

# FOCUS

ON

## Intellectual Property

# Web set to sprout new domains



HI-TECH

**LUIGI  
BENETTON**

Dot-com is getting more company: A new category of generic top-level domains (gTLDs) is about to be unleashed.

Granted by the Internet Corporation for Assigned Names and Numbers (ICANN), TLDs are the letters to the right of the dot in a web address, such as com, ca, net or org.

New gTLDs may offer their owners numerous benefits. For instance, an organization running a gTLD might:

- strengthen its brand;
- sell second-level domain registrations;
- provide a geographic area with a geographic TLD;
- create internationalized domain names that enable web addresses in non-Latin alphabets, such as Chinese or Arabic.

But nobody is ready to predict all the ways in which new gTLDs will be used. This uncertainty leaves many lawyers wondering about the consequences that clients may face as the Internet effectively broadens its territory.

Brad White wants to lay such fears to rest. "We've wrestled with intellectual property protection over the six years this program has been under development," says ICANN's director of global media affairs, adding that the program was developed in collaboration with "leading experts in intellectual property and trademark protection."

Perhaps the strongest reassurances White provides are the requirements for applicants to:

- Pay a gTLD evaluation fee of US\$185,000. This fee covers the costs of about seven different evaluations, including background screening, a string similarity checks, a review for geographic considerations, a check to ensure applicants have the technical capacity to operate the gTLD and others.
- Set aside a continuing operations instrument, an amount of money that covers registry operating expenses for three years. This amount must be kept by a financial institution for five years, to be accessed in order to operate the registry in case of emergency.



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Early estimates show this amount can range from \$18,000 to \$300,000.

- Pay \$25,000 annually to ICANN, plus transaction-based fees once they cross a volume threshold.

- Comply with the registry agreement provided by ICANN.

- Undergo a criminal background check. Offences that may disqualify applicants include, but are not limited to: misuse of funds; white-collar crimes; and previous misuses of domain names (such as cybersquatting).

- Set up domain name dispute resolution policies. Richard Stobbe hopes these will be

identical to or similar to the uniform domain name dispute resolution policy. "When trademark fights come up in the future, you have a body of decisions to draw upon," says the Calgary-based associate with Field Law.

- Handle all other requirements in a 300-page applicant guidebook.

#### Objection periods

Once the first new top-level domain applications pass through ICANN's hoops, they'll be published this spring and subjected to an "objection period" lasting about seven months.

According to ICANN's "Objection and Dispute Resolution Fact Sheet," formal objections using dispute resolution procedures may be filed on any of the following grounds:

- String confusion — The applied-for gTLD character string is so similar to an existing TLD or to another applied-for gTLD string that user confusion would likely result if both TLDs were delegated.

- Legal rights — The applied-for gTLD string infringes the existing legal rights of the objector.

- Limited public interest — The applied-for gTLD string is con-

trary to generally accepted legal norms of morality and public order that are recognized under principles of international law.

- Community — There is substantial opposition to the gTLD application from a significant portion of the community to which the gTLD string is targeted.

#### Trademark clearinghouse

Trademark holders can submit their trademarks for recognition to one central database. All registries can access this clearinghouse to help them prevent trademark infringement.

#### Sunrise periods

Each top-level domain must implement a sunrise period (minimum 30 days) during which trademark owners can obtain desired domain names before the gTLD opens general registration.

#### Uniform rapid suspension (URS)

A complement to dispute resolution procedures, the URS kicks in should a domain name owner not respond to a complaint made by a trademark holder. In such cases the URS is meant to be a quicker and cheaper alternative to dispute resolution procedures, earning it the nickname "quick takedown provision."

#### A wilder web?

Once initial sunrise periods end, trademark owners may have to be more vigilant in new TLD territory for cybersquatting, typosquatting, gripe sites and other potentially damaging uses of domain names.

"Dot-xxx and dot-asia came one at a time," says Stobbe. "They represented incremental changes in the addition of new top-level domains. Now, it's being thrown wide open and nobody's sure what that's going to look like."

White questions whether companies need worry more than they already do. "It seems people think that by expanding the TLD space, you expand the potential for malicious activities," he says. "That's like saying because home burglary is a problem, if we build more houses, we're going to expand the possibility of home burglary."

Learn more about gTLDs at [newgtlds.icann.org](http://newgtlds.icann.org). ■