

# Domain Name Strategies for Brand Owners

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April 2018

Having a website is essential for any business wishing to have an online presence. In doing so, brand owners are well advised to take control of their domain name management. It is a truism that any brand worth protecting is worth hijacking and nowhere is it easier to misappropriate than in cyberspace where domain names are available on a first registrant basis and the costs of registration are low.

If there is a brand reputation existing in cyberspace, it is at risk of brand misappropriation. There will be cyberpirates or competitors who have designs on the brand reputation ready to misappropriate the brand wholesale or devise brands close to it via 'me – too' brands in a bid to usurp the vault of goodwill and reputation inherent in a brand. The threat of a brand being misappropriated and appearing as a domain name of another is increasingly on the rise due to the spread of social media and with the ever deepening level of internet penetration.

As such, brand owners ought to be cognisant of certain measures in devising a strategy to manage their domain names.

## Registration

With the ever more significant role of e-commerce and the correlated proliferation of generic Top Level domains ('gLTDS') such as .cafe, .ceo, .fashion, .clinic, .education, .love, .rocks, .technology, and others, there are more than 1,000 gLTDS up for grabs today. Never before has the threat of a brand being misappropriated and appearing as a domain name of another been more present. As a result, brand owners should seriously consider the different kinds of potential misuses of their trademarks in domain names. This consideration applies at all times and to all types of businesses and sizes – from start-ups to SMEs to conglomerates.

Registration of all domain names, which are likely to lead consumers to believe that the brand owners own and operate them, would be the ideal solution to prevent third party registrations or cybersquatting. Clearly, however, it would be a strain on the budgets of most companies to even try to attempt to register every potential domain or every derivative thereof. Nonetheless, in devising the most suitable strategy for protecting a brand's online presence, brand owners must weigh budgetary costs and limitations against other competing considerations. Surely, a balance must be struck between such factors, but brand owners would be wise to seek intellectual property ('IP') legal counsel in striking that balance. For one, consider the situation where the brand owner would need to expend significant time and financial resources in retrieving a registration that a cybersquatter has usurped. Moreover, consider as well the lost revenue from the diversion of business and the potential brand dilution that such cybersquatting would cause. Other considerations include potential damage to the brand owner's business reputation and good will. The list can go on, depending on the type and scale of the business the brand owner is running.

Importantly too, are third party registrations of domain names that may not only include those that are identical to a brand owner's trademark but rather incorporate a confusingly similar mark, misspellings of the mark, foreign language adoption of a mark, or indicia comprising the trademark with additional non distinctive words or those with negative connotations. In such situations, brand owners are advised to ascertain the availability or existence of such domain registrations by conducting searches and to decide whether such domain registrations are worth acquiring or

disputing.

In the next sections, we will briefly discuss some of the available online options for trademark protection.

## **TMCH**

A relatively new online tool fortunately exists to help reduce the misappropriation of trademarks as they are released in new domains. Brand owners may avail and take advantage of the Trademark Clearinghouse ('TMCH'). The TMCH is a centralised database devised by the Internet Corporation for Assigned Names and Numbers ('ICANN') as part of a regime to protect brands and intellectual property rights. Basically, it comprises a central repository, which is managed by Deloitte, wherein brand owners may submit their trademarks for validation and registration.

Trademark registrations with the TMCH will be valid for one, three, or five years and may be re-validated once per year or registered for multiple years in advance. TMCH trademark registrations allow registrants to have priority over registering domain names that are identical to their marks in the new gTLDs. For a TMCH priority claim to prevent or contest a third party registration of the domain name, the domain name that a third party attempts to register must be identical to the trademark registered at the TMCH. Therefore, a slight difference in the domain name that a third party attempts to register would still trump the TMCH registration priority. Yet, having the TMCH registration at minimum enables brand owners to contest, on a priority basis, the third party registration of domain names incorporating identical marks. Having some form of protection is better than having none as brand owners who fail to register their trademarks at the TMCH will have to compete with the online masses on a first come first serve basis.

## **Blocking**

Following on from registering with the TMCH, one further measure to securing online protection of a trademark is blocking. Brand owners can prevent unauthorised registration of their trademarks at the Second Level Domain in all Top Level Domains offered by various registries using the Domains Protected Marks List ('DPML'). The Second Level Domain is an essential part of the hierarchical Domain Name System. It is the second part of the full domain name after the Top Level Domain, on its left side. The Second Level Domain is often the same as the website name, the company, or the individual that registered it. For example, in [www.tamimi.com](http://www.tamimi.com) there are three domain name levels: the first, the Top Level Domain is the .com part, the Second Level Domain is .tamimi, and the Domain on the third level is the www segment. Brand owners can add their trademark-related terms into the DPML and have them blocked from registration. The beauty of this tool is that it protects trademark holders against cybersquatting at a fraction of the cost of registering domains defensively. Brand owners pay a flat fee for five years of protection.

This tool obviously affords a much more inexpensive option, compared to having to acquire defensive registration or attempting to acquire a domain name from another.

The DPML is, however, a registry specific list that requires a trademark holder to first register their trademark with the TMCH. A trademark should remain current in the TMCH throughout the life of the DPML subscription. The registry may elect to remove a DPML block for certain domains, if the corresponding trademark is not kept current in the TMCH. Registrants with the DPML do not actually need to register the domain names they wish to block as the DPML will automatically block registration of the trademark at the second level of the new domain.

A DPML block on a specific domain may only be overridden by a DPML registered trademark owner, who is then entitled to register the unblocked gTLDs in the future.

## **Monitoring**

As the DPML registry does not encompass all registries offering registration of Top Level Domains, brand owners are also well advised to implement a strategy of watching for problematic domain names that seek to misappropriate the goodwill and reputation of their brand equity. This is essential to prevent brand dilution, consumer confusion, and cybersquatting. By doing so, brand owners would ensure the robustness of their brand and avoid brand genericide.

The TMCH services will allow brand owners preliminary monitoring advantages. However, the TMCH will not detect if someone applies for a domain name that is confusingly similar but not identical to a deposited trademark.

Consequently, the TMCH option needs to be complemented by a watching service for variants or merely similar domain names applied for by third parties. By engaging such a watching service, brand owners would then be notified by the watch service provider of domain names that may be considered to be confusingly similar to the relevant trademarks. Such watching services are highly expert services drawing upon the skills of trademark specialists proficient in the nuances of trademark comparison rules and methodologies.

## **Conclusion**

To sum up, one strong starting point towards safeguarding a brand online (as far as domain name registrations are concerned) is to follow this three pronged strategy:

1. Validate and register trademark(s) with the TMCH;
2. Follow up the TMCH registration and add the trademark related terms to the DPML to have them blocked from third party domain name registration; and
3. Use a watch service to monitor attempted third party registrations of domain names incorporating identical or confusingly similar insignias to the trademark(s) in question.

Brand owners are advised to employ strategies in combating potential misappropriation in cyberspace as more and more consumers shop online and resort to the internet as a first port of call for brand equity information. The above three pronged strategy will assist brand owners as they invest in their brand equity in cyberspace.