

# Trademark owners: Nine steps to defend your brands on the new Internet

**E**stablishing your “brand” in the manufacturing industry takes years, often decades of providing consistent, quality products and services that stand out against the competition. Throughout the process, use of a distinctive trademark can help focus your efforts and build customer recognition. Federal registration of these trademarks will help protect your company’s investment, and enable it to prevent the use of confusingly similar trademarks by competitors and other third parties.

The internet has become one of the major modern marketplaces for manufacturing industry goods and services. With this growing importance, local, national and international companies have been challenged by unscrupulous entities seeking to profit off brands of others by registering and using confusingly similar domain names and trademarks to misdirect online consumers.

Now, the organization which oversees the registration and use of internet domain names — the Internet Corporation for Assigned Names and Numbers, or ICANN — is allowing the registration and establishment of new top level domains (TLDs, the characters to the right of the dot such as “.com,” “.net,” “.edu,” et al.) using any word, trademark, or name. Consider, [www.cheapsales.YOUR\\_BRAND!](http://www.cheapsales.YOUR_BRAND!) These new domains can drive traffic away from your website, and engage in promoting and selling competing or counterfeit products. At the same time, these TLDs will establish new territory in which second level domain names (SLDs — the words to the left of the “dot”) may be regis-

tered and used, thereby opening additional layers of domain names that consist of, or are confusingly similar to, your company’s trademarks. The first round of applications for new TLDs has closed. ICANN has established certain rights protection mechanisms for trademark owners. However, many of these are only available for a limited time. Manufacturers and trademark owners should therefore take steps now to protect their trademarks in this new domain name system.

## Rights protection mechanisms

ICANN’s new TLD program incorporates several protection mechanisms for trademark owners. First, trademark owners can submit public comments concerning new TLDs for consideration as part of the application review process. Second, trade-

mark owners can file Formal Objections to prevent the registration of domain names that are identical or confusingly similar to their trademarks or otherwise violate their legal rights. They can also file objections to challenge TLDs that are identical or confusingly similar to a word or generic term that is used in a particular industry or community, or that violates public taste or moral standards. Third, there is an “Anti-Abuse Procedure” for challenging registrars that engage in a pattern of domain name abuse.

Another protection mechanism is the establishment of a Trademark Clearinghouse (“TMCH”), in which owners of registered trademarks can record their trademarks. If entity attempts to register a second level domain (SLD) in a new TLD that is

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identical to a trademark listed in the TMCH, the TMCH will notify that entity of the potential conflict. In order to proceed, the notified applicant must acknowledge the notification to the TMCH and state its belief conflict is not likely. The TMCH will then notify the trademark owner about the application. Registration with the TMCH is also required for trademark owners to take advantage of sunrise SLD registration periods which ICANN requires all new gTLDs to offer.

Finally, ICANN is establishing an expedited Uniform Rapid Suspension (URS) challenge procedure, designed to provide more rapid determination of claims against applied-for second level domain names where the evidence of confusing similarity and lack of rights is clear and convincing.

In order to take advantage of these programs, trademark owners should take the following steps now:

### 1. Register your trademarks.

Registration is more important now than ever before. In order to be listed with the Trademark Clearinghouse, a trademark must be registered. Legal and other challenges for infringement, cybersquatting, and trafficking in counterfeit goods also require or are substantially aided by registration.

**2. Establish use of your trademarks.** In order to participate in new TLD sunrise periods, a trademark must be used. Although the procedures for recording trademarks in the TMCH are not yet established, companies should gather specimens and evidence of use now so they can apply as soon as the TMCH opens.

**3. Establish industry domain name use committees.** One of the most important opportunities of the new TLD program is the ability to register generic or descriptive terms as TLDs. Many generic terms, however, may have a particular significance to, or affect the rights of industries, groups of companies or individuals such as local or national manufacturing associations, stan-

dards bodies, and trade organizations. The new TLD program gives priority to the rights of communities (defined by ICANN as any clearly defined group of people or organizations) in established terms, both in the application and challenge stages. Companies operating in particular industries should therefore consider organizing committees within their industry organizations or associations to monitor and assert rights in community terms.

**4. Monitor the announcement of new TLDs.** On or about June 13, ICANN will publish a complete list of TLDs for which applications have been filed, along with the names of their applicants. Trademark owners and others whose rights would be violated by registration of a TLD will have 60 days to submit a public comment and seven months from the date of publication to file formal objections to registration of the domain name. Objections, based on string confusion (if the objector has also applied for a new TLD); legal rights (if the domain name violates any rights of the objector, including dilution, trademark infringement, slander, etc.); limited community interest (if the domain name violates community standards of decency or interest); or community rights violations (if the domain would adversely affect an established community's rights).

**5. Subscribe to monitoring and watch services.** The task of monitoring SLDs in the more than 2,000 new registries is beyond the means or abilities of even the largest companies. A number of reputable, experienced domain name monitoring services presently exist, and most of these will be offering monitoring and watch services in the new TLDs. Attorneys who have experience in the domain name space can provide useful insight and advice regarding watch services.

**6. Keep up with the new TLD timelines.** Companies need to keep abreast of the schedules being followed in the roll-out of new gTLDs so they can act within the scheduled times. As the recent "application glitch" delay demonstrates, these schedules can change unexpectedly, so knowing them is not enough. Companies should retain counsel who are familiar with and keep cur-

rent with these changing schedules and will keep them advised.

**7. Establish an Online Presence Policy Team.** Companies should establish Online Presence Teams in order to review and develop policies regarding domain names, websites, online marketing, email and social network use, trademark and content policing and protection, and online privacy policies. Companies should view their use of the internet and domain names with the same comprehensive planning and policy development as they do new products, engaging representatives from product development, marketing, finance, legal, and Board levels, and retain employees, legal counsel, and service providers to assist them in carrying out these policies.

**8. Establish a protection and enforcement plan and carry it out.** In order to coordinate and govern all these efforts, companies need to establish online and domain name protection plans. These should be developed by the company's Online Presence Policy Team to address monitoring; registration of TLDs and SLDs; challenging third party registration and use of domain names and trademarks; policies regarding litigation and payment for domain name transfer; and enforcement responsibilities.

The internet and domain name space is an increasingly important marketplace of products, innovation, and communication, the primary conduit for transmitting and locating information, marketing and selling products and information, and developing new goods and services. The role of domain names and trademarks will therefore increase dramatically over the next few years. Companies should prepare for this change, and incorporate domain name considerations and online strategies into their product development and marketing planning.

**9. Keep abreast of developments in ICANN's new gTLD program.** Changes in the online marketplace and domain name space occur quickly. ICANN is a unique internet governance organization which embodies a bottom-up multi-stakeholder model of policy making. The

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issues considered by constituencies which make up ICANN are complex, and their decisions have far-reaching effects. Registry operators, registrars, intellectual property owners, non-profit corporations, internet users, and government representatives are all governing members of ICANN and, through it, the domain name

space, with drastically different, and often competing, interests in the internet and domain name space. Companies with a financial and business stake in the business of the internet and the use of the internet for business should be members and participate in governing this space.

The internet is here to stay and is ever-changing the sales, marketing, and distribution of manufacturing-related goods and services. Manufacturing-related organizations that invest the time and energy into

promoting and protecting themselves today will reap rewards tomorrow. Those that do not may not be able to compete in the new internet. ■

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