

Submission in relation to the Proposed .au Dispute Resolution Policy (auDRP) and Rules

1 Freehills welcomes the opportunity to comment on the Proposed .au Dispute Resolution Policy (**auDRP**) and Rules (**the Rules**) circulated by the auDA Dispute Resolution Working Group.

2 Freehills has previously made a submission (**our First Submission**) in relation to the First Public Consultation Report (**the First Report**) and a submission (our Second Submission) in relation to the Second Public Consultation Report (the Second Report). In our First and Second Submissions, we made a number of comments expressed on the basis of our considerable experience in relation to the issues raised by domain name eligibility and allocation policies in Australia.

3 For a description of Freehills' experience and a background to our First and Second Submissions, please see paragraphs 1 to 11 of our First Submission.

4 In this submission, we comment on certain issues raised by the auDRP and the Rules.

The adoption of an auDRP

5 In our First and Second Submissions, we made submissions in relation to the adoption of the Uniform Dispute Resolution Policy (UDRP) of the Internet Corporation for Assigned Names and Numbers (ICANN). In light of the successes of the UDRP and given the international nature of the internet, we suggested there was good reason for not creating a further, different dispute resolution procedure.

6 If auDA proposes adopting a different dispute resolution procedure because it is considered necessary to "take account of local conditions", then we submit that the policy which is adopted should be suitably tailored to those conditions. In its current form, the auDRP is clearly adapted from the ICANN UDRP without, in our submission, being adequately tailored. Many of the issues which we raise below relate to this need.

What law is to be applied in Mandatory Administrative Proceedings?

7 Neither the auDRP or the Rules specify what law is to be applied in mandatory administrative proceedings.

8 In many instances, the issues to be resolved between parties will be questions of fact. However, the experience in proceedings under the ICANN UDRP indicates that the question of which law to apply does arise. In most instances, the UDRP panels have applied the law of the United States of America. However, we suggest this would be inappropriate for the auDRP process which is being adopted to take account of local conditions.

9 In our view, for clarity, the auDRP and the Rules should be amended to expressly provide that mandatory administrative proceedings are to be subject to Australian law.

Names, trademarks and service marks

10 Paragraph 4(a)(i) of the auDRP provides that a domain name holder must submit to mandatory administrative proceedings if, amongst other things, a complainant asserts that: *"your domain name is identical or confusingly similar to a name, trademark or service mark in which the complainant has rights"*

11 The auDRP does not specify whether the complainant's name, trademark or service mark must be used or registered in Australia.

12 In the Final Report of the auDA Name Policy Advisory Panel (**the Final Report**), the Name Policy Advisory Panel proposes that a .au domain name licence will be available to an "Australian entity", which would include, a business registered in Australia, an Australian citizen or resident, or the owner of, or an applicant for, an Australian registered trade mark. Given the proposed restriction on domain name licence eligibility, in our submission, it is appropriate that a domain name holder only be required to submit to mandatory administrative proceedings where a complainant asserts that the domain name is identical or confusingly similar to a name, trademark or service mark in which the complainant has rights in Australia. Such a restriction would ensure that complaints can not be made by persons or entities who would not themselves be eligible to a .au domain name licence.

Courts of mutual jurisdiction

13 The Rules define Mutual Jurisdiction to mean: "*a court jurisdiction at the location of either (a) the principal office of the Registrar (provided the domain-name holder has submitted in its Registration Agreement to that jurisdiction for court adjudication of disputes concerning or arising from that use of the domain name) or (b) the domain-name holder's address as shown for the registration of the domain name in Registrar's Whois database at the time the complaint is submitted to the Provider.*"

14 Paragraph 3(b)(xii) of the Rules requires the Complainant to state that: "*Complainant will submit, with respect to any challenges to a decision in the administrative proceeding cancelling or transferring the domain name, to the jurisdiction of the courts in at least one specified Mutual Jurisdiction*"

15 The recommendations made in the Final Report indicate that a domain name holder may be a foreign entity that is the owner of, or applicant for, an Australian Registered Trade Mark. The domain name holder's address may therefore be in a country other than Australia and, in such a case, a foreign court will fall within the definition of Mutual Jurisdiction.

16 Consistent with our submission that Australian law should be applied in mandatory administrative proceedings, we submit that in all cases, a Complainant should be required to submit to the jurisdiction of Australian courts. Australian courts are clearly the most appropriate courts to determine, in accordance with Australian law, whether either a domain-name holder or a complainant have any relevant rights in a disputed domain-name.

Implementing a Panel's decision

17 Paragraph 4(k) of the auDRP states that a Panel's decision will be implemented unless auDA receives a copy of "official documentation" evidencing that a lawsuit has been commenced against the complainant. A "complaint" is provided as an example of such official documentation.

18 If, as is submitted above, Australian courts are specified as being courts of jurisdiction, the use of the term "complaint" is inappropriate. In Australia, legal proceedings are most likely to be commenced by way of statement of claim, application or summons. The language of the auDRP should reflect that practice.

Remedies – transfer of domain name registration

19 Paragraph 4(i) of the auDRP provides that the remedies available to a complainant shall be limited to requiring cancellation of the disputed domain name or transferring the domain name registration to the complainant.

20 We note that under the current .au Domain Name Allocation Policy, domain name licences can not be transferred and there is no mechanism for the transfer of domain name licences. In the Final Report, the auDA Policy Advisory Panel does not recommend any changes to this policy.

21 If transferral of a domain name registration is to be one of the remedies available to a complainant, we submit that an appropriate mechanism will need to be put in place to allow for that process to occur. In the absence of an appropriate mechanism, it seems that transferral of a domain name registration may only be effected by deregistering and reregistering the domain name.

A right of appeal

22 Apart from approaching a court, the auDRP and Rules do not establish an avenue of appeal from a decision of an auDA Panel. In our submission, this has two disadvantages:

- (a) dissatisfied parties have to litigate rather than pursue further arbitration proceedings; and
- (b) there is no method of encouraging consistency between panellists.

23 For these same reasons, the lack of an avenue of appeal in ICANN UDRP proceedings has been the subject of criticism.

24 It is submitted that an appropriate appeal process should be contemplated, perhaps involving five member panels, in order to address these issues.

Protection of the dispute-resolution provider and panelists

25 Paragraph 3(xiv) of Attachment B to the auDRP provides that a Complaint must conclude with a statement in relation to waiver of claims against the dispute-resolution provider and panelists, the registrar, the registry administrator and auDA. Paragraph 20 of the Rules also purports to exclude any liability on the part of the dispute-resolution provider and panelists.

26 We submit that these exclusions may be inadequate to exclude liability in the event of negligence or other wrongdoing on the part of those involved in Mandatory Administrative Proceedings. We also submit that the use of the phrase "deliberate wrongdoing" (see paragraph 3(xiv) of Attachment B, auDRP), is ambiguous and requires clarification. For example, if the statement is intended to exclude liability in the event of fraud, that intention should be clearly stated.

27 In addition to excluding liability, we submit it is also appropriate to consider including, in both the auDRP and the Rules, an indemnity in favour of panelists.

For more information in relation to this submission, please contact:

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