

World Trademark Review Daily

'City TLDs' are on their way International - Hogan Lovells LLP

gTLDs

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The Internet Corporation for Assigned Names and Numbers (ICANN) launched the application process for new generic top-level domains (gTLDs) in January 2012. The new gTLD applications are currently being evaluated by ICANN to assess each applicant's technical, operational and financial capability to run a gTLD registry (initial evaluation phase). At the conclusion of this process, there will potentially be over 1,350 gTLD registries launched onto the global domain name system in the near future.

With the launch of new gTLDs, we will soon see a new type of TLD coming to the Internet: the city TLDs. These are gTLD strings that represent city names, and the applicants have stated that it is their intention to use the TLD primarily in relation to a particular city. Such gTLD applications required a letter of support or non-objection from the city concerned and were subject to review by ICANN's Geographic Names Panel.

The first city TLD to have successfully passed through ICANN's new gTLD evaluation phase was '.москва' ('Moscow' in English) in early April. This was followed by TLDs such as '.koeln' ('Cologne' in English), '.helsinki', '.paris', '.budapest', '.durban', '.melbourne' and, most recently, '.berlin', '.wien' ('Vienna' in English), '.nyc' (for New York City) and '.london'. As such, it is likely that domain name registrations under these TLDs will be made available at some point in late 2013 or early 2014. A number of other city TLDs are still in the evaluation phase, such as '.tokyo', '.moscow' or '.miami', and the results of their evaluation should be known in the coming months.

The advantages and the potential economic impact of city TLDs for the cities concerned cannot be ignored. City TLDs will enable cities to establish their own online identity, design their own network tailored for their citizens, businesses and services, and boost their image - what better than a domain name such as 'tourism.nyc' or 'welcome.berlin' to promote your city? In addition, it will help businesses based in those cities to promote themselves and reach customers more easily, for example 'smith-plumbing.london'. Likewise it will help prospective customers and users to find locally relevant content, products and services quicker and more efficiently (with domain names such as 'restaurants.paris' or 'taxis.tokyo').

Domain name eligibility requirements and registration processes will vary from city to city according to how they intend to operate their TLD. For example, the City of Paris has indicated that, when '.paris' is launched, domain name registrations under this TLD will be available to all individuals and businesses based in, or with a connection with, Paris or the Paris region. Similarly, '.nyc' will be available to anyone with a strong New York City connection, such as property ownership, business licence or voter registration.

Generic domain names will also be handled differently depending on the cities. Domain names such as 'police.TLD' and other municipal-related services domain names will more than likely be reserved by the majority of the cities, but what will happen to domain names such as 'hotel.TLD' or 'restaurant.TLD'? Domain names like these are likely to attract the attention from entities operating in these industries, as well as domain names investors. As such, there would be many potential applicants for these domain names which raises the interesting question of how will such domain names be allocated? In some cases competing applications for such domain names might be resolved by way of an auction process, as has been the case for other TLD launches. However, the City of Paris is proposing an alternative method for such domain name registrations under '.paris'. The City of Paris will soon launch a Request for Proposals (RFP) and invite interested parties to submit their plans to operate generic domain names, such as 'boulangerie.paris' (meaning 'bakery'), 'immobilier.paris' ('real estate') or 'taxis.paris'. Candidates for such domain names will be invited to describe their project and the service they intend to offer to the citizens of Paris and its region. In the evaluation of these RFPs, particular attention will be paid to the quality of the proposed service and how it will be of benefit to the wider community.

The launch of city TLDs poses some interesting questions for companies with a presence across the world. For example, some companies with a presence in those cities where a city TLD is available may be interested in securing domain names corresponding to their brands in order to increase their visibility towards their customers of a particular city and offer online content specifically targeted at customers. Others may prefer to just defensively register these domain names without necessarily using them in order to prevent any risk of cybersquatting. The right strategy adapted to each brand owner will need to be carefully devised.

In any event, all new gTLD registries will be required by ICANN to put in place mandatory rights protection mechanisms in order to protect the rights of trademark holders. This includes a sunrise period enabling eligible trademark holders to register domain names matching their trademarks before domain name



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registrations are opened up to all applicants during general availability. In addition to the sunrise period, all new gTLD registries will also have to run a Trademark Claims service which will notify trademark holders should anyone apply for domain names matching their trademarks.

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