Cameroon Launches Registration Period

July 12, 2009

The Republic of Cameroon's official Internet registry, NETCOM, has launched the registration period for Cameroon's country code top-level domain ("TLD"), .cm, amidst a storm of controversy. The controversy relates to the fact that .com domain names are frequently mistyped as ".cm," and thus that Cameroon is, in effect, promoting the typosquatting of .com domain names. Typosquatting is a form of cybersquatting which relies on the typographical errors made by Internet users when entering a website address into a browser.

Typosquatting of .com domain names occurs because it can be profitable. For example, a top-100 website receives approximately one billion page views annually. Assuming that just one in 1000 attempted visitors mistypes .com as .cm, the .cm website would still receive more than one million misdirected visitors annually. If the typosquatter established a click-through advertising website, given a conservative one percent click-through rate and $0.02/ad for a page with five ads (all conservative estimates), that person could make US$1000/annually. Other forms of e-commerce based on the large number of misdirected visitors (e.g., selling products that compete with the .com website the visitor intended to access) can be even more lucrative. NETCOM has been criticized for the US$350 two year registration fee for .cm domain names, which some see as its "cut" of anticipated typosquatting profits.

For trademark owners concerned about the exploitation of their rights, NETCOM has established a "sunrise" registration period for .cm domain names that ends at 6:59 pm (CDT) on July 14. To register a .cm domain name during the "sunrise" registration period, a valid trademark registration corresponding to the non-TLD portion of the .cm domain name is required, which means that trademark owners do have a "head start" on potential cybersquatters. Thereafter, a "landrush" registration period begins in which a .cm domain name having multiple potential registrants will be auctioned to the highest bidder. Finally, a general registration period begins in which .cm domain names will be allocated on a first-come, first-served basis. The "landrush" and general registration

periods have no restrictions and are thus freely registrable by anybody willing to pay the registration fee.

The upcoming transition to a more flexible TLD system, in which new TLDs can be freely proposed by any interested entity (subject to various application procedures), may dampen enthusiasm for .cm domain names because .com domain names may have less appeal as the “standard” commercial domain name.

For more information or assistance with registering your .cm domain name, please contact Richard Stockton at rstockton@bannerwitcoff.com or 312-463-5414.

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