

How to guard domains from typo squatting and cybersquatting

Typo squatting and cybersquatting are different versions of domain squatting. Cybersquatting is the practice of registering a domain name that contains, or is confusingly similar to a

registered trademark, to benefit from the goodwill of the brand.



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Typo squatting is the practice of registering a domain name that looks like the genuine website of an already existing organization but contains a typo.

For example, a scammer could register the domain hrfmlaww.com, in the hope that someone looking for hrfmlaw.com will hold the w key too long. Typo squatting is also frequently done by replacing or omitting letters or adding a hyphen or period to an existing domain name.

RISKS ASSOCIATED WITH TYPO SQUATTING AND CYBERSQUATTING

The risk level of domain squatting depends on the intent of the scammer. Some scammers use a domain merely as a parking service to advertise the purchase of the domain. Frequently, cyber squatters purchase these domains

for a standard price and attempt to sell them to the trademark holder at a significant premium.

Domains can also run advertisements for similar services to the original website. While websites running ads may seem harmless, a trademark owner's potential customers can be diverted towards competitors. Alternatively, if the website mimics the trademark holder's website successfully, any ads or links on the page could be seen as the trademark owner endorsing the products advertised.

Typo squatting domains can cause more harm when they are used for phishing attacks. By mimicking the genuine website of a trademark holder, scammers can trick website users into revealing personal information, such as their login username and password. These phishing attacks can decrease public goodwill for the company and allow scammers to access company data.

PREVENTATIVE ACTIONS TO PROTECT A DOMAIN

Trademark owners can preemptively register common variations or typos of their domain name to prevent a scammer from purchasing it. Trademarks can also be registered with the Trademark Clearinghouse for \$155 per mark per year.

The Trademark Clearinghouse is a global repository that verifies and maintains trademark data. Registering a trademark with the Trademark Clearinghouse provides owners access to sunrise and claims periods. A sunrise period is 30 days where a trademark owner can register domain names including their trademark, before anyone else can. The claims period is the 90 days directly following the sunrise period. During the claims period, if a perspective registrant tries to register a domain with the trademark in it, they will receive a warning that states they are potentially infringing on someone's intellectual property rights. The registrant will have to acknowledge the warning before proceeding with registration. The Trademark Clearinghouse will then send the trademark owner a notice of the potentially infringing registration. After the 90-day claims period, the Trademark Clearinghouse will continue to warn trademark owners whenever a domain name is activated matching the owner's registered trademark.

MITIGATING DAMAGE FROM TYPO SQUATTING

If a trademark owner discovers or is notified that there is a domain potentially infringing on

their trademark, a good first step is to look at the website to determine what the scammer's goal is. Take screenshots of any evidence of misuse of the domain name, advertisements to sell the domain, click ads, or links with suggested searches. Next, use the ICANN Lookup tool to determine the owner of the domain, and what registrar or company was used to register the domain name. Some registrars have their own take down processes, so a trademark owner may be able to report their evidence directly to the registrar and have the website removed. Alternatively, a trademark owner can turn to legal or arbitration options.

In 1999, the Anti-cybersquatting Consumer Protection Act established a cause of action for a trademark owner when someone registers, traffics in or uses a domain name that is identical or confusingly similar to their registered trademark. A trademark owner must show that the domain owner has a bad faith intent to profit from their trademark. See 15 U.S.C. § 1125(d)(1)(A)(i) to (ii). To determine bad faith, the court will consider several factors including: if the domain is being used in connection with the bona fide offering of goods or services, if the person offered to transfer the domain name to the mark's owner, and how many confusingly similar domain names the person has registered. See 15 U.S.C. § 1125(d)(1)(B)(i). A scammer's intent to profit can frequently be found through evidence of diverting customers to the scammer's website to pur-

chase goods or when the scammer attempts to sell the website back to the trademark owner.

Trademark owners can also act by filing a complaint with any of the following approved dispute resolution services: Asian Domain Name Dispute Resolution Centre (ADNDRC), Canadian International Internet Dispute Resolution Centre (CIIDRC), The Czech Arbitration Court Arbitration Center for Internet Disputes, National Arbitration Forum, World Intellectual Property Organization (WIPO). Filing a UDRP with the ICANN is usually a quicker process than litigation. However, the UDRP process can only delete or transfer the domain to the trademark owner, not provide monetary damages or attorney's fees.

In the 2024 WIPO Domain Name Report, WIPO reported that trademark owners had filed 6,168 UDRPs, making it the second busiest year since creation of the policy. In order to file a complaint, a trademark owner must show three elements: (1) that the domain name is identical or confusingly similar to a mark they have rights in, (2) the current holder of the domain name does not have any legitimate interests in respect to the domain name, and (3) the current holder of the domain name registered and are using the domain name in bad faith. Evidence of bad faith can include circumstances indicating that the domain name was registered to sell, rent or transfer the name from registrant to the owner of the trademark; that the domain name owner is attract-

ing financial gain, interrupting the business of a competitor, or that the domain name owner has a history of preventing trademark owners from reflecting their own trademarks in domain names, and is doing so to the individual filing the complaint.

The complaint will go in front of a panel. When filing with WIPO, the cost is based on the number of domain names in a complaint and how many panelists the complainant would like to have. For one to five domain names, the cost for filing is \$1,500 for a single panelist or \$4,000 for a panel of three. The domain names within the complaint usually need to be owned by the same party.

KEY TAKEAWAYS

Because domain squatting is a frequent tool used today, it is important to take steps to prevent it. First trademark owners should register common variations of their domain names including those made with typos and take advantage of any sunset period they may receive by taking part in the Trademark Clearinghouse. Trademark owners should continue to personally monitor or enlist in services to monitor any domain names using their trademarks. Last, trademark owners may choose to take legal measures to protect their brand.

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