FINAL REPORT OF THE WIPO-ICA UDRP REVIEW PROJECT TEAM

(December 2, 2025)

A More Efficient, Focused, and Practical Way Forward

Executive Summary

- **We are practitioners, panelists, brand owners, and registrants, who came together to identify constructive improvements to the UDRP despite seeing things from different perspectives.**

- **We convened a group of 16 UDRP experts with extensive practical experience as counsel, as panelists, and as case parties.**

- **We additionally brought in 28 subject matter experts including scholars, panelists, counsel, ccTLD representatives, registrars and registries, registrants, brand owners, noncommercial users, and UDRP providers.**

- **Based upon the project team's discussions and sessions with subject matter experts, we surveyed the Project Team's views on a broad range of UDRP-related topics.**

- **We evaluated the Project Team's views and categorized each topic according to the level of agreement on the topic and implementation considerations.**

- **We published an Initial Report for broad public comment and have produced this Final Report for consideration by the ICANN GNSO Council and Community.**

Introduction

We are pleased to submit the following Final Report on the consultative process of reviewing the UDRP, jointly undertaken by WIPO and ICA along with a project team of UDRP experts, including panelists, party representatives, registrants, and brand owners (the "Review Project").

Thank You to Everyone Who Submitted Feedback

This Report follows publication of an Initial Report in April 2025 which was published for feedback; 80 comments were submitted from a broad range of individuals and organizations.

The Project Team is grateful for the thoughtfulness of the feedback provided and took every comment into consideration and updated the recommendations in the Final Report accordingly.

All comments received are available online in full: https://www.wipo.int/amc/en/domains/resources/wipo-ica-comments.html.

The purpose of soliciting feedback was not only to alert the Project Team to any previously unidentified issues, but also to understand a broad range of perspectives especially on sometimes nuanced topics. All feedback was taken into account by the Project Team, and, where appropriate and after consideration, changes were made and appear in the Final Report to reflect the provided feedback.

The UDRP Review in Context

ICANN completed its Phase 1 Review of Rights Protection Mechanisms ("Phase 1") in 2020.[1]

Phase 1 primarily covered the Uniform Rapid Suspension system and the Trademark Clearinghouse and Sunrises and Claims Notices, and took over four years to complete. Despite the modest number of recommendations, the Phase 1 recommendations have yet to be fully implemented 5 years later.

Phase 2 (the "Phase 2 Review"), which has not yet commenced, is likely far more ambitious since it will review the Uniform Domain Name Dispute Resolution Policy (the "UDRP"), ICANN's first Consensus Policy, a dispute resolution procedure that has been in effect since 1999 and which has been relied upon to resolve over 125,000 cases and is used every day by trademark owners from around the world to deal with cybersquatting.

A More Efficient, Focused, and Practical Way Forward

As expressed, e.g., in the consensus views of panels captured in the WIPO Overview, the UDRP strikes a careful balance between the interests of trademark owners and of

[1] See *Final Report on the Review of All Rights Protection Mechanisms in All gTLDs Policy Development Process*, dated November 24, 2020.

registrants, and has historically been the subject of much interest, including various proposals for updates or reforms, sometimes with divergent views. It is anticipated that the Phase 2 Review could take far longer and be far more involved and onerous on participants than ICANN's Phase 1 review, absent serious efforts to find **a more efficient, focused, and practical way forward.**

The purpose of the Review Project is to provide ICANN with assistance in finding that more efficient, focused, and practical way forward – by providing unique and expert-led background information that can help direct the Phase 2 Review. By working with a diverse group of UDRP experts from around the world under the leadership of WIPO and the ICA, we have identified areas of the UDRP where consensus exists – both in terms of suggestions to update the operation of the UDRP, and also in terms of areas where there is agreement not to pursue changes. We have also identified areas where there is no present agreement but where separate work may be undertaken to attempt to bridge disagreements amongst stakeholders.

We hope that, by providing this Report garnered through extensive consultation and deliberation from experts with hands-on experience with the UDRP, ICANN will be able to:

> **a) Commence a Phase 2 Review with a clear sense of what may reasonably be accomplished and thereby better direct the work (both in terms of scope and duration) and <u>be efficient with ICANN's resources</u>;**
>
> **b) <u>Responsibly charter</u> the Phase 2 Review in an efficient manner by prioritizing areas where consensus appears likely; and**
>
> **c) Appropriately <u>project manage</u> certain topics for which consensus may require further work by dedicated and specialized work streams.**

<u>A Unique Opportunity for the ICANN Community</u>

We believe that the following Report affords ICANN with a unique opportunity to make the Phase 2 Review as efficient and productive as possible by focusing on the readily achievable, as identified collectively by a generally representative group of experts with hands-on UDRP experience. We further believe that, by appropriately harnessing the information and recommendations in this Final Report, ICANN can confidently embark on a focused Phase 2 Review with a sensible charter that achieves positive results with substantially less effort than would otherwise have to be expended by many stakeholders over many years. We believe that the GNSO's and the larger ICANN community's aim should be to ensure the stability and continuity of the UDRP while making practical revisions on the basis of consensus, rather than attempting to reinvent the UDRP or to dramatically refashion it.

The UDRP is relied upon globally and must continue for the benefit of all UDRP participants.

<u>Implement Consensus Improvements When Consensus is Achieved, on a Rolling Basis</u>

By breaking the Phase 2 work down into component pieces, we suggest that when consensus is achieved on a particular topic, ICANN need not await the final resolution of <u>all</u> issues under consideration. We have identified over two-dozen topics in this Report;

ICANN's Phase 1 project has now taken over 10 years (almost 5 of that in Working Groups) and has yet to be fully implemented.

Unless a recommendation explicitly considers a subject to be tied to another as a bundle or contingency, the Project Team suggests that any consensus agreements on the UDRP in the Phase 2 work be implemented on a rolling-basis when they reach consensus, rather than waiting years and years to implement agreed improvements.

This iterative approach also has the benefit of not upsetting the 25 years of UDRP experience with too many changes at once. Beyond that, a number of identified topics have long-held opposing views that may take considerable time to study and discuss.

We encourage ICANN's GNSO Council to use the Final Report of this Review Project proactively and productively for the benefit of the entire ICANN community, and would be pleased to provide further practical advice and/or answer questions as the Council sees fit.

Background to the UDRP

In the late 1990s, WIPO Member States requested the development of recommendations for a uniform approach to resolving trademark-based domain name disputes. Following a robust international process spanning numerous consultations, WIPO produced a Report recommending a process to address cases of trademark "cybersquatting" by domain name registrants across jurisdictions, which was adopted by ICANN's precursor to the GNSO, the DNSO, and which became the UDRP. Since the adoption of the UDRP by ICANN in 1999, and with the benefit of WIPO's leadership and institutional investment, the UDRP is widely recognized as a unique global success and online dispute resolution best practice:

- In almost 80,000 cases, over 100,000 domain names have been reclaimed by hundreds of brand owners at WIPO alone from every corner of the world and some 7,000 cases have been dismissed in favor of the registrant (including some 500 at WIPO where the panel admonished the complainant and/or counsel for abuse of process); overall the UDRP is the preferred alternative to cost-prohibitive multi-jurisdictional court litigation.

- Domain Name registration authorities (registries and registrars) rely on UDRP providers to manage trademark-based complaints without being dragged into resource-consuming cybersquatting disputes.

- Nearly 100 country code Top Level Domains (ccTLDs) use the UDRP directly or as a tailored model of a global best practice.

As was stated in an ICANN *Issue Report on The Current State of the UDRP (2011)*:

"In the last decade, the Internet community has come to rely on the consistency, predictability, efficiency, and fairness generally associated with the […] UDRP."

That is not to say that, in 25 years of operation spanning tens of thousands of cases, the UDRP has not attracted some criticism, particularly from good-faith registrants, mainly taking issue not with the proposition of the UDRP as an adjudicative procedure as such, but rather with some individual cases or specific aspects of the UDRP and seeking related improvements or changes. Informed observers have also consistently pointed out that the UDRP has played a critical role in preserving, if not creating, the domain name secondary market by its inclusion of certain protections for registrants.

A Unique Collaboration

The Review Project, Project Team, and Methodology

The Internet Commerce Association (ICA) has been a leader in examining the UDRP and raising public awareness of opportunities for improvement, and has been pleased to join with WIPO, the acknowledged pioneer and recognized thought leader of the UDRP, in contributing to the present discussion and policy review process. Drawing on WIPO's expertise and experience in providing the blueprint for the UDRP through a consultative process, and drawing upon ICA's expertise and experience with the UDRP, and in anticipation of the UDRP review planned by ICANN's GNSO Council, WIPO and the ICA believe that, to assist ICANN and DNS stakeholders, a similar approach as produced the UDRP in 1999 be undertaken to produce a report based on 25 years of experience with the UDRP to identify whether there are high-consensus areas that might lend themselves to policy or practice updates, but equally to identify areas that appear unlikely to result in consensus policy recommendations or which may merit further exploration (in an ICANN working group or otherwise).[2] By assisting the ICANN Community in identifying areas of stakeholder agreement and even of disagreement, it is expected that ICANN's eventual review process will benefit from greater focus and efficiency.

In that spirit, it is hoped that the Final Report of this consultative process substantially assists whatever ICANN processes may unfold.

We believe that this unique collaboration represents the best of the bottom-up, collaborative, consensus-building model that ICANN encourages.

The Project Team

The Project Team, comprising experts and UDRP stakeholders from around the world, includes:

- Lead faculty for the WIPO Advanced Workshop on Domain Name Dispute Resolution: David H. Bernstein (United States of America) and Andrew D. S. Lothian (United Kingdom);

- ICANN Board member and liaison: Sarah Deutsch (United States);

- Party counsel: Paul Keating (Spain/United States), Jane Seager (France/United Kingdom), Jason Schaeffer (United States), and Marc Trachtenberg (United States);

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[2] Aware that ICANN's GNSO Council had nevertheless planned a review of the UDRP, the [June 2022] ICANN GAC Hague Communique (ICANN 74) noted that:

"[t]he [Governmental Advisory Committee] received an update on the status of a planned review of the UDRP, and in particular notes reference to section 13.1 of the ICANN Bylaws which calls on and indeed encourages, the Board and constituent bodies to seek advice from relevant public bodies with existing expertise that resides outside of ICANN (notably [ ] WIPO, as author and steward of the UDRP) to inform the policy process, and looks forward to further exploring this provision prior to any review of the UDRP."

Such approach has also been called for in a letter to ICANN from MARQUES, the European association representing brand owners:

"ICANN could request the World Intellectual Property Organization as the global leader, which was commissioned in 1998 to develop a solution which became the UDRP, to select and chair this independent expert group."

- UDRP panelists: Shwetasree Majumder (India), Francine Tan (Singapore), Adam Taylor (Ireland), Kiyoshi Tsuru (Mexico), Nicholas Smith (Australia), Jeremy Speres (South Africa), and Deanna Wong Mai Man (Hong Kong, China/New Zealand);

- Domain name registrant: Nat Cohen (United States); and,

- Brand owner representative: Mette Andersen (Denmark).

The project coordinators are, from WIPO, Brian Beckham, and from ICA, Zak Muscovitch.

Substantial Practical Hands-On Experience and Expertise of the Project Team

The Project Team and invited experts are representative of a broad cross-section of groups involved with and affected by the UDRP who cumulatively have hundreds of years of hands-on experience with the UDRP and know it inside and out. The issues identified for recommendations stem from the Project Team's direct experience and first-hand knowledge of case volumes and jurisprudence, case dispositions, panel compositions, RDNH rates, cancellations rates, rates of transfer, post-decision implementation issues, feasibility of cost recoveries, and more.

Where a likelihood of achieving consensus was identified by way of unanimous agreement amongst the Project Team – themselves sometimes coming from opposing sides of the UDRP discussion – the ICANN Community can readily see that sufficient experience and facts underpinned the suggested practical improvements to the UDRP.

Additional Subject Matter Experts

In order to identify additional areas for study and ideas for improvement In order to identify additional areas for study and ideas for improvement, we invited a number of identified subject matter experts – again representing a diverse range of sometimes opposing viewpoints – to provide valuable insight and perspective to the Project Team. Those included:

- Scholars: Gerald Levine (author, panelist, and counsel) (United States);

- ccTLD counsel: Nick Wenban-Smith (General Counsel, Nominet) (United Kingdom);

- Panelists and practitioners widely recognized for their expertise in the UDRP: John Berryhill (United States), Steve Levy (United States), Georges Nahitchevansky (United States), Tony Willoughby (United Kingdom), Nick Gardner (United Kingdom);

- Registrar representatives: Chris Patterson (GoDaddy) (United States), Reg Levy and Rich Brown (Tucows) (United States), Owen Smigelski (Namecheap) (United States);

- Registrant representatives: Jay Chapman (Digimedia) (United States), Nat Cohen (Telepathy) (United States);

- Brand owner representatives: Patrick Flaherty (Verizon) (United States, Ireland), and Margie Milam (Meta) (United States), Natalie LeRoy (Meta) (France/United Kingdom);

- Noncommercial user representatives and academics: Konstantinos Komaitis (Atlantic Counsel and Freedom Online Coalition) (Greece), Christine Farley (American University) (United States), Rebecca Tushnet (Harvard) (United States), Kathy Kleiman (American University) (United States) [invited];

- Party Representatives: Nathalie Dreyfus (France) and Cecilia Borgenstam (Sweden);

- UDRP provider representatives: Renee Fossen (Forum) (United States), Ina Ergasheva (CIIDRC) (Canada), Lenka Nahlovska (CAC) (Czech Republic), ADNDRC [invited]; and

- Brand enforcement representatives: Caroline Valle (SafeNames) (France), Tim Brown (Com Laude) (United Kingdom), Vincent D'Angelo (CSC) (United States), Joe Viviani (CSC) (United States), and Özge Şentürk-Fowler (CSC) (United Kingdom/Türkiye).

These subject matter experts were invited to share their experience and perspectives about the UDRP, including what they view as working well but also opportunities they may see for improvement or challenges that they had identified. Their expert input was welcomed by the Project Team and influenced its perspective and the recommendations of this Final Report.

Overarching Principles Guiding this UDRP Review Project:

Over the course of 25 years and tens of thousands of cases that have given rise to a rich body of case jurisprudence – as demonstrated in the WIPO Overview – the UDRP has proven to be an effective process to quickly, consistently, efficiently, and predictably resolve clear cases of cybersquatting for parties around the world, in a framework of general legal certainty.

Any recommendations to update the UDRP framework or its implementation must be considered against this background, in full consideration of the potential implications and their impact on jurisprudence and party expectations – in particular so that the UDRP can continue to reliably be used with generally predictable results. In recognition of this principle, any policy recommendations should not be made on the basis of outlier cases or views which are unlikely to garner consensus.

While there may be differences of opinion on individual cases, overall, it is recognized that the UDRP has generally worked well, and that there is no pressing need or desire to undertake a wholesale revision of its overarching trademark-based framework set out in the UDRP and Rules for Uniform Domain Name Dispute Resolution Policy (the “Rules”).

In undertaking the present exercise, and indeed more generally in terms of any review of and recommendations to update the UDRP and its framework, the practical experience-based views of panelists, counsel, parties, and providers should be the primary basis for any such recommendations. Over the course of 25 years of UDRP experience, practitioners, panelists, and parties have identified potential areas where improvements to the UDRP could be considered. These are driven in part by the substantially greater importance and value that domain names currently play in the Internet economy compared to their original

nascent state and indeterminate potential back in 1999, when the UDRP was first adopted. Similarly, they are driven by the increased frequency of cybersquatting and the rise of new methods of domain name abuse that did not exist in 1999 when "classic" cybersquatting (e.g., registration of trademarks as domain names) was more prevalent than today. Today, many of the abusive domain name registrations are typified by typosquatting, fraud, and phishing, and they are typically registered behind privacy shields, all of which raises more complex issues than the classic cybersquatting at the dawn of the commercial Internet era.

In addition to hands-on experience, the present effort has also taken account of a number of public resources, including but certainly not limited to, ICANN's Current State of the Uniform Domain Name Dispute Resolution Policy: Final Issue Report (October 2011), the Charter for ICANN's Review of All Rights Protection Mechanisms in All gTLDs (March 2016), and the ICANN Staff UDRP Policy Status Report (March 2022).

Mindful of the imperative not to derail the utility of the UDRP which is relied upon daily by brand owners, registrants, registrars, and a range of other DNS stakeholders, the present effort has equally not shied away from suggesting improvements that 25 years of UDRP experience shows could be usefully made to the UDRP and its framework without causing major disruption to the well-established and successful fundamental framework or case law. In this respect, such suggestions are made in full awareness of the fact that some topics, e.g., appeals, were considered but not adopted in the 1999 Final Report of the WIPO Internet Domain Name Process.

Finally, the present effort recognizes that there may be topics identified in which consensus has so far not been possible, but that such topics may nevertheless still warrant consideration in another dedicated and specialized forum or work track.

In sum:

1. The UDRP has demonstrated itself to overall be an effective and successful procedure for resolving clear cases of cybersquatting. Any perceived faults or inadequacies of the UDRP do not warrant a wholesale revision of the Policy.

2. It is imperative that the consensus approaches to the interpretation and application of the Policy, derived from 25 years of case law, be identified and – unless there is compelling evidence supporting a change which does not destabilize the procedure and which enjoys consensus support – be maintained so that the UDRP can continue to fairly and reliably be used with generally predictable results.

3. The present UDRP review effort is focused on its existing trademark-based framework, though it is recognized that other types of identifiers are an area of interest for some stakeholders and which may be the subject of separate considerations.

4. The direct and practical experience of panelists, counsel, parties, and providers should be the primary basis for any such improvements to the UDRP.

Below are the specific issues discussed, a relevant summary of points of input and conversation, and the level of consensus towards a recommendation.

Identifying Subjects for Consideration Based on Practical Experience and Knowledge

Through consultations, deliberations, and review of previous ICANN and Community discussions on potential targeted amendments to the UDRP and its overall framework, the Project Team identified the following subjects for potential consideration in an ICANN review of the UDRP, in no particular order:

- Loser Pays, Costs, Damages
- Fee Payment Deadlines
- Reviewing and Reinforcing ICANN's Role in Compliance
- Providing UDRP-related Information for Registrars
- Regulating Complaint Withdrawals
- Clarifying Registrar Verification Procedures
- Identifying Dissenting Panelists
- ICANN Contribution to the UDRP
- Educational Materials
- Mediation
- Laches/Statute of Limitations
- Scope of UDRP
- Name Redaction
- Registrars to Provide Additional Notice
- Appeals Layer
- Changing "and" to "or"
- Supplemental Filings
- Expedited or Summary Procedures
- Remedy: True Cancellation
- Panelist Appointment, Accreditation, and Quality
- Codification of Case Law
- Free Speech
- Decision Format

Our primary goal was to identify issues that enjoy widespread support from stakeholders with the most direct experience and involvement in the UDRP, namely parties and panelists; in ICANN parlance, items capable of achieving consensus. Recommendations that received such widespread support were based upon the experience and knowledge of people who deal with these issues on a daily basis and therefore are made with confidence.

From this list of subjects, we identified those areas:

a) Where there is agreement among the Project Team and the proposed recommendation is readily implementable (Category 1);

b) Where there is agreement in principle among the Project Team but additional work is required on implementation particulars (Category 2);

c) Where there is recognition among the Project Team that a solution or agreed direction has not yet been determined and that further study and consensus building may be warranted (Category 3); and

d) Where there is agreement amongst the Project Team that no change is needed or that the issue is unlikely to reach consensus (Category 4).

Category 1 – Unanimity of the Project Team, Likely to Achieve Consensus and Readily Implementable

These are the topics on which the Project Team reached unanimous agreement, and we therefore believe that consensus is likely to exist in the Phase 2 Review. These are moreover recommendations that appear readily implementable.

Against that backdrop, these are topics that the Project Team considers should be prioritized in the charter for ICANN's Phase 2 review of the UDRP.

Supplemental Filings

Neither the UDRP nor the Rules regulate supplemental filings other than making it within the discretion of the panel to request them. Nevertheless, in practice, supplemental filings are sometimes submitted without a panel requesting them, thereby slowing down the case and/or increasing the burden on panelists and other parties. Sometimes supplemental filings are unwarranted and, moreover, they do not meet the test for admission set out in prior cases. As is captured in the WIPO Overview, panels have repeatedly affirmed that the party submitting or requesting to submit an unsolicited supplemental filing should clearly show its relevance to the case and why it was unable to provide the information contained therein in its complaint or response (e.g., owing to some "exceptional" circumstance).

Often, when an unsolicited supplemental filing is filed by one party, whether justified or not, the other party feels it is obliged to respond to it (sometimes at significant cost and effort) even if the original supplemental filing is repetitive and/or ultimately disallowed. There are no rules governing the length or content of a supplemental filing.

Summary of comments received on the Initial Report: there was support for the recommendation. However, it was noted that any rules formulated will have to consider the administrative burden on providers and the time and effort required of parties and panelists.

Recommendation: *we recommend that the Phase 2 review seek a consistent approach to the procedures and parameters concerning supplemental filings.*

Fee Payment Deadlines

Currently, there is no fixed time frame in the Rules for complainants to pay the additional fees required for a three-member panel. While normally this is not an issue, in a very small number of cases, it has put providers in an awkward position of chasing a party.

We considered whether there should be a reasonable but fixed length of time for complainants to pay any additional required filing fees in a three-member panel case.

Summary of comments received on the Initial Report: there was support for this recommendation as it provided additional certainty and seeks to prevent delays in the three-member panel appointment process.

Recommendation: *we recommend that the Rules be amended to impose a deadline for complainants to pay additional filing fees in three-member panel cases.*

Reviewing and Reinforcing ICANN's Role in Compliance

ICANN Registrar Compliance plays a crucial role in ensuring that registrars comply with their obligations under the UDRP.

Nevertheless, there have been reports, particularly from complainants, that ICANN Compliance is sometimes unable to intervene in a timely or satisfactory manner, e.g., where a registrar fails to appropriately lock a domain name which is the subject of a UDRP case, or refuses to implement a UDRP decision in their favor.

We considered the question of whether ICANN should review and reinforce its role in ensuring timely compliance of registrars with respect to their duties under the UDRP and the corollary that registrars receive greater training and information on these obligations.

As the party ultimately responsible for (contractual) compliance with its own Consensus Policies, it was felt to be a rather obvious point that ICANN should be required to ensure that its contracts and their interpretation operate in a way to support the good functioning of the UDRP, and to act in a specified timely manner when compliance questions are raised to its attention.

Summary of comments received on the Initial Report: there was support for the recommendation. Concern was raised regarding compliance with the UDRP by some registrars as well as with the procedure, with post-transfer delays being noted. There was a suggestion to automate the post-decision transfer process.

Recommendation: *we recommend that ICANN review and reinforce its role in ensuring timely compliance by registrars with their duties under the UDRP, and also that registrars receive training and information on those obligations. We furthermore recommend that consideration be given to practical solutions to make uniform and to streamline or automate the transfer process.*

Providing UDRP-related Information for Registrars

Registrars play a crucial role in the UDRP by locking and unlocking domain names, verifying registrant contact details, and enforcing transfer orders. Nevertheless, some complainants have reported occasional issues and delays with some registrars in performing their duties to lock a domain name, provide registrant information, or transfer the domain name to a successful complainant. In a few cases, this has even resulted in a third party registering the domain name after the UDRP case, thus forcing the complainant to file a second case.

We considered whether a one- or two-page FAQ document for registrars be prepared by ICANN in consultation with stakeholders.

We also considered whether registrars should be required to undergo a short "UDRP Bootcamp," e.g., in a one- or two-hour webinar so as to better inform them how to process UDRP complaints and transfer.

Summary of comments received on the Initial Report: there was support for this recommendation; however there were suggestions to work cooperatively with registrars to ensure that UDRP filers and registrants are also informed of best practices as they can also be the cause of or may increase delays in the transfer process. There was a suggestion for registrars to appoint a designated contact person for UDRP procedures and to provide information resources.

> ***Recommendation:*** *we recommend that ICANN prepare and disseminate informational resources for registrars. We recommend that registrars participate in informational sessions and that a contact person be designated at each registrar for post-decision transfer procedures. We further recommend that filing parties be able to access such information and/or participate in any webinars.*

Regulating Complaint Withdrawals

The Rules do not specifically address situations where a complainant wants to withdraw a filed complaint without the respondent's consent. This can sometimes arise where a respondent wants a determination on the merits. At some providers (e.g., WIPO), if there is a known respondent and/or response, this would be subject to comments from, and usually consent by, the respondent. At other providers, apparently this may not be the case.

We considered the question of whether the Rules should be clarified to regulate complaint withdrawals and make the procedure and considerations uniform across all providers.

Summary of comments received on the Initial Report: there was support for this recommendation.

> ***Recommendation:*** *we recommend that the Rules be amended to regulate withdrawals (requiring the consent of both parties) and thereby make the procedure uniform across all providers.*

Clarifying Registrar Verification Procedures

Registrar Verification to providers is sometimes unclear depending on how the answers provided by the registrars are produced/formatted. Sometimes it is a complete copy-paste of the RDAP (WHOIS) information, other times it seems to be more ad hoc. Registrar Verification can in some cases be an important part of the evidentiary record; the Rules currently do not however require that it be shared with both parties and the panel, resulting in potentially inconsistent distribution of this information. Moreover, certain dates provided by registrars in the Registrar Verification may be understood differently (such as whether a provided date reflects the date the registrant registered the domain name or whether it merely reflects an update to the RDAP data (e.g., contact information)) amongst registrars, panelists, and parties, and therefore greater uniformity is required in the provision and interpretation of this data.

We considered the question of whether there should be a requirement that the registrar's obligation vis-à-vis the registrant contact information be specifically defined to provide (in

addition to answers to questions such as the language of the registration agreement or confirmation that the domain name is locked) the complete and unredacted underlying registration data for the disputed domain name.

NB while the Project Team did not examine the ICANN RDRS or SSAD or PPSAI in detail, it is presumed that, whatever request framework ICANN eventually deploys, this would facilitate the provision of the actual underlying customer information in UDRP proceedings and provide specific parameters for timing and method of such disclosure. It is also noted that, absent any such disclosure, section 3.7.7.3 of the ICANN RAA specifies the liability of the publicly-named registrant (the "Registered Name Holder").

We also considered the question of whether (and to the extent that a provider is not already doing so) RDAP data be provided to both parties and the panel.

Summary of comments received on the Initial Report: there was support for this recommendation. There was a suggestion to automate the interface between registrars and providers.

Recommendation: *we recommend that the information requested by providers should be uniform and that the data provided through the registrar verification procedure should uniformly specify (a) the creation date; (b) the date on which the registrar became the registrar of record, and (c) the registrant contact details, and should be made uniform and should be shared with both parties and the panel. Consideration should be given to automating (subject to technical and resource constraints) the interface between registrars and providers.*

Identifying Dissenting Panelists

In a few very rare occasions, a dissenting panelist has not been identified in a decision. If a dissenting panelist is not identified, it is unclear which panelist holds which views.

This lack of transparency undercuts the ability of parties to make informed choices when selecting panelists for a three-member panel case. It also undermines the goal of transparency in the UDRP.

We considered the question of whether dissenting panelists should be identified in decisions by name.

Summary of comments received on the Initial Report: there was support for this recommendation. One comment suggested that disclosing a dissenting panel could have a chilling effect on dissents. There has been no evidence of this being a concern amongst panelists and as both a practical and policy matter the importance of transparency for the benefit of complainants and respondents and their counsel alike when it comes to nominating co-panelists, is seen to outweigh any hypothetical concern about a chilling effect – which does not seem to be borne out after 25 years and tens of thousands of cases. Moreover, if there were to be redaction of dissenting panelist names, then there could also be redaction of majority panel names with no names being identified in a decision despite Rule 15(d) which requires the identification of the name(s) of the panel.

Recommendation: *we recommend that the Rules be amended to require that dissenting and concurring panelists be identified in all decisions.*

ICANN Contribution to the UDRP

Millions of dollars are spent annually on UDRP filing fees – mostly by complainants.

At the same time, not only complainants, but also, registries, registrars, and registrants all generally benefit from the UDRP's good functioning to resolve domain name disputes out of court. ICANN benefits from the UDRP as it contributes to overall stability in the domain name system. Nevertheless, and unlike other intermediaries such as online marketplaces (see for example, the eBay v Tiffany case) the overwhelming lion's share of the costs to administer the UDRP are borne by parties and providers. Merely one penny per registration or renewal (from that already paid by ICANN Contracted Parties) would produce about USD 2,000,000 annually.

We considered whether there should be a subsidy drawn from registration fees going towards the UDRP in some fashion such as lowering or reimbursing a portion of filing fees (especially for non-profits or SMEs both on the complainant and respondent side), UDRP education and training, panel remuneration, developing UDRP guidance material, etc.

Summary of comments received on the Initial Report: there was support for this recommendation. It was also suggested that registrars' role in supporting the UDRP should be recognized. Given the recent funding of UDRP related defense work from the ICANN fund derived from the last round of new gTLD auctions, it was also considered whether such funds should be applied more broadly to assist with the UDRP procedure and in particular to support SMEs who face cybersquatting issues. It is also noted in this regard that some UDRP providers operate on a not-for-profit basis. It was also suggested that further analysis of such a fund's structure, administration, governance, etc. be undertaken and subject to review.

Recommendation: *given the benefit to registration authorities in outsourcing dispute resolution under the UDRP, we recommend that consideration be given to using funds received by ICANN from registration fees to support the UDRP in some fashion such as lowering or reimbursing a portion of complaint filing fees (especially for non-profits or SMEs), UDRP education and training, panel remuneration, developing UDRP guidance material, etc.*

Educational Materials

We believe that there is a role for ICANN in reducing the frequency of poorly-conceived or unsubstantiated pleadings by providing parties with neutral and standardized educational materials covering not only the obligation not to infringe third party rights when registering a domain name, but also the basic requirements of a UDRP complaint and response. The educational materials would alert parties to the most common deficiencies in poorly drafted complaints and inadequate responses (e.g., the failure to submit proof of adequate and timely trademark rights; the need to support contentions with documentary evidence and not merely with unsubstantiated allegations; explanations of bona fide noncommercial fair use or

valid legitimate interests, etc.). The materials would be made available in plain language for those who are not trained legal professionals or otherwise have little experience in this field.

This information would benefit meritorious complainants and their counsel who are unfamiliar with the UDRP by alerting them to potential pitfalls. It could also benefit both complainants and respondents by helping unwitting complainants and their counsel avoid bringing complaints that will not succeed and could possibly result in a finding of RDNH. Similarly, educational materials could help educate respondents about trademark rights and clarify that registering a domain name simply on the basis that it is available may not automatically provide rights to such a domain name.

Care must be taken with such materials so as not to deter lawful registration of domain names or discourage legitimate complaints. Providers could offer links to these educational materials at prominent points most likely to be seen by parties prior to submission of their pleadings, such as on their home pages, facilities for online submission of complaints and responses, notice of commencement emails, etc.

Summary of comments received on the Initial Report: there was support for this recommendation.

Recommendation: *we recommend the creation and publication of educational material for use by all parties, which may be made available on each provider's website and on ICANN's own website.*

Registrars to Provide Additional Notice

Currently, notices of a dispute are issued by the provider directly to the respondent. However, there have been some reported instances of a registrant not responding to or not recognizing the import of the provider's notice, as the respondent is not familiar with the provider or with the UDRP. (Indeed, Internet users are often advised not to open attachments from unknown senders.) If a registrant is notified by its registrar that a UDRP case has been commenced against it, it is expected that the registrant will generally be more likely to read it and to trust that the notice is legitimate. Registrants have a relationship with their registrar and will generally be familiar with and trusting of notices received from their registrar.

Some registrars notably already provide this additional notice to their customers as a matter of good customer service.

Summary of comments received on the Initial Report: there was support for this recommendation. It was noted that any such registrar's notice be for information only to support due process in UDRP cases and should not change any deadlines or that primary notice be delivered by the provider. The basis of the recommendation was that a potential improvement can be easily made based upon recognition of a potential issue and with an easy solution.

Recommendation: *although the UDRP generally has been successful in providing notice of a dispute to respondents, as Internet users adapt to an increase in spam and fraud and may in some cases be reluctant to open emails, the process can be improved with a small adjustment. We believe that it would be prudent and*

manageable for registrars (including their resellers) who are the entity with a contractual relationship with the registrant, to support the UDRP by providing an additional form of notice to respondents.

We propose that this practice become universal and mandatory across all registrars – in support of due process for registrants.

Registrars, however, would not be required to serve the actual complaint; that function would still be left to the provider. (The registrar's (or reseller's) actions would be limited to emailing its customer at all available email addresses (including the account holder address and not just the registrant's recorded RDAP/WHOIS address) and providing notification to its customer that the disputed domain name has been locked and that they will have received or will shortly receive a Notice of Commencement of Proceedings from the provider.) This additional form of notice should be for greater informational and notice purposes only, and should otherwise have no effect on deadlines.

We further recommend that ICANN should consider whether (following the successful WIPO eUDRP proposal) the need for a hard copy notice should be eliminated. In many cases, these hard copies are not received because the registrant-provided address is incorrect; moreover, sending hard copies by courier is expensive, time consuming, and not sustainable.

Decision Format

The Rules do not address the format of decisions, neither on a technical, nor on a structural level. There is clear inconsistency between the readability of decisions amongst providers. For example, the decisions of some providers are sometimes criticized as being more difficult to follow than others, WIPO being cited as a best practice in terms of structural readability.

Summary of comments received on the Initial Report: there was support for this recommendation. One commenter suggested that all case files be made public to increase transparency and oversight, however it is noted that, although possible in theory, this would present substantial obstacles in terms of protection of personally identifiable information as well as confidential business records, and it is unlikely that parties would be agreeable to such public disclosure.

Recommendation: *it was agreed that readability and uniformity of form are desirable. While there was a view expressed that a technical specification for machine readability of decisions to search decisions across all providers could be useful, the clear majority view was that this should not be undertaken as it would impose an undue burden on providers. There was*

agreement however that a uniform section-by-section template as is, e.g., used by WIPO should be followed by all providers as a best practice.

Codification of Case Law

The Project Team considered the question of whether consensus based upon established case jurisprudence should be codified in the Policy. A wide body of jurisprudence has resulted in clear and well-established interpretations of the UDRP in the vast majority of cases. The WIPO Overview has captured much of this. However, a question arises as to whether interpretive guidance or "rules" arising from such jurisprudence should be codified within the Policy itself as a binding interpretative tool across all providers and panelists.

Summary of comments received on the Initial Report: there was support for this recommendation with different views expressed as to whether it should be binding (ref. the discussion of appeals herein) or guidance.

Recommendation: *we recommend that the concept of a pan-provider summary of case jurisprudence, building on the consensus views captured in the WIPO Overview, be further explored in a similar manner as this WIPO-ICA-led Review Project (i.e., outside of ICANN's policy development processes but with the inputs of stakeholders with experience with the UDRP).*

Category 2 – Unanimity of the Project Team, With Implementation Particulars to be Resolved

These are topics on which the Project Team agrees that a solution is both desirable and possible, but for which a specific solution has not yet been agreed upon.

It is suggested that these topics be considered in dedicated, specialized work tracks in the Phase 2 review of the UDRP.

Appeals Layer

An appeals layer has been consistently raised from across stakeholder groups as a desired feature to be added to the existing UDRP. While the Final Report of the First WIPO Internet Domain Name Process recommended against the inclusion of a specific internal appeals layer, preferring recourse to national courts for a de novo review, experience has shown that this design element may be worth revisiting. Moreover, concerns have been raised that a number of jurisdictions' legal systems may not provide a cause of action under national law for cases to be heard following a UDRP decision.

In principle, the Project Team was in unanimous support for the idea of an appeals layer; there was however a range of views on the exact details.

An appeals procedure has been largely considered as a potential means of:

(a) providing recourse to parties whose national courts may not provide a cause of action following a UDRP case;

(b) providing a means of allowing the parties to challenge what they believe may be an incorrect decision while also saving significant time and cost in comparison to courts (where available), in particular where the parties may come from different jurisdictions thus requiring use of foreign counsel; and

(c) further enhancing the stability and predictability of the UDRP system as a jurisprudential system driven by consensus, in a more structured way.

Set against the backdrop of the potential enhancement to the UDRP that an appeals layer could enable, is the fact that the vast majority of UDRP decisions are agreed to be solid and lacking in genuinely appealable aspects. This conclusion is illustrated by the nature of most domain name disputes which involve "indefensible" or obvious cybersquatting where, as a result, the respondent does not even contest the allegations. Bearing in mind the considerable expense (or due to the unavailability of recourse under local law), only the rarest of UDRP cases is ever moved to a national court – even in those jurisdictions where a cause of action is well-established, such as in the case of the ACPA in the United States of America. Then again, as with all legal regimes, there are occasionally outlier cases that are believed to be incorrectly decided and deserving of reconsideration. It is sometimes suggested that there are a number of UDRP cases or topics in which the law is not well-settled or the Policy inconsistently interpreted, and that having an internal UDRP appeals layer could assist in settling those particular issues.

The concept of an appeals layer has raised some dialogue as to whether an appeals option could be abused to lengthen proceedings and to increase costs, whether by losing

complainants or losing respondents. Such risks could, however, be mitigated by appeals fees. It is also notable that, even without a UDRP appeals procedure, parties can (and have) attempted to lengthen proceedings and frustrate transfers by commencing post-UDRP court proceedings in foreign jurisdictions. (See e.g., www.wipo.int/amc/en/docs/icann090409.pdf)

Discussions also considered the risk that a party that uses an internal UDRP appeal should not also be able to go to court in order to avoid too many "bites at the apple". However, as a practical matter, it may not be possible (nor desirable) to prevent this. Preventing a party from going to court could raise access to justice issues, complex national legal issues, and complexity in revising UDRP Paragraph 4(k) in particular.

When it comes to determining how exactly an appeals procedure could work, a number of questions arise. For example, if an appeal decision were to be binding instead of corrective, the composition of an appeals panel may take on increased importance as its composition would not only determine the outcome of the particular case, but also set precedent for future cases. Furthermore, if there were multiple appeals providers, an appeals decision from one could in theory be inconsistent with an appeal decision from another – this speaks to the risk of fragmented or inconsistent appeals results vs the benefit of a single appeals board managed by a single body, such as WIPO given its role in creating and acting as steward of the UDRP (e.g., as reflected by its institutional investment in the WIPO Overview).

Consideration was also given to an appeals layer that only permits appeals from single-member panel decisions to a three-member appeals panel. This was based upon the rationale that replacing the judgment of one three-member panel with that of another three-member appeals panel might not necessarily result in a better decision, but perhaps only a different one.) Consideration was also given to a special "Appeals Panel Roster" (as Nominet employs, and with the panelists for such roster to be drawn from the broader pool of panelists across providers). Based upon the Project Team's discussions and hearing from the outside experts, and given the considerations about creating an appeals layer that is appropriately balanced, an appeals system featuring the following elements could be feasible:

(a) whether removing the three-member panel option for cases at first instance or leaving both current options intact: creating an appeals roster which would be a community-agreed specially-constituted roster of the most experienced panelists; or

(b) corrective at minimum as to the appealed case between the involved parties, rather than establishing a binding precedent on future parties (bearing in mind that inevitably such decisions may nonetheless have persuasive value) such that an appeals panel would not create binding case precedent on all subsequent panels.

NB on point (b) above there were divergent views, including the question of whether the expense and delay of an appeals system would be justified if all the appeals panel could do was correct the individual decision from the first panel, and thus the question of appeals being binding as precedent merits specific consideration.

Questions also arose as to whether an appeals procedure should involve a closed evidentiary record drawn from the original hearing, subject to appeals panel discretion and/or exceptional circumstances. It would also be necessary to establish the procedural rules including a set time frame to commence an appeal, and to establish a sufficient fee to discourage frivolous appeals.

Despite the attraction of some or all of these potential elements of an appeals layer, questions remained within the Project Team. For example, some believe that, given the heavy lift, complexity, panel composition issues, binding precedent issues, and the general rarity of decisions that some parties believe warrant reconsideration, an appeals procedure is not a matter of priority, preferring the status quo which enables recourse to national courts where available. Some felt that even confining appeals to review only single-member panel decisions could be inefficient if parties have to participate in two hearings; it was, however, noted that the possibility of a second hearing under the UDRP framework is no different than the status quo where a UDRP party may later be forced to defend its position in court.

On the other hand, within the Project Team, the view was also widely endorsed that an appeals procedure would serve to enhance the UDRP by providing a relatively simple and low-cost mechanism for addressing the relatively occasional errant decision particularly by a single-member panel, and believe that despite the procedural questions to be addressed, it is worth pursuing.

In looking at this issue, the Project Team consulted with Nominet in particular on aspects of its DRS which has an internal appeals layer. In 2024, out of 237 cases that went to a decision, only 4 were appealed. It was understood that Nominet has found great value in having an appeals layer, and the fact that it was seldom used very much reinforced the effectiveness of the appeals layer, i.e., its limited use was a “feature not a bug” since the mere availability of an appeals system itself, serves as a deterrent to panels reaching the wrong result. Overall, it has helped bring a sense of fairness and settle jurisprudence.

As stated above, the concept of an appeals layer was perhaps the one that on the surface had the most support, and which would preserve the good functioning of the UDRP into the future. In the time available however, it was not possible to fully settle on the different facets of an appeals layer.

More than any other topic in this Report, it is felt that any ICANN Phase 2 Review work on the appeals layer concept should be undertaken by a narrow group with direct experience in the UDRP and court litigation. In sum it was felt that consensus on the workings of an appeals layer should be possible.

Summary of comments received on the Initial Report: there was support for the recommendation.

Recommendation: *we believe that an appeals procedure can provide enhanced stability to the UDRP and on the whole appears to be a workable concept, but that a range of interrelated procedural issues would need to be worked out.*

As a result, we would recommend that the concept of an appeals layer be considered in a dedicated work track in Phase 2 with special focus on convening a group with practical experience to consider the related parts.

Remedy: True Cancellation

Cancellation has always been a remedy available under the UDRP. However, it is infrequently used because most complainants would rather obtain a transfer of the domain

name – even if it means continually paying registration and renewal fees, rather than permitting a domain name to re-enter circulation following a "cancellation" order and potentially be re-registered by any third party, including the respondent.

Owing to the costs to maintain a registration for a domain name claimed under a UDRP proceeding, brand owners have often asked that the UDRP enable a domain name to be permanently canceled, such that renewal fees do not need to be paid merely to protect consumers, by keeping the domain name out of the hands of cybersquatters. This could be subject to a periodic proof by the brand owner that its (registered) mark remains valid. Registries and registrars should be willing to forgo the revenue from domain names which panels have determined should have never been registered in the first place.

Nevertheless, because of the possibility of coexistence of trademarks or use of words in a non-trademark sense – such that certain domain names should not be permanently kept out of circulation where another party may be able to use it in good faith without infringement – consideration must also be given to how to deal with such instances. For example, the Australian ccTLD manager auDA once managed this (in a policy it called the Prohibition on Misspellings) by allowing a third party to ask that a name be lifted from its cancelled/suspended state upon the showing of a legitimate claim to the domain name. The operational considerations (e.g., a process to lift a domain name out of cancellation) that such a potential remedy brings to the UDRP would of course have to be considered if cancellation was repurposed to mean that a domain name was taken "off the grid" and no longer in the pool of generally available domain names.

The Project Team was in favor of true cancellation as a new remedy, but did not fully advance a solution for exactly how such a system would work, particularly with regard to lifting a cancellation due to potential third-party good faith use.

Summary of comments received on the Initial Report: There was support for the recommendation. It was noted, however, that such a remedy would necessarily involve registries and not just registrars, in order to "block" domain names across the registry. We revised our Final Recommendation based upon this feedback.

> ***Recommendation:*** *the Project Team felt that "true cancellation" should be considered as a remedy under the UDRP, and that a suitable mechanism for lifting the cancellation so that third parties are not prevented from legitimate registrations be included.*
>
> *Figuring out a satisfactory method may require some nuance but appears not only to be within reach, but worth a dedicated effort. This will necessarily require input from registrars and registries. We therefore recommend that this issue be prioritized possibly in a dedicated work track.*

Third-level domains

As a result of feedback which we received in response to our Initial Report, we additionally identified "third-level domain names" as an area which requires consideration of a solution. Third-level domain names, e.g., "acme" in ACME.EXAMPLE.COM, are for the most part not currently subject to the UDRP due to the existing ICANN and registrar framework. (As mentioned below, a number of ccTLDs apply the UDRP or a variant to third

level domain names.) After careful consideration by the Project Team, we concluded that instances of abuse via third-level domain names should be considered not as a modification of the UDRP as such, but rather of the contractual framework governing domain name registrations. This may be achieved by requiring second level domain name registrants (the registrant of "example.com" in the above illustration), who sell or license third level domain names to others to incorporate the UDRP into their agreements. This way, rather than addressing complex issues regarding remedies, i.e., if a third-level domain name is found to have been used in bad faith, the only possible remedy would be to either transfer or cancel the second-level domain name which would effectively take down all third-level domain names. There is precedent for this already in many ccTLDs (e.g., ___.edu.ccTLD or ___.gov.ccTLD) and even in open second level ("quasi TLDs") domains such as ".it.com" or those managed by CentralNic such as "de.com" or ".com.de".

Recommendation: *the feasibility of applying the UDRP to address abuse of trademarks by registrants of third-level domain names should be considered in a dedicated work track.*

Changing "and" to "or"

The UDRP requires both registration and use of the disputed domain name in bad faith. While, in many cases, the two are interconnected, in some very rare cases over the years, a domain name originally registered without the intent to target a brand owner in bad faith (e.g., because the complainant did not yet exist), is later used in a clearly bad faith infringing manner (e.g., to divert customers looking for the website of the newly-formed brand).

More commonly, but still relatively rarely, at least in terms of cases filed under the UDRP, are cases where a registrant associated with the Complainant registered a domain name in an absence of bad faith (e.g., with the Complainant's consent), but the relationship was subsequently severed and the Respondent nevertheless continued to hold and/or use the domain name in bad faith. An example of this is the "Octogen" case, where the panel decided in the complainant's favor, setting off a controversy as to how to assess bad faith timing issues under the UDRP. In the intervening years, a clear consensus coalesced around the fact that the view expressed by the Octogen panel was out of step with the text of the UDRP. This has not, however, answered the dilemma faced by the Octogen case of a registrant's original absence of bad faith registration but subsequent bad faith use, which is not being covered by the UDRP.

Even prior to Octogen, changing "and" to "or" has been the subject of considerable interest and discussion over the years. In the discussions amongst the Project Team, one view was that the change to "and/or" would be an undesirable or potentially destabilizing expansion of the Policy. Many, however, felt that it would be in the best long-term interests of the system to make the change and that jurisprudence would eventually stabilize (e.g., as has been done in a large number of ccTLDs). By way of compromise, others put forward a proposal to introduce the "or" concept in a manner which targets a limited set of scenarios where a domain name was registered in good faith (or in unclear circumstances) but subsequently used in bad faith.

One specific scenario raised was where a domain name was registered in good faith pursuant to a license or other business arrangement (e.g., an IT or web hosting services company or by a former employee), but after the termination of the parties' relationship, the registrant continued to hold the domain name despite the terminated relationship. It was felt

that the UDRP could be adapted to fairly address this kind of scenario that the UDRP does not currently adequately address, without otherwise broadening the applicability of the UDRP. It was also noted that some of these cases may involve contractual issues beyond the scope of the UDRP.

Some felt that, without strict limitations on the application of "and/or", valuable domain names could be targeted as a result of merely offering them for sale, or as a result of an inadvertent PPC link, even when the domain name clearly pre-existed the complainant's trademark rights and was registered in good faith. One proposed solution raised in that respect was that "and/or" could be introduced into the Policy on the condition that there would be sufficient express safeguards added to the UDRP to limit its application to exclude specified scenarios.

A significant number of ccTLDs use the and/or formulation with apparent fairness and success, but it was also felt that such a change in the Policy could at least, in the short term, affect UDRP jurisprudence and that even the expressed benefits might not be worth the effort since such a change may positively impact a limited number of cases.

Summary of comments received on the Initial Report: this continues to be an important topic with feedback on both sides of the issue. A small number believe that the current approach adequately deals with the vast majority of cases. It was also noted that, if "and" is not changed to "and/or", some cases will simply not be addressed under the current UDRP, leaving an undesirable enforcement gap and continuing to put pressure on the UDRP system. It was, moreover, noted that many ccTLDs have effectively adopted "or", while also noting that decisions under such ccTLD policies should be reviewed to understand how such a change might work in practice. Having taken into account the public feedback, the Project Team maintains its recommendation, acknowledging that, for many stakeholders, this continues to be of interest and believing that a focus on discrete case types or circumstances is more likely to gain consensus.

> ***Recommendation:*** *as a result of the extensive deliberations and feedback received, we believe that a change from "and" to "and/or" may be possible to implement in order to address specific instances of bad faith use following good faith (or unclear) registration which would not otherwise impact domain names registered in good faith.*
>
> *As a result, we would recommend that an examination of the possible introduction of "and/or" in limited circumstances, and the inclusion of express safeguards, be discussed in a dedicated work track in Phase 2 wherein the ICANN Community can engage in what are likely to be more complex deliberations to seek consensus on this issue.*

Expedited or Summary Procedures

Brand owners have often expressed interest in a faster-track UDRP-style process, if not simply a faster UDRP. Such a procedure was supposed to have been created for new gTLDs, namely the URS, but, unfortunately, it has a number of aspects which have severely limited its attractiveness and use. For example, the URS is only available for non-legacy new gTLDs and does not enable transfer, but rather suspension only. Furthermore, it

increases the burden on complainants in terms of monitoring a suspended domain name including for a possibly extended period of time. It also contains several different types of complicated and unclear appeals possibilities.

WIPO had also in 2009 proposed an Expedited Suspension Mechanism – a conceptual hybrid of the DMCA and UDRP under which a respondent's failure to respond could trigger an expedited procedure and, in particular, a finding of default which would have led to a suspension of the domain name for the duration of its registration period; where the complainant wished for the domain name to be transferred to it, a panel determination would thereafter be necessary. It has also been suggested that an expedited transfer procedure could focus on helping complainants who frequently have to use the UDRP to defend the same trademark repeatedly. Others have proposed that, notwithstanding that it was proposed and rejected in the ICANN Phase 1 Review, that the URS be applied to all gTLDs.

The Project Team agreed that an expedited element in the UDRP would be useful to address the disproportionate enforcement burdens brand owners are forced to contend with, not to mention the increased volume of fraud-based cases in recent years. While agreeing on the concept, the Project Team was unable in the time it had, to settle on the specific attributes an expedited procedure should contain.

The Project Team considered the following possibilities: (i) a Nominet-style summary/full decision model for faster and cheaper default cases; (ii) a fast-track available for trademarks that are repeatedly targeted; (iii) default decisions, i.e., no panel if there is no response, with the domain name temporarily suspended (which suspension can be lifted, possibly with conditions, if a response is filed prior to the duration of the registration), but a panel is appointed if the brand owner wishes for a transfer or permanent cancellation remedy; and/or, (iv) procedures for time-sensitive fraud-related issues.

The above possibilities were not meant to be mutually exclusive, i.e., it could be possible to combine certain attributes of some or all of them in addressing the desire to provide an expedited path for certain types of UDRP cases.

It was also clear that there may be things a provider could do within its fee structure to meet some of the expressed concerns even absent a Policy or Rules change, such as a faster processing track – e.g., for a decision, but still respecting the response deadline – against a fee.

Summary of comments received on the Initial Report: there was support for the recommendation, and interest in exploring the various options it could include.

Recommendation: *the Project Team felt that, although agreeing on the form of any expedited procedure would require further discussion, it is nevertheless highly worthwhile to further investigate and deliberate upon the details of such a procedure with a view to finding a solution that deals with certain kinds of cybersquatting abuse on an expedited basis, while ensuring that rights of legitimate registrants are protected.*

We would therefore recommend that such consideration be subject to a dedicated work track as consensus appears achievable.

Category 3 – Agreement in Principle, Further Directional Work Required

These are topics on which the Project Team agrees that further work may be undertaken, but for which it did not propose a specific substantive solution nor a procedural direction.

Name Redaction

Parties' names are included in decisions so that subsequent parties can determine a party's decision history; indeed, this concept is built into the black-letter of the UDRP. In the case of respondents for example, it is important for complainants to know the identity of the respondent so that they can establish whether a pattern of cybersquatting has occurred. Similarly, it is important for complainants who have been found to have engaged in RDNH to be identified in decisions, especially in instances of repeated RDNH.

Some have argued however, that there is little justification for disclosing a respondent's name on the Internet where the respondent was completely innocent and the victim of an abusive complaint.. Equally, a respondent may actually want their name in a decision to provide a public record of a panel finding in their favor which they may use in the specific case, or in future cases as evidence of their bona fides.

In some cases, the named respondent claims to be a victim of identity theft; in such cases, panels tend to redact the name in the decision already and append an annex to the registrar only for purposes of the transfer order.

Accordingly, outside of identity theft situations, there does not appear to be any bright line for when a respondent's identity should be disclosed or not, as it depends on the particular circumstances and therefore remains properly within a panel's discretion. Nevertheless, there is no clear rule expressly allowing a party to request redaction – either during or after the conclusion of a case – nor for panels required to consider such a request.

It is however noted that WIPO publishes a "Q&A: domain name WHOIS data and the UDRP" guidance document, which sets out a process for a party to request name redaction during or following a case.

Summary of comments received on the Initial Report: this issue attracted attention from some stakeholders, particularly those concerned about personal data privacy. However, overall support for the recommendation was retained. Given the feedback received, we have revised our recommendation to give greater emphasis to protection of personal data where possible, without sacrificing the efficacy of the UDRP.

> ***Recommendation:*** *we recognize the importance of privacy generally and in particular when it comes to protecting the privacy of innocent registrants. We also recognize the importance of publication of party names where warranted for the efficacy of the UDRP.*
>
> *We believe that panels currently have the power under the Policy and Rules to redact party names where appropriate and therefore neither a Policy nor Rule change is necessarily required. That said, it is*

recognized that a considered and uniform framework for application in individual cases may be beneficial and that such criteria could be considered and discussed in a dedicated work track, having regard to personal data regulations worldwide but also having regard to the potential for misuse of the UDRP process.

Panelist Appointment, Accreditation, and Quality

Another issue which has been raised, including in the Phase I Charter, is whether there should be rules for the appointment of UDRP panels, such as automatic rotations. Some believe that a "cab rank" concept is a good idea, but others believe that panelist appointments should be made with regard to other criteria, such as expertise, experience, nationality, language, etc. Additionally, the qualification of panelists lacks a uniform approach to accreditation, re-accreditation, continuing education, or de-accreditation amongst providers.

The question of whether panelists should be permitted to also act as advocates has also been raised. There are however considerations such as: would a prohibition against panelists also acting as advocates result in an unsatisfactory depletion of subject matter expertise available to hear cases? Would such a prohibition prevent entire firms from acting as counsel if a panelist was at the firm? Would local and solo practitioners – and likely SMEs and nonprofits that often rely on them – be disadvantaged, since they cannot have an associate at their firm file a pleading for them (potentially unlike lawyers at larger firms)? What about a person filing under an associate's name in order to circumvent a prohibition against acting both as panelist and counsel? These are issues which involve many considerations which – to be clear – do not lend themselves to an immediate or easy solution.

Lastly, the issue of panelist neutrality and quality has been raised and there are currently no provider-wide criteria for panelist accreditation, quality, or requirement for continuing education.

Summary of comments received on the Initial Report: there was support for mandatory panel participation in educational workshops to ensure quality. There was also feedback received on the importance of panelist neutrality and the procedures for accrediting panelists and questions about a possible process for parties (objectively and reasonably) expressing concerns. In light of the feedback received, this continues to be an area with different views among the Project Team.

Recommendation: *this is a complex issue that would be difficult to reach consensus on. Nevertheless, it is an area of interest, including possibly developing a process to raise concerns about panelist performance and for panelist continuing education.*

Free Speech

Beginning with the Final Report of the First WIPO Internet Domain Name Process of 1999, at Paragraph 172, protection of legitimate free speech rights has been addressed by the UDRP:

“Domain name registrations that are justified by legitimate free speech rights or by legitimate non-commercial considerations would likewise not be considered to be abusive”.

This is reflected by the intentional guardrails and limitations of the Policy – explicitly codifying noncommercial fair use. As is further illustrated in the summary of consensus views set out in the WIPO Overview, cases draw a distinction between instances of genuine free speech, versus cases claiming to be engaged in free speech but which are determined to be a pretext for cybersquatting. Therefore, while the term “free speech” does not appear in the UDRP itself, legitimate free speech is protected not only at the level of the Policy insofar as it expressly allows for noncommercial fair use, but also as a principle in the case jurisprudence.

Although free speech does not arise very often in UDRP disputes, we recognize that it is an important issue and – mindful that this is an area of law that can be very fact specific and cases might lead to reasonable differences of opinion– that seeking consistency in the approach of panels to free speech is a desirable goal that may well prove elusive in practice, especially given differing national treatment of the issue.

Nevertheless, free speech and its application to domain names has been an area where the case jurisprudence historically saw some disagreement; this was expressed at the time of the WIPO Overview 2.0 as a “view 1” and a “view 2” approach and was based on differences in how panels viewed what may be considered as legitimate under national law. Though there have been a number of cases that suggest a coalescence around a uniform approach, it is nevertheless perceived by some observers that differences amongst some panelists remain. WIPO Overview 3.0 suggests that a legitimate right to criticism “does not necessarily extend to registering or using a domain name identical to a trademark”; a majority of panels, therefore, have supported transfer of critical domain names when such domain names are identical to a complainant’s trademark (e.g., impersonation). Some of the relevant cases have also tended to focus on a holistic test which looks to whether the claimed free speech is legitimate versus being a pretext for cybersquatting.

The Project Team was unable to reach agreement on whether it was necessary to change the language of the Policy when it comes to free speech.

<u>Summary of comments received on the Initial Report</u>: free speech, while infrequent in terms of case numbers, remains an issue of significant interest. The intersection of trademark law and what people are permitted to say about a trademark requires careful balance. Having regard to the feedback received, the Project Team maintains its recommendation that the Policy wording currently is intended to and does protect free speech, but that, considering its importance, the issue could be further considered in a dedicated track as an indication of its important and complex nature.

Recommendation: *free speech is currently enshrined in the Policy. Nevertheless, further discussion on the application of the Policy in such cases might be desirable in order to support consistency amongst panels and to ensure that the UDRP adequately protects free speech as it should.*

We would therefore recommend that an examination of the application of the Policy to free speech issues and a possible codification and clarification of case jurisprudence be conducted in a dedicated work track.

Scope of UDRP

As the UDRP has proven generally effective for dealing with cybersquatting, some believe that it could be expanded to deal with additional types of disputes. This could include for example: copyright, trade names, personal names, International Nonproprietary Names (INNs) for pharmaceutical substances, geographical indications, indications of source, or geographical terms, or domain names where there is no trademark corresponding to the domain name (e.g., "fakewatches.com"). The UDRP model could even be considered as a basis for more generalized online trademark infringement claims of a global nature – whether related to domain names, social media, or platforms. Whichever lens this concept is viewed through, expanding the scope of rights covered by the UDRP would involve consideration of a range of operational, procedural, and substantive matters. The present scope of ICANN's Phase 2 Review is on the trademark-based UDRP framework as adopted, and the focus of the present Report therefore reflects that focus.

It is also important to note that discussions concerning certain identifiers such as geographical indications are the subject of proposals before the WIPO Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT).

Summary of comments received on the Initial Report: there was both support for the recommendation in the Initial Report of focusing on the current trademark-based scope of the UDRP as adopted by ICANN, but also support (in particular from GI holders) for the idea of including geographical indications in the UDRP. It was noted in some comments that a number of national legal systems account for the registration of geographical indications; at the same time, such a registration in one jurisdiction may be considered a common name in another. As applied to the UDRP, this raises considerations of potential registrant rights.

Recommendation: *the focus of the present Report is on the trademark-based UDRP framework as adopted by ICANN. At the same time, it is recognized that there was interest in expanding the scope of the UDRP to include other identifiers. We therefore consider this topic in terms of the Phase 2 charter to be a matter for ICANN's GNSO Council.*

Category 4 – Unanimity of the Project Team to Retain the Status Quo

These are topics on which the Project Team agreed that the complexity of the topic and the effort that would be necessary to reach a consensus solution prima facie outweighed the benefits of doing so.

Loser Pays, Costs, Damages

Both brand owners who face whack-a-mole scenarios, as well as prevailing registrants, have expressed interest in a "loser pays" model.

At the same time – and assuming panelists would be comfortable in making such awards – it is recognized that such awards may ultimately be unenforceable absent some form of escrow or bond payment system which ensures that the successful party receives its cost award. Moreover, between complainants and respondents, it is more likely that costs could be recovered from an unsuccessful complainant than a losing cybersquatter, presenting a vastly inequitable situation.

Moreover, requiring a fee to be paid by a registrant (or held against their credit card used to register a domain name) creates potential access to justice but also practical issues. Neither UDRP providers nor registration authorities would seem inclined to assume the responsibility and costs for such a system.

We considered the following questions: would a "loser pays" system be worth creating despite:

a) the change to the UDRP required – noting (ICANN) contractual and legal ramifications;

b) the additional work (and potential discomfort) required by parties and panelists to request or to rule on costs; and

c) the fact that it would likely require the prevailing party to chase up any monetary compensation in a national (e.g., local small claims) court.

Summary of comments received on the Initial Report: while the practical obstacles in implementing a cost recovery mechanism were readily acknowledged, further work was recommended by some commentators to examine how a cost recovery mechanism could be created, noting that, with careful consideration, it may be possible to devise a system that balances the interests of all parties including those tasked with managing such a system.

NB, some may argue that this could have been considered a Category 2 topic, but the practical complexities of a finding and agreeing on a solution warranted listing it under Category 3.

Recommendation: *while there was support for the principle of addressing the imbalance in enforcement costs and providing a deterrent against bad actors, given the complexities in administering such a system, we would recommend against the adoption of a loser pays system.*

The practical obstacles to such a system as outlined above are prima facie insurmountable, or at minimum would require additional complex financial and legal undertakings by parties, providers, registrars, and even ICANN.

Mediation

A number of ccTLDs employ mediation, for example, .CH, .LI, .NL, and .UK, with varying approaches and with different funding frameworks. While some experts found that mediation could be useful, others question its functioning within the context of the UDRP, primarily since the parties are free to engage in self-directed settlement discussions or may have already failed to reach an agreement prior to the commencement of proceedings.

While questions such as "at which stage(s) of the case mediation would occur" (e.g., before or after pleadings), and "who would bear the costs" (e.g., both parties or a single party) would need to be resolved, it has been suggested that a voluntary mediation could *already* be offered today by any provider under the existing UDRP framework without the need for any Rules or Policy change.

At the same time, there was little appetite for mandatory mediation as it could add to time and costs without a corresponding benefit in many cases (e.g., where one or both of the parties are not genuinely interested in participating in mediation in good faith (noting also the high respondent default rate)).

Summary of comments received on the Initial Report: there was support for voluntary mediation.

Recommendation: *we believe that mandatory mediation should not be adopted.*

At the same time, we believe that, although instances may be relatively infrequent where both parties are interested in availing themselves of a voluntary mediation procedure offered by a provider, it may nonetheless be offered for those that want it without interfering or compelling those that do not.

In that light, we recommend that individual providers should be free to offer voluntary mediation to parties, provided that they both agree to participate under the provider's mediation framework, rules, and fees.

Laches/Statute of Limitations

Laches and limitation periods are, strictly-speaking, two distinct concepts but they are discussed here together, insofar as they bear some conceptual relation. The defense of laches requires delay on the part of the rights holder (the complainant) combined with detrimental reliance on the part of the respondent, whereas a limitation period is simply a clear line after which no complaint may be brought. Laches, as understood in law, requires very specific circumstances to be properly invoked; it is not the same as simply a dismissal

for delay. It requires awareness and detrimental reliance, and in the context of domain name disputes may require a party invoking such a claim to demonstrate that it, for example, built a business while the complainant knowingly chose not to take action against the respondent.

Some conflate the defense of laches with a statute of limitations. A statute of limitations would bar commencing proceedings a fixed number of years after the domain name is registered, or a fixed number of years after the brand owner becomes aware of an alleged cybersquatting case.

Although there may be questions as to why a party may occasionally commence a UDRP some 20 years after a domain name is registered (e.g., because of a material change in the way in which the domain name is being used), panels can – and do – generally take such delay into account in assessing the strength of a party's case but will generally not dismiss a case for delay alone. As is captured in the WIPO Overview, panels have noted that, in specific cases, certain delays in filing a UDRP complaint may make it more difficult for a complainant to establish its case on the merits.

The Project Team considered and deliberated upon the question of whether the defense of laches or a limitation period should be adopted and was unable to reach unanimous agreement on this issue. Most of the Project Team was of the view that the current consensus view as is captured in the WIPO Overview already allows panels to sufficiently consider delay as a factual element in the assessment of bad faith, and that a limitation period would unnecessarily prevent complaints against cybersquatters who should not benefit from the mere passage of time. On the other hand, some members of the Project Team believe that more robust consideration of delay should be given by panelists and that complainants should be required to address a delay in bringing a complaint.

Summary of comments received on the Initial Report: there was support for this recommendation.

Recommendation: *we recognize that delay, especially as some domain names are as old as the UDRP, is a factor that ought to be considered by panels, and it currently is.*

We therefore do not see sufficient basis for changing the UDRP to address laches as such.

Overall, we believe that a limitation period should not be adopted and that laches, even if it were adopted as a formal defense under the Policy, would be unlikely to have any appreciable effect given the rarity in which circumstances which lend themselves to laches arise and noting that panels already take timing into account in their case assessments.

About WIPO and its Arbitration and Mediation Center

The World Intellectual Property Organization (WIPO), a Specialized Agency of the United Nations, is the global forum for intellectual property (IP) services, policy, information and cooperation. WIPO is a self-funding agency of the United Nations, with 193 member states. WIPO's mission is to lead the development of a balanced and effective international IP system that enables innovation and creativity for the benefit of all.

In respect of the UDRP, beginning in June 1998, WIPO undertook a series of international consultative processes to develop recommendations concerning the intellectual property issues associated with Internet domain names, including domain name dispute resolution. The First WIPO Internet Domain Name Process was finalized in April 1999 with the publication of a Final Report. The recommendations contained in the Final Report were endorsed by the WIPO Member States and were also made available to the then-new organization, the Internet Corporation for Assigned Names and Numbers (ICANN), which was formed to manage the policy and technical aspects of the Internet Domain Name System. In 1999, ICANN adopted the UDRP based on the Final Report of the First WIPO Process.

Since then, WIPO has remained the global leader in the provision of UDRP and related services, having managed over 75,000 cases covering over 135,000 domain names to date.

Domain name disputes are managed by the WIPO Arbitration and Mediation Center which offers time- and cost-efficient alternative dispute resolution (ADR) options, such as mediation, arbitration, expedited arbitration, and expert determination to enable private parties to settle their domestic or cross-border commercial disputes. The WIPO Center is international and specialized in IP and technology disputes.

About ICA

The Internet Commerce Association (ICA) was established in 2006 to represent domain name investors and related service providers. The ICA advocates with policymakers to ensure industry concerns are addressed and to support domain name industry growth.

The ICA offers educational webinars, recognizes outstanding industry contributors, and hosts an annual member meeting. Its membership encompasses domain name investors, marketplaces, monetization companies, brokers, escrow services, registrars, registries, IP attorneys, and other domain-related businesses and professionals.