

## EXPANSION OF TOP LEVEL DOMAIN NAMES - NEW OPPORTUNITY FOR SMALL BUSINESS ON THE INTERNET

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Over the next several years, a huge expansion in the internet's naming system is set to occur. ICANN (the Internet Corporation for Assigned Names and Numbers), the non-profit private organization charged with coordinating internet addresses, decided in 2011 to allow the creation of completely new generic top level domains ("TLDs"). Currently, organizations are restricted to a couple of dozen top level domains, such as .com, .org, .net or country code domains such as .CO.UK. With ICANN's new policy, however, there could be hundreds or even thousands of additional TLDs. In June of 2012, ICANN announced that 1,930 applications had been filed for new TLDs. Some companies applied for a TLD comprised of their brand, for example Apple applied to register .apple and Coca Cola applied for .coke. Other applications were for generic TLDs such as .bank. Just submitting an application cost \$185,000.

ICANN is now reviewing the applications to make sure that no businesses that applied for TLD might violate an existing trademark or threaten the "security and stability" of the internet by being too similar to existing URLs. In some circumstances, there are multiple applicants for the same TLDs. If ICANN determines that two applicants are equally worthy, then the applicants can negotiate between themselves. If agreement is not reached, then the TLD will be auctioned to the highest bidder.

Many believe that new opportunities for entrepreneurs, and small and medium-sized enterprises, will open up as a result of the new TLDs. Under the current system, only a few of the top level domains are available for use by the general public. With only .com and .net available, many small businesses have not been able to obtain the domain name of choice. At this point, most .com and .net names are sold. The addition of so many new TLDs creates a way for a business to obtain a domain name that better identifies its brands and business and is shorter and catchier. For example, the myriad AAA Tree Repair companies in the U.S. would welcome the ability to have a .Baltimore TLD or a .Chicago TLD. The small business would purchase the ability to use such a TLD from its owner-the entity that purchased the TLD from ICANN. The new system could help small businesses reach their target market more quickly and effectively.

It will most likely be sometime in 2014 before owners of the new TLDs begin to market their use. In the meantime, it makes sense for the small business owner to follow these developments closely.

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