

URS: A Cheap and Fast Way to Combat Cyber Squatting?

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The expansion of generic Top-Level Domains (gTLDs) such as .COM, .ORG, .NET in the Domain Name System is well known and familiar to us.

In addition, the Internet Corporation for Assigned Names and Numbers (ICANN), the international organization responsible for the management and oversight of the Internet's domain name system has been allowing registrants to expand the Internet beyond the traditional top-level domains into new fangled gTLDs such as .ROCKS, .SUCKS, .GLOBAL, .ONLINE, .LIFE, .TECH, .COMPANY, .XYZ, .WORLD, .SOLUTIONS, .NYC, .GURU etc.

With registry operators continuously rolling out new gTLDs to the market, the protection of trademark rights in cyberspace is becoming increasingly challenging. Over a thousand new gTLD applications have been received by ICANN, and over 100 new gTLDs have been delegated and are going "live" for registration by Internet users worldwide.

As domain name registration is on "first-come, first-served" basis, it is expected that the expansion of the gTLD system will lead to an increase in disputes between trademark proprietors and domain name registrants concerning the registration and use of domain names in bad faith.

To try and combat the risk of disputes arising in respect of new gTLDs, ICANN has devised the Uniform Rapid Suspension System (URS) to complement the availability of the existing and well-developed ICANN Uniform Domain Name Dispute Resolution Policy (UDRP).

In essence, the URS has been designed to give trademark owners a faster, cheaper alternative to the UDRP for combating cybersquatting and other forms of trademark infringement by domain name registrants. The URS is incorporated into all registry agreements executed by the operators of new gTLDs, and it may be adopted voluntarily by existing gTLD operators (such as .com, .org, and .net).

The URS is a rights protection mechanism that complements the existing UDRP by offering a lower-cost, faster path to relief for trademark proprietors complaining of the most clear-cut cases of infringement.

Mechanics

The core requirements for a URS complaint are substantially similar to those arising in UDRP proceedings.

In order to be entitled to relief, a URS complainant must satisfy 3 grounds being:

- The registered domain name is identical or confusingly similar to a word mark;
- for which the complainant holds a valid national or regional registration that is in current use; or (For the purposes of demonstrating evidence of 'use' in the context of (a) above, it requires a declaration by the complainant and also one specimen of current use in commerce with this proof of use being submitted directly with the complaint.)
- that has been validated through a court proceeding; or

- that is specifically protected by a statute or treaty in effect at the time the URS complaint is filed;
- The registrant has no legitimate right or interest to the domain name; and
- The domain was registered and is being used in bad faith.⁹

There is no discovery or hearing; the evidence examined by the URS panel is restricted to the materials submitted by the parties with their respective complaint and response, and those materials will serve as the entire record used by the URS panel to arrive at a decision.

In the event that the URS panel decides that all three grounds are satisfied by clear and convincing evidence and that there is no genuine contestable issue, then it shall issue a decision in the complainant's favour. If the URS panel finds that any of the grounds have not been satisfied, it shall deny the relief requested and terminate the URS proceedings without prejudice to the complainant's right to proceed with court action or under the UDRP.

Remedy

In the event of a successful URS complaint, the registry operator shall be required to suspend the domain name, which shall remain suspended for the balance of the registration period and will not revert to the original website. The registry operator shall cause the nameservers to redirect to an informational web page provided by the URS provider.

Is it For You?

As set out, URS is an efficient, low-cost dispute mechanism for obvious cases of cybersquatting. The enforcement of URS complaints has reflected this purpose. For example, where there is some sign of plausible good faith, even if circumstantial and completely uncorroborated by concrete evidence, URS panels have been known to find in favour of the domain name registrant. Accordingly, the use of URS is very much 'horses for courses' and it may not serve as the best option for trademark proprietors where there is a likely bone of contention on the part of the domain name registrant.

The URS has certainly proven to be useful as a mechanism for suspending websites that are blatantly infringing. The use of the URS is also particularly suited for trademark proprietors with famous brand names. It is often the case that success from an enforcement perspective will often be more likely when the trademark proprietor has a high profile presence in the market; hence, the message to brand owners would be to continue to cultivate the goodwill and reputation in one's brand.