

## NEW AND UPCOMING DOMAIN NAMES PRESENT NEW RISKS

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This paper was created by the authors for IPO's Domain Names and Social Media Committee to provide background to IPO members. It should not be construed as providing legal advice or as representing the views of IPO.

As many companies are aware, the Internet Corporation for Assigned Names and Numbers (ICANN), the organization charged with coordinating the allocation and assignment of domain names and Internet protocol (IP) addresses, has implemented a large-scale rollout of generic top-level domains (gTLDs). These gTLDs, which like .com, .net, and .org reside "to the right of the dot," feature various subjects, industries, hobbies, and geographic locations, and include domains such as .shop, .coffee, .photo, and .berlin. Within each new gTLD, most of which are open to the general public, businesses and individuals can register second-level domains — the domains "to the left of the dot." These could include such domains as gap.shop, starbucks.coffee, landscape.photo, and myhousein.berlin.

ICANN has long touted its New gTLD Program -- which is expected to roll out around 1,000 new gTLDs over the next couple of years -- as a new frontier of Internet innovation, choice, diversity, and competition. As a practical matter, it's also a headache for brand owners, as the exponential increase in Internet real estate opens up new avenues for cybersquatting and brand abuse. The community of intellectual property owners has fought hard over the past few years for strong trademark rights protection mechanisms (RPMs) to be included during the gTLD rollout and beyond. The measures that ICANN ultimately implemented represent a substantial compromise between strong trademark protection and the various other interest groups that influence the ICANN policymaking process. For these RPMs to be effective, brand owners must be vigilant participants in the gTLD process, and should take steps to prevent brand abuse.

## 1. Record Key Trademarks With the Trademark Clearinghouse

Two RPMs -- the "sunrise" period and the Trademark Claims service -- are available to brand owners during the launch of phase of new gTLDs. The sunrise period of each new gTLD launch (at least 30 days) allows trademark owners a first shot of securing second-level domain names corresponding to their trademarks, or to certain previously abused strings. The Trademark Claims service, which generally operates only during the first 90 days of the general registration period of each new gTLD, provides limited notifications to trademark owners when domain names corresponding to their marks are registered by others. Each of these protections is dependent on the <u>Trademark Clearinghouse</u>, a repository of verified trademark rights. Brand owners should therefore immediately record their key trademarks with the Trademark Clearinghouse.

#### 2. Monitor New gTLD Launches

Recording trademarks in the Trademark Clearinghouse is only the first step to trademark protection in the new gTLD regime. For each new gTLD rollout, brand owners should consider whether the gTLD represents particular opportunities or risks such that it makes sense to register second-level domains during the Sunrise period.

The Trademark Clearinghouse maintains a list of sunrise dates <u>here</u>, and a full list of applied-for gTLDs is available on <u>ICANN'S website</u>. Brand owners should monitor these and other sources to keep tabs on gTLDs of interest, and companies that contract with domain name management companies to handle their domain name portfolios should instruct their providers to assist with monitoring sunrise launches and windows.

# 3. Develop a Domain Name Acquisition and Policing Strategy

Companies should actively review Trademark Claims notifications and consider additional domain name watch services to determine whether others are engaging in cybersquatting or trademark infringement. If so, remedies may be available via the Uniform Domain Name Dispute Resolution Policy (UDRP) or the Uniform Rapid Suspension (URS), a new procedure intended to provide streamlined dispute resolution in cases of clear cybersquatting.

Beyond "defensive" second-level domain registrations, companies should be on the lookout for other ways to prevent cybersquatting. For instance, at least one new gTLD registry owner, <a href="Donuts">Donuts</a>, allows brand owners an opportunity to add their marks to a protected list, thus providing a "block" mechanism that effectively prevents second-level domain name registrations in all of the gTLDs (expected to be 200-300) operated by Donuts.

Finally, company marketing and legal departments should collaborate to develop a comprehensive domain name acquisition and policing strategy. Because it is no longer an option for most brand owners to simply register their key marks across all gTLDs, identifying opportunities and risks in the context of an overarching strategy will be critical going forward.

We plan to provide additional updates as the gTLD process continues.