeking a declaration that it is not infringing the complainant's rights and/or has a right to use the domain name.¹⁶⁵ If the respondent starts court proceedings and furnishes the required evidence within the time limit, the registrar will not transfer or cancel the domain name unless and until the respondent's court case is settled, withdrawn, or decided against the respondent.¹⁶⁶

1. Rectifying Mistakes under the UDRP

Although a panel decision and litigation before the courts are parallel proceedings, the court does *not* apply the UDRP as the substantive law to the dispute.¹⁶⁷ Instead, the court uses applicable national law, such as trademark law, passing-off,¹⁶⁸ and unfair competition law,¹⁶⁹ anti-cybersquatting law,¹⁷⁰

165. *America Online Latino v. AOL Inc.*, 250 F. Supp. 2d 351, 358 (S.D. N.Y. 2003) (holding that an email by the registrant that he has started court proceedings is not sufficient).

166. UDRP, *supra* note 2, ¶ 4(k).

167. *Telecommunications Plc & Ors v. One in a Million Ltd.*, (1998) 4 All ER 476 (A.C.).

168. *Id.*

169. *Eurotech, Inc v. Cosmos European Travels Aktiengesellschaft*, 213 F. Supp 2d 612, 614 (E.D. Va. 2002) (where the registrant sued the trade mark owner after a WIPO Panel held that the domain name should be transferred. The trademark owner counterclaimed and successfully moved for summary judgment for trademark infringement and unfair competition. Under 15 U.S.C. §§ 1114, 1125(a) and the anti-cybersquatting provisions of the ACPA in 15 U.S.C. § 1125(d), the Court ordered the transfer of the domain name).

170. Such as the U.S. Anticybersquatting Consumer Protection Act 1999, incorporated in the Lanham Act 15 U.S.C. § 1114(2)(D)(v). *SALLEN v. CORINTHIANS LICENCIAMENTOS LTDA*, 273 F.3d 14, 26 (1st Cir. 2001) (the Court found that this section of the ACPA can be used as a sword (*i.e* cause of action). "S.1114 (2)(D)(v) provides a registrant who has lost a domain name under the UDRP

or tort law.¹⁷¹ The U.S. Anti-Cybersquatting Consumer Protection Act of 1999 is unique in that it creates a specific anti-cybersquatting law.¹⁷² In the U.K., a registrant who loses a domain name as a result of a UDRP ruling may attempt to make an application under section 21 of the Trade Mark Act 1994, which provides a remedy for groundless threats of infringement proceedings.¹⁷³ However, this section may be inapplicable because a complainant under the UDRP may not be asserting trademark infringement (as the UDRP claim is *sui generis*).

Also, ordinary courts may not entertain a challenge against a UDRP decision based on procedural grounds or directly review the facts alleged before the UDRP panel.¹⁷⁴ Although some of the factual issues may cover the same ground (such as the validity of the complainant's trademark or the respondent's use of the disputed domain name), the court has a greater array of tools available for its fact-finding process (such as in-person hearings and examination of witnesses), and therefore its factual findings may well differ from that of the panel.¹⁷⁵ Therefore, court proceedings do not constitute a review or appeal of the UDRP decision.¹⁷⁶

By the same token, the UDRP does not constitute arbitration in the sense of the FAA, and the courts do not review awards under paragraph 10 as

with a cause of action for an injunction returning the domain name if the registrant can show that she is in compliance with ACPA.”).

171. *Eurotech, Inc.*, 189 F. Supp at 389 (finding that a complainant is immunized from tort claims based on the initiation and maintaining of WIPO proceedings under the UDRP).
172. Helfer, *supra* note 15, at 497 (noting that the ACPA has acted as a pull for anti-cyber squatting cases into the United States courts).
173. See *Global Projects Mgmt. Ltd v. Citigroup*, (2005) EWHC 2663 (Ch) (Eng); *Quads4Kids v. Campbell*, [2006] AllER (D) 162 (Eng) (finding that the dispute resolution procedure on eBay used by the owner of a design right may amount to a threat of infringement proceedings).
174. *Eurotech*, 213 F. Supp. 2d at 617 (noting that, although the WIPO “arbitrator” allowed the defendant (Cosmos, the complainant) to amend the Complaint, he did not allow the claimant (the respondent in the WIPO proceedings) to respond to the amended Complaint); see *Cosmos European Travels AG v. Eurotech Data Systems Hellos, Ltd.*, WIPO Case No D2001-0941 (Oct. 8, 2001) (the District Court merely noted this without any discussion of due process, as it was reviewing the case *de novo*).
175. *Computer Futures Recruitment Consultants Ltd v. Stylemode Data Ltd*, 2000 WL 33281329 (ChD) (Mr Justice Laddie noted that “the type of enquiry engaged in by ICANN may well not meet the rather more stringent requirements applying in a court of law”).
176. Expressly stated in *Dluhos v. Strasberg*, 321 F.3d 365, 373-74 (3rd Cir. 2003).

to arbitrator misconduct, serious procedural flaws, or manifest disregard of the law.¹⁷⁷

Although a case on this point does not seem to exist, the English courts would probably not be restricted by the limitations of sections 67-69 of the Arbitration Act 1996,¹⁷⁸ instead deciding a case *de novo*. A long series of (mainly U.S.) court decisions have made clear that the courts owe no deference to UDRP decisions and that courts examine the dispute *de novo* under the (probably different) standards of the applicable national law.¹⁷⁹

Even though a court case is not heard under the UDRP, it will cancel out or supersede any panel decision.¹⁸⁰ If the panel decides that the respondent should transfer the domain name, but a court subsequently finds that the respondent does not infringe the complainant's rights under the applicable national law, the registrar will not implement the original panel decision. In the reverse, if the complainant does not secure the domain name in the UDRP panel proceedings but subsequently succeeds in a trademark suit before a national court, the registrar will cancel or transfer the domain name to comply with the court decision.

One could therefore argue that the UDRP allows 'wrong' decisions to be rectified by allowing the parties to go to court. However, the scope of the UDRP and the added costs of litigation will frequently make recourse to courts unavailable to the losing party.¹⁸¹ This lack of access to the courts is particularly acute where the parties are based in different countries, as frequently will be the case.

177. *Parisi v. Netlearning, Inc.*, 139 F. Supp 2d 745, 752 (E.D. Va. 2001). An English court would not apply the provisions in the Arbitration Act 1996 for the same reasons.

178. Grounds for challenging and award and appeals on points of law.

179. *See Storey v. Cello Holdings, LLC*, 347 F.3d 370, 373-74, 382 (2nd Cir. 2003); *Convey Compliance Sys. Inc v. 1099 Pro Inc.*, 443 F.3d 327, 333 (4th Cir. 2006); *Barcelona.com, Inc. v. Excelentísimo Ayuntamiento De Barcelona*, 330 F.3d 617, 626 (4th Cir. 2003); *Retail Serv. Inc v. Freebies Publ'g*, 247 F. Supp. 2d 822, 827-28 (E.D. Va. 2003); *Eurotech, Inc.*, 213 F. Supp. 2d at 618; *Parisi*, 139 F. Supp. 2d at 752; *see also* Jan. 21, 2005 [BGE] 4C.376/2004/lma (Switz.), concerning the maggi.com domain name, *rev'g Nestlé v. Pro Fiducia Treuhand*, WIPO Case No. D 2001-0916 (Oct. 112, 2001) by applying Swiss law on name rights and unfair competition.

180. *SALLEN v. CORINTHIANS LICENCIAMENTOS LTDA*, 273 F.3d 14, 26-27 (1st Cir. 2001); *Storey*, 347 F.3d at 382; *Marcel Stenzel v. Gary L Pfifer*, No. C06-49Z, 2006 WL 2104438 (W.D. Wash. July 26, 2006). This was recommended in the first WIPO domain name process, *see* WIPO, *The Management of Internet Names and Addresses: Intellectual Property Issues, Final Report of the WIPO Internet Domain Name Process*, Apr. 30, 1999, <http://www.wipo.int/export/sites/www/amc/en/docs/report-final1.pdf>.

181. Only a very small percentage of UDRP cases end up in court.

2. Jurisdiction and Conflict of Law Issues

Recourse to the courts involves perplexing jurisdiction and conflicts-of-law issues, which the UDRP was meant to avoid. For this reason, recourse to the courts cannot replace the availability of an appeal. Redress before courts raises the puzzling question of jurisdiction. In which court should the respondent commence proceedings to prevent the transfer of a domain name? The UDRP makes clear that the courts at the principal office of the registrar or the respondent's address as shown in the *Whois* register¹⁸² should have jurisdiction (so-called 'mutual jurisdiction').¹⁸³ Therefore, according to the UDRP, the complainant agrees to submit to this mutual jurisdiction in their complaint.¹⁸⁴ The purpose of these jurisdictional rules within the UDRP is to protect the respondent. Should the respondent lose under the UDRP, it is likely that the courts of mutual jurisdiction will be closer to "home."¹⁸⁵

As mentioned above, the UDRP has shifted the burden of litigation from the trademark holder to the domain name registrant.¹⁸⁶ To counterbalance the burden shift, as a political compromise, the UDRP shifted the *prima facie* burden of defending a case in a foreign jurisdiction to the complainant.¹⁸⁷ While the UDRP provides that the complainant must submit to this mutual jurisdiction, the rules do not explicitly state that this jurisdiction is exclusive.¹⁸⁸ So, to what extent have courts found themselves competent to hear an action intended to reverse a panel decision under the UDRP, other than those mentioned in Rules 1 and 3(b)(xiii) of the UDRP? In *Barcelona.com, Inc. v. Excelentísimo Ayuntamiento de Barcelona*, the Fourth Circuit found that it had jurisdiction, not on the grounds of the mutual jurisdiction as defined in the UDRP, but rather on the basis of U.S. federal trademark jurisdiction.¹⁸⁹

182. See Register.com, <http://www.register.com/whois.rcmx> (last visited Sept. 8, 2008).

183. See UDRP, *supra* note 2, ¶ 4(k); see also Rules, *supra* note 36, ¶¶ 1, 3(b)(xiii).

184. See Rules, *supra* note 36 (noting that this is not a contractual obligation, as the complainant has no contractual relationship with the registrar or the respondent).

185. See generally UDRP, *supra* note 2.

186. See generally Rules, *supra* note 36.

187. Froomkin, 67 BROOK. L. REV., *supra* note 32, at 705.

188. See generally Rules, *supra* note 36.

189. *BARCELONA.COM, INC. v. EXCELENTISIMO AYUNTAMIENTO DE BARCELONA*, 330 F.3d 617, 625 (4th Cir. 2003) (stating that "[j]urisdiction to hear trademark matters is conferred on federal courts by 28 U.S.C. §§ 1331 and 1338, and a claim brought under the ACPA, which amended the Lanham Act, is a trademark matter over which federal courts have subject matter jurisdiction"); see also *Sallen v. Corinthians Licenciamentos LTDA*, 273 F.3d 14, 23 (1st Cir. 2001).

The U.S. Anti-Cybersquatting Consumer Protection Act of 1999 (ACPA),¹⁹⁰ incorporated into the Lanham Act of 1946, allows an aggrieved domain name registrant to seek relief against an overreaching trademark owner by asking for a declaration that he or she did not infringe the Lanham Act and an injunction to have the domain name returned.¹⁹¹ In *Barcelona.com*, an appellate court found that the district court had wrongly applied Spanish law to the question of whether the complainant had trademark rights in the domain name.¹⁹² In addition, the appellate court held that such a question should be decided only under U.S. trademark law, and since the Lanham Act did not recognize trademarks in geographical denominations, the domain name was not entitled to protection.¹⁹³ Thus, the domain name registrant had not infringed the complainant's trademark rights.

This ruling is problematic, however, as its effect means that domain name registrants can defeat a trademark owner, victorious under the UDRP, by bringing an action under the ACPA before the U.S. federal courts, so long as the Lanham Act does not recognize trademark rights for the complainant, and the complainant ignores any foreign trademark rights. It could be argued that the ruling effectively applies U.S. trademark standards to *all* domain name disputes.¹⁹⁴ A foreign (non-U.S. domiciled) registrant could sue before the U.S. federal courts if the courts have personal or *in rem* jurisdiction over the defendant trademark holder.¹⁹⁵ Again, it is likely that the courts would establish *in rem* jurisdiction (in the absence of personal jurisdiction) on the basis of the location of the Registry.¹⁹⁶ The Court of Appeals did not discuss

190. 15 U.S.C. § 1125(d) (2006).

191. The relevant section of the ACPA is 15 U.S.C. § 1114 (2)(D)(v), which provides:

[A] domain name registrant whose domain name has been suspended, disabled, or transferred under a policy [such as the UDRP] may upon notice to the mark owner, file a civil action to establish that the registration or use of the domain name by such registrant is not unlawful The court may grant injunctive relief to the domain name registrant, including the reactivation of the domain name or transfer of the domain name to the domain name registrant;

See also Storey v. Cello Holdings, LLC, 347 F.3d 370, 382 (2nd Cir. 2003).

192. *See generally* *Barcelona.com*, 330 F.3d at 617.

193. *See generally* *id.*

194. *See* Helfer, *supra* note 15, at 498.

195. 15 U.S.C. § 1125(2)(A), (C)-(D)(i), (3)-(4).

196. *See* Harrods Ltd. v. Sixty Internet Domain Names, 302 F.3d 214, 224 (4th Cir. 2002). When claims to the property itself are the source of the underlying controversy between the plaintiff and the defendant, it would be unusual for the State where the property is located not to have jurisdiction; however, the author has found only cases where a foreign trade mark owner sued registrants under the *in rem* jurisdiction under 15 U.S.C. § 1125 (d)(2)(A), but no cases where a

the nature of domain names and the ubiquity of their use. If the City of Barcelona had brought parallel proceedings before the local courts in Spain, and assuming that the Spanish courts would have found that the registrant had infringed the City of Barcelona's trademark rights under Spanish law, so that the Spanish courts ordered to transfer or cancel the domain name, the registrar would have been subject to two conflicting court orders concerning the same name.¹⁹⁷ The ACPA essentially applies U.S. federal trademark law to all cases brought under the UDRP.¹⁹⁸

In *Storey v. Cello Holdings, LLC*, the Second Circuit held that the registrant may file a case in courts other than those defined in the mutual jurisdiction.¹⁹⁹ Paragraph 4(k) of the UDRP expressly states that either party can seek independent resolution of the dispute in any court of competent jurisdiction.²⁰⁰ In other words, the Second Circuit was of the opinion that the definition of mutual jurisdiction in the UDRP does not limit the registrant's choice of courts, and that a court may find that it has jurisdiction based on some other law.²⁰¹ The court further held that the only significance of the mutual jurisdiction is that where the registrant wishes to prevent or delay implementation of the UDRP panel decision, it should bring an action in a court of mutual jurisdiction.²⁰²

Furthermore, the ACPA also contains far-reaching, long-arm provisions on jurisdiction.²⁰³ The ACPA allows trademark holders to bring an *in rem* action against a domain name in the judicial district in which the domain name registry is located if the registrant is outside the reach of personal jurisdiction of U.S. courts.²⁰⁴ For example, in *Continental Airlines, Inc. v Continental Airlines.com*,²⁰⁵ a South Korean national, Mr. Park, had registered, *inter alia*, continentalairlines.com with Neptia, a South Korean registrar.²⁰⁶ After losing in the NAF decision, which ordered the transfer of the domain name to the trademark holder Continental Airlines, Inc., Mr. Park started

foreign registrant attempted to recover a domain name from a trademark holder.

197. *Barcelona.com*, 330 F.3d at 617; *but see* *Continental Airlines, Inc. v Continental Airlines.com*, 390 F. Supp. 2d 501 (E.D. Va. 2005).

198. *See generally* 15 U.S.C. §§ 1114, 1125.

199. *Storey v. Cello Holdings, LLC*, 347 F.3d 370, 380 (2nd Cir. 2003).

200. *See* UDRP, *supra* note 2.

201. *See generally* *Storey*, 347 F.3d at 370.

202. *Id.*

203. *See* 15 U.S.C. § 1125(d).

204. 15 U.S.C. § 1125 (d)(2)(A).

205. *Continental Airlines, Inc. v Continental Airlines.com*, 390 F. Supp. 2d 501 (E.D. Va. 2005).

206. *See id.*

proceedings in the District Court of Incheon in South Korea.²⁰⁷ This action of course suspended the implementation of the UDRP decision and prompted Continental Airlines, Inc. to file a competing *in rem* action under the ACPA.²⁰⁸ There, the court found trademark infringement under the Lanham Act and ordered the Registry to change the registrar for the domain name to a registrar in the U.S. to enable transfer of the domain name to Continental Airlines, Inc. .²⁰⁹ This possibility of *in rem* actions under the ACPA effectively defeats the protection for registrants under the UDRP by allowing them to sue in the courts at the location of the registrar or in their own courts.²¹⁰ Consequently, the *in rem* action trumps the registrant's right to have a local court declare his rights.

In the similar case of *NBC Universal, Inc. v. NBCUniversal.com*, a district court came to the same conclusion and allowed the *in rem* action to proceed in similar circumstances by concluding that the trademark holder had not waived their right to file proceedings in a federal court by submitting a complaint according to the mutual jurisdiction clause of the UDRP.²¹¹ Moreover, the Court addressed the issues of comity and jurisdiction with respect to *in rem* actions and stated that there was no requirement for abstention by the U.S. federal court, as the Korean proceedings were not an *in rem* action.²¹² However, the court did ultimately leave open the possibility that comity may warrant the U.S. federal court to abstain from a ruling under different circumstances.²¹³ The court in *NBC Universal, Inc.* held that the Korean registrant had not provided any evidence that the Korean court had actually taken any steps towards solving the dispute.²¹⁴

3. Conclusion

This snapshot of court cases hopefully has shown that there is a necessity for an appeal system under the UDRP, as the ability to bring a case

207. *Continental Airlines, Inc. v. Mindal Park*, NAF Case No. FA0403000250002 (June 18, 2004).

208. *Continental Airlines, Inc.*, 390 F. Supp. 2d at 509.

209. *Id.*

210. 15 U.S.C. § 1125 (d)(2)(A).

211. *NBC Universal, Inc. v. NBCUniversal.com*, 378 F. Supp. 2d 715, 717 (E.D. Va. 2005).

212. *Id.* .

213. *Id.* at 715.

214. *Id.* at 717 (motion to dismiss action for lack of jurisdiction; dismissed); *see also* *Cable News Network LP v. CNNEWS.com*, 66 U.S.P.Q. 2d. 1057 (4th Cir. 2003) (not reported in Federal Reporter) (noting that the 4th Circuit confirmed that the U.S. District Court had properly assumed jurisdiction against the Chinese domain name registrant in an *in rem* action ordering transfer of the domain name).

before the ordinary courts is not sufficient to rectify mistakes made at the UDRP level. Since court proceedings are parallel proceedings based on different procedures and different substantive law, they do not contribute to streamlining the vast quantity of decisions rendered under the UDRP or to reducing the inconsistency between these different panel decisions. Individual justice is ill-served as well. As illustrated above, court proceedings are not only expensive, but when the conflicts become international issues, they usually involve a running of the gauntlet around questions of jurisdiction and applicable law.²¹⁵

Parallel proceedings in different courts, conflict of law issues, and conflicting court decisions may feature dominantly in domain name disputes because they are frequently international and involve trademark issues, on which national standards still vary considerably. These problems are especially prevalent in relation to geographical denominations, name rights, the recognition of unregistered trademarks, and unfair competition law. The case law examined in this section does not contain a discussion of the ubiquity of domain names because the Internet can be accessed from anywhere, and any discussion of how jurisdiction and applicable law in trademark cases can be limited must include concepts of targeting. This jurisdictional and conflict of law quandary may mean that the courts will not be equipped to provide effective redress in many situations. Further, this lack of access to the courts may also mean that the absence of an appeal under the UDRP is not healed by the mere fact that parties are not prevented from initiating court proceedings. An appeal process is therefore necessary to further individual justice, achieve more consistency, and provide more authority for UDRP decisions.

H. Transparency

The UDRP dispute resolution providers maintain a list of their panel members with a link to their CVs.²¹⁶ Furthermore, unlike arbitration awards, the reasoned UDRP decisions are publicly available from the dispute resolution providers' websites.²¹⁷ Providers such as WIPO and NAF even provide some limited keyword search facilities for their databases of decisions.²¹⁸

215. Helfer, *supra* note 15, at 495 (stating that less than one percent of UDRP cases ended up in court).

216. See generally ICAAN, *Approved Providers for Uniform Domain-Name Dispute-Resolution Policy*, <http://www.icann.org/en/dndr/udrp/approved-providers.htm> (last visited July 30, 2008).

217. See UDRP, *supra* note 2, ¶ 4(j); see also Rules, *supra* note 36, ¶¶ 15(b), 16(b); ADNDRC, *supra* note 20.

218. See WIPO, Search WIPO Cases and WIPO Panel Decisions, <http://www.wipo.int/amc/en/domains/search/index.html> (last visited July 30, 2008); see also NAF, Domain Name Dispute Proceedings and Decisions, <http://domains.adrforum.com/decision.aspx> (last visited July 30, 2008).

Thus, it seems fair to say that the UDRP process is more transparent than commercial arbitration. The fact that decisions are published has undoubtedly enabled academic criticism and awareness of the shortcomings of the UDRP.

III. CONCLUSION

In conclusion, the UDRP has several serious procedural deficiencies, which impinge on the amount of due process granted to the parties. The UDRP should be improved by ensuring that the panel list is not composed of a majority of trademark attorneys. In addition, the UDRP should ensure that panelists are allocated randomly, or, preferably, that all cases are heard by panels chosen by the parties. Furthermore, the introduction of three-member panels should be considered. There should also be an internal appeal system to a different body of panelists, allowing the parties to challenge decisions on both procedural and substantive grounds. Moreover, the time limit for filing the response should be extended significantly, and provisions should be made to allow for additional filings and online hearings. It should also be ensured that the procedure is explained in a language which both parties can understand. Finally, the UDRP should be binding on the parties to avoid tactical litigation of the issues through forum shopping. As in commercial arbitration, a binding decision should not necessarily preclude an appeal to the courts on procedural or substantive issues of law (either by a form of judicial review or by appeal under national arbitration law).

This article has shown that the UDRP is not a model procedure for ODR. The UDRP was drafted with the model of commercial arbitration in mind. Its main goal was to provide for speed, convenience, and efficiency, but attaining this goal has come at the cost of curtailing due process. This article has signposted the defects in the UDRP, and they should be avoided in other ODR procedures. The defects in the UDRP are not cured by the rule that the parties can go to court to rectify a bad panel decision. The courts are not frequently accessible because of the costs and the jurisdictional quagmire associated with international disputes. The UDRP has sacrificed due process for speed, convenience, and efficiency. This sacrifice is a classic example of too much of a good thing becoming a bad thing.

