

New Internet Domain Name Options Available for Pharma Industry

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Perhaps you've seen the TV ads or read the articles in the newspaper. Or maybe a company marketing executive has raised the issue in a recent strategy meeting, or you've received alerts from your outside legal counsel. Whatever the source, by now you are probably aware that the Internet as we currently know it is about to change dramatically.

Specifically, in addition to the familiar .com, .org, and .net "top-level" domains, over 1,000 new top-level domain names will be rolled out over the next 24 months or so. The process has already started, with early "Sunrise" registrations available for dozens of new top-level domains such as .bike, .plumbing, and .singles.

Some pharma companies filed applications for their own names, such as brand-centric .abbott, .merck, and .pfizer. Other top-level domains are disease-centric, such as .hiv, .cancerresearch, and .stroke. A list of all the top-level domain names applied for can be found at <https://gtldresult.icann.org/application-result/applicationstatus>, though not all will necessarily be delegated.

Although there is no opportunity at present to file for a new top-level domain, the game is on for obtaining key second-level domain names as each new top-level domain is launched (such as "drugname.stroke"). Once the process gets rolling, ICANN (the Internet Corporation for Assigned Names and Numbers, which runs the domain name system) believes it can delegate as many as 20 new top-level domains per week.

To help brand owners protect their marks in the new top-level domain name space, a new Trademark Clearinghouse has been established, run jointly by Deloitte and IBM. A trademark owner may record in the Clearinghouse marks that are (1) registered at the national or multi-national level (such as for European Community trademarks, but excluding state registrations), (2) court-validated common law marks, and (3) protected by statute or treaty, which are likely rare in the pharma industry.

What Are the Benefits?

The new domain name system incorporates several rights protection mechanisms that directly rely on information in the Clearinghouse.

- *"Sunrise" Domain Name Registrations* – For at least 30 days before second-level domain names become generally available in any new top-level domain, the registry operator must first offer a Sunrise registration period for "identical matches" of trademarks that are recorded in the Clearinghouse that otherwise meet the eligibility requirements for that particular top-level domain. The "identical match" rules are quite strict.

If multiple mark owners file for the same second-level domain name during the Sunrise period, the rules adopted by the registry of the top-level domain apply. These rules often involve an auction, with the proceeds – surprise – going to the registry.

In addition, when relying on a trademark registration to support a Sunrise application, the

Clearinghouse must first verify the mark is in actual use. Proving use of a mark can be accomplished with a simple declaration and a single sample of use, regardless of how many classes of goods and services for which the mark might be registered.

- *Notice of Claims Service* – At some point after the Sunrise period, second-level domain names will become generally available (subject to the registry's eligibility requirements). For a minimum of the first 90 days after general launch, domain name applicants will receive a notice if their requested domain name is an identical match to a trademark recorded in the Clearinghouse. If the applicant proceeds to register the domain name, the trademark owner will receive notice that the domain name has been registered. It is then up to the mark owner to take whatever action it deems appropriate, if any. After the first 90 days, trademark owners may “activate” an optional free service from the Trademark Clearinghouse to continue to receive notices of domain names that are registered that are an identical match to one of their marks recorded in the Clearinghouse.
- *Beware the Hype* – There have been exaggerated claims of other purported benefits of recording a trademark in the Clearinghouse. In reality:
 - Recording a mark in the Clearinghouse does NOT “avoid the chance” of infringement – it merely provides notice to the domain name applicant of an identical match to a mark recorded in the Clearinghouse and then provides notice to the mark owner if the domain name is registered anyway. It is up to the mark owner to take any appropriate action.
 - Recording a mark in the Clearinghouse is NOT a requirement to use the tried-and-true Uniform Dispute Resolution Procedure for resolving domain name cybersquatting disputes.
 - Recording a mark in the Clearinghouse is NOT a requirement to use the new Uniform Rapid Suspension service, though the complainant's mark must be of the type that is eligible for inclusion in the Clearinghouse.
 - If identical trademarks are recorded in the Clearinghouse by different parties, it is NOT the case that an auction or lottery will automatically result – rather, it is up to the individual registry of each new top-level domain to decide how to resolve conflicts during Sunrise.

What Are the Costs?

The fee charged by the Clearinghouse to record a trademark varies depending on how many years the recordation is for and whether a third-party agent that qualifies for a volume discount is used. For a one-year recordation, the base fee is \$150 per mark. Additional fees charged by agents are typically about \$100 per mark.

What's a Trademark Owner to Do?

Trademark owners should review the list of applied-for new top-level domains and decide if they want a second-level domain name that is an identical match to an existing trademark registration. By drilling down into the application, particularly the answers to Questions 18 and 29 (which may have been amended since the original application was filed), you can determine the eligibility requirements and procedures for resolving disputes in case there are multiple qualified applications for the same domain name during Sunrise.

If there are any top-level domain names of interest, you will need to record with the Trademark Clearinghouse the trademarks registrations that will be the basis of any desired Sunrise registrations. Trademark owners have been largely reluctant to rush to record their marks (and only about 1% of the marks recorded in the first four months were from the pharma/medical industry), but with the delegation process now beginning to get underway in earnest, it may be prudent to record sooner rather than later to avoid risking missing a key Sunrise cut-off date.

After that, you should monitor the status of any domain names of interest. A good website for this

purpose, that announces the launch of each Sunrise registration period, is <http://newgtlds.icann.org/en/program-status/sunrise-claims-periods>.

If a mark owner does not want a Sunrise registration but does want to monitor for potential conflicting domain names of others, a private domain name watch service should be considered rather than relying on the Clearinghouse. Private watch services will not be limited by the very narrow “identical match” rules. It is also notable that the decision not to record a mark in the Clearinghouse cannot be used against a trademark owner in any enforcement action.

While recordation in the Clearinghouse is a requirement for a Sunrise registration, trademark owners should carefully consider if the other benefit of recordation – providing notice to the applicant and trademark owner only for identical matches after general launch – is worth the cost when compared to other private monitoring options that go far beyond identical matches.

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