

November 2013

Practice Group(s):

*IP Procurement and
Portfolio
Management*

IP Litigation

It's Happening: Generic Top-Level Domains Update

By Britt Anderson, David Byer, Chris Round and Greg Pieris

On 23 October 2013, Internet Corporation for Assigned Names and Numbers (ICANN) began the rollout of the new generation of top-level domain names, heralding the event as 'the biggest change to the internet since its inception'.

A top-level domain name (TLD) refers to the suffix that appears at the end of the domain name. To date, TLDs have been limited to a subset of approximately two dozen generic TLDs (gTLDs) (eg .com, .org and more recently .xxx) as well as two letter country code TLDs such as .uk, .au, and .fr.

ICANN's new gTLD program, launched in 2012, is intended to support a dramatic expansion in the domain name system by permitting any party to apply to register generic words, brands, geographic names and community identifiers, or virtually any term, as gTLDs. Also a first, TLDs can now be represented in non-Latin scripts, including Arabic, Chinese and Cyrillic.

gTLD Rollout Update

The first four new gTLDs, introduced on 23 October 2013, are the Arabic word for 'web' or 'network', the Cyrillic words for 'online' and 'website', and Chinese for 'game'. These new gTLDs will be accessible to Internet users after approximately 30 days, as the registry operators in the case of each TLD follow the required start up procedures. Approximately 1,400 new gTLDs have been approved by ICANN to date and are scheduled to be introduced steadily over the next couple of years.

A virtually limitless number of domain names will very soon open for registration under these new TLDs, with the potential for widespread abusive registrations and cybersquatting.

It is therefore critical for businesses that have not already done so, to assess their domain portfolios and brand management strategies.

Trademark Clearinghouse

One of the key features of the new gTLD program is the 'Trademark Clearinghouse' (Clearinghouse), or centralized database of trademarks, which will be used as the basis for protecting trademarks at the second level of new gTLDs (the word before the .gTLD).

While considerable debate has surrounded whether the Clearinghouse goes far enough to protect intellectual property rights, the new mechanism is likely to be an important new tool for many brand owners wishing to prevent abusive domain name registration.

For all new gTLDs, brand owners who register their trademarks in the Clearinghouse will have a first right to register at the second level during an initial 'sunrise period'. The sunrise period for many of the new gTLDs is about to begin. For example, on 29 October 2013 the most active gTLD applicant, Donuts, opened the sunrise period for nine of its many new gTLDs, including .CLOTHING and .CAMERA.

It's Happening: Generic Top-Level Domains Update

Brand owners registered in the Clearinghouse will also receive notification when a third party registers a trademark at the second level of a new gTLD and have access to a new uniform rapid suspension (URS) process to suspend a domain name that is infringing a trademark.

Any trademark owner can submit their trademarks for inclusion in the Clearinghouse, provided that the trademark is capable of being represented textually within the technical limitations of the Domain Name System. In practice, only word marks which are registered at national level, at international level such as through the Madrid Protocol or at the Office of Harmonization for the Internal Market (OHIM) in the European Union, or have been recognized by a Court, are likely to be capable of inclusion in the Clearinghouse.

There are limitations to the protections offered by the Clearinghouse.

Firstly, the Clearinghouse will only protect against abusive registration of an "Identical Match" to a trademark. An 'Identical Match' is construed according to strict rules, with only domain names using varied spacing, hyphens and other punctuation being recognized as a match. Unfortunately, domain names which are deceptively similar to trademarks or which intentionally capitalize on obvious misspellings (a practice known as 'typosquatting' – for example, 'klgate.gtld' (without the 's') – will not be caught by the Clearinghouse.

For an additional fee, registrants can obtain protection for additional variations of a trademark. However, this additional service is limited to variations of a trademark which has previously been abusively registered as a domain name, as proven in Uniform Dispute Resolution Proceedings (UDRP) or civil court proceedings.

Furthermore, at up to US\$150 per trademark per year, participation in the Clearinghouse could be a potentially costly exercise for owners of very large trademark portfolios. In light of these limitations, trademark owners will need to be judicious in how they utilize the Clearinghouse's services, if at all. The obvious example is where a company utilizes one trademark and wishes for it to be protected – again, our trademark 'klgates' would be an example.

We are available to assist clients in the development of Clearinghouse strategies as well as advising on the relevant agreements with ICANN on behalf of gTLD applicants.

Authors:

Britt AndersonBritt.Anderson@klgates.com

+1.650.798.6746

David ByerDavid.Byer@klgates.com

+1.617.261.3115

Chris RoundChris.Round@klgates.com

+61.3.9640.4364

Gregory M. PierisGregory.Pieris@klgates.com

+61.3.9640.4412

It's Happening: Generic Top-Level Domains Update

K&L GATES

Anchorage Austin Beijing Berlin Boston Brisbane Brussels Charleston Charlotte Chicago Dallas Doha Dubai Fort Worth Frankfurt
Harrisburg Hong Kong Houston London Los Angeles Melbourne Miami Milan Moscow Newark New York Orange County Palo Alto
Paris Perth Pittsburgh Portland Raleigh Research Triangle Park San Diego San Francisco São Paulo Seattle Seoul Shanghai
Singapore Spokane Sydney Taipei Tokyo Warsaw Washington, D.C. Wilmington

K&L Gates practices out of 48 fully integrated offices located in the United States, Asia, Australia, Europe, the Middle East and South America and represents leading global corporations, growth and middle-market companies, capital markets participants and entrepreneurs in every major industry group as well as public sector entities, educational institutions, philanthropic organizations and individuals. For more information about K&L Gates or its locations, practices and registrations, visit www.klgates.com.

This publication is for informational purposes and does not contain or convey legal advice. The information herein should not be used or relied upon in regard to any particular facts or circumstances without first consulting a lawyer.

©2013 K&L Gates LLP. All Rights Reserved.