

New Generic Top Level Domains: Risks for Trademark Owners

January 20, 2012 By Cathy Stadecker

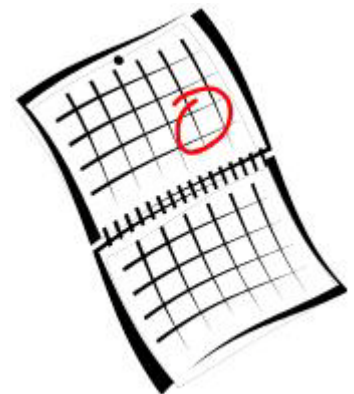
.soccer
 .com
 .lawyer
 .music .net
 .eu
 .org .travel

You've probably heard by now that the [Internet Corporation for Assigned Names and Numbers](#) (ICANN) has opened the [first application round](#) for new [generic top-level domain names](#) (gTLDs). What this means is that your organization can apply for virtually any domain name extension. For example, Canon is planning to apply for .canon, California has apparently announced its intention to apply for .california, and the American Bankers Association is reportedly considering .bank. There will no doubt also be applications for many other “.brand” gTLDs as well as industry keywords such as .travel, .music and .lawyer.

Your decision whether to apply for a gTLD for your brand will likely be significantly affected by the costs of a gTLD registration. The application fee is \$185,000 and the maintenance fees associated with operating a new gTLD registry are predicted to be between \$500,000 and a million dollars over the first two years. Applying for a gTLD solely for defensive purposes is therefore likely to be cost prohibitive—and may also be unnecessary given the opportunity to object to third party applications (more on that below). However, your focus on the new gTLD program cannot end here. Trademark owners have an active duty to monitor their brand, and for better or worse, the new gTLDs represent a whole new territory that needs to be policed.

So, how should trademark owners brave this new world?

- **Legal Rights Objections**—You should monitor the first round of gTLD applications published by ICANN in late April or early May 2012 and decide whether a proposed gTLD infringes any of your trademarks. If so, consider filing a “Legal Rights Objection” before November 2012, which may prevent the registration of the gTLD.
- **Register With The Trademark Clearinghouse And Claims Service**—You should consider registering your existing marks with the Trademark Clearinghouse, which provides a central repository for the validation and authentication of registered marks, as well as some non-registered marks and other intellectual property.
- **Utilize Sunrise Periods For New gTLDs**— Each newly registered gTLD must provide, before the new gTLD is launched, at least 30 days for second level domain name registrations for those who wish to register a domain name containing the owner’s trademark. You should consider filing defensive second level domain name registrations during these sunrise periods if the gTLD string is likely to be problematic for your organization. For example, our firm



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should consider filing a defensive second level domain name registration for `drm.lawyer` if the `.lawyer` gTLD is granted.

- **Watch For Second Level Domain (SLD) Name Registrations**—You should monitor third party SLD registrations for new gTLDs that include key industry terms or are otherwise of interest, for example by signing up for a watch service covering those gTLDs. Registration and use of infringing domain names can be challenged using the Uniform Dispute Resolution Policy (UDRP), the new Uniform Rapid Suspension System (URS), the Anticybersquatting Consumer Protection Act (ACPA) and/or the Lanham Act.

Will the new gTLDs be good or bad overall? In recent statements on [NPR](#), a representative of ICANN argued that the new program will add “more clarity, more quality and security to some aspects of the internet.” However, as a recent [New York Times editorial opined](#), the addition of hundreds of new TLDs is “just as likely to cause confusion for consumers and enable malefactors to use the new arenas for deception.” The clairvoyance of either of these views will be tested in the upcoming months and years, but what is an absolute certainty is that the new gTLDs will inevitably lead to increased risk for trademark owners and increased expenses in terms of monitoring, protecting and enforcing their marks against infringement.

For an in-depth analysis of the impact of the new gTLD program on trademark owners, see “The New Generic Top-Level Domain Program: A New Era of Risk for Trademark Owners and the Internet,” by Dennis S. Prahl and Eric Null, published in the November-December 2011 issue of *The Trademark Reporter* (Vol. 101 No. 6). (Available [here](#) and [here](#)).