

DRAFT UNIFORM RAPID SUSPENSION SYSTEM (“URS”) Revised – February 2010

Introduction

The proposal for establishment for the Uniform Rapid Suspension System (URS) was among the potential solutions to trademark protections in new gTLDs. It was developed through community consultations including the recommendations of the Implementation Recommendations Team (see <http://icann.org/en/topics/new-gtlds/irt-final-report-trademark-protection-29may09-en.pdf>) and others, and feedback gathered in online fora and public meetings. (The Implementation Recommendation Team (IRT) was assembled to help identify and propose rights protection mechanisms (RPMs) for trademark holders within the New gTLD Program.)

After receiving recommendations from the IRT relating to the proposed URS, extensive comments and consultation with the broader community, a revised proposal for the URS was developed.

Given that the original GNSO Policy direction was very general in nature, the Board provided the GNSO council with the opportunity to offer input on the specific rights protection mechanism of the URS. The GNSO promptly took on this task and established the Special Trademark Issues Review Team (“STI”) to review the proposal and offer its input upon which the GNSO would be able to reach consensus.

While the STI could not reach unanimous consensus on every specific detail, it did reach such consensus on many aspects and broad consensus on many others. The GNSO unanimously approved the concept of a URS and the GNSO-STI Model.

The following Draft URS Procedure is reflected as clean and redlined versions, with the base being the staff proposal initially posted on October 2009 for public comment and sent to the GNSO for consideration. That baseline has been revised to reflect the GNSO-STI Model. Further, this revised Draft URS Procedure incorporates some revisions attempting to address concerns and suggestions that have been raised. In order to balance competing comments and efficiencies, however, not all suggested revisions have been, or could have been, adopted.

DRAFT PROCEDURE

1. Filing a Complaint

- 1.1 Proceedings are initiated by filing with a URS Provider (Provider) a Complaint outlining the trademark rights and the actions complained of entitling the trademark holder to relief.

- 1.2 Each Complaint must be accompanied by the appropriate fee, which is under consideration. The fees will be non-refundable.
- 1.3 One Complaint is acceptable for multiple related companies against one Registrant, but only if the companies complaining are related. Multiple Registrants can be named in one Complaint only if it can be shown that they are in some way related. There will not be a minimum number of domain names imposed as a prerequisite to filing.
- 1.4 Contents of the Complaint

The form of the Complaint will be simple and as formulaic as possible. There will be reasonable limits on the length of the Complaint and Response. The Complaint will allow space for some explanation and will not be solely a check box.

- a) Name, email address and other contact information for the Complaining Party (Parties);
- b) Name, email address and contact information for any person authorized to act on behalf of Complaining Parties; Name of Registrant (i.e. relevant information available from Whois) and any available contact information;
- c) The specific domain name(s) that are the subject of the Complaint. For each domain, the Complainant should include a copy of the currently available Whois information and a copy of the web site content associated with each domain name that is the subject of the Complaint;
- d) The specific trademark/service marks upon which the Complaint is based and pursuant to which the Complaining Parties are asserting their rights to them, for which goods and in connection with what services.
- e) A description of the grounds upon which the Complaint is based setting forth facts showing that the Complaining Party is entitled to relief. The standard is similar to the UDRP standard, but with a higher burden of proof, i.e., that the registered domain name is identical or confusingly similar to a mark in which the Complainant holds a valid registration issued by a jurisdiction that conducts a substantive examination of trademark applications prior to registration; and that the Registrant has no legitimate right or interest to the domain name and; the domain was registered and is being used in bad faith.

A list of non-exclusive circumstances that demonstrate bad faith registration and use by the Registrant include:

- i. Circumstances indicating that the Registrant has registered or 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 documented out-of-pocket costs directly related to the domain name; or

- ii. Registrant has registered the domain name in order to prevent the trademark holder or service mark from reflecting the mark in a corresponding domain name, provided that Registrant has engaged in a pattern of such conduct; or
- iii. Registrant registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- iv. By using the domain name Registrant has intentionally attempted to attract for commercial gain, Internet users to Registrant's 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 Registrant's web site or location or of a product or service on that web site or location..

Finally, the Complainant will attest that the Complaint is not being filed for any improper basis and that there is a sufficient good faith basis for filing the Complaint.

2. Fees

Fees will be charged by the URS Provider. Fees are thought to be in the range of USD \$300 per proceeding, but will ultimately be set by the Provider. This is based upon estimation of experts, including panelists making decisions in similar environments, the Nominet summary model, and the opportunity to streamline through re-registration. Fees are not "loser pays." Given the nature of expected disputes in this venue, it is thought, more often than not, that no response to complaints will be submitted and the costs of recovering the relatively small fees will exceed their value.

3. Administrative Review

Complaints will be subjected to an initial administrative review or examination by the URS-DRP for compliance with the filing requirements. This is simply a review to determine that the Complaint contains all of the necessary information, and is not a determination as to whether a *prima facie* case has been established.

4. Notice and Locking of Domain

- 4.1 Notices should be clear to the Registrant and understandable to Registrants located globally. Implementation options shall be determined, and they must include consideration of language issues, in an efficient and effective manner; specifically, the notice should be in the language used by the registrant during the registration process.
- 4.2 The URS Provider must first notify the registry operator (via email and possibly other method(s) under consideration) within 24 hours after the Complaint has been deemed compliant with the filing requirements. Within 24 hours of receipt of that Notice from the URS Provider, the registry operator shall "lock" the domain, meaning the registry shall restrict all changes to the registration data, including transfer and deletion of the domain names, but the name will continue to resolve. The registry operator will notify

the URS Provider immediately upon locking the domain name.

- 4.3 Within 24 hours after receiving notice from the registry operator that the domain name is locked, the URS Provider shall notify the Registrant of the Complaint, at the addresses listed in the Whois contact information, providing a copy of the Complaint, and advising of the locked status, as well as the effects if the registrant fails to respond and defend against the Complaint. Notice shall be sent through email, fax and certified copy via postal mail. The URS Provider shall also notify the registrar of record for the domain name at issue via the addresses the registrar has on file with ICANN.

5. The Response

- 5.1 A Registrant will have 20 days from the date the URS Provider sent its Notice to the Registrant to file and serve a Response. No filing fee will be charged if the Registrant files its Response prior to being declared in default or not more than thirty (30) days following a Determination. For Responses filed more than thirty (30) days after a Determination, the Registrant should pay a reasonable fee for re-examination.
- 5.2 Upon request by the Registrant, a limited extension of time to respond may be granted by the URS Provider if there is a good faith basis for doing so and it does not harm the Complainant. In no event shall the extension be for more than seven (7) calendar days.
- 5.3 The content of the Response should include the following:
- Confirmation of Registrant data.
 - Specific admission or denial of each claim;
 - Any defense which contradicts the Complainant's claims;
 - A statement that the contents are true and accurate.
- 5.4 In keeping with the intended expedited nature of the URS and the remedy afforded to a successful Complainant, affirmative claims for relief by the Registrant will not be permitted except for an allegation that the Complainant has filed an abusive Complaint.
- 5.5 Once the Response is filed, and the URS Provider determines that the Response is compliant with the filing requirements of a Response, the Complaint, Response and supporting materials will be sent to a qualified Examiner, selected by the URS Provider, for review and Determination. All materials submitted are considered by the Examiner.
- 5.6 The Response can contain any facts refuting the claim of bad faith registration by setting out any of the following circumstances:
- a) Before any notice to Registrant of the dispute, Registrant's use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services; or

- b) Registrant (as an individual, business or other organization) has been commonly known by the domain name, even if Registrant has acquired no trademark or service mark rights; or
- c) Registrant is making a legitimate non-commercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

Such claims, if found by the Examiner to be proved based on its evaluation of all evidence, shall result in a finding in favor of the Registrant.

5.7 The Registrant may also assert Defenses¹ to the Complaint to demonstrate that the Registrant's use of the domain name is not in bad faith by showing one of the following factors:

- a) The domain name is generic or descriptive and the Registrant is making fair use of it.
- b) The domain name sites operated solely in tribute to or in criticism of a person or business that is found to be fair use.
- c) Registrant's holding of the domain name is consistent with an express term of a written agreement entered into by the disputing Parties and that is still in effect.
- (d) The domain name is not part of a wider pattern or series of abusive registrations because the Domain Name is of a significantly different type or character to the other domain names registered by the Registrant.

5.8 Other considerations of bad faith for the Examiner:

- a) Trading in domain names for profit, and holding a large portfolio of domain names, are of themselves not indicia of bad faith under this policy. Such conduct, however, may be abusive in a given case depending on the circumstances of the dispute. The Examiner will review each case on its merits.
- b) Sale of traffic (i.e. connecting domain names to parking pages and earning click-per-view revenue) does not in and of itself constitute abuse under the Policy. Such conduct, however, may be abusive in a given case depending on the circumstances of the dispute. The Examiner will take into account:
 - i. the nature of the domain name;
 - ii. the nature of the advertising links on any parking page associated with the domain name; and

¹ The GNSO-STI Model called these Safe Harbor provisions. Further independent legal analysis suggests these bullets may be more accurately termed as defenses. Although slightly reorganized, the bullets in section 5.7 and 5.8 are the same as and are consistent with the GNSO-STI Model.

- iii. that the use of the domain name is ultimately the Registrant's responsibility

6. Default

- 6.1 If at the expiration of the 20-day answer period (or extension period if granted), the Registrant does not submit an answer, the Complaint proceeds to Default. If the answer is determined not to be in compliance with the filing requirements, Default is also appropriate.
- 6.2 In either case, the URS-DPR shall provide notice of Default via email to the Complainant and Registrant, and via mail and fax to Registrant. During the Default period, the Registrant will be prohibited from changing content found on the site to argue that it is now a legitimate use and will also be prohibited from changing the Whois information.
- 6.3 All Default cases, however, proceed to Examination. If the Registrant fails to file an answer within twenty (20) days and the Examiner rules in favor of Complainant, Registrant shall have the right to seek de novo review by filing an answer at any time during the life of the registration, but not to exceed two years after the date of the Determination. Upon such an answer being received, the Domain Name shall resolve to the original IP address as soon as practical. The filing of an answer after Default is not an appeal.

7. Examiners

- 7.1 Examiners should have legal background and should be trained and certified in URS proceedings. ICANN should provide the Examiners with instructions on the URS Elements and Defenses and how to conduct the examination of a URS proceeding.
- 7.2 ICANN should discourage forum shopping among URS Providers through its URS implementation and contracts. Examiners within a service provider shall be rotated to avoid forum shopping. The URS Service Providers shall avoid "cherry picking" examiners that are likely to rule in a certain way. Service Providers should be required to, and are strongly encouraged to, work with all certified Examiners, with reasonable exceptions (such as language needs, non-performance, or malfeasance) with such reasonable exceptions to be determined as an implementation detail.
- 7.3 One Examiner will preside over a URS proceeding.

8. Examination Standards

The standards that the qualified Examiner shall apply when rendering its Determination are whether:

- The registered domain name is identical or confusingly similar to a mark in which the Complainant holds a valid registration issued by a jurisdiction that conducts a substantive examination of trademark applications prior to registration; and
- The Registrant has no legitimate right or interest to the domain name; and

- The domain was registered and is being used in a bad faith.

While the standards set out above are the same as for a UDRP proceeding, the burden of proof calling for clear and convincing evidence is intentionally higher given that the URS is meant only for the most clear-cut blatant case of infringing conduct.

For a URS matter to conclude in favor of the Complainant, the Examiner shall render a Determination that there is no genuine issue of material fact. Such Determination may include that: (A) the Complainant has rights to the name; and (B) the Registrant has no rights or legitimate interest in the name.

This means that the Complainant must present adequate evidence to substantiate its trademark rights in the domain name (e.g., evidence of a trademark registration and evidence that the domain name was registered and is being used in bad faith in violation of the URS).

If the Examiner finds that the Complainant has not met its burden, or that genuine issues of material fact remain in regards any of the elements, the Examiner will reject the complaint as inappropriate for URS.

In the absence of a clear belief of 1) or 2) below, the URS shall be rejected:

- 1) (if a response was received) No evidence was presented to indicate that the use of the domain name in question is a non-infringing or fair use of the TM.

or

- 2) (if a response was not received) No defense can be imagined to indicate that the use of the domain name in question is a non-infringing or fair use the TM.

Where there is any genuine contestable issue as to whether a domain name registration and use is an abusive use of a trademark, the Complaint will be denied terminating the URS proceeding without prejudice to further action, e.g., a UDRP or court proceeding. The URS is not intended for use in any questionable proceedings, but only clear cases of trademark abuse.

If the Examiner finds that all three elements are satisfied by clear and convincing evidence and that there is no genuine contestable issue, then the Examiner shall issue a Determination in favor of the Complainant. If the Examiner finds that this test is not met, then the Examiner shall deny the relief requested terminating the URS proceeding without prejudice to the ability of the Complainant to proceed with an action in court of competent jurisdiction or under the UDRP.

9. Determination

- 9.1 There will be no discovery or hearing; the evidence will be the materials submitted with the Complaint and the Answer, and those materials will serve as the entire record used by the Examiner to make a Determination.
- 9.2 If the Complainant satisfies the burden of proof, the Examiner will issue a Determination in favor of the Complainant. The Determination will be published on the URS Provider's

website. However, there should be no other preclusive effect of the Determination other than the URS proceeding to which it is rendered.

- 9.3 If the Complainant does not satisfy the burden of proof, the URS proceeding is terminated and full control of the domain name registration shall be returned to the Registrant.
- 9.4 Determinations resulting from URS proceedings will be publicly available thereby giving further notice to the next Registrant that the domain was the subject of a URS proceeding.
- 9.5 Evaluation of a URS proceeding should be conducted on an expedited basis. Evaluation should begin immediately upon the earlier of the expiration of a twenty (20) day answer period, or upon the submission of answer. A decision should be rendered on an expedited basis, with the stated goal that a decision should be rendered within three (3) business days from when evaluation began. Absent extraordinary circumstances, however, Determinations must be issued no later than 14 days after the Response is filed. Implementation details will be developed to accommodate the needs of service providers.

10. Remedy

If the Determination is in favor of the Complainant, the domain name shall be suspended for the balance of the registration period and would not resolve to the original web site. The nameservers are redirected to an informational web page provided by the URS Provider about the URS. The URS Provider shall not be allowed to offer any other services on such page, nor shall it directly or indirectly use the web page for advertising purposes (either for itself or any other third party). The Whois for the domain name shall continue to display all of the information of the original Registrant except for the redirection of the nameservers. In addition, the Whois shall reflect that the domain name will not be able to be transferred, deleted or modified for the life of the registration.

Option for successful complainant to pay to extend the registration period for one additional year at commercial rates. No other remedies should be available in the event of a decision in favor of the complainant.

11. Abusive Complaints

- 11.1 The URS shall incorporate penalties for abuse of the process by trademark holders. . .
- 11.2 In the event a party is deemed to have filed two (2) abusive complaints, or one (1) "deliberate material falsehood," that party shall be barred from utilizing the URS for one-year following the date the last of the three Complaints was determined to be abusive. [Defining Abusive Complaints remains under consideration.]
- 11.3 A finding of abuse can be appealed and will be reviewed to determine solely if the Examiner abused his/her discretion, or acted in an arbitrary or capricious manner.

12. Appeal

Either party shall have a right to seek a de novo appeal based on the existing record within the URS proceeding for a reasonable fee to cover the costs of the appeal. The fees for an appeal should be borne by the appellant. A limited right to introduce new admissible evidence that is material to the Determination will be allowed upon payment of an additional fee, provided the evidence clearly pre-dates the filing of the Complaint. The Appeal Panel may request, at its sole discretion, further statements or documents from either of the Parties.

Filing an appeal should not change the domain name's resolution. For example, if the domain name no longer resolves to the original nameservers because of a Determination in favor of the Complainant, it continues to point to the informational page provided by the URS service provider. If the domain name resolves to the original nameservers because of a Determination in favor of the registrant, it continues to resolve during the appeal process.

The URS Determination should not preclude any other remedies available to the appellant, such as UDRP (if appellant is the Complainant), or other remedies as may be available in a court of competition jurisdiction. A URS Determination for or against a party should not prejudice the party in UDRP or any other proceedings.