

ICANN PROPOSES UNLIMITED NEW TLDS

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Some months ago, the world press reported that the board of directors of ICANN (Internet Corporation for Assigned Names and Numbers), a not-for-profit California corporation created by the United States Department of Commerce to provide technical and policy oversight and management of the domain name system (often incorrectly referred to as the 'government' of the Internet), had approved a process for introducing an unlimited number of new top level domains (TLDs) into the domain name system (DNS).

There are currently 22 general top level domains (gTLDs) under the auspices of ICANN, including the most well-known .com, .net and .org. There are also approximately 250 country code TLDs (ccTLDs), such as .ca and .us, which are generally under the management of the pertinent national group and/or government.

In the DNS environment of fewer than 300 TLDs and only 22 gTLDs, there has been a significant amount of cybersquatting and other forms of cybercrime. Some of those responsible are extremely clever and are excellent at hiding in the 'electronic woods'. The Internet affords cover to the skilful technical expert, who can move from site to site and TLD to TLD in milliseconds, using such techniques as botnets and fastflux when carrying out unethical or illegal activities that range from taking unfair advantage of well-known marks to out-and-out criminal activity such as identity theft or worse.

Among those that have expressed considerable concern about the impact of a DNS of hundreds, if not thousands, of TLDs are brand owners and members of the intellectual property community concerned about the implications for trademarks. In the current DNS, many owners of well-known marks are faced with dozens if not hundreds of legal actions, UDRP (Uniform Domain-Name Dispute Resolution Policy) cases and numerous other efforts to settle disputes involving domain names.

In one way or another, these disputes negatively affect the rights enjoyed by the brand owners in their trademark(s). In addition to the very large number of legal disputes they must prosecute in order to protect their marks, many are forced to keep huge stables of defensive domain names so that others cannot have them. Some major companies own, and maintain through annual payments, 20,000 to 30,000 defensive domain name registrations.

The reasonable concern of these trademark owners is that if there are hundreds or thousands of new TLDs, the potential for cybersquatting or the need to obtain and hold defensive registrations could reach levels that are extremely high and that carry serious financial and administrative consequences.

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In addition, while often overlooked in discussions about the dangers to trademarks in the DNS environment now and as envisioned for the future, one of the real victims is the public. The misuse of domain names defrauds members of the public. They are directed to sites under false pretences, they purchase goods that are different from those that they want, and they are the victims of other fraudulent behaviour based on the misuse or misappropriation of trademarks. In an environment that is unchecked and unpoliced, the potential for damage to the public and to well-known brands and their owners is very grave.

In recognition of this clear and present danger, the ICANN board at its March 2009 meeting in Mexico City approved the creation of a committee of experts to consider the overarching trademark problems created by the introduction of an unlimited number of new gTLDs. The committee, called the IRT, is comprised of an international group of recognised experts in the fields of trademarks and domain names with considerable experience and understanding of the DNS, ICANN and the UDRP. The experts include the author Jonathan Cohen, the only member from Canada.

The IRT presented a set of recommendations to the ICANN board in Australia in June, 2009. The recommendations of the IRT can be viewed at: <http://www.icann.org/en/topics/new-gtlds/irt-final-report-trademark-protection-29may09-en.pdf>

We urge readers to read and actively support the recommendations by writing to the ICANN board and to notify clients about the impending changes in the DNS. The board is expected to make a decision on the recommendations at its meeting in Korea in October; therefore, voices in support should be heard soon.

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