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Details of '.xxx' sunrise procedure announced International - Hogan Lovells

Domain names

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With the Internet Corporation for Assigned Names and Numbers (ICANN) accreditation of the '.xxx' sponsored top-level domain now a done deal, ICM Registry has announced the details of its sunrise procedure. According to a new ICM Registry website, 'www.xxxempt.com', the '.xxx' sunrise period will run for up to 30 days commencing in early September 2011.

The sunrise period will be divided into the following two phases that are set to run concurrently: Sunrise A and Sunrise B.

There are two types of applicants who are eligible to apply under Sunrise A. The first group consists of those entities that hold a registered trademark and conduct business using that mark in the adult entertainment industry. The second type of eligible applicants are those who own an existing domain name which was registered prior to February 2010 and operate a website that provides online adult entertainment at that domain name.

In both cases, the applicants must satisfy the sponsored community definition (which appears to involve declaring that they provide, or represent providers of, online, sexually-oriented adult entertainment). The grandfathering procedure will ensure that adult entertainment industry players who are not able to obtain a trademark for their brand due to obscenity issues, or for other reasons, will nevertheless be able to protect their brand in '.xxx'.

Sunrise B is designed for applicants from outside of the sponsored community looking to protect their registered national trade or service marks from registration in '.xxx' by third parties and is described as 'opting out' of '.xxx' by ICM Registry. Under this phase, applicants pay a one-off flat fee and, if no competing applications are received at the end of the sunrise period, the names will be reserved and will resolve to a placeholder page stating that the domain name has been blocked. The reservations are theoretically indefinite; however, as ICM Registry's agreement with ICANN runs for only 10 years, they cannot be guaranteed for longer than this.

According to ICM Registry's sunrise rules, in order to participate in either Sunrise B or Sunrise A on the basis of a trademark registration, the mark:

" will need to be issued prior to the time of the application submission, in a jurisdiction where the applicant conducts substantial bona fide commerce in connection with the trade or service mark actually registered."

This lessens the chances that registrants could obtain 'fast track' trademark registrations in jurisdictions where this is possible for the sole purpose of securing the corresponding domain name registration, such as was seen during the launch of '.eu'.

'.xxx' domain names based on trademarks will need to correspond exactly to the mark or the textual component of a word and design mark. Those based on existing domain names will also need to correspond exactly to the domain name in question.

Brand owners who hold variations of their trademarks as domain name registrations in other top-level domains could, conceivably, secure the corresponding '.xxx' domain name, but only if they wished to use it in connection with a website that provides adult entertainment services.

If a '.xxx' domain name is applied for by one Sunrise A applicant and at least one Sunrise B applicant, both parties will be notified and the Sunrise A applicant will have the opportunity to withdraw their application for the domain name. If the Sunrise A applicant does not withdraw its application, it will proceed to registration; however, the registrant will not be able to claim lack of notice in any subsequent dispute.

If there is more than one eligible applicant under Sunrise B, the name will be reserved in exactly the same way as if there were only a single applicant. There will be no refund or apportionment of fees among the various applicants.

Where a '.xxx' domain name is applied for by at least two Sunrise A applicants, the domain name will be auctioned among all eligible applicants.

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The sunrise period will be followed by a landrush period for members of the sponsored community and then by general availability, with each phase separated by a quiet period. Interestingly, it seems that having 'pre-registered' a name with ICM Registry will not provide an application with any notable advantages during the sunrise or landrush period.

ICM Registry is currently formulating a post-launch domain name blocking service to be available from 2012, either for brands that appear in the future or those registrants that have not taken advantage of the Sunrise B procedure. However, it has stated that this probably will not have the flat one-time pricing structure.

For this reason, anyone seeking to protect their brand in '.xxx' may wish to consider doing so during the sunrise period. Nevertheless, those brand owners not wishing to do this can take comfort in the fact that ICM Registry is proposing very stringent measures to prevent rights abuses, including a rapid takedown mechanism, whereby sites deemed to be infringing by "a response team of independent experts (qualified UDRP panellists)" could be taken down within 48 hours.

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