Right to Criticize Gets a Bigger Public Platform on the Internet with the Introduction of .sucks Domains

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The Internet Corporation for Assigned Names and Numbers, more commonly known as ICANN, has recently approved more than a thousand new general top-level domains (gTLDs), which are anticipated to launch over the next few years. Challenging the stalwart gTLDs (.com, .net, .org, .gov, and .edu), one of the recently approved gTLDs that will have a significant impact on trademark owners everywhere is the " .sucks " or " dotSucks " gTLD.

According to promotional materials:

An easy-to-locate, “central town square” available 24 hours a day, 7 days a week, 365 days a year, dotSucks is designed to help consumers find their voices and allow companies to find the value in criticism. Each dotSucks domain has the potential to become an essential part of every organization's customer relationship management program.

Is this an accurate description or is it a marketplace for extortion by the registrar who will charge brand owners high prices? Or will it result in a platform for anonymous defamation and fraud designed to destroy the reputations of organizations?

ICANN's approval of the .sucks gTLD has not gone unnoticed. Specifically, former Senator Jay Rockefeller of West Virginia, who chaired the Senate Commerce Committee, spoke out against ICANN's approval of the gTLD, saying that the ownership of .sucks acts as "little more than a predatory shakedown scheme." Senator Rockefeller further explained that "... any potential this gTLD might have to increase choice or competition in the domain name space is overwhelmed by the ways it will be used to unfairly defame individuals, nonprofit organizations, and businesses."

How It Will Work

As of March 30, 2015, trademark owners who have registered their marks with the Trademark Clearinghouse (TMCH) will have an opportunity to purchase the .sucks gTLD before the sale opens to the general public on June 1, 2015. This period of time strictly designated to registered trademark owners with the TMCH is called the “sunrise” period. Canada-based Vox Populi Registry Ltd. has established a suggested retail price of $2,499 per year for domain names registered during the sunrise period. After the sunrise period sets, the standard registration fee will be approximately $249 per name. However, sticking to its claim of allowing individuals to find their voices, there will be a “consumer advocate subsidized” price tier reserved for individuals who have complaints with a company. These domains will cost $9.95 each and will become available in September 2015. The caveat is that the domain cannot be used for a website, instead redirecting all traffic to a discussion forum on the everything.sucks website.

Vox Populi has further announced that it will offer its registered users a “domain block” service, which allows registered users to prevent a name from being registered by any member of the public. The dotSucks Registry has created a list of premium .sucks names such as life.sucks and divorce.sucks. These will be available starting in the TMCH sunrise period.
and continuing through the general availability phase. After the purchase of a .sucks domain name, it is assumed that trademark owners will take all necessary steps to ensure that the domain name embodying the .sucks gTLD remains inactive.

Trademark owners will still have the ability to safeguard their registered marks via ICANN's existing trademark protections and enforcement mechanisms in the event they decide not to invest in the .sucks domain names. Over the years, ICANN has implemented the Uniform Domain-Name Dispute Resolution Policy (UDRP). In the event an individual or entity uses a trademark owner's mark in a manner that violates the trademark owner's rights, the trademark owner may invoke the UDRP proceeding.

To be successful in UDRP arbitration, the trademark owner must establish the following elements:

- The domain name registered by the domain name registrant is identical or confusingly similar to a trademark or service mark in which the trademark owner has rights
- The domain name registrant has no rights or legitimate interest with respect to the domain name in question
- The domain name has been registered and is being used in bad faith.

If the trademark owner is successful in the UDRP action, the domain name may be transferred or cancelled.

Historically, a UDRP proceeding has been a fairly reasonable and effective way to get the return of hijacked domains using the trademark of another company. Here, however, the domain registrant might have a reasonably legitimate interest in establishing a domain using the trademark since comment and criticism are legitimately protected by the First Amendment. It will be interesting to see how the UDRP arbitrators will interpret the bad faith element within a proceeding.

**Preemptive Purchasing**

In light of the above, trademark owners who have registered their marks with the TMCH may consider purchasing domain names with the .sucks gTLD as early as they can prior to June 1, 2015. While the price may be steep, the damage the sites can cause if registered to a malcontent or a prankster could potentially be worse. Insofar as it is still unknown how the .sucks domain will impact a brand, a brand owner will need to decide whether it is worthwhile to test the value of the purchase at least for the first year. It has been reported that Google (for gmail.sucks, glass.sucks and others), Apple (for itunes.sucks, facetime.sucks and others), Facebook (for instagram.sucks), Microsoft (for outlook.sucks, windows.sucks and others) and other major brands have already started buying .sucks domains, even if they have no intent to use them. Brand owners will need to weigh the risks of succumbing to what some have described as extortion to buy the domain during the sunrise period versus the risks that can follow if the domain is used by an adversary for legitimately posting adverse comments. It also remains to be seen how search engine results will be impacted by .sucks domains so that search engine marketing companies can adapt their strategies.

**The IPC and ICANN Push Back**

In a letter to ICANN, the Intellectual Property Constituency (IPC), which represents the holders of trademarks and related intellectual property, characterized Vox Populi's pricing scheme as “predatory, exploitative and coercive.” The IPC expressed concern that Vox Populi devised an illegal scheme to exploit trademark owners. IPC President Gregory S. Shatan wrote to Akram Atallah, president of ICANN's global domains division, explaining that the high fees implemented by Vox Populi will prevent many trademark owners from taking advantage of the sunrise period, thereby making it more likely that marks will be registered by cybersquatters for much lower fees. In response to the IPC's concerns, on April 9, 2015, ICANN sent a letter to the U.S. Federal Trade Commission and Canada's Office of Consumer Affairs, asking for comments on the legality of the high prices and procedures used by .sucks operator Vox Populi. According to Allen Grogan, ICANN's chief contract compliance officer, Vox Populi may be in breach of its registry agreement if it is determined that Vox Populi failed to comply with all applicable laws. If it is determined that Vox Populi is in breach of its registry agreement, ICANN would have the authority to amend Vox Populi's practices through its contractual relationship with the registry. As such, there is still uncertainty surrounding the launch of this gTLD.
The domain revolution is upon us and there are differing opinions on how best to approach a domain name strategy. J. Scott Evans, associate general counsel at Adobe Systems Inc. and president of the International Trademark Association (INTA), perhaps put it best when he reportedly told his people “the best way not to get included is not to suck.”

Wilson Elser’s Intellectual Property team continues to monitor the expansion of the top-level domains and how they may impact an individual and the operation of a business over time.