

Strategic combined approach to trademark and domain name protections

Nowadays, entities of all sizes must have a web presence in order to remain competitive. Not surprisingly, this year has seen a boom in filing of trademarks in connection with e-commerce. When it comes to finding a name for a company, website, product or service, a coherent naming approach is vital to managing infringement risk and ensuring efficient protection.

The standard practice is to rush to buy the desired domain name, carry out a quick check on its availability and then file a trademark. However, other strategies may be more effective in coordinating these steps.

A domain name merely allows an entity to use its company name as a website name instead of the numerical IP address. While a domain name can be generic and is easy to buy via a domain name registrar, a trademark confers exclusive rights and must meet registrability requirements, including being able to distinguish the owner's goods and services from those of competitors.

The more fanciful the name, the better the chances are of getting the trademark registered and successfully enforcing it afterwards. Therefore, a made-up or arbitrary name is often a better choice. This should be as short, simple and memorable as possible.

Before taking steps towards protection, an assessment of the risk of infringing existing IP rights must be carried out. This is an absolute prerequisite to any commercial use of the chosen name. Availability searches should disclose any conflicting earlier trademark, domain name, company name or geographical indication. While it may be disappointing if potential obstacles are disclosed, this is often the case and their early disclosure allows time to find solutions before the launch such as negotiating coexistence agreements with their owners. In case of significant risk, it is wise to have a shortlist of alternative names on hand.

After the name is cleared, the next step is to swiftly purchase the domain name that is intended for use. It is important to check that it is available for a fair price and whether it has already been registered. Further, the chosen name should be kept secret (with appropriate confidential agreements) and any purchase offer should be made anonymously.

Once the domain name is registered, the trademark application should be filed immediately and in the applicant's country of domicile, in order to obtain a basic trademark in anticipation of filing an international trademark. Following this, there is a six-month priority window in which to define the global protection strategy (ie, where and through which route protection should be extended abroad). This is the ideal time to build a strong defensive domain name portfolio, which will prove essential to preventing cybersquatters from free riding on the protected brand. While this protection should be as broad as possible, it must also be balanced with

budget considerations. An infinite amount of extensions and names can be considered. Especially, the number of possible extensions continues to grow due to frequent launches of new gTLDs, the newest of which is '.contact'. It is therefore important to draw up a list of priority extensions. If international activities are planned, the '.com' extension is a must, while '.net', '.org' and '.info' are also of interest. As for ccTLDs, it is recommended to register with the extension of the home country, as well as those of countries with upcoming commercial developments. Other factors to consider are TLD popularity, the business importance of the brand; the target geographies; the potential for cybersquatting; and possible interest in using the domain name in future. With regards to the name itself, it is advisable to register not only the exact version, but also the local translations in the relevant foreign markets and variants in spelling.

Keeping an IP portfolio alive mainly involves monitoring renewal deadlines. Trademarks are generally renewed every 10 years, while domain names must be renewed annually. A good tip is to register and renew these for several years in advance and schedule automatic renewals.

A detailed yearly audit is recommended in order to examine market presence and the risk of infringement or cybersquatting. It is especially important to keep an eye on new relevant extensions to purchase. The yearly registration of the brand in the TMCH allows to have earlier access to register it with the new gTLD during the 30-day Sunrise period before said gTLD is launched. On the trademark front, the review should take into account whether an unused mark will become vulnerable to cancellation. For this reason, defensive trademarks are not a sound option. In both cases, a tailored and well-thought-out portfolio is much better than a large one that is difficult and expensive to manage.

All of these steps must be carefully looked into, well aligned and conducted early, bearing in mind that both domain names and trademarks are granted on a first-come, first-served basis. At the same time, a proper monitoring should be put in place to detect and react quickly against any identical or similar use that would harm the business and/or the reputation of the brand. This should cover both the trademark and domain name registries as well as the marketplace, including fraudulent websites. A good tip is to preemptively block third parties from registering some domain names. This proves much cheaper than taking costly arbitration procedures or legal actions to recover the domain names and this allows to restrict the scope of defensive registrations. Blocking solutions include DPML, UniEPS, TRex and AdultBlock.

These efforts and investments will pay off as brands are important business assets and therefore part of a company's value. Ensuring that these assets are properly protected will reflect in a high return on investment. The protection strategy is about anticipating, acting proactively, finding the right balance, keeping it and adapting to changes as they come.

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