Planning for Proliferation: Delays in the Expansion of Generic Top Level Domain Names Create Additional Time to Protect Your Company's Rights

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Attorney Articles

As you may have heard, the internet is moving beyond familiar generic top level domains – like .com, .org, and .net – and adding hundreds of new gTLDs, like .eco, .NYC, .Canon, .YourBrand, or .Anything. Unless you have been following the application process closely, however, you may not be aware that it has been plagued with delays and uncertainties. These setbacks have been frustrating for the brand owners, governments, and entrepreneurs who are applying to operate gTLDs, but they give brand owners additional time to prepare to protect their rights as the domain name world expands exponentially.

Delays

The Internet Corporation for Assigned Names and Numbers (ICANN) had originally planned to announce the list of new gTLD applications on April 30. But hours before the April 12 deadline to submit applications was to close, ICANN suspended the online application system, citing a "glitch," in which some applicants were able to see certain confidential information about other applicants. Since then, ICANN has provided several updates, each time pushing back the date that the system will reopen. As of May 9, ICANN expects to reopen the system on May 22 and to close it on **May 30**. Once it reopens, it may be another two to three weeks before all applications are completed and the list of new applications is announced. In an interview with ICANN CEO Rod Beckstrom published April 30, he suggests that it might be longer before the applications are announced, stating that he hopes that the announcement takes place before he leaves ICANN in the end of June.

Uncertainties

Applicants have dealt with many uncertainties during the gTLD application process. One of the key issues has been ICANN's delay in selecting a provider for the Trademark Clearinghouse. This selection was supposed to be completed in February. Once selected, the Trademark Clearinghouse provider will establish rules and set fees for submitting trademarks to the Trademark Clearinghouse. Due to the delay in the rules being established, gTLD applicants were forced to draft their applications and associated contracts to attempt to comply with rules and financial requirements that had not been announced. (For some participants, it felt a little like that bad dream where you show up for the final exam but suddenly realize that you've never attended class.)

Over Two Thousand New gTLD Applications

With expenses that could exceed $500,000 over the first eighteen to twenty-four months and with significant yearly expenses thereafter, applying for a .Brand gTLD was not for every brand owner. Nevertheless, based on information recently released by ICANN, it looks like there will be at least 2,091 gTLD applications filed, and perhaps more.

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Steps Needed to Protect Your Rights in the Coming Year

Even if your company did not apply for a gTLD, every brand owner should start planning now to protect its rights in a world of hundreds of new gTLDs. Here is a rough schedule of steps your company can take this year. All dates are approximate and subject to extension by ICANN.

- By May 30: Analyze trademark portfolio; file new trademark applications for any unregistered marks you will want to include in the Trademark Clearinghouse; file to record any needed ownership, address, or name changes against international trademark registrations to attempt to update them in time for use in the Trademark Clearinghouse;
- By late June: Check list of gTLD applications filed and determine whether you want to comment or file disputes; plan your company's sunrise period applications;
- By late August: File comments, if any, regarding gTLD applications of others;
- By August 2012: Record any needed ownership, address, or name changes against U.S. trademark registrations so they will be ready to use in the Trademark Clearinghouse;
- By October 2012: Make sure key registered trademarks are in use in the exact form in which they are registered and collect specimens of use to be submitted to the Trademark Clearinghouse;
- By December 2012: File any dispute proceedings against gTLD applications of others; and
- By October 2012-January 2013: Submit registered trademarks to Trademark Clearinghouse for use in sunrise period applications in new gTLDs and trademark claims system.

Preparing for the Trademark Clearinghouse

If you record your registered trademarks with the Trademark Clearinghouse, you will receive two benefits: notification of identical second-level domain name registrations to which you might want to object, and the opportunity to file efficient sunrise period applications for second-level domains you want to register yourself. (A second-level domain is the first word to the left of the dot. In the domain name dorsey.lawfirm, "dorsey" is the second-level domain name.)

The notification benefit means that if a third party applies to register a second-level domain name that is "identical" to your recorded mark, it will receive a notice of your rights. If the third party proceeds with the domain name registration despite having received the notice, you will receive a notice of the registration. This will operate like a trademark watch service, and will not block any domain name registrations. Trademark owners will be able to use several domain name dispute resolution mechanisms to contest second-level domain names that they find problematic.

Based on draft rules, plurals and marks contained within your recorded marks will not be considered "identical." However, it appears that the Trademark Clearinghouse will allow: spaces to be omitted or replaced with hyphens; certain special characters to be spelled-out (e.g. @ and &); and punctuation and special characters unable to be spelled-out to be omitted or replaced with hyphens. For example, both (1) dorseyandwhitneyllp.lawfirm and (2) dorsey-and-whitney-llp.lawfirm will likely be considered "identical" to the trademark DORSEY & WHITNEY LLP, but dorseyandwhitney.lawfirm will not be considered identical (the

LLP is omitted). Please keep these guidelines in mind as you assess your trademark portfolio and consider whether any new trademark applications should be filed.

The process regarding efficient registration of second-level domain names in the new gTLDs is not finalized. But it appears that during the sunrise period for each gTLD in which you are eligible to register, instead of filing individual sunrise period applications in each of them, you may be able to file one sunrise period application based on a Trademark Clearinghouse registration and have it extend to all of them – as many as hundreds of different registries.

Now would be a good time to evaluate your company's trademark portfolio to identify the marks which you will want to protect and make sure: 1) that they have been registered and 2) that they are in use in the exact format in which they are registered. If you wish to protect additional marks so they will be eligible to be included in the Trademark Clearinghouse, we recommend filing trademark applications as soon as possible. The draft Trademark Clearinghouse rules use the date when ICANN announces the list of gTLD applications as the cut-off date for when trademark applications must have been filed, to be eligible to be included in the Trademark Clearinghouse. The applications must reach registration before the close of the Trademark Clearinghouse (currently estimated to be January 2013), to be eligible for inclusion. Currently, a use-based trademark application takes a minimum of seven months to be registered in the U.S. Patent and Trademark Office. In addition, if any ownership, name changes, or address changes have occurred, it would be a good time to record those changes so that your portfolio will be ready to be used with the Trademark Clearinghouse and other rights protection mechanisms.

We will send out additional client e-updates when the list of gTLD applications is published and when the Trademark Clearinghouse begins accepting applications.

In the meantime, to help get you started in planning your strategy with regard to new gTLDs, the following gTLD applications have been announced:

.adult
.africa
.arab
.archi
.art
.bangaluru
.basketball
.bayern
.bcn
.berlin
.bike
.blog
.board
.brussels
.bzh
.cymru
.eco
.eus
.fam
.film
.florida
.free

.gay
.gmbh
.green
.hamburg
.hiv
.horse
.hotel
.kiwi
.london
.melbourne
.miami
.mockba
.moscow
.music
.nagoya
.ngo
.nyc
.okinawa
.osaka
.paris
.porn
.radio
.reise
.roma
.rugby
.ryukyu
.scot
.sex
.site
.skate
.ski
.stockholm
.surf
.sydney
.tokyo
.versicherung
.victoria
.vlaanderen
.wales
.web
.yellow
.yokohama

We do not recommend “pre-registering” second level domain names at this time.

Dorsey & Whitney’s Trademark, Copyright and Brand Management Group has been assisting clients in filing new gTLD applications and would be pleased to assist your company in protecting its rights in the new gTLD world. If you have any questions, please contact one of our trademark attorneys.

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