Chapter 7

New Developments in Trademark Law

Trivia

- The first lawsuit brought under ACPA was filed by actor Brad Pitt against two domain name holders. Mr. Pitt was successful.
- J. Crew International Inc. won a decision under the UDRP after an individual registered “crew.com” and attempted to sell it to J. Crew. Other successful complainants include NASDAQ, Madonna, Tom Cruise, and Spike Lee.
- A federal court has held that an Internet domain name registrar cannot be sued for civil rights violations for refusing to register domain names that included obscene terms.
- By mid-2005 Internet users had registered more than 76 million domain names.
- In October 2006, WIPO handled its 25,000th domain name dispute.
- Sales of 5,851 domain names generated $29 million in 2005.
- “Dot com” is the most popular domain suffix.
CHAPTER SUMMARY

The Internet has dramatically changed communication. Along with that change, however, has come conflict over use of domain names and trademarks. The assignment of domain names, or Internet addresses, has resulted in disputes between the owners of domain names and the owners of trademarks. Courts have protected the rights of trademark owners against “cybersquatters,” those who register domain names in bad faith, for example, for the purpose of selling them to their rightful owners rather than for some bona fide use or purpose.

If a dispute arises between parties claiming rights to domain names, the aggrieved owner has a variety of avenues in which to pursue relief. Under the new Anticybersquatting Consumer Protection Act, money damages can be obtained in court. Under the Uniform Domain Name Dispute Resolution Policy, a streamlined and inexpensive process, a panel can cancel an abusive domain name or order it transferred to its rightful owner.

Use of the Internet also implicates First Amendment rights to freedom of speech. At present, courts have held that merely providing links to another party’s Web site is permissible. Deep linking (allowing a party to bypass a home page and proceed directly to relevant material) by itself (i.e., without confusion of source) is likely permissible, as is the use of a metatag or “hidden” mark or message used in a descriptive manner or fair use. If such use is likely to cause confusion, infringement may be found. Using another’s trademark in a phishing scheme, designed to obtain personal information from Web users, is actionable. Merely having a passive presence or Web site on the Internet will likely not subject a party to personal jurisdiction; however, if goods are offered for sale or contracts are entered into through a Web site, a court may subject the Web site owner to personal jurisdiction. Finally, use of another’s mark on a noncommercial Web site for the purposes of satire, parody, or consumer commentary is likely permissible as long as there is no likelihood of confusion.

INTERNET RESOURCES

WIPO:  http://www.wipo.int (site of World Intellectual Property Organization, offering information and statistics about proceedings under the UDRP)

ICANN:  http://www.icann.org (site of Internet Corporation for Assigned Names and Numbers, offering information about domain name registration and the full text of the UDRP)

Information on Internet and First Amendment–related issues:  http://www.chillingeffects.com (site devoted to examining issues relating to trademark use and the First Amendment and offering sample cease and desist letters and general information about issues such as deep linking and the use of metatags)
http://www.w.citizen.org/litigation (site offering information on Internet free speech and gripe sites)