

## Expansion of Generic Top-Level Domains

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At a meeting in Paris in June, the Internet Corporation for Assigned Names and Numbers (ICANN) authorized its staff to move forward with the development of requirements, procedures and policies for the introduction of new domain name extensions. ICANN is responsible for the global coordination of unique identifiers on the Internet (such as the extensions *.com*, *.org*, and *.net*). In 2000 and 2003, when ICANN previously introduced new extensions, the number of extensions designated to be approved were pre-determined; in 2000, seven extensions were approved, and in 2003, six were approved. Current research by ICANN has determined that up to 5,000 new extensions could be introduced without affecting the stability or security of the Internet and that the introduction of thousands of extensions will promote competition among registry sources and provide geographical and service-provider diversity. The stated aim of the new expansion is, "to encourage and foster creativity, innovation, consumer choice, and competition in the domain name space."

The types of new extensions that are expected are: vanity extensions (*.icann*), generic extensions (*.movie*), and geographic extensions (*.paris*). Additionally, new top-level domains may include internationalized domain names (IDNs). IDNs include characters from non-Latin languages such as Arabic, Hebrew and Chinese. Currently, IDNs are only available as second level domains.

The ICANN staff will now begin developing procedures for the application process. It is expected that a first draft of a request for proposals will be issued during fourth quarter 2008, with a final request for proposals to be issued sometime in second quarter 2009, after public comment on the first draft. Any public or private entity that can demonstrate the organizational, operational, technical and financial capability of running a top-level domain will be encouraged to apply.

The application process is expected to last at least 45 days, and information on the applications will be posted on ICANN's website. Initially, ICANN will review the applicant's capability of organizing and operating the proposed gTLD, as well as verify that the proposed gTLD is not a reserved name or existing top-level domain, is not likely to be confused with other gTLDs, and will not lead to technical instability in the domain name system (DNS).

An objection period will follow the evaluation stage. Several grounds for objections have already been identified, including the possibility for confusion between a proposed gTLD and an existing gTLD, infringement of intellectual property or other preexisting rights, and "morality and public order" and community-based objections (such as those of geographically-based communities, indigenous peoples, and religious organizations). In instances where two or more applicants apply for identical or similar gTLDs and have passed the evaluation stage, the applicants will be informed of the potential conflict and given time to resolve it. In such situations where the parties cannot mutually resolve a conflict over a gTLD, other solutions are currently being considered, including comparative evaluations or auctioning off the gTLD in question.

Obviously, the expansion of gTLDs will present both opportunities and hazards for intellectual property (IP) owners. For those business owners with the largest IP portfolios, owning their own gTLD will allow them to establish their own "internet territory," enabling them to decrease the cyber squatting, fraud and intellectual property infringement they may currently battle.

For almost all other IP owners, however, the gTLD expansion will bring about the need for more defensive strategies; for example, it will become important to monitor all new gTLD applications not only for direct infringement, but also to ensure that opportunities are not lost (for example, if a gTLD is established in an early round, others may lose the opportunity to register a similar one at a later time).



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The ability for companies to obtain extensions that relate to their products and brands is important, therefore, business owners should follow ICANN's development process to assure that they act promptly when the finalized procedures for application are announced.

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