

Response to Nominet Consultation on proposed amendments to the Dispute Resolution Service

Question 1: Please give us feedback on our proposals that the DRS should include:

- (a) protection for words which have a distinctive character as a result of the use made of them.*
- (b) dictionary words which are protected by registered Trade Marks or good will.*

We agree with this proposal, as it recognises the commercial reality that businesses can make use of descriptive or everyday words to the extent that consumers come to recognise the term as a Trade Mark or indicator of origin for that company. Such rights have been recognised in other areas of law, and there seems little justification for refusing to extend the principle to domain name disputes.

The need to show that a registration is abusive during DRS proceedings will ensure that registrants engaging in legitimate business practices will not be penalised unduly as a result of this change.

Question 2: Please give us your feedback on our proposal that the DRS should include the following as examples of things that are not necessarily evidence of abuse:

- *a general offer to resell a domain name*
- *sale of traffic (i.e. visitors to the domain name)*
- *registering of many domain names*

Although we do not disagree with this statement itself, we feel it is unnecessary and potentially misleading to provide examples of things, which are not necessarily abusive. Our concern is that in providing such a list, complainants may be confused into thinking that such evidence is entirely irrelevant to their case, or that this type of evidence is not permitted.

For example, although evidence of a general offer to sell a domain name may not of itself constitute a prima facie case of abuse, often this factor can be used along with additional evidence to build up a picture of abusive behaviour and can be crucial to the outcome a case. It is the responsibility of the experts providing the decision to review the merits of the evidence before them, and including a statement as proposed does not add anything to the process.

Question 3: Please give us feedback on the proposal that the DRS should include a statement that, where evidence is finely balanced, the weaker the rights the complainant has, the less likely it is that abusive registration or use will be inferred.

As above, we do not have any objection to the statement itself. However, we do not see that much value or clarity would be added by including a specific statement to this effect in the DRS, indeed the general nature of the statement could raise more questions of interpretation than it answers.

Question 4: Please tell us which payment option you would prefer and why:

- (a) no change to current system*
- (b) introduce an upfront fee of, say non-refundable £50-100, and reduce the fees for an expert decision accordingly, so any change would be cash-flow neutral*
- (c) introduce a system where the losing party pays for the decision*

We would generally be in favour of option (c), as there is currently little incentive for abusers to stop registering infringing or fraudulent domain names. At present, the only punishment is that the registrant loses the domain, having put the complainant to significant expense and effort. On several occasions we have come across repeat offenders who have not been deterred from registering abusive domains despite decisions having been issued against them in the past, and clearly more serious consequences are required to tackle the more determined registrants of abusive registrations.

Question 5: How would you enforce any system of refund? Which section of the community would you imagine would benefit from a refund system?

Our main reservation regarding option (c) is the difficulty that will be involved in enforcing the decision. Registrants who persistently register abusive domains frequently provide false contact details, and a requirement to pay the costs of the DRS may only encourage them to do so more often. There may also be jurisdictional issues if the registrant is located in a country where pursuing them would be extremely difficult, and the costs of locating the registrant and obtaining payment could quickly surpass the costs awarded.

Therefore any decision to adopt a system of refund would need to be accompanied by a more robust system for verifying the contact details of registrants at the outset or at least by a support system for use in tracking down registrants.

However, we still feel that, even if funds can only be recovered in a proportion of cases, there would still be some advantage to the system, as it would give us more leverage at earlier stages in disputes, for example when sending cease and desist letters before filing a complaint via the DRS. The system could thus help to encourage settlement of disputes at an early stage, and in this sense would be to the benefit of all sections of the Community.

Other issues.

Finally, we would also like to raise a practical point that we feel would assist in the handling of disputes. The process could be made much more user-friendly by providing a searchable database of decisions and/or an index of the cases organised by topic, along the lines of that which WIPO offers. At present, the system of searching for cases can be cumbersome, and a re-arrangement of the information would be of benefit.