

Trademark Owners Will Have 50 Days to Block Infringement in .XXX Domain

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The long-anticipated launch of a dedicated .xxx domain for the adult entertainment industry is drawing near, and trademark owners will have the opportunity to take simple measures during a 50-day sunrise period to prevent misuse of their most important brands. ICM Registry has announced **September 7** as the opening date for initial domain name registrations and reservations in the .xxx-sponsored, generic top level domain (sTLD).^[1] The .xxx domains are scheduled to go live later this year. For brand owners who are concerned with their brands becoming associated with adult-oriented content, the sunrise period will mark the start of the opportunity to defensively block their marks in the new .xxx domain space.

The 50-day “sunrise” period will run from **September 7 to October 28**. During this time, the “Sunrise A” category will be open to verified members of the adult entertainment industry seeking registration of domain names who: (a) possess verifiable trademark rights, or (b) own exact matching domain names in other TLDs. At the same time, “Sunrise B” will allow brand owners who are not members of the adult entertainment community to preemptively block .xxx domain names corresponding to their registered marks for at least the length of the ten-year contract term between ICM and ICANN. A reserved name will resolve to a standard informational page indicating the status of the name as reserved through ICM’s intellectual property program; the reservation will not result in ownership of the corresponding domain name. Reserving parties will be charged a one-time fee, expected to be about \$200.

During Sunrise B, ICM-approved registrars will accept reservation requests only for .xxx domain names corresponding to the entire text of a registered trademark. For the purpose of Sunrise B eligibility, a qualified registered trademark must be a live trademark registration of national or regional international effect that is issued prior to September 1, 2011. Eligible marks do not include federal registrations on the U.S. Supplemental Register; state registrations; trade names; or International Registrations obtained under the Madrid system, unless these are based on or have resulted in a registered trademark of national effect.

At the close of the sunrise period, if no conflicting application by a Sunrise A applicant has been made, the name will be blocked from registration. If both Sunrise A and Sunrise B applicants have applied for the same domain name, the Sunrise A applicant will be given the opportunity to withdraw its application. If it does not, priority will be given to the qualified Sunrise A applicant to register the domain name, and the Sunrise B brand owner applicant may later institute appropriate procedures to stop use of the name.

A two week "landrush" period for registration of .xxx domains at premium pricing levels will open on November 8 to members of the adult entertainment industry who did not qualify during Sunrise A; this period will conclude with a closed auction for competing applications. There will not be a corresponding reservation process for brand owners during this period.

Finally, approved registrars will open general first-come, first-served domain reservation starting on December 6 to members of the adult entertainment industry. Brand owners (regardless of qualifications such as qualifying registrations) who are not members of the adult entertainment community may submit an application to register a non-resolving domain name in the .xxx's TLD during general registration. Queries on these domain names will return a non-existent or non-resolvable result.

ICM has not yet publicized specific details of post-registration .xxx dispute resolution procedures. ICM has announced, however, that the procedures likely will include a 48-hour take-down procedure for obvious infringements, and that it expects that the cost of various dispute procedures to be between \$750 and \$1,500. Thus, reserving a domain name during Sunrise B or registering during the landrush period will almost certainly be less expensive and provide more certainty than waiting to file a dispute resolution procedure.

Brand owners are advised to determine if they may be eligible to take advantage of the Sunrise B defensive reservations, and to submit applications from September 7 to October 28. Owners of non-eligible marks should consider submitting registration applications for non-resolving names once general registration opens on December 6. Brand owners also should ensure that their domain monitoring services are covering the .xxx domain space to watch for potentially infringing uses.

[1] This launch is unrelated to the launch of new gTLDs discussed in our alert of June 20, 2011 (<http://www.wileyrein.com/publications.cfm?sp=articles&id=7171>).