Martin Müller

Von: Contact Information Redacted
Gesendet: Donnerstag, 6. Februar 2014 16:58
An: Amy Stathos; Allen Grogan; Christine Willett; Trang Nguyen; Contact Information Redacted
Cc: Contact Information Redacted
Betreff: Re: ICANN's position on WIPO determinations WIPO-LRO2013-0009, WIPO-LRO2013-0010, and WIPO-LRO2013-0011

Dear all,

I am writing to you again with regard to the possibility of filing a Request for Reconsideration in the context of a third-party ADR dispute handled by one of the three accredited New gTLD providers. The underlying decisions in question were issued by a WIPO panelist in the context of the LRO dispute procedure, and contain serious errors of fact and law amounting to a violation of fundamental due process. The decision numbers for the disputed cases are as follows: WIPO Decision LRO2013-0009, WIPO Decision LRO2013-0010, and WIPO Decision LRO2013-0011.

We contacted WIPO shortly after the decisions were issued, in order to address our concerns about the panelist's failure to utilize the ICANN-mandated LRO elements in reaching his decision, and his serious errors with regard to the underlying facts of the case (see attached letter to the WIPO Arbitration and Mediation Center dated September 23, 2013). The WIPO Arbitration and Mediation Center communicated our message to the appointed expert; however, in his answer dated September 24, 2013 the panelist again refused to apply the LRO standards and failed to reconsider the case on the basis of the correct facts.

No advice on applicable remedies against the Expert's Decisions and the subsequent reconsiderations of these decisions have been communicated to Merck KGaA by either ICANN or the WIPO Arbitration and Mediation Center, and instead the WIPO Mediation Center stated that there was no appeal to the Panelist's decision within the LRO system.

Additionally, following the issue of a particularly troubling LRO decision, our counsel Dr. Torsten Bettinger contacted the head of the Arbitration and Mediation Center (Mr. Erik Wilbers) directly who also stated that it was his impression that there was no "appeals" process possible for panel decisions, and that ICANN could not (and would not) accept any LRO matters for review or challenge. Thus, even the appointed provider in question believes that the Reconsideration Request process is not open to filing parties under the LRO procedure, and we therefore have no reason to believe that the Request for Reconsideration procedure would be considered as a possible recourse against the LRO decisions.

To date ICANN has not issued any explicit decision stating that it has reviewed and accepted the Expert Panel's findings and his reconsideration of these decisions as published in an addendum to the decisions, nor has ICANN taken any further actions in the gTLD application process based on the Expert Panel's decisions. Thus, although Merck KGaA was aware of the possibility of submitting a request for reconsideration or review of an ICANN action or inaction (in fact Merck filed a Request for Reconsideration against an NGPC Resolution of July 13, 2013, on August 30, 2012) it reasonably assumed that there was no scope for the use of the Reconsideration Request to challenge an Expert Panel decision, since such decision cannot be regarded as an ICANN board or ICANN staff action if ICANN did not issue an ultimate decision to accept the Expert Panel's advice.

That said, however, it has come to our attention (following discussion with an ICANN staff member at the Buenos Aires meeting) that there may, in some cases, be scope for the filing of a Reconsideration Request directly against Expert Panel Determination established by the Arbitration and Mediation Center of the World Intellectual Property Organization.

However, as the staff members in question were not sure whether the Reconsideration procedure would be applicable in cases of third-party ADR matters, we want to request the New gTLD Program Committee to determine the precise scope of the procedure.

The Reconsideration Request, which is codified in the ICANN Bylaws, specifically states that the procedure may only be used to challenge the "actions or inactions" of ICANN staff or the ICANN Board.

Article IV, Section 2.2 of that version of ICANN's Bylaws states that any entity may submit a request for

reconsideration or review of an ICANN action or inaction to the extent that it has been adversely affected by:
(a) one or more staff actions or inactions that contradict established ICANN policy(ies); or
(b) one or more actions or inactions of the ICANN Board that have been taken or refused to be taken without consideration of material information, except where the party submitting the request could have submitted, but did not submit, the information for the Board's consideration at the time of action or refusal to act; or
(c) one or more actions or inactions of the ICANN Board that are taken as a result of the Board's reliance on false or inaccurate material information.

There is nothing in the Applicant Guidebook and the ICANN Bylaws to indicate that third-party "vendors," such as the various ADR providers, fall into the category of "staff" or "ICANN Board", nor do the New gTLD Dispute Resolution Procedure and WIPO Rules for New gTLDs contemplate or permit a losing party to file a Request for Reconsideration seeking a substantive review of the Expert's Panel decision or the consideration of policy or process violations of an Expert Panel.

Furthermore, Section 3.4.6. of the Applicant Guidebook states that: "The findings of the panel will be considered an expert determination and advice that ICANN will accept within the dispute resolution process." There is nothing in the Applicant Guidebook to indicate that an Expert Panel's decision would automatically be accepted by ICANN and could therefore be considered as an ICANN staff or Board decision. Indeed, it appears obvious that an automatic acceptance of an Expert Panel decision without any quality review, even of a panel which violated ICANN's policies and processes in reaching its decision, would be contrary to ICANN's mandate to act transparently and with fairness.

As mentioned above, following discussion with ICANN staff members at the Buenos Aires meeting, Merck KGaA became aware that the Board of Governance Committee (BGC) in the face of a multitude of inconsistent Expert Decisions with regard to string similarity objections and legal rights objection and the lack of an appeal process against these decisions, issued recommendations to the New gTLD Program Committee that the Request for Reconsideration process can also be invoked for challenges of decisions of an Expert Panel established by the Dispute Resolution Provider where it can be stated that either the Dispute Resolution Provider failed to follow the established policies or processed in reaching its decision or that ICANN staff failed to follow its policies in accepting that decision.

These Recommendations and the subsequent NGPC actions adopting these Recommendations in fact suggest that ICANN automatically accepts the Expert Panel's advice without any review of policy or process violation and that the Expert Panel's determination may be considered as an ICANN action which can be challenged by means of a Request for Reconsideration to the Board of Governance Committee before these decisions have been endorsed by ICANN.

No such remedy appeared to be possible on the basis of the ICANN Bylaws, which clearly state that only the ICANN Board (or Board Committees) Committee Board) is competent to endorse an Expert Panel decision. ICANN staff do not have such powers unless the ICANN board has delegated its powers to such ICANN staff in a formal Board decision.. On December 6, 2013 we therefore sent an e-mail to ICANN (see attached e-mail from Jonas Koelle to Mrs. Amy Stathos) and asked for clarification whether the Experts Decision had already been endorsed by ICANN or whether the Panelist decisions can be considered as an ICANN action within the meaning of Art. IV Section 2.2 of ICANN's Bylaws.

As we did not receive an answer to our request for clarification we sent a reminder to Ms. Stathos on December 18, 2013.

By e-mail dated December 18, 2013 Ms. Stathos replied that ICANN had not received our e-mail communication of December 6, 2012 and without responding to the question which had been raised in our inquiry of December 6, 2012, stated that "the date on which ICANN posts the Expert Determination at issue would be the final date from which the time to submit a Reconsideration request based on that Expert Determination or based on ICANN's acceptance of that Expert Determination is calculated."

We note that the publication of the Expert decisions on ICANN's website has never been communicated to Merck KGaA, nor has Merck KGaA been informed that ICANN's act of publication of an Expert Determination on the ICANN website includes ICANN's intention to accept the expert determination within the dispute resolution process according to Section 3.4.6. of the Guidebook. In fact, the publication date of September 25, 2013 appears to be purely arbitrary and not related to WIPO's notification of the decisions on September 6, 2013.

Furthermore, we note that ICANN published the Expert's decisions of September 6, 2013 in the above LRO Proceedings, but not the Expert Panelist's reviews of these decisions which were requested by Merck KGaA because the Panelist conflated the arguments and factual constellations of the two parties and elected not to consider the three elements of the LRO policy but essentially decided the cases on the basis of UDRP jurisprudence.

We therefore assume that the Expert Panel's reply to Merck KGaA requests for review of its decisions have either not been communicated to ICANN by the WIPO Arbitration and Mediation Center or that ICANN has not yet reviewed and adopted the Expert's reconsideration of his decisions.

Accordingly, I am contacting you to request clarification of the following points

1. has the Expert's review of its decision LRO2013-0009, LRO2013-0010 and LRO2013-0011 already been communicated to ICANN, and
2. if such review has been communicated to ICANN has ICANN itself already reviewed the Expert's reconsideration of its Decisions LRO2013-0009, LRO2013-0010 and LRO2013-0011 and
3. if so, when will ICANN notify Merck of these Expert determinations in order to enable us to challenge the Expert's determinations in a Request for Reconsideration Proceedings.

I will await your guidance in this matter, and will be happy to provide any additional information you may require.

With best regards,

Jonas Kölle
Rechtsanwalt | Senior Corporate Counsel
Director | Head of LE-TB
Group Legal & Compliance | Trademarks

Merck – Living Innovation

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From: Amy Stathos Con ac nforma ion Redac ed
To: Contact Information Redacted
Cc: Allen Grogan Contact Information Redacted , Christine Willett Contact n ormation Redacted , Trang Nguyen Contact nformation Redacted
Date: 18.12.2013 18:21
Subject: Re: ICANN's position on WIPO determinations WIPO-LRO2013-0009, WIPO-LRO2013-0010, and WIPO-LRO2013-0011

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* PGP - S/MIME Signed by an unverified key: 12/18/2013 at 06:21:23 PM

Dear Jonas: I did not receive your earlier email so thank you for following up. As we discussed during our meeting in Buenos Aires, the date on which ICANN posts the Expert Determination at issue is the final date from which the time to submit a reconsideration request based on that Expert Determination or based on ICANN accepting that Expert Determination is calculated. I am copying Christine Willet and Trang Nguyen for their information as they were also at the meeting in Buenos Aires.

Thank you and Happy Holidays.

Amy A. Stathos
Deputy General Counsel
Internet Corporation for Assigned Names and Numbers
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