

Client Alert: Trademark Clearinghouse Registrations

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Domain Name Update: The Trademark Clearinghouse Is Now Accepting Registrations

As Gray Plant Mooty previously reported, the Internet Corporation for Assigned Names and Numbers (ICANN) is poised to allow companies to operate new Generic Top-Level Domains (gTLDs) (URL extensions to the right of the "dot") in the coming months. ICANN currently anticipates that the first group of new gTLDs should be operational by the end of July 2013. Effective March 26, 2013, and continuing thereafter, trademark owners can register their marks for inclusion in the Trademark Clearinghouse, a global repository for validated trademark data intended to enhance trademark protection and facilitate dispute resolution in every new gTLD. Trademark rights holders should familiarize themselves with the benefits and requirements of a Clearinghouse registration, and consider registering at least their primary brands. Other important developments in the gTLD program are also discussed below.

It is important to emphasize that, while early registration in the Trademark Clearinghouse could be beneficial, traditional remedies against infringing domain names, such as UDRP arbitration proceedings and court action, will continue to be available if a brand owner chooses to forego Clearinghouse registration at this time.

Key Information Regarding the Clearinghouse

The Trademark Clearinghouse will allow brand owners to deposit their trademark data into a centralized database. The Clearinghouse will then authenticate and store the information and, eventually, disseminate it to all new gTLD registries for use in connection with the "Sunrise Service" and the "Trademark Claims Service," described below. Brand owners will be required to submit their trademark information (such as US or other country registration data) to the Clearinghouse in order to participate in these rights protection mechanisms.

There is no stated deadline by which brand owners need to register with the Clearinghouse, and the verification system will be available on an ongoing basis as new gTLDs are approved. ICANN has announced that it may finalize contracts with some of the new gTLD operators by April 23, 2013 (and some observers have been incorrectly putting out that date as a deadline for Clearinghouse registrations), but the actual launch of the first new gTLDs will not occur until at least July 2013, after the operators go through a

testing period. That being said, it is not clear exactly how long it will take the Clearinghouse to complete the validation process. Accordingly, brand owners are encouraged to begin reviewing their trademark portfolios soon to determine which marks may be appropriate for registration, and it may be advisable to file Clearinghouse applications by early July 2013, if possible, if one desires to take advantage of Sunrise registrations in the first new gTLDs (where the Sunrise Service is expected to become operational in July).

Trademark holders can submit their registration applications directly to the Clearinghouse or through authorized agents, and Gray Plant Mooty is assisting clients with these registrations. The filing fees associated with registration will vary, depending on the registration method and fee structure a brand owner selects but, in most cases, registration with the Clearinghouse will carry a filing fee of \$150 per mark for a one-year period, \$435 for a three-year period, and \$725 for a five-year period. Clearinghouse registrations must be revalidated once per year.

Sunrise Registration Periods and Trademark Claims Notifications

The Clearinghouse will support two programs designed to help trademark owners protect their marks in the new top-level domains: Sunrise registration periods and Trademark Claims notifications. A trademark owner must register its mark in the Clearinghouse in order to take advantage of these programs.

Sunrise Registration

Upon thirty-days' advance notice, a new gTLD operator will open a Sunrise registration period that will last at least thirty days. During that time, registrants with the Clearinghouse will have the opportunity to register their trademarks as second-level domain names in advance of the general public. For many companies, this will be a defensive registration, to prevent cybersquatters, competitors, or innocent parties from obtaining domain names that infringe or cause other problems. For example, a restaurant franchise may want to register its primary mark in the .restaurant or .food gTLD, and a wide variety of companies, especially those that have been targeted by abusive derogatory websites, may want to register defensively in the .sucks gTLD.

Trademark Claims Service

The Trademark Claims Service will operate in all new gTLDs, for the first ninety days of open registration (as opposed to Sunrise registration) after the launch of a new gTLD, as follows: If a third party applies to register a domain name that matches a trademark registered in the Clearinghouse, the gTLD operator must notify the applicant of the potential conflict. If the applicant nevertheless proceeds to register the domain name, the gTLD operator will then inform the trademark holder of the potentially infringing registration, who can oppose the domain name via established ICANN arbitration procedures or in court.

Brand owners can register for both the Sunrise and Trademark Claims Services when submitting a trademark to the Clearinghouse. In order to qualify for Sunrise Service registrations, the brand owner must include a signed declaration of use and proof of use of the mark (such as labels, tags, or containers, for trademarks, or advertising materials, for service marks).

During the Clearinghouse registration process, software will automatically generate a list of variations (e.g., hyphenation, underscoring) on the mark being registered, as matching potential domain names that will be linked to the mark's record. These are the domain names to which the Sunrise and Trademark Claims mechanisms will be tied. Brand owners who have acquired infringing domain names through a UDRP or court proceeding will be able to add those domain names to their Clearinghouse trademark records as well.

Additional Developments

URS

Although the Trademark Claims Service will alert brand owners to the registration of potentially infringing domain names, the Clearinghouse will not block such registrations from proceeding. Accordingly, brand owners will still need to utilize other enforcement mechanisms in order to challenge second-level domain names registered under new gTLDs, including the new Uniform Rapid Suspension System (URS). The URS complements the existing Uniform Domain-Name Dispute Resolution Policy (UDRP) by offering a cost-effective, expedited procedure for rights holders experiencing clear cases of infringement. A URS complainant must assert and prove, by clear and convincing evidence, that a registered domain name is identical or confusingly similar to a word mark owned by the complainant. When filing a URS complaint, the complainant's obligation to prove that its mark is in use can be satisfied by demonstrating that evidence of use was submitted to and validated by the Trademark Clearinghouse. The sole remedy available to a complainant in a URS proceeding will be limited to suspension of the infringing domain name for the remainder of the registration period. This is unlike a UDRP proceeding, where an infringing domain name is either cancelled or assigned to the complainant.

Initial gTLD Evaluation Results

Evaluation panels hired by ICANN have been processing the more than 1900 gTLD applications since July 2012. ICANN is releasing initial evaluation results on a weekly basis, in increments of 30 per week, and may later begin publishing as many as 100 results per week. ICANN anticipates having initial evaluation results for all applications published by the end of August 2013. Applications that pass their initial evaluation and do not face any objections will be eligible to proceed to contracting.

Objection Filing Period



The period for filing formal objections against newly applied-for gTLDs began on June 13, 2012 and ended on March 13, 2013. ICANN is supposed to publish a list of objections that require applicant responses in mid-April 2013. All objections received will now move through a dispute resolution process that will take approximately five months to resolve in most circumstances.

Next Steps

As the gTLD program progresses, brand owners need to remain aware of the mechanisms that are available to help them defend their trademarks against potential infringers. Recordation with the Trademark Clearinghouse will be an important first step for many brand owners in protecting their marks and, if desired, in registering their own second-level domain names under new gTLDs. Brand owners should strategically analyze their trademark portfolios to determine which marks may benefit from the services the Clearinghouse offers. In particular, brand owners should plan to submit any trademark for which they desire a Sunrise registration. Rights holders may also wish to monitor the gTLDs once they go live and consider utilizing the URS or other dispute resolution procedures to bring claims against domain name registrants or abusive registry operators.

Please consult a Gray Plant Mooty IP/trademark attorney if you have any questions about the gTLD program or would like to discuss filing your trademarks with the Clearinghouse. Attorneys in the firm's Intellectual Property, Technology & Privacy practice group are available to assist you in selecting which of your brands are most appropriate for registration and to effect that registration at competitive rates.

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