

Dispute Resolution Process Submission

From: New Zealand Institute of Patent Attorneys (NZIPA)

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The New Zealand Institute of Patent Attorneys ("the Institute") is an incorporated body representing most, though not all, of the New Zealand registered patent attorneys who are resident in New Zealand. Patent attorneys specialise in intellectual property matters such as patents and trade marks and in recent years have become heavily involved in domain name management and disputes on behalf of clients.

Need for a dispute resolution process

The Institute strongly supports the introduction of a dispute resolution process for .nz domain names, for the following reasons.

1. Disputes involving .nz domain names are not uncommon. A steady stream of such disputes has been referred to members of the Institute since .nz domain names became available. While the number of such disputes is not large, it is significant.
2. Many such disputes are clear cases of cybersquatting, in that they involve the registration of a non-generic word that is solely associated with one particular entity by a party not connected to that entity.
3. Where negotiations with the registrant of the domain name fail, the only option currently available to a complainant is court proceedings.
4. The cost involved in bringing court proceedings is significant. While possible for larger companies, this option is not viable for many small to medium sized businesses.
5. The result is that many disputes remain unresolved, including those which involve clear breaches of rights.

The existence of a dispute resolution process would assist in the resolution or avoidance of such examples of cybersquatting.

The Institute's view is that the mere existence of a dispute resolution process is likely to assist in resolving many disputes, as it would provide the registrant with an incentive to negotiate.

Form of dispute resolution process

The Institute will support any process which would provide those whose names or trade marks have been misappropriated with a fast and cost-effective means of pursuing the matter.

In the experience of members of the Institute, disputes involving .nz domain names tend to involve parties in New Zealand. Accordingly, it may be preferable for the process to be self-contained within New Zealand, rather than requiring an administrative body and/or experts overseas. This suggests that a modified version of the Nominet process may be more appropriate. However, the Institute would also be comfortable with the UDRP being adopted.

The Institute believes that there will be little difficulty finding parties wishing to be appointed as experts. The opportunity to be involved in the resolution of domain name disputes is likely to appeal to many members of the Institute, and no doubt other attorneys and parties.

Costs

The Institute regards the inability of costs to be awarded to the successful party under either Nominet's process or the UDRP to be a significant disadvantage of both processes.

In cases where there is a clear infringement of a party's rights, for instance in clear cases of cybersquatting, or cases involving unjustified complaints, the dispute resolution process adopted should allow for an award of costs. However, whether to make such an award and, if so, the amount should be at the expert's discretion, not automatic.

The possibility of a costs award would provide a further incentive for parties to be 'sensible' in their choices of domain names, and their handling of complaints involving domain names.

It is acknowledged that difficulties may arise in the enforcement of any such costs order. To avoid such difficulties, and as a further incentive to parties to be 'sensible', the Institute suggests that each party be required to submit a sum of, for instance, \$500 or \$1000 with their complaint/defence (in addition to the required fees). If the expert makes a costs order, these funds would be available for immediate payment to the successful party. If no costs order is made, the funds would be returned to the parties.

Please contact us if any of the above requires elaboration or clarification.

Yours faithfully

New Zealand Institute of Patent Attorneys