



## TRADEMARKS AND DOMAIN NAMES

### YOUR ONLINE ADDRESS: A THREAT AND AN OPPORTUNITY

by John Blattner  
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The company that manages the global internet address system -- the International Corporation for Assigned Names and Numbers (ICANN) -- recently approved two changes to the domain name system that could significantly impact your online business model. One represents a potential threat to your company's brand identity that can be avoided with prompt action. The other represents an expensive, but potentially valuable, opportunity.

#### Don't Lose Your Brand to a Sex Site.

In March of this year, ICANN approved the suffix ".xxx" as a top-level domain ("TLD") for use by the adult entertainment industry. The company that owns rights to the .xxx suffix is offering a pre-launch "Sunrise Period" during which businesses that don't want their trademarks associated with adult sites can block them from becoming ".xxx" domain names.

The Sunrise Period runs from September 7 through October 28, 2011. During this period, businesses or individuals from outside the adult entertainment industry that own a qualifying trademark registration will be able to reserve their mark and ensure it will not be registered as an .xxx domain name. At the close of the Sunrise Period, if no conflicting application by any adult-industry applicant has been made, the name will be blocked. A variety of procedures are in place to deal with competing applications for the same name.

Only names that have been registered as trademarks can be reserved, and only names that are identical to the registered mark will be blocked. But the cost is expected to be relatively small (\$200-300 per registration) and the process is not onerous. Trademark owners that do not take advantage of the Sunrise Period will still be able to assert their rights via traditional domain name dispute resolution procedures -- which are both more expensive and less certain. This is a case where the best defense is a good offense.

More information about the new .xxx suffix, and the blocking mechanism offered by the Sunrise Period, are available at [www.icmregistry.com/sunrise-b.php](http://www.icmregistry.com/sunrise-b.php). A Dickinson Wright trademark attorney can help you decide which marks to protect and handle the registration.

#### Not Just Dot-Com but "Dot-Brand"

Most businesses register domain names using the familiar ".com" suffix or one of a handful of other available options such as ".org" or ".biz." Starting next year, it will be possible to register a business name, a trademark -- indeed, virtually any word in any language -- as a TLD in

its own right (a "generic top-level domain" or "gTLD"). For example, instead of [www.canon.com](http://www.canon.com), the famous photo giant's web site could be located at [www.cameras.canon](http://www.cameras.canon), with the company's trademark taking the place of the familiar ".com." (The company has announced plans to apply for "Canon" as a gTLD). The registration of more generic terms will also be possible: for example, [www.canon.cameras](http://www.canon.cameras), with "cameras" rather than ".com" as the top-level domain.

Ownership of a gTLD could offer many advantages. It could open the door to new online brand-recognition opportunities as e-commerce grows ever larger and more diverse. It could eliminate the seemingly endless "typo-squatting" opportunities that now arise from the ability to register domain names that are close variations or misspellings of familiar trademarks (no more worrying about "www.cannon.com," "www.can-on.com," "www.wwwcanon.com," etc.).

The reason is exclusivity. New gTLDs will be very difficult -- and very expensive -- to obtain and maintain. Unlike registering a domain name, which can be done online in a few seconds for as little as \$20, registering a gTLD will actually be a matter of applying to become the exclusive, world-wide registrar for all domain names using the new suffix. Applicants will have to demonstrate both the technical resources and the financial wherewithal to take on that role. They will have to demonstrate some legal entitlement to the term they propose to register. And they will have to pay handsomely.

The application fee for a new gTLD will be \$185,000 -- a figure chosen, in part, simply for its ability to discourage the speculators and squatters that have bedeviled the current system. And that is only the beginning. The costs of creating the requisite technical and business infrastructure, and of running a global registrar operation going forward, will be much higher and will likely preclude all but the most serious applicants. But the reward could be substantial: imagine the market power that the owner of the suffix ".cars" could wield in the automotive industry.

ICANN will begin taking applications for the new gTLDs on January 12, 2012, and stop on April 12, 2012. It anticipates that about 500 applications will be received. Additional application periods will be scheduled in future years. Those interested in applying for a gTLD should visit ICANN's web site ([www.icann.org](http://www.icann.org)) and download the 350-page gTLD Applicant Guidebook. A Dickinson Wright trademark attorney can help you decide whether a gTLD makes sense for you and, if so, help you navigate the application process.

FOR MORE INFORMATION, PLEASE CONTACT:



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