

The New gTLD Program, Trademark Clearinghouse & Geographical Indications

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The New gTLD Program

What is it?

→ Largest EVER expansion of the DNS.

BEFORE	AFTER
Since 1985 approximately 22 gTLDs have been launched: .com, .org, .net, .edu, .int, .gov, .mil, .arpa, .aero, .museum, .name, .pro, .biz, .coop, .info, .asia, .cat, .jobs, .mobi, .tel, .travel, and .xxx	Thousands of gTLDs, e.g.: .bike, .clothing, .music, .blog, .nike, .xyz, .ninja, .Онлайн
Enforcement occurs primarily at the 2nd level : “to the left of the dot”	Enforcement “left and right”!

→ Approximately 1,000 gTLDs will launch this year.

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By the Numbers

- First application period opened on **January 12, 2012** and ended on **April 20th, 2012**.
- ICANN received **1,930 applications** for new gTLD strings, featuring over **1300** potential new strings.
- Over **418** new gTLDs delegated and counting.
- Next round of gTLD applications is currently slated for **2018**.

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Categories: Open/Closed

Type	Description	Examples
Standard or Generic TLD	Open for public registration. No restriction. Primarily generic terms.	.wine, .vin
Community TLD	Restricted to a specific community with a high degree of social awareness. The application must be supported by the community to which it is directed.	.gay, .religion, .hotel
Geographical TLD	Represents a particular city or region. The application must be supported by the local government of the region.	.nyc, .tokyo, .paris
Brand TLD	Organizations can apply for domains incorporating their trademarks and brands.	.nike, .deloitte

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Brand gTLDs

Wal-Mart Stores, Inc.	.george, .asda, .samsclub, and .walmart.
Gap Inc.	.bananarepublic, .gap, .oldnavy and .piperlime
TJX Cos Inc.	.homegoods, .homesense, .marshalls, .tjmaxx, .tjx, .tkmaxx.
The Home Depot Inc.	.homedepot and .thd
Target Corp.	.target
Staples Inc.	.staples
Dell Inc.	.dell
Macy's Inc.	.macys
Nike, Inc.	.nike
.amazon	Rejected due to opposition from South American nations.

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Application Procedure

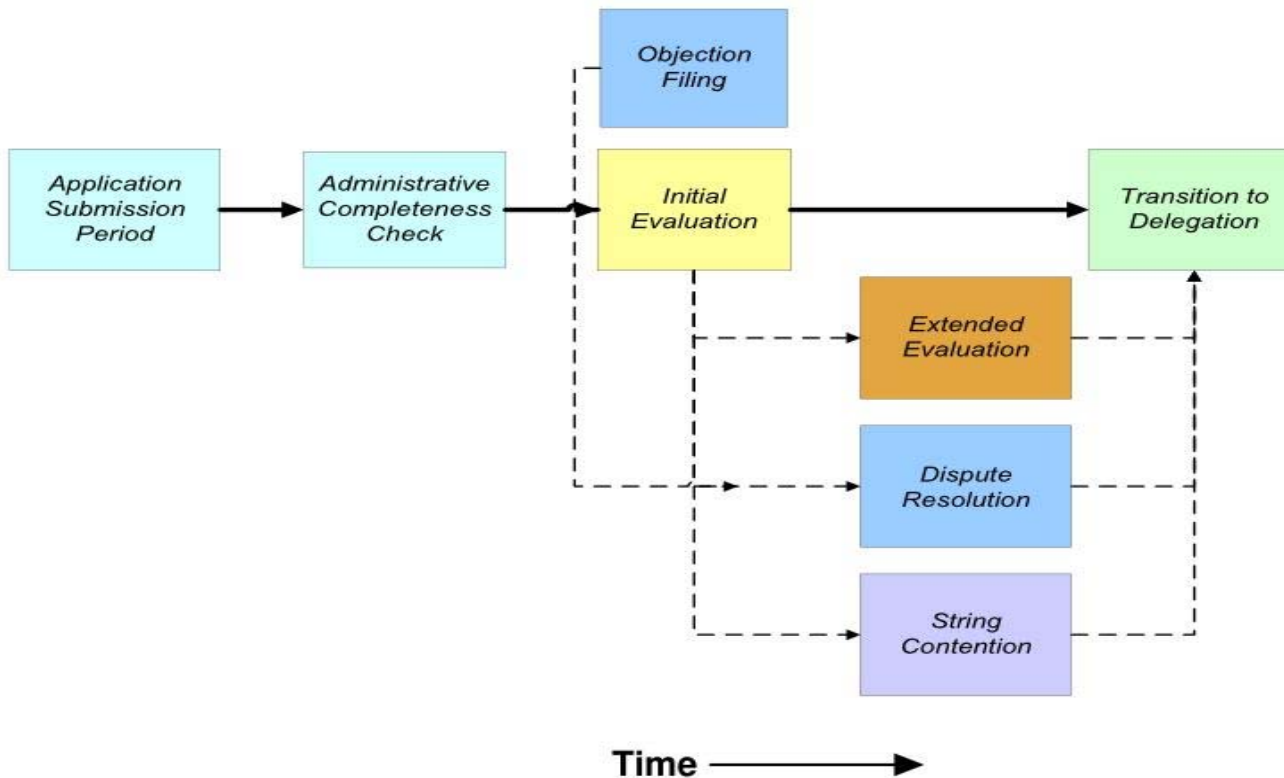
•**Online Application/Deposit:** Upfront \$5,000.00 upon completion of online user registration, remaining \$180,000 due with completed application.

•**Process:**

- ✓ Initial Evaluation
- ✓ Formal Objection & Dispute Resolution
- ✓ Legal Rights Objections
- ✓ String Contention
- ✓ Community Priority Evaluation
- ✓ Auction
- ✓ Delegation

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Application Overview



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Challenges

- **Obligation to Police**
- **Competition**
- **Initial Interest Confusion**
- **Fraud**
- **Cybersquatting/Typosquatting**
- **Phishing/Malware**
- **String Collision**
- **Registry Operator instability and insecurity**

Rights Protection Mechanisms

Trademark Clearinghouse

Trademark Clearinghouse (TMCH) - Centralized database of verified trademarks. Trademark owners can submit their data to the database during the gTLD launch phases.

Eligibility: The TMCH will only accept and verify the following intellectual property rights:

- (i) nationally or regionally or registered trademarks;
- (ii) court-validated marks; and
- (iii) marks protected by statute or treaty.

- Trademarks must have national effect and be registered at the time they are submitted for verification.
- TMs registered by a city, state, province, or sub-national region are expressly ineligible for registration in the TMCH.
- For marks protected by statute or treaty, the relevant statute or treaty must be in effect at the time the mark is submitted to the Clearinghouse for inclusion. Such marks may include geographical indications and designations of origin.

Rights Protection Mechanisms

Trademark Clearinghouse

Claim Notification Service

- Registrants receive **notice** of identical third party applications
- Applicants receive a **warning notice** of a match in the TMCH database.
- TMCH registrant is notified if applicant proceeds despite warning.

Blocking Domain Registrations

- Include trademarks and their variations.
- Prevent registration of an identical domain
- Not usable to drive traffic to the brand owner.

E.g., **Donuts Protected Marks List** - Brand owners add TM terms, which block 3rd party registrations of 2nd level domains in all Donuts operated top-level domains (e.g., .coffee and .cab, potentially .wine and .vin). This program is somewhat more cost effective than many other blocking domain registration services offered by other registry operators.

Issue: One drawback of the Sunrise, blocking registration and claims services is that they all only apply in the case of an **exact match** (or hyphenated match in the case of multiple word marks, e.g., <veuve-clicquot.wine>). This leaves huge vulnerabilities to brand owners in terms of misspellings or variations of trademarks potentially being registered as gTLDs outside of these protection mechanisms.

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Launch phases

- **Sunrise** (start date/end date) –TMCH Registrants may obtain priority registration for gTLDs incorporating their marks.
 - “**Start-Date Sunrise**”: 30-day minimum period prior to general registration. First-come first-served basis.
 - “**End-Date Sunrise**”: 60-day minimum period prior to general registration. Competing applications resolved by way of domain auction at conclusion of sunrise.
- Otherwise, disputes over competing sunrise applications are resolved under the **terms of service** for each individual registry operator
- **Price** for second-level domains generally increases in the general registration period after sunrise (especially for “premium” domains in high demand).
- **Landrush** – Follows Sunrise. Rules vary by Registry Operator. Usually not restricted to brand owners. Domains usually offered for higher price than during sunrise. First-come, first-served or auction basis.
- **General Launch** – Open to general public following Sunrise and Landrush periods. Claim notification services for first 90 days.

Rights Protection Mechanisms

Uniform Rapid Suspension

- **Cheaper, faster**

- **Clear-cut** cases of infringement (Not intended for use in proceedings with open questions of fact or more involved legal scenarios.)

- Higher burden of proof.

- **Remedy:** temporary suspension of a domain name for the remainder of the registration period (which may be extended by a prevailing complainant for one year for a fee).

Procedure:

1. URS complaint must first be submitted directly to an Approved URS Provider.
2. Once it passes administrative review, the registry operator must lock the disputed second-level domain name(s) within 24 hours of notification by the URS Provider.
3. If a URS proceeding ultimately results in a suspension, the registry operator must implement the suspension, and take any other actions set forth in the URS Procedure.

Locking/Suspension. If the registry operator does not lock the second-level domain name, the URS Service Provider may submit a domain lock report via the URS Form.

Rights Protection Mechanisms

Uniform Rapid Suspension

- **Appeal.** If denied, the URS proceeding is terminated without prejudice for the complainant to proceed with UDRP or court proceeding.
- **Enforcement.** If registry operator fails to suspend the second-level domain name, Complainant may submit a URS enforcement complaint form to ICANN.
- **“Abusive” Complaints** may result in a complainant being barred from URS for a period of time.
- **N/A** - The URS process is not available to any ccTLD (such as .us, .de, .uk, etc.) or to any of the following gTLDs: .aero, .arpa, .asia, .biz, .cat, .com, .coop, .edu, .gov, .jobs, .info, .int, .mil, .mobi, .museum, .name, .net, .org, .post, .pro, .tel, .travel, and .xxx.
- URS Technical requirements and Rule are available at:
<http://newgtlds.icann.org/en/applicants/urs>

Rights Protection Mechanisms

Uniform Rapid Suspension

UDRP v. URS: Advantages/Disadvantages:

- Remedies (Cancellation/transfer v. Suspension)
- Trademark Value Considerations
- Filing Fee (\$1,300-5,000 v. \$375-500)
- Time to Decision (6-8 wks v. 3-4 wks)

→UDRP remains the preferred avenue of enforcement.

QUESTION: Does the TM owner wish to put the domain to productive use?

Rights Protection Mechanisms

Post-Delegation Dispute Resolution Procedure

PDDRP addresses a registry operator's operation or use of a domain which leads to or supports trademark infringement at the top level or second level.

Types. (1) Trademark PDDRP, the (2) Registration Restrictions PDDRP, and the (3) Public Interest Commitments PDDRP. The WIPO Center has been appointed as a provider for the Trademark PDDRP.

Burden. TM owners are required to demonstrate, by **clear and convincing evidence**:

- (1) affirmative conduct by a registry at the top level that infringes a trademark; and/or
- (2) at the second level, affirmative conduct by a registry that amounts to a **substantial pattern or practice of specific bad-faith intent by the registry to profit from the sale of domain names that infringe trademark rights.**

Safe Harbor. Registry operator is not liable under the PDDRP solely because infringing names are in its registry, or because the registry operator knows infringing names are in its registry, or if it did not monitor names registered in its registry.

Information pertaining to the Post-Delegation Dispute Resolution Procedure is available at:

<http://www.wipo.int/amc/en/domains/tmpddrp/>

gTLD Flashpoints

<.wine>

- On June 13, 2012, three entities applied to become registry operator for “.wine” gTLD: Afiliast Limited, Donuts, Inc. (under the applicant name of its subsidiary, June Station, LLC) and Famous Four Media Limited (under the applicant name of dot Wine Limited) .
- Donuts also applied for the gTLD “.vin” (under the applicant name Holly Shadow, LLC).
- **Significant potential breadth of coverage for online wine information, services and resources.**
- Ongoing disagreement (US/AU govts v. EU/GI) over whether there is sufficient protection for GIs

gTLD Flashpoints

<.wine>

- Wine trade groups concerns: counterfeiting and cybersquatting
- Lobbied ICANN to reject the proposed .wine and .vin gTLDs, until ICANN incorporates additional safeguards for geographic and origin names at the second level.
- Position: A system of safeguards should protect geographical indications such as “Napa Valley” and “Champagne” in the same way as protection is afforded to trademark owners, as reflected in the 1995 WTO Agreement on Trade Related Aspects of Intellectual Property (TRIPS). This includes remedies against passing off, and other false or misleading use of a GI.
- Article 22(1) of the World Trade Organization's 1995 Agreement on Trade Related Aspects of Intellectual Property (TRIPS) defines geographical indications as: *indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given **quality, reputation or other characteristic of the good is essentially attributable to its geographic origin.***
- Article 23 of TRIPS specifically requires members to provide remedies against the misuse of geographical indications for wines and spirits.

gTLD Flashpoints

<.wine>

- International Olympic Committee and the Red Cross/Red Crescent have raised similar arguments successfully: that due to international treaties, they should also be blocked from third-party registration in domains under the new gTLD program. Both groups likewise pushed for, and ultimately obtained, added protections in new gTLDs.
- GIs are registerable through the Trademark Clearinghouse (“TMCH”) as long as they are registered or otherwise protected by statute or by treaty at the time of TMCH registration.
- GI interests: TMCH framework places significant resource burdens for monitoring and enforcement on members of the wine industry, as opposed to the domain registrars who control access to these domains and who are most effectively and proximally situated to police the registry.
- Interested parties continue to negotiate regarding safeguards, but ICANN has approved the .wine and .vin gTLD applications for launch.

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A Look Ahead

- ICANN's goal is to launch subsequent gTLD application rounds *ASAP*, taking into account the lessons learned and changes needed after the first round, now anticipated to take place in 2018.
- ICANN will defer delegations in the second application round until such time as it can determine that the first round delegations will not jeopardize the security or stability of the DNS root zone.
- ICANN's ultimate goal will be to establish an ongoing, systemized, long-term procedure for the application and delegation of new gTLDs.

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Takeaways

- Review trademark portfolios and prioritize protection based on strength and exclusivity of the mark in light of the particular:
 - Good and Services of interest; and
 - Geographical regions of interest
- Determine optimal avenue of enforcement based on budget and objectives.
- Review emerging gTLDs to identify ones of potential concern.



Thank you!

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