

Internet brand management specialist **Jonathan Robinson** talks to Senior News Reporter **Khurram Aziz** about NetNames and his role in helping brand-owners navigate the complex landscape of online IP protection.

Interview

Jonathan Robinson, COO of NetNames

It is no secret that IP owners were slow to react to the pace and magnitude in which the internet changed their industry. The challenges it posed to trademark and copyright holders in particular could not have been predicted in the internet's formative days.

When the internet gold rush was at its peak, companies and individuals rushed out to stake their claims to domain names. Companies who had been peacefully sharing the same name in different geographies or areas of business suddenly found themselves competing for exclusive rights to a particular web address. Of course, many opportunists – or so-called “cyber-squatters” – also seized upon the chance to register desirable names in hopes of selling them for profit.

Jonathan Robinson, of NetNames, was quick to realise the opportunity this situation offered. Since the late 1990's NetNames has helped corporations with problems relating to their portfolios of domain names. Over the 10 years since, the company has grown into a major service provider, offering a complete service to help brand-owners manage and protect their online IP assets.

“The essence of how our strategy was developed, was on the recognition that domain names represented a class of intellectual property asset that a company owned, and that NetNames could offer the ability to handle the management of those assets through the introduction of a full outsourced service, including our portfolio management software,” says Robinson. “NetNames became a leading provider of the outsourced asset management of domain names.”

Born in South Africa, Robinson moved to the UK in 1992 and took up a research post at London's Imperial College. He was one of the co-founders of NetBenefit in 1995, which acquired NetNames in late 1999. By the time the internet boom peaked in 2000, the company was well placed to capitalise on the growing demand for domain name management services.

“Back then, we were still required to undertake international registration services, or what was beginning to be referred to as online brand protection, but in essence the

trend we set was moving towards a full outsourced domain name management model. By 2001, NetNames was offering a complete solution to a problem brand owners were facing, in particular to deal with the control and ongoing management of significant portfolios of domain names.”

The internet transformed the way companies viewed trademarks. Its immediacy and global scope resulted in a substantial growth in trademark disputes.

The ease of internet searching has placed a greater requirement on trademark owners to ensure their IP is not being infringed. If an infringer of a mark is known to the trademark owner (or should have been known through routine diligence) and is allowed to go unchallenged, the trademark owner could lose his trademark.

What is worse is that the internet has shifted the nature of trademarks. The use of trademarks by search engines and online advertisers, for example, has created unique challenges which have yet to be fully defined in law. Today a rival can use a brand owners' trademark as a keyword in search engines almost with impunity. These keywords may flag the rivals' website at the top of search results, something which trademark owners contend is a flagrant infringement of their IP. Many of these websites that use trademark terms illegitimately to draw attention to their websites, offer nothing but blank pages with adverts, earning money every time unsuspecting users click on their page.

“You have to understand, that the growth of the internet has brought both challenges and opportunities for brand owners,” says Robinson. “As well as the new entities that emerged, such as Amazon and Google, the internet has also given the traditional ‘bricks and mortar’ companies new opportunities to expand and diversify their brands. The flip-side of that, however, is that the internet represents a landscape in which criminals, opportunists, scammers and the like proliferate.”

In this climate, protecting IP has become a decidedly more complicated affair for brand owners, than simply ensuring cyber-squatters aren't trading off their



trademarked names. They need a complete strategy which guards against counterfeiters, fake websites, misdirecting search results and scam emails amongst other threats to their brand identity. But even in this complex environment, Robinson is keen to emphasise the need to recognise domain names as the most important part of a brand owners internet strategy.

“It’s vital that owners of domain name assets recognise how critical these are. Domain names, or web addresses, are the essential pivot points of a brand’s e-commerce infrastructure and they are the single most important navigating points, currently and in the foreseeable future, between the offline and online worlds. You cannot have any piece of advertising on a billboard or in the newspaper or on television without using a domain name to link to your internet presence.

One key point I would make to those responsible for managing and protecting IP on the new frontiers is to make sure that they work as closely as possible with their marketing colleagues. The senior marketers are often responsible for significant budgets and are highly sensitive about the brand in all its manifestations (legitimate or illegitimate). Also, marketers frequently extend the envelope of brand usage through innovative forms of marketing. Beyond mainstream banner and search-engine advertising, marketers (as well as competitors and fraudsters) make use of social networks, affiliate programmes and other innovative methods, all of which may need monitoring and managing for their legitimacy”

NetNames has increasingly positioned itself as a complete brand management service provider. By offering both domain name management and internet brand protection services, the company seeks to provide solutions to trademark owners, helping them navigate and manage the complex world of the internet.

As a specialist in internet brand protection, NetNames also monitors how a brand owner’s IP is used on the internet and by whom. Tracking misrepresentation, false association, counterfeit goods and other trademark infringing activity, NetNames aims to protect its clients against both criminal use of their trademarks as well as infringement that may affect brand value and reputation.

Through its sister company Envisional, the groups remit has also been widened into anti-piracy: helping copyright owners find and pursue the illegal distributors of their

IP on the internet. This has helped the company grow and develop as the needs and scope of brand protection on the internet have grown and developed. Robinson hopes that this trend will continue in the years to come, despite an unfavourable economic climate. The company was around during the boom and bust era of the “dot com bubble” and experienced first hand the declining fortunes of the online industry. This time around, however, Robinson remains optimistic.

“The dot com boom and bust was part of the internet phenomenon. The financial crisis, while nobody would deny at this stage that the effects will be far reaching, is not at the heart of ecommerce and internet services,” explains Robinson. “If anything it’s possible that the tighter economic conditions will drive businesses even more onto the efficient platforms offered by the internet.

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“What it means specifically in terms of brands and how it impacts IP remains to be seen. With tighter economic times it will be interesting to see the effects on brand degrading activity such as counterfeiting, scam emails and forgery. Recently we did research through Envisional and noted a rise in phishing email scams alongside the current financial crisis. These emails, which are familiar to most people, purport to come from legitimate banks by using their trademarks and trick users into giving up their account details to criminals. Alongside this, we also saw the emergence of cyber-squatters who anticipated and took advantages of bank failures and mergers by the registering of domain names such as www.lloydstsbhbos.com and www.lehmanbarclays.com. This shows just how fast moving the world of the internet is and how diligent brand owners need to be to protect their equity.”

Robinson’s message is for brand owners to guard even more jealously their IP online, especially as the economic situation worsens. The internet in recent years has proven itself as one of the most effective mediums in conveying a brand’s message. Robinson sites domain name registration activity over the last year to demonstrate its continued importance even as the economic recession has unfolded.

“When we compare the number of domain name registrations when the internet bubble burst in 2000 to what is happening now, we see an interesting pattern. In March 2000, for example, the ‘.co.uk’ TLD saw around 250,000 registrations. By November of that year, this had fallen to about 80,000. Three quarters of the ‘.co.uk’ market had fallen away in 6 months. The equivalent figures for the last two years are quite different. In March 2007 there were 152,000 ‘.co.uk’ registrations, and 6 months later, in November 2007 the figure was still at 147,000. The most recent figures, for October 2008, show ‘.co.uk’ registration figures still running at a robust 143,000. That tells you the activity rate has been relatively steady.

“So, going out on a limb, I’d predict that while we might see a minor decrease in domain name registration activity going into next year or so, I think the overall trend will be to continue to move more and more goods and services online, because that is a more cost effective way of marketing, delivering and supporting goods and services. I don’t expect the long term trend to be severely disrupted. It might be slightly interrupted, but not disrupted like it was in 2000. People lost faith for a period between 2000 and 2001, questioning whether or not the internet really was going to deliver the value that everyone had thought, and I don’t think that is the case this time around.”

The dynamic world of the internet continues to fascinate Robinson, and he believes it will continue to produce exciting new opportunities for NetNames. “Over the years it has been mooted a number of times that ultimately there maybe alternative ways of navigating to brands from the offline to the online world. So far the domain name system has proved strong and the only viable system for that, but it’s going to be interesting to see whether that gets challenged.”

And if it does get challenged, Robinson will hope NetNames will continue to provide brand owners a comprehensive service for managing their IP assets on the internet, no matter what form that may take. 