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上海
上海市银城中路 68 号
时代金融中心 16 楼和 19 楼
邮编: 200120
电话: +86 21 3135 8666
传真: +86 21 3135 8600

北京
北京市建国门北大街 8 号
华润大厦 4 楼
邮编: 100005
电话: +86 10 8519 2266
传真: +86 10 8519 2929

香港
香港中环皇后大道中 5 号
衡怡大厦 27 楼
电话: +852 2592 1978
传真: +852 2868 0883

伦敦
1F, 3 More London Riverside
London SE1 2RE
United Kingdom
T: +44 (0)20 3283 4337
D: +44 (0)20 3283 4323

www.llinkslaw.com

SHANGHAI
16F/19F, ONE LUJIAZUI
68 Yin Cheng Road Middle
Shanghai 200120 P.R.China
T: +86 21 3135 8666
F: +86 21 3135 8600

BEIJING
4F, China Resources Building
8 Jianguomenbei Avenue
Beijing 100005 P.R.China
T: +86 10 8519 2266
F: +86 10 8519 2929

HONG KONG
27F, Henley Building
5 Queen's Road Central
Central, Hong Kong
T: +852 2592 1978
F: +852 2868 0883

LONDON
1F, 3 More London Riverside
London SE1 2RE
United Kingdom
T: +44 (0)20 3283 4337
D: +44 (0)20 3283 4323

master@llinkslaw.com

“DotTrademark” Domain Name --- Protecting Brands in Internet Age

By Xun Yang | Snowy Xiong

With the Internet becoming an important space for business activities and domain names becoming an important resource on the Internet, fights against cyber-squatters have never ended. On the one hand, domain name resources are considered insufficient. On the other hand, whenever ICANN releases a new top-level domain, brand owners have to register extra domains to avoid trademark confusions. Despite of this, cybersquatting and confusions of domain names are still a headache for brand owners. The birth of the “*Dot Trademark Domain Name*” (“. 商标,” the “DotTrademark Domain Name”), however, has been changing the landscape and the registration of the DotTrademark Domain Name has proved it as a new way to protect brands in the Internet era.

如果您需要本出版物的中文本,
请与下列人员联系:

郭建良: +86 21 3135 8756
Publication@llinkslaw.com

For more Llinks publications,
please contact:

Roy Guo: +86 21 3135 8756
Publication@llinkslaw.com

Llinks Law Offices
www.llinkslaw.com

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I. The Birth of DotTrademark Domain Names

In the Internet, cybersquatting, misuse, and confusion of domain names are continuously hot topics. There are two main reasons for this.

The first reason relates to the nature of domain names. In particular, a domain name only has one featured element that is the distinctive combination of letters or words, and the generic top-level domain such as “.com, .cc, .bis, etc.” are not distinctively different from the aspect of public perceptions. However, a trademark has at least two featured elements, the distinctive parts and the categories of goods or services. The same texts or patterns registered on different categories of goods or services are considered different trademarks. Besides, the distinctive part of a trademark could be a text, a design, a sound, a color, or a combination thereof. This results in the shortage of domain name resources and inevitable conflict between domain name and trademark registrations.

The second reason roots in the principle of domain name registration that is “first to come, first to register”, which means the applicant who apply for a domain name first will obtain the same without any procedure for reviewing prior rights (trademarks, names, or other rights). Due to the extremely low cost of cybersquatting, even with a relatively simplified administrative procedure for domain name disputes, cybersquatting of domain names and the resulting domain name confusions are very rampant.

On May 22, 2014, ICANN recorded the DotTrademark Domain Name to the Global Internet Root Domain Name System (DNS), which marked the official global open registration and use of the DotTrademark Domain Name as a top-level domain. The registration authority of the DotTrademark Domain Name has adopted a series of domain name registration systems including “substantive review”. The system is used to determine whether the applicant has reasonable interest offline in the distinctive part of the domain name, and to only allow those who have legal interest to register the relevant DotTrademark Domain Name. This registration system brings a new approach in the domain name registration field: focuses were made on the reliability of domain name registrations not the number.

The registration authority of the DotTrademark Domain Names has already accepted the registrations of a number of DotTrademark Domain Names for many domestic and foreign companies, helping boosting the value and influence of the relevant brands. The DotTrademark Domain Names have been becoming an important way for brand holders to maintain the brand images in the cyberspace.

II. Registration Rules for DotTrademark Domain Names

Since the registration of the DotTrademark Domain Name must reflect the real rights in the relevant brands, the registration process must balance the possible conflict of trademark in different categories of goods and services, and it also need to be performed according to the rules which continue to evolve based on practical problems. The current rules for the registrations of DotTrademark Domain Names are summarized as follows.

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1. Applications for DotTrademark Domain Names

(1) Applicants through Registrars or Agencies

Trademark holders must submit applications for DotTrademark Domain Names through registered service organization or agency service organizations published on the official website of the registration authority. The registrars or agencies are required to review the authenticity, accuracy and integrity of application materials before submitting them to the registration authority, notify the applicants of the submission time of application materials and the progress of examination, and guide and assist the applicant to prepare and to submit supplementary application materials for registrations.

(2) Applicant Qualification and Preparation of Application Materials

Applicants for DotTrademark Domain Names who have trademark rights or other legal rights are considered eligible applicants, including registered trademark holders, unregistered trademark holders, and companies, organizations, and individuals who intend to create distinctive online trademarks. In addition, applicants are required to provide corresponding application materials as required. For example, for registered trademarks, applicants should provide proof of registered trademark rights or other related rights, such as trademark registration certificates. For unregistered trademarks, applicants are required to provide the proof of the applicant's legal rights to the trademark, such as a certification document of the trademark being recognizing as a well-known trademark, relevant laws and regulations, a court ruling that determines the applicant's legal rights in the trademarks or other documents that can prove the relevant trademarks have become a mark functioning for consumers and the general public to distinct the trademark holder's products and services from others within a certain geographical range. For applicants who intend to create an online trademark brand, they are required to provide a written description of the original brand name or its usage.

In addition, the registration of the DotTrademark Domain Name adopts the real-name registration system, and applicants must provide the registration authority with their identity certificates, including but not limited to the applicants' identity cards, passports, applicants' business licenses (business registration certificates), or the applicants' organization code certificates.

(3) Principles for Naming DotTrademark Domain Names

Applicants must apply for a DotTrademark Domain Name in accordance with the following naming principles. Firstly, the distinctive part of DotTrademark Domain Name must be created, held or obtained by the applicants. Secondly, the DotTrademark Domain Name must be distinctive, including receiving distinctions through long-term continuous use. Thirdly, the registration of the DotTrademark Domain Name must not infringe any prior legal rights and

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interests of a well-known trademark, etc. Applicants must not apply for registrations of DotTrademark Domain Names which are similar or cause confusion to others' well-known trademarks. When a DotTrademark Domain Name proposed by an applicant conflicts with a third party well-known trademark, the relevant registration application will not be approved. Fourthly, the registration of the DotTrademark Domain Name will not cause public misunderstanding and will not cause adverse effects on society.

The naming method of a DotTrademark Domain Name includes four classes A, B, C, and D. Class A is “(Trademark/Brand Name) .商标”. Class B is “(Trademark/Brand Name + Commodity/Service Name) .商标”. Class C is “(designated place + trademark/brand name) .商标”. Class D is “(designated place + trademark/brand name + product/service name) .商标”. And the charging standards for different categories are different.

In addition, it is generally not possible to apply for registrations of a DotTrademark Domain Name in any of the following scenarios: (1) a name identical or similar to the name, flag, logo, song, administrative agency, etc., representing the sovereign state and administrative region; (2) a name identical or similar to the name, logo of famous international organizations, institutions and churches; (3) a name involving to the name of the geographical indication; (4) a name with ethnic discrimination, conflicting with the public interest and public order, or adversely affecting the public; (5) common name and descriptive name for single use; (6) a name adding common and descriptive names to well-known brand names. The reasons for the above prohibitions are obvious. DotTrademark Domain Names are not permitted if they violates the naming principles such as not to infringe prior legal rights and interests, not to cause public misunderstanding or adverse effects on society.

2. Rules for Reviewing DotTrademark Domain Name Applications

The registration authority must review the applications for registrations of DotTrademark Domain Names according to the following principles. Firstly, the applicant shall apply for the registration of a DotTrademark Domain Name according to the prescribed naming principle and naming method, and must receive trademark protections in terms of the designated region and the designated class of commodities or services. Secondly, the applicant must bear the burden of proof to demonstrate that it has the claimed rights on the name for registration. Thirdly, when there are multiple eligible applicants for the same DotTrademark Domain Name, the principle of “first to come, first to register” will apply. Fourthly, the registration authority will not interfere into potential conflicts in trademarks between trademark holders.

3. Use Requirements of DotTrademark Domain Names

If there are no special circumstances, the registered DotTrademark Domain Name must be resolved to the registrant-related website within three months after the registration, and for promotion of goods and services. If the registered DotTrademark Domain Name fails to be put into use within the time

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specified above, the registrant must submit an application for deferred use to the regulatory authority within three months after registration, and the extension must not be extended for more than one year. In addition, the content of the website pointed to by the DotTrademark Domain Name must be consistent with or related to the designated commodities or services of the relevant trademark, and the website must be a website that is free from fraud, legal and good faith. If the applicant fails to use the DotTrademark Domain Name in accordance with the above requirements, the regulatory authority has the right to take measures of suspending the analysis, freeze, cancellation and other measures deemed appropriate.

III. Suggestion

The system of registration for DotTrademark Domain Name can not only promote the brand in the Internet field, but also build reputation onto the brand. Therefore, we recommend that brand owners consider registering and maintaining a DotTrademark Domain Name. For brand owners who suffer from the cybersquatting and confusion of domain names, registration of a DotTrademark Domain Name through substantive reviews can be a proof of their Internet identities. On the Internet, with a DotTrademark Domain Name, the brand owner can declare to the public that its identity is verified and, thus reliable and, therefore, the DotTrademark Domain Name helps maintain the corporate image better and protect brand value more efficiently.

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Contact Details

If you would like to know more information about the subjects covered in this publication, please feel free to contact the following people or your usual Llinks contact.

Author	
Xun Yang Tel: +86 21 3135 8799 xun.yang@llinkslaw.com	
Shanghai	
David Yu Tel: +86 21 3135 8686 david.yu@llinkslaw.com	Bernie Liu Tel: +86 21 3135 8678 bernie.liu@llinkslaw.com
Selena She Tel: +86 21 3135 8770 selena.she@llinkslaw.com	Nicholas Lou Tel: +86 21 3135 8783 nicholas.lou@llinkslaw.com
Dali Qian Tel: +86 21 3135 8676 dali.qian@llinkslaw.com	Kenneth Kong Tel: +86 21 3135 8777 kenneth.kong@llinkslaw.com
David Wu Tel: +86 21 6043 3711 david.wu@llinkslaw.com	David Pan Tel: +86 21 3135 8701 david.pan@llinkslaw.com
Elyn Jiang Tel: +86 21 6043 3710 elyn.jiang@llinkslaw.com	
Beijing	
David Yu Tel: +86 10 8519 2266 david.yu@llinkslaw.com	Bernie Liu Tel: +86 10 8519 2266 bernie.liu@llinkslaw.com
Yuhua Yang Tel: +86 10 8519 1606 yuhua.yang@llinkslaw.com	
Hong Kong(in Association with Dennis Fong & Co., Solicitors)	
David Yu Tel: +86 21 3135 8686 david.yu@llinkslaw.com	Sandra Lu Tel: +86 21 3135 8776 sandra.lu@llinkslaw.com
London	
Yuhua Yang Tel: +44 (0)20 3283 4337 yuhua.yang@llinkslaw.com	

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