

# Trademarks on the Internet

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### **I. Introduction.**

The Internet has made the dimension of distance almost irrelevant. Because of the searching capability of the search engines and the lightning speed one can go from site to site, the Internet has made everyone an instant neighbor of each other and made distant competitors direct face-to-face competitors. Conflicts which in the real world do not normally arise because of great distance now become unavoidable. Traveling in lightning speed on the Internet makes it difficult to discern where you are actually going, thus potentially causing confusion. Where in the real world, you can avoid going into the wrong store beforehand, in cyberspace, you often do not know you visited the wrong place until you are already inside. Where a street address is seldom a trademark, in cyberspace the street address is what counts as a trademark.

As a result, many interesting legal issues arise. May I register the "Playboy" trademark as my domain name? May I embed "Playboy" as a metatag on my web site? Is there any risk if use another company's logo to "link" from my web site to the web site of the other company? What if I register jewsforjesus.com as a domain name and then use that web site to criticize the Jews For Jesus movement? Can I cybersquat by registering toyrus.com to force Toys 'R' Us to buy me out? How can you remove someone else's domain name from the Internet without filing an expensive lawsuit?

If you have trouble answering these questions, do not despair. Many of these issues have not been finally resolved by the courts. Nevertheless, they represent the emerging trademark issues that the Internet has spawned. This article addresses these issues and examines how courts have wrestled with them.

### **II. Trademarks and the Internet Trademarks and the Internet - - Emerging Issues.**

#### **A. Domain Names.**

Most of the hotly contested issues concerning trademarks on the Internet<sup>1</sup> arise when a trademark owner claims that another's domain name infringes on its trademark. Since readers of this article are likely to be familiar with the Internet, only a brief

discussion of the nature of domain names and how they are obtained is called for.

### **1. Registration of Domain Names.**

A domain name is the "address" used to identify the location of a web site. It consists of two parts: a host and a domain.<sup>2</sup> The first part, the host, may consist of a company's name. The second part, the domain, may include, among others, ".com" for commercial business; ".edu" for educational institution; ".org" for non-profit organization; or ".gov" for government.<sup>3</sup> Thus, for example, the web site of the employer of the authors of this article is "chanlaw.com." The host is "chanlaw"; the domain is ".com."

Until recently, domain names ending in the popular ".com," ".org," ".edu," etc. were administered solely by Network Solutions, Inc. ("NSI"), under contract with the National Science Foundation. Presently, the domain names are administered by several entities. Significantly, none of the entities that register domain names determine whether the domain name will infringe on another's trademark. Instead, they generally will assign a domain name on a "first-come, first-served basis." Accordingly, so long as the exact domain name is not already registered, it is easy to reserve a domain name that is identical to another's trademark, and thus potentially may infringe on another's mark.<sup>4</sup>

On the other hand, under NSI's current dispute resolution procedures, NSI will put a domain name on hold once NSI is presented with proof that the exact domain name is identical to a registered mark -- even if the registered mark is for products or services that are completely different from those of the domain name registrant and even if the domain name registrant has superior rights because the domain name registrant used the mark before the complainant used the mark.<sup>5</sup> Thus,

"NSI will suspend any domain name if the complaining party can produce proof of a trademark registration from any country in the world for a mark identical to the challenged domain name with an effective date predating the domain name's creation date, and if the domain name applicant cannot produce evidence of a trademark registration for the domain name that has an effective date prior to the challenger's first demand letter to the applicant."<sup>6</sup>

If either party files a lawsuit before NSI suspends the domain name<sup>7</sup>, NSI allows the continued use of the domain name. But, if a challenger successfully invokes NSI's procedures and the domain name is placed "on hold," it will remain frozen until legal action is instituted and a court order is obtained. As a result, it is possible for the domain name to remain in limbo for years. Hardly anyone who engages in the super-speed e-commerce can even wait for days, let alone years, for the courts to decide who has superior rights.

### **2. Domain Names and Trademark Infringement.**

That is often how many domain name disputes arise. A trademark owner claims that another person's domain name

infringes the owner's trademark.<sup>8</sup> When analyzing these disputes, however, it is important to keep in mind that the mere use of another's trademark as a domain name does not automatically constitute trademark infringement.<sup>9</sup> Rather, using someone else's trademark as a domain name will only amount to infringement if the use is likely to *cause confusion*.<sup>10</sup> Thus, if I use a trademark on socks and you use the same trademark for use with selling server computers, you have not violated trademark law because they are unlikely to cause confusion.

In determining whether likelihood of confusion exists, courts generally have not employed a special test merely because the case involves a domain name. To the contrary, courts have employed the same familiar non-exclusive factors used in garden-variety infringement actions. As one court explained:

"The use of an identical or similar mark does not necessarily constitute infringement. In order to be infringing, such use must be in connection with goods or services that are competitive with, or at least related to, the goods or services for which the trademark has been registered or used in commerce. *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348 (9th Cir.1979). The use must also cause a likelihood of confusion as to origin or sponsorship. *Id.* Whether a use is likely to cause confusion depends on numerous variables including the strength of the mark, the proximity of the goods, the similarity of the marks, evidence of actual confusion, marketing channels used, the type of goods and degree of care used by purchasers, the defendant's intent in selecting the mark, and the likelihood of expansion of product lines. *Eclipse Associates Ltd. v. Data General Corp.*, 894 F.2d 1114, 1117 (9th Cir.1990)."<sup>11</sup>

Thus, whether a domain name constitutes trademark infringement will depend on the unique facts of each case, and on how well counsel is able to argue the facts.<sup>12</sup> Further although the factors for analyzing infringement remain the same they must be employed in the unique context of the Internet. The following cases illustrate these points.

One of the most significant recent decisions concerning domain names is *Brookfield Communications v. West Coast Entertainment*.<sup>13</sup> In that case, Judge O'Scannlain, writing for the Ninth Circuit Court of Appeals, concluded that West Coast should have been preliminarily enjoined from using "moviebuff.com" as its domain name and in metatags on its Web site, because Brookfield had priority of use of the trademark "MovieBuff" and there was a likelihood of confusion between "moviebuff.com" and "MovieBuff." While cautioning that the test for likelihood of confusion is "pliant," the court focused on three factors.

First, the court concluded that the marks "MovieBuff" and "moviebuff.com" were essentially identical in sight, sound, and meaning, because the differences between them were inconsequential *in the Internet context*, where addresses are not caps-sensitive and ".com" merely signifies a commercial site.

Second, in considering the relatedness of the goods, the court concluded that the focus should be whether the consuming

public is likely to associate the infringer's goods with the trademark owner. The Ninth Circuit Court of Appeals concluded that the district court incorrectly focused on each party's principal line of business, which overemphasized the fact that West Coast's web site was used more by amateur movie enthusiasts than by the entertainment industry professionals who made up Brookfield's primary customers.

Third, the *Brookfield* court concluded that "[s]imultaneous use of the Web as a marketing channel" favors the trademark owner.

Two years earlier, the U.S. District Court in *Comp. Examiner Agency, Inc. v. Juris, Inc.*<sup>14</sup> found that the defendant had infringed on the plaintiff's mark by using "juris.com" as a domain name for its web site, which advertised computer software for legal and other professional uses. The plaintiff had previously used the registered trademark "JURIS" for software products in the law office automation field. The court held that the defendant infringed the plaintiff's trademark by using the plaintiff's mark as a second-level domain name and web site to sell, distribute, advertise, and market goods and services to the same types of customers as the plaintiff, which created a likelihood of consumer confusion.<sup>15</sup>

But, the use of another's trademark as a domain name will not always constitute infringement. For example, in *Interstellar Starship Services, Ltd. v. EPIX, Inc.*<sup>16</sup>, an owner of the mark "EPIX," registered for computer software, filed with NSI a challenge to the "epix.com" domain name. The court held that the domain name user, which used the "epix.com" domain name for publicizing activities of a theater group, did not infringe the trademark "EPIX." The court relied on the fact that (1) the registered mark was used by a manufacturer of printed circuit boards and computer programs; (2) the goods in question were not in the same class, (3) there was no evidence of actual confusion, and (4) there was no evidence of bad faith on the part of the alleged infringer.<sup>17</sup>

### 3. Domain Names and Trademark Dilution.

A related issue that arises is whether the use of a domain name constitutes trademark dilution.<sup>18</sup> "Dilution" is "the lessening of the capacity of a famous mark to identify and distinguish goods or services."<sup>19</sup> Thus, in analyzing whether there is dilution courts consider the following elements: (a) the famousness of a mark; (b) the commercial use of the trademark in commerce; (c) whether the use began after the mark became famous; and (d) whether the use has caused dilution of the distinctive quality of the mark.<sup>20</sup>

Recently, in *Avery Dennison Corp. v. Sumpton*<sup>21</sup>, the Ninth Circuit addressed dilution in the context of domain names. The court set a strict standard for determining whether a mark was famous, stating that a trademark must be "truly prominent and renowned" in order to meet the "famousness" element of protection under the dilution statutes. The court concluded that commercial use of the words "avery" and "dennison" did not constitute dilution where the alleged infringer was profiting from the use of the words as surnames, not as trademarks.

### 4. Use of Domain Names for Criticism.

One of the most thorny issues concerning trademarks and the Internet occurs when someone registers a domain name to criticize another's business or organization. These cases raise serious First Amendment concerns which are not often seen in garden-variety trademark infringement actions.

This issue was addressed in *Planned Parenthood Fed'n of America v. Bucci*.<sup>22</sup> In that case, the defendant was a religious talk show host who vigorously espoused the right-to-life position. To get his religious message across to those looking for the Planned Parenthood web site, he reserved with NSI the domain name "plannedparenthood.com," and displayed on the site extensive excerpts from a right-to-life book, together with information about its author. The defendant admitted that he used the domain name hoping that people looking for Planned Parenthood's site would find his site. When Planned Parenthood filed suit, the defendant argued that registration without more is not a commercial use of a mark. The court disagreed, and found that the defendant did "more than merely register a domain name; he has created a home page that uses plaintiff's mark as its address, conveying the impression to Internet users that plaintiff is the sponsor of defendant's web site."<sup>23</sup> The court enjoined the defendant from using the web site.

In *Jews for Jesus v. Brodsky*,<sup>24</sup> the plaintiff registered the domain name "jews-for-jesus.org." to disseminate information critical of the "Jews for Jesus" movement. The defendant did not hide his intent in establishing the web site and referred to the web site as a "bogus 'Jews for Jesus' site" that was created to "intercept potential converts through the use of 'deceit and trickery' before they have a chance to see the obscene garbage on the real [plaintiff's] site."<sup>25</sup>

The court held that likelihood of confusion existed between the alleged infringer's domain name "jewsforjesus.org," and the organization's marks "JewsforJesus" and "Jews for Jesus." The court found that the marks were similar to the alleged infringer's domain name, plaintiff's marks were strong, actual confusion was caused shortly after defendant's Internet site went into operation, and the alleged infringer's actions were taken in bad faith. Significantly, the court also found that the defendant was engaged in commercial speech and could thus be held liable for dilution of the organization's marks. The court reasoned that the web site was intended to intercept audiences sought by the organization, the operator's site provided a link to another site that sold merchandise, and the operator's use of marks were designed to harm the organization commercially by disparaging it and preventing it from exploiting its marks.

In contrast, the court in *Bally Total Fitness Holding Corp. v. FaberBally*,<sup>26</sup> found that the domain address "www.compupix.com/ballysucks" was not likely to cause confusion. Like the *Jews for Jesus* case, it was admitted that the web site was established as a forum to criticize the fitness club and contained a disclaimer to that effect. But, unlike *Jews for Jesus*, the court concluded that the "Bally sucks" site was not commercial in nature, but was intended for "consumer commentary."

## **B. Cybersquatting.**

Many of the initial cases involving trademark infringement on the Internet involved "cybersquatting." A "cybersquatter" is a

person who knowingly reserves a domain name that consists of the mark or name of a company in order to sell that domain name to the trademark owner or company.<sup>27</sup> Typically cybersquatting cases will involve wealthy companies that have neglected to register their trademarks or tradenames as domain names.<sup>28</sup>

Notwithstanding the "David versus Goliath" battle, most judges have dealt harshly with cybersquatters. Thus, courts have usually enjoined cybersquatters, comparing them to pirates and kidnapers, engaging in "cyberpiracy," reserving domain names in order to "ransom"<sup>29</sup> them to their "legitimate" owner.

In order to justify these decisions, however, judges have had to strain to find that the cybersquatter is using the web site for a commercial purpose. This is not an easy task since cybersquatters' web site are often almost blank, do not purport to sell or offer for sale any goods or services, or merely contain an innocuous photograph or map of the city where the cybersquatter resides. And, it is fairly well-settled that infringement does not occur merely because one registers a domain name containing another's trademark. In other words the web-site must be used for a commercial purpose.<sup>30</sup> Nevertheless, courts have cleverly gotten around the "commercial purpose" hurdle by reasoning the registering of the web site is for commercial purposes, since the cybersquatter registered the domain name to obtain payment from the trademark owner.<sup>31</sup> The reasoning by the courts, which essentially creates a cause of action merely because the "cybersquatter" demands payment to resolve the dispute, flies in the face of Federal Rule of Evidence 408 (excluding evidence of offering or promising to accept consideration in compromise if a disputed claim). In fact, it is ironic that cybersquatters may be able to avoid liability by simply refusing to request payment from the trademark owner or waiting for the trademark owner to make the first offer.

Cybersquatters may find some solace in one decision, *Avery Dennison Corp. v. Sumpton*, 999 F.Supp. 1337, 1342 (C.D. Cal 1988). In that case, although the court characterized the defendants as "cybersquatters" and issued an injunction in favor of the plaintiff, the court held that "equity requires that defendants be paid, if they are to be required to relinquish domain names registered for a legitimate business purpose." Therefore, the court ruled that the plaintiff should be allowed to purchase each domain name for \$300.

The legal uncertainties concerning cybersquatting may soon come to an end, however. There is currently legislation pending to ban cybersquatting.<sup>32</sup>

### **C. Linking.**

"Linking" occurs when an Internet-user clicks a "hyperlink" which takes the user to another web page. It remains unsettled whether an action for trademark infringement may arise where one places another company's logo on one's web site without consent, which then "links" to that web site. One authoritative commentator believes that this practice does not constitute infringement, since the use of the logo accurately indicates that clicking on that button would immediately move the user to the other's web site.<sup>33</sup> Coupled with proper disclaimer of ownership of the trademark with the hyperlink, it is likely judges will be

difficult to find trademark infringement.

Currently, two corporate giants are involved in a dispute over linking. In *Ticketmaster Corp. v. Microsoft Corp.*<sup>34</sup>, Microsoft placed a hyperlink from its web site to an internal page of the Ticketmaster web site which enabled users to buy tickets through the Ticketmaster site. Ticketmaster filed suit for trademark dilution and unfair competition. Microsoft filed a counterclaim for declaratory relief, contending that Ticketmaster "assumed the risk" that other organizations would establish links to its page. The action is still pending.<sup>35</sup>

#### **D. Framing.**

Framing is a type of linking where one web site consists of a hyperlink to another web site that causes the linked site to be viewed inside a "frame."<sup>36</sup> While some lawsuits have been brought challenging various aspects of "framing," particularly under copyright law, thus far none of the lawsuits have resulted in litigated trademark decisions.<sup>37</sup>

#### **E. Metatags.**

One trademark issue that is likely to result in an explosion of litigation in the coming years is "metatagging." A "metatag" functions as keywords in which the owner of a website uses to attract Web surfers to its site in such a way that is invisible to a human reader but is visible to search engines. When the metatag used is a trademark of another entity, disputes often arise because a Web surfer searches for the site of the trademark owner ended up visiting web site with the metatag rather than the intended site when a Web user enters the word into a search engine, such as Yahoo!, Altavista, or Lycos.<sup>38</sup> Infringement may result because "the trademark is used so as to confuse and divert someone looking for a web site that is sponsored by the owner of that trademark."<sup>39</sup>

Disputes over metatags are beginning to be decided by courts. In *Playboy Enterprises, Inc. v. Calvin Designer Label*,<sup>40</sup> perhaps the first judicial decision on the topic, the court enjoined the defendant from using, without authorization, the domain names "playboyxxx.com" and "playmatelive.com," in metatags on its web pages. The court did not engage in any legal analysis of the issue, however.

More recently, in *Brookfield Communications v. West Coast Entertainment*,<sup>41</sup> discussed *supra*, the Ninth Circuit Court of Appeals held that the defendant should have been enjoined from using "MovieBuff" as metatags in the video rental chain's website. The court recognized that it was not likely that a consumer would be ultimately confused about whose site it had reached or think that the defendant was sponsored by the plaintiff. However, the court reasoned that an injunction was still mandated because, by using "moviebuff.com" or "MovieBuff" "to divert people looking for Brookfield's MovieBuff to its web site, West Coast improperly benefited from the goodwill that Brookfield had developed in its mark."<sup>42</sup>

### **III. Conclusion.**

The issues discussed in this article demonstrate that trademark law concerning the Internet is unsettled, and will remain so for

some time, generating numerous lawsuits. It behooves anyone jumping into e-commerce to do so only after he or she has registered any and all domain names that can cause confusion to its trademark and only after he or she has applied to have the domain name register as trademark with the U.S. Patent & Trademark Office. There is no room for errors in cyberspace, because any slight delay in registering the domain name or the trademark can be fatal.

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FOOTNOTES

<sup>1/</sup> For a detailed description of the Internet see *American Civil Liberties Union v. Reno*, 929 F. Supp. 824, 830-845 (E.D. Pa. 1996). See also, *EDIAS Software Int'l, L.L.C. v. BASIS Int'l Ltd.*, 947 F. Supp. 413, 419-20 (D. Ariz.1996); *Playboy Enterprises, Inc. v. Chuckleberry Pub., Inc.*, 939 F. Supp. 1032, 1035 & nn. 2-3, 1036-37, 1039-40 (S.D.N.Y. 1996); *Bensusan Restaurant Corp. v. King*, 937 F. Supp. 295, 297-98 & nn. 1-2 (S.D.N.Y. 1996); *Maritz, Inc. v. Cybergold, Inc.*, 947 F. Supp. 1328, 1330 (E.D. Mo. 1996); *Inset Systems, Inc. v. Instruction Set, Inc.*, 937 F. Supp. 161, 163 (D. Conn.1996); *Religious Tech. Center v. Netcom On-Line Communication Servs., Inc.*, 907 F. Supp. 1361, 1365-66 (N.D. Cal. 1995); *MTV Networks v. Curry*, 867 F. Supp. 202, 203-04 & nn. 1-3 (S.D.N.Y. 1994).

<sup>2/</sup> *Interstellar Starship Servs., Ltd. v. Epix, Inc.*, 983 F.Supp. 1331, 1335 (D. Or. 1997-2000).

<sup>3/</sup> *Id.* See also, *C.D. Solutions, Inc. v. Tooker*, 47 U.S.P.Q.2d 1755, 1757 (D. Or. 1998) ("A domain name on the Internet consists of two parts -- the first is a host, and the second part is called a domain. The Internet uses several domains, including "com" for commercial business, "net" for network or communications organizations, "edu" indicating an educational institution, and "org" indicating a non-profit organization. For example, the web site of the employer of the authors of this article is "chanlaw.com." The host is "chanlaw"; the domain is ".com."

<sup>4/</sup> *Cardservice Int'l, Inc. v. McGee*, 950 F. Supp. 737, 740, 42 U.S.P.Q.2d 1850, 1853 (E.D. Va. 1997-2000) (It is no defense that defendant reserved his domain name with Network Solutions: "If trademark laws apply to domain names, anyone who obtains a domain name under Network Solutions' 'first-come-first-served' policy must do so subject to whatever liability is provided for by federal law.").

<sup>5/</sup> The dispute resolution policy is controversial. *Lockheed Martin Corp. v. Network Solutions, Inc.*, 985 F. Supp. 949, 44 U.S.P.Q.2d 1865 (C.D. Cal. 1997-2000), *aff'd* 1999 U.S. App. LEXIS 26771 (9th Cir. October 25, 1999) ("NSI's policy has been criticized as favoring trademark owners over domain name holders, and favoring owners of federally registered marks over owners of non-registered marks, because owners of federally registered marks can invoke NSI's policy to effectively enjoin the use of identical domain names without having to make any showing of infringement or dilution.").

<sup>6/</sup> See MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION (4th Ed. 1999) ("McCarthy"), § 25:74, citing NSI Policy (Revision 03, Feb. 25, 1998).

<sup>7</sup>/ McCarthy, § 25.74. *See also, Juno Online Services v. Juno Lighting, Inc.*, 979 F. Supp. 684, 44 U.S.P.Q.2d 1913 (N.D. Ill. 1997-2000) ("[I]f either the registrant or third party files suit against the other before the suspension takes place, NSI allows the registrant to continue using the domain name and leaves it for the court to decide which party should be allowed to use the domain name.").

<sup>8</sup>/ McCarthy, § 25.71 ("Trademark or service mark infringement under the federal Lanham Act can occur if a domain name similar to a trademark is used without permission in a commercial sense, such as in connection with the sale, offering for sale, distribution or advertising of any goods or services in a context that is likely to cause confusion, mistake or deception with a previously used mark. Commercial use of a domain name can also trigger the anti-dilution provisions of the Lanham Act").

<sup>9</sup>/ If possible, it is usually advantageous to resolve domain name disputes short of litigation. A discussion of techniques to resolve such disputes amicably are beyond the scope of this article. For a discussion on the subject, see Cyrlin, *Reducing a Company's Risk over Domain Name Disputes*, 81 J. PAT. & TRADEMARK OFF. SOC'Y (Jan. 1999), p. 42.

<sup>10</sup>/ *Board of Governors of University of North Carolina v. Helpingstine*, 714 F. Supp. 167, 11 U.S.P.Q.2d 1506, 1508 (M.D.N.C. 1989).

<sup>11</sup>/ *Lockheed Martin Corp. v. Network Solutions, Inc.*, supra, 985 F.Supp. at 963. *See also, Sega Enterprises, Ltd. v. Maphia*, 948 F. Supp. 923, 937, 41 U.S.P.Q.2d 1705, 1716 (N.D. Cal. 1996) ("The Ninth Circuit has adopted the following factors to determine whether a likelihood of consumer confusion exists: (1) strength of the mark; (2) proximity of the goods; (3) similarity of the marks; (4) evidence of actual confusion; (5) marketing channels used; (6) type of goods and the degree of care likely to be exercised by the purchaser; (7) defendant's intent in selecting the mark; and (8) likelihood of expansion of product lines. *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348 (9th Cir.1979)"). In *Cardservice Intern., Inc. v. McGee*, 950 F. Supp. 737, 740, 42 U.S.P.Q.2d 1850, (E.D. Va. 1997-2000), the court concluded that a credit and debit card processing service's "Cardservice" mark was likely to be confused with competitor's use of "cardservice.com" and "Card Service" on the Internet. The court employed the following seven factors: (1) the strength or distinctiveness of the mark; (2) the similarity of the two marks; (3) the similarity of the goods/services the marks identify; (4) the similarity of the facilities the two parties use in their businesses; (5) the similarity of the advertising used by the two parties; (6) the defendant's intent; and (7) actual confusion. *Id.*

<sup>12</sup>/ McCarthy, § 25:76 ("While use of a domain name in a manner that causes confusion or dilution may be a form of infringement or unfair competition under state law, to constitute infringement under federal law, the accused use must also fit within the language of the Lanham Act. For any type of trademark infringement or dilution or false advertising to be actionable under the Lanham Act, the accused user must use the challenged designation in some commercial sense. Thus, mere reservation of a domain name, without use in connection with any commercial enterprise, does not trigger infringement by

confusion or dilution under the Lanham Act") (footnotes omitted). *See also, Panavision Int'l L.P. v. Toeppen*, 945 F. Supp. 1296, 40 U.S.P.Q.2d 1908, 1913 (C.D. Cal. 1996), *aff'd*, 141 F.3d 1316, 46 U.S.P.Q.2d 1511 (9th Cir. 1998) ("Registration of a trademark as a domain name, without more, is not a commercial use of the trademark and is therefore not within the prohibitions of [§43(c) of] the [Lanham] Act."); *Juno Online Services v. Juno Lighting, Inc.*, 979 F. Supp. 684, 44 U.S.P.Q.2d 1913 (N.D. Ill. 1997-2000) (same).

<sup>13/</sup> 174 F.3d 1036 (9th Cir. 1999).

<sup>14/</sup> 1996 WL 376600 (C.D. Cal. May 3, 1996).

<sup>15/</sup> *See also, Lozano Enterprises v. La Opinion Publishing Co.*, 44 U.S.P.Q.2d 1764 (C.D. Cal. 1997-2000) (Defendants using domain names "laopinion.com," "laopinion-sa.com," "laopinion-losangeles.com," and "laopinion.net," used to publish an electronic version of defendant's newspaper *La Opinion De San Antonio*, were enjoined as causing both likely confusion and dilution of plaintiff's *La Opinion newspaper*, which had been published for over seventy years).

<sup>16/</sup> 983 F. Supp. 1331, 45 U.S.P.Q.2d 1304 (D. Or. 1997-2000)

<sup>17/</sup> *See also, Teletech Customer Care Management (California), Inc. v. Tele-Tech Co.*, 977 F.Supp. 1407, 42 U.S.P.Q.2d 1913, 1919(C.D.Cal.1997-2000) (finding that the plaintiff was not likely to prevail on the merits of an infringement claim because the plaintiff demonstrated only that customers were likely to be confused as to location of Web site, not as to source of goods or services, but Plaintiff was likely to prevail on its Dilution claim).

<sup>18/</sup> There are numerous cases holding defendants liable for trademark dilution as a result of their use of certain domain names. *See, e.g., Panavision v. Toeppen*, 945 F.Supp. 1296 (C.D. Cal. 1996); *Hasbro v. Internet Entertainment Group*, 1996 WL 84853 (W.D. Wa. 1996); *Cardservice Int'l v. McGee*, 950 F Supp. 737, 741 (E.D. Va. 1997-2000); *Toys 'R' Us, Inc. v. Akkaoui*, 40 U.S.P.Q.2d 1836 (N.D. Cal. 1996) ("TOYS 'R' US," a famous mark for children's toys, was held diluted by being tarnished by use of "ADULTS R US" as domain name for a web site advertising the sale of adult sexual products: "adultsrus.com." The Toys 'R' Us family of marks was famous and distinctive before the defendants began identifying themselves as "Adults R Us." Plaintiffs have used the Toys 'R' Us trademark continuously since 1960 and the Kids 'R' Us mark since 1983, advertising their products through a variety of channels both locally and nationally. Because of Plaintiffs' promotional activity and because of the mark's inherent peculiarity, the "R Us" family of marks have acquired a strong degree of distinctiveness. Finally, both Plaintiffs and Defendants are using the Internet to advertise their products and services. Toys 'R' Us and Kids 'R' Us thus qualify as famous, distinctive marks eligible for protection from dilution under 15 U.S.C. § 1125.).

<sup>19/</sup> 15 U.S.C. § 1127 (emphasis added).

<sup>20/</sup> 15 U.S.C. § 1125(c) (1998)

<sup>21</sup>/ 1999 WL 637085 (9th Cir. Aug. 23, 1999)

<sup>22</sup>/ 42 U.S.P.Q.2d 1430, 1434 (S.D.N.Y.1997-2000).

<sup>23</sup>/ *Id.* at 1437.

<sup>24</sup>/ 993 F. Supp. 282, 46 U.S.P.Q.2d 1652 (D.N.J. 1998), *aff'd* without op., 159 F.3d 1351 (3d Cir. 1998).

<sup>25</sup>/ *Id.*

<sup>26</sup>/ 29 F.Supp.2d 1161, 1162 (C.D. Cal. 1998).

<sup>27</sup>/ A related issue occurs when someone registers a domain name that is nearly identical to the actual domain name used by another. The purpose of this is to attract web-users who make typographical or punctual errors when surfing the net. The court in *Paine Webber, Inc. v. wwwpainewebber.com*, No. 99-0456-A 1999 U.S. Dis. LEXIS 6552 (D. Va. 1999) recently enjoined the defendant who engaged in this practice.

<sup>28</sup>/ The most famous -- or infamous -- cybersquatter is Dennis Toeppen of Champaign, Illinois, who had registered approximately 240 domain names consisting of the names of famous companies. *Intermatic, Inc. v. Toeppen*, 947 F. Supp. 1227, 40 U.S.P.Q.2d 1412, 1417, 41 U.S.P.Q.2d 1223 (N.D. Ill. 1996).

<sup>29</sup>/ *Intermatic, Inc. v. Toeppen*, 947 F. Supp. 1227, 40 U.S.P.Q.2d 1412, 1422, 41 U.S.P.Q.2d 1223 (N.D. Ill. 1996).

<sup>30</sup>/ *Academy of Motion Picture Arts & Sciences v. Network Solutions, Inc.*, 989 F. Supp. 1276 (C.D. Cal. 1997-2000).

<sup>31</sup>/ *See, e.g., Panavision Int'l L.P. v. Toeppen*, 945 F. Supp. 1296, 40 U.S.P.Q.2d 1908 (C.D. Cal. 1996), *aff'd*, 141 F.3d 1316, 46 U.S.P.Q.2d 1511, 1913 (9th Cir. 1998) (PANAVISION movie and TV cameras held diluted by cybersquatter's "panavision.com" domain name); *id.* ("Toeppen's 'business' is to register trademarks as domain names and then to sell the domain names to the trademark owners. . . . His 'business' is premised on the desire of the companies to use their trademarks as domain names and the calculation that it will be cheaper to pay him than to sue him.); *Toys 'R' Us, Inc. v. Abir*, 45 U.S.P.Q.2d 1944, 1948-49 (S.D.N.Y. 1997-2000) (defendant was engaging in a "commercial" use of the domain name, because his "business" was to reserve domain names in order to ransom them to the legitimate owner, but also because defendant had proceeded part of the way with his threat to operate an online toy catalog.).

<sup>32</sup>/ A House Bill, the Trademark Cyberpiracy Prevention Act (H.R. 3028), which has been adopted by the House of Representatives, prohibits registration of famous names that have service marks if the registration is for commercial gain or tarnishes the mark. The Senate adopted similar registration, the Anti-Cybersquatting Consumer Protection Act (S. 1255) in August 1999.

<sup>33</sup>/ McCarthy, § 25.70. In his treatise, McCarthy explains:

"For example, if, hypothetically, the Coca-Cola Company's web page were to have a hyperlink button imprinted with the golden arches logo of the McDonald's restaurants, that would not be an infringement because it would accurately indicate that clicking on that button would immediately move the user to the genuine McDonald's web site. This usage, with nothing more, would not be an unpermitted use to identify any product or service of the web site owner, but to accurately and truthfully identify the location of the web site of McDonald's." *Id.*

<sup>34</sup>/ No. 97-3055 DDP (D. Cal. filed April 28, 1997-2000).

<sup>35</sup>/ For a discussion about this case, see Weinberg, "Cyberjinks: Trademark Hijinks in Cyberspace through Hyperlinking and Metatags," 87 TRADEMARK REP. 576, 580-83 (1997-2000).

<sup>36</sup>/ *Digital Equipment Corp. v. Altavista Technology, Inc.*, 1997-2000 WL 136, 437, 65 USLW 2648, 960 F. Supp. 456 (1997-2000) ("Framing refers to the process whereby one Web site can be visited while remaining in a previous Web-site. Thus, while still appearing to be at ATI's site, and while still able to view its advertising, one could now have traveled to Digital's site, which would appear inside the 'frame' of ATI's site.").

<sup>37</sup>/ McCarthy, § 25:70. *But see, Futuredontics, Inc. v. Applied Anagramics, Inc.*, 45 U.S.P.Q.2d 2005 (C.D. Cal. 1997-2000), *aff'd without pub. op.*, 152 F.3d 925 (9th Cir. 1998) (Preliminary injunction denied; plaintiff alleged copyright infringement was triggered by defendant's "framing" of plaintiff's web site; the court held that the framing did not create an infringing derivative work.).

<sup>38</sup>/ For an explanation of the use of search engines see *ACLU v. Reno*, 31 F. Supp. 2d 473, 484 (E.D. Pa. 1999); *Shea v. Reno*, 930 F. Supp. 916, 929 (S.D.N.Y. 1996), *aff'd*, 117 S. Ct. 2501 (1997-2000); *Washington Speakers Bureau, Inc. v. Leading Authorities, Inc.*, No. 98-634, 1999 WL 51869, at \*9 [49 USPQ2d 1893] (E.D. Va. Feb. 2, 1999); *Intermatic Inc. v. Toeppen*, 947 F. Supp. 1227, 1231-32 [41 USPQ2d 1223] (N.D. Ill. 1996).

<sup>39</sup>/ McCarthy, § 25:69.

<sup>40</sup>/ 985 F. Supp. 1220, 44 U.S.P.Q.2d 1156 (N.D. Cal. 1997-2000).

<sup>41</sup>/ 174 F.3d 1036 (9th Cir. 1999).

<sup>42</sup>/ *Id.* at 1564