

# What to Do About New gTLDs (Generic Top-Level Domains)

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# Today's Topics

- ICANN and new gTLDs
- Considerations for applicants
- Defensive considerations



# ICANN

- Rumors of its demise exaggerated



# ICANN AND TLDs

- TLDs (top level domains) are the letters that appear after the “dot” and generic TLDs (gTLDs) include .com, .gov, .org, and .net
- ICANN (Internet Corporation for Assigned Names and Numbers) is a not-for-profit corporation that administers TLDs, issues new TLDs and develops policies for the administration of TLDs
- In 2008 ICANN approved a resolution calling for new TLDs, agreeing to implement a procedure for allowing an unlimited number of new TLDs
- The introduction of new TLDs is intended to foster diversity, encourage competition and improve the utility of the domain name system
- Detailed information about the New TLD Program is at <http://www.icann.org/en/topics/new-gtld-program.htm>



# New TLDs

- New TLDs can be almost any term such as:
  - Brand or product names (.Chanel, .Inspiron, .KendallJackson)
  - Corporate names (.Dell, .Eyeworks, .ESPN)
  - Product category names (.wine, .books, .sports)
  - Places, communities or interests (.nyc, .law, .yoga)
  
- New TLDs can be:
  - “Open” – registrations at the second level will be available to the public
  - “Closed” – registrations at the second level will be restricted to the registry operator
  - “Community-based” – available only to applicants connected to an existing and identifiable group and able to demonstrate a clear nexus between that group and the proposed string



# New TLDs

*(continued)*

- Successful applicants will operate their own TLDs, and will assume the obligations as a Registry Operator with ICANN
- Unlike domain registrants, applicants must have a plan to make use of the new TLDs after signing the registry agreement
- Second level domains can be assigned to individuals, including consumers (e.g., dfrohling.kendalljackson)



# Timeline of Application Process



Source: International Trademark Association



# Timeline of Application Process

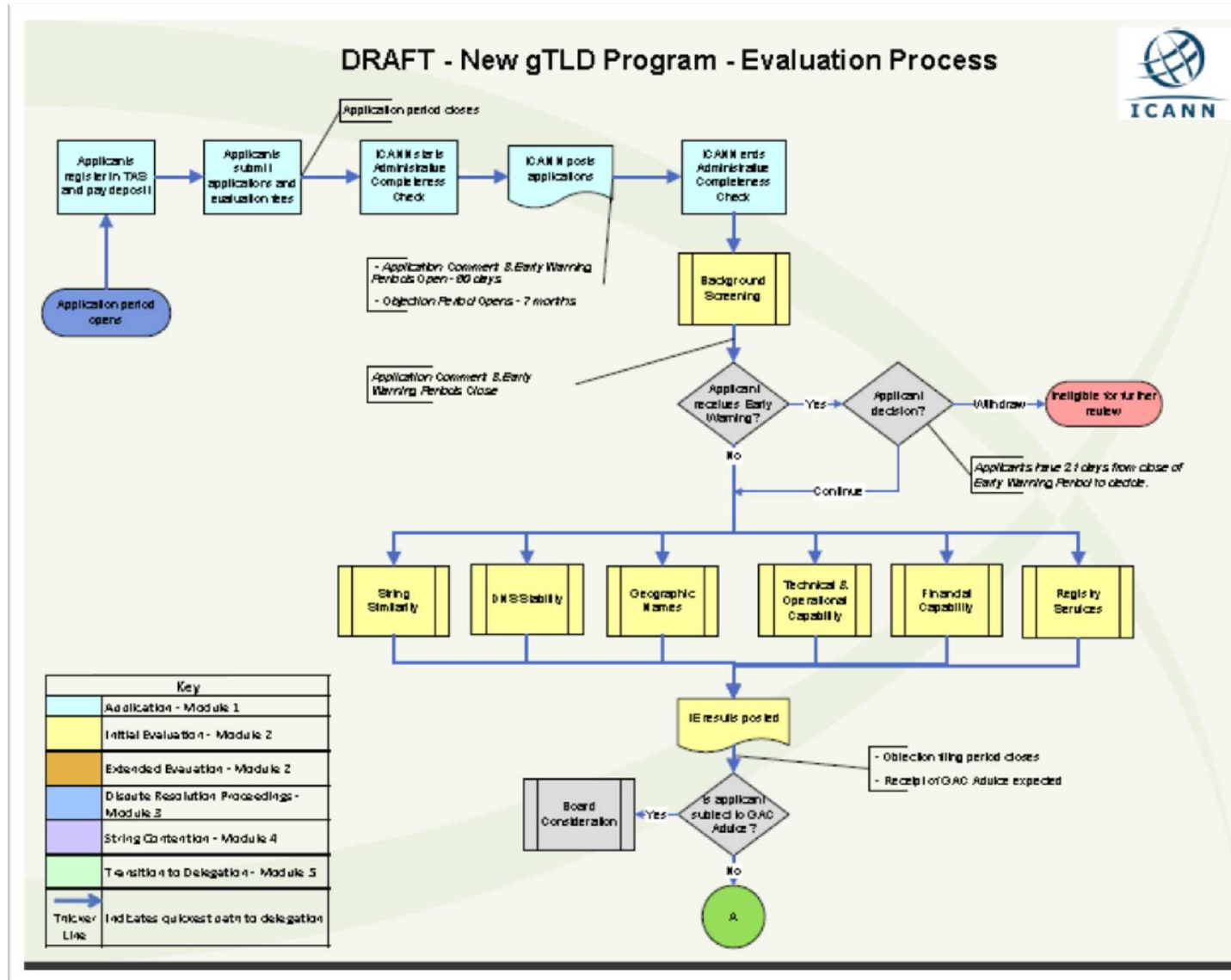
*(continued)*

- Straightforward applications (no objections lodged) are expected to take approximately **nine months** and be ready for delegation in **early 2013**
  
- Complex applications are expected to take approximately **20 months**, including
  - Objection filing and dispute resolution
  - String contention (may include auction or community priority or both)
  
- ICANN intends to process applications in batches
  
- Applicants that pass evaluation must enter into registry agreements with ICANN within 90 days



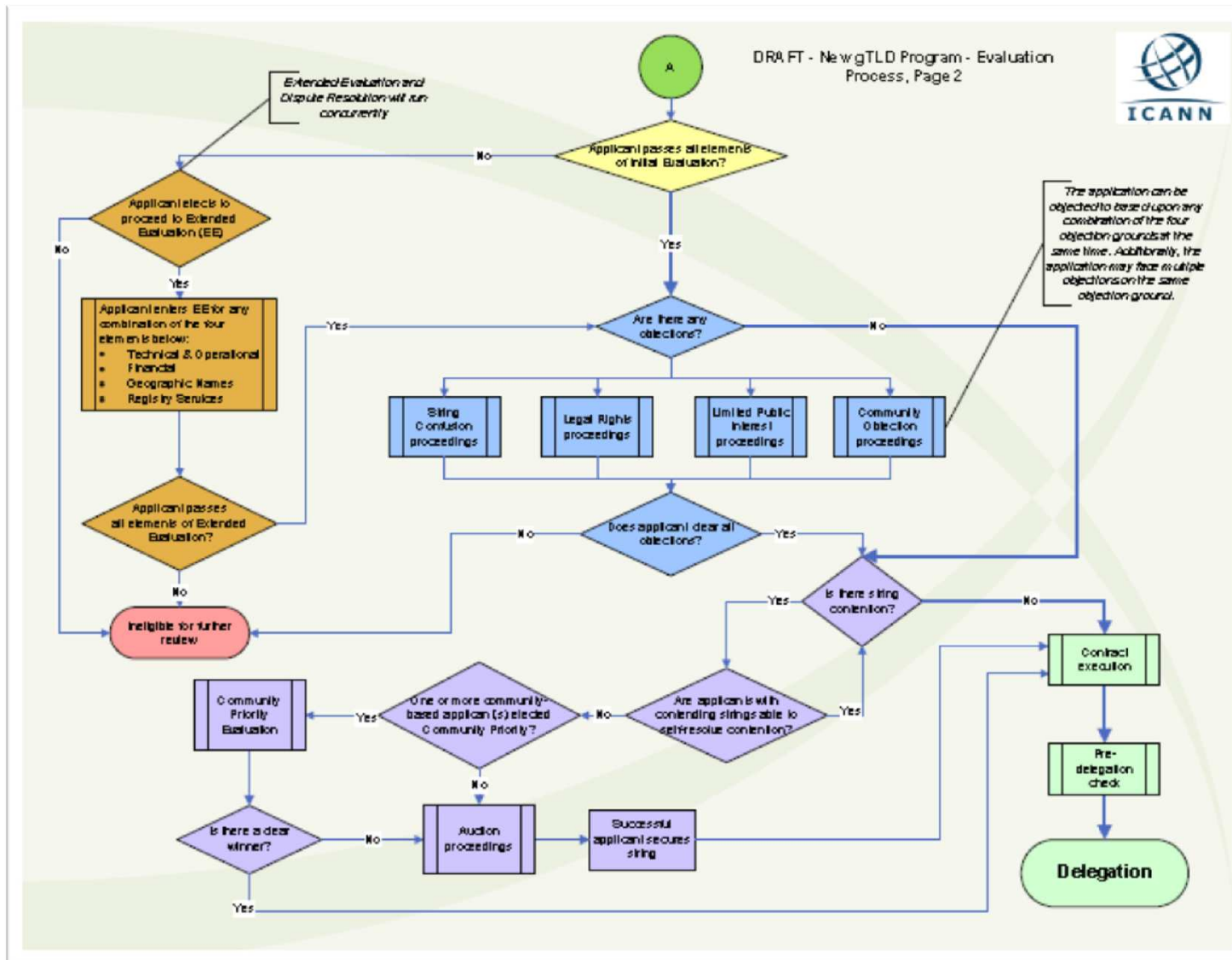


# Considerations for Applicants



# Considerations for Applicants

(continued)



# Considerations for Applicants

*(continued)*

Initial evaluation of the application includes:

- Background check to eliminate known cyber-squatters
- Technical, operational and financial capability to operate a registry
- String review (initial evaluation, separate from handling of string confusion challenges)
  - Confusion with existing, reserved, or applied for TLDs
- Compliance with technical considerations (use, order and number of characters)
- Overlap with geographic terms



# Considerations for Applicants

*(continued)*

- Applicants failing Initial Evaluation can elect an Extended Evaluation
  - ICANN will post results of the Initial Evaluation **November 12**
  
- If the applicant fails to request an Extended Evaluation, the application halts
  - The deadline for requesting an Extended Evaluation is **November 29**
  
- Application is referred to the Registry Services Technical Evaluation Panel (RSTEP) for an extended review
  
- Additional \$50,000 fee for Extended Evaluation, whether requested or required



# Considerations for Applicants

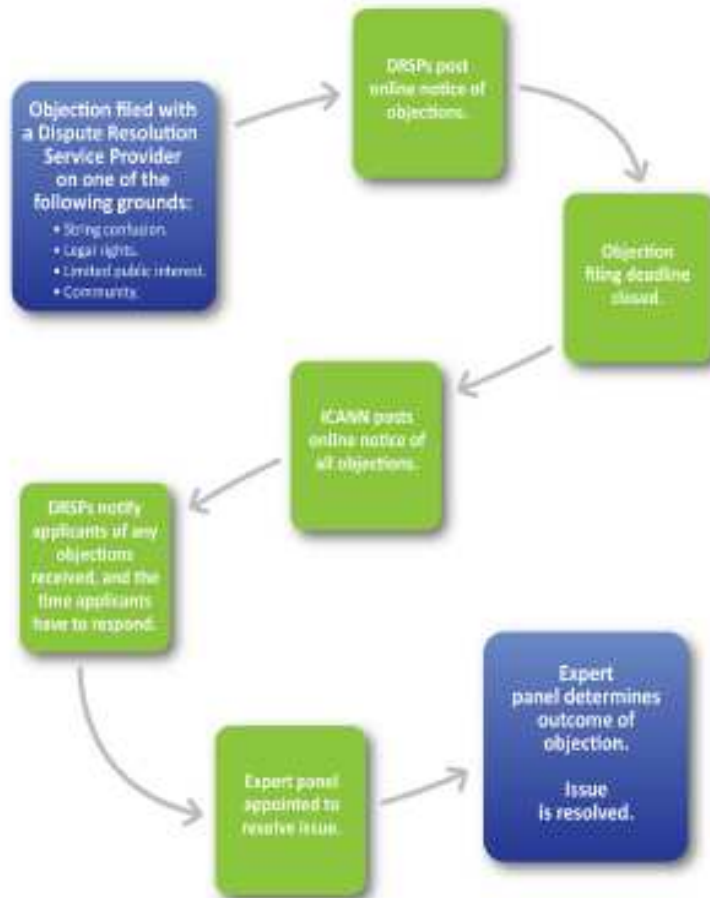
*(continued)*

- Know who is (or may be) “out there”
  - Rights
  - String contention
  - Community priority
  
- Impact on Application
  - No opportunity to amend or supplement the application
  - Joint venture issues
  
- Addressing identified third-party hurdles



# Objection Process and Dispute Resolution

## New gTLD Program – Objection and Dispute Resolution



If a formal objection is lodged, the applicant has three basic options:

- Reach a settlement with the objector (resulting in a withdrawal of the objection or the application)
- File a response to the objection and enter the dispute resolution process
- Withdraw the application from consideration

Source: ICANN



# Defensive Considerations – Trademark Infringement Issues

- While ICANN screens applications for trademark infringement, it will not notify trademark owners of possible infringing applications
  - Brand and trademark owners must review the list of all applications ICANN publishes after the close of the application period
  
- Any third party may comment on an application **BUT**
  - Public comments not treated as formal objections
  - Will have limited impact on evaluations
  
- Formal objection process will be available to combat infringers
  - Panel of one to three neutrals will decide whether TLD infringes on trademark



# Defensive Considerations

Four grounds for formal objections:

- String confusion objections
- Legal rights objections
- Limited public interest objections
- Community objections





# Defensive Considerations – Formal Legal Rights Objection

Factors considered in whether a TLD infringes on trademark holder's legal rights include:

- Similarity in appearance, sound and/or meaning
- Any confusion as to source, sponsorship, affiliation or endorsement of Applicant's string
- Trademark holder's use of its rights
- Whether the relevant sector of the public recognizes the holder's rights, the proposed string, or any third party's rights
- Applicant's intent, including whether it had knowledge of the holder's rights
- Applicant's other intellectual property rights
- Any non-infringing use of the TLD string
- Whether the applicant's use is commonly known



# Defensive Considerations – Formal Legal Rights Objection *(continued)*

- Costs for objection process may be significant
  - Filing objection will cost \$1,000 to \$5,000
  - Fees for panelists for full proceeding may be \$50,000 to \$100,000, possibly more
  - Legal fees
  
- No preference for trademark owners if faced with conflicting bona fide use (e.g. Hollister, CA may register .Hollister, despite Abercrombie & Fitch's interests)



# Defensive Considerations – Formal Objection for String Confusion

- The TLD is "confusingly similar" to an existing one, or one that has been applied for in this round of applications
- May be asserted by an existing TLD operator or an applicant in the current round
- Will be handled by the International Centre for Dispute Resolution (ICDR)



# Defensive Considerations

*(continued)*

Other grounds for formal objections:

- **Community Objection:** “There is substantial opposition to the gTLD application from a significant portion of the community to which the gTLD string may be explicitly or implicitly targeted” (“.doctorsarequacks” or “.lawyersarescum”) – may be asserted by an established organization related to a clearly delineated community (the AMA or ABA)
- **Morality and Public Order:** The TLD is “contrary to generally accepted legal norms of morality” (“.beatyourchildren” or “.torturecats”) – may be asserted by anyone, but objection will be initially reviewed to frivolous and/or abusive objections



# Defensive Considerations – Post-Approval Processes for Protecting Trademark Rights

Post-approval, trademark-based "Rights Protection Mechanisms" (RPMs) are available:

- Trademark Clearinghouse
  - Centralized database of registered trademarks
  - For use with sunrise periods and trademark claims services
  - Fee for depositing information not yet set
- Post Delegation Dispute Resolution Procedure (PDDRP)
- Uniform Rapid Suspension (URP)
- Uniform Domain Name Dispute Resolution Policy (UDRP)



# Defensive Considerations – Post Approval Processes for Protecting Trademark Rights *(continued)*

- Trademark owners will need to be vigilant about monitoring and policing registrations by third parties in new category domains(e.g. .shop, .bank, movie, .radio) in addition to the standard .com and other domains

