

Dispute Resolution Service Review

Summary of Consultation Responses

1. Summary

Following the February 2004 (Item 5, Meeting 30, Feb 2004) meeting of the PAB there was a public consultation on changes to the Dispute Resolution Service (DRS) which ran from 19 April to 19 July. In light of those responses, a draft for version 2 of the DRS Policy and DRS Procedure was produced. A summary of the consultation responses was shown to the August Board meeting and is attached to this document for information (see Appendix A), and the Board also made certain recommendations. At its September meeting the board approved the drafts for version 2 of the DRS Policy and Procedure, marked up versions of which are attached to this paper. These versions compare the current DRS Policy and Procedure, as used on our website.

The intended timetable for implementation is that the revised DRS Policy and Procedure are to be published on Nominet's web site on Wednesday 22 September, for introduction on Monday 25 October 2004.

The amended versions take into account the following:

1. recommendations approved at the August board meeting;
2. procedural requests from the experts (see below);
3. the comments of Counsel, Philip Roberts, and the Chair of the Experts Tony Willoughby who both reviewed the drafts; and
4. corrections of drafting errors/anomalies in the current version.

To be clear, Counsel's advice was confined to implementing the recommendations agreed at the August board meeting.

A key to the changes can be found in Appendix B to this document.

No policy points arise, so this is for information only.

Appendix A: Summary of responses

Question	Comment	Recommendation
<p>Tribute/Protest Sites</p> <p>1. It is proposed that:</p> <p>a. the DRS Policy continues to make it clear that fair use may include tribute/criticism sites; and</p> <p>b. the proviso in paragraph 4(b) of the DRS Policy (which reverses the burden of proof) is deleted.</p>	<p>There is a qualitative/moral difference between using – sucks etc in the domain name (OK) and taking the identical name (not OK) [Member lunch O/R]</p> <p>R. should automatically lose if domain name identical to C's name or mark or if only minor differences [Linklaters O/R]</p> <p>Distinguish registered trade marks from other rights in this context – courts accept that traders have obligation to check the TM register [Linklaters O/R].</p> <p>Reversal of burden is unfair where two legitimate, conflicting marks [Linklaters O/R]</p> <p>C should not win if there is no use in the course of trade, ie trade mark infringement claim would fail [Linklaters O/R].</p> <p>Innocent fans are not cybersquatters [Linklaters O/R]</p> <p>Initial interest confusion should be recognised [Linklaters O/R]</p> <p>Initial interest confusion is a red herring [Linklaters O/R]</p> <p>R. should be able to win if the tribute / protest site is genuine. [Linklaters O/R]</p> <p>Agree with the proposal, but Rs who operate legitimate fan sites should not lose name because of small error like selling merchandise. Issues such as</p>	<p>Summary: This continues to be an issue on which sensible minds disagree radically.</p> <p>A number of alternative solutions has been suggested, but there is no clear favourite.</p> <p>There does appear to be some consensus that the current solution (ie the emphasis on identical name and the reversal of the burden of proof) is inadequate, and that such cases should turn on their facts.</p> <p>Recommendation: Adopt the proposal</p>

Question	Comment	Recommendation
	<p>sales/merchandise should be left to the courts [DRS R3]</p> <p>Agreed. The real issue is “fair use” which should be decided by the expert on a case by case basis [DRS R6]</p> <p>DRS should not allow TM holders to overreach trade mark rights. Examples of two US cases under ACPA involving non-commercial gripe sites. No infringement of ACPA found for bona-fide freedom of speech. [DRS R7]</p> <p>Suggested drafting to limit fair use to cases where domain name is distinguished from C’s mark. Prevents R being “misled into thinking that use of an identical name without consent could somehow still be excusable”.</p>	
<p>Without Prejudice</p> <p>2. It is proposed that the DRS Policy and/or Procedure be amended to make it clear that in reaching their decisions, DRS experts will not have regard to the “without prejudice” rule of litigation, and will be entitled to take into consideration any materials or evidence contained within or annexed to the submissions.</p>	<p>Agree with proposal [Linklaters O/R]</p> <p>Happy with proposal [ITMA O/R]</p> <p>Disagree with the proposal – it is counter intuitive to adopt a different procedure to the court [DRS R3]</p> <p>Disagree with the proposal – Although the reasoning in scoobydoo.co.uk is correct as far as it goes, there should be scope for parties to agree that their correspondence will not be brought before the relevant tribunal/DRS. Amending the DRS as proposed would be too rigid, and not allow enough flexibility for such cases. [DRS R5]</p> <p>Agree – however, mediation should remain confidential and without prejudice [DRS R6]</p>	<p>Summary: Apart from a couple of dissenters, the feedback is generally supportive of the proposal, so long as the DRS respects the parties’ intentions if they expressly agree not to put certain documents before a tribunal/expert.</p> <p>Recommendation: Exclude Without Prejudice from the DRS Policy and Procedure. Make clear that nothing in mediation will go to the expert. Give expert discretion to exclude from consideration any materials if he/she considers it to be in the interests of justice.</p>

Question	Comment	Recommendation
	<p>Agree, but should continue to apply it where the parties have expressly (but not impliedly) agreed to do so. Suggests drafting [DRS R8]</p> <p>We are not in favour of without prejudice correspondence being put before the expert determining a dispute. We believe this may impede negotiations which might otherwise lead to a resolution of the dispute [O/R Treasury Solicitor]</p>	
<p>Appeals procedure</p> <p>3. It is proposed that:</p> <p>a. The standard of appeal should be a full review by the appeal panel; it should continue to be possible for the appeal panel to review the procedure.</p> <p>b. the DRS procedure should provide for a notice of appeal, and a response to be made. Each should be no longer than 1,000 words, and should contain no new evidence or attachments. There should be no provision for a reply.</p> <p>c. The appeal fee should remain at its current level, and should be distributed equally between the parties.</p> <p>d. The timetable for lodging an appeal should be amended, as follows:</p> <p>i. 10 working days for appellant to request an appeal, and lodge a non-refundable 10% deposit (£300);</p> <p>ii. the appellant has a further 18</p>	<p>Disagree – this reduces the chances of consistency. Appeal grounds should be limited to misinterpretation of Policy or error in procedure [DRS R3].</p> <p>Suggest an opportunity for a single reply that lasted only 5 working days [DRS R3]</p> <p>New evidence should not be permitted to be submitted during appeal process, absent exceptional circumstances....Increase word limit to 1,500 words, as Appellant will want to go through expert's reasoning closely.[DRS R6]</p>	<p>Summary: Very little substantive comment on the appeals section of the consultation. General agreement, with a few sensible suggestions.</p> <p>Recommendation:</p> <p>Adopt the proposals, subject to the following changes:</p> <p>Amend deadline for balance of payment to 15 working days.</p> <p>Exclude new evidence from appeal submissions, absent exceptional circumstances (as determined by the appeal panel)</p>

Question	Comment	Recommendation
<p>working days in which to lodge full notice of appeal plus balance of fee.</p> <p>iii. Other side has 10 working days to file a response.</p> <p>iv. Decision to be delivered within 30 working days, with scope for a single extension of up to 10 working days.</p> <p>e. With regard to precedent value, no change should be made to the Policy, which states that appeal decisions have “persuasive” value.</p>	<p>Make limit 10 or 15 days, to conform with rest of procedure [DRS R6]</p> <p>Agreed. Suggest that you extend “persuasive” value to all DRS decisions. [DRS R6]</p> <p>Agree to all proposals re: Appeals [DRS R3]</p>	
<p>Agent/Web Designer cases</p> <p>4. It is proposed that the following be added to the non-exhaustive list of factors tending to indicate an abusive registration set out in paragraph 2 of the DRS Policy:</p> <p>a. the complainant:</p> <ul style="list-style-type: none"> ▪ has been using the domain name registration exclusively; and ▪ paid for the registration and/or renewal of the domain name registration. <p>b. In addition, a respondent (web designer etc) in such cases should be able to defeat a complaint by showing that it was agreed that the domain name should be held in the name of the respondent.</p>	<p>Practice of agent registering in own name should not be allowed [Members O/R]</p> <p>Agree this should be another form of abuse [Linklaters O/R]</p> <p>Agree [DRS R3]</p> <p>Agree. Proposed additions should not override an express agreement between parties for a website designer to hold the domain name in his own name [DRS R6]</p>	<p>Summary: Proposal generally welcomed.</p> <p>Recommendation: adopt proposal</p>

Question	Comment	Recommendation
<p>General Questions</p> <p>a. Definition of Rights. Do you believe this is adequate for the purposes of the DRS?</p>	<p>Yes. Should continue to make provision for rights outside UK. [DRS R6]</p> <p>Definition is currently too narrow as it excludes registered trade marks for descriptive terms which have acquired distinctiveness through extensive use [DRS R8]</p> <p>Definition is too loose. Coupled with no charge for complaint, encourages frivolous complaints. DRS should require registered trade mark [DRS R9].</p>	<p>Summary: few comments on this issue, no real consensus for any way forward.</p> <p>Recommendation: no change</p>
<p>b. Paragraph 3(a)(iii) of the DRS Policy. Do you think this is an adequate way of dealing with “pattern of abuse”? If not, how would you suggest that the Policy deal with the issue.</p>	<p>Would prefer for DRS to focus on case in hand, rather than consider prejudicial “form” of Respondent. Registration may be innocent, even if R has been a cybersquatter [DRS R2]</p> <p>There is often confusion as to whether a finding must have been made, rather than R merely registering other famous marks. Agree that this should continue – “innocent until proven guilty”. Clarify wording – consider extending to findings under other TLDs (but query different rules etc). Query the need for the “in combination with other circumstances”. [DRS R6]</p> <p>Consider introducing a presumption of abusive registration if a number of previous findings against he same person. However, this effectively re-introduces the reversed burden of proof, and we have argued in favour of its removal [DRS R6].</p> <p>Consider introducing a balancing provision similar to reverse domain name hijacking, ie if three or more findings made within 2 years, raises presumption of abusive registration. C only has to prove it has rights. If no response, proceed with un rebutted presumption –</p>	<p>Summary: this provision is clearly viewed as problematic. Feedback during the consultation has built on comments by experts who regard this section as poorly drafted.</p> <p>Interesting ideas put forward to use this element as a balance to “Reverse Domain Name Hijacking”.</p> <p>Recommendation:</p> <p>Amend current wording to scrap “other circumstances” limb, and clarify what is meant by “pattern of abusive registrations”, ie it is not limited to findings under Nominet’s DRS (it could include R having a number of well known names in which R has no rights).</p> <p>Introduce presumption of abusive registration if R has 3 or more adverse findings under DRS in 2 year period. If so, C will only have to prove it has rights. R can seek to rebut presumption by filing response.</p>

Question	Comment	Recommendation
	<p>only matter in issue is proof of rights. R is not denied justice, as can enter response to rebut presumption [DRS R8].</p> <p>Better to narrow the scope of registered rights, because the wide definition allows a claim that R has many domain name registrations to succeed on pattern of abuse [DRS R9].</p> <p>Query need for second limb – does not make it clear what is required to satisfy “other circumstances” [WIPO O/R]</p>	
<p>c. The introductory phrase in paragraph 4(a)(i) emulates a similar provision in paragraph 4(c) of the UDRP. Some panellists in UDRP cases have indicated that the relevant time period is any time prior to the date of filing the complaint. An alternative view is that the relevant period is prior to the time when the respondent became aware of the complainant’s cause for complaint. What do you think should be the relevant period for which the respondent should demonstrate that the factors set out in the paragraph apply?</p>	<p>Relevant time period is prior to the time when R becomes aware of C’s <i>cause for complaint</i>. [DRS R6]</p> <p>Date of filing or date of communication from C to R [DRS R9].</p>	<p>Recommendation: clarify wording to make clear that relevant time period is before R knows of C’s cause for complaint.</p>
<p>d. Quality and presentation of submissions. Is it necessary to boost the DRS Policy or Procedure to encourage the parties to take greater care in the preparation of submissions?</p>	<p>Charge the fee up front (refundable if does not proceed to decision) to avoid frivolous complaints, or a deposit of £250 [DRS R9]</p> <p>We are strongly in favour of Nominet taking steps to encourage Complainants to take greater care and provide better information in their submissions [O/R Treasury Solicitor]</p>	<p>Summary: Interesting suggestion, but so far an isolated event.</p> <p>Recommendation: no change at present. Continue to monitor complaints of this kind.</p> <p>Improve help and information provided on web site.</p>

Question	Comment	Recommendation
e. In your view, should there be provision within the DRS for joint complainants to bring a case?	<p>The UDRP procedure makes no provision for joint complainants, but in practice WIPO allows joint complainants. The complainants elect which one should take the transfer if applicable [WIPO O/R]</p> <p>No reason why not. However, word limits etc should continue to apply as for one C. [DRS R6]</p> <p>No [DRS R9]</p>	Recommendation: allow for joint complaints, and modify DRS database system to permit this.
f. In your view, should DRS experts be able to represent parties in DRS disputes, provided there is no conflict of interest?	<p>Has Nominet considered the parallels with the County Courts? [ITMA O/R]</p> <p>Would feel disadvantaged if other side was represented by a DRS expert [ITMA O/R]</p> <p>More presentational than actual risk. Obviously there should be no actual conflict [DRS R6]</p> <p>Yes [DRS R9]</p>	<p>Summary: an issue on which respondees continue to be divided. So far, this has not become a perceptual problem for Nominet, and it is submitted that the existing safeguards to prevent actual conflict are conscientiously applied by the experts. In practice, there is no problem.</p> <p>Recommendation: no change</p>
g. What steps should Nominet take to investigate the correct address for service for the Respondent, beyond serving the address recorded on Nominet's .uk database, and any addresses supplied by the complainant?	<p>Given provisions of the T&Cs, Nominet is justified in serving at R's current address and by e-mail without further investigation. [DRS R6] [DRS R9]</p>	Recommendation: No change
h. At what point do you think that a domain name registration which is the subject of a dispute should be "frozen" in respect of transfers or tag changes: (a) at the point when Nominet is first notified of the complaint (even though it may not be valid)? (b) at the point when Nominet first informs the respondent of the complaint? or (c) if neither, please specify your proposal.	<p>When a valid complaint is received [DRS R6]</p> <p>When an electronic complaint is received [Pre-consultation feedback from EMI]</p> <p>Neither – R should be able to change tag throughout complaint 0[DRS R9]</p>	Recommendation: The DRS Procedure be amended to allow for instant, temporary "no transfer" freezing of domain names the subject of a dispute, on receipt of the electronic copy of a complaint. The temporary freeze would be lifted if no hard copy is received within a specified time period.
i. A recent appeal 01295 (bravissimo.co.uk)	<p>The principles in bravissimo.co.uk appeal should be</p>	Recommendation: Incorporate <i>bravissimo</i>

Question	Comment	Recommendation
<p>followed the reasoning adopted in decision number 01136 (1and1.co.uk). Both cases involved a complaint which had gone through the DRS twice. In both cases the complainant and the respondent were the same, but the complainant chose to go through the DRS again, rather than appeal. The decision sets out very narrow criteria under which a second complaint would be acceptable. Do you think these criteria are correct? If so, should they be incorporated into the DRS Policy? If not, what criteria (if any) would you suggest to excuse a second complaint?</p>	<p>incorporated into the Policy, but should expressed to be "non-exhaustive" [DRS R6]</p> <p>Unfair on R if C can make multiple complaints. C should not be able to drop a complaint. DRS currently allows C to re-complain after an appeal. This is unfair and a waste of R's and Nominet's resources [DRS R9]</p>	<p>principles into DRS documentation, as non-exhaustive list. Clarify that no re-filing is possible under the DRS following an appeal decision.</p>
<p>Other suggestions:</p>	<p>No financial disincentive for registrants under the DRS. Have we considered a cost reversal (ie R lodges bond on registration), or barring registrants from registering in future? [ITMA O/R]</p>	<p>(see recommendation above re: pattern of abuse)</p>
	<p>DRS takes too long [Member O/R]</p>	<p>Summary: this feedback is isolated, and is contrary both to experience and a DRS survey, in which 77% of respondees rated the level of administration as 4 or 5 (on a scale of 1-5 with 5 as "High Level"). In addition, many positive comments were made with respect to the speed and efficiency of the service.</p> <p>Recommendation: No change</p>
	<p>There should be a much cheaper DRS expert decision for web designer cases [Member O/R]</p>	<p>Summary: this was proposed to the expert group in October 2003, and was rejected on the basis that such cases are just as prone as others to be complex.</p> <p>Recommendation: no change</p>
	<p>A lower cost DRS for small businesses or sole traders is needed – could we find some pro bono volunteers [Member O/R]</p>	<p>Recommendation: DRS experts to be asked whether any wish to do pro-bono decisions.</p>

Question	Comment	Recommendation
	It should be possible for the respondent to pay for a DRS decision [AGM O/R]	<p>Summary: this is a one-off suggestion, based on a single case. In our experience, most respondents welcome the dropping of a DRS case, and do not wish to see a decision being taken.</p> <p>Recommendation: no change at present. Monitor similar requests, if any.</p>
	Some experts seem to view any commercial negotiation as evidence of abusive registration. This is not the intention of the policy. If a registration is not abusive, there is not reason why the R. should not be compensated. The DRS Policy should make this clearer [DRS R3]	<p>Summary: in practice, this is not universally the case, and does not warrant a change in policy. It is an issue which can be raised at one of the regular experts' meetings.</p> <p>Recommendation: no change</p>
	<p>The DRS Procedure leads to difficulties for the Treasury Solicitor. In particular, participating the procedure may waive the TS' ability later to disclaim a domain name registration, and the 15 working day timetable does not allow sufficient time for TS to investigate whether or not the relevant name is <i>bona vacantia</i>. Suggest procedure be stayed if TS is involved, or that C is invited to consider whether or not they wish to proceed against TS.</p> <p>Nominet should cease to write to C to ask whether or not it wishes to challenge a disclaimer. Such matters are for the court. [O/R Treasury Solicitor]</p>	<p>Summary: The current DRS procedure as it involves TS is unhelpful for all parties involved. Rather than an automatic stay, which may irritate C who has already been in negotiations with TS, the better course appears to be to seek a delay in service by consent of C.</p> <p>Recommendation: review processes involving TS within the DRS with the DRS team, in order to make the procedure more streamlined and helpful to all parties involved.</p>

Key:

DRS R1	Erik Bramall
DRS R2	Robert Taylor, Studio 51 Internet Studios
DRS R3	Malcolm Hutty
DRS R4	Mark Bryant, Patent Office
DRS R5	Matthew Harris, Norton Rose (new DRS Expert)
DRS R6	CMS Cameron McKenna
DRS R7	Garry Anderson, World Intellectual Piracy Organisation
DRS R8	Roland Mallinson, Linklaters

DRS R9	Paul Westley
O/R	Outreach Response [Name of person/organisation indicated]

Appendix B: Key to changes

Paragraph Reference	Type of change
DRS Policy	
Definitions	Cross references changed as a result of re-draft
2(c)	We do not provide model submissions on our website, and have therefore removed the reference
3(a)(i)	Correcting drafting inconsistency at suggestion of Experts.
3(a)(iii)	Pattern of abuse paragraph redrafted as a result of consultation, and incorporates Counsel's comments
3(a)(v)	New paragraph to incorporate "web designer" cases as a result of consultation.
3(c)	New paragraph. Presumption of abusive registration incorporated as a result of consultation
4(a)	Changes incorporate consultation responses, and Counsel's comments.
4(b)	Proviso deleted as a result of consultation responses.
4(b)(iii)	New paragraph. The "web designer" defence incorporated as a result of consultation. Counsel's comments included.
4(b)(iv)	New paragraph. Deals with insertion of 3(a)(v) and 3(c).
4(c)	New paragraph. How to rebut presumption of abusive registration, incorporated as a result of consultation.
6	New paragraph incorporated as a result of consultation. Includes Counsel's comments
8	Minor drafting anomalies corrected
8(c)	New paragraph to tie off Data Protection consents.
10(a)	Changes reflect consultation responses.
10(e) to (g)	New paragraphs reflecting consultation responses (repeat complaints)
11	Drafting corrections. Final sentence clarifies current administrative practice.
12	Cross reference to terms and conditions updated in light of new T&Cs.
13(a)(i)	New paragraph included as a result of consultation.
DRS Procedure	
Definitions	Amendment to "Complainant" as a result of Counsel's comments on joint complainants – drafting correction
	Minor drafting anomalies corrected
2(f)	Drafting errors corrected
3(b)	New paragraph to allow for joint complainants as a result of consultation responses
3(c)(ix)	Complainant's declarations updated to bring Procedure in line with previous amendments to complaint form.
3(c)(x) etc.	Minor change to reflect current administrative practice.
6(a)	Clarification of drafting to reflect administrative practice.
7(a)	Minor drafting clarifications made to reflect administrative practice.
7(b) to (f)	Amendments clarify mediation process, emphasise confidentiality of mediation, and reflect Counsel's comments.
13(b)	Amendments reflect procedural request from experts with regard to extra non-standard submissions.
17 (c)	Corrections of drafting anomalies, and incorporation of consultation responses (appeal process).
18	Amendments to appeal procedure reflect consultation responses.
21(a)	Consequential amendments as a result of joint complainants (consultation response)
21(e)	Amendments incorporate consultation responses with regard to appeal procedure.
23	Drafting anomaly corrected.