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“ IT IS IMPORTANT TO NOTE THAT REGISTERING A MARK IN THE CLEARINGHOUSE DOES NOT PREVENT OR BLOCK SOMEONE FROM REGISTERING A DOMAIN NAME; IT ONLY NOTIFIES THE TRADEMARK OWNER THAT SOMEONE HAS REGISTERED ITS MARK IN A GTLD. ”

## The Trademark-Clearinghouse and the Uniform Rapid Suspension System: Cost effective ways to protect your brands

By Paul A. Borovay



The Internet that was founded upon the traditional top-level domain names of .com, .net and .org is no more. The Internet Corporation for Assigned Names and Numbers (ICANN) is well into the processing of applications for new generic top-level domain names (gTLDs), such as .best, .christmas, and .supplies, among some 1,400 others (and counting). These new gTLDs have many brand owners concerned about how they can best protect their brands in the multi-faceted new domain name world. In the past, trademark owners only had to worry about cybersquatters in the handful of traditional gTLDs; now, trademark owners will have to diligently monitor and enforce their brands across thousands of new gTLDs. To address these concerns, ICANN incorporated several mechanisms to notify trademark owners when others attempt to purchase their brands with a new gTLD, and it implemented a new Uniform Rapid Suspension System (URS) intended to be a much quicker (and cheaper) resolution process to suspend infringing domain names.

### The Trademark Clearinghouse

The Trademark Clearinghouse is a centralized trademark database that ICANN automatically connects to each new gTLD that it launches.<sup>1</sup> After a trademark owner submits a registration to the Clearinghouse for monitoring (and pays the fee), an agent reviews the application and verifies that the applicant is the owner of the registered mark. Recording a registered mark in the Clearinghouse has two benefits. First, the Clearinghouse notifies trademark owners when someone registers or applies to register a domain name that is an *identical* match to their trademark record in the Clearinghouse.<sup>2</sup> For those trademarks that include special characters that cannot be represented in a domain name (e.g., “\_” or “\*”), identical matches will include the trademark without the special character, as well as the trademark with a hyphen in place of the special character. The special characters “@” and “&” will result in notifications that match the trademark without the special character,

1. <http://www.trademark-clearinghouse.com/>

2. <http://www.trademark-clearinghouse.com/content/what-clearinghouse>

“ EVEN THOUGH THE URS IS  
IN ITS INFANCY, IT HOLDS  
ENFORCEMENT PROMISE IN AN  
ENVIRONMENT OF GROWING  
THREATS OF INFRINGEMENT. ”

as well as the trademark with the special characters spelled out in the official language of the country or jurisdiction of the mark.<sup>3</sup> Marks that incorporate a “dot” (.) may also be registered, as long as the period functions as punctuation, abbreviation, or figurative part of the registered mark.<sup>4</sup>

Second, registering a mark in the Clearinghouse affords trademark owners the opportunity to participate in the Sunrise periods of newly launched gTLDs. Sunrise is an initial period of at least 30 days that allows trademark owners to secure domain names themselves that match their registered trademarks, before they are made available to the general public.<sup>5</sup>

The fees for registering marks with the Clearinghouse are split into two different paying structures: Basic and Advanced. The Basic fee structure is a “pay per mark” method, and is \$150 for one year, \$435 for three years, and \$725 for five years. The Advanced fee structure is based on a point system and is more appropriate for trademark owners who have many marks. The fees are graduated over the number of registered marks; the more marks you register, the cheaper the per-mark fee becomes.<sup>6</sup>

It is important to note that registering a mark in the Clearinghouse does not prevent or block someone from registering a domain name; it only notifies the trademark owner that someone has registered its mark in a gTLD. In essence, the Clearinghouse is similar to a watch service, which, depending on the number of trademarks and protection strategy, could make one service more cost effective than the other.

### The Uniform Rapid Suspension System

The Uniform Rapid Suspension System (URS) is a dispute resolution policy that complements the Uniform Dispute Resolution Policy (UDRP).<sup>7</sup> While the UDRP applies to domain names registered in new or existing gTLDs, the URS will apply only to domains registered in new gTLDs launched after January 1, 2013, as well as to select country-code TLDs that elect to adopt it.<sup>8</sup>

The URS has the potential to be both faster and cheaper than a standard UDRP proceeding. Whereas UDRP proceedings often see decisions in around 45 days with a filing fee of approximately \$1,300, URS is designed to obtain a suspension in around 20 days for a \$375 filing fee.<sup>9</sup> Like the UDRP, the URS is designed to handle only clear-cut cases. While a UDRP proceeding will allow a trademark owner to obtain an infringing domain name through a transfer or to cancel it outright, the sole remedy under the URS is to suspend the infringing domain name for the duration of its registration period.

In general, the requirements to file and prevail in a dispute under the URS are similar to those in a UDRP proceeding. The Examiner will determine whether (1) the registered domain name is identical or confusingly similar to the Complainant’s word mark, (2) the Registrant has no legitimate right or interest in the domain name, and (3) the domain was registered and is being used in bad faith.<sup>10</sup>

Assuming the complaint complies with the necessary filing requirements,<sup>11</sup> the URS provider will lock the disputed domain name within 24 hours to ensure that the Registrant is unable to make any changes to it or to transfer it to a third party.<sup>12</sup>

Only four URS proceedings were initiated in the first five months of the URS, all of which ended with the infringing domain names being suspended, but twelve new complaints were filed in the last month alone.

It remains to be seen how effective these countermeasures will be against online infringement over the long run. The recent URS filings illustrate that the URS could be a quick and cost effective method for trademark owners to protect their brands. Even though the URS is in its infancy, it holds enforcement promise in an environment of growing threats of infringement. ■

3. For example, the fictitious United States trademark EXAMPLE&TEST would result in the following matches in the .test TLD: exampletest.test, example-test.test, exampleandtest.test. Because French is a national language of Canada, a Canadian trademark would result in the following matches in the .test TLD: exampletest.test, example-test.test, exampleandtest.test and exampletest.test. Trademark Clearinghouse Guidelines, Section 4.3.
4. The rationale here is to exclude those trademarks that include top level extensions, such as “icann.org” or “.icann.” Trademark Clearinghouse Guidelines, Sections 2.4.4, 3.7.
5. Sunrise period should not be confused with a right of first refusal; thus, two different trademark owners who have registered identical marks that cover different goods will both have access to the same domain names during the Sunrise period. <http://trademark-clearinghouse.com/content/sunrise-services>
6. The Advanced fee structure can be complex and is beyond the scope of this article, but please let me know if you might be interested in registering many marks and I can determine what fee structure is most appropriate for you and your business.
7. The two providers that may administer URS proceedings are the National Arbitration Forum or the Asian Domain Name Dispute Resolution Centre.
8. <http://www.adrforum.com/newsroom.aspx?itemID=1871>
9. <http://www.adrforum.com/newsroom.aspx?itemID=1871>
10. See Uniform Rapid Suspension System Procedures, 8.1 (March 1, 2013). The Complainant will also need to show that it holds a valid national or regional trademark registration and that the trademark is in use. Use can be shown by demonstrating that evidence of use – which can be a declaration and one specimen of current use – was submitted to, and validated by, the Trademark Clearinghouse.
11. Complaints will be subjected to an initial administrative review by the URS Provider for compliance with the filing requirements within two days of filing the Complaint. This is a review to determine that the Complaint contains all of the necessary information, and is not a determination as to whether a *prima facie* case has been established. *Id.* at 3.1-2.
12. *Id.* at 4.1.
13. See Facebook Inc. v. Radoslav, No. FA1308001515825 (Nat’l Arb. F. Sept. 27, 2013); International Business Machines Corporation v. Denis Antipov, No. FA1402001542313 (Nat’l Arb. F. Feb. 12, 2014); Aeropostale Procurement Company, Inc. v. registration private @ Domains By Proxy, LLC, No. FA1402001543989 (Nat’l Arb. F. March 5, 2014); Banco Bilbao Vizcaya Argentaria, S.A. v. aitor montenegro / App developer, No. FA1402001544385 (Nat’l Arb. F. Feb.

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APPOINTMENTS

■ **Phillip Barendolts**

Phil has been appointed Co-Chair of the *Lever Rule* Working Group within the INTA Parallel Imports Committee.

■ **Thad Chaloehtiarana**

Thad has been appointed to the Nominating Committee of the American Bar Association Section of Intellectual Property Law for the 2014-2015 association year, and will continue as Vice Chair for the IPL Section Diversity Action Group for 2014-15.

■ **Jonathan S. Jennings**

Jonathan has been appointed to the Program Committee for the 2014 Intellectual Property Owners Annual Meeting in Vancouver. Jonathan has also become a Life Fellow of the Chicago Bar Foundation.

PRESENTATIONS

■ **Jasmine R. Davis**



Jasmine gave a presentation on “Geographical Indications” at the Chicago Bar Association Young Lawyers Section

Intellectual Property Committee’s Seminar on Wine and the Law, on March 26, 2014.

■ **Jonathan S. Jennings**

Jonathan organized and moderated a CLE program on March 18, at the Chicago Bar Association entitled “The Fundamentals of IP Law: Trademark, Copyright and Patent Basics,” as part of the Association’s Breakfast Basics series. Don Knapp, of BP, was one of the speakers.

Jonathan also will speak on “The Right of Publicity: Understanding Its Scope Avoids Pitfalls,” to the Association’s Intellectual Property Law Committee, on May 27, 2014.

■ **Janet A. Marvel**

Janet gave a presentation entitled “Trademarks: Year in Review,” at the 58th Annual John Marshall Law School Intellectual Property Law Conference, on February 28, 2014.

PUBLICATIONS

■ **Jonathan S. Jennings**



Jonathan, with the help of Andrew Hughes, has prepared an update to the Illinois chapter of INTA’s *State Trademark*

*and Unfair Competition Law* online treatise which will be released on April 15, 2014.

■ **Uli Widmaier**

Uli published two articles in *AIPPI e-News* (April 2014): *Sherlock Holmes and the Peculiar Case of the Partial Copyright* (on whether modern authors can draw on elements from Sir Arthur Conan Doyle’s Sherlock Holmes stories, some of which are in the public domain while others remain copyright-protected); and *U.S. Supreme Court creates new standard for false advertising claims* (on the Supreme Court’s recent *Lexmark* decision).

NOTEWORTHY

■ **Edward S. Rogers**

In *Lexmark Int’l, Inc., v. Static Control Components, Inc.* (March 25, 2014), the U.S. Supreme Court called the late Edward S. Rogers,

the firm’s Senior Partner for many years, a “leading authority” on unfair competition. The Court quoted Rogers’s memorable statement that “there need be no competition in unfair competition, just as there is no soda in soda water, no grapes in grape fruit, no bread in bread fruit, and a clothes horse is not a horse but is good enough to hang things on.”

■ **David and Celia Hilliard,**



and their “Dreams and Echoes” collection, were featured in the February

Issue of *Chicago Lawyer Magazine*. The full article is available at <http://www.patishall.com/pdf/DCH-Collecting to Give.pdf>.

■ **Jonathan S. Jennings**

co-chaired the program at the ABA Section of Intellectual Property Law’s 29th Annual Spring Intellectual Property Conference that took place on April 2-4 in Arlington, Virginia.

■ **Ashly Iacullo Boesche**

successfully led this year’s Chicago-Kent College of Law team of Sarah Aagaard ‘15 and Benjamin Boroughf ‘14 to a first place win in the Midwest Regional Tournament in the Saul Lefkowitz Moot Court Competition on February 8, 2014. The Chicago-Kent team also won the best brief award. At the National Finals in Washington, DC on March 15, 2014, Team Chicago-Kent team placed fourth out of 86 teams.

# *firm* HONORS & AWARDS

## Pattishall McAuliffe Selected for Gold Band in WTR 1000 U.S. Rankings

“Prestigious brands-focused boutique Pattishall, McAuliffe, Newbury, Hilliard & Geraldson is ‘a terrific outfit with a scarcely rivaled pool of expertise’. This depth and dexterity ensure that it can serve a diverse clientele, from individuals to large corporations. The ‘innovative, nimble and easy to work with’ team undertakes brand planning, assessments and audits alongside enforcement and litigation suits. Popular disputes doyen **Joseph Welch** has ‘an especially helpful mix of wisdom and pragmatism. He is a frequent participant on bar association committees and the kind of guy who willingly takes on extra assignments’. The versatile **Jonathan Jennings** ‘has his finger on the pulse of all the latest trends’ and garners notices from home and abroad. His areas of concentration include grey-market goods. Also recommended is **Janet Marvel**, ‘a robust litigator and a level-headed adviser’. Although luminary **Raymond Geraldson** has now retired from full-time practice, his distinguished career remains an inspiration to the next generation.”

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