World Trademark Review Daily

ICANN recognises '.brand' registry TLDs International - Hogan Lovells International LLP

gTLDs

June 13 2014

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 programme will result in an unprecedented expansion of the Domain Name System (DNS) from the existing 22 TLDs, such as '.com' and '.org', to over 1,400 TLDs. This will radically change the Internet as we now know it and will have major implications for brand owners.

Throughout the development of the new gTLD application process, ICANN had made it clear that there would be two categories of new gTLD applications: community-based gTLD applications and standard gTLD applications. ICANN defined a community-based gTLD as "a gTLD that is operated for the benefit of a clearly delineated community". All other applications which did not propose an operating model concurrent with this were designated as standard applications.

This categorisation of applications types by ICANN raised the question of where a '.brand' gTLD applicant would fit in this model. Across the board, all brand owners who applied for a gTLD which matched their brand or brands intended to operate the gTLD as a closed registry, with domain name registrations being held by the brand owner and its affiliates and not being offered to the general public.

As such, some of the key provisions in the ICANN Registry Agreement were not applicable to '.brand' registries, particularly Specification 9, Registry Operator Code of Conduct; and Specification 7 requiring that all registry operators must hold a sunrise period for trademark holders to secure their trademarks as domain names under the gTLD.

Despite repeated requests from '.brand' applicants for the creation of a separate category type for '.brand' registry models, ICANN did not accommodate this in the design of the new gTLD Applicant Guidebook.

However, upon publication of the full list of all applications received by ICANN during the new gTLD application window, it transpired that nearly a third of these applications were from brand owners who were seeking to follow a '.brand' registry operating model. As a result of this, these brand owner new gTLD applicants formed the Brand Registry Group to engage with ICANN and to tackle the inconsistencies in the ICANN Registry Agreement in the context of '.brand' registries.

This resulted in the proposal of Specification 13 to the Registry Agreement, which would meet '.brand' registries' special requirements with regard to exemptions from some of the Registry Agreement's provisions.

Amongst other things, Specification 13 would allow the operator of a '.brand' gTLD to have the option to object to the re-delegation of a '.brand' gTLD upon termination or expiry of the Registry Agreement during a two-year 'cooling off' period. '.brand' gTLDs would also be exempted from Specification 9 (Registry Code of Conduct). In addition, '.brand' gTLDs would no longer have to operate a sunrise period for trademark holders. Finally, '.brand' registries would be allowed to nominate up to three ICANN-accredited registrars, rather than opening up their TLDs to all ICANN-accredited registrars.

The proposed Specification 13 has now been approved by ICANN and, as such, it appears that ICANN has created a new unofficial application type, albeit *post-hoc*, and under pressure from a significant number of applicants.

However, there have been some rumblings from ICANN's Generic Names Supporting Organisation, which has recognised that Specification 13 is an acceptable solution for the question of '.brand' registries, but has pointed out that it does fly in the face of the well-established policy that all ICANN-accredited registrars must be treated in a "non-discriminatory fashion" by all gTLD registry operators and be able to offer domain name registrations under all gTLDs.

Whether this exception to what has been considered one of the cornerstones of new gTLD policy development will have future ramifications on other ICANN policies remains to be seen. In any event, it is a significant win for '.brand' registries and the inclusion of Specification 13 will certainly encourage future '.brand' registry applicants to participate during the next application window for new gTLDs.

David Taylor and Daniel Madden, Hogan Lovells LLP, Paris

World Trademark Review Daily

World Trademark Review (www.worldtrademarkreview.com) is a subscription-based, practitioner-led, bi-monthly publication and daily email service which focuses on the issues that matter to trademark professionals the world over. Each issue of the magazine provides in-depth coverage of emerging national and regional trends, analysis of important markets and interviews with high-profile trademark personalities, as well as columns on trademark management, online issues and counterfeiting.