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Update on New .XXX gTLD

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Cancellation of Sunrise B Blocking Registrations

The Sunrise periods have ended, and ICM Registry has begun cancelling .XXX registrations from domain name accounts. Many brand owners and individuals who applied for blocking registrations in the new .XXX gTLD during the Sunrise B period, based upon corresponding federal trademark registrations, have received notifications from the registrar that their applications were "unsuccessful" and that the .XXX domain name has been "cancelled" from the domain name account. In many cases, the registrar provided no further information.

In many of these cases, the "unsuccessful" application is due to a decision by ICM Registry that the .XXX domain name applied for has been added to a list of domain names that will not be offered for sale based upon an assessment of the underlying name or trademark. Examples of domains that will not be offered for sale in the .XXX gTLD are domain names corresponding to names of political candidates, celebrity names and certain corporate brand names. Unfortunately, ICM Registry does not routinely provide to the brand owner or name holder with notification of this decision, either prior to submission of, or in connection with denial of a Sunrise "B" application. Nor is the application fee for the Sunrise "B" registration refundable in all cases.

Trademark owners who did not apply (or did not qualify) during the Sunrise B period may still attempt to obtain a blocking registration by filing during the current General Availability period.

New Rapid Evaluation Service Policy to Address Trademark Abuses and Impersonation in the .XXX gTLD

Individuals and brand owners who did not submit applications for blocking registrations in the .XXX gTLD during the Sunrise B period still have a means for addressing trademark abuse or impersonation, through the Rapid Evaluation Service Policy (RES). This policy, which became effective as of September 1, 2011, was created as an additional remedy (not intended to replace or supplant the Uniform Domain Name Resolution Policy (UDRP) and other domain name causes of action), applies only to domain name disputes in the .XXX gTLD, and will be administered by the National Arbitration Forum (NAF).

Under RES, claims of trademark abuse are limited to the "assertion of a single registered textual trademark or service mark in actual commercial use in connection with identifiable goods and/or services, and to domain name registrations in the .XXX TLD which are apparently and obviously intended to abuse or interfere with the rights embodied in such trademarks or service marks." RES, Paragraph 1. Claimants must demonstrate valid rights in the trademark, the confusing similarity of the .XXX domain name, the lack of legitimate rights in the domain name by the registrant, and bad faith registration by the domain name holder. The standards for demonstrating these elements differ slightly from a traditional domain name dispute under the UDRP.



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RES also provides a means to address "abusive registration in the .XXX TLD of the names of individual persons". RES, Paragraph 1. In these cases, the individual is required to show that he or she is commonly known by the name at issue, that the domain name registration was intended to harass or embarrass, and the absence of any legitimate basis for the domain name registration by the registrant, including a fair use defense.

Under RES, a preliminary decision may be issued within two business days, and, if appropriate, the website will be taken down pending a final determination on the merits. The only remedy available under RES is cancellation of the domain name; unlike under the UDRP, a complainant cannot opt under RES to obtain ownership of the offending domain name.

The NAF will continue to handle Charter Eligibility Dispute Resolution Policy (CEDRP) cases for ICM Registry for web users who want to challenge the eligibility of a .XXX domain name owner under ICM Registry's strict eligibility requirements for ownership of .XXX domains.

For more information concerning these issues, please contact <u>Melanie Howard</u> at 310.282.2143 or <u>mhoward@loeb.com</u>.

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