

# IP Alert: Brand Owners Must Consider Whether to Pay Hefty Fees to Preempt Grippers and Extortionists from Registering YOURBRAND.SUCKS

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## Brand Owners Must Consider Whether to Pay Hefty Fees to Preempt Grippers and Extortionists from Registering YOURBRAND.SUCKS

*Also facing March 31 Sunrise deadline for .ADULT and .PORN*

by Sheldon Klein

### .SUCKS

Make no mistake—the new generic top level domains (gTLDs) are big business. Witness Google's purchase last month, at auction, of the .APP gTLD for \$25 million. Nearly 550 new gTLDs have been delegated, with over 800 more still in the pipeline.

Vox Populi Registry Ltd., which paid \$3 million+ for the .SUCKS gTLD, completed its registry agreements with ICANN and announced a Sunrise Period of **March 30, 2015 to May 29, 2015** for registration of brands as defensive .SUCKS domain names. Think of . Sunrise registration is only for trademarks already recorded with the Trademark Clearinghouse (TMCH). A Claims Period, during which TMCH registrants will automatically be notified if others have registered their names in the .SUCKS domain, runs from June 1, 2015 to Aug. 30, 2015. After that, companies are on their own. Typically, a watch service would be employed to monitor concerning domain names and websites.

As we've previously reported both here and here, a brand must already be registered with the U.S. Patent and Trademark Office or the trademark office of another country in order to be recorded with the TMCH (unless it's a "court recognized" mark).

Vox Populi has set a suggested retail price (paid to domain name registrars such as CSC and Safenames) of \$2,499 **per year** for each Sunrise registration. While this is better than the originally contemplated fee of \$25,000, which prompted an outraged letter from former U.S. Senator Jay Rockefeller, it is still clearly extortionist. It lays bare Vox Populi's business model of getting the lion's share of its revenues from worried

brand owners—the true targets of the .SUCKS gTLD—notwithstanding the cynical use of Ralph Nader and Martin Luther King Jr. as pitchmen: <http://www.nic.sucks/>. Consumer advocates are supposed to be able to register .SUCKS domain names for as little as \$9.99 per year beginning in September. These "subsidized" \_\_\_\_\_.SUCKS names will resolve to a consumer advocacy website, "everything.sucks," that will, at no charge, host a customizable consumer forum page related to the particular domain name. Companies or their affiliates are not eligible to utilize this category.

Some brand advocates are hoping that trademark owners will boycott defensive Sunrise .SUCKS registrations, but many are bound to feel that it's safer to register, at least for the short term, until it is clear whether .SUCKS will become a significant gTLD destination for defamatory content.

As many brand owners have already discovered, one problem particular to this gTLD is that ICANN arbitrators under the UDRP (Uniform Dispute Resolution Policy) arbitration system often will not enjoin a "sucks" site that uses a brand in its domain name, such as , for purposes of comment and criticism. It is likely that the same problem will carry over to .SUCKS sites.

While \$2,499 is the suggested retail price, registrars can charge whatever mark-up they wish. One registrar has offered to register defensive .SUCKS domain names for existing clients for the heavily discounted retail price of \$2,024.

After Sunrise, a company could try to register its mark as a "Standard" domain name for \$249 SRP per year. However, if the mark has been registered in the TMCH (or, possibly, even if it hasn't), it is possible that Vox Populi will have designated it as a "Premium" or "Sunrise Premium" domain name, in which case registration will apparently cost as much as a Sunrise registration. The Sunrise Premium list will reportedly include names registered or blocked in other TLDs' Sunrise periods. So, it seems that a number of the approximately 35,000 marks that thus far have been registered with the TMCH (if they have also been registered in another gTLD's Sunrise period) will be Sunrise Premium names. There is also a "Domain Block" registration for \$199 SRP per year (you don't get the name but neither does anyone else), but this option is not available for "Premium" or "Sunrise Premium" domain names. Additionally, both of these options are subject to ordinary domain name first-come, first-served rules, so they are not recommended for trademark owners who are serious about preempting third party .SUCKS sites.

### **.PORN and .ADULT**

ICM Registry, the same folks that brought us .XXX, is in charge of the new .PORN and .ADULT gTLDs. The Sunrise Period for these gTLDs **ends March 31, 2015**, so brand owners should bear this in mind if they want to register defensively in these domains. ICM does not charge a premium for Sunrise Period registrations. Companies should be able to register their marks via their regular domain name registrar.



Should your company register defensive .SUCKS gTLDs? A number of factors require consideration. Please contact Sheldon Klein at [sheldon.klein@lathropgpm.com](mailto:sheldon.klein@lathropgpm.com) (202.295.2215) or your regular Gray Plant Mooty attorney contact if you would like more information about or assistance with this subject.

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