

## The Internet is About to Change – Are You Ready For New gTLDs?

By: [Maria Crimi Speth](#)

In 2012, we may not see the end of the world, but we will see the end of the Internet world as we know it. Currently, there are roughly two dozen generic top level domains known as “gTLDs” and about 250 country codes. The most popular gTLD is .com and other popular gTLDs are .org, .net and .biz. In June, ICANN, the organization who is responsible for coordinating the domain name system, approved a new gTLD program which will release unlimited gTLDs.

Applications will be accepted beginning January 12, 2012 to allow registries to purchase any string of three or more characters as a gTLD. The application period will close on April 12, 2012. As an example, new website domains might end with .cars, .football, or .movies. ICANN is engaged in a marketing campaign to create a buzz about these new domains and some in the industry are predicting that there will be hundreds or thousands of new gTLDs.

If you are thinking that this may be interesting but has no effect on you or your business, think again. New gTLDs could include brands such as .disney, .godaddy, .cocacola, or .nike. And, even your brand name could become a gTLD.

Brand owners have several options for protecting their trademarks in this new unlimited gTLD system. One possibility is to purchase a gTLD which is your brand name. This, however, is a major financial commitment. Only a domain registry can purchase a gTLD. Thus, in order to purchase a gTLD, you must form and operate a domain registry. A domain registry will be required to execute a 10-year registry agreement with ICANN, and must meet various ongoing ICANN compliance requirements. With a starting price for gTLDs at \$185,000, and ongoing financial expenditures to operate the registry, it is expected that only a few brand owners will actually purchase their own brand as a gTLD. However, it is expected that for example, the NFL might share the cost with NFL teams and create sites such as broncos.nfl or packers.nfl.

For most brand owners, the trademark protection mechanisms that ICANN has built into the new gTLD system to protect trademark owners will be their only financially feasible option. In late April 2012, after the close of the application period, ICANN will make the gTLD applications available to the public. There will then be a dispute resolution procedure to allow for formal objections during the application process. The process provides a path for formal objections during evaluation of the applications. It allows certain parties to have their objections considered before a panel of qualified experts before the gTLD application is granted. There will be several possible grounds for objection, the most pertinent of which is a “legal rights objection” which will permit a brand owner to object on the grounds that the gTLD is confusingly similar to its trademark.

There will also be a post-delegation procedure to address issues that arise after the gTLD is awarded to a registry. This process may come into play if the original registration appeared harmless, but the registry is acting in a manner that is causing harm. For example, if a registry purchases .apple, that may appear harmless since apple is a common fruit and perhaps the registry represents apple growers. However, if the .apple registry then sells domain names such as computer.apple, laptop.apple, ipad.apple, ipod.apple, etc.,

Apple Computers would have grounds to challenge the registry's practice of permitting domain names that take unfair advantage of Apple's reputation.

Another procedure available will be to challenge a single domain name on the grounds that it is identical or confusingly similar to your federally registered trademark. For example, if someone registers the domain name Southwest.airlines, then Southwest Airlines would have a remedy. One available procedure will be Uniform Rapid Suspension, or URS. You will want to institute a URS proceeding if the registered domain name is identical or confusingly similar to your federally registered trademark if the registrant has no legitimate rights in the domain name and has registered it in bad faith.

ICANN will hire a third party to implement a Trademark Clearinghouse to keep a database of registered trademarks. Participation in this Trademark Clearinghouse is important to your protection of your brand. You may enter your federally registered trademark into the Trademark Clearinghouse database to obtain some important protections that would otherwise not be available. Registries will give owners of trademarks entered in the Trademark Clearinghouse the right to register a domain name consisting of the trademark before registration is available to the general public. For example, the registry that purchases .coffee will offer Starbucks the right to purchase starbucks.coffee before it is available to the public. Also, those attempting to register a domain name that is in the Trademark Clearinghouse will be notified that the proposed domain name is a trademark and owners of trademarks entered in the Trademark Clearinghouse will receive notice when someone registers a domain name that is identical to the owner's trademark.

In order to be prepared for these changes, make sure your trademark is federally registered. Federal registration takes approximately eight months, so if you haven't already done so, apply for your registration now. Jaburg Wilk offers reasonable flat fees on registrations and we are happy to help. This is complex and uncharted territory. To help you navigate, we will provide more detailed information as the gTLD program launch approaches and important deadlines are established.

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