

Protect your domain name from cybersquatters

By: Kennedy Luvai September 1, 2014 0



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Some years ago, when unscrupulous third parties registered domain names confusingly similar to Albertsons, Inc.'s trade name and primary trademark in bad faith, the grocery giant took action resulting in orders from an international arbitration panel directing the transfer of the domain names to the company.

"Cybersquatting" is the practice of registering, trafficking in or using domain names with the bad faith intent to profit from the goodwill of recognizable trade names or trademarks of others. Given the increasing importance of the web as a platform for companies large and small, the risks posed by cybersquatters cannot be ignored.

To be sure, not every registration of a domain name incorporating another's trademark is cybersquatting. Uses of company trade names or trademarks in domain names by "fan sites" and "gripe sites" may not, depending on the circumstances, constitute cybersquatting. The third party may also have a colorable claim to the use of the domain name incorporating a company's trade name or trademark. For example, micron.co.uk is owned by Micron Sprayers, Ltd., a UK-based manufacturer of spraying equipment (and not Idaho-based Micron Technology, Inc. which can be found at micron.com).

The number of such arguably justifiable uses, however, pales in comparison to obviously objectionable cybersquatting. Given the nature and scope of tactics relied upon by cybersquatters, there is hardly a silver bullet that would serve to insulate a company under all circumstances. When all else fails, affected companies do have avenues for redress, namely, litigation under federal law or arbitration under an international system. But companies may be able to reduce the risk of having to resort to expensive lawsuits or uncertain arbitration proceedings by being proactive, including taking the following steps.

Register Domain Names.

Simply registering one domain name incorporating the company's trade name or primary trademark may not be sufficient. Companies should consider registering domain names incorporating other forms of their trade names and, where advisable, other primary trademarks. For example, besides micron.com, Micron also owns microntechnology.com and microntechnologyinc.com, as well as others. Also, when registering domain names, try to obtain the maximum term available.

Promptly Renew Registrations.

Domain name registrations are valid for a set period of time subject to renewal. Absent renewal, domain names expire and are fair game for registration by anyone else. Renewal of registrations prior to expiration will keep the domain name away from cybersquatters with little effort and minimal cost.

Maintain Proper Records.

If a vendor is used to assist in domain name registration, the company should ensure that it is listed on the pertinent registry as the registrant of the domain name. Additionally, the company should verify and update the administrative contact information and the e-mail contact information provided to the domain name registrar regularly.

Obtain Additional Top-Level Domains.

When it makes sense, consider going beyond the traditional .com generic top level domain to include domain names

in other unrestricted generic top level domains. For example, besides Intel.com, Intel Corporation also owns registrations for Intel.net and Intel.info. If your company does business, or anticipates doing business, in a foreign country consider obtaining country code top level domains. Walmart Stores, Inc. owns the registrations for Walmart.ca (Canada), Walmart.cn (China), Walmart.de (Germany), among others.

Monitor. Monitor. Monitor.

No company could conceivably register every variation or misspelling of its trade name or primary trademarks, thus leaving plenty of opportunity for cybersquatters. In many instances, such domain names are “parked” with the supposed cybersquatter lying in wait and hoping to extort money when the brand owner comes knocking. While the domain name remains “parked” or is otherwise innocuous, periodically monitoring the associated website for activity (as opposed to raising the stakes by aggressively taking action) may be advisable.

The list above is illustrative and non-exhaustive. As with other efforts to protect valuable intangible assets, companies should review measures implemented to reduce cybersquatting exposure and, as needed, formulate strategies to mitigate such risks.

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