

Harrisburg, PA • Lancaster, PA • State College, PA • Hazleton, PA • Columbus, OH • Washington, DC

New gTLDs to Appear as Early as 2012

June 26, 2011

At its June 20, 2011 meeting in Singapore, the Internet Corporation for Assigned Names and Numbers (ICANN) voted nearly unanimously to approve the long awaited Applicant Guidebook. That decision starts the clock on the application process for the new generic top level domains ("gTLDs"). A gTLD is the string of letters such as ".com", ".edu", or ".net" after the right-most period in a domain name. The upcoming release of new gTLD's could flood the Internet with a myriad of new strings consisting of brand names (.ford, .verizon, .nike) as well as generic terms (.cars, .mobile, .shoes). The first round of registry applications will be accepted between January 12, 2012 and April 12, 2012.

Applying for a new gTLD is not the same as registering a new domain (i.e. yourbrand.com) through an existing registrar. In addition to the \$185,000 application fee, the successful applicant for a new gTLD will be required to maintain the registry for that gTLD, a responsibility that will cost at least \$25,000 annually. Proponents of the new gTLDs tout their potential benefits. For example, the trademark owner will benefit from having exclusive control over every domain name under the gTLD. Thus, users may find websites with a branded gTLD, such as "phones.att", more trustworthy, as others will not be able to register domains under these gTLDs without authorization by AT&T. This added control of trademark use in domain names may translate into greater security, less fraud, and a movement away from .com by owners of famous brands.

The release of the Applicant Guidebook will do little to quell the criticism from trademark rights advocates who believe the new gTLDs represent a new frontier for trademark infringers. The six-figure entry fee should curtail many squatters, and ICANN also has established dispute resolution procedures, including a process for "rapid takedown." Brand owners who are not planning to apply for, own and operate a domain registry for their brands should continue to monitor the new domains for infringement as they are released, presumably in mid-2012.

For questions about Internet law or the new gTLDs contact Brian Gregg at McNees Wallace & Nurick LLC.

© 2011 McNees Wallace & Nurick LLC

This document is presented with the understanding that the publisher does not render specific legal, accounting or other professional service to the reader. Due to the rapidly changing nature of the law, information contained in this publication may become outdated. Anyone using this material must always research original sources of authority and update this information to ensure accuracy and applicability to specific legal matters. In no event will the authors, the reviewers or the publisher be liable for any damage, whether direct, indirect or consequential, claimed to result from the use of this material.