

Publications

Client Alert: The New gTLDs - If You Think Managing Your Domains Is Difficult Now...

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The domain world as we know it is about to change. Currently, there are about 24 top-level domains (tld). These are the portion of a web address that appears after the "dot" such as .com or .org. However, there are 1,409 new possibilities on the horizon and an infinite number of future tlds.

In January of 2012, the Internet Corporation for Assigned Names and Numbers (ICANN), the organization that is charged with stabilizing and unifying the global internet, began accepting applications for new, so-called. generic top-level domains (gTLDs). The application process is now closed. In the coming months these new gTLDs will be introduced and the process of registering new second level domain names^[1] using the gTLDs will begin. gTLDs can be common words like ".fashion" or ".restaurant" and can also include brand names like .gucci or .mcdonalds. To view the entire list of possible new gTLDs go to:

<https://gtldresult.icann.org/application-result/applicationstatus>

Some gTLDs will be available for the general public to register second-level domains ending in the gTLD. gTLDs can also be limited to use by the brand owner and its affiliates. For example, .toyota could be limited to use by franchisees of Toyota Motor Corporation or authorized Toyota® dealers.

How gTLDs May Affect Your Business

Much like the current domain name environment, third parties, whether with ill intentions or not, may apply for gTLD domains with second-level domains that are confusingly similar to your valuable trademark. For example, gucci.fashion. This could frustrate customers who are searching for your goods or services, or worse, lead them to websites selling competing goods or services. There is also the chance that the owner of one of these new domains using your trademark could have offensive content on the website that consumers could wrongly associate with your brand. Harmful associations can negatively impact the goodwill consumers attribute to your brand and decrease

the value of the trademark.

Help for Trademark Owners Through Recording Trademark Registrations

Before the general public has the opportunity to register domains with a new gTLD, trademark owners will have the ability to obtain a domain containing their identical^[2] trademark ending in the new gTLD. This pre-registration time frame is called the "sunrise period." To be entitled to the benefits of a sunrise period, there are two requirements. First, the trademark in question must be federally or nationally registered.^[3] Second, the trademark must be recorded with the Trademark Clearinghouse, a new centralized database for use by the operators of gTLDs. Some trademarks are not eligible for recordation with the Trademark Clearinghouse such as design only trademarks, trademarks containing a top level domain like ".com" and trademarks that contain a "dot" (.).

Another benefit to recordation of a trademark with the Trademark Clearinghouse is that for a limited time after the sunrise period, the trademark owner can elect to be notified of 3rd party domain registrations for domains that are "identical" to a trademark recorded in the Trademark Clearinghouse. This notification allows the trademark owner to take swift enforcement actions against the new infringing domain.

Possible enforcement actions include arbitration through the well established Uniform Domain Resolution Policy or a new enforcement tool called the Uniform Rapid Suspension.

Recommendations

The first step is to review the list of possible gTLDs to determine if any are related to your business. If there are relevant gTLDs we recommend evaluating the advantages and disadvantages to either actively obtaining domains ending in the relevant gTLD or passively monitoring potential infringing domains. If you select an active approach you should determine whether you wish to obtain just "identical" domains or "identical" domains and (after the sunrise period) variations of your trademark. For example, guccihandbags.fashion would not be considered "identical" and would not be available for purchase until after the close of the sunrise period. In either case, we highly recommend recording your registered trademarks with the Trademark Clearinghouse as soon as possible.

Conclusion

There is help available for managing your domains in this new gTLD world. Vorys, Sater, Seymour and Pease is here to assist you with domain strategies including monitoring for identical domains after the Trademark Clearinghouse watch obligation expires and monitoring non-identical new domains containing your trademark.

[1] "Second Level Domains" are the portion before the "dot." For example, in the domain Vorys.com, "Vorys" is the second level domain.

[2] "Identical" for the purpose of second level domains ending with a new gTLDs include the exact registered trademark with any spaces or punctuation (with the exception of periods and hyphens) either omitted or replaced with a hyphen. So the trademark DISNEY'S PHOTOPASS ® would have the following four "identical" second level domains- disneysphotopass, disneys-photopass, disney-sphotopass, disney-s-

photopass. Trademarks registered with a hyphen are not permitted to omit the hyphen and thus only have one "identical" mark for these purposes. For example, MERCEDES-BENZ® would only have "mercedes-benz" as an identical domain. "Mercedesbenz" would not be considered "identical." Also, the & and @ symbols may be spelled out as "and," "et." and "at" respectively.

[3] Federal *applications* will not suffice. Trademarks protect by a treaty or statute, however, such as RED CROSS or OLYMPICS, are acceptable. Common law trademarks will not be accepted unless the rights have been "validated by a court." Also, US state registrations will not be accepted unless the owner of the gTLD permits such.