

**THE UNIFORM DOMAIN NAME DISPUTE RESOLUTION PROCEDURE  
AND THE ABSENCE OF THE RULE OF LAW**

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When the World Intellectual Property Organization ("WIPO") undertook the process which ultimately led to the adoption of the Uniform Domain Name Dispute Resolution Policy (the "UDRP") by the Internet Corporation for Assigned Names and Numbers ("ICANN") and the registrars authorized to register domain names in the three open generic top level domains ("gTLDs"), many hoped that this effort would lead to the development of the international rule of law, at least in the area of cybersquatting. "Several commentators were of the view that efforts should be made to promote the development of a body of persuasive precedents concerning domain name disputes through the administrative dispute resolution procedure. It was considered that such a body of precedents would enhance the predictability of the dispute resolution system and contribute to the development of a coherent framework for domain names. To this end, it would be desirable that all determinations resulting from the administrative dispute-resolution process be made publicly available by being posted on the web site.<sup>1</sup>"

As a result of the process, the decisions of ICANN panelists are published on the ICANN web site and are the subject of public comment in the press and in various legal publications. Despite this fact and the hopes of the commentators, less than 25% of the more than 500 opinions issued by ICANN panels cite even a single prior panel decision in reaching their decision. Accordingly, counsel who are charged with the task of advising their clients of the likelihood of success are left with only statistical or anecdotal information for use in the prediction of likely result. While nearly everyone agrees that the UDRP, while it could certainly be improved, has largely succeeded in accomplishing what it set out to do, its failure to establish a rule of law has been the subject of legitimate criticism. *See*, N.J. Cohen, "Forum: ICANN at the Crossroads," Vol. 1, No. 8, *Internet Law & Business* 581 (June 2000). What are the reasons for this failure?

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<sup>1</sup> Final Report of the WIPO Internet Domain Name Process, ¶ 219 (footnote omitted). Indeed, some commentators went further, and opined that "[a] distinct set of rules applicable to trademarks in Cyberspace would greatly simplify matters by providing a basis to resist the inconsistent and conflicting assertions of geographically local prerogatives." D.R. Johnson and D. Post, "Law and Borders – The Rise of Law in Cyberspace," Vol. 48, No. 5, *Stanford Law Review* 1367 (May 1996).

While there are undoubtedly many factors which contribute to this, I believe the principle factors are primarily three: 1) the failure to pay the panelists compensation adequate to encourage them to do more than merely issue a snap decision; 2) the absence of any truly useable search engine or other digest of the decisions to enable the panelists to easily reference past decisions which have dealt with the same or similar points which the panelists are confronting; 3) the lack of any accountability, which in national jurisprudence is provided by appellate review. I will address each of these in turn.

#### **A. A Living Wage**

As it now stands the providers are paying panelists between US\$500 and US\$750 per case. Panelists who are diligent and seek to cite the appropriate provisions of the Policy and/or to learn of and cite the decisions of prior panelists on similar issues of law are essentially donating their time. The only panelists who are receiving amounts which even approximate their normal rates are those who follow formulaic outlines which often cite inappropriate or inapplicable provisions of the Policy and Uniform Rules, who never cite or reference any prior panel decisions or law, and whose opinions are stated in conclusory fashion and are entirely idiosyncratic. Panelists of great ability and experience, who donated considerable amounts of time to their earlier opinions, have begun to write increasingly terse decisions or to refuse additional assignments altogether.

As it stands now, in the case of one-person panels, the structure selected in more than 90% of the cases, domain name registrants pay nothing. Complainants, largely corporate trademark holders, pay only US\$750 to US\$1,000. This amount is *de minimus* relative to what they would have to pay to pursue their claims in any national court. An administrative fee which would allow payment to panelists of from US\$2,500 to US\$3,500, while such payment would still be less than a panelist could earn generally, would be sufficient to encourage a panelist to apply herself diligently to the creation of the rule of law.

## **B. A Searchable Data Base**

Although the opinions are published in full on the ICANN web site, and although rudimentary search engines have been developed by the Berkman Center for Internet & Society at the Harvard Law School and by the Center for Information Technology and Dispute Resolution at The University of Massachusetts, Amherst, there is nothing which provides the same searchability as keyword or issue searches which are available for legal cases in print, or Lexis or Westlaw search capabilities for other legal decisions online. The currently available search engines simply do not permit a panelist to search, for example, all cases in which "identity" between the trademark or service mark and the domain name was at issue, or all cases which have cited *World Wrestling Federation v. Bosman* as to the issue of bad faith use of a domain name. While certain reviews have attempted to summarize and categorize the existing decisions (*see, e.g.*, Dr. E. Tiller, "ICANN's Uniform Domain Name Dispute Resolution Policy: An Overview and Critique," Vol. 1, No. 8 *Internet Law & Business* 589 (June 2000)), they neither provide all the search tools necessary, nor are they produced in the "up to the minute" time frame that is necessary for online jurisprudence. What is needed is either the funding for the development of a truly effective search engine or the undertaking of the development of a digest or search engine by one or more of the private legal research providers, such as Lexis or Westlaw.

## **C. A Private Court of Appeal**

During the WIPO Process, the establishment of a private review court was expressly considered and rejected. "The Interim Report requested further comments on whether a centralized appeal process from determinations in the administrative process should be established. While a number of commentators were in favor of incorporating appeal procedures in the administrative mechanism, the majority were not. As the administrative procedure in any event would allow the parties to resort to the national courts after the issuance of a

determination, an appeal process would be redundant and unnecessarily complicated for a procedure that is meant to be as streamlined and efficient as possible.<sup>2</sup>

However, apparently no case to date has been appealed to a final decision. Moreover, no guidance was given to the courts as to what deference to give to a panel decision, nor what legal standards a national court should apply in determining the appeal. In short, the chances that different national courts without any guidance as to standards or deference will arrive at consistent guiding principles are very slim indeed. Moreover, it is the complainant or mark holder who selects the court in which an appeal may be brought.<sup>3</sup> Almost universally, the complainant has selected the court in which the registrar has its "principal office."<sup>4</sup> This is often so far from the residence of the respondent (the domain name registrant) as to make any appeal economically infeasible.

Moreover, the objections to a centralized appeal process set out in the WIPO Final Report can be overcome. Ultimate resort to national courts can be preserved. The centralized appellate body could be given the discretion to accept or reject appeals, much as the United States Supreme Court has the power to accept or reject writs of certiorari to their appellate jurisdiction. Thus, the centralized appellate body could elect to take only those cases where the appellate body believes it is important to establish a particular principle or where there has been a decided split in the opinions of the administrative panels as to how a particular issue should be decided. The time from an accepted appeal to a decision should be no more than 30 days. This should preclude the delay of an unjustified appeal, preserve the right of an aggrieved registrant to a meaningful appeal process, and serve to establish and enshrine the rule of law.

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<sup>2</sup> Final Report of the WIPO Internet Domain Name Process, ¶ 221 (footnote omitted).

<sup>3</sup> Rules for the Uniform Domain Name Dispute Resolution Policy ("Uniform Rules, ¶3(b)(xiii).

<sup>4</sup> Uniform Rules, ¶ 1.

#### **D. Conclusion**

It is not enough to make the individual decisions public, if each decision is no more than the isolated musings of the individual decision maker. The entire purpose of making the decisions public is to insure predictability. In order to insure predictability, one needs decision makers motivated to review and rely on (or distinguish) the decisions of prior panelists, the ability of panelists to readily research prior decisions, and a body expressly charged with reviewing and upholding the rule of law. Without the establishment of the rule of law, the ICANN Uniform Domain Name Dispute Resolution Policy can never be a complete success.