

## ICANN Accepting Applications for New Generic Top Level Domain Names

The Internet Corporation for Assigned Names and Numbers (ICANN) began accepting applications for new generic top level domain names (gTLDs) on January 12, 2012. ICANN is accepting applications through April 12, 2012 and expects to receive approximately 4,000 applications during this three-month filing window. The application review process may take up to 20 months, so therefore it is likely that the new gTLDs awarded under this program will launch in 2014.

Amid sharp criticism from trade associations, non-governmental organizations, and governments around the world, ICANN moved forward with plans to expand the number of Internet address endings from 22 gTLDs, such as the familiar .com and .org, to an unprecedented and potentially unlimited number. The rollout of new Internet address endings will permit owners to operate under multi-lingual and non-Latin scripts, such as Cyrillic, Chinese, and Arabic. In addition, the new plan permits the registration of longer suffixes than the traditional two- and three-letter-strings like .com.

To register a new gTLD, a company must file an application through ICANN's TLD Application System, which involves answering 50 questions and submitting the \$185,000 application fee. If granted, the owner is responsible for additional fees, including start-up costs, annual maintenance costs of at least \$75,000, and other expenses that are expected to exceed \$500,000 over the initial 24-month period, or more than \$2 million over the initial five-year period. A company that successfully acquires a gTLD has a contractual right to operate the registry under a 10-year renewable contract with ICANN, unless ICANN determines that the gTLD is not run properly and invokes their right to transfer ownership to another party. Brand owners who decide against applying for a new gTLD are advised to monitor the new applications for gTLD strings containing either their principal trademarks or their generic industry term (e.g., .shoe or .music).

Less than two weeks before opening the application period, ICANN's board announced that it would publish a new version of the Applicant Guidebook, the instructional manual for applicants, operators, and other interested parties, such as brand owners. According to ICANN, the ninth draft, published on January 11, 2012, did not introduce any new requirements or criteria, and most importantly retained the safeguards detailed in the eighth draft, published in September 2011.

One such safeguard is the ability of a brand owner to comment on or challenge a gTLD application. ICANN will publish the list of gTLD applications in late April or early May, and will solicit public comments for a 60-day period. In addition, third parties will have a fixed period of time, reported to be seven months, to review the published list to assess whether to file a formal objection. Once the registry is up and running, an aggrieved brand owner may dispute the grant of a second level TLD through ICANN's Uniform Domain-Name Dispute-Resolution Policy (UDRP) process or the new fast-track Uniform Rapid Suspension System (URS).

The URS is touted as a less expensive and "rapid" dispute resolution remedy recommended for clear-cut cases of trademark abuse. Trademark owners must file a complaint, limited to 500 words, with both proof of use of the mark and an allegation of bad faith supported by reasonable evidence and a proposed \$300 filing fee. If a trademark owner is successful under URS, the domain name operator must immediately freeze or "lock" an allegedly infringing domain until the owner files a response to the complaint.

The Trademark Clearinghouse, a central repository for the authentication and validation of trademarks, and Trademark Claims Services, both retained in the ninth draft of the Applicant Guidebook, represent additional safeguards designed to prevent non-owners of trademarks from acquiring a domain address that includes the trademark of another. Within 60 days of the launch of a new gTLD, operators must provide prospective domain name registrants with notice of marks recorded in the Trademark Clearinghouse. Operators must require the prospective registrant to confirm that he/she has read and understood the notice and that the prospective domain name does not infringe on any rights in the notice, such as rights recorded in the Trademark Clearinghouse. Operators also must notify owners of the marks within the Trademark Clearinghouse if a domain name containing an identical mark ultimately registers under the new gTLD. Brand owners should note that operators must notify only if the name is identical, not similar.

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