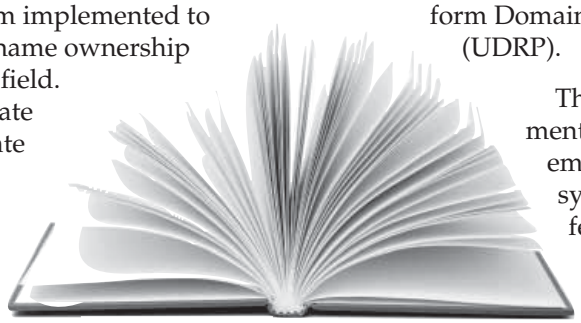
Book Review
Domain Name Arbitration

By Gerald M. Levine
(Legal Corner Press 2015)
Reviewed by Laura A. Kaster

Gerald Levine has created a book that is accessible, well ordered, and complete as both a history of the specialized dispute resolution system implemented to resolve disputes regarding domain name ownership and a guide to those working in the field. Anyone who has tried to communicate specialized knowledge will appreciate the way this volume makes finding the answer to any specific question straightforward and also allows a reader to meander through its clear and interesting history of the field. For those who assert and defend claims of cybersquatting, this book is a must. For the ADR professional this book is even more interesting as the story of meeting a change in technology with a well-designed and cost-effective dispute solution for a type of dispute that the technology generated. The dispute-resolution solution also created a panel of expert arbitrators who oversee the growth of a body of law that has developed in very short order and provides thoughtful, fair and practical solutions for the real world.



The problem arose from the invention of the World Wide Web and its transformation from an academic endeavor to an international marketplace starting in the 1990s. The address or domain name registration process permitted new Internet cowboys to squat on virtual property in cyberspace that should have been the exclusive property of those who held trademarks in the names selected. The domain names held trademarks for ransom, impersonated the trademark holder, diverted traffic to unsavory activities, or to competitors. This was a problem that corporations were obligated to monitor and address to protect their registered marks and it was an unduly expensive project because of the number of cybersquatters, the costs of litigating, the inherent delay in getting relief, and the fact that most of the offenders were either difficult to locate (sometimes registering under false names or addresses) or impecunious. Damages were no realistic possibility and ultimately the registrar for the domain name had to be involved in order to cancel or transfer the offending registration. In 1999, the World Intellectual Property Organization (WIPO) agreed to an arbitration system specifically for challenges to domain name registrations. WIPO made its recommendations to what was then a U.S.-government sponsored corporation, the International Corporation for Assigned Names and Numbers (ICANN) that managed domain name questions. WIPO's recommendations for dispute solutions became the Uniform Domain Name Dispute Resolution Policy (UDRP).

The solution that ICANN implemented was a totally electronic (via email), written-filings-only arbitration system administered by WIPO and a few other specified providers, which appoint prestigious trademark practitioners around the world to panels of arbitrators who, three to a panel, promptly and cost effectively decide whether a domain name which incorporates a trademark had been registered and used in bad faith. If the panel so finds, the abusively registered domain name must be cancelled or transferred to the complaining trademark holder.

The U.S. Congress addressed the cybersquatting issue by amending the Trademark Act of 1946 with the Anticybersquatting Consumer Protection Act, which the book also addresses. The ACPA standard is slightly easier to meet for trademark holders but it requires litigation and not ADR. Therefore, this review will focus on the UDRP's novel arbitration solution.

Under the UDRP, a trademark owner files by serving the domain name holder with a complaint that includes proof of trademark rights and files that with an ICANN–certified provider (WIPO, in Switzerland, the NAF in the U.S. and several other centers around the world). The domain name must be identical or confusingly similar to the mark. Even if the respondent does not appear, the complainant must prove its case to support cancellation or transfer of the domain name—that requires proof of both registration and use in bad faith.

Before the UDRP, there was no law on these issues. The published decisions of the WIPO UDRP panels (there is full transparency) reflect the development of the law of domain names. Many of the decisions are discussed in the book. In adopting the WIPO report, ICANN provided that the panels may apply rules and principles of law they determine to be applicable. Panelists have relied on the national trademark and unfair competition laws, scholarship and decisional law to develop precedent. There is no appellate authority. Power of persuasive reasoning has impacted the development of the law and the desire for fairness and consistency has assisted the formation of the

jurisprudence. Where free speech and generic usage are issues, U.S. law has had a significant impact, but this is really a supranational body of law.

This interesting model is based on the contract the registrant enters into when registering its domain name. That agreement requires the registrant to submit to jurisdiction under the UDRP for any challenge to the domain name (without prejudice to other potential jurisdictions). Therefore, even if the registrant defaults, it is subject to the UDRP's *in rem* authority over the domain name. The respondent at its election may at any time before or during the proceeding commence a plenary action—in the U.S. that would be a legal proceeding under the ACPA for a declaratory judgment that its registration was not unlawful and that it is not a cybersquatter.

The remedy here—a full and fair hearing on paper and the transfer or cancellation of the domain name if cybersquatting is found—precisely solves the problem presented. When combined with the prompt and cost-effective, electronic exchange of filings and the thoughtful results of most of the panels, it is hard to imagine a more appropriate dispute solution. It is very interesting that this arbitral system proceeds without the privacy that typically attends arbitration. Instead, because the decisions are published, they give the kind of guide to action that is appropriate for a specialized tribunal. The WIPO model for creating the UDRP by determining the needs of users and a fair and efficient way to balance rights and remedies and the way the parties have initiated their business should be carefully examined as a potential model to meet the changing needs of a global and increasingly technical world.

This book is an excellent source of information for the specialist and the dispute resolution designer.

Laura A. Kaster is one of the Co-Editors in Chief of this *Journal* and a full-time neutral. In the 1990s she was Chief Litigation Counsel to AT&T where she supervised all of its domain name litigation and arbitration. AT&T was involved in the early efforts to create WIPO.