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ORGANIZATION

**MULTILINGUAL DOMAIN NAMES:  
JOINT ITU/WIPO SYMPOSIUM**

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Internationalized Domain Names –  
Intellectual Property Considerations

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## INTRODUCTION

1. The Internet has its origins and its root in the United States, where it emerged in the 1950's as an experimental system developed by the academic and military research establishment. Since that time, and with the addition of the user-friendly World Wide Web, the Internet has been transformed into a multifaceted network for communication and commerce, whose purposes are as broad as the Internet community that employs it. As the number of users rises, to more than 460 million at the present time,<sup>1</sup> so the culture of the Internet has changed. From a predominantly Anglo-American background, with its content expressed mainly in English, the Internet now supports myriad expressions of many cultures and societies including, increasingly, some of the 6,700 languages spoken in 228 countries around the world.

2. Currently only about 6% of the world's population are online, still drawn from a predominantly English-speaking background, with 48% of users being non-native English speakers.<sup>2</sup> It is forecast, however, that by 2002, Internet users will be predominately non-English speakers and by 2003, 66% of all Internet users will be non-English speakers,<sup>3</sup> with the greatest expansion coming from Asia and Latin America.<sup>4</sup> It is also estimated that by 2003, at least one-third of Web users will prefer to conduct their online activities in a language other than English,<sup>5</sup> and by 2005 only a third of Internet businesses will use English for online communication.<sup>6</sup> This trend towards internationalization of the Internet is hardly

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<sup>1</sup> See Nielson/NetRatings, "Global Internet Trends Report", released August 28, 2001 at [http://www.nielson-netratings.com/hot\\_of\\_the\\_net\\_i.htm](http://www.nielson-netratings.com/hot_of_the_net_i.htm).

<sup>2</sup> Alternately, Nielson/NetRatings provides statistics that, of 250.8 million home Internet users in September 2001, 168.6 million (representing 67.2%) were based in the United States. See Nielson/NetRatings at [http://nielsen-netratings.com/hot\\_off\\_the\\_net\\_i.jsp](http://nielsen-netratings.com/hot_off_the_net_i.jsp).

<sup>3</sup> Statistics provided as at November 2001, by Walid, Inc., at <http://www.walid.com>.

<sup>4</sup> An International Data Corporation (IDC) report found that by 2003, the U.S. percentage of the estimated 602 million Web users will slip from more than one-half now to about one-third. The fastest Internet user growth is in the Asia-Pacific region where users are expected to increase from the current 19.7 million to 75.6 million by 2003. See IDC's report, "Web Site Globalization: The Next Imperative for the Internet 2.0 Era", at <http://www.idc.com>. See also Michael Pastore, 'The Language of the Web' at [http://cyberatlas.internet.com/big\\_picture/demographics/article/0,1323,5901\\_150171,00.html](http://cyberatlas.internet.com/big_picture/demographics/article/0,1323,5901_150171,00.html).

<sup>5</sup> See International Data Corporation (IDC)'s report, "Web Site Globalization: The Next Imperative for the Internet 2.0 Era", at <http://www.idc.com>.

<sup>6</sup> See Forrester Research, at <http://www.forrester.com>.

surprising, when it is considered that 92% of the world's population speaks a primary language other than English. And, as Internet usage comes to reflect the diversity of the world's population, so will the proportion of non-English substance on the Internet. Forecasters predict that, by 2007, Chinese will be the number one language used on the World Wide Web.<sup>7</sup>

#### THE INTERNET AS A GLOBAL MEDIUM

3. The Internet is a global medium. In many ways, the domain name system ('DNS') has always functioned globally. The DNS serves to facilitate users' ability to navigate the Internet by mapping the user-friendly domain name to its corresponding numeric Internet Protocol Number. A domain name registration, whether in a generic top-level domain (gTLD) or a country code top-level domain (ccTLD), provides a global presence which ensures that the corresponding online address is accessible online from anywhere.

4. The language and scripts upon which the DNS is based, however, have not changed to reflect the Internet's increasingly global character. Up to now, the DNS mapping technology has functioned only using Latin, also described as 'Roman', characters that are used to write a number of languages, including English, French, German, Italian and Spanish. The Internet community now questions whether this functional limitation in the addressing system is consistent with the global nature of the Internet and, finding the answer to be 'no', is taking steps to overcome it. In the current environment, the internationalization of the language and characters in which domain names are expressed is only a matter of time and technology. Several initiatives are currently underway to explore the means by which this internationalization of the DNS can occur, although none are yet definitive.<sup>8</sup>

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<sup>7</sup> Statistics provided as at November 2001 by Walid, Inc., at <http://www.walid.com>.

<sup>8</sup> See the list of current and planned internationalized domain name solution providers at <http://www.itu.int/mdns/resources/index.html>.

5. The transformation is also reflected in the internationalization of the technical coordination of the Internet and its DNS, within the changing structures of the Internet Corporation for Assigned Names and Numbers (ICANN) and the Internet Engineering Task Force (IETF). The IETF is currently tasked with developing and specifying standards for internationalized access to domain names, as discussed below. In parallel, changes can be seen in the expansion of the generic top-level domain space, with the introduction of new gTLDs, and the deployment of new forms of virtual identifiers, such as keywords, whose impact upon an internationalized DNS is discussed below.

#### THE INTERNET DOMAIN NAME SYSTEM (DNS)

6. The Internet domain name system (DNS) serves to facilitate users' ability to navigate the Internet, by mapping the domain name to its corresponding numeric Internet Protocol (IP) Number. At the date of publication of this Paper, there are over 36 million domain names registered (of which approximately 22 million are registered in .com), and the volume of new registrations is between 50,000 to 100,000 per week.<sup>9</sup>

7. The DNS operates on the basis of a hierarchy of names, with the top layer taken by the generic top-level domains (gTLDs) and country code top-level domains (ccTLDs). Until recently, there were seven gTLDs, comprising the 'open' or unrestricted gTLDs of .com, .net, .org, and the restricted gTLDs of .int, .edu, .gov, and .mil. At its meeting on November 16, 2000, the ICANN Board selected seven new top-level domains to be introduced into the DNS, comprising the 'unsponsored' gTLDs of .biz (for business purposes), .info (unrestricted) and .name (for personal names), as well as the 'sponsored' gTLDs of .aero (for the aviation community), .coop (for cooperatives), .museum (for museums) and .pro (for professionals).<sup>10</sup> Agreements have already been reached between ICANN and the registration authorities for .biz, .coop, .info, .museum and .name, enabling them to become operational.

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<sup>9</sup> Domain name statistics updated and available at <http://www.netnames.com> and <http://www.domainstats.com>.

<sup>10</sup> For information about ICANN's selection of the new gTLDs, see <http://www.icann.org/tlds/>.

8. At the ccTLD level, there are at present 243 ccTLDs, each of which bears a two-letter country code derived from Standard 3166 of the International Organization for Standardization (ISO 3166).<sup>11</sup> These domains are not uniform in their management or policies, some are open such that any person or entity may register in them, while others are restricted to persons or entities that satisfy entry criteria (e.g., domicile or business presence in the country). The administrative authority for each ccTLD, in theory, has autonomy to determine the policies for domain name registration within its domain.

9. In addition to the expansion of the DNS as described above, alternate addressing systems have been developed, using keywords, for example, that use different IP number-to-name mapping systems. These developments are distinct from the growth of alternate roots that do not function using the existing DNS, as described below.

#### INTELLECTUAL PROPERTY IN A MULTILINGUAL CONTEXT

10. Intellectual property and identifiers, such as trademarks and trade names, play an important role in commerce in both physical and virtual worlds. In both these environments, such intellectual property identifiers, as well as new identifiers such as domain names, are valuable in distinguishing products and services from others offered by competing enterprises. The recent trend towards globalization and the increase in world trade has accelerated the internationalization of the intellectual property system and heightened the importance of such identifiers. The advent of e-commerce in an online environment furthers this trend, for the role that such identifiers play in developing consumer awareness and trust towards brands that are newly emerging and lack the conventional bricks and mortar foundations.

11. The internationalization of domain names, as described in the final Report of the Second WIPO Internet Domain Name Process, '*The Recognition of Rights and the Use of Names in the Internet Domain Name System*,'<sup>12</sup> is a significant development in the DNS and

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<sup>11</sup> See <http://www.iso.ch>. See also the list of ccTLD administration authorities, in a list of root-zone Whois information maintained by the Internet Assigned Numbers Authority (IANA) at <http://www.iana.org/cctld/cctld-whois.htm>.

<sup>12</sup> The final Report of the Second WIPO Process (September 3, 2001) (WIPO Publication No. 843(E)), is available at <http://wipo2.wipo.int/process2/report/index.html>.

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one that will, inevitably, have intellectual property implications. The Report of the 1Second WIPO Process stated that “[t]he problem of conflicting trademarks across different languages and different language scripts is a problem that is already well known to the trademark community, which has a long experience with trademark registrations being effected in the various languages and language scripts used around the world. It is expected, however, that the introduction of internationalized domain names will introduce added dimensions to the problem of conflicting identifiers across different languages and language scripts which are in addition to those already experienced in respect of conflicting trademark registrations. Those new dimensions are likely to include the evaluation of the importance of phonetic similarity in the context of a largely visual or textual medium, the speed and relatively low cost with which a domain name registration can be obtained compared to the time and cost associated with obtaining trademark registrations and the automaticity of domain name registrations in contrast to the examination procedure that precedes the registration of trademarks.”<sup>13</sup>

## MULTILINGUAL TRADEMARK PROTECTION UNDER INTERNATIONAL LAW

12. The international intellectual property system has traditionally provided for the protection of rights across different languages and different character scripts, most particularly in the field of trademark law, as part of the wider concept of protection against unfair competition. The principal international agreements and instruments that address the protection of trademarks are the Paris Convention for the Protection of Industrial Property, the Agreement on Trade-Related Aspects of Intellectual Property Rights (the TRIPS Agreement), the Trademark Law Treaty (TLT) and the Madrid Agreement Concerning the International Registration of Marks and related Protocol, as described below. In addition, the WIPO Joint Recommendation Concerning Well-Known Marks provides guidelines for the protection of well-known marks at an international level. Their provisions are designed to avoid conflicts between trade and service marks across different languages, and to provide specifically for registration and protection of marks, their translations and transliterations.<sup>14</sup>

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<sup>13</sup> See the Report of the Second WIPO Process, *supra*, at paragraph 27.

<sup>14</sup> See generally, Stephen P. Ladas, *Patents, Trademarks and Related Rights: National and International Protection*, (Harvard University Press, 1975).



### Paris Convention

13. The Paris Convention for the Protection of Industrial Property (1883),<sup>15</sup> to which 162 States are party,<sup>16</sup> applies to the protection of industrial property, including marks and the repression of unfair competition, and deals with national treatment, right of priority and common rules. The Paris Convention does not regulate the conditions for the filing and registration of marks, which are to be determined by each contracting State in accordance with its domestic law. Where a mark has been duly registered in its country of origin, it must, on request, be accepted for filing and protected *in its original form* in the other contracting States. Nevertheless, registration may be refused in defined cases; such as when the mark would infringe acquired rights of third parties, when it lacks distinctive character, is contrary to morality or public order, or is of such a nature to deceive the public.

14. Most broadly, the Paris Convention, Article 10*bis*, requires contracting States to provide effective protection against acts of unfair competition, including to prohibit:

“all acts of such a nature to create confusion by any means whatever, with the establishment, the goods, or the industrial or commercial activity of a competitor.”

15. In particular, each contracting State must refuse registration and prohibit the use of well-known marks, in accordance with Article 6*bis* of the Paris Convention, which provides, *inter alia*:

“(1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority

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<sup>15</sup> Paris Convention for the Protection of Industrial Property of March 20, 1883. See Professor J.H.C. Bodenhausen, *Guide to the Application of the Paris Convention for the Protection of Industrial Property*, at pages 89-93 (BIRPI, 1969).

<sup>16</sup> The list of contracting Members party to the Paris Convention is set out at Annex II.

of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.”<sup>17</sup>

### TRIPS Agreement

16. The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement),<sup>18</sup> was concluded in the 1986-94 Uruguay Round of the World Trade Organization (WTO). The TRIPS Agreement seeks to establish common international rules for the protection of intellectual property, and facilitates settlement of trade disputes between Members over intellectual property rights using the WTO’s dispute settlement system. As described by the WTO, the TRIPS Agreement covers five broad issues: (i) how basic principles of the trading system and other international intellectual property agreements should be applied, (ii) how to give adequate protection to intellectual property rights, (iii) how countries should enforce those rights adequately in their own territories, (iv) how to settle disputes on intellectual property between Members of the WTO, and (v) special transitional arrangements during the period when the new system is being introduced.<sup>19</sup>

17. Section 2 of the TRIPS Agreement deals with trademarks, of which Article 15 specifies the subject matter protectable as a trademark and provides, *inter alia*:

“1. Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark.”

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<sup>17</sup> For further discussion of the Paris Convention and protection of well-known marks, see Professor J.H.C. Bodenhausen, *Guide to the Application of the Paris Convention for the Protection of Industrial Property*, (BIRPI, 1969). See also Christopher Heath and Kung-Chung Liu, eds., *The Protection of Well-Known Marks in Asia*, (Kluwer Law International, 2000), at Chapter 1, pages 3-8. For discussion of protection of famous and well-known marks generally, see Frederick W. Mostert, *Famous and Well-Known Marks: An International Analysis*, (Butterworths, 1997).

<sup>18</sup> The list of contracting Members party to the TRIPS Agreement is at Annex II.

<sup>19</sup> See the WTO’s web site on the TRIPS Agreement at [http://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/agrm6\\_e.htm](http://www.wto.org/english/thewto_e/whatis_e/tif_e/agrm6_e.htm).

The TRIPS Agreement, Article 16, specifies the rights conferred by such protection, and incorporates and extends the protection granted to trademarks under Article 6*bis* of the Paris Convention to service marks.<sup>20</sup> Further, Article 16(2) makes special provision for the protection of well-known marks, providing guidance to Members in determining what constitutes a well-known mark, *inter alia*:

“2. ....In determining whether a trademark is well-known, Members shall take account of the knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark.”<sup>21</sup>

18. Finally, Article 16(3) extends the special protection granted to well-known marks against use in relation to goods and services which are not similar to those in respect of which the trademark is registered, provided that the use of the trademark in that context would indicate a connection with the registered trademark owner and provided that the trademark owner’s interests would be likely to be damaged by such use. This provision may be described as the ‘dilution protection principle’, because it follows the lines of the recognized principle of dilution, in certain legal systems. Under United States law, dilution protection is recognized in the Federal Trademark Dilution Act of 1995, codified as Section 43(c) of the Lanham Act.<sup>22</sup> “The term ‘dilution’ means the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of ... (2) likelihood of confusion.”<sup>23</sup> In order to succeed in a dilution action, a plaintiff must establish that its mark is ‘famous’ as defined by s.43(c).<sup>24</sup> The principle of dilution also has broader

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<sup>20</sup> The TRIPS Agreement, Article 2(1), provides that “In respect of Parts II, III and IV of this Agreement, Members shall comply with Articles 1 through 12, and Article 19 of the Paris Convention (1967).”

<sup>21</sup> TRIPS Agreement, Article 16(2).

<sup>22</sup> 15 U.S.C. 1125(c). The FTDA lists factors for determining whether a mark is distinctive and famous, although courts are not limited by those factors. See 15 U.S.C. 125(c)(1)(A)-(H).

<sup>23</sup> See H.R. 1295, 104<sup>th</sup> Cong. 4 (1995).

<sup>24</sup> The Court, in the United States case of *Panavision International v. Toeppen*, (141 F.3d 1316, 1324 (9<sup>th</sup> Cir. 1998)), interpreted the FTDA as it applies to the Internet. The Court states (at page 23) that: “In order to prove a violation of the Federal Trademark Dilution Act, a plaintiff must show that (1) the mark is famous; (2) the defendant is making a commercial use of the mark in commerce; (3) the defendant’s use began after the mark became famous; and (4) the defendant’s use of the mark dilutes the quality of the mark by diminishing the capacity of the mark to identify and distinguish goods and services. 15 U.S.C. §1125(c).”

application, for example, under European Community law, the principle of dilution is recognized in the European Community Trademark Directive (1989) and the European Community Trademark Regulation (1993).<sup>25</sup>

### Trademark Law Treaty

19. The Trademark Law Treaty (TLT) aims to simplify and harmonize procedures of national and regional trademark registration systems. The TLT is mainly concerned with three phases of procedure before a trademark office: application for registration, changes after registration and renewal. In each phase, the TLT specifies what the trademark office can and cannot require from the applicant or owner. The TLT also goes toward harmonizing trademark office practice in dealing with multilingual trademark applications. The Trademark Law Treaty, Article 3(1)(a) provides, *inter alia*:

“Any Contracting Party may require that an application contain some or all of the following indications or elements:

...

(xiii) a transliteration of the mark or of certain parts of the mark;

(xiv) a translation of the mark or of certain parts of the mark.”

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<sup>25</sup> Article 5(1)(b) of the European Community Trademark Directive provides that the trademark owner has a right to object to the use of identical or similar marks for identical or similar goods if such use would lead to confusion. Article 5(2) extends this protection for well-known marks with respect to use of an identical or similar mark for dissimilar services, as follows:

“Any Member State may also provide that the proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade any sign which is identical with, or similar to, the trade mark in relation to goods or services which are not similar to those for which the trade mark is registered, where the latter has a reputation in the Member State and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.”

The European Community Trademark Directive (First Directive 89/104/EEC of the Council, of 21 December 1988, to Approximate the Laws of the Member States Relating to Trade Marks) is available at <http://oami.eu.int/en/aspects/direc/direc.htm>. The European Community Trademark Regulation (Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark), is available at <http://oami.eu.int/en/aspects/reg/reg4094.htm>. See also Christopher Heath and Kung-Chung Liu, eds., *The Protection of Well-Known Marks in Asia*, (Kluwer Law International, 2000) at Chapter 1, page 5.

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### Madrid System of International Registration of Marks

20. The system of international registration of marks is governed by two treaties: the Madrid Agreement Concerning the International Registration of Marks (1891) and the Protocol Relating to that Agreement, which was concluded in 1989 with the purpose of rendering the Madrid Agreement more flexible and compatible with certain countries' national legislation.<sup>26</sup> This system of international registration of marks obviates the need to register an application separately with each national or regional office in numerous languages and in accordance with various national procedures, in order to gain protection for the mark in a large number of countries.

21. The Common Regulations under the Madrid Agreement and Protocol address the translation and transliteration into Latin characters of the mark forming the subject of an international application. Rule 9 (4)(a)(xii) provides, *inter alia*, that the application shall contain or indicate:

“where the mark consists of or contains matter in characters other than Latin characters or numbers expressed in numerals other than Arabic or Roman numerals, a transliteration of that matter in Latin characters and Arabic numerals; the transliteration into Latin characters shall follow the phonetics of the language of the international application”.

In addition, Rule 9(4)(b)(iii), provides for a translation into English or French of the mark. The International Bureau will record and publish such translations and transliterations.

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<sup>26</sup> The Madrid Agreement Concerning the International Registration of Marks, of April 14, 1891, and Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks, adopted at Madrid on June 27, 1989, and Common Regulations. The list of contracting Members party to the Madrid Agreement and Protocol is set out at Annex II.

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WIPO Joint Recommendation on Well-Known Marks

22. The WIPO Joint Recommendation Concerning Provisions on the Protection Of Well-Known Marks, adopted by the Assembly of the Paris Union in September 1999, provide a set of guidelines for the protection of well-known marks and have the status of ‘soft’ law.<sup>27</sup> The Joint Recommendation is the result of work that began in 1995 on provisions aimed at the improvement and harmonization of the international protection of well-known marks, when a committee of experts considered the findings of a study prepared by the International Bureau on this matter. Article 4(1)(b) of the Joint Recommendation, dealing with conflicting marks, provides, *inter alia*:

“(b) Irrespective of the goods and/or services for which a mark is used, is the subject of an application for registration, or is registered, that mark shall be deemed to be in conflict with a well-known mark where the mark, or an essential part thereof, constitutes a reproduction, an imitation, a translation, or a transliteration of the well-known mark, and where at least one of the following conditions is fulfilled:

- (i) the use of that mark would indicate a connection between the goods and/or services for which the mark is used, is the subject of an application for registration, or is registered, and the owner of the well-known mark, and would be likely to damage his interests;
- (ii) the use of that mark is likely to impair or dilute in an unfair manner the distinctive character of the well-known mark;
- (iii) the use of that mark would take unfair advantage of the distinctive character of the well-known mark.”

23. The WIPO Joint Recommendation also addresses the determination of whether a mark is a well-known mark in a Member State. It provides, in Part 2 (Article 2), *inter alia*:

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<sup>27</sup> See [http://www.wipo.int/about-ip/en/index.html?wipo\\_content\\_frame=/about-ip/en/trademarks.html](http://www.wipo.int/about-ip/en/index.html?wipo_content_frame=/about-ip/en/trademarks.html).

“(1) [*Factors for Consideration*] (a) In determining whether a mark is a well-known mark, the competent authority shall take into account any circumstances from which it may be inferred that the mark is well known.

(b) In particular, the competent authority shall consider information submitted to it with respect to factors from which it may be inferred that the mark is, or is not, well known, including, but not limited to, information concerning the following:

1. the degree of knowledge or recognition of the mark in the relevant sector of the public;
2. the duration, extent and geographical area of any use of the mark;
3. the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;
4. the duration and geographical area of any registrations, and/or any applications for registration, of the mark, to the extent that they reflect use or recognition of the mark;
5. the record of successful enforcement of rights in the mark, in particular, the extent to which the mark was recognized as well known by competent authorities;
6. the value associated with the mark.

(c) The above factors, which are guidelines to assist the competent authority to determine whether the mark is a well-known mark, are not pre-conditions for reaching that determination. Rather, the determination in each case will depend upon the particular circumstances of that case. In some cases all of the factors may be relevant. In other cases some of the factors may be relevant. In still other cases none of the factors may be relevant, and the decision may be based on additional factors that are not listed in subparagraph (b), above. Such additional factors may be relevant, alone, or in combination with one or more of the factors listed in subparagraph (b), above.”

## MULTILINGUAL TRADEMARKS IN THE PHYSICAL WORLD

24. Trademarks may be protected nationally, or internationally, in their original language and script, or translated or transliterated forms. To convey or transpose a mark in a foreign language and character set, two basic means are employed:

- ‘Transliteration’ – or phonetic transliteration, meaning to transform the trademark into another set of characters with a pronunciation that represents the sound of the original, or its Latinized version; and
- ‘Translation’ – or literal or conceptual translation, meaning to transform the mark into another script or language with a meaning that represents that of the original.

25. The two procedures may be combined with respect to one trademark, so that one part is translated semantically, while another part is transliterated. For example, David B. Kay, in a discussion on the translation of Chinese marks,<sup>28</sup> reports that in Hong Kong, Special Administrative Region of China, where over 90% of the population speaks Cantonese as a first language, to translate Haagen-Dazs trademark for ice-cream, the closest phonetic rendering of the Haagen-Dazs trademark is “哈見達” (*har gin dat* in Cantonese), which means ‘laugh, root, arrive’. Instead, the “喜見達” characters (*hay gin dat*), which mean ‘happy to see it arrive’ are chosen in view of their preferred associations with the original trademark. In general, transliteration is used where it is important to retain the pronunciation of the original mark, and translation is preferred where it is important to retain the meaning of the original mark.

26. When a trademark might be used in foreign markets, rightsholders will need to take into account considerations of language and culture. The process of translation or transliteration of a trademark into its local character or language is important for trademark owners seeking to promote or sell their products in that locale, on a practical level, because many consumers

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<sup>28</sup> See David B. Kay, “Translating Chinese Character Marks”, *IP Asia* (January 1, 1988) at pages 3-6.



will identify goods by their local-character trademark, depending upon the degree of local recognition and knowledge of foreign languages.

27. In China, for example, with a sizeable marketplace of potential consumers, knowledge of foreign languages is not regarded as high and market penetration requires that trademarks be translated or transliterated into Chinese characters.<sup>29</sup> In addition to protecting the mark in the local language or characters, local registration is important in order to protect the original trademark. In some jurisdictions, such as China, for example, the original mark may not be protected against its use in Chinese characters, unless the Chinese character mark is also registered. This is because the use of different languages may distinguish the two forms of the trademark, so that the use of the original trademark in Chinese characters will not be deemed an infringement of the original owner's rights. In addition, trademarks in their directly translated or transliterated form may not be eligible for registration according to national trademark law and procedure.<sup>30</sup> The WIPO Manual 'Introduction to Trademark Law & Practice' advises, for good marketing as well as trademark protection reasons, that trademark owners doing business in foreign jurisdictions should transliterate their marks into the local script, and, for the same reasons, also use the original script of the trademark.<sup>31</sup>

28. The process is complicated, moreover, by the complex ways in which language is employed throughout the world. The same script or character set may be shared by many different languages. Among the Asian languages, for example, the same characters yield different sounds when used in different dialects. Also, different characters may have the same pronunciation, and homophones are common (i.e., words with the identical pronunciation but

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<sup>29</sup> As reported by Tang Yongchun; "for the great majority of trademarks, it might be necessary to have them translated into, or supplemented with, corresponding Chinese characters. The main reason is quite simply that most Chinese consumers identify goods by their Chinese-character trademarks." See Tang Yongchun, "Foreign Trademarks in Chinese Characters", *China Patents and Trademarks* (1987, No.3) at pages 40-44. See also David B. Kay, "Translating Chinese Character Marks", *IP Asia* (January 1, 1988) at page 3, where he states "[c]onsumers in particular go mainly by Chinese character trademarks in making their purchasing decisions. Therefore, a top priority task for foreign companies is to translate their trademarks into Chinese. This is a formidable task, but one well worth the effort needed to develop an appropriate name the first time."

<sup>30</sup> For further information on protection of well-known marks in China, see Christopher Heath and Kung-Chung Liu, eds., *The Protection of Well-Known Marks in Asia*, (Kluwer Law International, 2000) at Chapter 2 (China), and following chapters on Taiwan (Province of China), Japan, Republic of Korea, Singapore, Vietnam, Thailand, Philippines, Malaysia and Indonesia.

different meanings that may be written differently, such as, in English, ‘air’, ‘ere’ and ‘heir’, or ‘allowed’ and ‘aloud’, ‘to’ and ‘too’). The process of transliteration is not automatic, as some phonetic translations may produce incongruous literal meanings. Once in the online environment, added complexities emerge. The Arabic Internet Names Consortium reports that multiple languages share the same encoding in most popular operating systems and more than 100 languages share the same Unicode code points in the Arabic range. The new gTLD ‘.name’ shares the same characters in Arabic and Farsi, and numerous characters in the two languages map to the same Unicode point.<sup>32</sup>

### Multilingual Well-Known Trademarks

29. Whether and how a trademark is protected in a multilingual context will also depend upon whether it is recognized as a ‘well-known’ mark under applicable law, as set out above. In the physical world, a trademark which is not recognized as well-known will be protected against unauthorized use and registration by an identical or confusingly similar sign used in respect of goods and services that are similar or identical, if that use would result in a likelihood of confusion. This is described as the principle of specificity.<sup>33</sup> Therefore, protection of trademarks is limited; first to the scope of the similarity of marks; second, to the similarity of the goods and services offered by the different enterprises; and third, to the geographical territory where protection is claimed. In a multilingual context, an enquiry would be made as to the degree of comprehension in the relevant market of a mark in a foreign language or script and, therefore, the public’s likelihood of confusion. By contrast, well-known marks are protected against their use in connection with any goods or services if their use in that context would indicate a connection with the trademark owner and would be likely to damage the trademark owner’s interest.<sup>34</sup> The test of ‘connection’ applied to such

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<sup>31</sup> See ‘Introduction to Trademark Law & Practice’ (WIPO Publication No. 653 (E), Geneva 1993, 2<sup>nd</sup> ed.) at paragraph 3.1.3.3 (Foreign Scripts and Transliterations).

<sup>32</sup> For example, only Windows 98 Arabic Enabled version is used across Arabic, Farsi and Urdu languages. See the Arabic Internet Names Consortium (AINC) web site at <http://www.arabicdomainname.org>.

<sup>33</sup> This likelihood of confusion is presumed in cases where the trademark is used in connection with identical goods or services, pursuant to TRIPS Agreement, Article 16(1).

<sup>34</sup> TRIPS Agreement, Article 16(3).

marks, whether in a multilingual or other context, may well lead to a different conclusion than if a ‘confusion’ test had been applied.

30. This distinction may have added significance in an online environment, where the market is not confined to any one linguistic group, but is potentially the entire world of Internet users, one portion of whom will always understand any given language or script. Further, the use of domain names, and the trademarks they may contain, is not confined to any particular goods or services.

31. Some countries are beginning to address the complex issues raised by protection of trademarks in an internationalized DNS. For example, the Chinese Supreme People’s Court recently pronounced guidelines to be followed by all Chinese courts hearing domain name disputes involving domain names.<sup>35</sup> Under these guidelines, only well-known trademarks are given protection against cybersquatters, and the courts for the first time have power to determine that a trademark is ‘well-known’ for the purposes of Chinese law, although the definition of such a mark is unspecified. According to a report on these guidelines by the Jun He Law Offices, China,<sup>36</sup> the courts will order the transfer of a domain name, and may award damages, where a plaintiff is able to establish:

- (i) that the plaintiff’s rights and interests are lawful and valid;
- (ii) that the domain name is a copy, imitation, translation or transliteration of its well-known trademark, or is identical or similar to its trademark or domain name so as to cause confusion among the public;
- (iii) that the defendant does not have prior rights to the domain or any legitimate reason to register or use it; and
- (iv) the bad faith registration and use of the name by the defendant.

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<sup>35</sup> The Interpretations of the Supreme People’s Court on Some Issues Concerning Specific Application of Laws in the Trial of Civil Cases Related to Disputes of Domain Names on the Computer Internet, promulgated on July 17, 2001 in effect on July 24, 2001. See [http://www.multilaw.com/e-news/articles/nov\\_5/new\\_regs\\_china.htm](http://www.multilaw.com/e-news/articles/nov_5/new_regs_china.htm).

<sup>36</sup> See “New Interpretations Regarding Jurisdiction on Domain Name Cases in China,” by Jun He Law Offices, China, at [http://www.multilaw.com/e-news/articles/nov\\_5/new\\_regs\\_china.htm](http://www.multilaw.com/e-news/articles/nov_5/new_regs_china.htm).

For the purpose of asserting jurisdiction in disputes relating to foreign domain names, the guidelines state that a legal wrong is deemed to have been committed wherever the plaintiff has a computer that can resolve the domain name. The result would appear to be that the Chinese courts may assert jurisdiction at the suit of a Chinese owner of a ‘well-known’ trademark, irrespective of where the domain name was registered or the domicile of the registrant.

### Doctrine of Foreign Equivalents

32. The intellectual property legal system has also adapted to the challenge of protecting marks across jurisdictions and in different languages. One such adaptation is the ‘doctrine of foreign equivalents’ developed by the courts in the United States.

33. Under United States trademark law, the ‘doctrine of foreign equivalents’ was developed to address the situation in trademark infringement cases when the matter concerns a trademark designating a product in a language other than English.<sup>37</sup> Under this doctrine, the courts will translate foreign words used as trademarks into their common English meaning in usage, to determine whether they are generic or descriptive, as well as whether they are confusingly similar to an English word mark. Generic foreign words are not eligible for registration as trademarks, in accordance with the general principle that trademarks must be distinctive in order to gain protection and generic words, that merely describe the features of the product, are not usually protectable as trademarks. The test is whether, to an American buyer familiar with the foreign language, the word would refer to its English equivalent. For example, in a case involving the lollipop ‘Chupa Chups’, the seller of Chupa Chups sued the Spanish seller of ‘Chupa Gerts’ for trademark infringement. The United States Court of Appeals for the Fifth Circuit found that the key term in the mark, ‘chupa’, is a generic Spanish word for lollipop or sucker, and therefore not eligible for protection.<sup>38</sup> The Court then held that there

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<sup>37</sup> See generally, the discussion in *McCarthy on Trademarks*, §23:36 (Doctrine of Foreign Equivalents) paragraph 23-105 *et seq.*

<sup>38</sup> See *Enrique Bernat F., S.A. v. Guadalajara, Inc.*, 21- F.3d 439 (5<sup>th</sup> Cir., 2000). The United States Court in of Appeals for the Second Circuit discussed the doctrine of foreign equivalents in *Otokoyama Co., Ltd. v. Wine of Japan Import, Inc.*, 175 F.3d 266; 50 U.S.P.Q.2D (BNA) 1626 (2<sup>nd</sup> Cir, C. of A. 1999), where the Court cited the following cases: *Weiss Noodle*, 290 F.2d at 846-47 (finding that ‘halush-ka’, the phonetic spelling of the Hungarian word for ‘egg noodles’ is not eligible for protection); *In re Le Sorbet, Inc.*, 228 U.S.P.Q. 27, at 28 (T.T.A.B. 1985) (finding that ‘sorbet’, the French word

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was no trademark infringement, because the arbitrary and minor term ‘Chups’ or ‘Gerts’ was found not to create a likelihood of confusion.

## MULTILINGUAL TRADEMARKS – THE OFFICE PERSPECTIVE

34. National industrial property and trademark offices have implemented administrative procedures to address the translation and transliteration of foreign marks, in order to ensure that such applications may be adequately protected in the national territory, without infringing existing marks or contravening national trademark policy. Many national offices will not permit the registration of foreign characters as standard characters in the national system, although they may permit such applications to be filed as figurative or picture marks.

35. In Germany, for example, the Patent and Trademark Office will determine whether a foreign character mark is distinctive by asking whether its significance can be recognized by the local public. The German courts have held that no special standard for distinctiveness should be applied for foreign character marks.<sup>39</sup> If a foreign mark is found not to be distinctive, the trademark will not be considered to be registrable as a constitute (descriptive) word mark, but may be distinctive, and therefore registrable, as a figurative mark.

36. The WIPO Training Manual ‘Introduction to Trademark Law & Practice’<sup>40</sup> describes trademark office practice in relation to applications referring to foreign scripts and transliterations of trademarks. The WIPO Manual describes the use of foreign scripts as ‘fanciful devices’ with regard to the ordinary consumers in that territory. As a consequence, depending on their graphic presentation and more than ornamental effect, such marks are

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for fruit ice, is not eligible for protection); *In re Hag Aktiengesellschaft*, 155 U.S.P.Q. 598, at 599-600 (T.T.A.B., 1967) (finding that ‘kaba’, meaning ‘coffee’ in Serbian and Ukrainian, is not eligible for protection).

<sup>39</sup> A German case involved the trademark for ‘St Pauli Girl’ in Chinese characters, which was initially refused registration by the national Patent and Trademark Office on the ground that the mark was not distinctive, because the average consumer would not be able to remember those characters. The decision was reversed on appeal, it being held that it is not possible to require a special standard of distinctiveness for trademarks constituted by Chinese characters. Decision of the German Federal Supreme Court of December 12, 1999 (reported in *Markenrecht* 3/2000, page 99).

<sup>40</sup> WIPO Publication No. 653(E), Geneva, 1993 (2<sup>nd</sup> ed.), at paragraph 3.1.3.3.

ordinarily regarded as distinctive and consequently registrable. The WIPO Manual provides that in such circumstances, the registrar may request a translation (as is the practice in Switzerland) and/or transliteration (as is the practice in Thailand) of the trademark in local script. The registrar may then examine the foreign script marks by applying general standards

of ‘descriptiveness’, according to local procedure. The application of this test will to some degree depend on the likelihood of citizens of the country in question being able to understand the foreign script.

37. Excerpts of manuals of trademark practices and procedures followed by a number of industrial property offices, insofar as they deal with applications for registration of multilingual and foreign character trademarks, are extracted at Annex IV. The procedures adopted by each trademark office for processing applications relating to multilingual trademarks clearly differ depending on national conditions, local languages and the composition of the national population. In Switzerland, for example, where French, German and Italian are official languages, and a significant English-speaking population resides, the Swiss Federal Institute of Intellectual Property states, in relation to trademark applications:

“One important principle is that, due to the multilingual nature of Switzerland, the assessment of whether a filed mark is in the public domain or is of a deceptive nature, is always made on the basis of all national languages. In practice, descriptive marks in English are also rejected.”<sup>41</sup>

## INTERNATIONALIZED DOMAIN NAMES

### Policy Review within ICANN/IETF

38. As stated in the final Report of the Second WIPO Process,<sup>42</sup> the Internationalized Domain Name (IDN) Working Group was established by the Internet Engineering Task Force (IETF) with the goal to “specify the requirements for the internationalized access to domain names and to specify a standards track protocol based on the requirements.”<sup>43</sup> Since that time, numerous commercial testbed operations have come into being that, using various technologies, have begun operations in pre-registering or registering internationalized domain

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<sup>41</sup> See <http://www.ige.ch/E/marke/m12.htm>.

<sup>42</sup> See Report of the Second WIPO Internet Domain Name Process, *The Recognition of Rights and the Use of Names in the Internet Domain Name System*, (September 3, 2001) (WIPO Publication No. 843(E), at paragraphs 23-25, available at <http://wipo2.wipo.int/process2/report/>.

<sup>43</sup> See the IETF IDN Working Group web site at <http://www.i-d-n.net>.

names.<sup>44</sup> The IETF has not yet finalized standards for internationalized domain names and, therefore, no internationalized domain names have yet been added to the DNS zone file or become fully operational.

39. On September 25, 2001, the ICANN Board passed a resolution which recognized “that it is important that the Internet evolve to be more accessible to those who do not use the ASCII character set,”<sup>45</sup> and which stresses that “the internationalization of the Internet domain name system must be accomplished through standards that are open, non-proprietary, and fully compatible with the Internet’s existing end-to-end model and that preserve the globally unique naming in a universally resolvable public space.”<sup>46</sup> At its meeting on March 13, 2001, the ICANN Board adopted a resolution establishing an internal working group “to identify the various internationalization efforts and the issues they raise, to engage in dialogue with technical experts and other participants in these efforts, and to make appropriate recommendations to the Board.”<sup>47</sup>

40. The Internationalized Domain Names Internal Working Group of the Board of ICANN (the IDN Working Group), was established “[i]n order to promote better understanding of the technical and policy issues surrounding the internationalization of domain names”<sup>48</sup> At its March 2001 meeting, in the context of discussions on multilingual testbed operations, it was resolved “that the ICANN Board urges participating registrars to handle registrations within the testbed in a manner that protects the interests and expectations of both domain-name holders and affected third parties.”<sup>49</sup> The June 2001 Status Report of the IDN Working Group described the responses to surveys conducted on the technical and legal issues raised by

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<sup>44</sup> See the list of Current or Planned Solution Providers at <http://www.itu.int/mdns/resources/index.html>.

<sup>45</sup> “ASCII” stands for American Standard Code for Information Interchange. For more information and examples of ASCII characters, see <http://www.asciitable.com/>.

<sup>46</sup> See <http://www.icann.org/minutes/minutes-25set00.htm>.

<sup>47</sup> See <http://www.icann.org/committees/idn/>.

<sup>48</sup> The ICANN Board, at its meeting on March 13, 2001, approved Resolution 1.39 as follows: “In order to promote better understanding of the technical and policy issues surrounding the internationalization of domain names, the Board designates an internal working group.. to identify the various internationalization efforts and the issues they raise, to engage in dialogue with technical experts and other participants in these efforts, and to make appropriate recommendations to the Board.” See <http://www.icann.org/committees/idn/>.

<sup>49</sup> See Resolution 00.79 at <http://www.icann.org/minutes/minutes-25sep00.htm>.



IDNs.<sup>50</sup> On the policy issues surveyed, the Group reported the following summarized responses:

“Question 1: What is your view of the value of IDNs? Who will benefit from them? Is there any empirical proof of these benefits? Who will IDNs harm?”

Answer: Respondents generally had a very positive attitude towards IDN. They observed that most of the world’s population does not use Latin script as its native script. IDNs, accordingly, will increase access to and use of the Internet. Additionally, IDNs will increase access to this population by businesses and organizations that now are constrained by Latin script domain names. Respondents were not able to identify empirical evidence of these positions, other than the large number of IDN registrations to date.

At the same time, some respondents noted that IDNs will increase the opportunity for cybersquatting. JPNIC suggested that IDNs may make Internet use more difficult for visually handicapped users: “visually handicapped users may suffer from the difficulty in identifying the domain names they want to type in, because pronouncing English alphabets is much easier than vocally identifying Japanese characters among over 2000 different characters.”

Question 2: Does the translation or transliteration of a trademark or other name constitute a violation? Does the answer to this question vary depending on the legal system? Do trademark treaties and other international agreements speak to this issue?

Answer: There are national variations in trademark law, but in many countries the translation or transliteration of a mark could be considered infringing if it is likely to confuse the public as to the origin of the goods and services. Additionally, in countries that recognize dilution, a translation or transliteration could be considered dilutive. A respondent indicated that this issue is addressed in Article *6bis* of the Paris Convention. JPNIC observes that the translation or transliteration of foreign trademarks into Japanese may result in a character string which infringes a Japanese mark.

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<sup>50</sup> At the ICANN Stockholm Meeting, see <http://www.icann.org/committees/idn/status-report-05jul01.htm>.

Question 3: Will the existence of IDNs increase the incidence of cybersquatting? In what manner?

Answer: Most of the respondents observed that whenever new registration opportunities arise, new opportunities for cybersquatting present themselves. Some added that IDNs were no more susceptible to cybersquatting than Latin scripts. Others felt that certain scripts to pose special problems. According to JPNIC, some Kanji characters are very similar to one another. Some respondents noted that adding new scripts may pose a linguistic challenge for trademark owners monitoring for violations of their marks.

Question 4: What measures can be taken to minimize cybersquatting? Which of the following measures is most important - a “sunrise” period for pre-registration; a functioning WHOIS database; or a functioning UDRP system?

Answer: Some respondents felt all three measures were of equal importance. Others opined that an effective dispute resolution mechanism was the most important measure, although the procedures may not necessarily conform to the ICANN UDRP in its current form. At least one respondent observed that sunrise measures were problematic because they entangled the registries/registrars in the domain name disputes.

Question 5: What groups within and without ICANN should consider these policy issues? How should these groups proceed?

Answer: The respondents generally supported ICANN’s consideration of issues raised by IDNs. Some respondents hoped to see a vigorous IDN working group in the DNSO, and the formulation of concrete recommendations. Respondents also encouraged cooperative efforts with MINC and other groups such as IETF, CDNC, and JET.

Question 6: What other legal and policy issues are raised by IDN? How should ICANN address them, if at all?

Answer: One respondent suggested that communication between registrars and registries need to be improved. Several respondents suggested review and possible modulation of the UDRP. In particular, ICANN should consider new dispute resolution providers capable of handling IDN disputes. JPNIC also noted that a particular script is

often used in more than one country, i.e., beyond the territory of a particular country code registry.”

## THE UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY (UDRP)

### Dispute Resolution in the gTLDs: .com, .org and .net

41. The Uniform Domain Name Dispute Resolution Policy, adopted by the Internet Corporation for Assigned Names and Numbers (ICANN) on August 26, 1999,<sup>51</sup> followed the publication of the Report of the first WIPO Internet Domain Name Process.<sup>52</sup> The UDRP, which entered into force for the gTLDs (.com, .net and .org) from December 1, 1999, was implemented to address conflicts between all Internet domain names registered in those gTLDs and trademarks or service marks. It operates as a mandatory procedure to which each applicant for a domain name registration in .com, .org and .net is required to submit, in the event that a complaint is lodged in respect of the applicant’s registration.

42. The UDRP establishes a dispute-resolution procedure under which a complainant can seek the transfer or cancellation of a domain name registration in .com, .net or .org on the basis that, in accordance with paragraph 4(a):

- “(i) the domain name is identical or confusingly similar to a trademark in which the complainant has rights; and
- (ii) the domain name holder has no rights or legitimate interests in respect of the domain name; and
- (iii) the domain name has been registered and is being used in bad faith.”<sup>53</sup>

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<sup>51</sup> See <http://www.icann.org/udrp/udrp-policy-24oct99.htm>.

<sup>52</sup> The Report of the first WIPO Internet Domain Name Process, *The Management of Internet Names and Addresses: Intellectual Property Issues*, is available at <http://wipo2.wipo.int/process1/>.

<sup>53</sup> See UDRP, paragraph 4(a) at <http://www.icann.org/udrp/udrp-policy-24oct99.htm>.

The UDRP, paragraph 4(b) then describes circumstances which the complainant may describe to provide evidence of the registration and use of the domain name in bad faith.<sup>54</sup> The respondent, on its part, may counter the complaint by asserting its rights to and legitimate interests in the domain name, in accordance with paragraph 4(c).<sup>55</sup>

43. ICANN has accredited four dispute-resolution service providers to administer disputes brought under the UDRP: the WIPO Arbitration and Mediation Center, the National Arbitration Forum, e-Resolution and the CPR Institute for Dispute Resolution.<sup>56</sup> Registrars accredited by ICANN to accept domain name registrations in .com, .net or .org are obliged to implement the results of panel decisions pursuant to the UDRP.

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<sup>54</sup> The UDRP, paragraph 4(b), *supra*, provides, *inter alia*, 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:

- (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; or
- (iv) 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.”

<sup>55</sup> The UDRP, paragraph 4(c), *supra*, provides, *inter alia*, that:

“Any of the following circumstances, in particular but without limitation, if found by the Panel to be proved based on its evaluation of all evidence presented, shall demonstrate your rights or legitimate interests to the domain name for purposes of Paragraph 4(a)(ii):

- (i) before any notice to you of the dispute, your 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
- (ii) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or
- (iii) you are making a legitimate noncommercial 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.”

<sup>56</sup> For a list of ICANN accredited dispute resolution service providers, see <http://www.icann.org/udrp/approved-providers.htm>.

44. Since its inception, a total of 8262 domain names have been subject of cases filed under the UDRP,<sup>57</sup> of which more than 3260 gTLD cases (covering more than 6,000 separate domain names) were filed with the WIPO Arbitration and Mediation Center. Of the total cases filed with the WIPO Center, approximately 87% refer to domain names in the .com gTLD, 18% in the .net TLD and 10% in the .org TLD. Of these cases, 90% have been resolved to date, in an average of 50 days and at a filing cost of US\$1,500. The geographical spread of these cases covers parties from 91 countries.

#### Dispute Resolution in the New gTLDs

45. Domain name disputes in the new gTLDs, .aero, .biz, .coop, .info, .museum, .name and .pro, will be subject to the UDRP. Already, 0.2% of the domain name cases filed with the WIPO Center stem from the new .info TLD. In addition, most registry operators have developed, or are in the process of developing, specific dispute resolution policies designed to resolve disputes occurring during a start-up, or “sunrise” phase, as described below. Such mechanisms, which may in some instances condition the applicability of the UDRP, aim to provide trademark owners with additional options for the protection of their rights during the early operation of these domains, including ‘sunrise periods’ and trademark opposition procedures. For example:

- The .info TLD implemented a ‘Sunrise Registration Period’ (July 25, 2001 – August 28, 2001), during which trademark owners could file a domain name application before the general public where that domain name was identical to the textual elements of a trademark which had national effect prior to October 2, 2000. Following this, a Sunrise Challenge Period (August 28, 2001 to December 26, 2001) allowed persons to challenge sunrise registrations on the grounds of lack of eligibility, using a Sunrise Challenge Policy (SCP)<sup>58</sup> administered by the WIPO Center. Since the commencement of the Sunrise Challenge Period, the WIPO Center has received approximately 800 .info challenges.

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<sup>57</sup> See ICANN’s ‘Statistical Summary of Proceedings Under Uniform Domain Name Dispute Resolution Policy’ (as at November 29, 2001) at <http://www.icann.org/udrp/proceedings-stat.htm>.

<sup>58</sup> See [http://websvr01.afiliat.info/register/dispute\\_resolution/sunrise\\_challenge\\_policy](http://websvr01.afiliat.info/register/dispute_resolution/sunrise_challenge_policy).

Open registration of names in .info began on September 12, 2001, and the UDRP applies to all post-registration disputes.<sup>59</sup>

- The .biz TLD implemented a pre-registration protection mechanism for trademark owners. During this period (May 21, 2001 to August 6, 2001), trademark owners could file a number of ‘IP Claims’ regarding a particular alphanumeric string that is identical to their trademark, and the registration authority will then notify the trademark owner if the claimed string is registered as a domain name during the start-up period. Trademark owners who filed an IP Claim have standing to initiate a dispute settlement procedure under the Start-Up Trademark Opposition Policy (STOP),<sup>60</sup> to claim transfer of the contested domain name, and may also initiate a dispute under the UDRP to challenge any registration after the start-up period.<sup>61</sup>
- The .name TLD implemented a system by which trademark owners had the opportunity to apply for a Defensive Registration during phase I (August 15, 2001 to December 14, 2001) in order to reserve a particular alphanumeric string and to block personal name registrations that include the registered alphanumeric string at either the second or the third level, or on both levels. The registration authority also offers a NameWatch Service for trademark owners, which allows a NameWatch registrant to monitor registrations in the Registry TLD that correspond to the registered string of the trademark. Trademark owners may also initiate a dispute under the UDRP to challenge any registration after the initial phase of registrations.<sup>62</sup>

46. Registries that are restricted to certain purposes will also provide special proceedings to resolve disputes concerning compliance with their respective registration restrictions. For example, .biz, which is intended only for domain names that are or will be used primarily for ‘bona fide business or commercial purposes’ has implemented a Restrictions Dispute

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<sup>59</sup> See <http://arbiter.wipo.int/domains/gtld/info/index.html#1>.

<sup>60</sup> See <http://www.neulevel.biz/ardp/docs/stop.html>.

<sup>61</sup> See <http://arbiter.wipo.int/domains/gtld/biz/index.html>.

<sup>62</sup> See <http://arbiter.wipo.int/domains/gtld/name/index.html>.

Resolution Policy (RDRP),<sup>63</sup> for disputes concerning violations of its registration restrictions. In .name, open only to registration of personal names or names of fictitious characters on the second or third level, registrations are subject to an Eligibility Requirements Dispute Resolution Policy (ERDRP) for disputes concerning compliance with registration restrictions. In .museum, open only to museum institutions, a Charter Eligibility Dispute Resolution Policy applies.<sup>64</sup>

### Dispute Resolution in the ccTLDs

47. The WIPO Arbitration and Mediation Center was requested by its Member States “to develop, for the assistance of the administrators of ccTLDs, voluntary guidelines for the development of practices and policies to curb abusive and bad faith registration of protected names, and to resolve related disputes.”<sup>65</sup> This request was endorsed by the WIPO General Assembly,<sup>66</sup> and subsequently led to the publication of the *WIPO ccTLD Best Practices for the Prevention and Resolution of Intellectual Property Disputes*.<sup>67</sup> The WIPO ccTLD Best Practices are aimed at the design of appropriate domain name registration practices to prevent friction between domain names and intellectual property rights; the design of appropriate dispute resolution procedures to complement traditional court litigation, aimed at resolving domain name disputes efficiently and cost effectively; and the provision of dispute resolution services through the WIPO Center to any ccTLD administrator who elects to use its services.

48. To date, 22 ccTLD registries have adopted the UDRP, or a localized version of it, and have designated the WIPO Center to provide dispute resolution services.<sup>68</sup> Those 22 ccTLDs are: .AC (Ascension Island), .AG (Antigua and Barbuda), .AS (American Samoa), .BS (Bahamas), .BZ (Belize), .CY (Cyprus), .EC (Ecuador), .FJ (Fiji), .GT (Guatemala), .LA (Lao People’s Democratic Republic), .MX (Mexico), .NA (Namibia), .NU (Nuie), .PA (Panama), .PH (Philippines), .PN (Pitcairn Island), .RO (Romania), .SH (Saint-Helena), .TT (Trinidad

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<sup>63</sup> See <http://www.neulevel.biz/ardp/docs/rdrp.html>.

<sup>64</sup> See <http://www.icann.org/tlds/agreements/sponsored/sponsorship-agmt-att12-08sep01.htm>.

<sup>65</sup> The letter of request is available at <http://wipo2.wipo.int/process2/rfc/letter1.html>.

<sup>66</sup> See WIPO documents WIPO/GA/26/3 and WIPO/G/26/10, paragraph 26.

<sup>67</sup> The WIPO ccTLD Best Practices are available at <http://ecommerce.wipo.int/domains/ccTlds/bestpractices/index.html>.

<sup>68</sup> The list of ccTLDs and cases received is updated at the WIPO Center’s web site at <http://arbiter.wipo.int/domains/ccTld/>.

and Tobago), .TV (Tuvalu), .VE (Venezuela), and .WS (Western Samoa). The WIPO Center has received 69 cases involving domain names registered in ccTLDs, of which 59 have been resolved.

## SURVEY OF INTERNATIONALIZED DOMAIN NAME CASES

49. Although internationalized domain names are not yet fully resolved in the DNS, the potential for disputes exists in the pre-registration and testbed phases of registration operated by various service providers. As noted above, there is no uniformity of policy among these providers as concerns dispute resolution. The UDRP in fact applies to any domain name disputes that may occur in relation to internationalized domain names, provided that they are registered with an ICANN-accredited gTLD registration authority. The WIPO Center has to date received 24 internationalized domain name cases, concerning internationalized domain names effected under the VeriSign GRS Internationalized Domain Name Testbed, and decisions have been given in 13 of the 24 cases filed.<sup>69</sup> A discussion of the issues raised by the internationalized domain name cases is set out below. All of the internationalized character cases relate to domain names registered on test-bed status, that are not yet operational in the DNS. All are mapped to ACE coded domain names that function in the current Internet domain name system. For example:

<r emy-cointreau.com> maps to <bq--abzos3lzfvrw62loorzgkylv.com> and

<每日新聞.com> maps to <bq--3bv44zpfmwyiaxq.com>.

50. The internationalized domain name cases received by the WIPO Center, listed at Annex III,<sup>70</sup> refer to domain names in Chinese, Japanese, Norwegian ( ), German ( ) and French ( ), as follows:

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<sup>69</sup> The list of internationalized domain name cases received by the WIPO Arbitration and Mediation Center is set out at Annex III. The decisions are available for downloading from the WIPO Center's web site at <http://arbiter.wipo.int/domains/decisions/index-gtld.html>.

<sup>70</sup> The decisions rendered in these cases are available at <http://arbiter.wipo.int/domains/decisions/index-gtld.html>.



- Chinese characters
  - e.g., D2001-0915 <香港上海匯豐銀行.com>
  - D2001-0750 <恒生指數.com>
  - D2001-0099 <香港貿易發展局.com>
  - D2001-0098 <貿發網.com>
- Japanese characters
  - e.g., D2001-0620 <產經新聞.com>
  - D2001-0532 <丸三証券.com>
  - D2001-0307 <毎日新聞.com>
  - D2000-1791 <三共.com>
- Korean characters
  - e.g., D2001-1169 <홍콩상하이은행.com>
  - D2001-1155 <홍콩은행.com>
- French characters
  - e.g., D2001-1263 <rémy-cointreau.com>
  - D2001-1262 <rémycointreau.com>
  - D2001-1211 <chériefm.com>
  - D2001-0781 <fortunéo.com>
- German characters
  - e.g., D2001-0347 <schöps.com>
- Norwegian characters
  - e.g., D2001-0809 <kværner.net>

## ISSUES RAISED BY INTERNATIONALIZED DOMAIN NAME CASES UNDER THE UDRP

### 'Use' of Test Bed Domain Names

51. At the outset, the fact that such domain names that are the subject of UDRP proceedings are not yet ‘live’ or operational in the DNS, raises the question whether such domain names are ‘used’ for the purposes of the UDRP, which requires a complainant to demonstrate that its domain name ‘has been registered and is being used in bad faith’ (paragraph 4(a)(iii)). This requirement has not proven difficult to meet in the internationalized domain name cases decided to date. In line with the principle that has emerged from UDRP decisions, beginning with *Telstra Corporation v. Nuclear Marshmallows*,<sup>71</sup> it has been found that, under certain circumstances, the mere registration of a domain name combined with a lack of evidence that would demonstrate bona fide interest in or use of the domain name is sufficient to support a finding of bad faith.<sup>72</sup> Further, one panelist found that the registrant’s non-use of the internationalized domain name was for purely technical reasons, and that its demonstrable preparations to use the domain name were sufficient evidence of bad faith.<sup>73</sup>

### Language of Proceedings

52. The UDRP specifies that the domain name proceedings shall be conducted in the language of the Registration Agreement,<sup>74</sup> although panelists have the discretion to determine that another language would be more appropriate in the circumstances (e.g., where both parties speak the same language, distinct from that of the Agreement), or to require translation of relevant documents submitted in the course of the proceeding. In light of the fact that parties in cases submitted to the WIPO Center represent 91 different countries, it is imperative to maintain a list of qualified panelists who are both multilingual and expert in the use of non-ASCII characters, and are familiar with the various local laws. To address this requirement,

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<sup>71</sup> (WIPO Case No. D2000-0003).

<sup>72</sup> See the internationalized domain name case, *Fortuneo v. Johann Guinebert* (WIPO Case No. D2001-0781).

<sup>73</sup> See *Kværner ASA v. Tele og Media Consult AS* (WIPO Case No. D2001-0809).

<sup>74</sup> The Rules for Uniform Domain Name Dispute Resolution Policy (Approved by ICANN, October 24, 1999), paragraph 11 (Language of Proceedings) provide:

“(a) Unless otherwise agreed by the Parties, or specified otherwise in the Registration Agreement, the language of the administrative proceeding shall be the language of the Registration Agreement, subject to the authority of the Panel to determine otherwise, having regard to the circumstances of the administrative proceeding.

(b) The Panel may order that any documents submitted in languages other than the language of the administrative proceeding be accompanied by a translation in whole or in part into the language of the administrative proceeding.”

the WIPO Center maintains a list of over 255 expert panelists from 42 different countries.<sup>75</sup>

The WIPO Center also employs the skills of multilingual case managers from a wide variety of countries.<sup>76</sup>

### ‘Identical or Confusingly Similar’ Trademarks and Domain Names

53. A critical requirement under the UDRP is that a complainant must prove that the domain name at issue is identical or confusingly similar to its trademark or service mark.<sup>77</sup>

The UDRP, Paragraph 4(a), instructs domain name registrants that, *inter alia*:

“You are required to submit to a mandatory administrative proceeding in the event that a third party (a ‘complainant’) asserts to the applicable Provider, in compliance with the Rules of Procedure, that:

(i) the disputed domain name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights.”

54. This requirement will acquire an added subtlety when the challenge involves domain names and trademarks that are alleged to conflict but are registered in different languages or scripts. For trademark owners seeking to protect their trademarks against cybersquatting in the DNS, the introduction of internationalized domain names poses additional challenges. For, if a trademark is registered and protected only in English and a translation or transliteration of it is subsequently registered as a domain name, the trademark owner may not succeed in an action under the UDRP. Only if the transliterated or translated version of the trademark is found to be identical or confusingly similar to the trademark registered as a domain name, will the trademark owner prevail. In this connection, it is notable that the UDRP applies not only to registered marks, but also to *unregistered* marks, in those jurisdictions where such rights are recognized. Would the UDRP apply to protect a trademark

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<sup>75</sup> The list of Panelists maintained by the WIPO Center, together with their professional details, is available at <http://arbiter.wipo.int/domains/panel/panelists.html>.

<sup>76</sup> The WIPO Center is staffed by skilled domain name case managers from the following 24 countries: Australia, Belgium, Brazil, Canada, Chile, Eritrea, Finland, France, Germany, Ireland, Israel, Italy, Japan, Kenya, Korea, New Zealand, Norway, Pakistan, Spain, Sri Lanka, Switzerland, The Netherlands, United States of America and Zimbabwe.

<sup>77</sup> See UDRP, paragraph 4(a)(i), at <http://www.icann.org/udrp/udrp-policy-24oct99.htm>.

owner in a claim involving a domain name containing the unregistered foreign script of a protected trademark?

55. The preponderance of domain name cases have found that essential or ‘virtual’ identity is sufficient for the purposes of finding ‘identical or confusing similarity’ under the UDRP.<sup>78</sup> In a number of domain name cases, panels have employed principles from United States trademark law, which applies a ‘likelihood of confusion’ test to determine trademark infringement.<sup>79</sup> In the United States case of *AMF v. Sleekcraft Boats*,<sup>80</sup> the Court of Appeals for the Ninth Circuit set out eight factors to be weighed on the question of likelihood of confusion between trademarks, as follows: (1) strength of the mark; (2) proximity of the goods; (3) similarity of the marks; (4) evidence of actual confusion; (5) marketing channels used; (6) type of goods and the degree of care likely to be exercised by the purchaser; (7) defendant’s intent in selecting the mark; and (8) likelihood of expansion of the product lines. These factors, developed to assess the likelihood of confusion between two marks, have subsequently been applied by the United States courts in comparing domain names and trademarks.<sup>81</sup>

56. It is evident that the test to determine confusing similarity between trademarks, used in trademark infringement or unfair competition cases, is different to the test that is applicable to determine confusing similarity between a trademark and a domain name, in domain name cases. In applying the UDRP, the test is usually confined to an assessment of the disputed domain name as against the trademark.<sup>82</sup> Under the UDRP, the question whether there is

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<sup>78</sup> See *Vivendi Universal v. Mr. Jay David Sallen and GO247.COM, INC.* (WIPO Case No. D2001-1121); *The Stanley Works and Stanley Logistics, Inc. v. Camp Creek Co., Inc.* (WIPO Case No. D2000-0113); *Toyota Jidosha Kabushiki Kaisha d/b/a Toyota Motor Corporation v. S&S Enterprises Ltd.* (WIPO Case No. D2000-0802); and *Nokia Corporation v. Nokiagirls.com a.k.a IBCC* (WIPO Case No. D2000-0102).

<sup>79</sup> See, for example, *Diageo plc v. John Zuccarini, Individually and t/a Cupcake Patrol* (WIPO Case No. D2000-0996); and *Wal-Mart Stores, Inc. v. Walsucks and Walmarket Puerto Rico* (WIPO Case No. D2000-0477).

<sup>80</sup> 599 F.2d 341 (9<sup>th</sup> Cir. 1979).

<sup>81</sup> See Decision of the Federal District Court in *Bally Total Fitness v. Faber*, 29 F. Supp.2d 1161 (C.D. Cal. 1998), and the decision of the Court of Appeals for the 9<sup>th</sup> Circuit in *Brookfield Communications v. West Coast Entertainment*, 174 F.3d 1036, 1053-61 (9<sup>th</sup> Cir.1999).

<sup>82</sup> See *Vivendi Universal v. Mr. Jay David Sallen and GO247.COM, INC.* (WIPO Case No. D2001-1121); *Wal-Mart Stores, Inc. v. Richard MacLeod* (WIPO Case No. D2000-0662); *Cimcities, LLC v. John Zuccarini d/b/a Cupcake Patrol* (WIPO Case No. D2001-0491); *AltaVista Company v. S.M.A., Inc.* (WIPO Case No. D2000-0927); *Gateway, Inc. v. Pixelera.com, Inc. (formerly Gateway Media*

[Footnote continued on next page]

confusing similarity is determined as to whether confusion could exist against any type of goods or service, as there is no classification of goods in relation to use of a domain name equivalent to that under trademark law.

### ‘Sucks’ Cases in an Internationalized Context

57. One interesting development relates to the so-called ‘sucks’ domain name cases, involving registration as domain names of trademarks together with the pejorative ‘sucks’ allegedly to denote a site for criticism or parody, as <[trademark]sucks.com>. The cases demonstrate a divergence of opinion among UDRP panelists as to whether such domain names can be confusingly similar to the trademark in question, although in the significant majority of cases panelists have found confusing similarity and ordered transfer of the name.<sup>83</sup>

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[Footnote continued from previous page]

*Productions, Inc.*) (WIPO Case No. D2000-0109); *America Online Inc. v. Anson Chan* (WIPO Case No. D2001-0004) and *Playboy Enterprises International, Inc. v. Federico Concas, a.k.a John Smith, a.k.a. Orf3vsa* (WIPO Case No. D2001-0745).

<sup>83</sup> Cases in which the panels have found confusing similarity between the domain name and complainant’s trademark include: *The Salvation Army v. Info-Bahn, Inc.* (WIPO Case No. D2001-0463) <salvationarmsucks.com>; *ADT Services AG v. ADT Sucks.com* (WIPO Case No. D2001-0213) <adtsucks.com>; *Société Accor v. M. Philippe Hartmann* (WIPO Case No. D2001-0007) <accorsucks.com>; *TPI Holdings, Inc. v. AFX Communications a/k/a AFX* (WIPO Case No. D2000-1472) <autotradersucks.com>; *Diageo plc v. John Zuccarini, Individually and t/a Cupcake Patrol* (WIPO Case No. D2000-0996) <guinness-really-sucks.com> etc.; *Standard Chartered PLC v. Purge I.T.* (WIPO Case No. D2000-0681) <standardcharteredsucks.com>; *Wal-Mart Stores, Inc. v. Richard MacLeod d/b/a For Sale* (WIPO Case No. D2000-0662) <wal-martsucks.com>; *Direct Line Group Ltd., Direct Line Insurance plc, Direct Line Financial Services Ltd., Direct Line Life Insurance Company Ltd., Direct Line Unit Trusts Ltd., Direct Line Group Services Ltd. v. Purge I.T., Purge I.T. Ltd.* (WIPO Case No. D2000-0583) <directlinesucks.com>; *Dixons Group PLC v. Purge I.T. and Purge I.T. Ltd.* (WIPO Case No. D2000-0584) <dixonssucks.com>; *Freeserve PLC v. Purge I.T. and Purge I.T. Ltd.* (WIPO Case No. D2000-0585) <freeservesucks.com>; *National Westminster Bank PLC v. Purge I.T. and Purge I.T. Ltd.* (WIPO Case No. D2000-0636) <natwestsucks.com>; *Wal-Mart Stores, Inc. v. Walsucks and Walmarket Puerto Rico* (WIPO Case No. D2000-0477) <walmartcanadasucks.com> etc.; *Vivendi Universal v. Mr. Jay David Sallen and GO247.COM, INC.* (WIPO Case No. D2001-1121) <vivendiuniversalsucks.com> (majority decision); and *Koninklijke Philips Electronics N.V. v. In Seo Kim* (WIPO Case No. D2001-1195) <philipsucks.com>. Cases in which the panels found that no confusing similarity could exist where ‘sucks’, or similar critical words, distinguished the trademark include: *McLane Company, Inc. v. Fred Craig* (WIPO Case No. D2000-1455) <mclanenortheast.com> <mclanenortheastsucks.com>; *Wal-Mart Stores, Inc. v. walmartcanadasucks.com and Kenneth J. Harvey* (WIPO Case No. D2000-1104) <walmartcanadasucks.com>; *Lockheed Martin Corporation v. Dan Parisi* (WIPO Case No. D2000-1015) <lockheedsucks.com> <lockheedmartinsucks.com> (majority decision); and *America Online v. Johuathan Investments, Inc., and AOLNEWS.COM* (WIPO Case No. D2001-0918) <fucknetscape.com><aollnews.com>.

58. The decisions have also recognized that these questions must be considered in the circumstance that not all Internet users comprehend English. In *Société Accor v. M. Philippe Hartmann*,<sup>84</sup> the Panelist noted that non-English speakers may be unfamiliar with the employment of ‘sucks’ in cyberprotest and are at risk of confusion with the trademark which forms the most clearly recognizable part of the domain name. Similarly, in the case of *Diageo plc v. John Zuccarini, Individually and t/a Cupcake Patrol*, the Panelist noted that:

“As the Internet extends far beyond the Anglophone world, a more difficult question arises as to whether non-English speaking users of the Internet would be confused into believing that such a site is owned and/or controlled by the Complainant. Because the word ‘sucks’ is a slang word with which all English speakers may not be familiar, this Administrative Panel concludes that there may well be circumstances where Internet users are not aware of the abusive connotations of the word and consequently associate the domain name with the owner of the trademark.”<sup>85</sup>

If we consider the converse, where the trademark in Latin characters may be registered together with the ‘sucks’ or ‘anti’ suffix in Korean, for example, as <씩쓰 [mark.com]> or <.반[mark].com>, the likelihood of confusion among English-speaking users, who may not understand Korean, is very real.

#### Phonetic Similarity in Internationalized Domain Name Cases

59. It remains to be seen what significance will attach to the phonetic similarity of trademarks and domain names, as internationalization develops in the context of a largely visual or textual medium such as the Internet and DNS. Several domain name cases have already addressed the issue, and hinted at its complexities. In each case, the importance of a panelist fluent and experienced in trademark conflicts in the relevant locality, is clear. The domain name case of *Sankyo Co., Ltd. v. Zhu Jiajun*,<sup>86</sup> for example, involved the domain

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<sup>84</sup> (WIPO Case No. D2001-0007).

<sup>85</sup> (WIPO Case No. D2000-0996). See also *National Westminster Bank PLC v. Purge I.T. and Purge I.T. Ltd.* (WIPO Case No. D2000-0636).

<sup>86</sup> WIPO Case No. D2000-1791.

name <三共.com>. The trademark at issue was ‘三共’ or ‘Sankyo’, registered and used in Japan, the Peoples Republic of China and the United States of America. As the domain name was still in testbed status, and not fully functional, the respondent had established a website at <http://www.san-gong.com>, where ‘san gong’ is the pronunciation of ‘三共’ in Chinese. The Panel discussed the fact that the registration of the phonetically similar version of the trademark was intended to stimulate interest or divert traffic to the site, capitalizing on the fame of the trademark.

60. In the case of *Kabushiki Kaisha Sangyokeizai Shimbunsha v. Jg Kim*,<sup>87</sup> the domain name at issue, <産経新聞.com>, consisted of four Chinese characters that the Panel found to be confusingly similar to the registered trademark held by the complainant in Japan. Although the characters of the disputed domain name differed slightly in shape from the characters of the trademark, the difference was found to be insignificant because from Chinese users’ point of view, the two words had identical meaning and pronunciation and were interchangeable.

## MAINTAINING UNIFORMITY IN THE UDRP

61. The Internet has achieved its rapid growth – currently reaching more than 460 million users - largely as a consequence of the ubiquity of this network of networks. As noted by the Internet Architecture Board (IAB):

“To remain a global network, the Internet requires the existence of a globally unique public name space. The DNS name space is a hierarchical name space derived from a single, globally unique root. This is a technical constraint inherent in the design of the DNS. Therefore it is not technically feasible for there to be more than one root in the public DNS. That one root must be supported by a set of coordinated root servers administered by a unique naming authority.”<sup>88</sup>

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<sup>87</sup> WIPO Case No. D2001-0620.

<sup>88</sup> See RFC 2826 “IAB Technical Comment on the Unique DNS Root,” at <http://www.rfc-editor.org/rfc/rfc2826.txt>.

62. As stated in the Final Report of the Second WIPO Process,<sup>89</sup> the DNS relies upon a single authoritative root to ensure reliable universal connectivity on the Internet. Various attempts have been made by operators to establish alternate roots. Certain of these attempts are considered to be benign insofar as they are either purely private, and thus insulated from the public DNS, or experimental and intended not to interfere with the operation of the DNS. Others have been commercially established to support top-level domains to compete with the single root managed by ICANN, and may be considered to pose potential threats to the stability and reliability of the DNS. A primary concern among the Internet community is to maintain this universal medium, and ICANN has affirmed its “commitment to a single, authoritative public root for the DNS and to the management of that unique root in the public interest according to policies developed through community processes.”<sup>90</sup>

63. Under the current unique root system, the UDRP applies to all domain name registrations in the gTLDs .com, .net and .org, and applies regardless whether those registrations are effected in non-Roman or non-ASCII script. As noted above, the WIPO Arbitration and Mediation Center has received 24 cases under the UDRP concerning internationalized domain name registrations effected under the VeriSign GRS Internationalized Domain Name Testbed. Among the other current, or planned, internationalized domain name solution providers, there is no uniformity of application of the UDRP, or any adaptation of it, so as to ensure protection for intellectual property holders or a uniform system of dispute resolution across the gTLD space. The dispute resolution policies for a sample of providers are listed below, and indicate the fragmentation of the previously uniform dispute resolution policy across the gTLDs, in this newly internationalized environment.

- Chinese Domain Name Corporation<sup>91</sup> - Registration of Chinese domain names by the Chinese Domain Name Corporation (C-DN) began on October 17, 2000, when a ‘grace

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<sup>89</sup> See Report of the Second WIPO Internet Domain Name Process, *The Recognition of Rights and the Use of Names in the Internet Domain Name System*, (September 3, 2001) (WIPO Publication No. 843(E)), at paragraphs 36-39, available at <http://wipo2.wipo.int/process2/report/>.

<sup>90</sup> See ICANN’s Internet Coordination Policy 3 (ICP-3), ‘A Unique, Authoritative Root for the DNS’ at <http://www.icann.org/icp/icp-3.htm>.

<sup>91</sup> See <http://www.c-dn.com/utf8/index.jsp>.



period’ (pre-registration period) commenced. This six-week period was designed to provide a ‘level playing field’ for legitimate businesses against ‘predatory cybersquatters’, by allowing owners of legitimate businesses to register their business names, trademarks or service marks in advance of the validation process conducted by C-DN on November 6, 2000. At that time, if there were competing applications in respect of one domain name, C-DN could request documents, such as business or trademark registration, to substantiate an application. The first substantiated application is granted the domain name.<sup>92</sup> After this date, all applications are processed on a first-come, first-served basis. C-DN states that “[w]ith the pent up demand for Chinese domain names, there may very well be attempts to claim domain names with ill will and profiteering in mind.” C-DN professes itself “neutral as regards to domain name registration” and does not purport to regulate registrations, however it reserves the final decision on whether or not to grant registration for any Chinese domain name. C-DN have appointed the Beijing and Hong Kong International Arbitration Centers as the official arbitration service providers for the resolution of domain name disputes. They also propose to work with regional NICs to ensure that regional arbitration policies are in place.

- Internationalized Domain Name System (i-DNS.net)<sup>93</sup> – I-DNS.net, a registry for internationalized domain names, state that “[s]peculation is inevitable as more domain name permutations become available.” They endorse the final Report of the first WIPO Internet Domain Name Process, and have modeled their unique dispute resolution policy on the WIPO Report and ICANN’s UDRP.<sup>94</sup> Under their policy, I-DNS may administer any dispute filed by a claimant in accordance with the dispute procedures set forth in the policy.
- NativeNames<sup>95</sup> – NativeNames provides a registration service provider for internationalized domains in top-level domains under the Arabic, Urdu, Farsi and Russian

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<sup>92</sup> C-DN state that “[w]e know it is going to be a lot of work, but this is yet another example of our dedication to ensuring that IP rights for Chinese businesses are sufficiently protected.” See <http://www.c-dn.com/utf8/support-4.jsp>.

<sup>93</sup> See <http://www.i-dns.net>.

<sup>94</sup> See <http://www.i-dns.net/dispute.html>.

<sup>95</sup> See <http://www.nativenames.net>.

equivalents of .com, .net and .org. As a bare model registry, NativeNames supports ICANN's UDRP as well as any local domain name dispute resolution policy.

- Neteka<sup>96</sup> – Neteka is a solution provider for domain registries or registrars and as such, does not register domain names or maintain a registration policy or dispute resolution policy. Its registrar site, at NamesBeyond.com, is in the process of being launched.
- Netpia<sup>97</sup> – Netpia offers a keyword registration service that supports Korean, Chinese and Japanese scripts. English web sites accessed using Netpia's browser are automatically translated into Korean. Netpia has provided a Registration Agreement that, at Section 7, contains a Domain Name Dispute Policy.<sup>98</sup> Registrants are bound to ICANN's UDRP. In addition, registrants of names in .biz are also bound by the Start-up Trademark Opposition Policy ("STOP")<sup>99</sup>, Restrictions Dispute Resolution Policy ("RDRP")<sup>100</sup> and, in .info, by the Sunrise Dispute Resolution Policy ("SDRP").<sup>101</sup> Netpia also states that, in case of conflict between the orders of a Korean court and a foreign court of law concerning domain name registrations, the Korean court will be given precedence.
- New.net<sup>102</sup> - The domain name registry New.net provides domain name registration services in English, Spanish, French, German, Portuguese and Italian.<sup>103</sup> New.net has stated that "[w]e initially have decided that any disputes that do arise shall be settled according to the Uniform Dispute Resolution Policy adopted by ICANN and most traditional domain name registries and registrars. We will reevaluate the adequacy of this policy as necessary."<sup>104</sup> New.net has established a Model Domain Name Dispute

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<sup>96</sup> See <http://www.neteka.com>.

<sup>97</sup> See [http://www.netpia.com/htm/cpn/e\\_index.html](http://www.netpia.com/htm/cpn/e_index.html).

<sup>98</sup> See <http://e.ibi.net/customer/term.html>.

<sup>99</sup> See .biz STOP policy at <http://www.neulevel.com/countdown/stop.html>.

<sup>100</sup> See .biz RDRP policy at <http://www.neulevel.com/countdown/rdrp.html>.

<sup>101</sup> See .info SDRP policy at <http://www.afilias.info/faq/sunrise-challenge.html>.

<sup>102</sup> See <http://www.new.net>.

<sup>103</sup> For example, New.net's German Domain Name Extensions are; .auktion, .familie, .ges, .gmbh, .gratis, .kirche, .kunst, .liebe, .makler, .med, .mp3, .recht, .reise, .schule, .shop, .spiel, .sport, .tech, .verein, .video and .xxx; and the Italian Domain Name Extensions are .agente, .amore, .arte, .asta, .chiesa, .ciao, .club, .ditta, .famiglia, .free, .game, .legge, .med, .mp3, .scuola, .shop, .sport, .tech, .turismo, .video and .xxx.

<sup>104</sup> See New.net's Guiding Principles at [http://www.new.net/about\\_us\\_guiding.tp](http://www.new.net/about_us_guiding.tp).

Resolution Policy<sup>105</sup> that requires registrants to submit to mandatory administrative dispute resolution in the event of a dispute, and follows the UDRP model.<sup>106</sup>

- RealNames<sup>107</sup> - RealNames offers a keyword registration service that provides a global addressing system for navigating the Internet using common names in multiple languages and character sets. A ‘Keyword plus’ service offers registrants a brand verification process that seeks to protect and guarantee intellectual property rights in the name. Internationalized keywords are entirely in the elected characters, without the ‘www’ prefix or ‘.com’ suffix. RealNames has entered partnership agreements with other service providers, such as China’s National Internet Network Information Center (CNNIC), the registry of .CN domain names, to enable multilingual and multi-character keywords to be registered and resolved worldwide. RealNames seeks to deter cybersquatting by prohibiting the transfer of Keywords and by maintaining a Keyword Dispute Resolution Policy that enables third parties to challenge the registration of a Keyword using an administrative dispute resolution procedure.<sup>108</sup>
- VeriSign Global Registry Services<sup>109</sup> - VeriSign, a provider of domain name registry services and DNS support to the Internet, has introduced an Internationalized Domain Name Testbed, that allows users to register domain names in any script supported by Unicode.<sup>110</sup> The registrant’s internationalized domain name is stored in the Registry’s database in an ASCII-compatible representation, as defined by the RACE Internet-Draft. On June 20, 2001, VeriSign announced that it would provide full functionality of the internationalized domain names for nearly 80% of the world’s Internet users. As a registry, VeriSign states that it is not involved in intellectual property disputes relating to domain name registration, and internationalized domain names are registered on a first-

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<sup>105</sup> See [http://www.new.net/policies\\_dispute.tp](http://www.new.net/policies_dispute.tp).

<sup>106</sup> New.net has posted a comparison between its Model Dispute Resolution Policy and the UDRP, at [http://www.new.net/policies\\_dispute\\_old.tp](http://www.new.net/policies_dispute_old.tp).

<sup>107</sup> See <http://www.realnames.com>.

<sup>108</sup> See [http://www.realnames.com/Virtual.asp?page=Eng\\_Policy\\_DisputeResolution](http://www.realnames.com/Virtual.asp?page=Eng_Policy_DisputeResolution).

<sup>109</sup> See <http://www.verisign-grs.com>.

<sup>110</sup> See <http://www.verisign-grs.com/idn/index.html>.

come, first-served basis. VeriSign states that it will advise registrars that, during the testbed period of registrations, registrars should consider deleting any internationalized second-level domain name registration upon receipt of a written objection from any legitimate source received by that registrar for a limited period of time, to be determined by each registrar. VeriSign also states that it is “aware that accredited registrars may continue to use the Uniform Domain Name Dispute Resolution Policy (UDRP) to resolve disputes, including those involving internationalized domain names.”<sup>111</sup>

- Walid<sup>112</sup> – Walid, Inc. is currently in the process of finalizing its domain name dispute resolution policy, and proposes to adopt ICANN’s UDRP, with some adaptation designed to reflect the specificities of internationalized domain names.
- Worldnames<sup>113</sup> - Worldnames, Inc., is an Internet Service Provider that offers support for internationalized domain names in any gTLD or ccTLD, and .AS (American Samoa), .NU (Niue) and .PH (Philippines) have adopted this service. The internationalized domain names follow the UNICODE standard for international character sets, which supports all the characters (writing scripts) and computer encodings and symbols required to represent practically all known languages in a Web address. The dispute resolution policies of each registration authority that adopts Worldnames internationalized Internet services will apply as for that registry; for example, the authority for .NU maintains a dispute resolution policy<sup>114</sup> which incorporates ICANN’s UDRP, as does the authority for .AS<sup>115</sup>. The authority for .PH<sup>116</sup> maintains a ‘uniform dispute resolution policy’<sup>117</sup> adopted by dotPHone, Inc., that is modeled on the UDRP, but differs in certain respects, including that all disputes are administered in English.
- XTNS<sup>118</sup> - Extended Name Services, Inc. (XTNS) operates as a domain name registry and ‘Internet Domain Namespace resolution service provider’. The XTNS technology

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<sup>111</sup> See <http://www.verisign-grs.com/idn/genfaq.html>.

<sup>112</sup> See <http://www.walid.com>.

<sup>113</sup> See <http://www.worldnames.net/about/about.cfm>.

<sup>114</sup> See <http://www.nunames.nu/udrp.htm>.

<sup>115</sup> See <http://www.nic.as/>.

<sup>116</sup> See <http://www.nic.ph/DomainSearch.asp>.

<sup>117</sup> See <http://www.nic.ph/Policies3.asp>.

<sup>118</sup> See <http://www.xtns.net>.

uses the existing DNS but replaces the URL with intuitive keywords or names. XTNS advertise that their corporate domain services allow users to combat cybersquatting; “YOU own your own domain”. Applicants for corporate domain names must prove that they are the owner of the corporate name, trademark, service mark, brand, association name or organization name for which they are applying to have their own domain.

[Annexes follow]