

ICANN's Amazon problem



11 Sep 2013

Domain name issues continue to make the news. We recently wrote an article about the new Generic Top Level Domain Names (gTLDs) that people have been speaking about for some time, and that are likely to start making an appearance later this year.

This new system, of course, allows for the registration of generic words, geographic names and brand names as top level names, so you can expect to see just about anything in months to come - .lawyer, .africa, .zulu, .google. But competition for registration will be fierce and the cost - an upfront fee of close to US\$200 000, not to mention hefty annual fees - will deter many. The first gTLDs are likely to become operative in September 2013, and these will apparently be for names that are in non-Latin characters, for example Arabic and Chinese characters.

Specific domain names will eventually be registered under the various gTLDs. In our article we discussed the fact that the organisation that controls domain names, the Internet Corporation for Assigned Names and Numbers (ICANN), has established a so-called Trademark Clearinghouse. We explained how the Trademark Clearinghouse - which will be operated jointly by Deloitte and IBM - has been described as both a 'centralised repository' and a 'single database of validated trade marks'.

What this means is that any trade mark owner who may be interested in registering a domain name under the new gTLDs that come into existence can register their trade mark with the Trademark Clearinghouse. Registration with the Trademark Clearinghouse will have two benefits. First, it will allow the trade mark owner to get in early, by registering their name as a domain name under the various gTLDs during the so-called 'sunrise period', which is the period that precedes the general registration period - this effectively creates a preferential registration option. The other benefit is that the trade mark owner will get notification of all applications to register the same name within 90 days of the general registration period opening, giving them an opportunity to respond. Once you have registered your trade mark with the Trademark Clearinghouse you do need to provide proof of your trade mark rights thereafter.

Quick turnaround

A few practical examples may make this easier to understand. A major South African bank might well want to register its name as a domain name under a new .bank or a .finance gTLD, and also ensure that no one else registers that name. Similarly, a guesthouse based in Cape Town might want to get its name registered under a .capetown gTLD, and make sure that no one else registers the name. It's no surprise therefore that many companies have registered with the Trademark Clearinghouse. The fact that the turnaround time in processing applications is quick - some 20 days - helps to make it an attractive option.

ICANN held a major meeting in Durban recently and some interesting snippets of news came out. We learned, for example, that the very important gTLD .africa will belong to the African Union and that it will be hosted in South Africa. We learned that there are applications for .capetown, .durban and .johannesburg, just as there are applications for major city names like .newyork, .london and .amsterdam. And we learned that the name .kosher is being fiercely contested by various groups who all think they are best placed to control the use of that name.

We also learned that, try as you might, you can never anticipate everything. ICANN clearly gave a lot of thought to the gTLD process, and there's a 350-page handbook that those whose job it is to register gTLDs need to plough through. But ICANN never anticipated a practical problem that has arisen and ruffled guite a few feathers.

You won't be surprised to hear that Amazon, the giant online retailer, has applied to register the gTLD .amazon. But this application has run into difficulties, because various South American countries including Brazil and Peru have, through an interest group called the Government Advisory Committee (GAC), declared this application to be problematic, on the basis that the Amazon is a geographic region with a population of some 30 million people. IP lawyers argue that there's no merit in this objection, because the name Amazon does not fall within any of the designated categories specified in the ICANN rules, for example: country codes; country or territory names; and geographic names that require the support of governments, such capital cities, city names, counties, provinces, states and continental regions. It seems, however, that this matter isn't being dealt with as an ordinary objection but at a higher (political) level, and there's even talk that the already lengthy rules may need to be changed to cover situations like this. This has, of course, angered Amazon and the intellectual property rights interest group, who argue that you can't simply make up the rules as you go along.

This is, in fact, not the first case like this. A sports company called Patagonia applied to register the gTLD .patagonia, and it was persuaded to withdraw its application by the governments of Argentina and Chile - Patagonia is, of course, a region that straddles the two countries. And it's certainly possible that the same issue could come up again. What about Sahara, a computer company and a 'region' in North Africa? Or Kalahari, an online bookseller and a 'region' in Southern Africa?

Domain name vigilance and registration remain critical components of any trade mark strategy.

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