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For Adults Only: What Trademark Owners Need to Do to Prepare for the Upcoming Launch of the .XXX Top Level Domain

After much controversy, the Internet Corporation for Assigned Names and Numbers (ICANN) recently approved the creation of what is being hailed as "the most significant web suffix since .com" – the new .XXX top level domain. .XXX is intended to serve both willing consumers of adult entertainment, and those who wish to avoid adult entertainment, by effectively creating a red light district on the Internet for the sponsored community, the "Adult Industry." Trademark owners outside the Adult Industry may be concerned about registration and use of their trademarks as .XXX domain names (e.g., yourtrademark.xxx). Trademark owners within the Adult Industry may wish to move their web presence, at least in part, to .XXX. Both groups should act now to plan and implement a .XXX strategy.

The launch of .XXX will consist of three phases: the Sunrise Period, Landrush, and General Registration, with the latter two phases reserved for members of the Adult Industry. The Sunrise Period is divided into Sunrise A and Sunrise B. Both begin on September 7, 2011 and run concurrently for 30 days. During Sunrise A, members of the Adult Industry can apply to register .XXX domain names. During Sunrise B, trademark owners outside the Adult Industry can apply to register .XXX domain names as well, but for the purpose of blocking use of such names by others.

Although the Sunrise Period does not begin until September 7, both ICM Registry, the organization that will operate the .XXX domain, and Network Solutions, which operates the .COM, .NET and other domains, are currently offering free .XXX pre-registration services. Visit <http://domains.icmregistry.com/> or <https://www.networksolutions.com/domain-name-registration/xxx-domain-extension.jsp> respectively. Pre-registration of a given .XXX domain name means that ICM Registry will send an email notice to the pre-registrant during the applicable Sunrise A or Sunrise B period advising of the timing and means for registering the .XXX name in question. Pre-registration is not mandatory for participating in Sunrise A or Sunrise B.

To be eligible to participate in the Sunrise B process, a trademark owner outside the Adult Industry must hold a trademark registration for the mark in question in any country in the world. A .XXX domain name that is successfully registered by a trademark owner outside the Adult Industry will be blocked from live use, including by the registrant. Registrations are expected to cost \$200 to \$300 per name. There is no guarantee that a trademark owner

outside the Adult Industry who applies under Sunrise B will be able to successfully register the desired .XXX domain name. Indeed, if a member of the Adult Industry applies to register the identical name under Sunrise A, the Sunrise A application will be given priority over the Sunrise B application.

Trademark owners can always seek to prevent unauthorized use of their marks by third parties as .XXX domain names under more traditional enforcement mechanisms such as the Uniform Domain Name Dispute Resolution Policy (UDRP), or trademark and domain name infringement and unfair competition demand letters and litigation. ICM Registry will reportedly enforce a 48 hour takedown policy for infringing domain name uses. In any event, once the .XXX domain launch enters the Landrush phase, preemptive strategies under Sunrise A or Sunrise B will no longer be available and .XXX domain name registrations will be awarded on a first-come, first-serve basis.

The Landrush phase will begin on October 24, 2011, and will be open to the members of the Adult Industry only. If multiple applications are received for a given name during this ten day period, the name will be subject to an auction.

The General Registration phase will begin on December 6, 2011, and will be open to all applicants. During General Registration members of the Adult Industry will be able to register resolving domain names, while applicants outside of the Adult Industry will be able to permanently block their requested domain names.

For any questions or assistance regarding the launch of the .XXX top level domain, pre-registration or registration of .XXX domain names, or other trademark or domain name matters, please contact any member of the Intellectual Property group at Honigman.