



COMPUTERS & LAW

Journal for the Australian and New Zealand Societies
for Computers and the Law

Editors: Lesley Sutton and Belinda Justice
Number: 49

ISSN 08117225
September 2002

Resolving disputes in the .au domain space

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1 Introduction

.au Domain Administration Limited (“auDA”) has recently implemented a new dispute resolution policy (and rules) to apply in the .au domain space – the .au Dispute Resolution Policy or “auDRP”¹. The auDRP is based on the Uniform Domain Name Dispute Resolution Policy (“UDRP”)² implemented by the Internet Corporation for Assigned Names and Numbers in relation to the generic top level domain (“gTLDs”) (ie .com, .net, .org and the more recently introduced .biz and .info). Prior to 1

August 2002, in the .au domain space, only the .com.au domain had any provision for an arbitration process, but the process was voluntary and therefore was of no practical value in cybersquatting disputes. The auDRP was implemented on 1 August 2002. The introduction of the auDRP is part of a suite of changes to the .au domain space, many of which were introduced in July 2002. This paper will briefly discuss the previous dispute resolution process for the .au domain and then examine the new auDRP and highlight the major differences from the UDRP.

2 Dispute in the .au domain space

2.1 The .au domain space

Cybersquatting, or domain name hijacking (that is, the registration of a domain name by a person who has no legitimate rights to the name) has been less problematic in the .au domain space than in the gTLDs, because in order to register a name in the .au domain space, an entity must satisfy certain criteria. For example, prior to 1 July 2002, in order to register a

Continues page 4

In this issue:

Resolving disputes in the .au domain space.....	1	E-commerce and jurisdictional issues: an overview.....	21
<i>Rachel Garland and Lucy Davis</i>		<i>Katie Sutton</i>	
Transfer of .au domain name licences.....	6	Supreme Court of Victoria Practice Note 1 of 2002 - Guidelines for the use of technology in the civil matters.....	25
<i>Orana Catlin</i>		<i>Sandra Potter and Peter Moon</i>	
BT loses in hyperlinking patent infringement action against Prodigy.....	7	Little guys in a big industry: Independent artists and the copyright/contract issue online.....	27
<i>Julian Lincoln</i>		<i>Livia Fong Yan</i>	
Developments in privacy since 21 December 2001.....	8	The EU data retention debate: part two.....	33
<i>Catherine Rowe and Lisa Ritchie</i>		<i>Daniel Sullivan</i>	
'Consideration' and the open source agreement.....	15		
<i>Ben Giles</i>			

Continued from page 1

.com.au domain name, the registrant was required to hold an Australian Business Number, be an Australian company or hold an Australian business name. The domain name held was required to be an exact match of the entity's name, or an abbreviation or acronym of that name. Since 1 July 2002 the domain name allocation policy has been slightly broadened and it is now sufficient that the registrant be the owner of a registered trade mark or, subject to certain conditions, if an application to register a trade mark has been submitted. It is still necessary that the corresponding domain name be an exact match of the entity's name or trade mark, or an abbreviation or acronym of it. However, as registration of a .com.au domain name can be based on a business name registration (which can be relatively easily, although not necessarily legitimately, obtained) the problem still exists.

The dispute resolution policy applicable to domain names registered prior to 1 July 2002 for the .com.au domain space was not nearly as advanced as the UDRP. The domain name policy provided for a three step resolution process: notice of dispute; negotiation and conciliation; and, if both parties agreed, binding arbitration. There were no rules or guidelines regarding the determination of the arbitration process. In practice, this dispute resolution process was not used for disputes between parties with competing interests in a domain name because alleged cybersquatters did not

submit to the arbitration process. Therefore, if an entity's name or trade mark was "cybersquatted" in the .au domain space, and the cybersquatter refused to give up the name before the introduction of the auDRP, the only real option for that entity was to commence court proceedings against the cybersquatter. Court proceedings are lengthy and expensive and the outcome is at times uncertain given that the law on this area is still developing.

2.2 Role of auDA

auDA, a not-for-profit organisation which was formed in 1999, became the operator of the .au domain space in September 2001 (and its role encompasses licensing the registry operator and registrars with respect to .au domain names). auDA is currently funded by industry participants and it will receive a portion of the fee paid for registrations of domain names in the .au domain. At the beginning of July 2002, auDA:

- introduced competition at the registrar level in the hope that having more than one body licensed to sell .au domain names will result in a better and cheaper service (whereas previously there was only one registrar in the .com.au domain space); and
- revised the domain name allocation policy for a number of second level domains (2LDs) (i.e. .com.au or .id.au) which

generally will make it easier to obtain a broader range of domain names (for example, with the release of generic .com.au domain names).

As part of its review of the .au domain space, on 1 August 2002 auDA introduced an alternative dispute resolution mechanism for domain names, the auDRP.

2.3 Background to auDRP

The domain name community and auDA recognise the need to provide an expedited process to enable the eviction of cybersquatters.

Other domain spaces use a variety of dispute resolution policies. The most widely known and utilised is the UDRP which is applicable to the gTLDs, including the most popular domain space, .com, but has also been adopted by a number of country code top level domains ("ccTLDs"). Some ccTLDs do not currently have an alternative dispute resolution policy, for example New Zealand (.nz), however a number of domain administrators have recognised the need to implement an administrative dispute resolution policy (for example Canada has implemented a policy based on the UDRP). The table below sets out a summary of some domain spaces and the applicable alternative dispute resolution processes.

3 The auDRP

3.1 Overview

Domain Space	Policy	Main Features
gTLDs: .com, .org, .net, .biz, .info, .name ccTLDs: including .ag, .nu, .tv, .ws	UDRP (Uniform Domain Name Dispute Resolution Policy)	Requires registrants to submit to mandatory arbitration where a third party complainant claims that: <ul style="list-style-type: none"> • the registrant's domain name is identical or confusingly similar to a trade mark or service mark in which the complainant has rights; and • the registrant has no rights or legitimate interests in respect of the domain name; and • the registrant's domain name has been registered and is being used in bad faith.
ccTLD: .uk	Dispute Resolution Service (introduced September 2001)	Provides for compulsory mediation and, if unresolved, arbitration. There is also provision for an appeal. The complainant needs to show: <ul style="list-style-type: none"> • the complainant has rights to the domain name; and • the domain name is an abusive registration (this is done by showing the domain name was either registered or acquired or has been used in a manner which took unfair advantage of or was unfairly detrimental to the complainant's rights).

The auDRP was developed by a Dispute Resolution Working Committee established by auDA and is largely based on the UDRP. However, the auDRP has been modified from the UDRP to account for:

- the restrictions on registration in the .au space; and
- the limitations of the UDRP that have been identified in its practical application.

Basing the auDRP on the UDRP means that the cases decided under the UDRP can provide guidance for decision makers under the auDRP. The auDRP will apply to all open domain names in the .au domain (including .com.au and .asn.au) registered or renewed after the implementation of the policy. This will mean that domain names currently registered may not be subject to the auDRP until the registration is renewed, which may be up to 2 years away.

3.2 Main differences from UDRP

The following is not a complete analysis of the differences between the UDRP and the auDRP, but rather a summary of the major points of distinction between the two policies.

One of the major criticisms of the UDRP has been the requirement that there be registration *and* use of the domain name in bad faith. This has caused problems where the cybersquatter registers the name but there is no corresponding website or any other use of the domain name. Although the UDRP has been interpreted in such a way as to overcome this limitation, the auDRP addresses this problem by only requiring that the "domain name has been registered *or* subsequently used in bad faith" (emphasis added).

The UDRP was also considered to be too "trade mark-centric", as it requires that the complainant show that the domain name was identical or confusingly similar to its trade mark or service mark. Although the interpretation of the UDRP has been broad enough to incorporate names that may not be considered trade marks in the strict legal sense (eg Julia

Roberts), the auDRP makes it clear that it is sufficient to base a claim on an individual's or entity's name.

The other significant differences are as follows:

- Under the UDRP a registrant can dispute a claim by showing that it was making legitimate use of the domain name prior to receiving official notice of the complaint. The auDRP makes it clear that "notice of the complaint" does not have to be the actual complaint and it is enough to put the registrant on notice by serving a letter of demand.
- The auDRP has refined the circumstances that will be considered to be evidence of registration or subsequent use in bad faith. Bad faith can be shown by providing evidence that:
 - (1) the registrant was using the domain name to attract users to "a" website (rather than the UDRP requirement of attracting users to the registrant's website);
 - (2) the registrant registered the domain name for the purpose of selling it to another person (whereas the UDRP specifically cites only the purpose of selling to the complainant or a competitor of the complainant); or
 - (3) the registrant has registered the domain name primarily for the purposes of disrupting the business or activities of another person (whereas the UDRP does not specifically acknowledge the disruption of "activities" and only mentions disrupting the business of a competitor).
- The auDRP states that buying domain names for the purpose of reselling does not constitute evidence of a legitimate interest in the domain name.
- The obligation on the registrar to transfer the domain name is

subject to the complainant being eligible to hold the domain name.

3.3 Limitations of the auDRP

Even though the auDRP is based on a working policy, namely the UDRP, there are still some limitations on its use. The most obvious constraint is that the auDRP is only relevant to circumstances of cybersquatting and any dispute concerning competing legitimate interests (for example entities that hold the same trade mark in respect of different goods) would need to be dealt with in another forum. The auDRP, like the UDRP, does not provide for any process of review of decisions. However, the auDRP does not exclude a party's right to take court action. There is no clear manner in which jurisprudence will be developed in relation to the auDRP, and there is nothing expressly requiring the panelists to follow previous decisions. However, as with the UDRP, it is probable that previous decisions will be regarded as persuasive by decision makers.

4 Conclusion

It is expected that the auDRP will provide a practical, efficient and cost effective mechanism for reclaiming a domain name from a cybersquatter in the .au domain space, unlike the previous dispute resolution option in respect of the .com.au domain space (ie the voluntary arbitration process). The auDRP takes advantage of a tested process provided by the UDRP and addresses some of the UDRP's existing limitations. The auDRP, like the UDRP, will provide a much cheaper method of domain name recovery than court action (the cost of a complaint under the auDRP is approximately AU\$1500). The provision of a viable alternative dispute resolution process in respect of domain names in the .au domain space will be welcomed by legitimate users of the Internet and by trade mark owners.

1 The policy can be viewed at <http://www.auda.org.au>.

2 The UDRP can be viewed at: <http://www.icann.org/udrp/udrp-policy-24oct99.htm>.