



The Path to End Cybersquatting

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Dialogue is the only way to end cybersquatting. Distrust between brand owners and domain owners (with an assist from some cockeyed business incentives) has turned a problem into a very expensive vicious cycle. Now that [ICANN is about to launch new top-level domains \(TLDs\)](#), negotiations must start immediately or both sides will pile up further losses.

Here's how the problem plays out now. Brand owners' threatening tactics put domain owners' backs up, and the domain owners seek revenge by registering even more domain names that contain brand names (some of them, arguably, not infringements). Brand owners, furious at the growing volume of domain names containing brand names, resort to measures that destroy shareholder value, including escalating threats and acquiring overvalued domain names. The approach, stemming from a lack of trust of the domain name community, is supported by biased measures of anti-squatting success. Despite the viability of, say, a [carrot-and-stick solution](#) (that needs to be tweaked and adjusted), current corporate success measures are based on the number of winning UDRPs and acquisitions, without regard to the economic effect of such tactics, which fuel the vicious cybersquatting circle and add to [shareholder-value destruction](#). There needs to be a new mindset and/or a mandate from management to incorporate value in the reaction calculus. However, unfortunately, the reality of any change in the current *modus operandi* is that managers cannot just say no to the present strategy and performance measures, especially when their mindset goes deeper than purely monetary considerations.

We need to attack the problem, not the people and organizations. Accuse, insult, or snub the other side, and they stay the other side. The current adversarial strategy and tactics by both parties—the point scoring and vindictiveness of the brand owners' [Coalition Against Domain Name Abuse](#) (CADNA) and the domain owners' [Internet Commerce Association](#) (ICA)—add up to a vicious cycle that's sucking our energy and resources. The way out is through face-to-face negotiations. Both sides must come to the table with the intention of negotiating a solution, not scoring points. To put it simply, the first step is for brand owners and domain owners to want to understand each other.

The negotiating group must include all stakeholders. The new approach can be jumpstarted through a panel discussion at one of the upcoming domain name conferences. ■