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March 6, 2017

By E-Mail to comments-igo-ingo-crp-access-initial-20jan17@icann.org

Internet Corporation for Assigned Names and Numbers

12025 Waterfront Drive, Suite 300

Los Angeles, CA 90094-2536

Re: GNSO Initial Report on the IGO-INGO Access to Curative Rights Protection Mechanisms Policy Development Process

Dear ICANN:

I am writing on behalf of the members of the Internet Commerce Association (ICA). ICA is a not-for-profit trade association representing the domain name industry, including domain registrants, domain marketplaces, and direct search providers. Its membership is composed of domain name registrants who invest in domain names (DNs) and develop the associated websites, as well as the companies that serve them. Professional domain name registrants are a major source of the fees that support registrars, registries, and ICANN itself. ICA members own and operate approximately ten percent of all existing Internet domains on behalf of their own domain portfolios as well as those of thousands of customers. ICA is a longstanding member of the GNSO's Business Constituency.

This letter addresses the GNSO Initial Report on the IGO-INGO Access to Curative Rights Protection Mechanisms Policy Development Process that was [published](#) for public comment on January 20, 2017.

Executive Summary

- **The WG Report is an exceptionally well-reasoned and documented treatment of a complex subject and should be accorded due respect.**
- **ICA supports all five recommendations made by the WG.**
- **ICA believes that Option 1 of Recommendation 4 – vitiating a DRP Decision adverse to the registrant when the registrant subsequently appeals to a court of mutual jurisdiction and the complainant IGO then successfully asserts immunity – is the only option consistent with ICANN’s limited authority and remit.**
- **Selected portions of the Swaine legal memo forcefully buttress the WG’s conclusions on critical matters.**
- **While ongoing facilitated discussions on IGO matters between the GNSO and GAC may assist in forging common understandings of the complex underlying legal and policy issues, only the GNSO has authority to issue final recommendations on IGO CRP matters. Such discussions therefore cannot be allowed to be converted into policy negotiations as that approach has no basis in ICANN’s Bylaws and would set a very dangerous precedent.**

A Detailed and Well Documented Report

At the outset we wish to commend the Working Group (WG) and its two Co-Chairs – ICA Counsel and Business Constituency (BC) Councilor Philip Corwin, and former Intellectual Property Constituency (IPC) Councilor Petter Rindforth – for their steadfast dedication and care in developing this Initial Report on a highly complex subject. The report is more than one hundred pages in length and contains more than two hundred footnotes, demonstrating its depth of detail and the prodigious documentation that underlies and supports it.

When the WG realized that it could not make reasoned decisions in regard to whether the scope of judicial immunity in domain related disputes was as broad as claimed by some IGOs it halted its work and sought out expert advice from a highly regarded expert in International law, Professor Edward Swaine of the George Washington University law School. While this Initial Report is of course subject to potential revision and refinement based upon the comments it elicits, its conclusions should not be revised absent compelling reasons for doing so.

Support for its Five Recommendations

In the Initial Report, the WG has laid out five specific recommendations. The ICA

supports all five of the recommendations, particularly because they recommend necessary adjustments and enhancements of existing UDRP and URS practice that will enable IGOs and INGOs to more readily access these existing expedited and low-cost curative rights mechanisms to effectively respond to misuse of their names and acronyms in the DNS. Such an incremental approach is preferable when compared to the uncertainty and implementation-related difficulty of the alternative of developing a completely separate set of curative rights mechanism that would only be used by a small number of IGOs.

Creating additional rights protection schemes that apply to only an extremely small subset of Internet users is impractical and would only be justified if the mutual jurisdiction appeals clause of current DRPs would always offend the degree of judicial immunity that is generally recognized for IGOs. However, based upon the input of its legal expert, the WG properly concluded that there is no such universal absolute immunity for IGOs in domain-related disputes, and that the proper forum for adjudicating an IGO's immunity claim is a national court.

This cautious approach is consistent with the principle that, while ICANN policies should recognize and respect existing law, ICANN has no authority to grant legal rights that go beyond contemporary law. A California non-profit corporation's attempt to deprive domain registrants of their statutory right to judicial process might well be spurned by many national courts, and would also run afoul of many national laws prohibiting involuntary dispute arbitration that deny access to court.

Further, given the demonstrated lack of quality control, consistency, and predictability in UDRP determinations it would be fundamentally unfair to attempt to bar the owner of a valuable domain who believes that a UDRP or URS has been wrongly decided from seeking truly independent de novo judicial review. The fact that the IGO's preferred alternative, "appeal" to another non-judicial DRP provider, might well result in a rehearing by WIPO – an UN-affiliated IGO – would inevitably raise questions about whether it was an impartial and balanced forum or one disposed to favor its IGO brethren. Likewise, as both the UDRP and URS are supplements to and not substitutes for litigation, ICANN policy should never seek to deny the citizens of any jurisdiction access to courts in order to adjudicate their statutory rights unless such a result is required by other clear and universally recognized preemptive legal principles.

The specific WG recommendations that we support are:

1. **Making no changes to the UDRP or URS to accommodate INGOs.** INGOs are nongovernmental, private organizations and as such have no claim to any jurisdictional immunity; they presently enjoy ready access to the UDRP and URS to protect their trademarked names and acronyms. After the WG reached its preliminary conclusion on this matter it requested a change in its Charter to eliminate the reference to INGOs, and the GNSO Council subsequently approved that narrowing.
2. **Allowing an IGO to base its standing to file a UDRP or URS on either trademark rights, the same basis as for any other party, or in the**

alternative upon demonstration that it has complied with the simple communication and notification to WIPO prerequisite for gaining the protections for its names and acronyms in national trademark law systems in accordance with Article 6ter of the Paris Convention. This recommendation eliminates the need for IGOs to trademark their names and acronyms as a prerequisite for seeking UDRP/URS protection. More importantly, the list of IGOs that have asserted their Article 6ter rights is broader than the list of IGOs for which the GAC has sought access to CRP, so this recommendation offers access to CRP for an expanded group of IGOs. Finally, we note that Article 6ter protections are recognized not only by all nations that have signed the Paris Convention but also by all members of the World Trade Organization (WTO); these two groups comprise the vast majority of national governments.

3. **While not recommending any specific changes to the substantive grounds under the UDRP or URS upon which a complainant may file and succeed on a claim against a respondent, the WG nonetheless recommended that UDRP and URS panelists should take into account the limitation enshrined in Article 6ter (1) (c) of the Paris Convention in determining whether a registrant against whom an IGO has filed a complaint registered and used the domain name in bad faith.** In other words, if the panel determined that a registrant was using an IGO's abbreviations and names in such manner as to mislead the public as to the existence of a connection between the user and the organization, that would constitute evidence of bad faith use of the domain. This recommendation will align the scope of Article 6ter protections with its use as a basis for IGO standing.
4. **Clarifying that an IGO may avoid any concession on the matter of jurisdictional immunity by electing to file a UDRP or URS through an assignee, agent or licensee.** This clarification greatly respects the views of some IGOs in regard to the question of immunity. This recommendation also properly states that, in the rare circumstance in which a losing registrant elects to exercise its legal right to appeal to a court of mutual jurisdiction under applicable statutory law, any claims of jurisdictional immunity made by an IGO in respect of a particular jurisdiction will be determined by the applicable laws of that jurisdiction. Given that the determination of an immunity claim will depend on a wide variety of factors - including the applicable laws of that jurisdiction, the treaty or charter basis of the IGO, the accepted analytical approach exercised by the jurisdiction's courts, and the particular facts and circumstances of the matter in dispute -- determination of the immunity claim by the court is the only responsible way to proceed, as it would be impossible and improper for ICANN to assert a blanket rule that predetermines the outcome for every IGO in every potential domain-related dispute. **(In regard to what should occur when an IGO successfully asserts its immunity claim we prefer Option 1, as discussed in more detail below).**
5. **In regard to GAC advice concerning alleviation of the cost burden upon IGOs that seek to utilize the UDRP or URS, the WG correctly**

determined that the propriety and creation of any subsidy mechanism for IGOs was beyond the scope of its Charter and the GNSO's authority relating to budgetary matters. Therefore, it properly recommended that ICANN as corporate entity should investigate the feasibility of providing IGOs and INGOs with access to the UDRP and URS at no or nominal cost when such financial support was justified.

ICA acknowledges that IGOs generally and the "Small Group" in particular have placed significant emphasis on the jurisdictional immunity issue in seeking creation of new and wholly separate curative rights processes that would deny registrants any appeal right to a national court with proper jurisdiction. However, given that the WG's legal expert provided no substantial support for such sweeping immunity claims, we firmly believe that any solutions relating to this issue can be adequately addressed through narrow enhancements to the existing mechanisms rather than through the unjustified creation of wholly new proceedings and related assertions of unsupported legal principles. Overall, we believe that the WG recommendations will provide IGOs with ready access to the existing low-cost and expedited alternatives to litigation embodied in the UDRP and URS, and that their adoption will substantially enhance the ability of IGOs to protect their names and acronyms in the DNS.

As noted above, ICA is generally supportive of the attempts made by recommendation 4 to seek an acceptable resolution to the jurisdictional assertions of IGOs within the context of contemporary international law. In those rare instances in which a losing registrant seeks judicial appeal and the IGO subsequently successfully asserts its immunity to the court's jurisdiction, our preference is for Option 1 as set forth in recommendation 4:

Where an IGO succeeds in asserting its claim of jurisdictional immunity in a court of mutual jurisdiction¹⁵, the WG recommends that in that case:

Option 1 - the decision rendered against the registrant in the predecessor UDRP or URS shall be vitiated

Our rationale in favor of this option is that the UDRP and URS are convenient, expedited, and lower cost supplements to available judicial process, not preemptive substitutes, and that ICANN has no authority to require a non-judicial appeal and thereby strip domain registrants of those legal rights they may possess under relevant national law. Further, our members' overall experience with the UDRP is that panel decisions can be seriously flawed -- and it is precisely in those instances where the registrant believes that panel error has occurred and the loss of a valuable or functionally important domain is imminent that availability of independent, de novo judicial review is most critically required. Given the cost of litigation, such registrant appeals will likely be rare and reserved only for the most egregious mistakes in judgment by UDRP or URS panelists.

Successful assertion of an immunity defense by an IGO in such an appeal would essentially deprive the registrant of the opportunity for independent

judicial appeal. In that circumstance, the UDRP/URS would no longer be a supplement to relevant law but a preemptive substitute for it. Such a result would go far beyond ICANN's authority, remit and mandate. Therefore, if the IGO succeeds in its immunity claim and thereby effectively strips the registrant of its only meaningful opportunity for appeal, the predecessor UDRP should be vitiated and the situation should return to the status quo ante.

We have two final observations on this matter:

- **First, if ICANN were to pursue Option 2 and require arbitration in situations when an IGO successfully asserted immunity against a registrant appeal, then that Option should be amended to bar an IGO from seeking judicial review when it loses the initial DRP.** As Prof. Swaine observed, "Allowing an IGO that prevailed in the UDRP process to avoid its waiver and rest on the UDRP result by invoking immunity, while allowing it to waive that immunity by initiating judicial proceedings in the event it has lost to a domain-name registrant, will likely be perceived as asymmetrical and problematic".
- **Second, if the WG should decide that Option 2 is preferable, then WIPO should be barred from being the appeals arbitration forum, as well as any other UN-affiliated or non-affiliated entity that is itself an IGO.** Allowing such an entity to preside over an appeal brought by a fellow IGO would inevitably create an appearance, and might well encompass the reality, of bias against the registrant appellant.

Important Points in the Swaine Memo

As noted previously, the WG is to be commended for its prudent decision to halt its work until it could receive expert legal advice on the critical issue of the consensus and contemporary international law view regarding the degree of immunity that an IGO would receive if it asserted such defense in a judicial forum in regard to a domain-related dispute. Clearly, if the consensus view was that the vast majority of jurisdictions would accord such immunity then the WG would have been remiss in not considering the Small Group suggestion that a separate DRP system, or at least a non-judicial appeals mechanism, be considered.

However, the answer rendered by Prof. Swaine on whether an IGO could successfully assert immunity in a domain dispute was, essentially, "It depends" – and that dependency is on a wide variety of factors that cannot be foreseen or predicted in advance.

To be precise, he wrote:

The first is whether, in principle, an IGO would enjoy immunity from judicial process with respect to name-related rights it might assert in

the UDRP proceedings. *The answer depends on whether jurisdiction in which the case arises would apply an absolute, functional, or restrictive immunity approach to the IGO in question. **That may be hard to predict.*** (pp.66-67; emphasis added)

Another part of his memo states:

*“A recent expert survey concluded that **“it cannot be said that ‘there is ‘a general practice accepted as law’ establishing a customary rule of immunity” and that “it would be difficult to conclude that any such rule exists.”** Not insignificantly, **even those cases recognizing a customary international law basis for immunity appear to differ on its extent.** Regardless, as a practical matter, a dispute about IGO immunity may arise in a court inclined to resolve it **based on customary international law as that court perceives it**.”* (p. 76; emphasis added)

Given that response it would be impermissible for ICANN to presume that IGOs would receive such immunity in all or even a substantial majority of such domain disputes, and on that presumption create a DRP system that would attempt to deny domain registrants their statutory access to courts with relevant jurisdiction, and thereby compel them to accept arbitration as the sole avenue of appeal. In doing so, ICANN would be ignoring the manifest uncertainty of how a given immunity claim might be treated by a court and attempting to substitute its own sweeping judgment regarding all potential cases for that of a national legal forum dealing with the facts and circumstances of one particular case. Such action by ICANN would have no basis in law and would set a dangerous precedent for an assertion of legislative-type powers that are far beyond ICANN’s remit, mission, and authority.

The Swaine memo also makes two additional points that were both critical in the reasoning of the WG as well as to our own comments. In regard to the choice between Options 1 and 2 for Recommendation 4, we note his observation that:

*“Allowing an IGO that prevailed in the UDRP process to avoid its waiver and rest on the UDRP result by invoking immunity, while allowing it to waive that immunity by initiating judicial proceedings in the event it has lost to a domain-name registrant, **will likely be perceived as asymmetrical and problematic.** In addition, leaving resolution to the truncated UDRP process may be resisted. **There is broad acceptance of a principle, expressed in some treaties and governing instruments, according to which IGOs should waive immunity in the absence of any sufficient alternative**”.* (p.87-88; emphasis added)

Additionally, while the WG has graciously recommended that an IGO be permitted to file a DRP action via an agent, assignee, or licensee to avoid having to directly agree to a mutual jurisdiction clause and thereby waive its immunity upon initiation of the DRP action, the memo makes clear that requesting such waiver in a process designed to be an alternative to litigation – which would be the only alternative if the UDRP and URS did not exist – would not violate an IGO’s immunity regardless

of its strength or breadth:

Accordingly, as a purely legal matter, it seems unlikely that the Mutual Jurisdiction concession establishes or occasions a violation of IGO immunity. And as explored further below, it may seem more appropriate to force an IGO to abide by a judicial process, given that it has elected to initiate UDRP proceedings, than to force a domain-name registrant to accept any alternative". (p.89; emphasis added)

GNSO Primacy in Setting gTLD Policy

Although the GNSO Working Group put forth this Initial Report for public comment, we also feel compelled to comment on certain procedural concerns related to this matter.

ICANN's Bylaws make clear that the GNSO is the sole gTLD policy development body for ICANN. ICANN policy staff support but do not direct the path and conclusions of GNSO-Chartered WGs. The GNSO Council considers a WG's final report and recommendations and then forwards those it approves to the ICANN Board for final action. The Governmental Advisory Committee (GAC) has the ability to provide whatever advice it wishes to the Board concerning such recommendations, and the Board is required to respond if the GAC provides consensus (essentially unanimous) advice.

But the GNSO has the primary policy recommendation role, and the GAC only a secondary and responsive advisory role. (Noting that we approve of ongoing efforts to better integrate GAC members into the GNSO's Policy Development Process (PDP) as a means of taking government views into account and reducing the likelihood of subsequent broad disagreement between the GNSO and GAC. It is unfortunate that GAC members and IGOs chose not to engage with this WG on a broad basis, and instead sought to achieve contrary results through engagement with the Board in a manner that is inconsistent with the Bylaws.)

While these proper roles are clearly evident from review of ICANN's Bylaws, ICA is aware of and remains concerned that ICANN's Board, in conjunction with the GAC and the IGO "small group", has engaged in non-transparent meetings relating to IGO policy issues in gTLDs for the past two years absent GNSO participation. More disturbingly, those discussions related not only to the matter of permanent protections for IGO names and acronyms in new gTLDs, which has been the subject of conflicting GNSO recommendations and GAC advice for some time, but also to the CRP issues that are the focus of the ongoing WG that produced the Initial Report we are presently commenting upon.

Those discussions did not reach any consensus agreement, and last October the Board forwarded the IGO "small group" recommendations (contained in Annex F of the Initial Report) for GNSO consideration absent any formal Board endorsement.

While it was not obliged to, the WG gave respectful and detailed consideration to the Small Group Proposal (as discussed on pp.33-39 of its Report) and ICA endorses its treatment of that unbalanced Proposal and its assertion that its own “preliminary recommendations strike the necessary balance between accommodating IGOs’ needs and status, and the existing legal rights of registrants” (P. 39).

We note that the Board, Council, and GAC have now formed a new group slated to engage in a facilitated discussion of outstanding IGO issues. ICA also notes that the ultimate responsibility for resolving GNSO policy recommendations and conflicting GAC advice lies with the Board. Nonetheless, we are hopeful that the dialogue within that discussion group can illuminate issues and narrow differences and thereby lead to a successful resolution of longstanding disagreements regarding the matters of protections for the Red Cross/Red Crescent organizations, and the permanent protections to be afforded IGO names and acronyms in new gTLDs.

However, as the matter of IGO access to CRP is still being considered by a GNSO-chartered WG it would be absolutely inappropriate, and at complete odds with ICANN’s Bylaws, to have that discussion group engage in any activity that might be characterized as an attempt to negotiate this matter separate and apart from the activities of the WG that has responsibility for it. We therefore urge concerned GAC members and IGOs to file their own comments with the WG, as that is the proper way to provide input and seek acceptable resolution at this stage in an ongoing GNSO policy development process.

Conclusion

We appreciate the opportunity to provide these comments on the GNSO Initial Report on the IGO-INGO Access to Curative Rights Protection Mechanisms Policy Development Process. We hope they are helpful to the further consideration of this matter by ICANN and its community, and to the Working Group as it prepares its Final Report and Recommendations.

Sincerely,

Jeremiah Johnston
President, Internet Commerce Association