

Legal Update

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Protecting Trademarks From Registration On The New .XXX Domain

By Glenn A. Rice

“Sex sells” the old advertising adage tells us. But try telling that to brand owners who now face the threat that their valuable trademarks may be registered as domains on the Internet’s soon-to-be-launched “red light” district. Just consider the potential impact on your business if an online adult entertainment provider were to register YourBrand.XXX and, further, if customers trying to find you on the Internet were instead directed to a web site offering pornography.

Indeed, so controversial and polarizing was the idea of a new .XXX top-level domain that the Internet Corporation for Assigned Names and Numbers (ICANN) had rejected it three times previously. Opposition came not only from brand owners, but also from within the adult entertainment industry itself. Earlier this year, however, ICANN finally approved the creation of the .XXX top-level domain specifically intended for the online adult entertainment industry.

While the company responsible for operating the new .XXX registry touts the new top-level domain as promoting a responsible approach to adult content on the Internet, many brand owners remain justifiably concerned about protecting their trademarks from registration as .XXX domains and the potential damage to business reputation and goodwill that would be caused by an unwanted and improper association with online pornography and the adult entertainment industry. The good news is that concerned brand owners can take proactive steps to protect their valuable trademarks from such risks.

As with the roll-out of many other top level domains, the launch of the new .XXX domain will occur in stages. The first phase of the .XXX top level domain roll-out consists of a “sunset” period. Members of the online adult entertainment industry have through October 28, 2011 – “Sunset A” – to apply through an accredited registrar for .XXX domains that correspond to their trademarks registered prior to September 1, 2011 or already existing top-level domains that were registered on or before February 1, 2010.

Brand owners outside of the adult industry have through October 28, 2011 – “Sunset B” – to apply through an accredited registrar to reserve and block .XXX domains corresponding to trademarks they have registered with the U.S. Patent and Trademark Office or a foreign country prior to September 1, 2011. Brand owners will not “own” the .XXX domains they successfully block, and no record will be created identifying brand owners with blocked domains in the WHOIS domain registration database. A blocked domain will resolve to a standardized web page that indicates the .XXX domain is reserved and not available for registration.

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From November 8 to November 25, 2011 – the “Landrush” phase – members of the adult entertainment industry can apply to register any still-available .XXX domains without any pre-existing trademark or domain rights. Next, on December 6, 2011, the “General Availability” phase will begin, when anyone will be able to apply for .XXX domains on a first-come, first-served basis.

For owners of valuable brand names, the roll-out of .XXX domains is another instance where an ounce of prevention can be worth a pound of cure. Compared to the expense of litigation or arbitration, the cost of proactively blocking or registering .XXX domains is a small investment to help secure one’s trademark rights and peace of mind. Brand owners should therefore take advantage of the Sunrise B period and reserve and block .XXX domains that match their registered trademarks of concern by October 28, 2011. Further, brand owners would be wise to pre-emptively register .XXX domains for their unregistered trademarks (or registered trademarks combined with additional terms) during the “General Availability” period that starts on December 6, 2011. FVLD is available to assist clients with the process of blocking and registering .XXX domains.

FVLD publishes updates on legal issues and summaries of legal topics for its clients and friends. They are merely informational and do not constitute legal advice. We welcome comments or questions. If we can be of assistance, please call or write Glenn Rice 312.701.6895 grice@fvldlaw.com, or your regular FVLD contact.

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