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# Health Industry Online

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## Change in Domain Name Registration in 2009 Presents New Challenges and Opportunities

In the second quarter of 2009, the Internet will observe a massive change in its domain name rules. The Internet Corporation for Assigned Names and Numbers (ICANN), the organization responsible for domain name registration functions, recently approved a plan for unlimited top level domains (TLDs), which will essentially create an almost unlimited number of new domain names. This ability to create unlimited new domain names will present new challenges and opportunities for trademark owners.

### *The Anatomy of a Domain Name*




Domain names are comprised of two parts: a side level domain (SLD), which is the portion of the domain name address found to the left of the dot, and a TLD, which is the portion of the domain name address found to the right of the dot. While SLDs have been virtually unlimited to date, there are currently only 21 generic TLDs, including .com, .net, .biz, .org, and .gov. In addition, there are 240 TLDs that comprise country codes, such as .ca and .uk.

In the second quarter of 2009, registrants will be able to register and use an almost unlimited number of TLDs. For example, companies like Pfizer, Inc. will be able to register [www.pfizer.drug](#) or [www.caduet.drugs](#), or any other combination imaginable. Similarly, Pfizer, Inc. will be able to create new e-mail addresses, such as [info@pfizer.drugs](#). While supporters of unlimited TLDs claim this will create powerful new branding opportunities, there is also a significant downside for trademark owners.

### *Potential Cybersquatting Issues*

In the past, companies have dealt with potential cybersquatters by registering names under several TLDs that either contain their federally registered and non-

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registered marks or variations of their marks. This defensive domain registration practice typically results in a company owning a large, but manageable, number of domain names. However, under the new rules, there will be an almost unlimited number of variations on a company's registered marks. Furthermore, the cost and technical requirements for registering a non-generic TLD will be higher, which will make it more expensive and complicated to defensively register new domain names.

The cost of applying for a new TLD is yet to be determined, but ICANN estimates it will range from \$100,000 to \$500,000. While this expense is arguably a deterrent for cybersquatters, opponents to these new rules argue the fee will not put cybersquatters out of business because they may be able to gather more than enough revenue through pay-per-click advertisements to cover the fee. Therefore, the creation of new TLDs potentially may stimulate new acts of cybersquatting.

### ***Looking to the Future***

Healthcare trademark owners should begin to identify any TLDs believed to be essential to their goods/services, as owners of identical or similar marks but engaged in different business operations (for example, Blue Cross Blue Shield healthcare and Blue Cross Blue Shield automotive wax/polish) could be interested in registering the same new TLDs. Also, healthcare companies may want to consider new branding ideas in light of these new domain name rules.

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