WIPO Named Exclusive Arbitrator of "Legal Rights Objections" for New gTLD Program

By Jamison Arterton on February 29th, 2012

ICANN has recently appointed the <u>World Intellectual Property Organization</u> (WIPO) to be the exclusive provider of dispute resolution services when a third party files a formal "Legal Rights Objection" or "LRO" to a pending application under the new gTLD program.

In assessing the validity of an LRO, the WIPO panel will decide whether the applied-for gTLD (i) takes unfair advantage of the unique character or the reputation of the objector's registered or unregistered trademark, intergovernmental organization (IGO) name or acronym, *or* (ii) without justification, the gTLD impairs the distinctive character or the reputation of the objector's mark, IGO name or acronym, *or* (iii) creates an impermissible likelihood of confusion between the applied-for gTLD and the objector's mark, IGO name or acronym.

For objections based on registered or unregistered trademark rights, WIPO has indicated that the following factors will be considered by the appointed panel:

- 1. Whether the applied-for gTLD is identical or similar, including in appearance, phonetic sound, or meaning, to the objector's existing mark;
- 2. Whether the objector's acquisition and use of rights in the mark has been *bona fide*;
- 3. Whether and to what extent there is recognition in the relevant sector of the public of the sign corresponding to the gTLD, as the mark of the objector, of the applicant or of a third party;
- 4. Applicant's intent in applying for the gTLD, including whether the applicant, at the time of application for the gTLD, had knowledge of the objector's mark, or could not have reasonably been unaware of that mark, and including whether the applicant has engaged in a pattern of conduct whereby it applied for or operates TLDs or registrations in TLDs which are identical or confusingly similar to the marks of others;
- 5. Whether and to what extent the applicant has used, or has made demonstrable preparations to use, the sign corresponding to the gTLD in connection with a bona fide offering of goods or services or a bona fide provision of information in a way that does not interfere with the legitimate exercise by the objector of its mark rights;
- 6. Whether the applicant has marks or other intellectual property rights in the sign corresponding to the gTLD, and, if so, whether any acquisition of such a right in the sign, and use of the sign, has been *bona fi*de, and whether the purported or likely use of the gTLD by the applicant is consistent with such acquisition or use;

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- 7. Whether and to what extent the applicant has been commonly known by the sign corresponding to the gTLD, and if so, whether any purported or likely use of the gTLD by the applicant is consistent therewith and bona fide; and
- 8. Whether the applicant's intended use of the gTLD would create a likelihood of confusion with the objector's mark as to the source, sponsorship, affiliation, or endorsement of the gTLD.

The fees associated with the LRO process are far higher than those associated with a standard complaint pursuant to the Uniform Domain Name Resolution Policy (<u>UDRP</u>). In an LRO proceeding, *each party* must pay a \$10,000 fee for arbitration by a single-member panel. If the applicant fails to pay the \$10,000 fee required to respond to the LRO complaint, the objection will be deemed successful. Similar to the UDRP process, monetary damages are not available in an LRO proceeding. The sole remedies are the success or dismissal of the objection.

Currently, the LRO objection filing period is anticipated to be seven months, from May 1 to December 1, 2012.

In addition to the LRO process, three other types of objection-based dispute resolution procedures exist which will not be administered by WIPO, namely, "String Confusion Objection," "Limited Public Interest Objection," and "Community Objection." A detailed look at these three additional dispute resolution procedures is available <u>here.</u>