

Opinion

IP: Protecting your brand in the Internet of the future

Pre- and post-delegation rights protection mechanisms for gTLDs

By Daniel Frohling, Jessica Lee

As the Internet Corporation for Assigned Names and Numbers (ICANN) gears up to begin delegating up to 1,000 new generic top-level domains (gTLDs) in little more than six months, brand owners are strategizing how to protect their brands in the journey toward the “Internet of the Future,” or at least they should be. While the applicant guidebook provides for some rights protection mechanisms (RPMs), some companies are concerned that these RPMs are inadequate and are pressing for greater protections. Whether ICANN agrees to supplement or change the existing routes available for brand protection, brand owners should be aware of and may need to implement brand protection strategies in either the pre-delegation and post-delegation phases (or both) in order to adequately safeguard their rights in the new gTLD expansion.

Phase I: Pre-delegation RPMs

The main avenue for challenging a potentially infringing TLD application in the pre-delegation phase is filing a “legal rights” objection using the formal objections process. When a company files a legal rights objection, an independent panel determines whether the applied-for use of the new gTLD:

- Takes unfair advantage of the distinctive character or the reputation of the objector’s registered or unregistered trademark or service mark
- Unjustifiably impairs that distinctive character or reputation
- Otherwise creates an impermissible likelihood of confusion between the applied-for gTLD and the objector’s mark.

Fees for legal rights objections range from \$2,000 to \$20,000, based on the number of objections filed and the number of experts the parties want on each panel.

As we noted in an earlier article, under the current schedule, companies will have to file all objections before knowing whether any application has passed initial evaluation. While the Governmental Advisory Committee’s Early Warnings, due this month, may provide some insight, brand owners must determine whether to wait and see or to head down a more proactive road by filing an objection in the pre-delegation phase.

Phase II: Post-delegation RPMs

Once an application completes the delegation process, brand owners may challenge a potentially infringing use by sublevel domain registrants through the Trademark Clearinghouse (TMCH), the existing Uniform Domain Name Dispute Resolution Policy (UDRP) and the Uniform Rapid Suspension System (URS). Companies may also challenge potentially abusive behavior by registrars (owners of the new TLDs) through ICANN’s Post-delegation Dispute Resolution System.

Trademark Clearinghouse

The Trademark Clearinghouse is a repository for information on trademark rights, to which eligible rights holders may submit their marks prior to the launch of any new gTLDs. ICANN expects the cost of each submission to be \$150, and the data will support two key services: the sunrise service and the Trademark Claims service. New gTLD operators will be required to offer a sunrise period of at least 30 days, during which eligible owners in the TMCH can register domain names matching their marks. The Trademark Claims

service, open for a minimum of 60 days upon launch of each new gTLD, will notify the registrant when a domain name matches a mark in the TMCH, and if the registrant completes the registration, despite this notice, notifies the mark owner.

Brand owners and registry-rights groups alike have expressed concerns regarding the TMCH and have suggested alternatives and enhancements.

UDRP and URS

Although the sunrise and Trademark Claims services aim to provide for defensive registrations to deter infringers, ICANN's UDRP remains an efficient means to cancel or transfer second-level domains abusively registered in new gTLDs. Brand owners may also use the new URS, intended to be a quicker compliment to UDRP, in cases where they would be satisfied with suspension of the domain name for the remainder of the registration period, rather than recovery of the domain name.

The future of URS remains uncertain as ICANN tries to identify providers willing to administer the URS process within the target cost range of \$500 per proceeding.

Post-Delegation Dispute Resolution Procedure The Post-Delegation Dispute Resolution Procedure (PDDRP) is an administration option for trademark owners to file an objection alleging that a registry's affirmative conduct in the operation or use of its gTLD causes or materially contributes to trademark abuse. The objector must demonstrate specific bad faith conduct, including profit from infringement.

Proposed RPM Alternatives/Enhancements

Following ICANN's Toronto meeting in October, the Intellectual Property and Business Constituencies (BC)

outlined proposed revisions to the RPMs, including extending the sunrise launch period to 60 days and the claims notice period indefinitely, validating email and/or phone information for registrants and expanding the Trademark Claims service to cover strings previously found to be abusively registered or used.

The New gTLD Applicant Group, the Registrar Stakeholder Group (RSG) and the Non-Commercial Stakeholders Group (NCSG) oppose these proposed revisions. Matt Serlin, Chair of the RSG, noted in a letter to ICANN that changes this "late in the game" would disrupt the product and business plans of registrars and registry operators created based on RPMs in the Guidebook. NCSG also raised concerns that the IP and BC proposals represented a "back door" effort to change policy, rather than implementation, without the consensus of the impacted community.

Next Steps

The submission period for the TMCH could begin within a few months under the current timeline (90 days before launch of the first new gTLDs), and trademark owners should review their portfolios to determine their priorities for clearinghouse submissions, considering cost, among other factors. Given the size of the applicant pool, brand owners should also start identifying new gTLDs in which they may want to register their brands. In selecting target TLDs for sunrise registration, brand owners should consider whether the TLD relates to their business/industry, costs of purely defensive registrations, and the likelihood of consumer confusion or dilution of a mark if not registered in a given TLD. While ICANN has provided avenues for brand protection, brand owners should consider making their voices heard in the current debate over RPMs to ensure that ICANN doesn't veer off course.

About the Authors



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