

IP Alert - Protect Your Brand From Potential Harm In The ".XXX" Domain Name Space

September 26, 2011

The time is quickly approaching when Internet domain names ending in .xxx will launch. Trademark owners currently have a short window, ending October 28, 2011, within which to act to defensively protect their brands from being registered by others as .xxx domain names. Defensive measures will still be possible after that date, but the process will be more cumbersome and expensive.

Last spring, the Internet Corporation for Assigned Names and Numbers (ICANN)—the gatekeeper of Internet domain names—and ICM Registry agreed on rules for the .xxx top level domain (TLD), which is intended to become the primary online home for the adult entertainment industry. Unfortunately for brand owners outside of that industry, this new TLD carries with it the danger of their brands becoming associated with pornography and similar content that could cause harm to brands. Trademark owners should consider acting now to protect against possible infringement and disparagement by taking advantage of a low-cost mechanism that will allow them to defensively register their brands to block others from registering and using them as .xxx domain names. This so-called "sunrise" registration is available through October 28, 2011.

By reserving now, it is possible to have trademarks and service marks "opted out," meaning that when an Internet user types YOURBRAND.xxx into a browser, he/she will be directed to a standard informational page indicating that the page name is "reserved." Opting out will also protect trademark owners against having others create email addresses ending in @YOURBRAND.xxx. By opting out, mark owners will not own the .xxx registration for their brands, however, for a one-time fee of between \$200 and \$300 (to be set by registrars), they will have bought the right to have their mark excluded from registration by others for the term of ICM Registry's contract with ICANN (at least 10 years).

In order to opt out during the sunrise period, an applicant must have a pre-September 1, 2011 registered trademark, either in the U.S. or abroad, as the subject of the opt out application. The domain name sought must correspond to the complete textual component of the registered trademark. The mark cannot consist of a figurative mark or special character mark presented for the apparent purpose of reserving dictionary words or common expressions. Trademark registrations that have lapsed and pending applications are not eligible for the opt out procedure.



Once applications are submitted, those that meet the criteria for opting out and that have no applicants for the same domain name within the so-called "Sponsored Community" (i.e., members of the adult entertainment industry) will be reserved and set to resolve to the standard informational page. If more than one opt out application is submitted for the same domain name, that domain will be set to direct traffic to the standard informational page. However, if there is more than one sunrise applicant for the same domain name, and one is a member of the Sponsored Community who wishes to use the domain for adult entertainment industry purposes, all applicants for that name will be notified of the claims made by the other applicants, and additional information may be required before ICANN makes a determination as to who has valid ownership over the domain name.

After October 28, 2011, it will become more difficult for brand owners to protect their marks against .xxx use. Brand owners should carefully consider making opt out applications for some or all of their registered trademarks now. Please consult a Gray Plant Mooty IP/Trademark attorney if you have any questions about this process or would like assistance in filing sunrise opt out applications.

This article is provided for general informational purposes only and should not be construed as legal advice or legal opinion on any specific facts or circumstances. You are urged to consult a lawyer concerning any specific legal questions you may have.