

Maurer School of Law: Indiana University
Digital Repository @ Maurer Law

Federal Communications Law
Journal

Volume 53 | Issue 3

Article 5


5-2001

The Best Laid Plans: How Unrestrained Arbitration Decisions Have Corrupted the Uniform Domain Name Dispute Resolution Policy

Ian L. Stewart

Indiana University School of Law

Follow this and additional works at: <http://www.repository.law.indiana.edu/fclj>

 Part of the [Communications Law Commons](#), [Dispute Resolution and Arbitration Commons](#), [Internet Law Commons](#), and the [Legislation Commons](#)

Recommended Citation

Stewart, Ian L. (2001) "The Best Laid Plans: How Unrestrained Arbitration Decisions Have Corrupted the Uniform Domain Name Dispute Resolution Policy," *Federal Communications Law Journal*: Vol. 53: Iss. 3, Article 5.
Available at: <http://www.repository.law.indiana.edu/fclj/vol53/iss3/5>

This Note is brought to you for free and open access by the Law School Journals at Digital Repository @ Maurer Law. It has been accepted for inclusion in Federal Communications Law Journal by an authorized administrator of Digital Repository @ Maurer Law. For more information, please contact wattn@indiana.edu.



JEROME HALL LAW LIBRARY

INDIANA UNIVERSITY
Maurer School of Law
Bloomington

The Best Laid Plans: How Unrestrained Arbitration Decisions Have Corrupted the Uniform Domain Name Dispute Resolution Policy

Ian L. Stewart*

| | | |
|------|---|-----|
| I. | INTRODUCTION..... | 510 |
| II. | CREATION OF THE UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY..... | 511 |
| | A. <i>The Formation of ICANN</i> | 512 |
| | B. <i>Cybersquatting and Reverse Domain Name Hijacking</i> | 512 |
| | C. <i>The Uniform Domain Name Dispute Resolution Policy</i> | 513 |
| III. | CORRUPTION OF THE UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY: HOW ARBITRATORS ARE EXCEEDING THE SCOPE OF THE POLICY..... | 515 |
| | A. <i>The Overbroad Definition of Trademark</i> | 517 |
| | 1. Personality Rights..... | 518 |
| | 2. Geographic Indications..... | 522 |
| | B. <i>The Narrowing Definition of Legitimate Interests</i> | 524 |
| | C. <i>The Circular Definition of Bad Faith</i> | 527 |
| IV. | REDEMPTION: HOW A GOOD POLICY CAN STILL BE SAVED..... | 530 |
| V. | CONCLUSION..... | 532 |

* B.A., DePauw University, 1998, *magna cum laude*; Candidate for J.D., Indiana University School of Law—Bloomington, 2001. The Author wishes to thank his family and friends for their constant support and Sarah Freeman for her encouragement and her incredible eye for detail.

I. INTRODUCTION

In any expanding environment, limitations are sometimes needed to provide order and stability. The Internet revolution has penetrated every corner of the globe. National boundaries have failed to contain the amazing growth of this phenomenon. "From 1990 to 1997, the estimated number of Internet users grew from around one million to around 70 million,"¹ and these numbers have only grown since then. The number of Web sites and their corresponding domain names have reached staggering levels as well. As of March 2001, more than thirty-three million domain names had been registered, and more than twenty million of these domain names were for .com sites alone.² While the possibilities of the Internet seem limitless, the number of desirable domain names remains finite. As the Internet continues to grow, the number of available and desirable domain names continues to decrease.

Given the limited supply of desirable domain names, disputes over these domain names were inevitable. Because of the breakneck speed of Internet growth, the jurisdictional problems inherent in an international network, and the sheer volume of domain names, courts of law do not always provide the best forum to decide these disputes. On October 24, 1999, the Internet Corporation for Assigned Names and Numbers ("ICANN") approved the Uniform Domain Name Dispute Resolution Policy ("Policy") as a quick and inexpensive alternative to court proceedings for domain name disputes.³

ICANN designed the Policy to apply commonly accepted international standards to disputes in order to achieve quick and economical domain name dispute resolutions. These dispute resolutions were intended to supplement court proceedings, not replace them entirely. The designers of the Policy limited the scope of its authority in order to keep the Policy in check while at the same time strengthening its foundation. Unfortunately, unrestrained arbitration decisions have threatened the Policy by shattering the internal safeguards that reinforced its foundation.

1. The World Intellectual Property Organization ("WIPO"), *THE MANAGEMENT OF INTERNET NAMES AND ADDRESSES: INTELLECTUAL PROPERTY ISSUES: FINAL REPORT OF THE WIPO INTERNET DOMAIN NAME PROCESS 1* (1999), at <http://wipo2.wipo.int/process1/report/pdf/report.pdf> [hereinafter *FINAL REPORT*].

2. NetNames, at <http://www.netnames.com> (last updated Mar. 17, 2001).

3. ICANN, *Timeline for the Formulation and Implementation of the Uniform Domain-Name Dispute-Resolution Policy*, at <http://www.icann.org/udrp/udrp-schedule.htm> (last updated Oct. 17, 2000) [hereinafter *Timeline*].

This Note examines how unfettered arbitration decisions made with even the best of intentions can corrupt a good dispute resolution policy. Part II provides background information on ICANN, domain disputes involving cybersquatting and reverse domain hijacking, and the Policy. Part III explains how ICANN's dispute resolution providers' expansive decisions have weakened the Policy by removing the internal limitations that made it strong and effective. Finally, Part IV offers a discussion of how the Policy can still be saved through the exercise of restraint by ICANN's dispute resolution providers.

II. CREATION OF THE UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY

The Internet is structured on the domain name system, which functions as a user-friendly guide to navigate the Internet. Each host computer attached to the Internet has a "unique 32-bit Internet protocol ("IP") address that is separated into a series of four 8-bit groups."⁴ Each unique IP address enables users to link with that particular host Web site. Because the average Internet user would find memorizing and identifying numerous strings of numbers a daunting task, however, a more user-friendly system emerged.⁵ Domain names are the easy-to-remember words, numbers, or phrases that correspond to IP addresses.⁶

The domain name system is composed of "two domain levels: a top-level and a second-level domain."⁷ Top-level domains ("TLDs") include the generic TLDs: .com, .net, and .org.⁸ Second-level domains ("SLDs") are the words or phrases that appear before the TLDs in addresses.⁹ SLDs normally include descriptive words that reflect the ownership or purpose of the Web site, often including the name or trademark of an individual or company.¹⁰ Because each address is unique, two Web sites cannot have the same SLD if they also have the same TLD. In the real world, more than one company or person can share a name, but on the Internet only one entity can use that name for a .com site. This necessary limitation effectively drives up the value of a domain name as Internet traffic increases. Correspondingly, more and more emphasis has been placed on the

4. Luke A. Walker, Note, *ICANN's Uniform Domain Dispute Resolution Policy*, 15 BERKELEY TECH. L.J. 289, 291 (2000).

5. *Id.*

6. *Id.*

7. Thomas R. Lee, In *Rem Jurisdiction in Cyberspace*, 75 WASH. L. REV. 97, 100 (2000).

8. *Id.*

9. *Id.* at 101.

10. *Id.*

registration of domain names and the procedures for addressing domain name disputes.

A. *The Formation of ICANN*

Domain name registration has had a busy existence in its relatively short history. The first entity to carry the mantle of domain name registrar was SRI International, a nonprofit research institute.¹¹ SRI International took on the responsibility of registering domain names for the fledgling Internet from the Defense Department in 1985.¹² Commercial domain name registration did not begin until 1992, however, when Network Solutions, Inc. ("NSI") entered into an agreement with the U.S. government to oversee domain name registration.¹³ Over time, concerns about NSI's huge profits from domain name registration and a lack of competition in the field led to the call for a new nonprofit entity to centralize domain name system management.¹⁴ In response to these concerns, ICANN was formed.

ICANN is a "non-profit corporation . . . formed to assume responsibility for the IP address space allocation, protocol parameter assignment, domain name system management, and root server system management functions previously performed under U.S. Government contract by . . . other entities."¹⁵ Immediately after ICANN's formation in 1998, the U.S. government entrusted it with the duty of centralizing domain name system management.¹⁶ In addition, ICANN also assumed responsibility for addressing abusive domain name registration and domain name disputes.¹⁷

B. *Cybersquatting and Reverse Domain Name Hijacking*

There are two basic types of abusive domain name registration practices—cybersquatting and reverse domain name hijacking. Cybersquatting, the better-known practice, occurs at the time of domain

11. Walker, *supra* note 4, at 293; *Domain Name System Privatization: Is ICANN Out of Control: Hearing Before the Subcomm. on Oversight and Investigations of the House Comm. on the Commerce*, 106th Cong. 157 (1999) [hereinafter *Hearing*] (statement of Prof. Jonathan Weinberg, Wayne State Univ.).

12. Walker, *supra* note 4, at 293;

13. *Hearing*, *supra* note 11, at 157-58 (statement of Prof. Jonathan Weinberg, Wayne State Univ.).

14. Walker, *supra* note 4, at 296-97.

15. ICANN, *About ICANN*, at <http://www.icann.org/general/abouticann.htm> (last visited Mar. 4, 2001).

16. Walker, *supra* note 4, at 297.

17. ICANN, *Uniform Domain Name Dispute Resolution Policy General Information*, at <http://www.icann.org/udrp/udrp.htm> (last visited Mar. 25, 2001), *Hearing*, *supra* note 11, at 18 (statement of Andrew Pincus, Gen. Counsel, Commerce Dep't.).

name registration, and involves “the ‘deliberate, bad faith registration as domain names of well-known and other trademarks in the hope of being able to sell the domain names [back] to the owners of those marks’” for a profit.¹⁸ Reverse domain name hijacking, by contrast, occurs after the domain name has been registered, and it is the “bad faith [] attempt to deprive a registered domain-name holder of a domain name.”¹⁹ Reverse domain name hijacking involves the initiation of a court or dispute resolution proceeding by which the hijacker wrests control of the domain name from its rightful owner. The hijacker either wins the name outright or waits the owner out and receives the domain name in a settlement.

C. *The Uniform Domain Name Dispute Resolution Policy*

The concern about domain name disputes in general and abusive domain name registrations in particular led to the creation of the Uniform Domain Name Dispute Resolution Policy. In July 1998, based on a proposal by the U.S. Commerce Department, the World Intellectual Property Organization (“WIPO”) began an international consultation process to address conflicts between domain names and intellectual property rights.²⁰ In April 1999, the WIPO presented its findings to ICANN in its *Management of Internet Names and Addresses: Intellectual Property Issues: Final Report of the WIPO Internet Domain Name Process* (“*Final Report*”).²¹ After a series of resolutions and conferences, ICANN adopted the *Final Report* and approved the Policy and its accompanying Rules for Uniform Domain Name Dispute Resolution Policy (“Rules”) in October 1999.²²

The Policy prescribes a mandatory administrative proceeding to handle designated domain name disputes.²³ Each domain name registration agreement incorporates the Policy by reference and, therefore, requires submission to its administrative proceeding.²⁴ Such an administrative

18. Lee, *supra* note 7, at 104 (quoting Network Solutions, Inc., NSI Service Agreement para. 23, at <http://www.networksolutions.com/legal/service-agreement.html> (This version is no longer available.)).

19. ICANN, RULES FOR UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY para. 1 (1999), at <http://www.icann.org/udrp/udrp-rules-24oct99.htm> (last visited Mar. 4, 2001) [hereinafter RULES].

20. FINAL REPORT, *supra* note 1, at v; Management of Internet Names and Addresses, 63 Fed. Reg. 31,741, 31,747 (June 10, 1998).

21. FINAL REPORT, *supra* note 1, at v.

22. *Timeline*, *supra* note 3.

23. ICANN, UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY para. 4 (1999), at <http://www.icann.org/udrp/udrp-policy-24oct99.htm> (last visited Mar. 4, 2001) [hereinafter POLICY].

24. *Id.* para. 1.

proceeding is initiated by filing a complaint with an administrative dispute resolution service provider ("Provider") previously approved by ICANN.²⁵ An Administrative Panel is then selected from a list of arbitrators kept by the designated Provider.²⁶ This Administrative Panel conducts the proceedings and renders judgment on the dispute.²⁷

To win an administrative proceeding under the Policy, a complainant must prove that the domain name in question is identical or confusingly similar to an existing trademark or service mark, that the owner of the domain name has no legitimate rights to that name, and that the name was registered in bad faith.²⁸ If the Administrative Panel rules in favor of the complainant, the Panel may cancel, transfer, or otherwise change the domain name in question.²⁹ If any party initiates a court proceeding during the administrative proceeding or within ten days after the Panel reaches a decision, however, the Panel will halt any action until the lawsuit has been resolved.³⁰

Since the first administrative proceeding commenced in December 1999,³¹ ICANN's Providers have been extremely busy implementing the Policy. ICANN currently employs four different Providers to administer the Policy.³² As of April 2001, these Providers had administered more than 3,500 proceedings affecting more than 6,200 different domain names.³³ One Provider, the WIPO's Arbitration and Mediation Center, has heard the majority of these cases.³⁴ More than 2,300 cases have been filed with the

25. *Id.* para. 4(d); RULES, *supra* note 19, para. 3(a).

26. RULES, *supra* note 19, para. 6. An Administrative Panel can be made up of either one or three arbitrators. *Id.* If neither a complainant nor a respondent elects to have a three-member Panel, the Provider selects the sole arbitrator. *Id.* If either party opts for the three-member Panel, however, the Provider will select one arbitrator from a list supplied by the complainant and one arbitrator from a list supplied by the respondent. *Id.* The Provider then selects the third arbitrator from a list of five candidates after both parties have had opportunities to provide comments. *Id.*

27. *Id.* paras. 10, 15.

28. POLICY, *supra* note 23, para 4(a).

29. *Id.* para. 3.

30. *Id.* para. 4(k).

31. *Timeline*, *supra* note 3; World Wrestling Fed'n Entm't, Inc. v. Michael Bosman, No. D99-0001 (WIPO Jan. 14, 2000), at <http://arbitr.wipo.int/domains/decisions/html/d99-0001.html> (last visited Mar. 23, 2001) (Donahy, Arb.).

32. ICANN, *Approved Providers for Uniform Domain Name Dispute Resolution Policy*, at <http://www.icann.org/udrp/approved-providers.htm> (last updated Oct. 17, 2000). These Providers include the CPR Institute for Dispute Resolution, eResolution, the National Arbitration Forum, and the WIPO. *Id.*

33. ICANN, *Statistical Summary of Proceedings Under Uniform Domain Name Dispute Resolution Policy*, at <http://www.icann.org/udrp/proceedings-stat.htm> (last updated Apr. 24, 2001).

34. The WIPO Arbitration and Mediation Center, *Case Results* (until the end of March

WIPO, and as of April 1, 2001, the WIPO had completed 1,859 cases,³⁵ the majority of which favored transfer of the disputed domain names.³⁶ The Providers have administered decisions at a breathtaking pace; some decisions, however, may have seriously damaged the foundation of the Policy.

III. CORRUPTION OF THE UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY: HOW ARBITRATORS ARE EXCEEDING THE SCOPE OF THE POLICY

The WIPO designed the Policy to offer a quick, efficient, and economical process that applied commonly accepted international standards to resolve domain name disputes. Overly broad arbitration decisions, however, have corrupted the Policy's foundation. The original idea behind the Policy was a fairly modest one. When the WIPO drafted its *Final Report* on options for dispute resolution, it created a procedure that was quite narrow in scope,³⁷ limited to "deliberate, bad faith, abusive, [sic] domain name registrations or 'cybersquatting' and . . . not applicable to disputes between parties with competing rights acting in good faith."³⁸ Originally, proposals existed for the WIPO to create a policy with a much broader scope that would reach "any intellectual property dispute arising out of the domain name registration."³⁹ The WIPO decided on a more limited scope for the Policy, however, in order "to establish the procedure on a sound footing."⁴⁰ Within the first few months after the Policy became effective, ambitious arbitrators disregarded these modest restrictions by interpreting the Policy to encompass intellectual property issues expressly excluded from the *Final Report*.⁴¹

When the WIPO considered options for a uniform dispute resolution policy, its primary and almost exclusive consideration was simply finding a balance between "the preservation of . . . redress through litigation, and . . . the desire to proceed to develop a workable system that [could] fairly, expeditiously and cheaply resolve the new type of disputes [arising] as a consequence of the arrival of the Internet."⁴² With only this interest in mind, the WIPO originally considered a comprehensive dispute resolution

2001), at <http://arbiter.wipo.int/domains/statistics/results.html> (last visited Apr. 24, 2001).

35. *Id.*

36. *Id.* As of March 1, 2001, 1,077 decisions called for domain name transfer. *Id.*

37. FINAL REPORT, *supra* note 1, para. 135.

38. *Id.* para. 135(i).

39. *Id.* para. 134.

40. *Id.* para. 165.

41. *See infra* note 47 and accompanying text.

42. FINAL REPORT, *supra* note 1, para. 134.

policy that would encompass any “intellectual property dispute arising out of the domain name registration.”⁴³

The WIPO eventually opted for a more limited approach after factoring in various comments about a comprehensive policy.⁴⁴ The WIPO placed two major restrictions on the Policy. First, it limited the availability of the dispute resolution procedure “to cases of deliberate, bad faith abusive registrations.”⁴⁵ Second, it restricted the applicability of the Policy by defining “abusive registration by reference only to trademarks and service marks.”⁴⁶ The WIPO explicitly stated that “registrations that violate trade names, geographical indications or personality rights would not be considered to fall within the definition of abusive registration for the purposes of the administrative procedure.”⁴⁷ The WIPO excluded these categories because intellectual property rights in these categories were less “harmonized throughout the world.”⁴⁸ The WIPO opted for a safer, more limited scope to its Policy that could be applied quickly and cheaply but would not be on the cutting edge of intellectual property law. In other words, it chose a sound foundation and left the more challenging decisions for the courts to handle.

Expansive arbitration decisions, most notably by WIPO arbitrators, have shattered the Policy’s rather conservative foundation. The limitations initially placed on the Policy have been all but forgotten. While some

43. *Id.*

44. In their rejection of the expansive approach, these commentators set forth the following:

(i) that it might unfairly expose domain name applicants acting in good faith to costs in responding to complaints brought against them; (ii) that it might lead to the harassment of domain name holders acting in good faith by trademark owners seeking to acquire a domain name that is being used in a way which did not infringe the trademark owner’s rights (“reverse domain name hijacking”); (iii) that it would be preferable to commence a new procedure in a less ambitious way and with reference to disputes concerning the known and certain forms of offensive behavior, rather than with respect to all forms of dispute; (iv) that in opening the procedure to all forms of disputes, the Interim Report failed to address specifically the most egregious problem, namely, the problem of “cybersquatting” or deliberate, bad faith, abusive registrations of domain names in violation of others’ rights; and (v) that, because of the lack of international harmonization in the application of trademark laws, it would be preferable, at least initially, to avoid mandatory submission to the procedure in respect of disputes over competing, good faith rights to the use of a name.

Id.

45. *Id.* para. 166.

46. *Id.* para. 167.

47. *Id.* (emphasis omitted).

48. *Id.*

countries have petitioned the WIPO to expand the scope of the Policy,⁴⁹ in reality, individual arbitrators have already accomplished this mission. Numerous decisions that conflict with the procedural guidelines of the Policy have cast a shadow on the process. By limiting the scope of the Policy to fairly straightforward cases involving commonly accepted trademark standards, the WIPO crafted a Policy that would produce easily defensible decisions. By tackling more complex cases explicitly excluded from the Policy, however, arbitrators have left the Policy open to criticism and the appearance that the process favors big corporations and famous individuals over the average Internet user.

The following section will show how various arbitration decisions have expanded the scope of the original Policy and how this expansion has corrupted the arbitration process. While many of these arbitration decisions were the “right” resolutions, courts should have made them. Many examples in this section involve unsympathetic defendants—defendants who probably would have, and should have, lost their cases in courts of law. By disregarding the limitations set out in the Policy in order to reach the “right” result, however, these arbitrators have cast doubt on the Policy, and in some cases have drafted fundamentally wrong decisions. The attack on these unsympathetic defendants at the expense of the Policy demonstrates how arbitrators’ good intentions can ultimately lead to bad results and the corruption of even the best laid plans.

A. The Overbroad Definition of Trademark

According to the Policy, in order to win a claim in the administrative proceeding, a complainant must first establish that the domain name in question “is identical or confusingly similar to a trademark or service mark in which the complainant has rights.”⁵⁰ ICANN’s Policy does not define “trademark” or “service mark.” Based on reports and recommendations that spawned the Policy, however, domain disputes involving trade names, geographical indications, and personal names are excluded from the administrative procedure.⁵¹ The “streamlined, inexpensive administrative

49. See Letter from Sen. the Hon. Richard Alston, Minister for Comm., Info. Tech. and the Arts, Deputy Leader of the Gov’t in the Australian Senate, to Dr. Kamil Idris, Dir. Gen., WIPO, available at <http://wipo2.wipo.int/process2/rfc/letter2.html> (last visited Mar. 5, 2001) [hereinafter Letter]. This expansion would include “[p]ersonal names; International Nonproprietary Names (INN) for [p]harmaceutical [s]ubstances; [n]ames of international intergovernmental organizations; [g]eographical indications, geographical terms, or indications of source; and [t]radenames.” *Id.*

50. POLICY, *supra* note 23, para. 4(a).

51. The ICANN Staff Report introducing the Policy called for a minimalist Policy and incorporated the WIPO *Final Report* as the basis for the Policy. ICANN, SECOND STAFF

dispute-resolution procedure” of the Policy only focused on a narrow class of cases.⁵² Other, more complex disputes were intentionally left to the courts.⁵³ Nonetheless, through expansive arbitration decisions, domain name disputes involving personality rights and geographic indicators have fallen within the Policy’s reach.

1. Personality Rights

The WIPO’s *Final Report* explicitly excluded personality rights from the Policy’s coverage. Despite the WIPO’s exclusion of personality rights, an individual still has some control over the use of his or her personal name as a domain name. Some countries have laws that give individuals rights over domain names that use their personal names in bad faith.⁵⁴ No worldwide uniformity exists, however, in the recognition of personality rights. In drafting its *Final Report*, the WIPO simply opted to exclude this category from the streamlined process of the Policy because of discrepancies throughout the world in the application of personality rights.⁵⁵ The arbitration process set out in the Policy was not the proper mechanism to address such questions; issues of personality rights were left to the courts. Various Administrative Panels circumvented the Policy’s personality rights limitation by deciding that personal names satisfy the trademark element of the complaint because these names were “common law trademarks.”⁵⁶ ICANN’s other assigned arbitrators were quick to latch on to the WIPO Arbitration and Mediation Center’s use of the “common law trademark” designation as a means of getting around the personality rights limitation.

The first case to circumvent the personality rights limitation by adopting the use of common law trademarks was *Jeanette Winterson v.*

REPORT ON IMPLEMENTATION DOCUMENTS FOR THE UNIFORM DISPUTE RESOLUTION POLICY, para. 4.1(c) (1999), at <http://www.icann.org/udrp/udrp-second-staff-report-24oct99.htm> (last visited Mar. 6, 2001) [hereinafter SECOND STAFF REPORT]. As mentioned above, the WIPO Final Report explicitly excluded trade names, geographical indications, or personality rights from the administrative procedure. FINAL REPORT, *supra* note 1, para. 167.

52. SECOND STAFF REPORT, *supra* note 51, para. 4.1(c).

53. *Id.*

54. See Anticybersquatting Consumer Protection Act of 1999, 15 U.S.C. §§ 1114, 1116, 1117, 1125, 1129 (Supp. V 1999).

55. FINAL REPORT, *supra* note 1, para. 167.

56. Ironically, the first Administrative Panel to circumvent the personality rights limitation established in the WIPO’s *Final Report* was selected from the WIPO Arbitration and Mediation Center. *Jeanette Winterson v. Mark Hogarth*, No. D2000-0235 (WIPO May 22, 2000), at <http://arbitrator.wipo.int/domains/decisions/html/d2000-0235.html> (Perkins, Arb.).

Mark Hogarth.⁵⁷ In this WIPO case, the respondent, Mark Hogarth, registered a domain name, writerdomains.com, under which he operated a Web page “devoted to some of the world’s favourite writers. 132 such writers [were] named, including the Complainant, Jeanette Winterson.”⁵⁸ Hogarth then registered jeanettewinterson.com, along with the domain names of each of the other 132 writers.⁵⁹ While Jeanette Winterson did not have a registered trademark in her name, Winterson claimed that she had a common law right in her name because “under that [m]ark, she ha[d] achieved international recognition and critical acclaim for [her] works . . . and that use of that [m]ark ha[d] come to be recognised by the general public as indicating an association with words written and produced exclusively by [her].”⁶⁰ Hogarth argued that, while he had registered the domain name in hopes of selling it to Winterson, he should be able to keep the site because he registered the domain name not believing that “Jeanette Winterson” was a trademark or a service mark.⁶¹

In deciding against Hogarth, the WIPO Administrative Panel practiced a form of selective interpretation that would give a Supreme Court Justice nightmares. The WIPO Administrative Panel ruled that the Policy’s “Rules do *not* require that the Complainant’s trademark be registered by a government authority or agency for such a right to exist. In this respect, the Panel refer[red] to WIPO’s Final Report on the Internet Domain Name Process [April 30, 1999] paragraphs 149–150.”⁶² While ignoring the personality rights exclusion found in the *Final Report*, the Panel interpreted other language in the *Final Report*, such as that past “policies are seen as not sufficiently allowing for the consideration of all legitimate rights and interests of the parties (which are not necessarily reflected in a trademark certificate),” and “[t]he procedure should allow all relevant rights and interests of the parties to be considered,”⁶³ to stand for the proposition that “[l]egal rights in a trade mark [do] not require that the trade mark must be registered.”⁶⁴ When looking to the *Final Report* for guidance in arriving at this decision, the Administrative Panel disregarded language specifically stating that “registrations that violate . . . personality rights [will] not be considered to fall within the definition of abusive

57. *Id.*

58. *Id.* para. 4.2.

59. *Id.* paras. 2, 4.4.

60. *Id.* para. 4.3.

61. *Id.* para. 5(B).

62. *Id.* para. 6.3; FINAL REPORT, *supra* note 1, paras. 149-50, 167.

63. FINAL REPORT, *supra* note 1, paras. 149-50, 165.

64. *Jeanette Winterson*, No. D2000-0235, para. 6.4 (emphasis omitted).

registration for the purposes of the administrative procedure.”⁶⁵

After determining that trademarks did not have to be registered to fall under the “limited” scope of the Policy, the Panel turned to the Rules, which stated that “[a] Panel shall decide a complaint on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable.”⁶⁶ After gleaning this *carte blanche* from the Rules, the Administrative Panel turned to English common law for guidance, because both parties were domiciled in the United Kingdom.⁶⁷ The Panel interpreted a number of English cases to stand for the proposition that there were common law trademark “rights in the mark JEANETTE WINTERSON,” and, therefore, Winterson should receive the domain name.⁶⁸ With this convoluted decision, the idea of “common law trademark” informally entered ICANN’s Policy, and the personality rights limitation disappeared.

After *Winterson*, the WIPO Arbitration and Mediation Center needed only a small amount of creative interpretation to extend common law trademark protection to the next domain case involving a personal name, *Julia Fiona Roberts v. Russell Boyd*, in which Julia Roberts, the “famous motion picture actress,” filed a complaint against the registrar of *juliaroberts.com*.⁶⁹ Relying on the *Winterson* precedent handed down only a week before, the *Roberts* Panel seized upon the idea of the common law trademark. In a much shorter decision than that of the *Winterson* Panel, the *Roberts* Panel relied on U.S. common law without citing one U.S. case. The Panel found:

registration of her name as a registered trademark or service mark was not necessary and that the name “Julia Roberts” has sufficient secondary association with Complainant that common law trademark rights do exist under United States trademark law.

A recent decision citing English law found that common law trademark rights exist in an author’s name. The Policy does not require that the Complainant should have rights in a registered trademark or service mark. It is sufficient that the Complainant should satisfy the Administrative Panel that she has rights in common law trademark or sufficient rights to ground an action for passing off.

. . . Complainant has common law trademark rights in her name.⁷⁰

65. FINAL REPORT, *supra* note 1, para. 167 (emphasis omitted).

66. RULES, *supra* note 19, para. 15(a); *Jeanette Winterson*, No. D2000-0235, para. 6.5.

67. *Jeanette Winterson*, No. D2000-0235, para. 6.5.

68. *Id.* paras. 6.6-6.13.

69. No. D2000-0210, para. 4 (WIPO May 29, 2000), at <http://arbiter.wipo.int/domains/decisions/html/d2000-0210.html> (last visited Mar. 6, 2001) (Page, Abel, and Bridgeman, Arbs.).

70. *Id.* para. 6 (citing *Jeanette Winterson*, No. D2000-0235).

The Administrative Panel then ruled to transfer the domain name to Julia Roberts.⁷¹

After the *Winterson* and *Roberts* decisions, other Providers began to blindly accept the idea that a celebrity's common law trademark in his or her name brought the name under the scope of the Policy. In *Michelle Barry v. For Sale*, arbitrators from the National Arbitration Forum ruled that the domain name *brittanyandrews.com* violated the common law trademark of Brittany Andrews.⁷² Citing *Roberts*, the Panel ruled that the name Brittany Andrews had taken on secondary meaning and that a common law trademark existed because a "significant portion of the public associates the name and mark with the Complainant."⁷³ Arbitrators at eResolution also seized upon the principle of common law trademark when they decided *Sean Michaels Inc. v. Mark Allan Online Entertainment*.⁷⁴ Sean Michaels International, Inc. actually had a service mark in the name "Sean Michaels," and this service mark unquestionably fit within the scope of the Policy.⁷⁵ The lead panelist in this case, however, went on to state his opinion that Sean Michaels, an adult film star, could have initiated the procedure under the Policy in his own name "relying on the principle stated by the learned panelist in *Jeanette Winterson v. Mark Hogarth*"—common law trademark.⁷⁶

Relying on good intentions, arbitrators have corrupted the Policy in their decisions against cybersquatters. Despite the fact that the Policy excludes personality rights, ICANN's various dispute resolution providers have circumvented this limitation through selective interpretation and the principle of common law trademark. Such creative and imaginative

71. *Id.* para. 7.

72. *Michelle Barry v. For Sale*, No. FA0007000095110 (Nat'l Arb. Forum Aug. 17, 2000), at <http://www.arbforum.com/domains/decisions/95110.htm> (last visited Mar. 6, 2001) (Johnson, Arb.). Brittany Andrews is an adult film actress and model. Continental Agency, *Brittany Andrews*, at <http://www.continentalagency.com/brittanyandrews.htm> (last visited Mar. 7, 2001).

73. *Id.*

74. No. AF-0214 (eResolution July 2, 2000), at <http://www.eresolution.ca/services/dnd/decisions/0214.htm> (last visited Mar. 6, 2001) (Roversi, Arb.).

75. *Id.* para. 3.

76. *Id.* para. 5 (italics added). The panelist added that this principle had been confirmed in a number of cases:

Cho Yong Pil v. ImageLand Inc. (WIPO Case No. D2000-0229, relating to the name of a famous Korean pop singer), Julia Fiona Roberts v. Russell Boyd (WIPO Case No. D2000-0210, relating to the name of the world famous actress Julia Roberts) and Harrods Limited v. Robert Boyd (WIPO Case No. D2000-0060, relating to the name of the late Mr [sic] Emad Mohamed al-Fayed, widely known as Dodi, son of Mr [sic] Mohamed al-Fayed, owner of Harrods Limited).

Id.

decisionmaking may at times be appropriate in a court of law, but it is out of place in a process that relies on standard procedures to produce cheap and efficient results. Moreover, once an Administrative Panel bends the rules to achieve a good result in one case, it becomes easier to disregard the rules in later cases. In *Winterson*, the Administrative Panel at least attempted to justify its actions; later Panels, however, have simply relied blindly on the decisions of previous panels to circumvent the personality rights limitation, without setting out their own analysis.⁷⁷ For the Policy to retain its strong foundation, Panels must honor the Policy's internal limitations.

2. Geographic Indications

Expansive decisions by ICANN dispute resolution providers regarding geographic indications have also helped to undermine the foundation of the Policy. Like personality rights, geographic indications were explicitly excluded from the scope of the Policy, and, just as in the case of personality rights, WIPO arbitrators have attempted to circumvent this restriction.⁷⁸ Unlike the personality rights example, however, many legitimate, noncybersquatting companies use geographic indications as domain names. For example, the Boston Globe owns boston.com; london.com is a tourist site; and Mail.com uses the domain names paris.com, berlin.com, and madrid.com to provide Internet users with e-mail addresses.⁷⁹ Uncertainty in the area of geographic indications could not only undermine the Policy, it could also have a negative economic impact on some areas of the Internet.

Most of this confusion stems from one case decided by a WIPO Administrative Panel in August 2000—*Excelentísimo Ayuntamiento de Barcelona v. Barcelona.com Inc.*⁸⁰ In this case, the Barcelona City Council filed a complaint with the WIPO against a private tourist information site using the domain name barcelona.com.⁸¹ While the government of

77. *But see* Gordon Sumner, p/k/a Sting v. Michael Urvan, No. D2000-0596, paras. 6.4-6.6 (WIPO July 20, 2000), at <http://arbitrator.wipo.int/domains/decisions/html/d2000-0596.html> (last visited Mar. 23, 2001) (Christie, Arb.) (noting that while some arbitration cases had treated the names of famous people as unregistered trademarks, "[i]n adopting the procedure proposed in the WIPO Report, ICANN did not vary this limitation on its application. It must be concluded, therefore, that ICANN did not intend this procedure to apply to personality rights.").

78. FINAL REPORT, *supra* note 1, para. 167.

79. Julian Morris, *The Next Threat to Dot-Coms*, ASIAN WALL ST. J., Aug. 17, 2000, at 6, available at 2000 WL-WSJA 23747383.

80. No. D2000-0505, (WIPO Aug. 4, 2000), at <http://arbitrator.wipo.int/domains/decisions/html/d2000-0505.html> (last visited Mar. 7, 2001) (Porzio, Arb.).

81. Morris, *supra* note 79.

Barcelona did not own the trademark “Barcelona,” it did own the trademark in the phrases “Excelentísimo Ayuntamiento de Barcelona” and “Barcelona-BCN,” along with approximately one thousand other trademarks that incorporated the name “Barcelona.”⁸²

The Administrative Panel never found that the Barcelona city government had actually registered a trademark in the word “Barcelona,” a geographic indication. Instead, the Panel focused on the phrase “Excelentísimo Ayuntamiento de Barcelona” and the many other trademark phrases owned by the City that included the word “Barcelona.” The Panel decided that when the Spanish Patent and Trademark Office registered this trademark phrase, it “considered that it consisted of one main element, namely the expression ‘BARCELONA’ and another element, of different importance, namely ‘Excelentísimo Ayuntamiento de Barcelona’.” It can thus be concluded that although the trademark is composed by several elements, the distinctive character of the same is provided for by [the] expression ‘BARCELONA.’⁸³ Without any discussion concerning the Policy’s geographic indication limitation, the Panel ruled that barcelona.com, while not identical, was still “confusingly similar” to the trademarks owned by the City of Barcelona.⁸⁴ The Panel ruled that the domain name should be transferred.⁸⁵

For the sake of fairness, domain names with geographic indications were distributed on a first-come, first-served basis. The Policy excluded geographic indications because many different types of legitimate companies could have interests in the same geographic indication. Based on the *Barcelona* decision, however, a locality now may be able to monopolize the use of its name. In the United States alone, there are eleven active trademark registrations for the word “Barcelona” in areas as diverse as “computer software, furniture, ceiling fans, restaurant services, soft drinks, processed nuts and flatware.”⁸⁶ Barcelona.com was not a cybersquatter; it was a private tourist Web site focusing on the city of Barcelona, even providing links to the City of Barcelona’s Web site.⁸⁷

82. *Excelentísimo Ayuntamiento de Barcelona*, No. D2000-0505, para. 4.

83. *Id.* para. 5.

84. *Id.*

85. *Id.* para. 6. As for the bad faith element, the Panel ruled that a tourist information site, barcelona.com, acted in bad faith by “commercially exploit[ing] information about the city of Barcelona in Spain and its province” while using a domain name confusingly similar to the City’s trademarks. *Id.* para. 5. The Panel went on to state that “for the public at large, when thinking of ‘Barcelona,’ the first and only city that is reasonably thought of, is the city of Barcelona in Spain.” *Id.*

86. Morris, *supra* note 79.

87. *Excelentísimo Ayuntamiento de Barcelona*, No. D2000-0505, para. 5. Ironically, the Panel determined that this link confused the public and emphasized the importance of the

Barcelona.com had a legitimate interest in the word “Barcelona.”

Even if the Policy had not excluded geographic indications from its scope, the Policy established a defense to any complaint with a showing that the domain name owner had a legitimate interest in the name by using it “in connection with a bona fide offering of goods or services.”⁸⁸ The *Barcelona* Panel deemed, however, that this defense would not hold up against parties with “better rights or more legitimate interests”—in this case, the city of Barcelona.⁸⁹ By deciding which entity has “better rights” to commonly used geographic indicators, ICANN’s providers have entered into areas where even courts fear to tread and have once again weakened the Policy’s simple foundation.

B. The Narrowing Definition of Legitimate Interests

ICANN’s dispute resolution providers have weakened the Policy through their narrowed definition of a legitimate interest in a domain name. In addition to establishing that the domain name in question “is identical or confusingly similar to a trademark or service mark in which the complainant has rights,”⁹⁰ a complainant must also prove that the owner of the domain name has “no rights or legitimate interests in respect of the domain name.”⁹¹ The Policy provides for at least three situations that demonstrate an owner’s legitimate interest in a domain name: (1) the owner uses the domain name in connection with a bona fide offering of goods and services, (2) the owner of the domain name has been commonly known by that name, even if the owner does not own trademark or service mark rights in it, or (3) the owner of the domain name is using it for a legitimate noncommercial or fair use.⁹²

Any showing of an owner’s legitimate interest in the domain name should remove the dispute from the scope of the Policy; the Policy was not designed to handle disputes between competing rights-holders with confusingly similar names.⁹³ As the *Barcelona* case demonstrates, however, ICANN’s dispute resolution providers have at times undertaken to determine which party has “better rights or more legitimate interests.”⁹⁴ The Policy does not allow for such a balancing of interests, and the narrowed

link in making its finding of bad faith. *Id.*

88. POLICY, *supra* note 23, para. 4(c)(i).

89. *Excelentísimo Ayuntamiento de Barcelona*, No. D2000-0505, para. 5.

90. POLICY, *supra* note 23, para 4(a).

91. *Id.* para. 4(a)(ii).

92. *Id.* para. 4(c).

93. FINAL REPORT, *supra* note 1, para. 172.

94. *Excelentísimo Ayuntamiento de Barcelona*, No. D2000-0505, para. 5.

definition of what constitutes a legitimate interest in a domain name serves to weaken the internal limitations built into the Policy.

ICANN's arbitrators have also balanced the legitimacy of competing interests in domain names used for Web sites devoted to "cybergripping," an Internet phenomenon that involves "[r]egistering domain names in the form of [company name]sucks.com to provide a forum for critical commentary."⁹⁵ The Policy provides for "legitimate noncommercial or fair use" to demonstrate legitimate interest in a domain name,⁹⁶ and cybergripping would appear to constitute such a fair use. ICANN's arbitrators have been dismissive in their approach toward cybergripping, however, which raises questions about the value these arbitrators place on noncommercial or fair-use interests generally.

In a series of -sucks.com cases involving Wal-Mart Stores, Inc., WIPO arbitrators established their policy toward the cybergripping issue.⁹⁷ In *Wal-Mart Stores, Inc. v. Richard MacLeod*, the Administrative Panel announced that it was "cognizant of the importance of protecting protest sites that use a trademark to identify the object of their criticism."⁹⁸ In all of the *Wal-Mart* cases, however, the Panels found that the registrars of the offending domain names did not have legitimate interests in the sites because they had contacted Wal-Mart and offered to transfer the sites to Wal-Mart for a fee.⁹⁹ As one of the *Wal-Mart* Panels correctly noted, "[t]his would not be characterized as 'free speech' activity. It would rather be characterized as 'extortion.'"¹⁰⁰ In explaining the domain name transfer, one *Wal-Mart* Panel noted that when "a domain name registrant does not use a site for protest but instead offers it for sale for substantially more than the costs of registration, the site does not further the goal of legitimate

95. *Lucent Techs., Inc. v. LucentSucks.com*, 95 F. Supp. 2d 528, 535 n.9 (E.D. Va. 2000). Despite ruling against the plaintiff on other grounds, the Lucent court stated that "[a] successful showing that [a Web site with an otherwise infringing domain name] is effective parody and/ or [sic] a cite of critical commentary would seriously undermine the requisite elements for [trademark infringement]." *Id.* at 535-36.

96. POLICY, *supra* note 23, para. 4(c)(iii).

97. The domain names in question involved variations of the Wal-Mart name, including wal-mart.sucks.com, walmartcanadasucks.com, walmartuksucks.com, and walmartpuertoricosucks.com. *Wal-Mart Stores, Inc. v. Walsucks and Walmarket Puerto Rico*, No. D2000-0477 (WIPO July 20, 2000), at <http://arbiter.wipo.int/domains/decisions/html/d2000-0477.html> (last visited Mar. 7, 2001) (Abbott, Arb.); *Wal-Mart Stores, Inc. v. Richard MacLeod d/b/a For Sale*, No. D2000-0662 (WIPO Sept. 19, 2000), at <http://arbiter.wipo.int/domains/decisions/html/d2000-0662.html> (last visited Mar. 7, 2001) (Bernstein, Arb.).

98. *Richard MacLeod d/b/a For Sale*, No. D2000-0662, para. 6.

99. *Walsucks and Walmarket Puerto Rico*, No. D2000-0477; *Richard MacLeod d/b/a For Sale*, No. D2000-0662.

100. *Walsucks and Walmarket Puerto Rico*, No. D2000-0477, para. 6.

protest; rather, it constitutes trademark piracy.”¹⁰¹ While the *Wal-Mart* line of cases involved extortion instead of free speech activity, the result might not have been much different if these cases had involved true cybergripping scenarios.

ICANN’s arbitrators have turned their backs on protest sites when the manner of protest has been deemed too vulgar. In *DFO, Inc. v. Christian Williams*, the Administrative Panel ruled to cancel the domain name of a Web site because it “publish[ed] sexually explicit language and racial epithets.”¹⁰² In the *DFO* case, the owner of Denny’s restaurants filed a complaint against the owner of the domain name *dennys.net*.¹⁰³ The domain name owner did not use the “domain name <DENNYS.NET> to run a business. Instead, [he] used this domain name to run a chat group of DENNY’S restaurant habitues.”¹⁰⁴ The Administrative Panel ruled that the domain name owner did not qualify under the fair-use exception, however, because the owner had not properly identified “his website for what it was, ie [sic], a DENNY’S restaurant chat group with no official affiliation with DENNY’S restaurants.”¹⁰⁵ The Panel ruled that the domain owner did not have a legitimate interest in the Web site because the disclaimer on the Web site was not prominent enough.¹⁰⁶ In ruling for a domain name cancellation, the Panel went on to find that the “registration of the disputed domain name <DENNY’S.NET> [sic] with full knowledge the name belonged to Complainant and [the owner’s] subsequent use of the website to publish sexually explicit language and racial epithets which tarnished Complainant’s service mark” provided evidence of bad faith.¹⁰⁷

The Panel in *DFO* ruled against the Web site owner because language contained on the site “tarnished” Denny’s trademark. Cybergripping sites are generally designed to tarnish and criticize. This Panel’s dismissive

101. *Richard MacLeod d/b/a For Sale*, No. D2000-0662, para. 6.

102. *DFO, Inc. v. Christian Williams*, No. D2000-0181 para. 10 (WIPO May 14, 2000), at <http://arbiter.wipo.int/domains/decisions/html/d2000-0181.html> (last visited Mar. 7, 2001) (Foster, Arb.).

103. *Id.* para. 4.

104. *Id.* para. 9.

105. *Id.* The Policy does not address any disclaimer requirement for the fair-use exception. POLICY, *supra* note 23, para. 4(c).

106. *DFO, Inc.*, No. D2000-0181, para. 9. The Web site’s disclaimer read, “This is not the official Denny’s site. But what the hell, it may as well be. I have no connections to Denny’s management (except for my fake Denny’s business card) so don’t piss and moan over how your food wasn’t cooked all the way” *Id.*

107. *Id.* para. 10 (internal citation omitted). The Panel noted that the Policy did not explicitly accept this type of circumstance as evidence of bad faith; the Panel sought validation, however, in a clause in the Policy that stated that a Panel is “empowered to find bad faith based on evidence additional to that specifically enumerated.” *Id.*

approach toward protest sites again raises questions as to the value arbitrators actually place on noncommercial or fair-use interests.¹⁰⁸ The Panel simply made a value judgment and decided that the Web site's vulgar language undermined any fair-use interest.

C. The Circular Definition of Bad Faith

The primary limitation that the WIPO drafters placed on the Policy was the restriction to handle "cases of deliberate, bad faith abusive registrations."¹⁰⁹ To win a claim, the last element that a complainant must prove is that the "domain name has been registered and is being used in bad faith."¹¹⁰ The bad faith element creates another protection to ensure that the Policy will not address good faith disputes between competing rights-holders. Unfortunately, through a circular interpretation of what constitutes bad faith, some ICANN arbitrators have all but erased this necessary element.

The Policy enumerates four circumstances that evidence bad faith registration of a domain name.¹¹¹ This list is not exhaustive, however, and the Policy allows for Panels to find evidence of bad faith registration in other circumstances.¹¹² The first three circumstances listed in the Policy describe the standard cybersquatting scenario—an individual buys a large number of domain names simply to sell them off at higher prices or to disrupt the business of a competitor.¹¹³ The last enumerated circumstance and the Policy's open-ended bad faith inquiry serve as catchall mechanisms that allow ICANN's arbitrators to find bad faith registration if they merely

108. For a discussion of similar concerns raised before the adoption of the Policy see *Hearing, supra* note 11, at 241-42 (material submitted for the record by Prof. Jonathan Weinberg, Wayne State Univ.).

109. FINAL REPORT, *supra* note 1, para. 166.

110. POLICY, *supra* note 23, para. 4 (a)(iii).

111. *Id.* para. 4(b).

112. *Id.* This clause states that "the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith." *Id.*

113. *Id.* These circumstances are:

- (i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name; or
- (ii) you have registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that you have engaged in a pattern of such conduct; or
- (iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor.

Id.

disapprove of a Web site.

Under the Policy's fourth enumerated circumstance, bad faith registration occurs when:

by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on your web site or location.¹¹⁴

Arbitrators can rely on this clause to find that any commercial Web site with a domain name "identical or confusingly similar to a trademark or service mark in which the complainant has rights"¹¹⁵ also meets the bad faith element, thereby collapsing the bad faith element of the complaint into the trademark element. The Policy's open-ended terms allowing Panels to characterize other circumstances as evidence of bad faith registration also has been used to eliminate the bad faith requirement.¹¹⁶ When arbitrators ignore the extra protection provided by the bad faith limitation, the circular reasoning in their decisions seems perfunctory at best, and often leads to poorly reasoned decisionmaking.

*Tata Sons Ltd. v. D & V Enterprises*¹¹⁷ provides one example of a case that warranted the protection of the bad faith limitation. In this case, Tata Sons Ltd., an Indian corporation, filed a complaint against a pornographic Web site named bodacious-tatas.com.¹¹⁸ The Tata companies are a vast assortment of industrial and service companies based primarily in India but operating throughout the world.¹¹⁹ Tata Sons Ltd., the registered proprietor of the Tata trademark, acts as an investment holding company for the various Tata companies.¹²⁰ Collectively, the Tata companies are known as "the Tatas," and the similarity with the domain name bodacious-tatas.com

114. *Id.* para. 4(b)(iv).

115. *Id.* para. 4(a)(i).

116. *See* DFO, Inc. v. Christian Williams, No. D2000-0181 para. 10 (WIPO May 14, 2000), at <http://arbiter.wipo.int/domains/decisions/html/d2000-0181.html> (last visited Mar. 7, 2001) (Foster, Arb.).

117. *Tata Sons Ltd. v. D & V Enterprises*, No. D2000-0479 (WIPO Aug. 18, 2000), at <http://arbiter.wipo.int/domains/decisions/html/d2000-0479.html> (last visited Mar. 7, 2001) (Ophir, Arb.).

118. *Id.* paras. 1-2. It should be noted that the domain name owner never responded to the complaint. *Id.* para. 5(B). While this does mean that the Administrative Panel only heard one side of the argument, the eagerness in which the Panel adopted Tata Sons argument suggests that it would not have made much difference if the domain name owner had responded.

119. *Id.* para. 4(E).

120. *Id.* para. 5.

spawned the controversy.¹²¹

The decision in the *Tata* case demonstrates why an effective bad faith limitation is needed to prevent incorrect arbitration rulings. In finding the trademark element of the complaint satisfied, the Panel found that even though the holding company only owned the Tata trademark, it also had some type of interest in the word “tatas,” because the Tata companies were collectively known as “Tatas.”¹²² To counter the argument that the addition of the word “bodacious” to the domain name might keep it from becoming confusingly similar to the Tata trademark, the Panel looked to Webster’s Dictionary for guidance.¹²³ In its decision, the Panel noted several times that the Tata trademark indicated “high quality,” and, because the word “bodacious” had a similar definition, the addition of the word “bodacious” actually made the domain name more confusingly similar.¹²⁴ Unfortunately, during its grammar lesson, the Panel failed to realize that “tatas” is also the slang term for “breasts,” and that “bodacious tatas” would mean “remarkable breasts,”¹²⁵ which would seem an appropriate name for a pornographic site.

The Panel, however, did not find that the domain name owner had any legitimate rights to that name. Instead, the Panel found that the principal aim of the use of the name “bodacious tatas” was to “deriv[e], or attempt[] to derive, monetary benefit by trading on the reputation and goodwill held by [Tata Sons Ltd.]”¹²⁶ The Panel found that the domain name owner, in “passing off its erotic and pornographic services to users of the Internet,” was attempting to take a “cash-ride on [Tata Sons’] image and status.”¹²⁷ The Panel ruled that the pornographic site did not have any legitimate interest in the name “bodacious tatas.”¹²⁸

The Panel also found the bad faith element satisfied, because it collapsed this element into the trademark element of the claim. The Panel found that the use of the domain name “induces a potential customer or

121. *Id.* para. 5(A)(b).

122. *Id.* para. 6(C)(a). The Panel did not explain the nature of the right Tata Sons Ltd. had in the word “tatas;” the Panel simply extended the trademark in Tata to include “tatas.”

123. *Id.* According to the Panel, Webster’s Encyclopedic Unabridged Dictionary of the English Language defined “bodacious” as “1. ‘thorough’; ‘blatant’; ‘unmistakable’; 2. ‘remarkable’; ‘outstanding’; 3. ‘audacious’; ‘bold’; ‘brazen.’” *Id.*

124. *See id.*

125. *See* Dialectal Slang Free Speech Net Association, *Free [Dirty] Speech and Trademarks*, at <http://www.bodacious-tatas.org> (last updated Oct. 22, 2000). This site is a protest site against the WIPO. The original bodacious-tatas.com site is no longer available on the Internet.

126. *Tata Sons Ltd.*, No. D2000-0479, para. 6(C)(b).

127. *Id.*

128. *Id.*

client into believing that the Respondent's site, containing pornographic material, has been licensed or authorized by [Tata Sons Ltd.] or, possibly, that it is owned by the [company]."¹²⁹ No evidence indicated that the owner of the Web site ever attempted to extort money from Tata Sons in exchange for ownership rights in the site. The Panel found it clear, however, that the domain name owner's use of the word "tatas" evidenced that it was:

portraying its explicitly sexual and pornographic material as emanating from the Complainant. This act not only gives the impression that the Complainant has entered into business activities in the area of sexuality and pornography but, in the case, here, of a well-known reputable mark, tarnishes the image, reputation and goodwill of the Complainant and its trademark.¹³⁰

Apparently, the Panel simply relied on the similarity of the domain name and the trademark, coupled with the presence of pornography, to find bad faith.

In making its ruling, the *Tata* Panel made a value judgement as to which party had more significant rights in the domain name. Perhaps the arbitrator truly could not imagine other meanings for the word "tatas"; more likely, however, the arbitrator probably decided to favor the rights of a successful and respectable company over the rights of a distasteful, pornographic Web site. If any entity should make such a public-policy decision, a court of law should be that entity. The Policy was not designed to resolve such disputes; it was designed for "cases of deliberate, bad faith abusive registrations."¹³¹

IV. REDEMPTION: HOW A GOOD POLICY CAN STILL BE SAVED

Pornography Web sites and cybersquatters do not make sympathetic defendants, but they serve as good examples of how expanding a worthy system, even with the best of intentions, can go awry. The Policy aimed to provide a cheap, fast alternative to litigation. In exchange for its speed and efficiency, the Policy can only handle fairly standard cases. The guidelines in the Policy restrict its application to cases involving commonly accepted trademark standards. By expanding the Policy's scope to areas of intellectual property lacking international harmonization, well-intentioned arbitrators have cast doubt on the legitimacy of the Policy. By returning to its modest roots, however, the Policy can still be saved.

The original WIPO *Final Report* introducing the Policy placed several restrictions on its scope in order to establish a sound foundation.

129. *Id.* para. 6(C)(c)(i).

130. *Id.* para. 6(C)(c)(iv).

131. FINAL REPORT, *supra* note 1, para. 166.

While numerous arbitrators have referred to the *Final Report* for authority, many seem to have forgotten the *Final Report's* restrictions. Administrative Panels have expanded the scope of their authority to reach issues that were to be decided by courts of law. For some good faith disputes to be settled correctly, adequate time and resources must be spent considering the issues, and the streamlined, simplistic design of the Policy cannot meet the demands of these types of cases. Court proceedings may be slower and more costly than the Policy's dispute resolution system, but in some cases the benefits of a judicial determination outweigh the costs. Complex cases and good faith disputes between competing rights-holders deserve well-reasoned decisions graced with the legitimating authority of a judicial proceeding. To save the Policy, ICANN's providers need to recognize the Policy's limitations and simply allow some cases to be directed to the appropriate forums—courts of law.

By restraining their decisions and leaving the appropriate cases to the courts, ICANN's arbitrators might increase the courts' dockets in some jurisdictions; however, this increase probably would not be very dramatic. The Policy already provides an avenue by which either party can suspend arbitral proceedings and opt for a judicial forum,¹³² and currently parties with complex cases and good faith disputes likely pursue this path. Therefore, by simply encouraging these parties to pursue court cases in the first place, ICANN's arbitrators would not add greatly to the number of domain name disputes already heard by the courts. Achieving a legitimate international dispute resolution system merits any slight addition to the courts' dockets.

There has been some movement to formally expand the scope of the Policy to include “[p]ersonal names; International Nonproprietary Names (INN) for [p]harmaceutical [s]ubstances; [n]ames of international intergovernmental organizations; [g]eographical indications, geographical terms, or indications of source; and [t]radenames.”¹³³ In fact, the WIPO has already initiated the Second WIPO Internet Domain Name Process to investigate this issue.¹³⁴ While this expansion would at least legitimize some past decisions, it is not the appropriate course to take at this time. ICANN's providers have not yet established that they can operate effectively under the current standards. It seems inappropriate to grant more authority to entities that have already shown problems limiting their use of power. The Policy should secure its foundation, through time and

132. POLICY, *supra* note 23, para. 4(k).

133. Letter, *supra* note 49.

134. WIPO, *Second WIPO Internet Domain Name Process*, at <http://wipo2.wipo.int/process2> (last visited Mar. 7, 2001).

experience, before it attempts to grow.

V. CONCLUSION

In the rapidly expanding Internet environment, time is one of the most valuable commodities. The Uniform Domain Name Dispute Resolution Policy constitutes a valuable asset to the Internet community, because it provides quick and economical solutions to many domain name disputes. The Policy does have some limitations, however, and in order for the Policy to maintain a strong foundation, arbitrators should not expand its reach into areas best left to courts of law. Unrestrained arbitration decisions based on good intentions have corrupted the Policy. By exercising a little restraint, ICANN's dispute resolution providers can still save a good policy and allow the appropriate cases to be heard by courts of law.