

How to Keep One's Registered Trademark from Becoming a .XXX Domain Name

BY ROBERT L. SHERMAN & BRADFORD E. YOUNG

After years of consideration, the Internet Corporation for Assigned Names and Numbers ("ICANN") has approved the use of the .XXX top level domain ("TLD") for adult entertainment websites. However, not all companies and individuals want to be associated with the content likely to be displayed on websites bearing the .XXX TLD. Such websites are scheduled to become operative in December 2011, but owners of registered trademarks and service marks are able to take preventive measures as early as September 7, 2011 to avoid having their marks used in connection with .XXX websites.

The Effect and Timing of .XXX

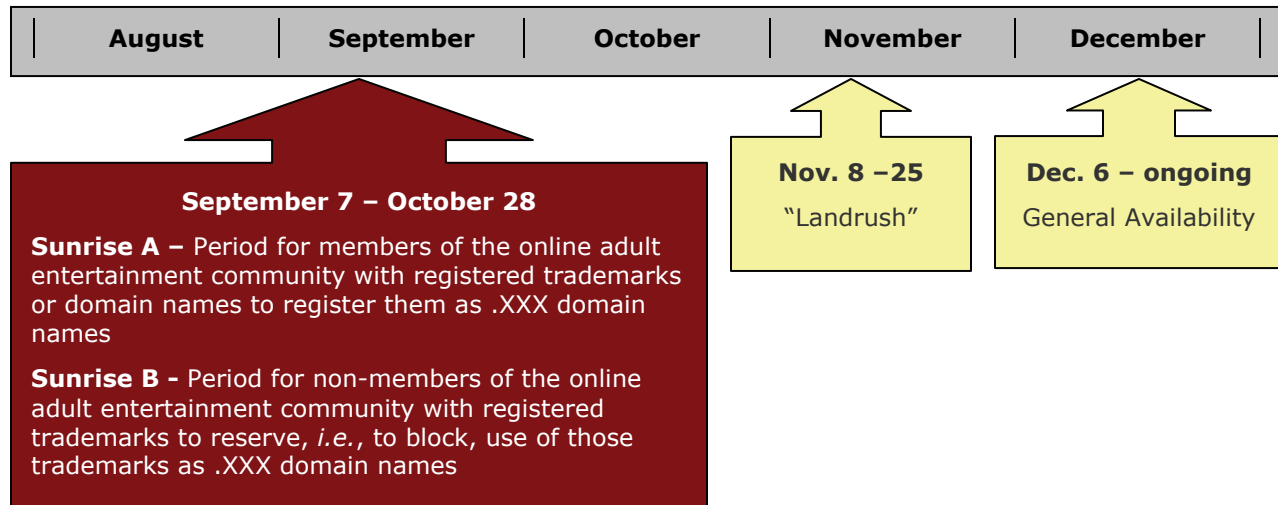
Who May Register and Reserve .XXX Domain Names

The .XXX TLD is a sponsored TLD, with the sponsoring community consisting of those who provide online adult entertainment as well as their representatives and suppliers.¹ Quite naturally, they are the ones likely to be interested in *registering* .XXX domain names. In addition, however, ICANN and the controlling registry recognize that there are those that want to assure that their registered trademarks and service marks are not used in connection with the .XXX TLD. A blocking mechanism has been created for that purpose. It allows an owner of a registered mark to *reserve* a domain name corresponding to its mark, thereby preventing others from registering that mark as a .XXX domain name. Please note, however, that such a reservation does not necessarily prevent another's use of a domain name that includes but is not limited to the trademark owner's exact registered mark. See below for additional actions that may be taken post-launch.

Timeline of Events Leading Up to Launch of .XXX Domain Names

Domain names utilizing the .XXX TLD are expected to become operational before the end of 2011. However, as early as September 7, 2011, protective measures may be taken by owners of registered trademarks and service marks to prevent their misuse.

Below is a 2011 timeline of the key dates relating to the registration and reservation of .XXX domain names:



Steps That May be Taken by the Owner of a Registered Mark to Prevent Its Improper Use

Actions Available Prior to the Launch of .XXX Domain Names

Under the terms of the controlling registry's .XXX TLD protocols, an owner of a registered trademark or service mark has from **September 7 to October 28, 2011** to prevent others from registering a .XXX domain name that matches the owner's registered mark.² That time period, which is referred to as "Sunrise B," runs concurrently with "Sunrise A," the time period during which members of the online adult entertainment community may register certain .XXX domain names.³

In order to prevent registration by another of a .XXX domain name that consists of a trademark owner's registered mark, during Sunrise B the trademark owner may cause to be filed a "Reservation Request" for each domain name sought to be blocked.⁴ Following acceptance of a Reservation Request, the domain name will be reserved. Any attempt to visit a website at a reserved domain name will result in the Internet user's arrival at a standard informational page indicating the status of that domain name as "reserved," *i.e.*, not available for registration.⁵ The publicly available WHOIS information for a reserved domain name will refer only to the .XXX registry, and will not identify the Sunrise B applicant that filed the Reservation Request.⁶

Because the .XXX TLD is sponsored by members of the online adult entertainment community, when a member of that community applies for a .XXX domain name during or before Sunrise A and owns either (1) a valid trademark registration that issued prior to September 1, 2011 for the mark to be used as the .XXX domain name and that mark is in use for the identified goods and/or services in the jurisdiction where the registration issued or (2) an actively used, corresponding domain name that issued prior to February 1, 2010,⁷ the .XXX domain name will be issued to the adult entertainment community member applicant despite the fact that a Reservation Request may have been submitted during Sunrise B.⁸ In those circumstances, the registry will notify all applicants of the identities of those that either filed a Reservation Request or that applied to register the domain name.⁹ If the person seeking to register the domain name elects to proceed, "such Applicant will be deemed on

notice of the intellectual property claims submitted by the other Sunrise Applicant(s) and may not claim lack of notice with regard to such Applicant(s) in any subsequent dispute proceeding.”¹⁰

Requirements for Filing a Reservation Request During Sunrise B

An applicant that elects to file a Reservation Request must include the details relating to the trademark registration upon which the Reservation Request is based, including facts sufficient to demonstrate that the trademark registration is in full force and effect, is of national or regional international scope, and was issued prior to September 1, 2011.¹¹

An applicant’s Reservation Request must correspond exactly to the entire textual component of its registered trademark, provided that such textual component is not disclaimed in whole or in part, or otherwise excluded from the rights conferred by the registration.¹² Thus, it appears that during Sunrise B one cannot reserve a domain name that adds words to or subtracts words from one’s registered mark. Registration of a mark that includes “.XXX” as part of the textual component of the mark does not qualify as the basis for a Reservation Request.¹³ Note: a Reservation Request may not be based on a pending trademark application, a registration on the Supplemental Register, a cancelled trademark registration, a state trademark registration or unregistered or common law trademark rights.¹⁴

If a registered mark that is the basis of a Reservation Request contains special characters, such as @, & or !, those characters may be deleted, transcribed or replaced with a hyphen.¹⁵ Similarly, references in a registered mark to “TM” or an entity identifier such as “INC.” or “LLP” may be eliminated.¹⁶

Reservation Requests for .XXX domain names may be submitted only by a domain name registrar that is accredited by ICANN and that has entered into an agreement with the controlling registry authorizing the filing of such requests.¹⁷ A list of such registrars may be found at www.icmregistry.com/registrars/. The filing fee for a Reservation Request varies by registrar, but generally is between \$200 and \$250. Once accepted, a Reservation Request is permanent, with no additional fees required,¹⁸ although it remains subject to the right of the registry periodically to verify that the underlying trademark registration remains in full force and effect.¹⁹ If, during Sunrise B, more than one applicant files a Reservation Request for the identical .XXX domain name, no refund or apportionment of the applicants’ filing fees will be made.²⁰

Actions Available Post-Launch of .XXX Domain Names

If a trademark owner that is not a member of the adult entertainment community does not file a Reservation Request during Sunrise B, it still may attempt to block others from registering a .XXX domain name containing its registered trademark by filing an application for a “non-resolving” name (*i.e.*, one that results in the display of an informational page indicating that the domain name is not available for registration) once the Landrush Period²¹ has expired and the General Availability Period²² has begun.²³ Such “non-resolving” domain names are not limited to registered trademarks. For example, they may be names that add words to or subtract words from registered marks. Indeed, during the General Availability period, a non-member of the online adult entertainment community may apply to register any “non-resolving” domain name in which it has a legitimate interest (including those that do not have words in common with its registered marks). The General Availability Period currently is scheduled to commence on December 6, 2011.²⁴

In addition to the new policies implemented by ICANN and the controlling registry specifically addressing issues relating to .XXX domain names, the existing Uniform Dispute Resolution Policy also

is available to resolve disputes regarding use and ownership of .XXX domain names.²⁵ Additionally, all .XXX TLD registrants must agree to participate in and be bound by ICANN's Rapid Evaluation Service, a new dispute management service "intended to provide a prompt remedy to address a limited class of situations involving a clear abuse of (i) well-known, distinctive trade or service marks of significant commercial value; or (ii) personal or professional names of individuals."²⁶ Details of the rules, procedures and fees for the Rapid Evaluation Service are scheduled to be published by September 7, 2011, with the fees for the service expected to be \$750 - \$1,500.²⁷

Conclusion

The owner of a registered trademark or service mark should consult with trademark counsel to determine whether to reserve, *i.e.*, attempt to block, the use by another of its mark as part of a .XXX domain name.



If you have any questions concerning these developing issues, please do not hesitate to contact any of the following Paul Hastings New York lawyers:

Robert L. Sherman
1.212.318.6037
robertsherman@paulhastings.com

Bradford E. Young
1.212.318.6549
bradfordyoung@paulhastings.com

Natalie G. Furman
1.212.318.6754
nataliefurman@paulhastings.com

¹ .XXX Launch Plan and Related Policies, located at <http://www.icmregistry.org/launch/plan/>, at 19.

² *Id.* at 4.

³ *Id.*

⁴ *Id.* at 18.

⁵ *Id.* at 4.

⁶ *Id.* at 11.

⁷ *Id.* at 8-9.

⁸ <http://www.icmregistry.org/launch/sunrise-b/> ("If both Sunrise A and Sunrise B applicants want the same domain name, priority will be given to the qualified Sunrise A applicant to register the domain name.")

⁹ .XXX Launch Plan and Related Policies, at 11.

¹⁰ *Id.*

¹¹ *Id.* at 9.

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.* at 10.

¹⁵ *Id.* at 11.

¹⁶ *Id.*

¹⁷ *Id.* at 5, 17.

¹⁸ *Id.* at 6.

¹⁹ *Id.* at 11.

²⁰ *Id.* at 10-11.

²¹ The Landrush Period is designed for members of the online adult entertainment community “that want to secure premium .XXX domain names” and guarantees such members “the chance to purchase premium .XXX domain names or be involved in a closed auction to bid for .XXX domain names.” <http://www.icmregistry.com/launch/landrush/>. The Landrush Period is scheduled to run from November 8, 2011 to November 25, 2011. *Id.* During those dates, members of the online adult entertainment community may apply for .XXX domain names, whether or not they own any trademark rights in the desired domain name. *Id.* At the end of the Landrush Period, any .XXX domain names requested by more than one applicant will be awarded based on the results of “a closed mini-auction between the competing parties only.” *Id.* Any .XXX domain names sought by only one applicant will be registered to that applicant. *Id.*

²² The General Availability Period, which is scheduled to commence on December 6, 2011, is the period when .XXX domain names not registered or reserved during Sunrise A, Sunrise B or the Landrush Period will be allocated to applicants. <http://www.icmregistry.com/launch/lgeneral-availability/>. During the General Availability Period, parties may apply to register .XXX domain names despite not having any prior trademark rights, and the domain names will be registered on a first come, first served basis. *Id.* That period is expected to be utilized by members of the online adult entertainment community that did not possess the pre-existing rights or qualifications necessary to register a mark during the earlier launch periods, as well as by companies and individuals who are not members of the adult entertainment community but who seek to protect domain names for which they did not have qualifying rights on which to base a Reservation Request during Sunset B. *See id.*

²³ .XXX Launch Plan and Related Policies, at 15.

²⁴ <http://www.icmregistry.com/launch/general-availability/>.

²⁵ .XXX Launch Plan and Related Policies, at 16.

²⁶ *Id.*

²⁷ *Id.*

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