

Client Alert

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Protecting Your Trademarks as ICANN Launches New Generic Top-Level Domains

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Last year, the Internet Corporation for Assigned Names and Numbers (ICANN) received over 1,900 applications for new generic top-level domains (gTLDs), including multiple applications for popular domains like .app, .inc, .art, .shop and .music. More than seven hundred applications have now passed an initial evaluation. If no further issues arise for those applications, ICANN anticipates that some of the new gTLDs could go live in the next few months.

Although the new gTLD program will provide businesses with more opportunities to register for industry-specific Internet addresses (such as domain names ending in .search, .map, .book and .app), the gTLD expansion will also create significant opportunities for bad-faith registration of second-level domain names (e.g., [TRADEMARK].[new gTLD]). Anticipating this problem, ICANN designed “rights protection mechanisms,” discussed in further detail below, to preempt or curtail some bad-faith behavior. The immense number of new gTLDs that are expected to go live, however, creates practical complications for trademark owners—particularly companies that have a large number of trademarks. In considering whether to take advantage of the rights protection mechanisms, such companies may want to focus their efforts on protecting a smaller number of key brands.

DETERRING CYBERSQUATTING

ICANN has established a Trademark Clearinghouse, which plays a central role in ICANN’s rights protection mechanisms. Anyone who has protectable rights in a trademark can seek to record that trademark in the Clearinghouse for a fee of approximately \$145 per trademark record per year. The Clearinghouse will verify each submission and will function as a repository of verified records. The new gTLD registries will use the verified records in the Clearinghouse in connection with two rights protection mechanisms.

First, each new gTLD registry must provide an initial sunrise period for a minimum of 30 days for anyone who has a verified trademark record in the Clearinghouse and who can demonstrate use of that trademark. During this period, qualifying trademark owners may preregister for second-level domain names that match their verified trademarks (e.g., [VERIFIEDTRADEMARK].[new gTLD]). Verification in the Clearinghouse does not guarantee allocation of a second-level domain name, however, because there may be multiple qualified trademark owners. Disputes regarding sunrise registrations will be resolved according to each registry’s dispute resolution process.

Second, for a minimum of 90 days immediately *after* a registry opens a new gTLD to the public for general registration, the registry must provide a trademark claims notice to anyone seeking to register a second-level domain name that matches a Clearinghouse record. The notice will list the owner, trademark, jurisdiction(s) and

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goods and/or services. The domain name applicant may proceed with the second-level domain name registration, but only after acknowledging receipt of the notice. If the domain name applicant proceeds with the registration, the trademark owner will be notified of the registration. The trademark owner will not be able to block the registration, but will be able to file a Uniform Rapid Suspension System (URS) or Uniform Domain Name Dispute Resolution Policy (UDRP) action to suspend or obtain the domain name. In such proceedings, the trademark claims notice could make it difficult for a cybersquatter to plead innocent.

DECISION TIME FOR TRADEMARK OWNERS

Trademark owners who want to assure maximum protection for their marks need to act now. Not only is the verification pace in the Clearinghouse expected to slow down as the volume of submissions increases, it is anticipated that some of the new gTLDs could go live as early as late summer. Trademark owners whose records have not been verified by the Clearinghouse when the first new gTLDs are launched will not be able to take advantage of the corresponding sunrise periods and will not receive notices if someone applies to register a second-level domain name that matches their trademark.

If you have any questions regarding a particular new gTLD or any aspect of the new gTLD program, we are here to help.

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