

VIRTUAL COUNTRIES: INTERNET DOMAIN NAMES AND GEOGRAPHICAL TERMS

Abstract

This paper examines the dispute between the Seattle company Virtual Countries Inc. and the Republic of South Africa over the ownership of the domain name address southafrica.com. The first part of the paper deals with the pre-emptive litigation taken by Virtual Countries Inc. in a District Court of the United States. The second part considers the possible arbitration of the dispute under the Uniform Domain Name Dispute Resolution Process of the Internet Corporation for Assigned Names and Numbers (ICANN) and examines the wider implications of this dispute for the jurisdiction and the governance of ICANN. The final section of the paper evaluates the Final Report of the Second WIPO Internet Domain Name Process.

A fierce dispute has erupted between the Republic of South Africa and a Seattle company called Virtual Countries Inc. over the ownership of the internet domain name *southafrica.com*. As John Markoff observes:

The controversy opens a new front in the global battle over cybersquatting. It pits a number of developing nations, who were late to grasp the significance of the internet, against Western companies who quickly registered the dot.com versions of the country names several years ago. (Markoff, 2000)

The dispute over the ownership of *southafrica.com* raises wider questions about the regulation of internet domain names and geographical terms — such as country names and place names. It evokes important questions about the operation of private property rights, the symbols of nationhood and the regulation of the internet.

The controversy highlights the uneasy coexistence between the general system of trade mark law and the *sui generis* protection for internet domain names. As Lisa Sharrock observes: ‘Under trade mark law, two or more users of a mark may legally exist, but in cyberspace multiple users cannot claim a single domain name.’ (2001: 820) There has been a collision between two regimes: the publicly administered system of trade mark law, which provides protection for goods and services in particular territories; and the dispute resolution system for internet domain names, which is privately administered and globally effective. In the gaps and lacunae between the two systems, a range of dubious conduct has sprung up — such as internet domain name speculation, and cybersquatting.

This debate has wider ramifications for other distinctive signs, which have been hived off from trade mark law and provided with *sui generis* protection under intellectual property. There is a concern that the fine balance established by trade mark law is being undercut by such regimes. In particular, there is a fear that

subject matter previously on the fringes of trade mark law — such as personal names, internet domain names, geographical indications and Olympic insignia — have been awarded comprehensive protection under *sui generis* systems of protection.

The dispute is enlightening about the relationship between the regulation of the internet and the regulation of intellectual property. Yochai Benkler has forged a strong connection between communications law and intellectual property. His particular focus has been upon the shift from mass media to the digital environment:

We are making regulatory choices at all layers of the information environment — the physical infrastructure, logical infrastructure, and content layers — that threaten to concentrate the digital environment as it becomes more central to our social conversation. These include decisions about intellectual property law, which can make ownership of content a point of reconcentration, decisions about the design of software and its standards, and the regulation of physical infrastructure available to internet communications, like cable broadband services ... At all these layers, the wrong decisions could enable a reproduction of the mass media model, with all its shortcomings, in the digitally networked environment. (Benkler, 2000: 568)

This dispute raises important questions as to whether the symbolic infrastructure of the new economy is as important as the physical infrastructure. It implicates the relationship between the content of the internet, computer code and its underlying infrastructure. Furthermore, it is worth considering whether the regulation of internet domain names will reproduce the shortcomings of the regulation of mass media.

This paper considers the regulation of internet domain names related to geographical terms — such as country names and place names. It examines in a case study the fierce dispute between the Seattle company Virtual Countries Inc. and the Republic of South Africa over the ownership of the domain name address *southafrica.com*. The first section deals with the pre-emptive litigation taken by Virtual Countries Inc. in a District Court of the United States. It considers the extent to which national laws should regulate cybersquatting. The next section of the paper considers the possible arbitration of the dispute under the Uniform Domain Name Dispute Resolution Process of the Internet Corporation for Assigned Names and Numbers (ICANN) and examines the wider implications of this dispute for the jurisdiction and the governance of ICANN. The paper's final section evaluates the Final Report of the Second Internet Domain Name Process of the World Intellectual Property Organisation (WIPO), and its treatment of internet domain names related to geographical terms such as country names and place names. It evaluates the policy options available in this area of international intellectual property.

Virtual countries and foreign sovereigns

Domain names are electronic addresses used on the internet on the World Wide Web. Registration of domain names operates on a 'first-come, first served' basis.

As a result, a number of enterprising companies and individuals have sought to register and speculate on lucrative internet domain names.

Virtual Countries Inc. is a self-funded private corporation based in Seattle, Washington, which is involved in managing and developing top-level country domains. It was founded in January 1999 by Gregory Paley, a former partner of a boutique information technology law firm. Virtual Countries develops and manages its own proprietary network comprising 31 different country websites. One of the sites that it has registered is *southafrica.com*. Virtual Countries receives revenue from the sale of goods and services through its websites, as well as online advertising and corporate sponsorships.

The Republic of South Africa issued a press release on 30 October 2000. The Department of Communications stated its position that ‘countries have the first right to own their domain names’ (Republic of South Africa, 2000). The Republic of South Africa further stated that it intended to file an application by 10 November 2000 to assert its rights over *southafrica.com*. It also mentioned its submissions to a number of international organisations to reform the law regarding domain names and the geographical names of countries. The press release stated that the Republic of South Africa ‘could be the first country in the world to make a challenge for the right to own its own domain name in the largest of the high-level domain names — dot.com’.

Virtual Countries Inc. filed a suit on 3 November 2000 in the United States District Court for the Southern District of New York against the Republic of South Africa and the South African Tourist Board to stop them from initiating an action against them under the Second WIPO Internet Domain Name Process. First, Virtual Countries Inc. requested a declaration that the company had the sole right in the *southafrica.com* domain, to the exclusion of the defendants. Second, it sought an order enjoining the defendants from seeking a declaration of their rights to register the domain name in arbitral or court proceedings worldwide.

The Republic of South Africa maintained that the lawsuit was a pre-emptive attempt by a private US corporation to obtain a ruling from a US court that would have the effect of circumventing the Second WIPO Internet Domain Name Process. It was the view of the Republic of South Africa that the US court lacked jurisdiction to determine the rights of the Republic of South Africa, particularly since the Republic of South Africa is a sovereign nation entitled to sovereign immunity from such lawsuits, and in any event that the lawsuit initiated by Virtual Countries had no merit. The Republic of South Africa moved to stay the proceeding or dismiss the action in its entirety.

The Anti-Cybersquatting Consumer Protection Act

After much political haggling, the Clinton government introduced the *Anti-Cybersquatting Consumer Protection Act 1999* (US). The legislation establishes a new cause of action for registration, trafficking or use of a domain name confusingly similar to or dilutive of a trade mark. Infringement takes place where a person has a bad faith intention to profit from a registered trade mark, and registers a domain name that is identical or confusingly similar to that mark. Like the ICANN policy, the legislation provides a non-exhaustive list of factors to be considered when

determining whether a person has acted in ‘bad faith’. The legislation allows trade mark owners to recover substantial damages and the transfer of a domain name.

The legislation is quite favourable to the interests of trade mark owners. Jessica Litman has expressed reservations about the impact of the *Anti-Cybersquatting Consumer Protection Act 1999* (US):

We have given trade mark owners significant new weapons to make it easier for them to take domain names they believe themselves entitled to away from the people who have registered them. (2000: 149)

She fears that the legislation operates on the erroneous presumption that commercial speech should be the favoured form of discourse on the internet.

However, even though the legislation is favourable to trade mark owners, it is nonetheless unhelpful to the case of the Republic of South Africa. Such a legislative regime obviously benefits Virtual Countries Inc. because it would require the Republic of South Africa to prove that the internet company had a bad faith intention to profit from a registered mark. Such demands would be difficult to establish given that geographical terms cannot be trade marked. South Africa was obviously not keen to deal with the matter under the cybersquatting legislation in the United States.

The *Foreign Sovereign Immunities Act*

District Court judge Allen Schwartz found that the *Foreign Sovereign Immunities Act 1976* (US) provided the sole basis for obtaining jurisdiction over a foreign state in the courts of the United States. His Honour stated that the corporation failed to satisfy the requirements for the ‘commercial activity’ exception to the *Foreign Sovereign Immunities Act 1976* (US).

The judge acknowledged that a sovereign’s actions in registering or challenging domain names may in certain circumstances qualify as ‘commercial’. However, His Honour found that the Republic of South Africa had not engaged in any transaction or course of conduct that was commercial in nature. It merely issued a press release stating that it intended to file an application with WIPO for the right to own the *southafrica.com* domain name, and take the matter up in international fora.

District Court judge Allen Schwartz found that, even if the Republic of South Africa’s actions were deemed to be commercial under the *Foreign Sovereign Immunities Act 1976* (US), they would still be insufficient to trigger the commercial activity exception because they did not cause a ‘direct effect’ in the United States. His Honour dismissed the assertions of Virtual Countries Inc. that the ‘Republic’s announced intention to litigate and its assertion of rights’ had ‘placed a cloud over [Virtual] in the equity markets by contesting the ownership of [Virtual’s] underlying assets’.

The judge held that the District Court lacked the jurisdiction to hear this action against either the Republic of South Africa or the South African Tourism Board. His Honour concluded:

The mere fact that Virtual operates in the volatile electronic commerce industry and is seeking to raise capital under sensitive economic conditions is not grounds for assuming jurisdiction over a foreign sovereign which has performed no commercial act with respect to the subject matter of this dispute.

However, District Court judge Allen Schwartz did offer some hope to Virtual Countries Inc in the marginalia to the judgment. In footnote 10, his Honour noted that it was unlikely that WIPO would recommend that ICANN adopt a *per se* exclusion on the ownership of domain names. Justice Allen Schwartz considered: ‘Under such circumstances, the assertion of a claim by Republic against Virtual for ownership of the *southafrica.com* domain would be unlikely to succeed.’ Furthermore, the commentator Michael Froomkin speculates whether the question of foreign jurisdiction would arise again if the Republic of South Africa brought an action under ICANN (Froomkin, 2001a).

The conflict over the internet domain name *southafrica.com* highlights the limitations of national regulation of cybersquatting. As Gail Evans observes: ‘Law and policy-makers are now faced with the task of having to chart a trade mark law that is territorial and sectoral on a domain space that is global.’ (Evans, 2001: 65) Questions of jurisdiction remain frustrating and perplexing. Furthermore, there is a concern about the interaction between national trade mark law and the international system of dispute resolution set up under ICANN.

ICANN and cybersquatting

ICANN was created in October 1998 by a broad coalition of the internet’s business, technical, academic and user communities. The organisation has assumed responsibility for a set of technical functions previously performed under US government contract by the Internet Assigned Numbers Authority and other groups. Specifically, ICANN coordinates the assignment of a number of identifiers that must be globally unique for the internet to function: internet domain names; IP address numbers; and protocol parameter and port numbers.

ICANN has adopted a Uniform Domain Name Dispute Resolution Policy (UDRP) in respect of top-level domain names such as .com, .net, and .org. The Republic of South Africa announced its intention to lodge an application with WIPO under the ICANN arbitration system. Under the terms of section 4(a)(1) of the UDRP, South Africa would have to allege and convince the arbitrator that:

- the domain name is identical or confusingly similar to a trade mark or service mark in which the complainant has rights;
- the domain name holder has no rights or legitimate interests in respect of the domain name; and
- the domain name has been registered and is being used in bad faith.

However, the Republic of South Africa was obviously concerned about whether it could establish all of the elements that it needed to prove in an arbitration brought under the UDRP of the ICANN.

Yet Beth Thornburg observes that the jurisdiction of ICANN has been expanded beyond a narrowly defined group of particularly egregious cases of cybersquatting (Thornburg, 2000: 164–65). She notes that the dispute resolution procedure has been used in disputes over personal names, city names and geographical indications. Extrapolating from this trend, it stands to reason that the ICANN process could conceivably embrace geographical terms.

Trade marks and geographical terms

The Republic of South Africa does not have a trade mark over the name South Africa — a prerequisite for a UDPR claim. The problem is that geographical names — such as city names and country names — do not enjoy trade mark rights. Such names are obvious examples of non-distinctive marks. There are many precedents which have involved the rejection or expungement of trade marks using the name of the geographical source of the goods. For instance, Oxford University Press was unable to register OXFORD in respect of videos, tapes, and discs. Similarly, the pharmaceutical company Bristol-Myers was unable to register its mark, BRISTOL, because Bristol was the name of cities in the United Kingdom and the United States. Likewise, a heavy earth-moving equipment company could not register the trade mark MICHIGAN in Australia because the name was a state in the United States.

However, the Republic of South Africa will take great comfort from a decision by the WIPO Arbitration and Mediation Centre under the UDRP regarding the domain name *barcelona.com*. The panel found that the domain name at issue and the trade marks of the city of Barcelona were not strictly identical in material terms, but nonetheless they were confusingly similar. It found it self-evident that the city of Barcelona had a right or a legitimate interest in the expression ‘Barcelona’. Furthermore, the panel insisted that the plan to commercially exploit information about the city of Barcelona amounted to bad faith. Subsequently, the District Court in Virginia in the United States rejected the request of the domain owner to overturn the decision of the WIPO panel. The case is now on appeal to the fourth Circuit Court of Appeals.

There are a number of other cases and precedents regarding place names and country names that might support this action. A complaint regarding the domain name *caymanislands.com* has been filed by the Cayman Islands government before the WIPO Arbitration and Mediation Centre under the UDRP, but the case was terminated before a decision was taken on it. In a case involving the registration of a country name in a country-code top level domain, the Landsgericht of Berlin in Germany, by decision of 10 August 2000, found that the domain name *deutschland.de* infringed the government of Germany’s ‘right in its name’. Furthermore, there have been a number of cases in Germany, France and Switzerland which have recognised that cities have rights to domain names such as *heidelberg.de*, *saint-tropez.com*, *berner-oberland.ch*, and *luzern.ch*.

Virtual Countries argued that the action by the Republic of South Africa was stimulated by the recent determination of a WIPO arbitrator, which awarded the domain name registration *barcelona.com* to the City of Barcelona. It emphasised that this decision was contrary to prior WIPO determinations regarding the domain

names *stmoritz.com*, *portofhelsinki.com* and *portofhamina.com*. It also stressed that the Barcelona decision had been roundly criticised by legal scholars as contrary to international law, and in the press as undermining the credibility of WIPO.

Virtual Countries would take heart from the decision of a WIPO arbitrator in respect of the domain name *brisbane.com*. The panellists found that the Brisbane City Council was not entitled to the domain name, because it had not established any trade mark or common law rights to the words ‘Brisbane City’ or ‘Brisbane’. They noted the policy of IP Australia that a trade mark would not be normally granted in respect of a well-known geographical location.

This judgment has been affirmed in a number of recent decisions by WIPO panellists in 2002. The municipality of Durban in South Africa was unable to obtain the domain name *durbanexperience.com* because the name in question was a geographical term, and there was no evidence that it had been used as a trade mark. A government agency in Italy could not obtain the domain name *valdifemme.info* because the name referred to a region in Northern Italy. The City of Myrtle Beach was unable to reclaim *myrtlebeach.com* as it referred to a geographical place. The Mayor of Heidelberg has also been unsuccessful in a recent battle over *heidelberg.net*. Such precedents will boost the confidence of Virtual Countries that it can successfully stave off an attempt to challenge its domain name under the ICANN process.

Furthermore, Virtual Countries could counter-claim that the Republic’s intention to institute a WIPO proceeding was nothing more than ‘reverse-hijacking’ — an attempt by a more formidable entity to take an address away from a less powerful, but otherwise legitimate, owner. Greg Paley, the American owner of Virtual Countries Inc., contends that the case has free speech implications:

They want to stop free speech. They want to stop a US business from allowing people in SA to congregate on a site to discuss issues close to their hearts in a forum not controlled by them. If they want a travel site, let them apply for the Southafrica.travel domain when it becomes available. Dot-com is for commercial interests ... We will fight this on behalf of our ourselves and on behalf of other people with such domains. This sets a bad precedent. It is bad for free speech, it is bad for the internet and it is bad for business. (de Wit, 2001)

This interpretation of the case as a free speech issue is complicated by the commercial nature of the business being undertaken by Virtual Countries Inc. Nonetheless, it could be possible to frame such an argument in terms of reverse-hijacking (Mueller, 2000). The dispute highlights the extent to which notions of free trade and free speech clash with considerations of national interest and fair trade under the ICANN process.

The future of ICANN

The controversy raises larger questions about the role and jurisdiction of ICANN. The organisation has come under attack for being undemocratic and exclusive. A recent manifesto declared: ‘Despite its best efforts, ICANN has proven overall to be a failed experiment in internet policy development, implementation, and

management.’ (Farber et al., 2002). Academic commentators have chimed in that ICANN is usurping the functions and powers of a public government (Boyle, 2000; Froomkin, 2000; Weinberg, 2000). They claim that the organisation is aspiring to become a de facto international arbitrator for a wider range of matters of intellectual property.

Sensitive to such acerbic criticism, ICANN has sought to stress that its powers are limited. *Wired* reporter Chris Bayers comments:

Why downplay ICANN’s role? In part, it’s an attempt to allay the very real fear in the community that the corporation will abuse its power. But emphasizing its limited jurisdiction is also an attempt to help divert media attention. (Bayers, 2000)

Harking back to its original purpose and founding principles, ICANN has sought to maintain that it is only a body for technical coordination. It has declared that it will confine its attention to the most egregious cases of cybersquatting, and refrain from becoming involved in intellectual property disputes of larger magnitude, such as the battle of geographical terms, lest it sully its reputation.

However, this dispute between South Africa and Virtual Countries Inc. demonstrates the impossibility of limiting or containing the activities of ICANN to technical matters. Even narrow technical regulation has broader implications, touching on legal, political and cultural issues. While geographical terms remain in the public domain, ICANN registration will confer exclusive rights on a first-come, first-served basis. This will have the legal effect of allowing free-riders to register domains of country names and place names — from both the developing and developed world. There needs to be a greater discussion of the normative basis for such decision-making.

The dispute over the ownership of *southafrica.com* underlines the need for reform of the governance of ICANN. Bayers argues that the regulation of domain names might have to be managed by an international treaty that awards every member country one vote, as is the case with telecommunications, which is governed by the International Telecommunication Union (Bayers, 2000). He believes that such a model might have a better chance of satisfying the demands for an inclusive and democratic global organisation. However, such a traditional model may merely reproduce the shortcomings of mass media regulation, as Yochai Benkler fears. It would be a travesty if ICANN were deadlocked, like the telecommunications industry.

WIPO and the digital divide

WIPO is a specialised agency of the United Nations, which administers 21 international treaties regarding intellectual property protection. It also plays a significant role in the development of internet domain name policy, in particular by preparing reports and recommendations based upon submissions of members.

In response to requests from national governments, WIPO initiated international consultations to address outstanding issues relating to intellectual property and internet domain names. The Second WIPO Internet Domain Name Process concerns

a range of identifiers other than trade marks and is directed at examining the bad faith and misleading registration and use of those identifiers as domain names. These other identifiers, which form the basis of naming systems used in the real or physical world, include the names and acronyms of inter-governmental organisations, personal names, geographical indications, geographical terms and trade names. The international legal framework for the protection of these other identifiers is not as developed as it is for the protection of trade marks.

The Republic of South Africa decided it would not commence an arbitration in WIPO or other organisation under the existing UDRP procedures until WIPO and ICANN resolved the proposed changes. It has been involved in the second WIPO investigatory process, concerning amendments to the UDRP. The Republic of South Africa submitted a formal comment in March 2001, in which it stated that WIPO should recommend a *per se* exclusion on the registration of country names in the second-level domain, and the adoption of a policy subjecting entities that register country names in the second-level domain to binding arbitration. It tabled similar proposals in submissions to ICANN-GAC, the Ministerial Oversight Committee of the African Telecommunications Union and a task force of the G-8 nations.

The Paris Convention

The Republic of South Africa argued that the *Paris Convention* 1886 protected state-related symbols in relation to internet domain names:

The names of sovereign nations are deserving of special protection as domain names. For example, the Paris Convention for the Protection of Industrial Property has long afforded special protections limited to national symbols of sovereign nations, such as national flags, emblems, official signs and hallmarks. In today's world of internet communication, a country's own name is a symbol of the sovereign nation and should be its unique global identifier. (Republic of South Africa, 2001)

This broad interpretation of the Paris Convention is justified, on the one hand, in light of its spirit and underlying objectives and, on the other hand, in view of recent technological evolutions — in particular, the emergence of the internet as a commercial medium and the importance of domain names as valuable signposts in this context.

While the Paris Convention protects certain state-related symbols against their registration and use as trade marks, it is unclear whether it protects place names and country names. WIPO preferred a plain reading of the relevant provisions and the negotiating history of the Paris Convention, and concluded that that the convention did not offer protection to the names of countries (WIPO, 2001b). First, it emphasised that the states party to the Paris Convention were of the view that Article 6*ter* would need to be amended to offer protection for the official names of countries. Second, at the time of the Diplomatic Conference, developing countries only sought to obtain protection under Article 6*ter* for the official names of countries (for example, the Republic of South Africa) and not for their usual names (for example,

South Africa). Thus the position that Article 6ter, in its current unrevised form, covers country names seems difficult to maintain.

The gold rush

The Republic of South Africa read the dispute in terms of post-colonialism. The appropriation of identity, place and language remain important matters in the context of developing nations. The Republic of South Africa addressed issues relating to the so-called ‘digital divide’ between developed and developing nations:

It is important to recognise that, largely due to the digital divide, this ‘gold rush’ by entities in developed nations occurred at a time when many developing nations were unaware of the activities of these entities and how these activities would affect them ... If the current registrants, primarily Western individuals and corporations, are permitted to continue to exploit these valuable national assets to which they have no rights, the effect will be to widen the digital divide to the further detriment of developing nations. (Republic of South Africa, 2001)

The Republic of South Africa stressed that Western registrants were trying to sell back the domain names to the respective sovereigns at extremely high prices. For instance, the website *Korea.com* was sold for US\$5 million dollars.

Michael Froomkin reflected upon a WIPO regional consultation in Washington DC. He took the sceptical view that the name ‘South Africa’ was just a free-floating signifier, without any fixed identification:

The South African ambassador, whose nation is involved in litigation in the US over its attempt to hijack the southafrica.com domain from a non-resident company, argued passionately that country names on the internet (by which it turned out she meant mainly .com) are the property — yes, property, just like natural resources! — of the nation and should not be subject to colonialist expropriation by non-resident foreigners. The argument makes almost no sense to me, since I think language is our common property, but I could not help but be struck by the passion with which it was delivered. (Froomkin, 2001b)

The commentator was ambivalent about the arguments of the Republic of South Africa that internet domain names were the property of nation states.

The speculation on internet domain names may be waning — the ‘gold rush’ that South Africa feared may be over. The domain name industry electronic journal *State of the Domain* has reported that more domain names are expiring than are being registered or renewed. This re-evaluation of the value of domain names has resulted from the collapse in electronic commerce and information technology stocks.

Geographical designations: Beyond intellectual property

WIPO sought to draw distinction between geographical indications and geographical terms (WIPO, 2001a). WIPO observed that geographical indications and indications of source, such as place names for wine like Champagne and Provence, receive

special protection under the traditional intellectual property system. However, it noted that geographical terms fall outside the traditional intellectual property system, particularly place names, geopolitical terms and geo-ethnic concepts.

In a section entitled ‘Geographical Designations Beyond Intellectual Property’, WIPO discusses certain issues raised by a country’s attempt to claim ownership of domain names that employ the country’s name (WIPO, 2001a: 236–86). The interim report favoured the view that a system of exclusions would not be a desirable means of protecting names of countries and of administratively recognised regions and municipalities in the new generic top-level domains. Apart from the host of practical problems inherent in such a system, the report was concerned that such a strong form of protection might be perceived to lack international legitimacy.

In the interim report, WIPO put forward a compromise proposal. It indicated that new grounds for a complaint could be incorporated into the UDRP on the basis of which the competent national authorities could seek to obtain the transfer or cancellation of a domain name corresponding to the name of a country or an administratively recognised region or municipality which is found to be abusive. However, this proposal for reform was strongly opposed. In the final report, WIPO lamented: ‘A review of the comments received on the Interim Report reveals that it has failed to bridge the gap between those who oppose establishing protection for the designations in question and those who favor such protection.’ (WIPO, 2001b: 115)

WIPO was reluctant to advance more radical solutions, observing:

A recommendation to adopt such measures consequently would be a departure from one of the fundamental principles underlying the Report of the first WIPO Process, namely, the avoidance of the creation of new intellectual property rights or of enhanced protection of rights in cyberspace compared to the protection that exists in the real world. (WIPO, 2001b: 121–22)

It was also worried that a lack of harmonisation would result in decisions running a greater risk of being invalidated at a national level. Having exhausted the consultation process, WIPO concluded that the matter of internet domain names and geographical terms was more appropriately dealt with by governments and inter-governmental organisations.

Conclusion

The controversy over *southafrica.com* points towards the dilemmas of international law and regulation. Both parties engaged in forum-shopping, searching for a legal arena which would best suit their respective cases. There was a debate over which was the most appropriate venue for this debate over the legitimacy of internet domain names and geographical terms. However, at the time of writing, the dispute over the ownership of the domain name *southafrica.com* had reached an impasse. The District Court of the United States was unwilling to hear the dispute on the grounds that it did not have jurisdiction to deal with a foreign sovereign. The ICANN dispute resolution proved to be unhelpful because of a lingering uncertainty over the rules regarding internet domain names and

geographical terms. Furthermore, WIPO was unable to broker a compromise over the protection of internet domain names and geographical terms. As a result, the dispute over the ownership of *southafrica.com* is destined to drag out interminably and test the will of the parties who are involved for some time to come. This impasse will only be resolved if national governments and inter-governmental organisations have the spirit to broker an international solution.

In spite of its protestations that the policy process has been exhausted, WIPO remains under pressure to broker a solution from national governments (WIPO, 2002). At special sessions of the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications in 2002, member states discussed whether currently existing procedures to protect trademarks against abusive domain name registrations should be expanded in the future to cover other types of identifiers, such as geographical terms. Two possible solutions were canvassed. One possible protection mechanism would be a sunrise registration system for country names. This would allow national governments to pre-register certain identifiers in the domains concerned for protective purposes. Another option would be an administrative challenge procedure for country names. This mechanism would allow a government to challenge the registration of a country name. However, at the time of writing, such reform remains nothing more than a wistful hope.

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State of the Domain: www.sotd.info
World Intellectual Property Organisation: www.wipo.org

Matthew Rimmer is a Lecturer with the Australian Centre for Intellectual Property in Agriculture, Faculty of Law, Australian National University.