

Riding the new gTLD-go-round: Revisiting the Past – Embracing the Future

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Closing in on nearly three decades of trademark practice, I am struck by just how far technology has advanced the practice since that bemusing day years ago when a potential client expressed surprise that I was able to file applications with the United States Patent & Trademark Office (USPTO) from the West Coast. Today, we can file applications in the US and abroad in just a few clicks—including in 80 or so jurisdictions via the Madrid Protocol. Standing on the cusp of another major technological development—activation of hundreds of new generic top-level domains (gTLDs) and their attendant “rights protection” processes—seems an appropriate time to reflect on where we have been and where we are going in the overall landscape of trademarks in the digital world.

Yesterday

The new gTLDs themselves feel a bit like *déjà vu*. In 1996, I had the privilege of serving as INTA’s representative to the International Ad Hoc Committee (IAHC)—the predecessor initiative to ICANN. Today, virtually no one remembers the IAHC, except, of course, that font of information ranging from the historic to the mundane, Wikipedia.

The IAHC, created at IANA’s request by the Internet Society, was an 11-person international panel representing an alphabet soup of stakeholders. Our task—executed primarily in a windowless basement conference room at WIPO in Geneva—was to consider implementing or enhancing a proposal from Jon Postel, the father of the domain-name system, to add 150 new gTLDs to the system. Three of us were lawyers; the rest engineers from the IEEE, the IETF and the ITU, to add a few more acronyms to the mix. The engineers were suspicious of the lawyers, and clueless as to why we had been invited to the party.

Some on the IAHC felt that 150 new gTLDs did not go far enough in “scaling” the domain-name system. I will never forget our initial vote on just how many new

gTLDs we should add to the system. We decided to go around the table and have each representative state the number of new gTLDs they would support. By turn, each participant threw out a larger number, from 150, to 1000 to 10,000, until it was my turn. My vote for “zero” new gTLDs was met with consternation from several of the engineers who objected, “You can’t say zero; that’s not a number.” I retorted, “Yes it is—and it is our number.”

We continued around the room and it was clear that zero would not be the winning number. Ultimately it looked like either seven new gTLDs or the stratosphere; so when one of the engineers pronounced seven as simply too few, asking rhetorically what that closed group could possibly be, I quickly jotted down a list of seven and presented it to the rest of the panel. He and the others immediately focused on the list, throwing some out—“we can’t possibly have .xxx”; “.biz is too informal”—replacing them with others. That is how we ultimately proposed adding only seven: .arts, .firm, .info, .nom (for personal pages), .rec, .store and .web.

While we were embroiled in these negotiations, my mother contacted me urging us to choose .mom. Her reasoning? “There are a lot of us out there.”

Sadly, mom did not make it back then, but, in addition to the seven new gTLDs, we also proposed a dispute resolution process that formed the basis for what ultimately became the UDRP.

Two hundred and twenty international organisations signed the gTLD Memorandum of Understanding implementing our proposal, but our fatal mistake was to have designated the controlling body a Swiss—rather than a US—non-profit. Several large American interests wrapped themselves in the American flag, convincing then-President Clinton that we were giving away a US asset, and the rest is history.

Today

I need not belabour here the concerns the trademark community has expressed as we stare down the tsunami of new gTLDs coming our way. From a veritable deluge of new second-level domains to a dearth of truly viable, cost-effective “rights protection” mechanisms, confusion, cost and, yes, even chaos are likely to ensue once an appreciable number of open gTLDs go live.

This new gTLD system will be disruptive, but its disruptive effect will not be entirely new; instead, it will be at least analogous to the disruption created by the birth of the World Wide Web in the late 1990s, when brand owners first woke up to this thing called the internet and its almost-unfettered domain-name system. At that time, vendors quickly created commercial tools to assist brand owners in policing the domain space. From domain acquisition and management tools to watch services to automated enforcement campaigns, brand owners are now able to craft and execute practical enforcement strategies in the domain space specifically, and on the internet generally.

Today, vendors — in what is now an established domain-management market — and others are queuing up to offer a variety of enforcement tools in the new gTLD space. Most offer gTLD strategy services, from brand analysis across the gTLD space, to defensive registration, to gTLD application tracking and brand monitoring. At least one such non-law firm vendor is hawking litigation assistance, should a brand owner want to bring a suit against ICANN or others. All offer clearing house services. Law firms are offering, and will offer, such services — either on their own or in partnership with one or another vendor in the domain management and enforcement space.

Tomorrow

Without dismissing or in any way trivialising the lollapalooza of gTLD expansion, I encourage the trademark community to view the development with both an historical perspective and an eye toward the future. Advances in technology have given us the internet and the domain-name system, and advances in technology may just doom that system into oblivion,

inadvertently assisted by this unprecedented expansion of the gTLD space.

Two observations: first, regardless of how many gTLDs ultimately go live, .com will remain king. All past efforts to displace .com, including those of the IAHC and subsequent initiatives (such as .pro, .mobi and other new gTLDs) have failed. This one will too in this regard: the cache will remain with .com.

Second, regardless of whether any of the new gTLDs is competitive with or even overcomes .com as the domain of choice, the future is not domain names. The future is apps. And the future is now. Over a billion people currently use smartphones; and anyone with a smartphone has less and less need to access the internet, whether by URL or otherwise.

Other than accessing the cash machine, I can already do most of my banking via my mobile phone, using an app made available to me via text. I never access the bank’s website directly so the URL — the domain name — is irrelevant to me. I can also shop, make dinner reservations, download my medical records, book a flight and hotel room, enjoy my favourite podcasts, track my runs and pay my children’s tuition — all this and much more, without leaving my phone. And though I can download the apps that facilitate these activities from the web, I can also bypass the web completely, downloading via text, like my banking app, or by scanning barcodes (using QR codes for Android apps) that appear in publications or on point of sale advertising.

It is estimated that 70 billion apps will be downloaded worldwide in 2013: 56 billion to smartphones and 14 billion to tablets, according to ABI Research; in January 2013, there were 775,000 apps in Apple’s App Store; and venture capital blog VentureBeat recently reported that Google Play is expected to hit 1 million apps in June.

The tens of thousands of apps available in Apple’s App Store and Google’s Google Play are only precursors of what is to come. With these numbers, Apple’s famous slogan “There’s an app for that” is an understatement. The internet, once front and centre to online life, is

starting to take a back seat. We are quickly moving from the internet as the platform or network to the phone performing that function. Much of the start-up capital in Silicon Valley is focused on such initiatives in the mobility space.

The internet, therefore, and its attendant domain system, may fast be becoming the AM radio of the information age. We tolerated AM radio until the mindless, unrelenting advertisements became too much to bear, and a less commercial alternative — more music, less talk — became available: FM radio. FM then became too commercial, and was followed by satellite radio and then, most recently, by digital music services like Spotify, focused on individual preference and immediate gratification. The user controls his or her own experience, avoiding the cacophony of earlier radio technologies.

Likewise, we have learned to avoid the barrage of nonstop advertisements and infomercials on television by voting with our remotes and embracing ad skipping and time-shifting technology, like TiVo and DVRs. Savvy consumers have simply said no to the commercial clutter; less sophisticated consumers are sure to follow. Streaming technology, often available via app, has television executives scrambling for audience share.

In this context, it is even possible that ICANN, in its haste to expand the domain space, has only hastened the demise of its proverbial golden-egg-laying goose. Once the domain space is cluttered with another 1,000-plus gTLDs, with disinformation, misinformation and fraud abounding, consumers may rush even faster to the relative safety of the platform that they, themselves, control (or at least they think they do): the smartphone. And the apps are there, just waiting for them. With the new gTLDs, the domain name system may just scale to the point where it obsoletes itself. Whether ICANN ever considered this possibility is unknown.

But before we quite get to that point, there will be conflict and chaos, as there has been at every turn of the internet's (and the domain system's) development. The courts will struggle with solutions, and overseas piracy will abound. Just as the "Nigerian prince" continues to reap the benefits of an e-mail scam preying

on uninformed consumers, so too will similar scams based on misuse of domain names abound. While some of this chaos is the price of progress, other aspects of it can be managed with a memory of the past, a firm grip on the present — including available resources — and an eye towards what the future will bring. As domains take a back seat to app names and buttons, the impact of the new gTLDs on enforcement strategy and resources diminishes. But the importance of building a protectable trademark portfolio remains high. That is, of course, until the next technological advance, which may be just as game-changing as the developments we have seen in the past 20 years.

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