

Corporate Domain Management – Survey results and recommendations



Summary

This report includes the findings from our corporate domain survey. 384 respondents mainly from larger corporations have shared their knowledge. Following the findings we provide the guidelines for streamlining and improving the domain portfolio based on our experience.

European Domain Centre

Rued Langgaards Vej 7 5

DK-2300 Copenhagen S

europeandomaincentre.com

04-11-2008

Corporate Domain Management – Survey results and recommendations

AUTHOR



Christopher Hofman Laursen is the director of European Domain Centre ApS. European Domain Centre offers domain registrations in 200 countries and 35 local presence agreements. Other services provided are corporate domain portfolio reports and IP monitoring for corporate clients worldwide.

INTRO

The objective of the following survey is to understand the corporate domain strategy. The survey consisted of 17 questions and ran during the months of September and October.

384 respondents helped shining a light on their corporate domain strategy. Respondents have been mainly top management, Legal, Marketing, IT and external IP law firms and include several members of Fortune 500. Some participants did not complete all questions. We assume that these questions were outside the respondent's knowledge field.

FINDINGS

The entire questionnaire results can be found in the enclosed file, however these are the main conclusions:

- **A majority of respondents use more than one domain registrar.**

There were three main arguments:

- 1) Preferred domain registrar did not offer all the top level domains needed and therefore they had to look for an alternative.
- 2) Price influenced the domain registrar selection.
- 3) It simply happened.

- **Most companies have a designated person or team in charge of domain management.**

63% of respondents had a designated team or person responsible for domain management, and the intention is to ensure the same WHOIS registrant data for all domains

- **Decision on domain names is initiated in 4 departments**

Management, Marketing, Legal and IT are the initial driving forces when deciding upon domain registrations.

- **A majority of companies do not allocate a specific budget to domain registrations.**

“We take it as it comes” seems to be the mantra for most respondents.

- **Not surprisingly .com is the most used top level domain both when protecting company name and trademark.**

.com is by far the most registered top level domain. 53% ignored typo versions (spelling mistakes, hyphen etc.) of their domains.

- **More than 80% of respondents have not secured their company name and trademarks as domain in all the countries where they operate.**

However half of these respondents have the intention to do so stating allocated budget, time and local requirement issues as being reasons for not yet doing so.

- **A large majority of respondents are ready to take legal actions if their IP rights have been infringed for domain names.**

Only 20% of the respondents would ignore this issue. A domain recovery will normally start with an initial contact to the registrant to either give up the domain for free or for a minor amount.

OUR RECOMMENDATIONS

Why do companies have a domain portfolio? For the same reason as registering your trademark or other IP? Basically it is to protect your brand.

15 years ago a domain was known as the official web site address. Today, domains are an integrated part of a company's online branding primary for brand protection and identity and secondary to drive traffic to the web site.

The value of IP for a company is ever increasing. According to David Haigh - CEO at Brand Finance - "63% of company value today is intangible". In the car industry this number is as high as 80%. Gillette, the razor blade company, learned this lesson early. They are known as front runners at prioritizing IP rights for all their inventions, whether it is a new product or the processes behind the product. He states that "they (Gillette) build an onion of IP around their products". When P&G purchased Gillette some years ago for USD 60 bn, most of this value was based on IP.

Let me ask you one question: **If a due diligence was conducted tomorrow for your IP, how well prepared are you regarding the domain portfolio?**

Since day 1 of the Internet companies have registered domains "as it comes". Below is a typical case. Perhaps you can agree to some parts of this description:

"We have hundreds (or thousands) of domains, they are registered with several domain registrars. Since Bob left the company, Anne has taken over our domain registrations, but it is possible that others in the house have also registered some domains for us. I cannot say if business partners and local country branches have registered some of our domains. Actually we are not 100% sure which domains we have registered. Can you help us?"

We have handled various projects of this type and we meet this scenario very often. A domain portfolio can have a high IP value, but is not as well managed as other IP rights of the company. For further information about domain portfolio reports please contact me.

GUIDELINES

In the following I will reveal our method when handling a project for a client. These guidelines will streamline the current portfolio (SECTION 1) and expand your company's domain portfolio (SECTION 2) and consequently the USD value of your IP rights.

SECTION 1 - Streamlining the current domain portfolio

1. Get an overview of domains registered by...

... your company any of your branches and by your business partners/distributors.

It is common that branches will register domains locally in one country, as there is no reason to bother head office with these micro decisions.

We have seen numerous examples of distributors registering brand related domains. However, as these domains are not registered by your company, it is very important to ensure ownership, even though the distributor uses it. You never know if your relationship goes sour, and in any case your IP domains should categorically be owned by you.

2. Check and edit the WHOIS data

This is really important! The designated team or person should ensure the same WHOIS data for all domains.

Ensure that the contact email will always be valid. So use mail@company.com instead of anne@company.com.

It is rare that employees stay with the company for a lifetime. It is not rare that an update of domain whois data has to involve the contact person mentioned in the WHOIS. I recommend using "Domain Manager" as contact person. However, for some TLDs a real person is required, and in that case it should be the owner of the company (if he or she is reachable for signing documents). Phone number and address should be updated however it is not essential - emails are.

3. Domain registrars

If you can agree to parts of the scenario from before, you have probably ended up using various registrars. There is really no reasons to work with more than 1-3 registrars, as long as your needs are covered . Especially regarding the annual renewal reminders it is crucial that this part of the process is streamlined. Forgetting to renew a domain with a certain registrar can be fatal. Domains can be lost, and when you discover the error, then it can be too late.

A leading fashion company lost their main .RU domain some years ago and had to recover it. Would you prefer to pay a 5 digit USD amount to the new registrant to recover the domain and continue

business, or would you rather win it back legally missing out on 1-2 months of web traffic? For the record, they paid.

At European Domain Centre we send out 3 renewal reminders, and later if domains still haven't been renewed, then there is a follow-up call to ensure that domains are correctly renewed or expired. It is a critical task. You should expect the same service from your registrar.

4. Technical settings

You have registered the domains, and then they should also point to the correct URL. Are email forwards created for all domains, so a visitor's email to you will never be returned?

SECTION 2 - Expanding your domain portfolio

After streamlining the domain portfolio it is time to check for gaps in the portfolio. Is there consistency? Have you registered your domain in Germany but not in France? Have you registered certain trademarks as domains but not others? If domain management has been more an intuitive than a strategic approach, then for sure there are "holes" in the domain portfolio.

1. Find the gaps in your domain portfolio

ccTLD (country code top level domain)

Check the list of domain names registered. Are there some obvious domains, which you have missed to register? As requirements change in certain countries, it is possible that a certain domain can be registered now. Are you planning to enter new countries, and then secure the domains before making it official? There is no reason to help the domain pirates.

gTLD (generic top level domain)

As a rule you should register all domains as .com (eventually .net,.org,info,.eu,.asia).

.com is by far the most popular top level domain and most searches for your company will be guessed as a .com domain. It is especially important to secure typo domains as .com as visitors (like you and me!) tend to spell a URL incorrectly, and suddenly end up on a totally different page. It is our experience that domain pirates are thriving on web traffic from typo domains, and companies are not paying enough attention in order to recover these domains. See our two latest newsletters [identifying the top 10 .com terms for brand abuse](#) and [The .com abuse of Fiat's brand](#) for further on this issue.

2. Industry /business relevant

I am not an advocate for blindly securing brands and company name for all top level domains worldwide, unless you are Coca Cola or another of the top 10 brands worldwide.

But what does make sense is to look at the traits of your industry and your unique business factors. No industry is alike so it is impossible to come up with a tailor made solution in this report. However, let me give you some ideas:

- The pharmaceutical industry is overrun with domain pirates. There are two reasons:
 - 1) The gray market for pharmaceuticals and copycat products is enormous. Having a typo domain like wwwviagra.com could be a potential gold mine of web traffic. The domain isn't actually registered by Pfizer...
 - 2) Product launches happen consistently. A domain pirate guessing the correct .com domain can sell it to the company for a 4-6 digit USD amount. Secure your domains before even applying for a trademark (trademark applications are published publically). The great company is on the forefront securing their domains; the slow one is negotiating with domain pirates or spending considerable amounts on legal battles.
- Domain pirates operate especially in the industries of banking, consumer electronics, telecoms and the computer industry, so if you are in one of these industries then pay extra attention.
- If your business is consumer oriented and based on one brand in particular in an ever growing international market then there is no need to wait with your domain registrations in potential export countries – especially if your name is short and catchy.
- Is your business focused on the Internet channel, say for instance a mobile service? If your company product is a sms service then your universe is principally .com and .mobi domains. So it makes sense to focus all your energy on registering any possible combination for these two top level domains.

As you see, there are many different scenarios each requiring a different strategy.

3. Domains registered by 3rd parties – should you ignore infringements of your brand?

A well-known car manufacturer found out that 30.000 brand related domains had been registered by 3rd party registrants. It is a hopeless, costly mission to chase them all. Furthermore when you cut one head of the dragon then two more will appear. Instead they focused on the 100 sites for distributors, competitors and eBay auctions. The car manufacturer made sure that unauthorized logos were removed, WHOIS ownership was updated and competitor site domains shut down.

Domains pointing to sites where your brand is at stake should be stopped.

Secondly, the before mentioned typo domains where your rightful traffic is directed to PPC (pay per click) sites should also be investigated. If you haven't already read the newsletter regarding Fiat

Corporate Domain Management – Survey results and recommendations

and .com typo domains, then make sure to do so. Fiat is possibly losing thousands of monthly visitors who wished to go to www.fiat.com but ended elsewhere. Some of these visitors will surely find their way back to Fiat's web site; others will drift into the maze of other links on the Internet. There is no reason for sending them out on a tour, when they in that exact moment of typing wwwfiat.com are red hot interested in your products!

It is a jungle to identify where brand abuse is taking place, but at European Domain Centre we are providing a tool to identify infringements of a brand both as domain, trademark, in EBay auctions and content on a web site. Users will receive periodical updates in order to take action. Please contact me at christopher@europeandomaincentre.com for a demo version. It is an amazing tool!

In the end it will be necessary to try a case at WIPO or another legal entity. Fortunately decisions have shown that it pays to take a 3rd party to court. See the last decisions [here](#). However given the time and cost it is of course better to do the groundwork explained earlier. One case won at WIPO has the same cost as 30-40 1 year domain registrations.

European Domain Centre Newsletter

Based on other respondents' answers and our input have hopefully given you some ideas how to manage your domain portfolio. I recommend you to read our newsletter and participate in our upcoming blog. Send an email to newsletter@europeandomaincentre.com and put SUBSCRIBE in the title.

Your feed-back will be appreciated. At a personal level it annoys me when I end up on a PPC link instead of the expected web site, so hopefully this report will generate ACTION from the involved parties.

Secondly, it is no secret that we are in the business of global domain registration and are of course interested in continuously sharpening our offer. Understanding your business is essential. Which local presence agreements should we offer? Which IP oriented products should be developed? These are questions we consider on an everyday basis and your input is therefore valued.