

UPDATE: Protecting Your Trademarks in the World of .XXX Domain Names

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As described in Reed Smith's [April 22, 2011 Client Alert](#), to go along with .com, .net, and the other current top-level domains ("TLD's"), the formation of a new .xxx TLD has been approved for websites related to the adult entertainment industry.

Since the .xxx TLD is intended only for adult entertainment industry websites, applicants who want to set up .xxx domains will need to certify that they are in the industry; however, trademark owners may worry that cybersquatters and other entities will attempt to register .xxx domains related to well-known brands to take advantage of (and thereby damage) the brand's goodwill. Reed Smith's prior Client Alert discussed some of the initial details regarding the system set up to deal with some of those concerns. This Alert serves as an update to the most important trademark protection in the .XXX system by far: the "Sunrise B" Period.

Sunrise B takes place from September 7, 2011, through October 28, 2011. During that time period, any owner of a registered trademark can pay a one-time fee and put in an application to **block** the registration of an .xxx name with their exact trademark for at least ten years. There are just a few wrinkles to that statement, and they are explored below.

First, only exact trademarks can be protected through Sunrise B. Typos or variations of trademarks cannot be protected until General Registration starts on December 6, 2011.

Second, the blocked trademarks must be registered. The registration can be from any country. Note that, for United States registrations, the registration must be on the "Principal" Register and not the "Supplemental" Register (which is designated for certain descriptive terms).

Third, you can protect the exact word mark contained within a design mark registration.

Fourth, simultaneous with Sunrise B, there will be a Sunrise A period for current adult website owners. If a Sunrise A applicant happens to share your same mark and has a registration for your mark in the adult field, or if a Sunrise A applicant has already been using your exact trademark as its domain name in another TLD, the Sunrise A applicant will get priority. Obviously, we do not expect this to be a common occurrence.

As stated above, trademark owners can still defensively pick up .xxx domain names containing typos or variations of their trademarks as well as exact trademarks once General Registration opens. A trademark owner can even have those domain names redirected to a non-resolving website, so that it is clear that the brand is not associated with the adult entertainment industry. However, trademark owners should use *Sunrise B* to block exact trademarks, since - in addition to the risk that an infringer will jump in before the trademark owner gets a chance, causing needless aggravation and legal expense - General Registration will be more costly and require more attention due to the need for domain renewals.

It is highly recommended that companies use the Sunrise B procedure for well-known brands. It is much easier to block these names now than to engage in a legal fight later. Companies with large portfolios of trademarks may wish to pick and choose the .xxx names to block, but companies with a few key marks should consider blocking all of them. The listed application fee for the blocking of a .xxx



domain name ranges among the accredited registrars from \$200 to approximately \$400. However, we have worked with our registrar contacts to negotiate a discount below the \$200 rate, and have set up a system whereby we can efficiently and quickly put in each application, which should serve to minimize legal fees as well. As always, Reed Smith attorneys are available to answer any questions about this issue.

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