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New Internet Generic Top-Level Domains – Getting Them and Disputing Them



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Beginning in 2010, the Internet Corporation for Assigned Names and Numbers (ICANN) will launch its new Generic Top Level Domain (gTLD) program. A 'top level domain' is the extension that consists of three or more characters at the end of an internet address, such as .com, .org or .info. The new gTLD program will allow private and public entities to apply for the gTLD of their choice, expanding the 21 gTLDs in operation today to a potentially unlimited number.

The Application Process

Although ICANN has not yet released the final version of its Applicant Guidebook, a third draft version was published in October 2009 and may be considered final in key areas, such as evaluation criteria, dispute resolution and contention resolution procedures. Applications are accepted during application rounds and the first round is expected to open in the first quarter of 2010. ICANN plans to offer more application rounds but has not yet set any dates.

Applications for gTLDs are open to corporations, organizations, institutions and communities, but individuals and sole proprietorships are not allowed to apply for a gTLD. The application requires the completion of an online questionnaire and the payment of a US \$185,000 application fee. The questionnaire gives ICANN information about the applicant's technical, operational and financial stability and specifies the gTLD string to be registered.

The Evaluation by ICANN

ICANN's evaluation process comprises five major stages: (i) an initial evaluation, (ii) an extended evaluation if the financial or technical aspects of an application require additional review, (iii) dispute resolution proceedings if another applicant or a third party files an objection, (iv) string contention proceedings if there is a likelihood of confusion between the requested string and a registered string or one requested by another applicant and (v) if an application has passed the initial evaluation and, if necessary, the second, third and fourth stages of the evaluation process, transition to delegation.

ICANN indicates the processing of a straightforward application requires approximately 8 months and up to 19 months for a complex application with dispute resolution and string contention proceedings.

After receipt of the application and the evaluation fee, applications and supporting documentation (except financial and security-related information) will be published on ICANN's website. The initial evaluation of the gTLD string focuses on issues caused by the similarity of the string applied for to other registered or requested gTLD strings, references to geographical names and compliance with technical and financial requirements. If the gTLD string applied for is identical or too similar to an existing string, the application will be rejected. If two or more requested strings are identical or similar and likely to cause user confusion, they are assigned to a 'contention set' (discussed below). If a string is identical or similar to a geographical name, the applicant must show its application has been approved by the competent authority. Applications that pass the initial evaluation are published on ICANN's website.

If an application does not pass the initial evaluation, the applicant may request an extended evaluation. The application is assessed based on the same criteria as in the initial evaluation, but the applicant is allowed to submit additional information to ICANN and to request a review by a different set of panellists.

Dispute Resolution

After passing the initial evaluation, an application may be challenged by filing an objection. Disputes are resolved by specified dispute resolution service providers (DRSPs), such as the Arbitration and Mediation Center of the World Intellectual Property Organisation (WIPO). Objections must be filed electronically and directly with the responsible DRSP.

Objections are permitted on four grounds:

- String Confusion Objections. A TLD operator may file an objection based on confusion between the

TLD string it operates and a requested gTLD string if the requested string is so similar that a probability (not merely a possibility) of confusion for an average internet user will result. If the DRSP finds that such a probability of confusion exists, the application will be rejected. Similarly, an applicant for a new gTLD string may object to the gTLD string requested by another applicant on the basis of string confusion if such confusion was not found in the initial evaluation. If string confusion is recognized by the DRSP, the two strings are assigned to a contention set.

- Legal Rights Objection. A legal rights holder may file an objection based on an infringement of the holder's rights, which include registered and unregistered marks and signs. Along with the objection, the rights holder has to submit evidence of the existence of the rights and the holder's entitlement to them. The DRSP will consider, among other things, whether the mark or sign in the requested gTLD is recognized by the public, whether the applicant for it is publicly known by the mark or sign and if there is a likelihood of confusion with the mark or sign of the objecting rights holder.
- Morality and Public Order Objection. Any person or legal entity may object to a requested gTLD string on grounds rooted in considerations of morality and public order. The DRSP will check whether the objecting party has standing to make the objection and will dismiss unfounded objections.
- Community Objection. Institutions may object to strings related to communities with which they are associated. The DRSP will especially consider whether the institution is recognized globally, the length of its existence and whether it has an ongoing relationship with a clearly defined population.

String Contention Proceedings

If a string is identical to or likely to result in user confusion with another requested string (contending strings), the strings involved are placed in a contention set and only one of the applications will be approved. As a basic order of priority, applications filed by clearly delineated communities (community-based applications) will have priority over other applications. If a contention set contains competing applications for the same community-based string or if the contention set contains no community-based strings, the prevailing application is determined by an auction that awards the string to the highest bidding applicant.

Transition to Delegation

In the fifth stage of the ICANN evaluation process, the applicant must enter into a registry agreement with ICANN and pass technical pre-delegation checks. Once these tests are successfully completed, the new gTLDs are delegated in the root zone database of the Internet Assigned Numbers Authority (IANA) and are then ready for operation.

Concerns

An applicant should ensure that the application includes all required supporting documentation, that it is otherwise complete and that the application fee is paid on time. To avoid lengthy dispute resolution or string contention procedures, an applicant should also determine whether the desired string may infringe existing third party rights or cause confusion with existing TLDs. An applicant should further ensure that the string applied for is not subject to a geographic name reservation.

Because ICANN's initial evaluation focuses on similarity to existing TLDs or reserved names, but does not include a review for infringement of third party rights, existing right holders should check whether an objection against an applied-for gTLD is necessary. Rights holders should keep in mind that objections may be filed only within the timeframe set by ICANN and that no post- (TLD) delegation dispute resolution procedures have been established to date, although they have been proposed by the WIPO. Rights holders should also consider that the termination or transfer of an existing and technically operational TLD may prove impossible or require considerable time and effort.

The ww&p NewsLetter provides comments on new developments and significant issues of Swiss law. These comments are not intended to provide legal advice. Before taking action or relying on the comments and the information given, addressees of this NewsLetter should seek specific advice on the matters which concern them.

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