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IP PROTECTION:
The Impact of .XXX and gTLDs on Trademarks and Brands and Dispute Resolution Policies

LET'S BE ADULT ABOUT IT

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Today's Speakers

- Moderators:
  - Lewis Goldberg, KCSA
- Presenters:
  - Sheri Falco, Esq., General Counsel, ICM Registry LLC
  - Tony Farrow, COO, ICM Registry LLC
  - Kristine Dorrain, Esq., Director of Director of Internet and IP Services at the National Arbitration Forum (NAF)
  - Robert J. Kimmer, Esq., Senior Attorney (Trademark Law) at Rader, Fishman & Grauer PLLC

Agenda

- TLD Background and New gTLD process
- Brand Protection Options in New gTLDs
- New gTLD Trademark Clearinghouse
- ICM Registry Perspective/IP Rights Protection
- .XXX Dispute Resolution Polices
- First hand experience with .XXX Rapid Evaluation Service (RES)

What is a Top-Level Domain?

- The right of the dot of a Domain Name
  e.g., .com, .uk., .xxx

- Types of Top Level Domains
  - gTLD – generic Top Level Domain
  - ccTLD – country code Top Level Domain
  - sTLD – sponsored Top Level Domains

- "Extended" country codes
  - .tv – ccTLD for islands of Tuvalu
  - .co – ccTLD for Republic of Columbia

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Recent Launches of TLDs

Timeline Chart

2012

June 13

13 June: "Reveal Day"

ICANN will publicly post all TLD character strings that have been applied for, and who applied for them. This event triggers several more activities in the New gTLD program:

•Application Comment Process. Anyone interested may submit comments to be considered by the evaluation panels. The period to send application comments to evaluation panels for consideration will be open for 60 days.

•Program Feedback. Anyone who wants to offer comments about the new gTLD Program may register it through the Program Feedback forum. Comments will be reviewed and considered as part of the New gTLD Program continuous improvement processes. Program Feedback will be open continuously until the end of the first round.

•Objection Period. Anyone with grounds to do so may submit a formal objection to any of the new gTLD applications. For more information, review the Objection and Dispute Resolution page on the microsite. Starting from "Reveal Day," you have approximately seven months to file a formal objection to any of the applications received.

July

July: Initial Evaluation Begins

Beginning in July, various evaluation panels will conduct the string reviews and applicant reviews that make up the Initial Evaluation. String reviews focus on whether an applied-for TLD string is too similar to another TLD, whether it meets technical requirements, and whether it is a geographic name. Applicant reviews focus on the applying organization to determine if they have demonstrated the appropriate technical, operational, and financial capabilities to run a registry. The applicant's proposed registry services also will be reviewed to determine whether they might cause DNS instability. Concurrently with Initial Evaluation, applications for financial support through the Applicant Support Program will be reviewed by the Support Applicant Review Panel (SARP).

December

December: Additional Program Phases

An application passing the initial valuation and faces no objections will be eligible to proceed to pre-delegation. Eventually the string will be live and reachable on the Internet as a TLD. However, some applications will be subject to special processes depending on the circumstances. For example, if more than one party has applied to operate the same TLD (a circumstance referred to as string contention), attempts to resolve the contention begin. (See Applicant Guidebook Module 4 for details.)

The New gTLD Program forecasts a busy 2012. Some new gTLDs will clear the process and be ready for delegation in early 2013. Other new gTLDs will have a longer path.

The dates listed here are based on the estimated timeframes as laid out in the Applicant Guidebook. ICANN will provide further updates on the timeframe as required.

December: Results of Initial Evaluation

The initial evaluation period ends. ICANN will post the outcome of Initial Evaluation - whether applications have passed or failed evaluation. Applications that fail the initial evaluation may, in some cases, proceed to Extended Evaluation. All results will be posted to the Application Results page.

During this time period, applicants who applied for financial support through the Applicant Support Program will find out if they have been awarded the reduced evaluation fee.

2013

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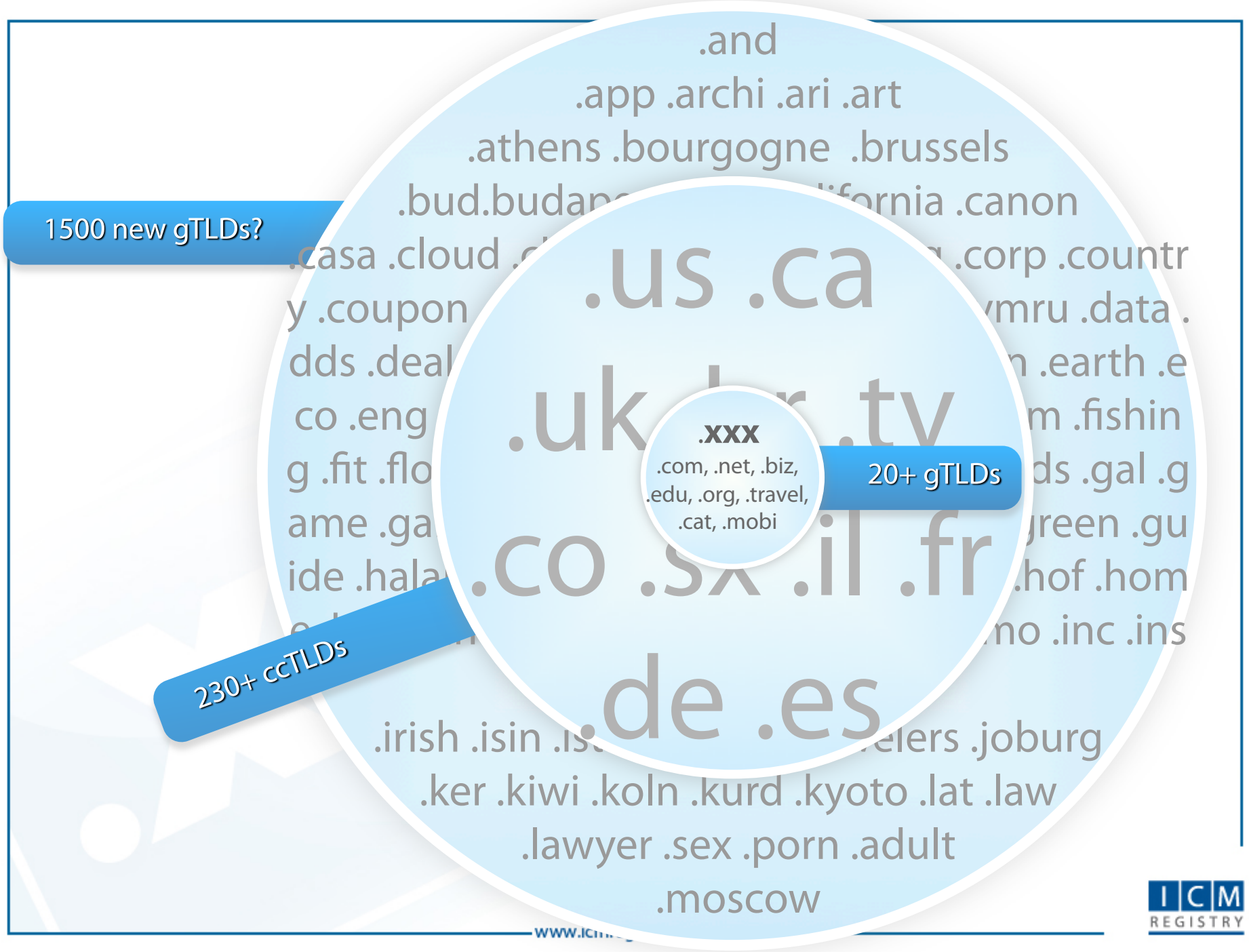

1500 new gTLDs?
.and
.app .archi .ari .art
.athens .bourgogne .brussels
.bud.budap ifornia .canon
.casa .cloud .c .corp .countr
y .coupon ymru .data .
dds .deal n .earth .e
co .eng m .fishin
g .fit .flo ds .gal .g
ame .ga green .gu
ide .hala .hof .hom
no .inc .ins
.irish .isin .ist elers .joburg
.ker .kiwi .koln .kurd .kyoto .lat .law
.lawyer .sex .porn .adult
.moscow
.us .ca
.uk .tv
.co .sx .il .fr
.de .es
.xxx
.com, .net, .biz,
.edu, .org, .travel,
.cat, .mobi
20+ gTLDs
230+ ccTLDs

Brand Protection for .XXX

- Trademark Clearinghouse (IPRota)
- Purchase names in certain TLDs
  - Do I wish to the domain name in .XXX – Sunrise B (one time block)
  - I wish to control the domain name – Sunrise A or purchase later
- Dispute Resolution Procedures

Brand Protection for New gTLDs

- Assess the “TLD” risk or opportunity for your brand
- Review “TLD” Sunrise Procedures
  - These are “Registry Specific”
- Review “TLD” Sunrise Application Costs
  - These costs are in addition to the costs to be in the Trademark Clearinghouse.
- Review Dispute Resolution Procedures
  - In the event your marks are taken

Brand & Mark Protection in New gTLDs

Legal Rights Objection:

-Formally disputing a gTLD application
-Must show the potential use of the applied for gTLD by the applicant takes unfair advantage of the distinctive character or the reputation of the objector's registered or unregistered mark
-Fees are between $8,000-$10,000

Community Objection:

-There is substantial opposition to a gTLD application from a significant portion of the community that the gTLD is targeting

Trademark Clearinghouse:

-A central repository for information to be authenticated, stored and disseminated

Trademark Claims Service:

-Operating in conjunction with the Trademark Clearinghouse, this service allows a mark holder to notify a domain name registrant that the applied-for domain name is an identical match to a trademark listed in the Trademark Clearinghouse
-Service is intended to provide clear notice to the prospective registrant

Brand & Mark Protection in New gTLDs

Sunrise Service

-Allows trademarks to be added to a list of names unavailable for use by other registrants in a particular gTLD

-Applicant must demonstrate "ownership of a mark" that is "nationally or regionally registered" and for which proof of use was validated by the "Trademark Clearinghouse" or has been "court-validated" or is "protected by a statute or treaty…"

Uniform Rapid Suspension System (URS):

-A remedy for "clear cases of trademark abuse"

-Permits a domain name to be locked and suspended if found to have been used in bad faith

-*This is similar to the .XXX RES Policy*

Trademark Post-Delegation Dispute Resolution Procedure (Trademark PDDRP):

-Allows an alternative form of relief for less obvious cases of trademark infringement

-Complainant must prove by clear and convincing evidence that a registry operator's affirmative conduct in its operation or use of its gTLD string causes or materially contributes to the new gTLD string taking unfair advantage of the distinctive character or the reputation of the complainant's mark or impairing the distinctive character or reputation of the complainant's mark, or creating a likelihood of confusion with complainant's mark

Registry Restrictions Dispute Resolution Procedure:

-Remedy is available when a new gTLD owner's violation of the community-based registration restrictions harms an established institution associated with a defined community

- *This is similar to .XXX CEDRP Policy*

Trademark Clearinghouse Fees & Time Frames

- Mark holder registers Trademark with Trademark Clearinghouse for $150 + annual fees
- Mark holders during Sunrise registration
  - At least 30 day period to purchase names during sunrise
  - Owners of Marks notified if identical matching name is acquired
- Domain Name purchaser will be provided notification of the prospective mark holder's rights
- No maximum fees set for Sunrise by the registries

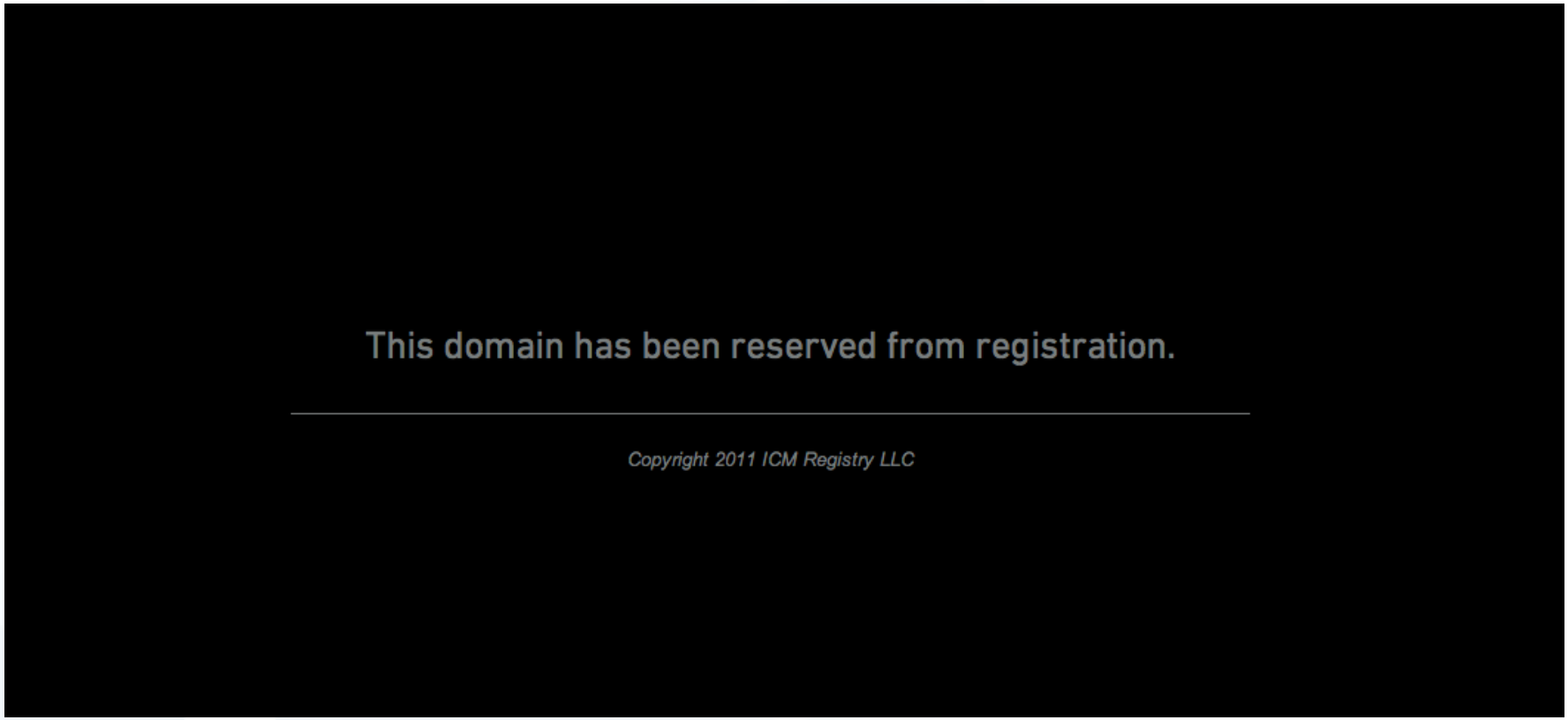
Items to consider regarding Trademark Clearinghouse Eligibility

- Nationally or Regionally Recognized Marks
  - No Supplemental Marks
- Identical Match
  - Complete and identical textual elements of the mark
    - The TLD is/is not included?
    - How will disclaimers be treated
- Special Characters in the mark
  - Spaces are replaced by hyphens or omitted
  - Only certain special characters are spelled out with appropriate words
    - @ and &
- Literal Elements of a Graphic/Logo Mark
- Transliteration – non-latin script
  - Character sets available

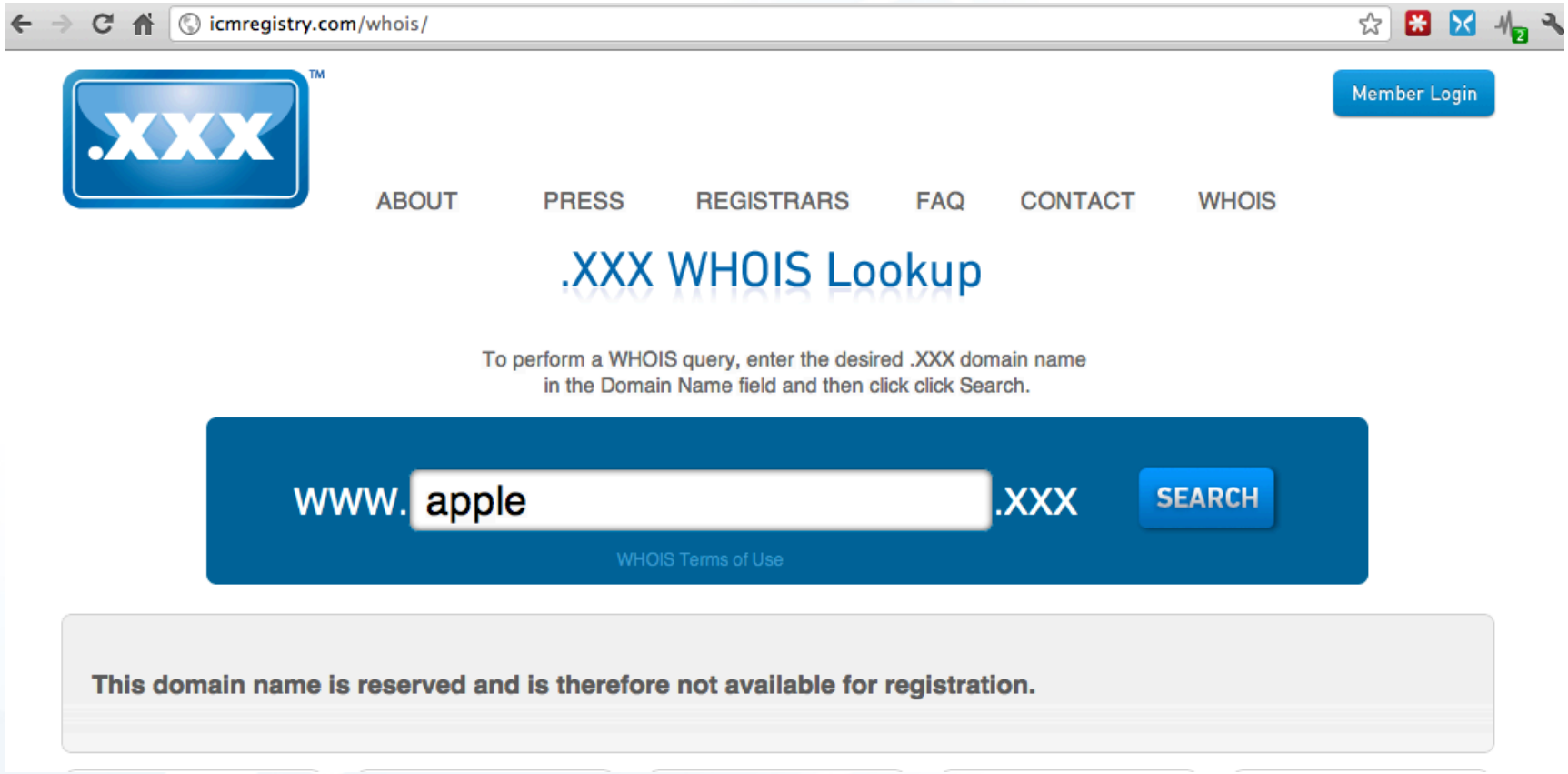
.XXX Sunrise vs. New gTLD Sunrise

- .XXX allowed organizations to purchase a one time block of a mark at a specific price. ($200 - $300 one time fee)
  - "Registry Specific Policy", not required for new gTLDs
- Multiple organizations could block the same mark in .XXX
  - Prior TLD launches these were resolved via "auctions" as there could only be one owner of the name

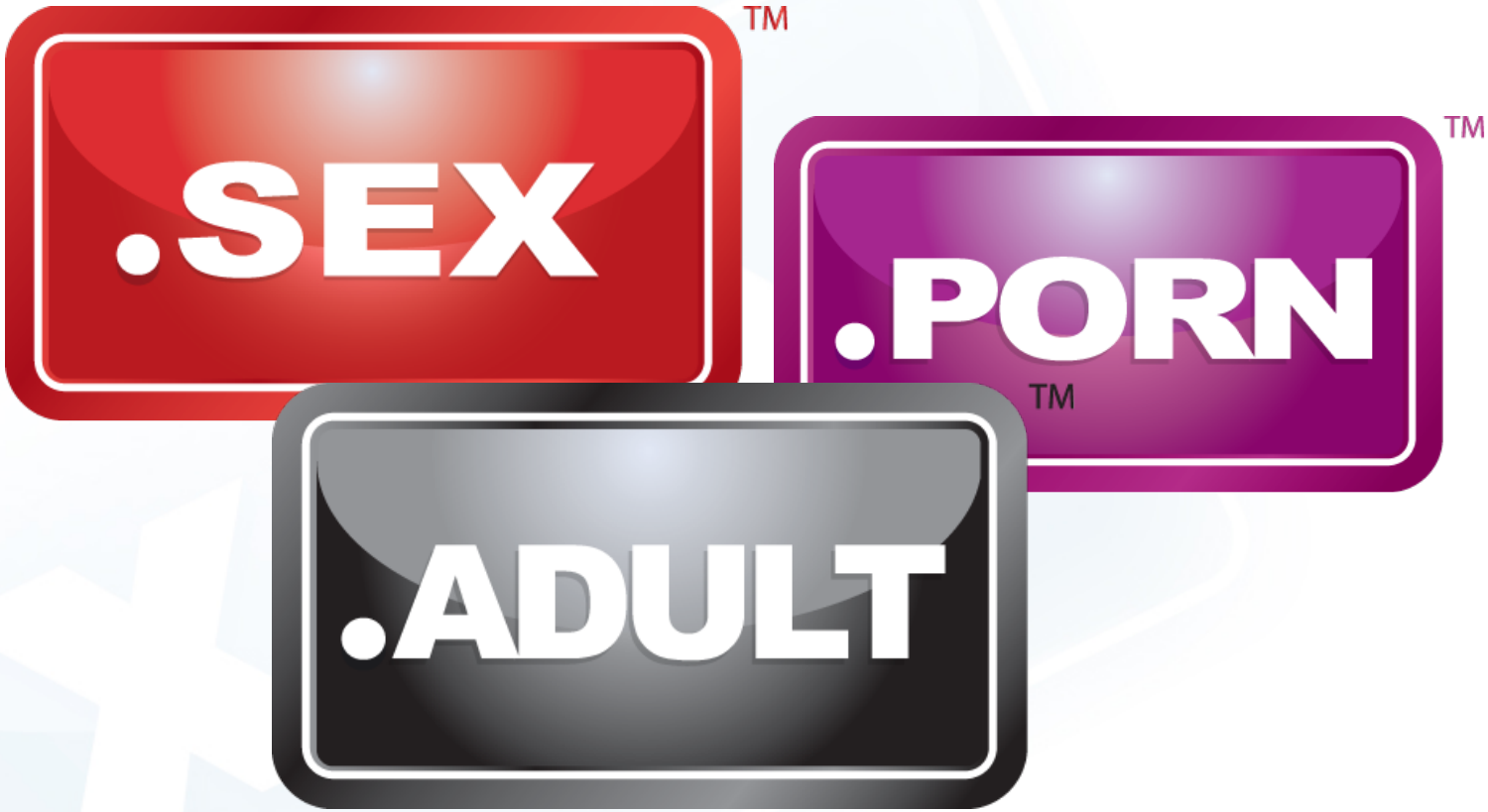
.XXX Sunrise Blocked Page



Sunrise Blocked - Whois



.XXX Consumer Protection & Responsible Evolution



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Grandfathering Clause

- All existing names at “cutoff date” in .XXX will be “reserved” - .SEX, .PORN, .ADULT
- ICM will determine “cutoff date” once TLDs are awarded
- No additional effort or fees required by existing .XXX holders

If you have a .XXX domain

- My client blocked their name in Sunrise B
  - The brand is protected
    - In the .xxx space as well as .sex, .porn, .adult
    - Protection occurs automatically and free of charge
- My client registered their name
  - The brand is protected
    - The matching .sex, .porn, and .adult name are reserved automatically and free of charge

.XXX Brand Protection

- Someone else registered my brand/my client's brand
  - How to dispute a registration
    - RES
    - CEDRP
    - ICANN UDRP

Kristine Dorrain, Esq.
Director of Director of Internet and IP Services
National Arbitration Forum (NAF)

RES, CEDRP Dispute Provider

952-516-6456
kdorrain@adrforum.com

National Arbitration Forum®

KRISTINE F. DORRAIN, Esq.

Director of Internet and IP Services

Kristine Dorrain serves as Director of Internet and IP Services for the National Arbitration Forum (the FORUM). Ms. Dorrain oversees the FORUM's arbitration and mediation programs, including the FORUM's internationally recognized domain dispute program. She also manages the recruitment and organization of the FORUM's arbitration and mediation panels.

At the FORUM, Ms. Dorrain's work focuses on providing legal counsel for the domain dispute and other arbitration programs. She counsels FORUM case management staff as well as ensures that FORUM arbitration panelists are adhering to the relevant domain name dispute rule sets.

Additionally, Ms. Dorrain oversees the strategic development of the FORUM's premium IP Arbitration and Mediation panel. She ensures that the FORUM's IP Panel includes the most well-trained and experienced IP arbitrators and mediators in the business. Ms. Dorrain also plays a significant role in marketing the FORUM's overall IP ADR services.

Prior to joining the FORUM, Ms. Dorrain was an Intellectual Property Assets Manager for Samsung Electronics. While at Samsung, she managed patent prosecution and an extensive patent case portfolio. She was responsible for preparing and evaluating invention disclosures, writing patent applications and managing research on prior art.

Ms. Dorrain obtained her Juris Doctorate from William Mitchell College of Law. Currently, she is an Adjunct Professor for William Mitchell College of Law's Intellectual Property Appellate Practice course and coaches the school's Saul Lefkowitz, John Marshall IT and Privacy Law, and BMI/Cardozo Moot Court Competition teams.

.XXX Dispute Resolution Options

	UDRP	RES	CEDRP
Types of disputes	Trademark	Trademark Impersonation	Ineligibility
Cost (at NAF)	$1,300	$1,300	$1,300
Time to take-down	Avg 45+ days	Avg 3 days	Avg 50+ days
Filing process	Online or via email	Online	Online or via email
Evidence accepted	Full exhibits prove elements	Limited exhibits corroborate narrative	Full exhibits prove elements
Appeal?	No	No (but late Response ok)	No
Public decisions?	Yes	No	No

.XXX Statistics

	UDRP	RES	CEDRP
Total Cases (since December 1, 2011)	8 FORUM 10 WIPO	34	2
Transfer/Cancel	18	33	1
Number of days to preliminary dec.	NA	3 (Avg)	NA
Number of days to final dec.	45.5 (avg)	12 (Avg)	~50 (avg)
Respondent appears	1	14	2

Dispute Resolution

- UDRP is the basis for all TLD dispute resolution programs, including the ACPA (15 USC 1125(d)).
- Standard is preponderance of the evidence.
- “Default” still results in a decision on the merits.
- No changes since its inception, except to transition paperless.
- Three elements, including state of mind at the time of registration (by the current registrant).
- Many formalities for filing complaint, some for response.

.XXX RES & CEDRP Filing Tips

- Prepare your screenshots, evidence, and complaint or response so you are ready to go.
- Visit http://domain.adrforum.com to choose the policy to proceed under if you are a complainant.
- If you are a respondent in an RES case, click the link provided to you in the email sent by the FORUM.
- “I have the right” is not a winning argument for either complainants or respondents, use the Policy to show how you should prevail.
- When in doubt, contact domaindispute@adrforum.com.
- Don’t ignore deadlines, they are not negotiable.

Robert J. Kimmer
Senior Attorney (Trademark Law)
Rader, Fishman & Grauer PLLC

The First RES Case

RADER,
FISHMAN
& GRAUER
PLLC

- Robert J. Kimmer, Esq.
- Rader, Fishman & Grauer PLLC
- 1233 20th Street N. W., Suite 501
- Washington, D. C. 20036
- +1-202-955-8795 direct
- +1-202-955-3751 facsimile
- rjk@raderfishman.com

Robert Kimmer has extensive experience handling worldwide trademark, copyright, and trade secret prosecution and litigation including enforcement and cost-effective IP strategy development. He has been responsible for managing branding, naming projects, prosecution, and enforcement for Fortune 100/500 companies, non-profit organizations and start-ups in a wide range of industries. Rob has also counseled clients with sensitive copyright matters, including proprietary computer program code and certification testing materials. He has successfully represented clients at the pre-litigation settlement stages, before the TTAB, and in Federal Court. Rob filed and won the first .XXX Domain Rapid Evaluation Service ("RES") Proceeding in the world on behalf of a significant worldwide brand owner.

Rob's experience prior to joining the Firm includes in-house IP management and serving as the practice group chair of an IP boutique in the D.C. area. He has a J.D. degree from The George Washington University and a B.A. degree from Emory University. Rob is listed in *Who's Who in America* and *Who's Who in American Law*. He is a member of the Supreme Court Bar, Washington D.C. Bar, American Bar Association, American Intellectual Property Law Association and International Trademark Association.

The Scenario

- Client did not qualify during sunrise
  - First trademark registration was post cutoff date
- Client attempted to purchase during Landrush
  - name sold during Sunrise to *“adult member”*

Evaluated our options?

- UDRP
  - Costly, take months (60+ days)
  - Potentially difficult to prove bad faith
- RES Option
  - $1300 filing fee
  - 10 to 15 business days
  - Final decision by Arbitrator
  - .XXX held to high standard

Evaluated our options?

- UDRP Bad Faith Standard
  - (i) the domain was registered primarily for the purpose of selling it to the complainant or a competitor for more than the documented out-of-pocket expenses related to the name; or
  - (ii) the domain was registered in order to prevent the mark owner from using it, provided that the registrant has engaged in a pattern of such registration; or
  - (iii) the domain was registered primarily to disrupt the business of a competitor; or
  - (iv) by using the domain, the registrant has intentionally attempted to attract users for commercial gain by creating a likelihood of confusion as to source or affiliation

The RES Differences

“Rapid Evaluation Service is basically a retooled, faster version of the familiar UDRP that tilts the overall balance in favor of legit trademark holders.” .. Robert

Comments/Questions

For more information, please visit:

www.icmregistry.com/INTA