

# Cybersquatters and the Domain Name Game

**Tracey Harrip, Lorien Beazley and Dominic van der Toorn urge trademark owners to act swiftly to prevent cybersquatters registering protected trademarks as domain names.**

The introduction of the new .info and .biz top level domains means trademark owners need to act quickly to prevent cybersquatters from registering protected trademarks as domain names.

The Internet Corporation for Assigned Names and Numbers (ICANN) has finalised arrangements for two new additions to the internet domain name system. Since 1984 the only generic Top Level Domains (TLD) have been .com, .org and .net. General applications for the new top TLD's, .info and .biz, will be accepted within the next few months but, as discussed below, trademark owners have priority rights.

The new additions are likely to rival the existing TLD's in popularity and provide some much needed domain name space. A TLD identifies the most general part of the domain name in an Internet address. A TLD is either a generic top-level domain (gTLD) such as "com" for "commercial," or a country code top-level domain (ccTLD), such as "au" for Australia. As with the existing generic TLD's, both .info and .biz have global application. The .info domain is available to anyone whereas the .biz domain is restricted to business or commercial use.

ICANN has reached agreement with two organisations which will act as registrars of the new TLDs:

- NeuLevel (a joint venture between NeuStar, a North American company, and the Australian based Melbourne IT) will oversee the .biz registration; and
- Afiliac (a consortium of 18 ICANN accredited registrars from around the world) will operate the registry for the .info TLD.

Five other new generic TLD's are also to be added, namely .name, .pro, .aero, .coop

and .museum. Arrangements have not been finalised for registration of domain names under these more restricted TLD's.

The following is a summary of the application process and details of the special procedures trademark owners should utilise to protect their interests in particular domain names.

## THE .BIZ REGISTRATION PROCESS

The first stage in the process of registering .biz domain names is the *Trademark Claim Period*. It began on 21 May 2001 and runs until 6 August 2001. During this time a trademark owner can submit a "trademark claim" (not an application for registration) to NeuLevel. The claim specifies the .biz domain names the trademark owner has an interest or "claim" in. Trademark claims can only be lodged during this period.

Unlike the .info registration process, submitting a trademark claim:

- is not an application for registration of that domain name; and
- does not guarantee the trademark owner will receive that domain name.

The claim simply notifies NeuLevel of the trademark owner's interest. NeuLevel keeps a record of the trademark claims. If an application is received that is identical to a trademark claim, NeuLevel puts the applicant on notice that there is a trademark claim over the relevant "claimed" domain name. The applicant must then inform NeuLevel whether it intends to proceed with the request for the "claimed" domain name. If the applicant decides not to respond to the notification, the application for the "claimed" domain will not be processed during the next stage. If the applicant proceeds with the request and is actually

awarded the domain name, the trademark owner can seek to protect its rights using the STOP procedures discussed below.

The next stage is the *Domain Name Application Stage* which runs from 25 June 2001 to 25 September 2001. During this time applications for actual registration of a domain name (rather than a claim) are submitted. All trademark owners who lodge trademark claims should ensure an application for registration of the domain name is also lodged.

Between 26 – 30 September, 2001 is the *Name Selection Stage*. NeuLevel will process all .biz applications using a randomisation algorithm (a computerised lottery) into a single batch. The domain names will be awarded to applicants in the order that they appear in the randomised batch.

The random nature of the selection process could have important implications for the owners of major trademarks. The owner of a well known trademark registered in several countries could easily miss out on its requested domain name if the same trademark registered in another country is randomly selected first.

If, after the Name Selection period, a "claimed" domain is awarded to an applicant other than the trademark owner, NeuLevel:

- informs the trade mark owner who filed the claim; and
- "locks" the claimed domain for 30 days.

The trademark owner has 30 days to initiate proceedings to gain registration rights to the "claimed" domain name. One option is to use the Start-Up Trademark Opposition Policy (STOP) to resolve disputes.<sup>1</sup> Grounds for complaints based on STOP are that:

- the domain name is identical to a trademark in which the complainant has rights;
- the applicant is considered as having no rights or legitimate interests in respect of the domain name that is the subject of the complaint; and
- the domain name is considered as having been registered or used in bad faith.

Once a complaint is made under STOP the domain name is locked until proceedings are resolved.

The .biz registry will go live on 1 October 2001. After this time, applications will be processed on a "first come, first served" basis.

### **THE .INFO REGISTRATION PROCESS**

On or about 20 June 2001<sup>2</sup> the rollout for registration of .info domain names will begin.

The first stage in the rollout process is the 30 day *Sunrise Period*. This initial window is designed to allow owners of trademarks to actually register a domain name in identical terms to their trademarks (rather than simply lay a "claim" to the name).

Only owners of valid, enforceable trademarks registered in any country and issued prior to 2 October 2000 are permitted to register a domain name in this Sunrise Period. In addition to the other information required to be lodged by all applicants for domain names, trademark owners must submit to Afiliat:

- the characters (letters, symbols and logos) composing the trademark;
- the date the registration was issued;
- the country of registration and;
- the registration number of the trademark.

Registrations of domain names under the Sunrise Period are for a term of between 5 and 10 years. Once registered, the domain names cannot be transferred for

## **Future TLD's that will free up domain name space for the majority of e-commerce on the Net:**

- **sex**
- **smut**
- **porn**
- **seedy**
- **poontang**
- **grubby preoccupations**

*Flame*

180 days. There are exceptions, for example, if a transfer is made as a result of a successful challenge, or a decision in UDRP (Uniform Dispute Resolution Policy) administrative proceedings or in compliance with an order of a court of competent jurisdiction.

Registrations during the Sunrise Period are not processed on a first come first served basis. Rather, applications will be randomly processed over 5 rounds. At the end of each round the domain names submitted will be randomised by a computer and processed for registration. If, during the Sunrise Period, two competing trademark owners submit a registration request for the same domain name, the first request to be selected at random will be awarded the specified domain name.

Parties can challenge a Sunrise Period registration under a dispute process exclusively provided by WIPO (World Intellectual Property Organisation). The grounds for challenge are:

- a registrant does not have a valid and enforceable trademark;

- the valid and enforceable trademark does not have national effect (in the jurisdiction of registration);
- the domain name requested is not identical to the trademark; or
- the trademark registration did not issue prior to 2 October 2000.

The challenge must be issued within 120 days of the end of the Sunrise Period. Otherwise, complainants must use ICANN's UDRP or a court of competent jurisdiction.

Two weeks after the Sunrise Period ends, the *Start-Up Period* begins. In this period the general public (including those trademark owners who did not apply in the Sunrise Period) may apply for .info domain names. Again, the registrations are not processed on a first come first served basis but over several randomised rounds. If a dispute arises during this period, parties are directed towards the UDRP or alternatively to an appropriate court.

The *Post Start Up Period* begins 2 days after the close of the Start-Up Period. This is a period of general registration where applications are processed on a "first come, first served" basis.

Registrations after the Sunrise Period are for a period of at least 2 years and there are no restrictions on transfer of the domain names. Disputes during this period are referred to the UDRP or the relevant courts.

Domain names registered during the Sunrise Period will become active 7 days after the beginning of the Start-Up Period. Domain names registered during the other periods can be used within 5 minutes of registration.

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### CONCLUSION

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Trademark owners who wish to apply for .biz and .info domain names in terms of their trademarks need to act quickly to protect their rights.

1 Claimants can elect to use the specified dispute providers or can proceed through ICANN's UDRP (Uniform Dispute Resolution Policy) through litigation. However, STOP proceedings are said to be more time sensitive and less costly than the other alternatives.

2 The exact dates for the .info registration process are still to be confirmed. The dates seen here are estimates only.

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## The Interactive Gambling Act 2001 – Is It Needed, Will It Work?

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**Lisa Vanderwal revisits her earlier article on this contentious Act in light of recent Federal Government concessions regarding interactive gambling.**

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In a previous edition<sup>1</sup> we commented on the essential provisions of what was then the *Interactive Gambling (Moratorium) Bill 2000*, and some of the issues surrounding the Senate's initial rejection of what has now become the *Interactive Gambling (Moratorium) Act 2000*. This article looks briefly at the lead-up to the *Interactive Gambling Bill 2001*, the legislation following on from the *Interactive Gambling (Moratorium) Act 2000*, and outlines some of the controversy surrounding this Bill.

The proposed ban of interactive gambling has been the subject of considerable public debate over the past couple of years. In 1996 State and Territory Gaming Ministers agreed to develop a model code for interactive gambling that called for a strict licensing regime. In the following years, little action was taken with only the Northern Territory, Queensland and the ACT passing legislation<sup>2</sup>. In January 2000 the Commonwealth Government, appearing to lose patience with their inability to reach agreement and develop a code, foreshadowed the likelihood of banning interactive gambling altogether.

On 17 August 2000 the Government introduced the *Interactive Gambling (Moratorium) Bill 2000* which proposed imposing a 12 month moratorium on the

development of the interactive gambling industry in Australia, beginning retrospectively on 19 May 2000 and ceasing at midnight on 18 May 2001. On 9 October 2000 the Bill was defeated in the Senate when the Government failed to obtain a majority by tied vote of 33:33.

On 8 November 2000 the Australian Casino Association released an updated and improved code of practice for on-line gambling, which was developed in conjunction with State and Territory regulators<sup>3</sup>. The code of practice aimed to achieve the highest levels of player protection standards and ensure the best and safest gambling environment. Amongst other measures, the code of practice ensured that players had to be identified with a PIN or password, minors were prevented from playing, security and privacy of players was to be strictly protected, gambling on credit was banned and information on gambling help lines and counselling services would be readily available. Despite the code of practice, and as a result of intense political manoeuvring, the *Interactive Gambling (Moratorium) Bill* was passed by both Houses in December 2000.

While the *Interactive Gambling (Moratorium) Act 2000* expired on 18 May 2001, the Government introduced the *Interactive Gambling Bill 2001 (Bill)*

which essentially made it an offence for an interactive gambling service to be provided to a person physically located in Australia, and established a complaints regime under which Australians could make complaints about interactive gambling services. The proposed legislation created as much controversy as the *Interactive Gambling (Moratorium) Act 2000* and invoked almost as much last minute manoeuvring in the Senate. The Bill was agreed by the Senate on 28 June 2001 and was approved by the Governor General on 11 July 2001. The purpose of this paper is to provide an overview of the Act and to examine some of the debate that has arisen.

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### INTERACTIVE GAMBLING ACT 2001

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The stated policy of the Act is to limit and discourage Australians from gambling on-line, rather than to stop it altogether<sup>4</sup>. To this end, there are essentially three new offences created under the Act, along with a complaints process. The three new offences are providing an interactive gambling service to Australians, providing an Australian-based interactive gambling service to designated overseas countries, and publishing interactive gambling advertisements.