

## TRADEMARK PROTECTION IN THE NEW .xxx DOMAINS

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After much debate about the usage possibilities, reformulation of the constraints and rules for their registration, the launch by ICANN the new TLD “.xxx” turned all eyes to the protection of brands online.

This new TLD .xxx<sup>1</sup> (top level domain – e.g. “.com” or “.mobi”) was created to encompass domains that include adult content, but it also brings concern to those it may affect, especially regarding the little time given to take preventive action to the brands that are not related to adult content since it will allow the registration of a “brand.xxx” regardless of the authorization of the trademark owner.

With the supply of new web addresses, trademark and domain holders that had already been registered have now two primary concerns: how to register a domain in the new TLD or, most important, **how to prevent others from registering a domain name containing one’s trademark not related to the new “adult content” TLD.**

In order to answer these important questions, it is important that current trademark holders are aware of the procedures necessary for the protection of their intellectual property and the phrases

inherent in the process of obtaining and protecting these new TLD names.

### REGISTERING OR AVOIDING THE REGISTRATION OF MY TRADEMARK IN THE NEW .XXX DOMAINS – THE “SUNRISE” PERIOD

As with prior domain expansions<sup>2</sup>, the Sunrise Period will be offered to companies wishing to protect their brand in new areas, both actively, with its actual record, and defensively, in order to avoid third-party registry. For the purpose of organizing these procedures, ICANN has commissioned the ICM Registry to manage the records of this new TLD, creating a new entity to govern this process. The creation of rules and policies relating to the new domain will be the responsibility of the International Foundation for Online Responsibility<sup>3</sup> (“IFFOR”). The process to launch the .xxx domains is divided into concurrent periods

<sup>2</sup> Recent examples of TLD expansion that led to the Sunrise Period were: “.mobi” for mobile technologies; “.museum” for museums; and “.aero” for the airline industry.

<sup>3</sup> IFFOR is a nonprofit organization responsible for creating rules for areas concerning .xxx. It is an independent organ of the ICM Registry and has its own board of directors and policies. IFFOR represents all interested parties, such as representatives of children’s rights, community members for the defense of the freedom of expression, and leaders in the adult entertainment industry.

<sup>1</sup> The expression, “.xxx” originates from the English word, “sex,” and is utilized to refer to adult content.

and is separated according to the qualifications of those interested:

- (i) The Sunrise Periods, divided between Sunrise A (for companies interested in registering new domains in the new TLD) and Sunrise B (for companies preventing domain registration of their trademarks in the new TLD);
- (ii) The Landrush Period, where those interested in the adult industry can freely bid in auctions to register new domains;
- (iii) The offer to the general public, for the other addresses not registered or that were denied registry.

The Sunrise Period will be available simultaneously for those interested in registering their trademarks and domain names under the .xxx, and for those who wish to prevent third parties from registering their name under the .xxx. It is important to mention that only registered trademark owners can apply for the Sunrise Period.

This period began on September 7, 2011, and will end on October 28<sup>th</sup>. During this time, the owners of existing trademarks and domains may present, before the registration bodies<sup>4</sup> accredited together with the ICM Registry, their intention to either register new domains or they may present their intention of preventing the registering of their names by third parties.

It should also be noted that there is no preference between the order of applications for registration during the Sunrise A. If more than one registration request for a particular domain is made, it will be auctioned amongst all interested

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<sup>4</sup> The registration bodies or registrars are private companies that are responsible for registering domains directly for interested parties. Currently, about 45 registrars are accredited to register .xxx domains.

parties during the next period, the Landrush.

Since Sunrise B is intended for current trademark holders that have no interest in their association to the new domain, it will only be open upon the payment of a fee. This period is crucial in order to avoid linking a company's registered trademark to the adult Sponsored Community in the new TLD. Applications for the opt-out Sunrise B vary from US\$ 200 to US\$ 300 for each trade mark or domain name they wish to block and proof of the registered trademark ownership is required.

At the end of the Sunrise Period, if there is any conflict between the registration application of Group A and Group B, the applications to register in the .xxx domain will be reserved. However, if there is interest in the same domain in both groups, priority will be given to those qualified orders from Sunrise Group A. The interested party from Group A will be notified of the third party's interest in blocking the registration and, in case of any future dispute, he or she will not be able to claim lack of notice.

The Landrush period happens between November 8<sup>th</sup> and November 25<sup>th</sup>. This gives companies from the adult entertainment industry, not qualified to exercise preemptive rights offered during the Sunrise Period, the ability to ensure a .xxx domain name with priority.

During this period, only adult content related business may register. Similar to the Sunrise Period, there will be no preference given to the order of application registration. For domain names with more than one bidder, actions will be held between the parties; .xxx domain names with only one interested party will be automatically allocated to this party at the end of the Landrush Period.

Finally, the offer to the public of the period of general availability will begin on

December 6<sup>th</sup>, and the .xxx domain names will be granted to interested parties in order of arrival. The adult content companies that are interested in obtaining a .xxx domain name during this period will not be entitled to any priority over other interested parties.

It is important to remember that those interested in registering a .xxx domain name will, first, need to go through the IFFOR approval process. The procedure aims to ensure that the .xxx domain owners do not engage in fraud or other illegal activities, such as child pornography, and are in accordance with all the policies IFFOR created for .xxx domains.

It should also be noted that the parties interested in blocking a name from being registered will only be able to do so during the period of availability. From then on, there will many opportunities for others to obtain domain registration. If this happens, the party will not be allowed to block their name or brand in the new TLD.

Therefore, for those who wish to protect their brands and domains, or to members of the adult industry who wish to register their names in the new TLD, it is very important to be aware of the dates and of the qualification requirements in order to exercise the correct priority in the registration process.

Almeida Advogados has a team specializing in Intellectual Property and Information Technology that can assist your company in all the procedures listed above and can provide any information needed on the subject.