

# What's in a Domain?

Generic top-level domains and the new dotbrand frontier

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## Generic top-level domains and the new dotbrand frontier

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A generic top-level domain (gTLD) refers to the suffix at the end of an IP address, the .com, .net, .edu, .org and other standard extensions at the heart of the online experience.

However, on June 20, 2011, the board of ICANN, the Internet Corporation for Assigned Names and Numbers, voted that any word in any language may now be considered for use as a gTLD.

ICANN's ruling marks a fundamental change in how the Internet is structured. On one hand, it opens the door for companies, individuals, governments, and causes to own a piece of the internet landscape, a place where their brand reigns supreme. On the other, the user experience isn't the same as 15 years ago, and the domain extension doesn't play the starring role it once did.

Since the 1990s, a company's online address has been of critical importance, but for most new brands, the dotcom is often already owned. Now, for a fee of US \$185,000, ICANN is allowing anyone and everyone to apply for their own dotanythingtheywant..

So the question is whether the dotbrand era is upon us?

The answer is, no one knows yet.

One thing, however, is certain: a domain alone does not create a brand. So, before committing to owning a hefty chunk of internet real estate, brand owners have to ask themselves, What business am I in? How are my products or services organized? How will a dotbrand URL enhance my online experience?

ICANN is promising the next great chapter in the history of the internet, and while the prospect of owning a unique domain is an exciting one, the process, the benefits, and the pitfalls demand serious consideration. In the following paper, Interbrand explores whether this new frontier is really everything it has claimed to be, and then, most critically, discusses what considerations a company

should take into account from a brand perspective, a digital strategy perspective, and a legal/trademark perspective.

In short, buying a gTLD is a tricky endeavor, and for many brands, it could be a costly mistake. Those who are likely to see ROI are the focused brand builders whose entire existence is online, brands with robust digital strategies that have a clear, solid reason to lay claim to their own piece of the Internet.

Ultimately, to decide whether or not a dotbrand is right thing to do, the answer is all in the brand strategy.

### Brand Types and gTLD Strategies: An overview

In the following chart, we outline a few general brand types and discuss which could benefit from a gTLD strategy and those that might not.

### Brands that might benefit from a gTLD strategy

<p>Brands that purchase large numbers of URLs every year could benefit by linking each back to the masterbrand.</p>	<p>For example, a film studio releasing multiple features could provide unique URLs for each property while unifying them at the same time through the domain name.</p>
<p>Brands with complex or reorganized structures could use a gTLD strategy to align its offerings in the marketplace.</p>	<p>For example, merging companies could rely on a gTLD to project a single, cohesive brand.</p>
<p>Brands already leasing Internet "real estate" to individuals and businesses can benefit greatly by investing in a gTLD strategy.</p>	<p>For example, eBay with its large constituency of online sellers could provide each with a personalized URL ending with a .ebay suffix. This system would economize online addresses while adding stature to the host brand.</p>
<p>Organizations interested in owning whole categories can also leverage the new domain system to their advantage.</p>	<p>For example, by purchasing a category domain registry, such as .music, a brand can make pieces of this online territory available to others with related offerings or interests, becoming a top-of-mind category destination in the process.</p>
<p>Companies with a fragmented master brand could purchase a gTLD for its subbrands in order to drive equity back to parent.</p>	<p>For example, Microsoft may wish to pursue xbox.microsoft to draw attention to their innovative consumer products.</p>

### Brands that might NOT benefit from a gTLD strategy

<p>Corporate brands with large portfolios of successful/iconic product brands should think twice before investing in gTLDs. Purchasing domain names for each product could become prohibitively expensive, while using the masterbrand as a domain could cause confusion.</p>	<p>For example, a company like Proctor &amp; Gamble could find it difficult to purchase the gTLD for every product in its portfolio. Additionally, as most consumers do not have a relationship with P&amp;G, a .pandg domain would add little to the product experience.</p>
<p>Brands with a modest online presence do not need to make the significant investment that a gTLD demands.</p>	<p>For example, small agencies with a primary website and possibly two or three secondary sites have little need for a unique domain. A standard domain is even an advantage as it makes the brand easy to locate and eliminates the need to maintain infrastructure. With the costs of applying for, establishing and maintaining a gTLD estimated in the millions of dollars, a brand's present Internet strategy should already equal this investment.</p>

### Dotbrand versus dotcom

The Internet Corporation for Assigned Names and Numbers (ICANN) quietly wields a remarkable power over how brands do business. Why? Because they are the governing body in charge of top-level domains—the coms, nets, orgs, and other suffixes after the dot at the end of every URL. With only 22 of these generic top-level domains (gTLDs) currently available, it is not an overstatement to say that ICANN is the gatekeeper to the internet.

The .com gTLD is of course the most coveted for searchability and general prestige. But for a business to get the URL it wants, it sometimes means wrestling it from the web's poachers and prospectors, at considerable financial and logistical expense

Until now.

"Internet address names will be able to end with almost any word in any language, offering organizations around the world the opportunity to market their brand, products, community, or cause in new and innovative ways," as ICANN's official press release puts it. The expansion of the gTLD system "will usher in a new Internet age," according to ICANN's former Board Chair, Peter Dengate Thrush.

The ICANN ruling has the potential to unleash upon the marketplace innumerable "dotbrands," a domain extension that replaces the standard "com" in a URL address

## "Creating a new domain is like starting over."

with a brand or company name . . . or anything else an applicant may pursue.

For example, a company like Coca-Cola could drop its current URL, coca.com, and create a new address that is completed with its name—for example, drink.coca.com. What this means is that companies or associations can now secure a URL address

that embeds the brand name even more deeply into its composition.

### Yesterday versus today

Fifteen years ago, at the beginning of the world wide web phenomenon, there was simply no precedent for what was happening. While many companies rushed to stake out territory in the form of domain names, others adopted a wait-and-see approach under the suspicion that the internet may be a fad or a niche. The early adopters were rewarded with prime internet real estate, but many of the more cautious brands found themselves up against cyber-squatters or businesses, people, causes, and places with similar names who had registered their URLs first.

At first glance, the ICANN ruling may appear as if history will repeat itself, but the circumstances are different this time around. Perhaps most significantly is that in the mid-1990s, no one knew anything about online consumer behavior. Today, we know how people navigate online and what they're likely to pay attention to in a URL.

Another big difference is that brand owners can rest slightly easier knowing that, unlike 15 years before, there are a number of protections in place. These include an objections-based process allowing trademark owners to demonstrate how a proposed gTLD would infringe on their legal rights, and applicants must describe the rights-protection mechanism they have in place for second-level registrations. Additionally, a trademark clearinghouse will provide a centralized resource for storage and authentication of trademark information.

Despite everything, brand owners will need to remain vigilant once the application process begins in January 2012, as they are still responsible for policing their own marks.

### Searching for answers

Many believe that Google, Bing, and other top search engines will naturally award a brand's unique gTLD with a higher ranking, that they will recognize dotbrands as the official source of company information, and therefore, position them at the top of search results pages.

What has led others to doubt this preference, however, is that Google has been moving away from this practice in response to spammers using brand names in their domains to lure unsuspecting users to their sites.

There hasn't been any formal statement on how search algorithms will be adjusted to compensate for the new gTLD model. Whatever the search engines' approach, it will have massive implications—not just for businesses, but potentially for anyone with an online presence.

In either case, one of the most important factors in search ranking is the hyperlink. Basically, the number of links to a website from other sites or applications helps to determine its place on the all-important results page. This raises another key question about how the search engines' will treat the new gTLDs: Will brands be erasing years of inter-linking with other sites when changing their domain identity?

Earlier in the year, Interbrand spoke with Alexa, the global site ranking organization, about the implications of the ICANN ruling. Their feeling is that "creating a new domain is like starting over," whereas continuing to build on a seasoned URL would leverage a brand's equity and rank.

For companies willing to undergo the effort and the expense to implement a customized domain registry, it will be critical to stay aware of the search engines' response to ensure they don't lose any equity in the process. Assuming that the new domain is accepted in the first place, simply switching over in total at one time could be too disruptive to a brand's online eco-system, and may require a period of transition or a co-existence strategy, depending on the circumstances. Of course, maintaining both your current domains and a new gTLD will mean additional layers of complexity and expense that many brand owners may wish to avoid.

One way or the other, there are a number of variables at play in terms of the search engines' response, all of which will need to

be carefully considered and solved for before shifting to a dotbrand.

### Old habits are hard to break

Over 15 years, Internet users have become quite comfortable with the dotcom construct—whether it's a pure dotcom or a country-code variation, like google.com.au in Australia or google.de in Germany. Dotcom is inextricably linked to how most identify web addresses and shorthand for doing pretty much anything online. And in terms of strategic impact, the willingness of users to give it up is perhaps the trickiest to predict.

If this behavior has been at least a decade in the making, how quickly will we see it change? If there's not a global transition—if most brands don't shift in the first wave—it may be another decade or more before the new domain construct is ingrained as a behavior or as the default, as dotcom is now.

The majority of people still use search fields to find a company, even if they have been on the site before. And if it is a frequently visited site, there is bookmarking or even the dropdown history from the URL field to get you there faster. Which means, on the whole, that people are not committing domain names to memory, but they can still be thrown off when a construct goes against the grain.

In the technology sector, there is precedent for taking liberties with the traditional domain structure, as seen in sites such as instant.fm and instagr.am. Early adopters may quickly embrace variations like these, but for the average consumer, they can be confusing.

In a recent example, when Yahoo took over a popular bookmarking site that called itself “del.icio.us,” it saw “a zillion different confusions and misspellings,” such as de.licio.us, del.icio.us.com, and del.licio.us. Ultimately, Yahoo moved to the wildly simplified delicious.com to make it “easier for people to find the site and share it with their friends.” With a new dotbrand, it seems likely that many users will experience similar

confusion, at least at the outset, until they become accustomed to the new structure.

There is a related discussion about the impact of new gTLDs on email platforms. In addition to concerns around behavioral adoption, there could also be technical implications, as many platforms such as Outlook and Entourage filter spam based on the presence of obscure domain names. To prevent any disruption of inbound and outbound email—particularly with marketing email systems—it is crucial that these platforms take steps to account for the new domain registries, while continuing their anti-spam efforts at the same time. Considering the domain possibilities, this will not be a trivial undertaking, lest they risk disturbing a fundamental communication system for businesses, governments, and consumers alike.

### Shorten and shorten again

For some time now, domains have been undergoing another transformation, one that is completely independent of ICANN: they are becoming shorter.

Social media platforms often impose limits on the length of users' posts. Perhaps most well-known is Twitter and its 140-character restriction. With links to other content so frequently exchanged, it's become a necessity to shorten the IP address, which can easily be dozens of characters long, to make room for everything you want to say. Twitter even provides this service on its platform through Bitly, a utility that takes a long URL string and turns it into a bite-sized link. With Google+ and Facebook implementing similar newsfeed-style content as Twitter, short is the new black when it comes to sharing content.

For example, this URL from a recent Gawker post, <http://gawker.com/5827284/internet-explorer-iq-story-was-a-hoax>

Became, **gaw.kr/ojXOR4** when shortened by Bitly.

So what happens when Bitly abbreviates a brand name? Here are a few examples.

Vanity Fair – [vnty.fr](http://vnty.fr)

Tech Crunch – [tcn.ch](http://tcn.ch)

Media Bistro – [mbist.ro](http://mbist.ro)

And if you don't want an automated abbreviation, Bitly will even let you customize the link, all for the low cost of free.

But Bitly's services go beyond shortened or customized links. It also provides tracking metrics for those links, giving brands crucial information on how often users are clicking through. Considering the Bitly Enterprise package costs just less than US \$1000 a month, this could be an attractive alternative to managing the infrastructure that a domain registry demands.

In an environment where shortcuts are easier and easier to come by, will a longer, more complicated URL really catch on with users? A gTLD means giving consumers more information to remember. Perhaps all they really need to know is how to click.

### More than an address extension, a brand extension

Besides search engines, consumer habits, and technical implications, there is an even more fundamental consideration to make when considering buying a domain registry: How will it benefit your brand?

From the beginning of the Internet, a brand's domain name has been seen as one of its most critical assets. Conventional wisdom says the stickier a name the better. But the reality is if a brand experience—the look and feel, tone of voice, customer service, product quality—isn't equally memorable, then it doesn't much matter how good a name is.

This is as true for dotcoms as it will be for dotbrands. Simply owning a clever or authoritative or adhesive domain registry won't mean a thing unless the brand experience lives up to the hype.

**Keep it clear**

If the brand is Coca-Cola, what should the customized domain be? Should it be .coca-cola, .cocacola or .coke? Remember that the non-refundable application fee—for a single domain—is US \$185,000. Plus, with so many potential domain variations for the public to consider, the chances for confusion, and with it consumer revolt, are significant.

People expect, and the most successful brands provide, a seamless experience from in store to online to the mailbox to the smartphone. Suddenly changing to a dotbrand, and all the URLs that come along with it, could simply be too bothersome, too perplexing to make it worth the effort, increasing the chances that consumers will either try to find you through a search engine, which makes the domain name a non-consideration, or move on to a competitor who's easier to find and access.

And of course, it's important to remember the relevance of social media. Many customers will likely just look a brand up on Facebook, bypassing the larger online world altogether.

When you add up the easy access to bookmarks, the near ubiquity of social media, not to mention bookmarking, anticipatory dropdown menus, and search fields that require you to just type in the first few letters of what you're after, the entire value of a domain comes into question.

**Domain versus apps**

With the rise of the smartphone and the tablet, some are wondering if the icon has the potential to eclipse the URL altogether,

as more and more people are using apps instead of logging on every day

For most application developers, a URL counterpart is still seen as a necessity, an anchor of legitimacy, which has led many to pay top dollar for the coveted generic yet brandable domain name. The mobile photo-sharing service Color paid a reported US \$350,000 for color.com, but the site features little more than links to buy the app and a video demo.

Another smartphone innovation with the potential to dilute the need for a URL even further is the quick response (QR) code. These cousins of the bar code only ask you take their picture, and once you do, away you go to get more information, make a purchase, re-order a product and more. Marketers have fallen in love with these simple devices, and consumers are starting to feel the same.

Considering that consumer reliance on apps and QR codes is only going to increase, the question becomes whether the expense of owning a gTLD is worth it. After all, when the app store and an icon are the primary touchpoints, why bother typing anything into the URL field?

**When dotbrand does make sense: URL organization**

Some brands, however, can clearly benefit from owning their own domain. Take the entertainment and consumer industries as an example. Many often rely on unique URLs to communicate a new campaign, property, or movie. This gives them the status of a stand-alone presence, but they almost always tie back to the parent brand in their content.

For example, Pepsi's Refresh campaign uses the URL refresheverything.com, which is linked to and from pepsi.com. Although there isn't even a hint of Pepsi in the URL, the parent brand maintains an unmistakable presence on the campaign site and in the context of the search description.

When companies have significant spend on unique campaigns like this, using a domain registry to bridge properties with their source brands can be a real advantage. The URL Refresheverything.pepsi is unique and distinctive, but it shuttles equity to the parent brand as the same time.

In another example, movie studios often use unique URLs for new properties, sometimes adding the word "movie" or including the studio name to distinguish them. For Harry Potter, Warner Bros. Studios opted for harrypotter.warnerbros.com, which defaults to movie-specific sites. Summit Entertainment launched the latest in the Twilight Saga under the URL www.breakingdawn-themovie.com.

If Warner Bros. and Summit were to invest in their own domain registries, however, they could both establish a simplified nomenclature for their online properties. With a .wbs or .summit suffix, for example, each film could have its own URL—harrypotterandthedeathlyhallows.wb or breakingdawn.summit—while fitting within a clear, logical structure that emphasizes the parent brand in the domain position.

These strategies avoid managing an endless number of unrelated URLs and allow all properties to have consistent yet still unique names.

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**But the reality is if a brand experience—the look and feel, tone of voice, customer service, product quality— isn't equally memorable, then it doesn't much matter how good a name is.**

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### There are limits though

Again, before a company starts writing a check to ICANN, it needs to ask how consumers interact with the brand. It's also important to look at portfolio management and brand architecture, especially if they own well-known product brands.

If you're a company like P&G, where consumers have a primary relationship with your product brands, would a gTLD like .pg or .pandg help? Or would consumers be more inclined to use the product brand to find what they want, such as colorbleach.tide? In this case, the need to register multiple gTLDs could become overwhelming.

So how your portfolio is created and how it's used to help customers navigate your products are critical factors in deciding how—and if—new domains should be bought.

And, it's important to remember that consumers are striving for simplicity in the face of the information barrage they receive daily, making them lean more heavily on social media. Here, their networks will curate content for them, and they can simply click through from the Bitly link sent by their friends, rather than keeping track of the URL for every product that a brand launches.

Sensing this shift, some companies, like Vitamin Water, are leveraging their Facebook pages more than their websites. Not only does Facebook make it easier to connect with consumers, it's also easier to interact with them, such as by posting on a person's wall or helping them create a playlist from the unique content posted on the site.

### And then there's the benefit of internet real estate

We see clear benefits for brands whose business models are based on leasing online real estate, like eBay, etsy, and Rakuten. In a symbiotic relationship, members share space with the larger, higher-profile brand, and all the positive associations that come with it, while still enjoying the individuality that makes them unique in the

eyes of consumers. In these circumstances, petespatis.ebay simply makes sense.

Other brands that may benefit from their own domain registries are master brands that may not be instantly linked by consumers with their own successful product brands. For example, Microsoft often does not get sufficient credit for brands like xBox. A URL, like xbox.microsoft, might help create a better link. However, the business and brand model behind the gTLD would need to match the intent. Otherwise, it's simply another link we pick up from our search results.

### Owning a category

Companies are not limited to their own trademarks when applying for a gTLD. Ambitious brands may file for generic extensions like .music, .bank, or .football, and if awarded the rights, they can literally own their category. One example might be an online music distributor who obtains the .music extension. They could then license URLs to bands, orchestras, venues, and trade magazines, making it easy for users to remember beatles.music, carnegiehall.music or spin.music. The resulting community could be an example of aggregating broad content under a single domain that, over time, could become the de facto destination for all things music.

In another example, Blogger is a popular blogging platform, as well as an occupation for digitally savvy writers. Blogger could potentially leverage .blogger as a value-added benefit that encourages writers to choose their service, while also retaining their already loyal customers. For example, the domain .blogger could become a badge affixed to one's own name or web address, such as Jane.Smith.Blogger. This would establish a personal brand for Jane Smith, while shifting equity to the Blogger brand and even the category as a whole.

### Pursuing a dotcategory

Anyone can file for a category domain in their application. The review process entails a seven-month objection period where interested parties can protest and/or file a competing application.

Rights are determined by ICANN in a decision based on 50 questions (23 general, 21 technical and operational, and six financial), and the applicant's answers determine whether dispute resolution is required. Disputes can range widely and include concerns about the similarities between applications, trademark infringement, frivolous or abusive intentions, or a pre-existing community. If there is no way to determine rights, an auction decides.

It is worth noting that dispute resolution is part of the reason for the large application fee.

### Dotcharacter versus dotcom

Another impact of the ICANN ruling is that English is no longer the default language for gTLDs. In theory, any word from any language, including Chinese characters and Arabic script, may be used as a domain suffix. One question this raises is whether a brand will need to buy the equivalent of its name when operating in foreign markets.

As far as China is concerned, there doesn't appear to be any need to rush. While the vast majority of Chinese people know very little English, if any at all, those who use the Internet are quite accustomed to the current gTLDs. As in so many other regions, .com is generally considered the indicator of a business's official website, while .org suggests a reliable and objective organization.

For the most part, however, Chinese internet users simply don't pay as much attention to a domain as their American or European counterparts. Few experts are predicting a large overall impact in China; although some do believe that fraud will inevitably rise as a result.

### ICANN's priorities

Yet another thing to keep in mind is that ICANN is establishing a priority system that gives preference to public entities filing for community gTLDs, over consumer brands filing for standard gTLDs when applying for the same domain registry.

For example, if the U.S. Apple Association files for .apple, then Apple Inc. will have to look elsewhere.

In another example, consider Apache. According to the new regulations, if the Apache tribe and the Apache software company both file for .apache, the Apache tribe would be awarded the registry first.

Because of these restrictions, it will be essential to check carefully who else is filing, lest you find your application derailed during the seven-month objection phase and incur a potentially significant loss in time and money.

### What about trademark protection?

As mentioned earlier, trademark owners are protected by mechanisms built into the application process. Applicants must show how they have a rights protection protocol in place for second-level registrations, and a clearinghouse will provide a central storage and authentication facility for trademark information. Although brands must still monitor their own marks, they can pursue an objection-based process if they fear infringement on their legal rights.

Additionally, recent provisions in the 350+ page *gTLD Applicant Guidebook* now afford trademark owners even more protection than previous editions allowed for. Now, all new gTLD operators will be required to offer brand owners two types of protection: trademark claims and sunrise periods.

The trademark claims service is intended to notify brand owners, whose marks are on file with the clearinghouse, when a second-level domain name matching their mark is applied for. The advantage here is that brand owners may not need to defensively register all their names across multiple new top-level domains.

The sunrise period provides a priority phase for trademark owners who want to register during the launch of a new domain extension, before open registration is allowed. This means that brand owners can secure their most important names, in case a third party might attempt to do so.

### What this adds up to for trademarks

Whether or not a company applies for a gTLD, as a brand owner it will still need to monitor applications for new extensions that match its trademarks, plus applications that contain generic or standard industry terms, as well as competitors' new gTLD applications. Trademark owners will need to position themselves so that they can, if necessary, take action against the new gTLDs and domain names that will likely be applied for in the coming months (regardless of whether they're applying for new gTLDs or not). The Legal Rights Objection process is in place to assist owners when they believe a gTLD infringes on their trademark.

While the final—or fine—details will likely not be clear until the full process is underway, trademark owners need to ask themselves if owning and running a gTLD gives them the desired level of brand control, or if the various protection mechanisms ICANN has outlined sufficiently meets their needs.

And of course, it's important to factor in the considerable costs involved, and the possibility that consumers and online users may not adopt, or adapt to, the new Internet structure.

### Opposition to gTLD expansion

Many brands and business organizations are deeply opposed to the ICANN ruling. Their concern is that the new domain system is essentially forcing companies to apply—and pay up—for something they already own, their trademarks.

It's unclear whether organized opposition will force ICANN to reconsider, and the issue is certainly worth keeping an eye on the months leading up to the start of the application process.

### If you make the investment, make the most of it

As we have seen, securing a gTLD is not an inexpensive exercise. Initial application fees run \$185,000 with ongoing fees of \$25,000 a year for a minimum of 10 years. Additionally, all applicants must prove to ICANN that they have the infrastructure in place to manage

the domain registry and the financial resources to fund it.

To simply get a domain up and running, current estimates are ranging between \$1 and \$2 million. Add to this the need to maintain all currently held domains for the extended period of time it will take for consumers to become accustomed to the new domain construct.

And it goes beyond monetary investment. It also involves time and far-sighted decisions on how to manage the domain, and how it will benefit both brand and business strategies.

So, it's safe to say that if a brand doesn't already invest significantly in creating an online destination experience, then securing a gTLD simply will not be enough to capture consumer attention and loyalty.

Without an already pronounced investment in digital strategy, brands must be cautious in their pursuit of a domain registry because protection is simply not good enough of a reason to warrant the time and effort, both of which are potentially dramatic drains on resources.

On the other hand, securing a new gTLD could signal a significant change in how brands approach their online experience as a whole—so if a company does commit, they should use it as an opportunity to maximize their presence in this ever-more critical communication channel.

### Any questions?

#### More than a few, we imagine.

While the prospect of owning a domain is an exciting one, the process, the benefits, and the pitfalls demand serious consideration. Understanding that you may have lingering questions, we've attempted to anticipate a few of them here.

#### 1. What are gTLDs?

Generic Top-Level Domains are the suffixes at the end of a URL. Currently, gTLDs are limited to 22, including .com, .net, .org and other familiar extensions. With the recent ICANN ruling, it will be possible for anything

to be used as a gTLD providing it is three characters or longer. Two-letter TLDs are reserved for country codes, such as .jp for Japan or .uk for the United Kingdom.

## **2. How will ICANN choose to allocate these?**

ICANN has established a system that invites companies and public entities to apply for their own gTLD. Preference is given to community filers over companies when both apply for the same gTLD. A long, in-depth application process has been developed, and it will be the responsibility of the applicant to meet all of ICANN's requirements before it will be awarded its own gTLD.

## **3. Is this imperative, or should I wait and see?**

It depends on a number of factors. Perhaps most important is whether owning a unique gTLD will clearly benefit your brand, your business, and your online strategy. Simply filing just to own a dotbrand, even if seen as a protective measure, could be a waste of valuable resources, especially since gTLD owners must maintain the domain for at least 10 years. ICANN expects all new gTLDs to be operational; brand owners cannot "reserve" or just secure the extension and do nothing with it—at a minimum, a closed registry will be required.

## **4. What does the application process entail?**

ICANN has put into a place a multi-phase evaluation process that begins with a 200+ page application and includes an administrative check, initial evaluation, and a pre-delegation segment. The process can take anywhere from nine to 20 months.

## **5. What are the estimated costs associated with registering a gTLD?**

The non-refundable application fee will cost US \$185,000, and ICANN will charge a fee of US \$25,000 a year over the course of the 10-year license. With additional cost considerations including establishing and managing an infrastructure, maintaining current domains over a transitional period and associated legal fees, total cost estimates range between US \$1 and US \$2 million just to get a gTLD operational.

## **6. When does the application process for new gTLDs start and how long until the public will see the new domains?**

The application process will run from January through April 2012. After April, new applicants will have to wait until the next window. By the end of 2012, the public should see the first new domains in use.

## **7. If I don't register a gTLD, how can I ensure that someone else won't take it?**

This time it's different. Trademark holders are offered some protection by an objection-based process, which allows them to demonstrate that a proposed gTLD string would infringe on their legal rights. However, trademark owners are responsible for monitoring new gTLD applications— ICANN will not notify you of potential trademark conflicts.

Further, applicants must show they have a rights protection protocol in place for second-level registrations, and a clearinghouse will provide a central storage and authentication facility for trademark information.

Additionally, an objection-based process will be in place to allow rights holders to challenge possible infringements on their legal rights.

## **8. Will owning a gTLD mean I can forget about my current extensions (.com, .net, .co.uk)?**

No. It will be necessary to monitor all of your presently used extensions for the foreseeable future. And once your gTLD is in place, you will likely need to continue to maintain your current web presence until consumers become accustomed to your new domain.

## **9. What happens after my application is approved?**

Once approved, you will be required to conclude an agreement with ICANN and pass technical pre-delegation tests.

## **10. I'm not convinced my brand needs to rush to own a gTLD, so I'm going to wait and see. Anything else I should keep in mind?**

You must be comfortable with the risk of being locked out if another party demonstrates its rights to an extension that

is the same or similar to yours. An oft-cited example is .ups for United Parcel Service and .ubs for the Swiss banking giant UBS. ■



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