

ICANN Plans for gTLD Expansion Will Impact Brand Owners

October 29, 2008

Last week ICANN released more information about its plans to introduce new gTLDs as explained below. Many of our clients have asked about the opportunities and challenges posed by these plans. We hope this alert is helpful to you as you consider how these developments may affect your interests on the Internet.

In June 2008, the ICANN Board approved a recommendation to introduce a new range of gTLDs to the Internet's addressing system. On October 22 and 24, the ICANN Board released for comment its gTLD Draft Applicant Guidebook and related documentation.

Many new address extensions will be available as early as 2009. Proposed new gTLDs include industry-centric TLDs (such as the previously introduced .travel, etc.), city-centric TLDs (such as .nyc, .paris and .chicago) and gTLDs based on brand names. Additionally, the new TLDs will support extensions in languages that use characters outside of the Roman alphabet. Initial application fees for the new gTLDs are expected to be \$185,000, and ICANN is considering an auction system to resolve conflicts between applicants.

The introduction of new gTLDs will present significant challenges and opportunities for trademark holders. New TLDs present the need for many trademark holders, particularly owners of famous marks, to engage in defensive registrations to preempt cybersquatters. The new address extensions themselves potentially may be confusingly similar to a trademark, or similar to existing address extensions, requiring a careful distribution process



to avoid potential problems. The availability of new gTLDs also presents opportunities for businesses to obtain gTLDs based on the name of their brand or product category.

Some of the key documents released last week can be found at the following links at the ICANN site:

New gTLD webpage

<u>Summary - Principles, Recommendations & Implementation Guidelines</u>

Draft Applicant Guidebook

Anticipated Time Line

Protecting Rights of Others in New gTLDs

Cost Considerations

Diagram of Process

Please contact your attorney at Pattishall, McAuliffe for more information on the strategies and issues to defend your brand during this process. www.pattishall.com