

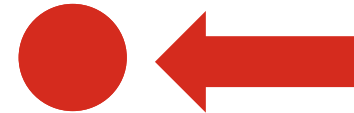
Brands as Electronic Signposts: Domain Name Strategies

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June 15, 2018

What is a Domain Name? E.g., Dentons.com

- User friendly reference (address) to a resource on the internet
- ICANN (Internet Corporation for Assigned Names and Numbers)
- What are the main ingredients?
- After the dot (to the right of the dot)
 - Top level domain
 - Generic TLD (gTLD)
 - .com, .net, .org
 - .xyz, .name, .info, .biz
 - .sucks, .xxx
 - Country code domain (ccTLD)
 - Internationalized ccTLD (IDN)
 - .中国 with variant .中國 (for mainland China)
 - .рф (for Russia)
- Before the dot (to the left of the dot)
 - Second level domain



Registration and Maintenance of Domain Names

- Basics
- What to register?
 - Key brands, trademarks, company names
 - Key TLDs
- Where to register?
 - Choice of Registrars, e.g.,
 - Verisign / Network Solutions
 - GoDaddy
- Who to manage?
 - Web host
 - Online agency
 - Vendor, e.g., CSC

.com

.net

.org

.edu

.gov

Registration Strategies

- How to decide which domain names to register?
 - Easy to remember, catchy
 - Advertising goals
 - Capture your key brands, trademarks, company names
 - Block cybersquatters, critics, random fans
- In every gTLD, ccTLD, IDN?
- Number can rise exponentially
- Costly to manage, pay fees
- How long to maintain?



Worst Domain Names - Round 1

- Think about the name without spaces
- Domain names no longer in use:
 - Ihavegas.com - IHA Vegas Holiday Rentals
 - Auctionshit.com - Auctions Hit
 - Kidsexchange.net - Kids Exchange

Ownership

- Domain name is owned by the owner identified in WHOIS record
 - Registrars require true information about ownership
 - But many owner names are inaccurate
 - Control over vendor who fills out the WHOIS information
- Access to domain name controlled by owner identified in WHOIS record
 - Owner creates access credentials with registrar
 - Owner should obtain credentials from employee or vendor who sets up account
 - Many disputes over ownership and access
 - Between brand owner that engaged a vendor, and former vendor
 - Between company and former employee



Strategic Acquisitions

- "Newbrand" cleared: now you want the domain name Newbrand.com
- How to acquire ownership from existing registrant?
 - Anonymous offer services, e.g., Network Solutions Certified Offer
 - Broker services, e.g., GoDaddy Domain Buy Service, Marksmen
 - Direct offer (through your attorney)
- How to acquire ownership when current owner's term expires?
 - Snapback or Backorder services
 - Tip to domain name owners: autorenew
- How to value a domain name?
 - Expert appraisal
 - Online appraisal
 - Comparables
 - More \$\$ for short, easy to spell and remember second level domain + .com



Effecting Transfers of Domain Names

- Contracts for purchase/sale of domain names
 - Document sale terms
 - Reps and warranties
 - Obligation to take appropriate steps to transfer
 - Wind down period
 - Transition period
- Key: follow steps required by registrar
 - Often seller puts domain name at issue in separate account
 - Gives buyer access credentials
 - Buyer accesses account and changes credentials
 - Buyer then can update WHOIS record showing buyer as owner



Domain Name Due Diligence in M&A, Financings

- Seller should provide comprehensive list of domain names it owns
 - No resource where buyer can look up all domain names of a registrant
 - Buyer can check WHOIS record for each domain name individually
 - Check registrant name, status, renewal dates
 - Confirm seller has access credentials
 - Check for trademark filings
 - Check for UDRP, ACPA or trademark infringement proceedings
- Security interests in domain names
 - Registrars don't have mechanism for security interests
 - General intangible, UCC-1 filing
- Risks
 - Seller is not owner or doesn't control the domain names
 - Seller does not own the trademark, and trademark owner may challenge
 - Cybersquatting, typosquatting, spoofing, etc.

Worst Domain Names - Round 2

- Domain names in use:
 - Speedofart.com - Speed of Art [art portfolio]
 - Choosespain.net - Choose Spain [Spanish-original products]
 - Whorepresents.com - Who Represents [celebrity agents]

Policing Domain Names

- Keep an eye on new domain names
 - Trademark vendors provide watch services
- Evaluate domain name and any website use for cybersquatting, trademark infringement
 - Privacy shield on WHOIS information may limit evaluation
- Demand letters for cease & desist
- GDPR Wrinkle:
 - Personal Data in WHOIS records may not be disclosed without consent
 - Effectively places WHOIS information under privacy shield
 - Effort to address between EU regulators and ICANN collapsed, ongoing
 - Subpoenas to obtain ownership information





UNITED STATES DEPARTMENT OF COMMERCE
The Assistant Secretary for Communications
and Information
Washington, D.C. 20230

APR 16 2018

Mr. Cherine Chalaby
Chair, ICANN Board of Directors
Internet Corporation for Assigned Names and Numbers (ICANN)
12025 Waterfront Drive, Suite 300
Los Angeles, CA 90094-2536, USA

Dear Chairman Chalaby:

NTIA continues to be strong supporter of the multistakeholder approach to Internet governance. As the U.S. Government's representative to ICANN's Governmental Advisory Committee (GAC), we actively engage in debates and discussions to meet our shared objective of preserving the stability and security of the Internet's domain name system. With that in mind, I am writing to request that ICANN look into two issues related to ICANN accredited registrars.

First, the actions taken by GoDaddy last month to throttle Port 43 access and to mask the information in certain WHOIS fields are of grave concern for NTIA given the U.S. Government's interest in maintaining a WHOIS service that is quickly accessible for legitimate purposes. NTIA is concerned that GoDaddy's approach of throttling access and masking information will be replicated by other registrars and registries, compounding the problems these actions create.

While NTIA is sympathetic to the need to protect customers from bad actors and malicious activity, we think that the actions taken by GoDaddy are inconsistent with the multistakeholder approach of ICANN and potentially conflict with ICANN's Registrar Accreditation Agreement.¹ NTIA encourages you to investigate the actions of GoDaddy as a contractual compliance matter, but also consider an ICANN cross-community discussion on the issue. Such conversation could result in a solution that addresses GoDaddy concerns, while still meeting the needs of the legitimate users of Port 43.

Second, in the current configuration of the DNS marketplace, an ICANN accredited registrar is the single entry point for making modifications to domain name resource records. With the growing sophistication of domain names registrants and third party content delivery networks seeking to offer enhanced security features, including deploying DNSSEC, NTIA sees merit in examining the roles other parties could play. One example is the feasibility and impact of allowing non-ICANN accredited registrars to offer services that manage specific DNS resource records, such as MX or NS records, directly with a registry. NTIA encourages the ICANN Board to request the Security Stability Advisory Committee explore the matter.

¹ See: Section 3.3 Public Access to Data on Registered Names, at <http://www.icann.org/resources/pages/approved-with-specs-2013-09-17-en#raa>.

Thank you for your consideration of these issues. Please feel free to contact Fiona Alexander, Associate Administrator for NTIA's Office of International Affairs, at (202) 482 - 1866 if you have any questions.

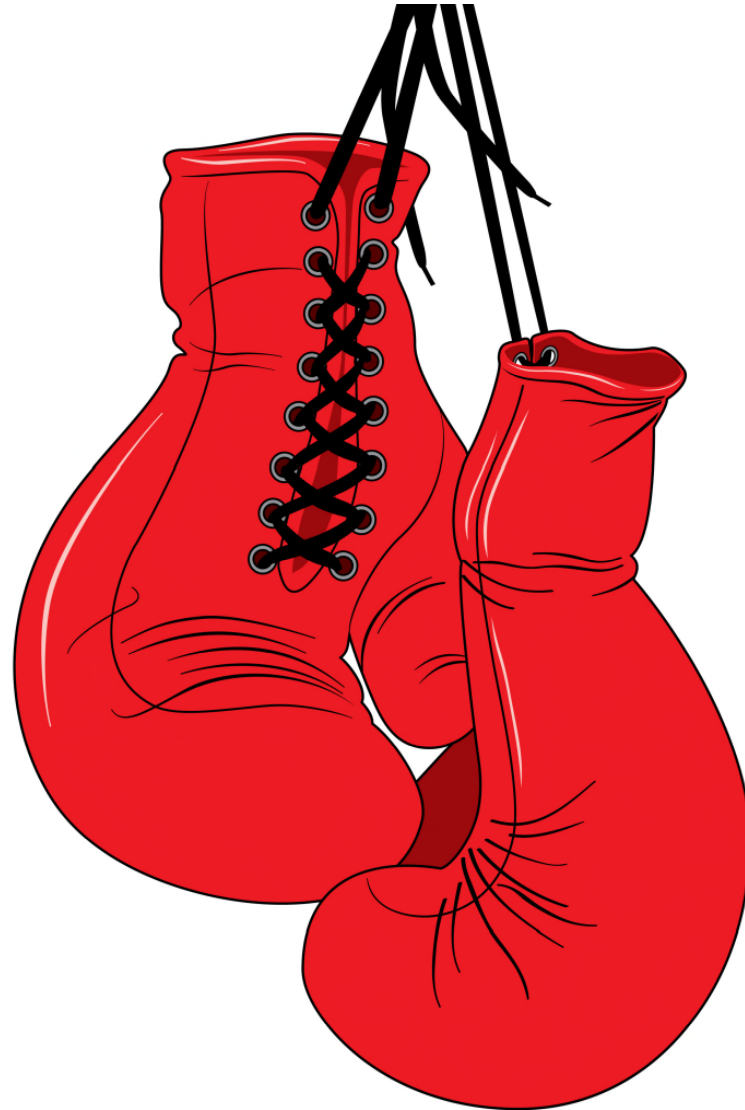
Sincerely,

David J. Redl

Cc: Göran Marby, CEO and President, ICANN

Domain Name Disputes

- UDRP vs. ACPA



Uniform Domain-Name Dispute-Resolution Policy (UDRP)

- Brought to you by ICANN, via WIPO (World Intellectual Property Organization) Arbitration and Mediation Service
- Complainant must show the following three elements of cybersquatting:
 - the domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and
 - the domain name registrant has no rights or legitimate interests in respect of the domain name; and
 - the domain name was registered and is used in bad faith
- Online procedure; complaint and response, with exhibits
- No reply, no examination of witnesses, no live testimony, no monetary award
- Decided by panel of one or three panelists selected from a pool (I am a panelist)

WIPO
WORLD INTELLECTUAL PROPERTY ORGANIZATION



UDRP (continued)

- Possible relief for complainant: transfer or cancel domain name
- Decisions issued within about a month
- Lower cost: \$1,500 (one panelist); \$4,000 (three panelists)
- Decision may be appealed to federal court within 10 days
- 85% or more UDRP cases decided for complainant
 - Includes many cases where respondent defaults
 - Even with default, complainant must establish elements
- Reverse domain name hijacking
 - Trademark owner asserts cybersquatting in bad faith
 - Relief: Panel rules RDNH took place
 - To protect domain name owners with legitimate rights

UDRP

ccTLD Dispute Resolution Services

- Around 75 ccTLDs have adopted the UDRP
 - E.g., .eu (European Union), .mx (Mexico), .br (Brazil)
- Others have adopted their own dispute resolution policies and procedures, some of which may be based on some of the UDRP concepts
 - .uk (United Kingdom) - Nominet registry uses its Dispute Resolution Service (DRS) (*note: includes an appeal process*)
 - .ca (Canada) - Canadian Internet Registration Authority (CIRA) uses the CIRA Dispute Resolution Policy (CDRP) (*note: Canadian Presence Requirements*)
 - .cn (China) - China Internet Network Information Center (CNNIC) uses the China Dispute Resolution Policy (CDRP) (*note: two year time limit from registration of target domain name to bring proceeding under CDRP*)

Anti-Cybersquatting Consumer Protection Act (ACPA), 15 U.S.C. Section 1125(d)



- US federal law under the Lanham Act (Trademark Law)
- A domain name registrant is liable to a trademark owner if -
 - The registrant has a bad faith intent to profit from use of the mark or personal name, and
 - Registers, traffics in or uses a domain name
 - Trafficking includes sales, purchases, loans, pledges, licenses, exchanges of currency, and any other transfer for consideration or receipt in exchange for consideration.
 - That is identical or confusingly similar to a protectable mark
 - No bad faith or reasonable belief that use was fair use or otherwise lawful
- Relief for plaintiff: forfeiture, cancelation or transfer of domain name, plus other trademark remedies such as injunctions and damages

ACPA (continued)

- Statutory damages \$1,000 - \$100,000 per domain name, as the court deems just, 15 U.S.C. section 1117(d)
- *In rem* civil action against a domain name is available if no personal jurisdiction over the defendant
 - Relief limited to forfeiture, cancelation or transfer, 15 U.S.C. § 1125(d)(2)(D)

Comparing ACPA to UDRP

- Federal court procedures: complaint, answer, reply, counterclaims, discovery, motions
- Often brought with trademark infringement counts
- Trial with live testimony
- Power of courts
- Longer to resolution than UDRP
- Litigation is more costly than UDRP

- Trademark owners in the US file approximately
 - 80-100 federal court complaints with ACPA counts annually since 2015
 - 25 based on *in rem* jurisdiction
 - 850-920 UDRP complaints annually since 2015

Future of Domain Names

- Losing their luster?
 - Too many domain names
 - ICANN governance
 - Rise of social media
 - Use of apps
 - New technologies that will connect us with information and resources



Worst Domain Names - Final Round

- Domain names in use:
 - Gotahoenorth.com - Go Tahoe North [North Lake Tahoe]
 - Childrenswear.co.uk - Children's Wear

Thank you



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