



Domainers, IP Strategists Partnership

Alex Tajirian

November 10, 2007

Introduction

Domain name owners have been trying to convince the wrong people regarding the value-adding roles of domain names. Instead of focusing on advertising agencies and companies, domainers need to partner with IP strategists. There are two reasons:

1. Businesses are “flying blind when it comes to managing their IP,”¹ and the same is true of their domain name strategies. If companies still don’t understand the benefits of an IP strategy—for patents, trademarks, copyrights, and design—they probably can’t appreciate and manage the benefits of domain names.
2. Studies suggest that one of the success factors for IP strategy is genuine involvement by top-level corporate management in IP-related projects and discussions.² If IP strategists need access to such executives, so do domainers. Thus, domainers too need to engage such executives.

Domain-Name IP Strategies

Domain-name IP management includes two distinct strategies: a vigorous safeguarding against value-destroying infringements, and the adoption of a new

IP-protection regime based on a cooperative IP relationship through monetization service providers.³ The arrangement is analogous to IP leasing. Companies with a large portfolio of patents grant other companies permission to use some of them for free, but at the same time the patent holders aggressively protect their strategic IP.

Why Should IP Strategists Care About Domain Names?

1. They can make their expertise valuable to an expanding, value-adding market, that of domain names.
2. Including domain names as a new intangible-asset class enhances the IP strategists’ value proposition to companies.

What’s in It for Domain Owners?

The approach:

1. Provides immediate access to top-level executives at some major companies.
2. Makes it cheaper to find the right business for a given domain name.
3. Increases awareness and credibility of domain names as a valuable intangible asset that needs to be protected and used.
4. Makes it easier to engage ad agencies, with domain names being used as marketing instruments through ads on parking sites and mini-Web sites, and through leasing.

¹ Vinit Bhatia and Gib Carey, “Patenting for Profits,” *MIT Sloan Management Review* (Summer 2007): 15-16.

² Markus Reitzig, “How Executives Can Enhance IP Strategy and Performance,” *MIT Sloan Management Review* (Fall 2007): 37-43.

³ For the drivers of such a regime, see Alex Tajirian, “[Don’t Litigate, Open Them Up!](#),” DomainMart.