Alerts and Updates

INTERNET'S EXPANSION WITH INTERNATIONALIZED DOMAIN NAMES MAY SPUR REGISTRATION BOOM AND CYBERSQUATTING

November 3, 2009

The Internet Corporation for Assigned Names and Numbers (ICANN)—which is responsible for managing the assignment of domain names and IP addresses on the Internet—approved a new plan on October 30, 2009, to allow non-Latin characters in domain names.

The new Internationalized Domain Names (IDNs) will allow domain names to be written entirely in non-Latin alphabet and character sets, such as Chinese, Cyrillic, Arabic, Greek and Hebrew. ICANN is moving forward with its initiative to incorporate non-Latin characters in domain names as a way to address concerns that IDNs are necessary for expansion of the Web to regions where people do not understand English.

Domain names are currently composed of only the Latin letters A to Z, as well as numbers and dashes. Initially, the change allowing IDNs will apply only to country-code top-level domains, such as .ru for Russia and .jp for Japan. Major generic top-level domains—such as .com, .net. and .org—will not use non-Latin domain names right away. However, ICANN will eventually include them in the IDN system.

On November 16, 2009, ICANN will launch a "Fast-Track Process," under which it will begin accepting applications from countries for new top-level domains, or Internet extensions, based on each nation's character set. If the applications meet criteria, including government and community support and a stability evaluation, these applicants will be permitted to start accepting registrations for the new domain names.

This expansion of the Internet is likely to lead to another boom in defensive and offensive domain name registrations. Companies may want to protect their brands by registering more variations of their current domains. However, cybersquatters may also begin registering as many names as possible in various non-Latin languages to potentially create additional trademark confusion in the marketplace—for phishing or other fraudulent activities, for pay-per-click sites or to hijack the domain names in order to sell them to the highest bidder.

For Further Information

If you would like more information on this topic, please contact any of the attorneys in our Intellectual Property Practice

<u>Group</u> or the attorney in the firm with whom you are regularly in contact.