

To: Olivier MJ Crepin-Leblond, ALAC Chair
CC: At-Large Advisory Committee
From: Garth Bruen, NARALO Chair
Subject: Enforcement of UDRP proceedings and decisions by ICANN Compliance
Date: 13 March 2014

Brief

This report details a number of cases where an Approved Dispute Provider notified ICANN of registrar non-compliance in a proceeding but no enforcement was issued by ICANN on the matter. Additionally, in some cases the domain name in question was never transferred rendering the processes pointless. The report closes with a number of specific questions for ICANN Compliance. In the interests of Internet users throughout our region and the rest of the world, these issues must be resolved. As an officer in the At-Large structure I am requesting that the ALAC chair relate these issues to ICANN Staff and seek a resolution.

Overview

The Uniform Domain Name Dispute Resolution Policy¹ (UDRP) is one of the cornerstones of Internet compliance, a critical building block of public trust. However, the UDRP only works if all the parties follow procedure. Basically, parties who feel their rights are being violated by a domain name can file a complaint with a designated Dispute Resolution Provider² who will investigate and rule on the matter. The dispute provider either rules for the domain registrant, who then keeps the domain, or they rule in favor of the complainant in which case the sponsoring registrar is obligated to transfer the domain to the complainant. Registrars are obligated by their contract with ICANN to comply with the UDRP and have specific duties in the UDRP³. The registrar has the most control and access to the domain and as part of the process must respond to dispute providers by confirming they sponsor the domain, supplying the registrant information, and if required transferring the domain to a complainant. Given that this is a contractual obligation of domain registrar it is a breach of their contract with ICANN to fail to do so.

Our research has found a number of troubling cases where the sponsoring registrar did not comply or cooperate with the UDRP. What is worse, ICANN did not issue any enforcement in the cases. ICANN's core responsibility is in oversight of the contracted parties that sponsor domain names. Through the Affirmation of Commitments ICANN begs for the public trust, but this trust is only earned through transparent accountability. While the UDRP is often seen as a device to protect trademark owners, it protects *all* Internet users by extension since many of the domains in question are used to deceive and defraud consumers.

In some of the most serious cases sites selling illicit prescription drugs and narcotics were the subject of the UDRP. One domain, nabpvipps.com, went so far as to impersonate the National

¹ <http://www.icann.org/en/help/dndr/udrp/policy>

² <http://www.icann.org/en/help/dndr/udrp/providers>

³ <http://www.icann.org/en/resources/registrars/raa/ra-agreement-21may09-en.htm#3.8>

Association of Boards of Pharmacy, the body that regulates pharmacies in the United States and Canada. Here we have a clear cut case of a malicious “domainer” not only violating a trademark, but also using the misrepresentation to target consumers and endanger the public health. The cases are detailed below by registrar.

Cases

1. ABSystems Inc. (YourNameMonkey.com), Re: nabpvipps.com

In June 2012 the National Association of Boards of Pharmacy filed a complaint with the National Arbitration Forum (NAF) regarding the domain nabpvipps.com (FA1206001448633⁴) sponsored by ICANN Accredited Registrar ABSystems. The complaint notes that the domain was registered with ABSystems private WHOIS service and its associated web content sold illicit drugs for a known rogue online pharmacy. The registrar is required to comply with the process as part of its contract but the UDRP notes “*After numerous requests, the Registrar, ABSystems Inc., has not confirmed*⁵ [their sponsorship].” Confirming sponsorship and the status of the registration are key parts of the UDRP. Because of the lack of cooperation, the UDRP states the following:

“Registrar’s non-compliance has been reported to ICANN.”

No specific date is noted, we can only assume it occurred in June or July of 2012. Due to the failure of the registrant or registrar to respond, among other concerns, the panel ordered the domain transferred 28 July 2012⁶. Not only did the registrar fail to respond the process, they apparently never transferred the domain either. The domain in question was even still online until January 2013. A review of ICANN Compliance breach notices does not show any enforcement over this case. ABSystems would eventually be breached and terminated for an unrelated issue in December 2013⁷, but if enforcement had begun the previous year, they may have been de-accredited even sooner.

One might assume this was an anomaly, but it was not. Another rogue pharmacy at ABSystems and subject of a 2011 UDRP was toprxpartners.com⁸. Here we had a very similar situation with an illicit drug-site for which ICANN was notified of registrar non-compliance but apparently did not issue enforcement. This domain was not transferred but was eventually deleted in January 2013. Based on this case, ICANN had a window of enforcement two-years before the registrar was finally terminated. The case of toprxpartners.com is cause for additional questions, but the former case of nabpvipps.com is much more harmful to the Internet consumer since malicious parties assumed the cloak of a regulatory body charged with protecting the public. The NABP

⁴ <http://domains.adrforum.com/domains/decisions/1448633.htm>

⁵ <http://domains.adrforum.com/domains/decisions/1448633.htm>

⁶ <http://domains.adrforum.com/domains/decisions/1448633.htm>

⁷ <http://www.icann.org/en/news/correspondence/serad-to-mcgowan-20dec13-en.pdf>

⁸ <http://domains.adrforum.com/domains/decisions/1411024.htm>

followed ICANN's documented procedures yet there was no enforcement. This represents a grave lapse in trust for ICANN.

2. Center of Ukrainian Internet Names (UKR NAMES), Re: cigaretteskent.com

In August 2013 Lorillard Licensing Company, trademark owner of the "Kent" brand of cigarettes filed a complaint with the National Arbitration Forum over the domain cigaretteskent.com (FA1308001515636⁹). In this case the registrar failed to respond to the process and their non-compliance was reported to ICANN yet there are no enforcement notices of any kind concerning the registrar. Not only has the domain not been transferred according to the UDRP ruling but the associated website has been active with the headline "*Kent cigarettes online at the lowest prices. We deliver all over the USA.*" Clicking through the site takes visitors to hqcigarettes.com which ships cigarettes to various locations in violation of local laws. It is important to note that the illicit online sale of black market or counterfeit cigarettes is a growing international crime¹⁰ which makes already dangerous products even more so.

3. Netlynx, Inc., Re: kmartdrugstore.com

Again, this is a case of a domain using a registered band name. The registrar was reported by the NAF to ICANN for non-compliance¹¹, yet there is no enforcement. The domain was used to send consumers to a "*competing online pharmacy business*"¹².

4. Bargin Register Inc., Re: onduclair.com, et al.

Bargin Register Inc. appears to be a serial violator of UDRP non-compliance not only with the NAF but also with the World Intellectual Property Organization (WIPO). As with ABSystems, their non-compliance was reported more than once in previous years, but ICANN only recently began to enforce against them. In what seems a rare example, ICANN would eventually breach and terminate Bargin Register for failing to comply with a UDRP but also for owing \$5,873.03 in accreditation fees¹³. While this registrar is de-accredited, the question still remains what happened in the cases of onduclair.com (D2011-1129¹⁴), regionsbabk.com (FA1204001439913¹⁵), thomsonreutes.com (FA1208001460785¹⁶), and copapetrobras.com

⁹ <http://domains.adrforum.com/domains/decisions/1515636.htm>

¹⁰ <http://www.iccwbo.org/News/Articles/2007/Counterfeit-cigarettes-contain-disturbing-toxic-substances/>

¹¹ <http://www.adrforum.com/domains/decisions/1433555.htm>

¹² <http://www.adrforum.com/domains/decisions/1433555.htm>

¹³ <http://www.icann.org/en/news/correspondence/serad-to-wall-20feb13-en.pdf>

¹⁴ <http://www.wipo.int/amc/en/domains/search/text.jsp?case=D2011-1129>

¹⁵ <http://www.adrforum.com/domains/decisions/1439913.htm>

¹⁶ <http://domains.adrforum.com/domains/decisions/1460785.htm>

(D2011-1250¹⁷). The last case on the list is interesting because WIPO felt the need to admonish the registrar in a dedicated section of the ruling, which states in part:

“D. The Registrar’s Inaction:As noted the Registrar failed to respond to four requests from the Center, each seeking verification of the registrant’s contact information and standard assurances regarding its registration agreement. Prior to commencing this proceeding Complainant made four inquiries of the Registrar to ascertain the language of the registration agreement, in order to file its Complaint in that language. See Rules, paragraph 11(a). No reply was forthcoming¹⁸.”

If this paragraph does not make the issue clear, it goes on to state:

“The Registrar’s continued silence, which until an explanation be provided the Panel will presume to be intentional, is unhelpful and irresponsible¹⁹”

WIPO does not stop with the registrar, but continues with a message to ICANN itself:

“The Panel also urges ICANN (as the registrar-accrediting agency) to take appropriate steps to encourage or require as a matter of standard contracting practice timely registrar replies to UDRP provider verification requests. A failure on ICANN’s part to take appropriate steps to address registrar conduct such as has occurred in this and the Onduline case can only come at a cost to the credibility of its processes in the eyes of interested parties – mark owners properly invoking the Policy to enforce their rights and domain name owners who might fail to receive timely notice of UDRP proceedings brought against them.²⁰”

While this decision was rendered in September 2011, there is no accompanying enforcement from ICANN. It would take another two years and additional UDRPs without response before ICANN would act.

5. 35 TECHNOLOGY CO, Re: emersonchina.com

As with others above cases, the NAF reported to ICANN in October 2013 that the registrar did not comply with the process (FA1308001514459²¹). The panel decided in favor of the complainant on 28 October 2013, yet available records as of this writing show that the domain is still sponsored by 32 TECHNOLOGY²² and is still held by the registrant in the complaint, meaning it has not been transferred to the complainant. What is more, the site is still active and serving content. The complainant, Emerson Electric Co., sells various electronic goods and engineering supplies. The violating site (in Chinese) claims to sell Emerson products, but in the

¹⁷ <http://www.wipo.int/amc/en/domains/search/text.jsp?case=D2011-1250>

¹⁸ <http://www.wipo.int/amc/en/domains/search/text.jsp?case=D2011-1250>

¹⁹ <http://www.wipo.int/amc/en/domains/search/text.jsp?case=D2011-1250>

²⁰ <http://www.wipo.int/amc/en/domains/search/text.jsp?case=D2011-1250>

²¹ <http://www.adrforum.com/domains/decisions/1514459.htm>

²² http://reports.internic.net/cgi/whois?whois_nic=emersonchina.com&type=domain

UDRP the complainant makes it clear they have no association with the site²³. It is possible this domain is selling counterfeit electronics which pose a great risk to consumers.

6. DomReg Ltd. d/b/a LIBRIS.com., Re: parallam.com

This WIPO decision states in part:

“There are a number of aspects of the Registrar’s conduct in this matter which the Panel finds reflecting negatively on the Registrar...For the Policy to be able to operate successfully it requires registrars to ensure that their public WhoIs databases are reliable and accurate and that registrars...The Registrar’s actions in this case are ones that the ICANN may wish to investigate further.”²⁴ “

Yet there is no accompanying enforcement from ICANN.

7. URL SOLUTIONS INC., Re: deluxor.com

NAF reported to ICANN the registrar did not comply with the process (FA1206001450159²⁵). URL Solutions has been breached, but not for this UDRP issue, rather of failing to pay ICANN \$6,618.38²⁶.

8. Power Brand Center Corp, Re: enterpricess.com

The Registrar’s non-compliance has been reported to ICANN (FA1108001405335²⁷). ICANN did not issue enforcement in this matter, but did issue a breach notice for Power Brand Center’s failure to pay ICANN \$17,725.21 in accreditation fees²⁸.

9. WEBAGENTUR.AT INTERNET SERVICES GMBH, Re: istckphoto.com

Registrar was reported for non-compliance but there was no accompanying enforcement (FA1308001514438²⁹).

10. TODAYNIC.COM, INC., Re: itsyoga.com

²³ <http://www.adrforum.com/domains/decisions/1514459.htm>

²⁴ <http://www.wipo.int/amc/en/domains/decisions/html/2007/d2007-1792.html>

²⁵ <http://domains.adrforum.com/domains/decisions/1450159.htm>

²⁶ <http://www.icann.org/en/news/correspondence/serad-to-dumas-24jul13-en.pdf>

²⁷ <http://www.adrforum.com/domains/decisions/1405335.htm>

²⁸ <http://www.icann.org/en/news/correspondence/serad-to-ohayon-11jan13-en.pdf>

²⁹ <http://www.adrforum.com/domains/decisions/1514438.htm>

Registrar was reported for non-compliance but there was no accompanying enforcement (FA1205001444954³⁰).

Conclusion and Questions

Critics who complain about rampant cybercrime and trademark abuse are often met with the assertion that ICANN either has a process in place to deal with it or no mandate to address these issues. However, here we see a number of troubling specific cases where ICANN has a documented role of enforcement but no enforcement can be demonstrated. As Internet users we must take this very seriously and view it through the obligations laid out in the Affirmation of Commitments. To further this investigation it is recommended that ICANN Compliance address the following questions for each of the cases listed above:

- Did ICANN Compliance receive notices from the dispute providers as indicated?
- How does Compliance handle these matters?
- Why was no breach notice issued in the above cases?
- Can the outstanding cases be addressed immediately?

In the interests of ensuring the consumer trust ICANN must explain these cases and enforce all the outstanding UDRP decisions. In examples where the registrar has been terminated for other reasons ICANN may consider the issue resolved, but this completely besides this point. Internet users need assurances that process works effectively and enforcement occurs rapidly and equally. All outstanding cases must be documented in a transparent fashion.

³⁰ <http://www.adrforum.com/domains/decisions/1444954.htm>