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EVERYTHING OLD IS NEW AGAIN: DOES THE “.SUCKS” gTLD CHANGE THE REGULATORY PARADIGM IN NORTH AMERICA?

Jacqueline D. Lipton*

ABSTRACT

In 2012, the Internet Corporation for Assigned Names and Numbers (“ICANN”) took the unprecedented step of opening up the generic Top Level Domain (“gTLD”) space for entities who wanted to run registries for any new alphanumeric string “to the right of the dot” in a domain name. After a number of years of vetting applications, the first round of new gTLDs was released in 2013, and those gTLDs began to come online shortly thereafter. One of the more contentious of these gTLDs was “.sucks” which came online in 2015. The original application for the “.sucks” registry was somewhat contentious with a number of countries and others opposing the application. Nevertheless, ICANN granted the rights to a Canadian company, Vox Populi, which has subsequently made a splash in the domain name market offering a variety of pricing levels for different “.sucks” domain names. Complaints have been made to Industry Canada about the activities of Vox Populi in the domain name space, but, so far, the Canadian government has bowed out of involvement in the issue. This Article explores the way that the new gTLDs in general, and the “.sucks” domain name in particular, have affected the landscape for domain name regulation with a particular focus on North America.

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INTRODUCTION

Prior to 2012, the Internet domain name system, administered by the Internet Corporation for Assigned Names and Numbers (ICANN) was limited in its operation to twenty-two generic Top-Level Domains (gTLDs),¹ all registered under the auspices of ICANN. The most well-known and sought-after of these gTLDs were “.com,” “.org” and “.net.” A number of these original gTLDs were restricted to particular entities: for example, “.gov” was restricted to government departments,² and “.edu” was limited to educational institutions.³ After much deliberation, ICANN rolled out the beginnings of a new gTLD program, opening in 2012 for applications for new gTLDs.⁴ The idea was to create more online real estate in new domain spaces and de-regulate the domain space by allowing more entities to take on the responsibility for particular new gTLDs.⁵ While ICANN does provide oversight of these entities, they are largely independent registries under contract with ICANN.⁶

It could be argued that the new program was not necessary and that it was simply another way to raise revenue for ICANN. The perceived problem in the pre-

¹ ICANN, *gTLD APPLICANT GUIDEBOOK* (2012) [hereinafter *gTLD APPLICANT GUIDEBOOK*] (acknowledging the 22 current ICANN-approved gTLDs at the time of development of the new gTLD program); Kim Murakami, *The gTLD Explosion: Changes to Domain Names that All Businesses Should be Aware of*, PILIERO MAZZA (July 23, 2014), <https://www.pilieromazza.com/blog/the-gtld-explosion-changes-to-domain-names-that-all-businesses-should-be-aware-of> (“The domain name system had consisted of only 22 different gTLDs such as ‘.com,’ ‘.gov,’ ‘.org,’ and ‘.net’ as some of the most common. The new program exploded the number of gTLDs from the original 22 into the hundreds.”).

² See Electronic Code of Federal Regulations, §§ 102–173.5, https://www.ecfr.gov/cgi-bin/text-id.x?SID=d611d7d4bd8f3155d3262ea4857c011e&mc=true&node=pt41.3.102_6173&rgn=div5#se41.3.102_6173_15 (last viewed on Nov. 29, 2018) (“Internet GOV Domain refers to the Internet top-level domain “.dot-gov” operated by the General Services Administration for the registration of U.S. government-related domain names. In general, these names reflect the organization names in the Federal Government and non-Federal government entities in the United States. These names are now being used to promote government services and increase the ease of finding these services.”).

³ Educase is the sole registrar for “.edu” domain names which are limited to educational institutions. See EDUCASE, <https://net.educause.edu/> (last visited Nov. 29, 2018).

⁴ Murakami, *supra* note 1.

⁵ ICANN, *New gTLD Program in Brief* (Oct. 2009), <http://archive.icann.org/en/topics/new-gtlds/factsheet-new-gtld-program-oct09-en.pdf> (“Opening the top-level space so that names can be proposed rather than be restricted to the existing 21 gTLDs could open up a new wave of innovation. Competition and innovation best occur when a stable and open platform is available and the barriers to entry are reduced.”).

⁶ *Id.* (“The application for a new gTLD is a much more complex process. An applicant for a new gTLD is, in fact, applying to create and operate a registry business and sign a contract with ICANN.”).

existing gTLD spaces was a lack of “desirable” names in established gTLD spaces, like “.com” and “.net” thanks to domain name cybersquatting and similar behavior, such as registering domain names in those gTLDs with the intention of selling them for profit to others. New gTLDs would only, potentially, exacerbate this problem rather than resolve it.

While the United States implemented systems to deal with the cybersquatting problem in the late 1990s—including the Uniform Domain Name Dispute Resolution Policy (“UDRP”) and the Anti-Cybersquatting Consumer Protection Act (“ACPA”)—cybersquatters quickly found ways around those regulations. One strategy was to register *potentially* desirable domain names *before* an existing trademark corresponding with the domain name was put in place.⁷ This approach did not permit a later-trademark holder to run a successful UDRP arbitration because the UDRP requires existing trademark rights at the time of registration of the domain name.⁸

One of the reasons for the perceived need for new gTLDs was, in fact, a dearth of available domain names as a result of these speculative practices.⁹ Cybersquatters also preemptively registered other kinds of domain names that they figured might be valuable in the future, outside of the trademark context (e.g., names of up-and-coming athletes and other celebrities, who would have to pay for the names when they became well-known enough to require an online presence).¹⁰

The new gTLD system does not solve these problems particularly well. It simply creates a broader canvas for identifying and addressing these issues.¹¹ One of the pieces of collective wisdom developed by trademark owners is to preemptively

⁷ *Uniform Domain Name Dispute Resolution Policy*, ICANN (Aug. 26, 1999), <https://www.icann.org/resources/pages/policy-2012-02-25-en> [hereinafter *UDRP*] (requiring a domain name to be registered in bad faith, i.e., in a manner that conflicts with an existing trademark for a complaint to be successful).

⁸ *Id.*

⁹ gTLD APPLICANT GUIDEBOOK, *supra* note 1 (“New gTLDs have been in the forefront of ICANN’s agenda since its creation. The new gTLD program will open up the top level of the Internet’s namespace to foster diversity, encourage competition, and enhance the utility of the DNS.”).

¹⁰ Luke Broadwater, *Cybersquatters See Fame, Fortune in Teen Athletes*, BALTIMORE SUN (Aug. 27, 2001), http://articles.baltimoresun.com/2001-08-27/entertainment/0108270249_1_internet-domain-renfro-domain-names.

¹¹ JACQUELINE LIPTON, INTERNET DOMAIN NAMES, TRADEMARKS AND FREE SPEECH, 307 (2010) [hereinafter LIPTON, INTERNET DOMAIN NAMES] (noting that existing problems have not been particularly well resolved under the existing gTLD system in the context of ICANN proposing the release of new gTLDs in 2010).

register domain names they think they might want to use in the future, which typically has not been particularly costly.¹² However, that paradigm has changed with the advent of the “.sucks” gTLD, the registry for which is operated by Canadian company, Vox Populi.¹³ Unlike many other domain name registries, both with respect to the original 22 gTLDs and the newer gTLDs (which typically run \$5 to \$10 for registration of a domain name), the “.sucks” domain names are differentially priced.¹⁴ The cheapest “.sucks” names are available for \$249 annually, rising to \$2,499 for what Vox Populi calls “Market Premium Domains” and even higher for what they describe as “Registry Premium Domains.”¹⁵

Neither Market Premium Domains nor Registry Premium Domains are particularly well defined by Vox Populi. The company website says that Market Premium Domains “provide extra value in protecting your brand trademark [sic] and deflecting negative narratives. Reputation management, controlled feedback systems and cheeky marketing campaigns await you with these domains.”¹⁶ The description for Registry Premium Domains reads as follows: “[f]or big picture activism and to create unified communities, Registry Premium Domains can springboard your cause into the marketplace with gusto.”¹⁷ Prices for registry premium names depend on the name in question.¹⁸

Despite the uncertain cost of registering “.sucks” domain names, it is clear that registering *any* “.sucks” domain will cost significantly more than other domains a

¹² Eric Goldman, *Why Defensive Domain Name Registrations Aren't a Good Deal for Small Businesses*, FORBES (July 16, 2012), <https://www.forbes.com/sites/ericgoldman/2012/07/16/why-defensive-domain-name-registrations-arent-a-good-deal-for-small-businesses/#7a566e06b676> (explaining the pros and cons of defensive domain name registration).

¹³ See *Products*, .SUCKS, <https://get.sucks/products> (last visited Nov. 23, 2018).

¹⁴ See *id.* (demonstrating the current pricing policy).

¹⁵ See *id.*; see also Lee Hutchinson, *Registry Fires Back at ICANN Over .SUCKS Domain Pricing Criticism*, ARS TECHNICA (May 12, 2015), <https://arstechnica.com/tech-policy/2015/05/registry-fires-back-at-icann-over-sucks-domain-pricing-criticism/> (describing ways in which Vox Populi has defended its position on pricing).

¹⁶ See *Products*, *supra* note 13.

¹⁷ *Id.*

¹⁸ *Id.*

trademark holder may want to preemptively register.¹⁹ That cost differential has caused a lot of disquiet throughout American industry in particular.²⁰ A number of American corporations and their lawyers have raised concerns about the exorbitant cost of preemptively registering “.sucks” domains that correspond with their trademarks so they can “control the narrative” on the Internet.²¹

The question for domain name regulation, and associated national trademark law, is whether the “.sucks” name raises new regulatory issues. Should it force reconsideration of how we view regulation of domain names and trademark interests, or does it simply raise new iterations of existing questions about balancing trademark and other interests in the domain space?²² This Article considers the affect of the “.sucks” gTLD on business and industry, and the extent to which the operation of Vox Populi’s “.sucks” domain name program alters existing paradigms on domain name regulation. By extension, it may shed new light or insights on the affect of extending the gTLD system more generally, and perhaps indicate areas in which particular strings “to the right of the dot” deserve more careful consideration prior to being approved by ICANN.

Part I considers the genesis and development of the “.sucks” registry. Part II examines current practices and problems within the “.sucks” domain space. Part III surveys the current domain name regulations and the extent to which they resolve or exacerbate problems in the “.sucks” space. The focus is on both North American trademark law, including trademark infringement and dilution actions and the provisions of the Anti-Cybersquatting Consumer Protection Act, as well as ICANN’s international dispute resolution procedures such as the UDRP and the more recently developed Uniform Rapid Suspension System (“URS”). Part IV considers the extent to which new regulatory approaches are currently dealing with, or may be required to deal with, the kinds of issues raised by pejorative gTLDs. The Article concludes by noting that while current practices may not require immediate regulatory reform,

¹⁹ Christopher K. Ralston, *IP and Tech Law Alert: Dispute Looms Over Launch of .SUCKS Domain*, PHELPS DUNBAR (May 21, 2015), <http://www.phelpsdunbar.com/ip-and-tech-law-alert-dispute-looms-over-launch-of-sucks-domain-5-21-2015>.

²⁰ Dean Beeby, *Dot-Sucks Domain Name Not Our Problem, Ottawa Says*, CBC NEWS (Dec. 18, 2015), <https://www.cbc.ca/news/politics/dot-sucks-canada-internet-website-domain-1.3370577>.

²¹ *Id.*

²² For a thorough examination of some of those questions, see, e.g., LIPTON, INTERNET DOMAIN NAMES, *supra* note 11.

the “.sucks” experiment in particular should be carefully scrutinized in light of future developments, and the need for associated regulation, in new domain spaces.

I. THE GENESIS OF “.SUCKS”

When ICANN opened applications for new gTLDs in 2012, it established a detailed, if often confusing or occasionally vague, set of guidelines and criteria for applying for a new gTLD registry,²³ and for the way in which the applications would be vetted.²⁴ The application system included provisions for individuals and groups—including governments and the Governmental Advisory Committee to ICANN (the “GAC”)²⁵—to oppose applications for new gTLDs.²⁶ A number of ICANN processes were implemented once the process came online to deal with situations that ICANN did not foresee in the initial planning stages of the program.²⁷

The non-refundable application fee for a new gTLD registry was \$185,000 per application.²⁸ Those who applied made heavy investments in the possibility of being successful and ran big risks of losing their money,²⁹ as there were no refunds offered for unsuccessful applications. A number of applications were challenged and withdrawn before the process played out (e.g., Applications for “.amazon” and “.patagonia.”).³⁰ These were typical of some of the domains that caused the most public interest: situations where a word that connoted a valuable trademark also

²³ GTLD APPLICANT GUIDEBOOK, *supra* note 1.

²⁴ *Id.*

²⁵ See *Governmental Advisory Committee*, ICANN GOVERNMENTAL ADVISEMENT COMMITTEE, <https://gac.icann.org/> (last visited Sept. 5, 2018).

²⁶ See generally GTLD APPLICANT GUIDEBOOK, *supra* note 1, at 149–73 (detailing the objection procedure laid out in Module 3).

²⁷ See *Closed Generic gTLD Applications*, ICANN, <https://www.icann.org/resources/pages/closed-generic-2013-02-05-en> (last visited Nov. 23, 2018). For example, in 2013, the question arose as to whether new gTLD registries that corresponded with generic terms should be open to all who want to register domains in the second level of those gTLDs or could be proprietary and closed to the entity operating the registry. *Id.*

²⁸ GTLD APPLICANT GUIDEBOOK, *supra* note 1, at 44 (application fee details).

²⁹ *Id.* (explaining that the application fee is non-refundable, although partial refunds are possible in certain cases where an application is withdrawn).

³⁰ See Joshua Jarvis, *Amazon’s Inability to Register Domain Name .Amazon is an Interesting Case Study for new gTLDs*, TRADEMARK AND COPYRIGHT LAW (June 24, 2014), <https://www.trademarkandcopyrightlawblog.com/2014/06/amazonc-gtld/>.

connoted a geographical region or had some other geographical or cultural significance.³¹

Another area that garnered some press attention, and some opposition, was a series of domain names that contained “pejorative” terms, like “.sucks” and “.wtf.”³² At the urging of corporate actors in various countries, objections were raised to the applications for these strings as domain names.³³ Ultimately, these gTLDs were granted, which resulted in Vox Populi successfully administering the “.sucks” gTLD.

Pejorative terms like “sucks” or “wtf” or “ihate” had been used in second level domains previously in, among others, a case involving the Bally Total Fitness trademark,³⁴ and the airfrancesucks.com UDRP dispute involving the Air France trademark.³⁵ Over the years, courts and UDRP arbitrators developed a set of reasonably well-accepted principles under pre-existing trademark law and late 1990s regulations (the UDRP and legislation like the ACPA) to resolve these disputes.³⁶ In these early decisions, both ICANN arbitrators and American courts typically supported the use of pejorative terms attached to trademarks for purely informational purposes (such as consumer gripe sites about a company), but not when the use of the term might confuse consumers about the origin of products or services.³⁷ It is

³¹ This is unsurprising given the historical difficulty of balancing rights in such words and phrases against trademark interests in pre-existing domain spaces. For a detailed discussion of this issue see LIPTON, INTERNET DOMAIN NAMES, *supra* note 11, at 235–40.

³² See, e.g., Charlie Osborne, *Government Advisory Agency Files Domain Name Protests*, ZDNET (Nov. 21, 2012), <https://www.zdnet.com/article/government-advisory-agency-files-domain-name-protests/> (last viewed on Nov. 29, 2018).

³³ See, e.g., Simon Sharwood, *.WTF? Governments Object to .Sucks, .Army and .Airforce*, REGISTER (UK) (Nov. 22, 2012), https://www.theregister.co.uk/Print/2012/11/22/governments_object_to_new_gtlds/.

³⁴ See generally *Bally Total Fitness Holding Corp. v. Faber*, 29 F. Supp. 2d 1161 (C.D. Cal. 1998). The domain name in question was: www.compupix.com/ballysucks. *Id.* at 1162.

³⁵ *Société Air France v. Virtual Dates, Inc.*, Case No. D2005-0168, Administrative Panel Decision (WIPO Arbitration and Mediation Ctr. 2005), <http://www.wipo.int/amc/en/domains/decisions/html/2005/d2005-0168.html>. This case was an early example of a UDRP arbitration panel disagreeing over the significance of the “sucks” pejorative in a second level “.com” domain name.

³⁶ See Roberta Horton, *Does ‘.Sucks’ Really Suck?*, INTELL. PROP. MAG., Dec. 2017/Jan. 2018, at 61, <https://www.arnoldporter.com/~media/files/perspectives/publications/2017/12/does-sucks-really-suck.pdf> (surveying some of these principles).

³⁷ *Id.* at 62.

worth noting, however, that the American position is significantly different from that of many other countries, where gripe sites have not fared so well.³⁸

The question is whether moving the “.sucks” pejorative to the right of the dot in a domain name should change the current position, and developing presumptions, on legitimate versus non-legitimate uses of a domain name under American law and the UDRP. At the date of writing, few cases have been decided involving the “.sucks” domain space and those that have been decided are not very illuminating.³⁹

The cases decided under the UDRP involving “.sucks” domains are largely traditional cybersquatting cases where the registrant has not made legitimate use of the name, and likely has confused Internet users as to the website and its association or lack thereof with the relevant trademark.⁴⁰ These scenarios would also likely amount to trademark infringement under U.S. law, which focuses on consumer confusion.⁴¹

II. WHAT’S HAPPENING IN THE “.SUCKS” SPACE TODAY?

We are still the relatively early days of the “.sucks” domain name registry, so it’s difficult to evaluate the likely long-term success of this gTLD. Some corporations—those with the wherewithal and desire to “control the narrative”—have, in fact, registered “.sucks” domain names corresponding with their own trademarks.⁴² Vox Populi, on its website, touts the success of “apple.sucks,” a domain name registered by Apple itself that initially resolved to a website soliciting feedback on the company’s products, but now resolves to a dormant website.⁴³ Nevertheless, the front page of Vox Populi’s website maintains “Apple knows that

³⁸ *Id.* (“While cases with a US tie have supported websites critical of trademark owners, referring to ‘a constitutional right of US citizens to free speech,’ non-US cases have found gripe sites do not constitute a legitimate fair use.”).

³⁹ See *infra* for a discussion of the relevant case law.

⁴⁰ Horton, *supra* note 36 (surveying relevant disputes including disputes involving “lockheedmartin.sucks,” “F5.wtf,” and “pinterest.sucks”).

⁴¹ ANNE GILSON LALONDE & JEROME GILSON, TRADEMARK PROTECTION AND PRACTICE, para. 5.01[1] (The general aim of trademark law is to protect consumers in relation to the source of products or services.).

⁴² See discussion *infra* Part II.

⁴³ See *Why .SUCKS? .SUCKS*, <https://get.sucks/> (last visited Nov. 23, 2018) (At the date of writing, the apple.sucks domain name actually resolved to a non-existent page, so Apple may no longer want to use the apple.sucks name for customer complaints.).

criticism is inevitable and that providing your users with a channel to vent is more productive than letting them take to Twitter. Hence, Apple.Sucks—which smartly redirects to their Product Feedback Page.”⁴⁴ Apple also registered “iphone.sucks” which currently also resolves to a dormant website.⁴⁵

Many other companies have complained that they should not be forced to pay exorbitant registration fees of over \$2,499 to “control the narrative” in this way, and that Vox Populi should be prevented from selling “trademark.sucks” names.⁴⁶ In the lead-up to the launch of the “.sucks” registry, Vox Populi’s CEO, John Berard, was quoted as saying that the company initially planned to charge \$25,000 per domain name registered.⁴⁷ He later stated that it would charge “market prices,” and that \$2,499 is a good indicator of what Vox Populi estimates is the standard market price for most domain names corresponding with trademarks.⁴⁸

Soon after the release of “.sucks” domain names, a group of American corporations and lawyers complained to Industry Canada about Vox Populi’s practices concerning trademarks in the “.sucks” domain space, describing the practices as “predatory, exploitative and coercive.”⁴⁹ The Deputy Minister at Industry Canada, John Knuble, decided not to get involved in the issue, preferring that aggrieved parties take the matter to court.⁵⁰ The House Judiciary Panel in the United States has also considered the issue, but no action has been taken with respect to “.sucks” in particular.⁵¹

The practices currently occurring in the “.sucks” space in many ways mirror some of the issues faced previously when pejorative terms like “sucks” were included in second level domains under prior gTLDs, like “.com,” “.net” and

⁴⁴ *Id.*

⁴⁵ Beeby, *supra* note 20.

⁴⁶ Maria Crimi Speth, *Dot Sucks: A Battle Between Trademark Rights and Free Speech*, JABURG WILK ATT’YS (Apr. 16, 2018), <http://www.jaburgwilk.com/news-publications/dot-sucks-a-battle-between-trademark-rights-and-free-speech>.

⁴⁷ *Id.*

⁴⁸ *Id.*

⁴⁹ Beeby, *supra* note 20.

⁵⁰ *Id.*

⁵¹ Joseph Wright, *Stakeholders Slam ICANN on Accountability, .sucks, But Endorses IANA Transition Soon*, BLOOMBERG NEWS (May 15, 2015), <https://www.bna.com/stakeholders-slam-icann-n17179926540/>.

“.org.”⁵² For example, one of Vox Populi’s early “trademark.sucks” customers registered “aircanada.sucks” for a website highly critical of the Air Canada airline.⁵³ Gripe sites have historically been a mainstay of “trademarksucks.com” domains.⁵⁴

Interestingly, as at the time of writing, many of these “.sucks” domains now resolve to dormant websites, so it seems like a lot of money may have been wasted by corporations preemptively registering the names or fighting those who registered the names.⁵⁵ One exception is “nike.sucks” which currently resolves to the Nike Corporation’s home page, so that’s an example of a purely preemptive registration that the corporation simply uses to sell its regular wares, not to encourage individuals to complain about Nike’s products.

Additionally, many of the extremely well-known American trademarks (like McDonalds, Adidas, Delta Airlines etc.) have not been registered in the “.sucks” space at all, indicating that perhaps many large scale trademark holders are not going to worry about “.sucks” unless and until something happens in the relevant space. At that point, they will likely avail themselves of existing regulations to seek redress (or perhaps will try to negotiate privately with the registrant for transfer of the names).

In any event, it appears that Vox Populi’s stated ambition to be a “platform for innovation, a magnet for conversation, and a hub for discussion of those things that stir passion”⁵⁶ may not have been borne out in practice, except to the extent that the conversation is about the bad faith pricing practices of Vox Populi.⁵⁷ Is this enough to suggest a need for a change in the regulatory paradigm surrounding the “.sucks” domain? Does the combination of apparently wasted online real estate with the comparatively large amount of money being spent by trademark owners to protect their brands online support an argument that the space should be regulated differently than under the UDRP and corresponding domestic legislation? Industry Canada felt

⁵² Beeby, *supra* note 20.

⁵³ *Id.*

⁵⁴ For a detailed consideration of gripe sites and domain name regulation, see Jacqueline Lipton, *Commerce versus Commentary: Gripe Sites, Parody, and the First Amendment in Cyberspace*, 84 WASH. U. L. REV. 1327 (2006).

⁵⁵ See discussion *infra*.

⁵⁶ Cyrus Farivar, *Company Behind .Sucks TLD Wants Everyone to Know How Classy It Is*, ARS TECHNICA (Jan. 5, 2016), <https://arstechnica.com/information-technology/2016/01/firm-behind-sucks-wants-its-tld-to-be-magnet-for-conversation/?comments=1&post=30392483>.

⁵⁷ See Hutchinson, *supra* note 15.

no action was necessary,⁵⁸ and the U.S. government has not taken any action on this issue either.

The Canadian government view is that intellectual property rights are privately held and disputes should be settled privately in court,⁵⁹ or through ICANN processes. The following discussion considers the extent to which these private mechanisms are up to the task of settling this new category of disputes, and whether new approaches are necessary. Because so many of the complaints about “.sucks” have been generated by American businesses, the focus below is on American trademark legislation and judicial precedent, alongside relevant ICANN dispute resolution mechanisms.

III. WHAT THE REGULATIONS SAY TODAY

A. ICANN Processes

With respect to new gTLDs, there are two ICANN dispute resolution processes a trademark holder may resort to in relation to registration of domain names that potentially infringe their trademark interests: the UDRP⁶⁰ and the URS.⁶¹ The systems are similar in substance, the key difference being that, under the UDRP, domain name arbitrators can order the transfer or cancellation of a domain name registration,⁶² while under the URS, the name can only be suspended for the remainder of the relevant registration period.⁶³ Both systems are premised on the complainant establishing its trademark rights or interests, and bad faith registration and use of the domain name by the registrant.⁶⁴

One of the key differences between the two systems is that the UDRP only requires the complainant to establish a trademark interest whether registered or

⁵⁸ Beeby, *supra* note 20.

⁵⁹ *Id.*

⁶⁰ UDRP, *supra* note 7.

⁶¹ ICANN, UNIFORM RAPID SUSPENSION SYSTEM (2013) [hereinafter URS].

⁶² UDRP, *supra* note 7, at 5–8 (“The remedies available to a complainant pursuant to any proceeding before an Administrative Panel shall be limited to requiring the cancellation of your domain name or the transfer of your domain name registration to the complainant.”).

⁶³ URS, *supra* note 61, at 9.

⁶⁴ *Id.* at 2–3; UDRP, *supra* note 7, at 3.

unregistered,⁶⁵ whereas the URS requires the existence of a word mark: (a) over which the complainant has a valid national or regional registration; (b) which has been validated by a national court; or, (c) which is protected by a treaty.⁶⁶

Both systems are relatively similar in their conception of a “bad faith” use of a trademark in a domain name for profit by the registrant.⁶⁷ The UDRP conception of “bad faith,” on which the URS concept is closely modeled, sets out the following circumstances as a non-exclusive list of indicators of bad faith registration and use of a domain name:

- (i) circumstances indicating that [the registrant] registered or acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of [the registrant’s] documented out-of-pocket costs directly related to the domain name;
- (ii) [the registrant] has registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name . . . ;
- (iii) [the registrant] has registered the domain name primarily for the purpose of disrupting the business of a competitor; or,
- (iv) by using the domain name, [the registrant] intentionally attempted to attract, for commercial gain, Internet users to [its] web site or other on-line location, by creating a likelihood of confusion with the complainant’s mark as to the source, sponsorship, affiliation, or endorsement of [the] web site or location or of a product or service on [the] web site or location.⁶⁸

The domain name registrant is entitled to raise evidence to rebut the claim of bad faith registration and use in a relatively quick, inexpensive, online proceeding under both the UDRP and the URS.⁶⁹ Each of the systems sets out a similar list of non-exclusive factors that may be taken into account by an arbitrator as evidence

⁶⁵ UDRP, *supra* note 7, at 3 (the UDRP applies to disputes, *inter alia*, in which the registered domain name “is identical or confusingly similar to a trademark or service mark in which the complainant has rights”).

⁶⁶ URS, *supra* note 61, at 2.

⁶⁷ *Id.* at 2–3; UDRP, *supra* note 7, at 3–4.

⁶⁸ UDRP, *supra* note 7, at 3–4.

⁶⁹ URS, *supra* note 61, at 5; UDRP, *supra* note 7, at 4–5.

against bad faith.⁷⁰ The UDRP factors indicating the registrant's right or legitimate interest to use the domain name (on which the URS factors are closely modeled) identify the following factors as evidence to rebut bad faith:

- (i) before any notice to [the registrant] of the dispute, [the registrant's] use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services; or
- (ii) [the registrant] (as an individual, business, or other organization) [has] been commonly known by the domain name, even if [it] acquired no trademark or service mark rights; or
- (iii) [the registrant is] making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.⁷¹

As noted previously, a significant number of UDRP decisions have been made in relation to the original gTLD spaces in cases where registrants have included pejorative terms alongside trademarks in second level domains.⁷² The decisions are relatively consistent on these kinds of cases. In the third World Intellectual Property Organization ("WIPO") overview of Selected UDRP Questions, the WIPO noted that:

Where the domain name is not identical to the complainant's trademark, but it comprises the mark plus a derogatory term (e.g., <trademarksucks.tld>), panels tend to find that the respondent has a legitimate interest in using the trademark as part of the domain name of a criticism site if such use is prima facie noncommercial, genuinely fair, and not misleading or false. Some panels have found in such cases that a limited degree of incidental commercial activity may be permissible in certain circumstances (e.g., as "fundraising" to offset registration or hosting costs associated with the domain name and website).⁷³

⁷⁰ *Id.*

⁷¹ UDRP, *supra* note 7, at 4–5.

⁷² See LIPTON, INTERNET DOMAIN NAMES, *supra* note 11, at 122–26 (surveying UDRP gripe site cases).

⁷³ WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Jurisprudential Overview 3.0"), WIPO, <http://www.wipo.int/amc/en/domains/search/overview3.0/#item263> (last visited Dec. 4, 2018).

The WIPO position is relatively consistent with American case law, which has typically held that noncommercial, genuinely fair use in terms of criticism or commentary (or even for some legitimate commercial use) is usually not a trademark infringement⁷⁴ or a violation of the ACPA.⁷⁵ Some American courts have even held that registering versions of trademarks *without* a pejorative attached will not infringe trademark rights provided that the use of the trademark is legitimate fair use and largely noncommercial, although the cases have not been completely consistent on this point.⁷⁶

B. *United States Trademark Law*

In the United States, as in many other countries, early domain name and trademark disputes were decided under existing trademark law, the trademark infringement and dilution provisions of the Lanham Act.⁷⁷ Trademark infringement is a civil action brought by a trademark holder against another person who has caused a likelihood of consumer confusion by using the same or similar trademark.⁷⁸ Dilution prohibits a person from using a mark or trade name in a way that is likely to cause blurring or tarnishment of a famous mark.⁷⁹ Blurring refers to impairing the distinctiveness of a famous mark,⁸⁰ and tarnishment refers to harming the reputation of a famous mark.⁸¹

Elements of trademark infringement and dilution bear some similarities to the approach taken under the UDRP and the URS. Like the ICANN systems, domestic trademark laws require the complainant to establish trademark rights to bring an

⁷⁴ See, e.g., *Toyota Motor Sales U.S.A., Inc. v. Tabari*, 610 F.3d 1171 (9th Cir. 2010) (fair use of a domain name including Toyota's Lexus trademark); *Bosley Med. Inst., Inc. v. Kremer*, 403 F.3d 672 (9th Cir. 2005) (registration of a trademark.com name without a pejorative attached for a pure gripe site did not infringe the plaintiff's trademark).

⁷⁵ See, e.g., *Lamparello v. Falwell*, 420 F.3d 309, 320 (4th Cir. 2005) (finding that a link to a commercial webpage on a noncommercial communicative website critical of the views of the complainant would not support a successful ACPA action).

⁷⁶ See, e.g., *Bosley*, 403 F.3d at 672 (registration of a trademark.com name without a pejorative attached for a pure gripe site did not infringe the plaintiff's trademark).

⁷⁷ 15 U.S.C. §§ 1114, 1125(a), 1125(c) (2018) (infringement of registered trademark; infringement of unregistered trademark; dilution).

⁷⁸ *Id.* §§ 1114, 1125(a) (infringement of registered trademark; infringement of unregistered trademark).

⁷⁹ *Id.* § 1125(c).

⁸⁰ *Id.* § 1125(c)(2)(B).

⁸¹ *Id.* § 1125(c)(2)(C).

action.⁸² In the case of a dilution action, the complainant must also establish that its mark is famous.⁸³ They also require the defendant (the domain name registrant) to have engaged in conduct that in some way harms the trademark holder or the reputation of its mark.⁸⁴ While neither trademark infringement nor dilution law contain a specific “bad faith” requirement, American courts take the defendant’s bad faith conduct into account in applying the “consumer confusion” requirement of the infringement action.⁸⁵

It is thus relatively easy to see why, prior to the implementation of the UDRP and ultimately the URS, trademark infringement and dilution proceedings were usually the most obvious option for trademark holders aggrieved by the registration of a domain name including their mark. The implementation of the ICANN procedures does not, in fact, preclude domestic litigation in relation to domain name disputes, as Industry Canada made clear when rejecting the idea of the government becoming involved in issues concerning the new “.sucks” gTLD.⁸⁶

The drawbacks of domestic litigation, as compared with UDRP and URS proceedings, include cost and jurisdictional concerns.⁸⁷ UDRP and URS proceedings are fast, inexpensive, and conducted completely online with no in-person hearings, eliminating the need to deal with personal or subject matter jurisdiction in domestic courts.⁸⁸ Of course, courts can award monetary damages and other remedies, while the UDRP and URS are limited to cancellation or transfer orders (in the case of the

⁸² *Id.* §§ 1114(1)(a) (requirement for plaintiff to hold a registered trademark for the purposes of a registered trademark infringement action); 1125(c)(1) (requirement for a plaintiff to hold a famous trademark for the purposes of a dilution action).

⁸³ *Id.* § 1125(c)(2)(C) (a mark is famous for the purposes of the dilution law if, *inter alia*, “it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark’s owner”).

⁸⁴ *Id.* §§ 1114(1)(a) (defendant must have caused a “likelihood of consumer confusion” in relation to the plaintiff’s mark); 1125(c)(1) (defendant must have “blurred” or “tarnished” the plaintiff’s mark).

⁸⁵ In fact, empirical research has suggested that bad faith is often the determinative factor in deciding the consumer confusion issue in a trademark infringement case. Barton Beebe, *An Empirical Study of the Multifactor Tests for Trademark Infringement*, 94 CALIF. L. REV. 1581 (2006).

⁸⁶ Industry Canada preferred to leave it to domestic courts to sort these matters out. *See* Beeby, *supra* note 20.

⁸⁷ LIPTON, INTERNET DOMAIN NAMES, *supra* note 11, at 19 (“Trademark infringement also ultimately relies on the ability of the trademark holder to bring a successful court action. This can be a costly and protracted experience.”).

⁸⁸ *Id.* (“Because of its time, cost and jurisdictional advantages, most domain name disputes are brought under the UDRP.”).

UDRP),⁸⁹ and suspension orders (in the case of the URS).⁹⁰ However, in most cases, cancellation, transfer, or suspension are usually sufficient for a trademark holder aggrieved by someone else's registration of a domain name corresponding with their mark. This is because the damage is done by diverting consumers to a website not operated by the trademark holder. Once that problem is removed, there is typically no need for additional remedial action.

Around the same time the UDRP was adopted by ICANN, the United States Congress also enacted the ACPA, which significantly mirrored the approach of the UDRP.⁹¹ The ACPA prohibits registering, trafficking in, or using a domain name corresponding with someone else's trademark with a bad faith intent to profit from the mark.⁹² Unlike the UDRP, to sustain an ACPA action, the trademark holder does not have to establish that the domain name was actually *registered* in bad faith, provided that it was trafficked in, or used, in bad faith.⁹³ This is an easier way to deal with the situation of cybersquatters who prospectively register domain names they think may be valuable in the future even if, at the time of registration, no trademark actually corresponds to the domain name. If someone later establishes the trademark and can then further establish that the domain name registrant used the name in an attempt to, say, extort money from the trademark owner, they may be able to sustain a successful ACPA action, subject to concerns about what's come to be known as "reverse domain name hijacking."⁹⁴ That term refers to establishing rights in a trademark subsequent to registration of a domain name in order to wrest control of the domain name from the original registrant in bad faith.⁹⁵

⁸⁹ UDRP, cl. 4(i) ("[T]he remedies available to a complainant pursuant to any proceeding before an Administrative Panel shall be limited to requiring the cancellation of your domain name or the transfer of your domain name registration to the complainant.").

⁹⁰ URS, cl. 10.2 ("Immediately upon receipt of the Determination, the Registry Operator shall suspend the domain name, which shall remain suspended for the balance of the registration period and would not resolve to the original web site.").

⁹¹ 15 U.S.C. § 1125(d) (2018); UDRP, *supra* note 7, at 3–4.

⁹² *Id.* § 1125(d)(1)(A).

⁹³ *Id.* § 1125(d); UDRP, *supra* note 7, at 3–4.

⁹⁴ See Doug Isenberg, *What is 'Reverse Domain Name Hijacking'?*, GIGALAW (Oct. 19, 2016), <https://giga.law/blog/2016/10/19/what-is-reverse-domain-name-hijacking> (last viewed on Nov. 29, 2018).

⁹⁵ *Id.*

As with the UDRP, and subsequently the URS, the ACPA also includes a list of “bad faith” factors, which a court can take into account to determine whether the domain name registrant did, in fact, register, traffic in or use the domain name in bad faith.⁹⁶ The ACPA list of bad faith factors is somewhat more extensive than the UDRP and URS lists and includes consideration by the court of:

- the trademark or other intellectual property rights of the domain name registrant in the domain name;
- the extent to which the domain name consists of the legal name of the registrant or a name that is otherwise commonly used to identify that person;
- the registrant’s prior use of the domain name in connection with a bona fide offering of goods or services;
- the registrant’s bona fide noncommercial or fair use of the mark in a site accessible under the domain name;
- the registrant’s intent to divert consumers from the mark owner’s online location to a site accessible under the domain name that could harm the goodwill represented by the mark, either for commercial gain or with the intent to tarnish or disparage the mark, by creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site;
- the registrant’s offer to transfer, sell, or otherwise assign the domain name to the mark owner or any third party for financial gain without having used, or having an intent to use, the domain name in the bona fide offering of any goods or services, or the person’s prior conduct indicating a pattern of such conduct;
- the registrant’s provision of material and misleading false contact information when applying for registration of the domain name, the registrant’s intentional failure to maintain accurate contact information, or prior conduct indicating a pattern of such conduct;
- the registration or acquisition of multiple domain names which the registrant knows are identical or confusingly similar to marks of others that are distinctive at the time of registration of such domain names, or dilutive of famous marks of others that are famous at the time of

⁹⁶ 15 U.S.C. § 1125(d); UDRP, *supra* note 7 at 3–4; URS, *supra* note 61, at 2.

- registration of such domain names, without regard to the goods or services of the parties; and
- the extent to which the mark incorporated in the registrant's domain name registration is or is not distinctive and famous.⁹⁷

While the ACPA does not provide a specific list of “legitimate” or fair use indicators, unlike the UDRP and the URS, it does provide that “[b]ad faith intent . . . shall not be found in any case in which the court determines that the person believed and had reasonable grounds to believe that the use of the domain name was a fair use or otherwise lawful.”⁹⁸ There are few ACPA cases because of the prevalence of the UDRP as a domain name dispute resolution procedure, but it is likely that American courts will follow the UDRP approach to the effect that noncommercial uses of a domain name corresponding with a trademark for purposes of genuine criticism or commentary of the mark holder will be generally regarded as legitimate fair uses under the ACPA.⁹⁹

The focus of both the American litigation and the original UDRP, now mirrored in the URS, was on preventing or redressing bad faith conduct by domain name registrants who take advantage of another entity's trademark. The original concern in the late 1990s and early 2000s (when the domain name system first came online) was with what one might call “traditional” cybersquatters, those who registered usually “.com” domain names corresponding with others' trademarks in hopes of extorting money for return of the “rightful” online property to the trademark holders.¹⁰⁰

As we have already seen, bad faith practices online rapidly became more sophisticated with many registrants setting up sham websites with either click through advertising, “this page is under construction” wording, or other content unrelated to the trademark holder, with the underlying hope of extorting money by selling the name to the trademark holder or competitor.¹⁰¹ Now, we see even more sophisticated practices like speculative domain name squatting, where an actual

⁹⁷ 15 U.S.C. § 1125(d)(1)(B)(i).

⁹⁸ *Id.* § 1125(d)(1)(B)(ii).

⁹⁹ *See, e.g.,* Lamparello v. Falwell, 420 F.3d 309, 320 (4th Cir. 2005).

¹⁰⁰ *See* LIPTON, INTERNET DOMAIN NAMES, *supra* note 11, at 13–15 (discussion of this practice and early concerns about it).

¹⁰¹ *See* Jacqueline Lipton, *Clickfarming: The New Cybersquatting?*, 12 J. INTERNET LAW 1 (2008).

legitimate “right” in the domain name has not yet been identified (e.g., no corresponding trademark is yet in existence), but where the domain name might be valuable someday.¹⁰²

The existing regulations have coped relatively well with bad faith extortion type situations, although not always, especially not in the situation where the domain name was speculatively registered prior to the establishment by another entity of a relevant trademark or trade name. In many ways, under the existing regulations, the stakes have always been relatively low and manageable even for entities who want to negotiate their way privately through an intellectual property matter in the domain space. Historically, domain name registrations have been very inexpensive to secure, and those who want to challenge a registration can do so for the low thousands of dollars under the UDRP or in private negotiations with domain name registrants.¹⁰³

Many modern domain name speculators will quote prices in the low thousands of dollars for a transfer of a domain name they have originally secured speculatively. They obviously make a profit from this practice, but the costs to the future trademark holder may not be exorbitant, depending on the situation.¹⁰⁴

Does a paradigm where the initial registration of a domain name, whether speculatively or defensively, costs in the multiple thousands of dollars, or more, change the way we think about the current regulatory matrix? Is there any need to rethink our approach to domain name regulation in the wake of enterprises like Vox Populi? Those questions are the focus of the next section.

IV. DO WE NEED REGULATORY REFORM?

A. “.Sucks” and the Current Regulatory Matrix

As described in the Introduction, the current regulatory matrix addressing disputes over domain name registrations originally focused on traditional cybersquatting. The application of these procedures in the United States, and globally, has been extended into new factual situations relatively effectively, other

¹⁰² See Broadwater, *supra* note 10 (discussing the situation of promising athletes who are not yet famous).

¹⁰³ See, for example, the schedule of costs for engaging in a UDRP arbitration through the WIPO domain name dispute resolution service: *Schedule of Fees under the UDRP*, WIPO, <https://www.wipo.int/amc/en/domains/fees/> (last visited Apr. 11, 2019).

¹⁰⁴ Of course, some domain name speculators charge much higher prices depending on the context. See Paul Sloan, *Meet the ‘Mann’ who registered 14,962 domains in 24 hours*, CNET (Apr. 21, 2012), <https://www.cnet.com/news/meet-the-mann-who-registered-14962-domains-in-24-hours/> (discussing of a man who made into the tens of millions of dollars for speculatively registered domain names).

than a few issues involving speculative domain name registrations where no corresponding trademarks yet exist. This discussion has put aside the question when the domain name corresponds with other valuable, or contentious, words or phrases regarding personal,¹⁰⁵ political,¹⁰⁶ or cultural names and signifiers¹⁰⁷ which have never been dealt with particularly well by regulation.¹⁰⁸

With respect to trademark-related domain name issues in particular, does the “.sucks” domain name, or other similar gTLDs, raise questions that require further consideration in the regulatory space, or is Industry Canada correct in thinking that the market will sort itself out with the assistance of the courts and ICANN dispute resolution procedures? What is different about these new gTLD spaces, if anything, that requires reconsideration of the way domain spaces are regulated?

The main practical difference, as we have already noted, relates to the costs associated with registration of “.sucks” domain names in particular. In terms of the legal principles that would be applied to determine whether any given “.sucks” domain name is a trademark infringement under national law, or is in bad faith under the UDRP or the URS, nothing much has arguably changed.¹⁰⁹ A “.sucks” domain name that confuses consumers as to the source or affiliation of a particular website or its content may well infringe trademark law and may be in bad faith under the UDRP or the URS, leading to a cancellation, transfer or suspension order. However, a “.sucks” name that resolves to a website whose conduct is fair use or otherwise legitimate, and is not an attempt to commercially profit unfairly or in bad faith from another’s trademark, is likely not a trademark infringement under American law and will likely not be cancelled, transferred or suspended under the UDRP or the URS.

To the extent regulatory attention is required in this new domain space, it is arguably not in the areas that have traditionally been the focus of domain name regulation. The concerns are with costs of the initial registration of these names whether they are registered defensively by the trademark holder or speculatively by

¹⁰⁵ See generally Jacqueline Lipton, *Celebrity in Cyberspace: A Personality Rights Paradigm for Personal Domain Name Dispute Resolution*, 65 WASH. & LEE L. REV. 1445 (2008).

¹⁰⁶ LIPTON, INTERNET DOMAIN NAMES, *supra* note 11, at 152–56.

¹⁰⁷ *Id.* at 235–40.

¹⁰⁸ *Id.* at 307.

¹⁰⁹ See Jacqueline Lipton & Mary Wong, *Trademarks and Freedom of Expression in ICANN’s New gTLD Process*, 38 MONASH U. L. REV. 188, 227 (2012) (predicating that the new gTLD system would simply reproduce similar kinds of disputes as arose in pre-existing gTLD spaces).

someone else with the purpose of harming a competitor or extorting money from a later sale.¹¹⁰

B. *Defensive Registration*

Defensive registration is where a trademark holder itself preemptively registers a domain name corresponding with its mark, even with a pejorative attached, to prevent someone else from doing so.¹¹¹ Defensive registration would likely lead to unnecessary and wasteful expenditure of business resources, the costs of which would likely be passed on to consumers.

The difference between defensive “.sucks” registrations and defensive registrations in other new gTLDs is largely the cost. Vox Populi charges significantly more than many of the other existing and newer gTLD registries for securing a domain name corresponding with a valuable trademark.¹¹² Nike Corporation would pay much less to register “nikesucks.com” than to register “nike.sucks.”¹¹³ Currently, the latter (expensive) version resolves to Nike’s main corporate webpage, while “nikesucks.com” does not appear to be owned by anyone, or at least it does not resolve to anyone’s webpage. This may be evidence that Nike was more worried about what might later happen in the “nike.sucks” space and how much it would have to pay to secure the name from a cybersquatter who registered it speculatively, than the “nikesucks.com” space.

Of course, many other holders of valuable trademarks have taken other approaches and have not registered “trademark.sucks” versions of their names, whether or not they registered the much cheaper “trademarksucks.com” versions. This may be evidence that some of the concerns about the “.sucks” gTLD have been overblown.

In any event, in terms of defensive registrations of “.sucks” domain names, it seems a couple of points may be made, although it is currently too early in the operation of the space to say anything definitive. First, it appears, despite calls for government intervention to investigate and regulate the allegedly predatory and

¹¹⁰ These have certainly been the key concerns raised before ICANN, Industry Canada and the U.S. House Judiciary Committee. *See supra* Part I.

¹¹¹ Goldman, *supra* note 12.

¹¹² *See* Domain.com, *How Much Does a Domain Name Cost?* (Sept. 13, 2018), <https://www.domain.com/blog/2018/09/13/how-much-does-a-domain-name-cost/> (“On average, it costs around \$10–15 annually to purchase and hold a domain name.”).

¹¹³ *Id.*

exploitative pricing practices of Vox Populi, most of the money being made from “.sucks” registrations does not revolve around exploiting valuable trademarks and, to the extent it does, the trademark holders would have little trouble removing the websites through UDRP and URS proceedings fairly inexpensively.¹¹⁴ This already happened in the small handful of cases decided under these policies.¹¹⁵

The cost of a UDRP or URS proceeding is relatively constant and affordable, regardless of the market value of the domain name itself.¹¹⁶ Thus, trademark holders arguably are not disadvantaged by Vox Populi’s pricing practices, so long as the trademark holders themselves do not succumb to any perceived market pressure to defensively register “.sucks” names corresponding with their marks. Nike has apparently shelled out whatever Vox Populi asked for “nike.sucks” domain, but many major trademark holders have not bothered.

Industry Canada may well be correct that defensive registration is one area where the market will sort itself out and we are arguably seeing evidence of that now. Vox Populi has not sold a huge volume of “.sucks” names to trademark holders so they can “control the narrative” about their products and services online. The trademark holders who have apparently delved into the defensive registration area are a handful of mark holders with substantial wherewithal to do so, big players like Apple and Nike.

C. *Speculative Registration*

Is the situation any different in relation to speculative registration of “.sucks” domain names? Remember that speculative registration is where someone other than the trademark holder registers the name in the hope of making a profit from it. Again, to date, there has not been much action in this area. Early on, a handful of “.sucks” domain names corresponding with well-known marks were registered, including “aircanada.sucks,” “pinterest.sucks” and “lockheedmartin.sucks.”¹¹⁷ However, most of the websites related to that relatively small handful of defensive registrations now resolve to empty pages, suggesting that action has been taken by the trademark

¹¹⁴ See discussion in Part III(b), *supra*.

¹¹⁵ Horton, *supra* note 36.

¹¹⁶ For example, a UDRP arbitration can cost as little as \$1,500 for a single arbitrator. See WIPO, *Schedule of Fees Under the UDRP*, <https://www.wipo.int/amc/en/domains/fees/> (last visited Dec. 4, 2018).

¹¹⁷ Horton, *supra* note 36.

holders under domestic trademark law, the UDRP or URS or through private negotiation, and the registrants have given up or handed over the names.

In the *Lockheed Martin* and *Pinterest* cases,¹¹⁸ in particular, decisions were made under the UDRP and the URS, respectively, that the registrants were not making legitimate use of the domains.¹¹⁹ In the *Lockheed Martin* case, the name was used for a pay-per-click site where the registrant was making money from attracting eyeballs using the trademark.¹²⁰ In the *Pinterest* case, the registrant had set up a gripe site, which, unusually, the URS panel said was not a legitimate use.¹²¹ Note that typically these kinds of sites have been found to be legitimate uses under national trademark law and the UDRP.¹²²

From the small sample of cases, and small amount of anecdotal information, currently available in relation to speculative regulation of “trademark.sucks” domain names, it appears that trademark holders are not being put at a disadvantage over and above the previous position in relation to pejorative terms used with trademarks in pre-existing domain spaces (e.g., trademarksucks.com domain names).

D. Other “.Sucks” Registrations

Of course, trademark.sucks domain names are not the only kinds of “.sucks” names that can be registered through Vox Populi’s enterprise, even though one might cynically say that perhaps the company’s major initiative was to attempt to profit from creating problems for trademark holders in cyberspace. On the “get.sucks” website, Vox Populi also touts the success of three non-trademark-corresponding websites: assad.sucks, logging.sucks and inefficiency.sucks.¹²³ The get.sucks website includes prominent quotes from the registrants of each of these domain names, touting the enthusiasm and excitement surrounding the registration of each of them.¹²⁴ However, currently each of these domain names resolves to a dormant website.¹²⁵ It is unclear whether the registrants have plans to do something creative

¹¹⁸ *Id.*

¹¹⁹ *Id.*

¹²⁰ *Id.*

¹²¹ *Id.*

¹²² See *supra* Part II.

¹²³ See *Why .SUCKS?*, *supra* note 43.

¹²⁴ *Id.*

¹²⁵ *Id.*

with the names in the future, or whether they attempted to do so and failed, but currently all of the success stories touted on the “get.sucks” website resolve to dormant webpages.¹²⁶

It may be that the potential of “.sucks” domain names have yet to be fully realized in practice or it may be that Vox Populi’s enterprise has ultimately not been much of a success. Remember that Vox Populi had to expend significant resources in securing the registry in the first place. The application fees alone were in the range of \$185,000 plus.¹²⁷

Overall, there is not a strong case for a new and improved look at regulation in new gTLD spaces, even in the highly contentious “.sucks” space in relation to current practices. That could certainly change in the future, but it may be that domain name fatigue has set in, and neither trademark holders nor domain name speculators want to pay more money to defensively or speculatively register new domains, particularly those with a high price tag attached. Maybe Vox Populi was overly ambitious in relation to what it estimated would be likely market prices for “.sucks” domain names.

CONCLUSION

What have we learned from this brief survey of the North American position on new gTLD regulation with an emphasis on the “.sucks” domain space? Is it really that there is nothing new under the sun, at least in relation to domain name regulation? Or is it that these new gTLDs open up opportunities that simply have not yet been realized or are not currently priced for the market? It’s hard to say.

It is likely that “.sucks” potentially raises an issue of wasted resources to a level never before seen in the domain space. If we think back to the early days of Internet domain names, and the uncertainty surrounding the question whether speculative registration of “trademark.com” names was wrongful,¹²⁸ probably the strongest policy argument in favor of regulating these registrations was that they potentially lead to economic and social waste online. Whether or not one took the view that registering a “trademark.com” (or, for that matter, a “trademarksucks.com”) domain name and resolving it to, say, a blank webpage should be a legal wrong (trademark infringement or otherwise), it was certainly wasteful. Trademark holders were forced

¹²⁶ *Id.*

¹²⁷ See GTLD APPLICANT GUIDEBOOK, *supra* note 1, cl. 1.5.1 (stating that the initial application fee is \$185,000 per application). While the initial application fee was \$185,000, it is likely that additional costs were incurred through attorney’s fees, particularly in defending oppositions to the application.

¹²⁸ LIPTON, INTERNET DOMAIN NAMES, *supra* note 11, at 13–15.

to pay amounts often in the tens of thousands of dollars to secure control of online real estate they may not have wanted in the first place or at least they should not have had to pay those amounts to secure it from cybersquatters.

If you multiply those amounts of wasted resources to the registration prices currently being charged by Vox Populi, you potentially end up with a tremendous amount of wasted resources. On the other hand, this problem has not yet played out in practice. If Vox Populi were to lower its prices to enable more people to afford “.sucks” domain names, we may see more of a call for monitoring and regulation of what is happening in this domain space.

Ultimately, any conclusions we can draw from the “.sucks” experiment to date must be tentative at best and may be proved wrong in the future as a result of any further development in that domain space, or other similar domain spaces like the “.wtf” domain space. In fact, “.wtf” domains are currently available from a number of standard domain name registries like GoDaddy for “market” prices starting around \$2.00.¹²⁹ At the moment, it does not appear to be the case that any of the new gTLDs, even the expensive “.sucks” names necessitate an urgent rethink of regulatory policy. However, it is possible that this position will change in the future. Domain spaces like “.sucks” are worth watching to see how corporate and other practices evolve and whether anyone figures out how to best commercially exploit these new resources.

¹²⁹ Maym Martineau, *How Much Does a Domain Name Cost?* (Aug. 22, 2017), <https://www.godaddy.com/garage/how-much-domain-name-cost/> (noting that a domain name can cost anywhere from \$2 to \$20 with GoDaddy).

