

The Neighborhood Just Got Bigger: Protecting Trademarks in the Expanded Internet

New domain names are opening an Internet “land rush.” Is your organization ready?

By Mark Partridge

A sea change has begun, and the Internet will never be the same. Domain names are no longer limited to .com, .net, or .org, the standard generic top level domains (gTLDs). Hundreds of new gTLDs have started coming online, and the flood will increase in the next few months.

Last summer, the Internet Corporation for Assigned Names and Numbers (ICANN), the private entity responsible for managing the global domain name space, signed the first four contracts to launch new gTLDs starting this year. Hundreds more will follow over the next few months as ICANN completes the process of reviewing and approving the initial 1,930 applications filed by a wide range of businesses, communities, and associations. A complete list of the applications and their status can be found at www.icann.org.

The new gTLD applications include generic terms such as .charity, .search, .church, and .catholic; geographic terms such as .london, .berlin, .africa, and .nyc; and brand names such as .chevrolet, .bridgestone, and .toshiba.

Some organizations may simply decide to build specialized Web sites within these new domains. Others could use them to host e-mail or online communication networks for supporters, volunteers, and clients. The next few years will be a period of considerable innovation.

Our focus here, however, is on the challenge presented at the second level — the space to the left of the dot. Organizations need new strategies to protect their trademarks, names, and other valuable intellectual property. They need to find ways to secure key domains in the coming “land rush” as new registries open.

Here are three steps you can use to meet this looming challenge:

Step One: File Trademarks in the Trademark Clearinghouse

The Trademark Clearinghouse is a database for recording existing trademark registrations and evidence of use. More details are available at www.trademark-clearinghouse.com. The Clearinghouse is now open for recording trademark rights in connection with the launch of new gTLDs.

The Clearinghouse offers three key benefits:

- **Sunrise registration in the new gTLDs.** Essentially, Sunrise is an opportunity for trademark holders to secure matching domain names in a new registry before it is open to the general public.
- **Intellectual Property (IP) claims notices.** These notices let a domain applicant know that the requested domain may violate an existing trademark. They also notify the trademark owner of the domain registration.
- **Uniform Rapid Suspension (URS).** This is a new procedure to resolve domain name disputes. Using this process should greatly reduce the costs of resolving conflicts.

“A sea change has begun, and the Internet will never be the same. It’s time to take action now.”

Clearinghouse fees are \$150 per record for one year (plus legal or agent fees, depending on the amount charged by your advisors).

Step Two – Secure Rights to Trademarks & Names in the New Domain Name Registration

The second step in our recommended strategy is to obtain desired active and defensive domain name registrations in the new gTLDs. This is actually a long-standing best practice in the more familiar world of .com and .org. Securing the rights to a low-cost domain does require budget resources, but it is quite a bit cheaper than legal action to enforce trademark rights after the fact.

The key question is how much budget this strategy will require, and the answer is unknown at this point. The fees charged for domain names in the new gTLDs will be determined by the registry owner. With 1,930 new gTLDs coming online, organizations must set priorities.

Begin by identifying the desired gTLDs for active and defensive registrations. The pending applications can be found at the ICANN site identified above. Match these gTLDs with Clearinghouse records to identify and obtain potential Sunrise registrations in the new gTLDs.

It is also wise to give someone clear responsibility for managing this process. That “someone” could be your in-house counsel, an IT manager, marketing personnel, outside experts, or a special committee representing several departments.

Finally, monitor the launch of the new gTLDs to avoid missing critical dates and opportunities.

Step Three – Create an Effective Enforcement Plan

The goal of enforcement is to prevent cybersquatting and infringing domain names when the new gTLDs are operating. An effective enforcement strategy will reduce lost opportunities, confusion, and damage to good will.

The key strategies for implementation include:

- **Set parameters for action and work flow.** As with the defensive domain registrations mentioned above, the management team

will need to set priorities. Some unauthorized uses may be more damaging than others. Having a set plan for work flow will improve efficiency and cost by saving time, reducing confusion about responsibilities, and avoiding second guessing.

- **Monitor intellectual property (IP) claims and watch services.** Registration in the Clearinghouse helps quite a bit on this front. Separate watch services will provide similar services. An effective enforcement plan requires regular attention to these notes to avoid delay and lost opportunities for early objection.
- **Send demand letters.** Many disputes can be resolved by sending an e-mail demand, particularly when the applicant is acting in good faith and the demand is supported by solid rights and based on a valid objection.
- **Negotiate purchase if appropriate.** Not all domain name disputes merit aggressive litigation. Domain names supported by bona fide use may justify payment for transfer.
- **Take legal action when needed.** Due to lessons learned over the two decades we've had the current Internet, several low cost and effective procedures are available:
 1. All domain name registration contracts in the new gTLDs include use of the Uniform Dispute Resolution Procedure (UDRP). This is a contractually mandated form of expedited arbitration based on written submissions. A decision normally comes within a few months.
 2. All new gTLD agreements include adherence to Uniform Rapid Suspension (URS), another expedited arbitration procedure that can be used to take down an infringing domain name in a few weeks.
 3. Cybersquatting violates federal trademark law and can be challenged in federal court. Potential recovery includes statutory damages of up to \$100,000 per domain name.

Take Action Now

These changes to the Internet have been in the works for years, and the process incorporates many tools built over the years to help protect trademark and intellectual property rights. Organizations need to be pro-active to leverage these tools.

There are 1,930 gTLD applications demanding your attention right now. Others in your field are already taking action. By following the guidelines in this article, you'll be able to manage this change effectively. 

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The Short List

For more, see these articles at www.NonprofitWorld.org/members:

Simple Lessons to Preserve Your Brand (Vol. 31, No. 4)

Why You Should Consider Trademark Protection (Vol. 23, No. 4)

Where to Find Free Legal Assistance (Vol. 26, No. 2)

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