

Jane Mulcahy

Protecting your trademark

-Who owns online?

"Historically, the trademark litigant has been able to determine the extent of their rights or liabilities in relation to the use of trademarks in commerce. The advent of trade on the Internet has meant that trademark owners must cast a wider net in policing infringement of their rights."

Discuss the attitude of the courts to the protection of trademark owners where Internet infringement is alleged to have occurred.

This paper shall discuss how the advent of trade on the Internet has led to the emergence of domain names as a new form of intellectual property and the ways in which domain name registration can result in the infringement, confusion or dilution of trademarks, passing off, and misappropriation of goodwill. Where Internet infringement of marks is alleged to have occurred, the attitudes of primarily American and British courts regarding the protection of mark owners shall be explored.

"Domain names are to the Internet what addresses are to the Postal Service. .. your domain name can tell the online world something about who you are. Domain names are kind of like postal addresses, vanity license plates and billboards, all rolled up into one digital enchilada"¹ - Markovitz.

Trademarks and Domain Names - the Conflict

The dawn of the Internet and the PC undoubtedly presaged the rise of dedicated and purposeful marketing and the birth of the domain name as a new form of intellectual property. Internet addresses that reflect famous trademarks are invaluable assets because they permit interaction with customers and identify goods and services online. Generally, domain names are names of individuals or companies, brand names, or trademarks.² Customers may log on to a specific domain name if they want to communicate with a particular business on the Internet. If used dishonestly, domain names such as "toysareus.com" can also be used to mislead and confuse the public about the source of information, and can damage a company's goodwill.

Early disputes regarding trademarks used as domain names were resolved privately without recourse to litigation, through arbitration or payment of a ransom to release the domain name. When NSI began assigning gTLDs in 1993, it did not encounter the trademark issues that cropped up after the flood of requests for top level domain names in 1994. NSI assigns names on a first-come, first-served basis and does not investigate the legitimacy of anyone's claim to a name prior to registration. NSI views trademark violations as the responsibility of the domain name requestor solely. Since January 1996, the scope of protection in the US seems to have been strengthened as a result of the Federal Trademark Dilution Act of 1995. Although ownership of a trademark does not entitle one to a corresponding Internet domain name, the 1995 Act suggests that no one else can use a domain name that corresponds to a "famous" mark. Over the years NSI's registration procedures³ and domain name dispute policy have grown more favourable to trademark owners in domain name disputes. The U.S. Anti-Cybersquatting Protection Act, 1999 provides that cybersquatters who register domain names in "bad faith" may be fined up to \$100,000 for every abusive domain name they have registered. Nonetheless, Internet domain names still do not receive the full scope of trademark protection.

¹ James West Marcovitz- Notes: ronald@mcdonalds.com – "OWNING A BITCHIN' CORPORATE TRADEMARK AS AN INTERNET ADDRESS"-INFINGEMENT? Lexis n3

² Unlike trademarks, domain names may be surnames (i.e. www.mulcahy.com); merely descriptive, generic names for goods or services (i.e. www.shoes.com for electronic retailing of shoes or www.lawyer.com for a website that provides legal advice); and geographically descriptive names.

Understandably, companies prefer to have an Internet domain name incorporating or corresponding to their own name or trademark. Trademark law allows many companies to use the same trademark for different goods and services and in different countries provided no confusion arises as to the origin of the goods or services.⁴ Hence, the Atlantic Richfield Company and ARCO Publishing can both use the trademark "ARCO." However the domain system stipulates that domain names must be unique. Due to the technical constraints of the Internet, there can only be one "arco.com" domain name. NSI's policy of refusing a TLD name to an applicant if it has already been registered is clearly at odds with ordinary trademark practice which allows companies to use identical marks in wholly different lines of business⁵.

Assignment of domain names outside the US is handled in most countries by voluntary organisations that coordinate their activities so that no two domain names are identically alike⁶. The worldwide structure of domain name allocation operates so that a United States company may own the domain name "prince.com," a British company "prince.co.uk," and a German company "prince.de." The consequence of such a structure has prompted owners of globally famous trademarks to register their domain names in multiple countries. In countries where the name is still available, there is no mechanism to stop users from registering a famous trademark as a domain name.

Common Types of Conflict

Nowadays it is not uncommon for an individual or corporation to infringe someone else's trademark by registering a domain name that is identical or similar to that mark. A trademark may not actually be infringed by the use or registration of a domain name but that does not mean that the domain name registrant is not diluting the trademark or service mark under relevant trademark or anti-dilution legislation. Several situations can lead to disputes involving domain names. Firstly, a "cybersquatter"⁷ may deliberately register a domain name that incorporates a famous trademark and refuse to relinquish it unless the

³ It was further revised in September 1996, where NSI agreed to be bound by a court's decision regarding domain names.

⁴ Trademark law gives the owner of a trademark the right to prevent the use of the mark by another party to identify goods or services where such use is "likely to cause confusion" as to the origin of those goods or services.

⁵ The Lanham Act offers no protection where a mark is used on different goods in different markets by another user and there is no likelihood of confusion between the source of sponsorship of the goods or services on which the mark is affixed. The Irish Trademark Act, 1996 however, protects well-known marks against dilution even where there is no similarity between the types of goods or services provided by the parties and no likelihood of confusion. A trademark becomes diluted if the mark is a famous mark and the diluting mark has lessened the famous mark's capacity to identify and distinguish goods or services, regardless of the probability of confusion or deception or whether the mark holders are competitors. The owner of a mark that has become famous such as "Coca-Cola" or "Intermatic" will have a cause of action for dilution if another person makes commercial use of the mark after it has become famous, and such use in fact dilutes or detracts from the distinctive quality of the mark.

⁶ In Ireland, the .ie domain Registry Limited ("IEDRL") located in UCD requires detailed information about the applicant and the domain name must be sufficiently similar to the name or abbreviation of the applicant's trademark. Nominet UK, operates the British registration service in respect of domain names ending with the geographical suffix .uk preceded by functional suffixes such as .co, .org, .gov, or .edu.

trademark holder pays a *ransom*. The One in a Million⁸ decision is a wonderful example of cybersquatting, which came before the English courts. Secondly, an individual or entity may intentionally register a domain name containing a competitor's trademark so as to harass or ridicule⁹ that competitor or prevent¹⁰ them from establishing a website using that name. In the Irish L.K. Shields case, Engefield Management Consulting Limited registered lkshields.com with the sole aim of embarrassing Shields professionally,¹¹ Thirdly, a domain name may be registered that is the same or confusingly similar to a registered or unregistered trademark. Local Ireland Ltd v. Local Ireland-Online Ltd¹² is an example of one such case. Fourthly, there are character string conflicts where both parties "either have a trademark of their own or a valid reason to use a particular string, such as where the string corresponds to a non-trademarked company name, product name or personal name."¹³ Harte maintains these disputes encompass an element of "reverse domain hijacking" -in other words, "large corporations use their legal and financial muscle to evict legitimate domain name holders from valuable registrations that they want-"¹⁴ In Prince Plc v Prince Sports Group Inc.¹⁵ the American sporting goods manufacturer sought to hijack the prince.com domain name, which had been legitimately registered by Prince Computing- Professor Milton Mueller maintains that trademark claims are being "inserted into conflicts over Internet resources where they do not belong"¹⁶ and criticizes the dispute resolution procedure of N31 which supports trademark owners in claiming names which they did not have the prudence to register. Mueller believes that the object of character string challengers is to steal a domain name away from someone who legitimately registered it first. Fifthly, a "pseudo domain name" may be registered for noncommercial use. While writing a magazine article journalist Joshua Quittner registered the name "mcdonalds.com" as a personal address to reveal the ease with which domain names may be registered. Harte identifies a final situation whereby an entity uses links from a famous domain name to their own website to improve their chance of commercial success. "The implication being that the individual is a reputable company due to its links with a strong commercial brand

⁷ Also known as domain name grabbers or hijackers.

⁸ [1997] EWHC (November 28, 1997)

⁹ The organisation People Eating Tasty Animals (PETA). Registered the domain name "peta.org" incorporating the trademark of People for the Ethical Treatment of Animals (PETA) for the purpose of parody.

¹⁰ Professor Milton Mueller refers to these as preemption cases. They do not generally involve commercial use and fall outside many trademark provisions.

¹¹ L.K Shields was a Law firm advising Government departments on e-commerce issues. Engefield apparently just wanted to make a point. The domain name was not about extorting money.

¹² [2000] IEHC 57: [2000] 4 IR 567 (2nd October, 2000)

¹³ Sean Quinn, *Domain names Part III – Character String Conflicts, parody and Pre-emption*, Technology and Entertainment Law Journal – Volume 1 No. 3. 2000, p. 2.

¹⁴ Ada A. Harte, *The Domain Name Debate*, Technology and Entertainment Law Journal – Vol. 2, No. 1 2001, pg. 5.

¹⁵ July 1997, 1 [1998] F.S.R. 21

¹⁶ Quoted in Sean Quinn, *Domain names Part III – Character String Conflicts, parody and Pre-emption*, Technology and Entertainment Law Journal – Volume 1 No. 3. 2000, p. 3

name or company such as Coca-Cola."¹⁷ In the next section I shall focus on judicial attitudes relating to cybersquatting, competing use by competing users, reverse domain hijacking and parody cases.

Cybersquatters and the Courts

In this era of mass technology and globalization, famous people and businesses have reason to be concerned about cybersquatters. NSI's omission to investigate the prior existence of trademarks in relation to requested domain names has resulted in the registration of numerous well-known corporate and personal names by third parties to which they have no entitlement. In the Harrods¹⁸ case, the defendant registrants of "harrods.com" were held liable at interlocutory level for passing off and trademark infringement. Harrods argued that the "Harrods" trademark was a famous one, which would suffer damage to its goodwill or dilution if used by the competitor in a domain name, to which they had no lawful connection or legitimate interest. This case is significant, primarily because NSI agreed to follow the ruling of the UK court and transferred the domain name to the Knightsbridge department store.

In British Telecommunications plc v. One In A Million Ltd.¹⁹ the defendants registered several well-known trademarks as domain names without the consent of the mark holders, with the intention of extorting money from those holders.²⁰ The defendants registered domain names incorporating trademarks owned by Virgin, Sainsbury, Marks and Spencer, Ladbrokes and British Telecom, e.g. they registered burgerking.co.uk and offered it to Burger King who enjoyed the goodwill in the name and was the mark holder for £25,000 plus VAT. Similarly, having registered bt.org, the defendants offered to sell it to BT for £4,700 plus VAT. It was alleged that the activities of One In A Million amounted to passing off, to infringement of the plaintiffs well-known registered trademarks, to threats of passing off and infringement, and to wrongful acts such as to entitle them to injunctive relief. Mr Jonathan Sumption QC sitting as deputy High Court Judge granted an injunction restraining One In A Million from using or selling the names and ordered the names to be assigned to the relevant plaintiffs.

¹⁷ Harte, Op. Cit., pg. 6.

¹⁸ Harrods Limited v. UK Network Services Limited & Others, unreported HC, Chancery Division, 9 December 1996.

¹⁹ BRITISH TELECOMMUNICATIONS PLC; VIRGIN ENTERPRISES LTD; J SAINSBURY PLC; MARKS&SPENCER PLC and LADBROKE GROUP PLC v. ONE IN A MILLION LTD AND OTHERS [1998] Court of Appeal, July 23, 1998

²⁰ Mr. Sumption QC identified four reasons why the defendants might register domain names incorporating another entity's mark. Firstly they could try to sell it to the trademark owner which might pay a high price so as to avoid the inconvenience of there being a domain name encompassing its own name or which is not under its control. Secondly, they might sell it to a third party unconnected with the name, so that he may seek to sell it to the company whose name is being used, or use it otherwise dishonestly. Thirdly it may be sold to someone with a genuine interest of his own in the name, for example a solicitor with the surname Sainsbury with a view to use by him. Fourthly, it may be kept by the dealer unused and unsold, in which case it serves only to block the use of that name as a registered domain name by others, including those whose name or trademark it comprises.

Regarding passing off, reference was made to Glaxo Plc v Glaxowellcome Ltd²¹, where interlocutory relief was granted which prohibited use of a company name that had been registered with the intent to extract money from the rightful owner. The court in Glaxowellcome denounced the defendant's corrupt plot to appropriate the goodwill of the newly merged company and found them guilty of passing off. Sumption remarked that One In A Million's conduct was undoubtedly "calculated to infringe the plaintiff's rights in future. ...There is only one possible reason why anyone who was not part of the Marks & Spencer Plc group should wish to use such a domain address, and that is to pass himself off as part of that group or his products off as theirs. Where the value of a name consists solely in its resemblance to the name or trademark of another enterprise, the court will normally assume that the public is likely to be deceived, for why else would the defendants choose it? ... Someone seeking or coming upon a website called <http://marksandspencer.co.uk> would naturally assume that it was that of the plaintiffs."²²

In the Court of Appeal, Aldous L.J. gave a comprehensive history of the law of passing off and held that courts should grant injunctions (a) where passing off is established or threatened (b) where the defendant is a joint tortfeasor with another in an action for actual or threatened passing off and (c) where the defendant has equipped himself with an instrument of fraud. Factors to be taken into account when establishing the threat or actuality of passing off, included the similarity of the names, the intention of the defendant, the type of the trade and all the surrounding circumstances. The Court of Appeal held that the plaintiff possessed goodwill in the contested name, that there was a likelihood of confusion on the part of the public relating to the ownership of the domain name and a threat of damage to the business or goodwill of the appellant mark owners resulting from this confusion. Although the defendants repeatedly asserted that they had no intention to use the names in the course of trade, the court, in what appears to be a policy decision, satisfied itself that the requirements for passing off were met and held the defendants to be equipped with instruments of fraud. The registration of the domain names, together with the use to which they would be put was also deemed capable of constituting trademark infringement under section 10 (3) of the Trademarks Act 1994. According to Bateman the "most significant aspect of the *One In A Million* case is the recognition by the court that domain names can perform a trademark function because they indicate origin. This facilitates the protection of domain names by trademark law and conversely, allows the owners of trademarks to protect themselves against the unauthorized use of their marks as domain names by virtue of a passing-off or a registered trademark infringement action,"²³

In the US case of Toys R Us, inc. v. Abir²⁴, the defendant noticed that neither TOYS R US nor KIDS R US had registered an incorrect spelling of their marks, i.e. www.toysareus.com and www.kidsareus.com as a domain name. Abir registered these domain names and then purported to sell or lease them back to Toys R Us. Toys R Us threatened legal action, so Abir then decided that he would sell toys for competitors through

²¹ [1996] F.S.R 388

²² pg. 271 of Mr. Sumption QC's judgement quoted by Aldous L.J. in the Court of Appeal.

²³ Anne Bateman, *Trademarks & The Internet*, [2000] Bar Review p.206

²⁴ U.S.SP.Q. 2d (BNA) S.D.N.Y. [1997]

the websites. Toys R Us brought a trademark infringement and trademark dilution²⁵ action against Abir, who admitted in court that he adopted the misspelled marks hoping to pick up visitors who mistakenly entered Toys R Us's domain names. The court had no trouble issuing an injunction against Abir and ordered him to give up the websites. Abir was also ordered to pay Toys R Us' attorneys' fees in the amount of \$ 55,000 because he wilfully and intentionally infringed the Toys R Us marks.

The Illinois court in Intermatic, Inc., V. Denis Toeppen²⁶ granted an injunction to the plaintiffs preventing Toeppen from using the domain name "intermatic.com". Toeppen had registered 200 domain names including "deltaairlines.com", intending to sell these names to the companies that owned the marks. Toeppen argued that he was not liable under the Lanham Act because he did not make commercial use of the Intermatic mark. Important factors in granting the summary judgement included Intermatic's long use of the mark and the fact that the mark was "fanciful," i.e. not merely descriptive or suggestive of the nature of the goods. Intermatic had federal trademark registrations for the mark, and prior to Toeppen's registration of the domain name made exclusive use of the Intermatic name. Toeppen had never actually used the INTERMATIC mark in connection with any goods or services of his own. Intermatic was granted the injunction sought, but received no damages as there was no proof of wilful intent on Toeppen's part to dilute Intermatic's mark. The judge held that Intermatic's name and reputation would be at Toeppen's "mercy" and could be linked with any messages on Toeppen's website if the domain name were allowed to remain in Toeppen's control. Susan Thomas Johnson claims the Intermatic case contains two important rulings. "First, a domain name that is the same as a trademark and does not compete with the trademark owner's products or services may not be trademark infringement but may be a violation of dilution laws. Second, any use of a domain name, whether to transmit graphic images or text, is a use "in commerce" of the domain name."²⁷

Toeppen got himself into further trouble for parasitic domain name registration. In Panavision International, L.P. v. Toeppen²⁸. Panavision sued him for registering the domain names "panavision.com" and "panaflex.com" which were two federally registered trademarks owned by Panavision. Toeppen received a "cease and desist" letter from Panavision and responded by saying that it would cost Panavision \$ 13,000 to have the domain names transferred. Panavision refused to pay and instead sued Toeppen under state and federal anti-dilution statutes. Like the Illinois court in the Intermatic case, the California court here found that Panavision had widespread use of the marks and that the marks had acquired secondary meaning through many years of use by Panavision. At pages 1302-3, the judge remarked that Toeppen "prevented Panavision from using its marks in a new and important business medium," and that "merely ... registering a famous mark as a domain name for the purpose of trading on the value of the mark by selling the domain name to the trademark owner violates the federal and state dilution statutes."

²⁵ In the US trademark dilution actions are favoured to those of passing off.

²⁶ 947 F.Supp. 1227, 1996 US Dist.

²⁷ Susan Thomas Johnson, *Note: Internet Domain Name and Trademark Disputes: Shifting Paradigms in Intellectual Property*, Summer, 2001. 43 No.2 Ariz.L. Rev. 465 pg. 479 [Lexis]

²⁸ 938 F. Supp. 616

Whether in the US, the UK, Ireland or anywhere else, it seems likely that traditional trademark law will be applied to cybersquatting cases by the courts. Name grabbing includes an element of fraud and bad faith, which will not be endured no matter where in the world it occurs. Litigation is extremely costly and there are frequently delays which businesses can ill afford. It is preferable for many trademark litigants to settle their dispute out of court. "Considerable support has been expressed for the development of expeditious and inexpensive dispute resolution procedures, which are comprehensive in the sense of providing a single means of resolving a dispute with multiple jurisdictions manifestations."²⁹ Domain name registrants are required to submit to mandatory administrative proceedings under the ICANN Uniform Dispute Resolution Policy³⁰ if their domain name is identical or confusingly similar to a trademark in which the complainant has rights and the registrant has no rights or legitimate interest in respect of the domain name and has registered and is using the domain name in bad faith. Proof of bad faith is indicated by an attempt by the registrant to extort money from the trademark owner³¹ or to prevent them from reflecting their mark in a corresponding domain name³² or to disrupt the business of a competitor³³ or to attract, for commercial gain, internet users to the registrants website, by creating the likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of the web site or the products or services there offered.³⁴ In Madonna Ciccone p/k/a/ Madonna v Dan Parisi and Madonna.com,³⁵ Madonna used ICANN's dispute resolution procedure against cybersquatter Parisi and had "Madonna.com" reassigned to herself. Julia Roberts and Sade also used the ICANN UDRP to their advantage in evicting cybersquatters.

Not all cybersquatters are as proactive as One in A Million, Abir and Toeppen- Many will simply wait for the mark owner to approach them. It may take a considerable time before a company becomes aware it has a cybersquatting problem. Cybersquatters may be found accidentally by an employee of the trademark owner surfing the web either at work or at home. Alternatively a puzzled customer may contact the company saying that they tried to access what they thought was the trademark owner's website and got something unexpected, such as pornography³⁶, or a competitor's product, by mistake. Look maintains that "some large companies are now employing "Bounty Hunters" or "Cyber Paralegals" on a full-time, 40-hour-per-week basis, Just to surf the web to find misuse of company names, trademarks, copyrights, and other intellectual property rights on the Internet. There are also private companies that specialize in bounty hunting such as

²⁹ Ada A. Harte, *The Domain Name Debate*, Technology and Entertainment Law Journal – Vol. 2. No. 1 2001 pg. 5

³⁰ Section 4(a) (www.icann.org)

³¹ Section 4 (b) (i)

³² Section 4 (b) (ii)

³³ Section 4 (b) (iii)

³⁴ Section 4 (b) (iv)

³⁵ Case No D2000-0847, available at arbitrator.wipo.int/domains/decisions/html/2000/d2000-0847.html

³⁶ As in bertieahern.com domain name dispute, where the Taoiseach's name was registered to operate a porn site.

NetNames in New York City, Thomson & Thomson, a Boston-based trademark searching firm, and Markwatch which specializes in searching for improper trademark usage on websites."³⁷

Competing Use by Competing Users and Reverse Domain Hijacking

In Prince Plc. v Prince Sports³⁸ the US defendants wrote to the UK plaintiffs requiring them to cease and desist from using prince.com as it was infringing the Prince Sports registered mark. Although the plaintiffs owned no mark themselves, they sought and received from Justice Neuberger in the UK court, a declaration to the effect that it had a valuable reputation and goodwill in the name. The court held in favour of the plaintiff who registered the prince.com domain name to carry on using it.³⁹ In Pitman Training Ltd v Nominet UK Ltd.⁴⁰ both the plaintiff and defendant had the right to use the Pitman name in their respective fields of businesses. In February 1996 the defendant registered pitman.co.uk but didn't start using it immediately. In March 1996 the plaintiff had the name reallocated to him and started to use it for e-mail. The defendant persuaded Nominet, the UK domain name registry to return the name to them and the plaintiff commenced proceedings claiming passing off, tortious interference with contact and abuse of process. All three claims were dismissed but the court. It was held that there was no evidence that the public associated the domain name with the plaintiff. If any confusion had arisen, it resulted from the legitimate use by both companies. The court applied Nominet's first-come, first-served rule, whereby the defendant was entitled to use the Pitman name.

The District Court in the Intermatic case distinguished cybersquatters like Toeppen from instances where there were competing uses of the same domain name by competing parties. In the latter case, the first party to register the domain name with NSI could legitimately claim it. One of the biggest payoffs for a domain name ever involved the Alta Vista domain name. In 1994 Alta Vista was not registered as a trademark when Marshall obtained the www.altavista.com domain name. Marshall designed software •creating multi-media postcards for display on the web. In 1995, Digital Corporation, which later merged with Compaq Computers, launched the "Alta Vista" search engine. Digital originally registered www.altavista.digital.com as its domain name. However, many computer users would exclude the "digital" portion from the domain name when looking for the search engine's website, instead accessing Marshall's website. Marshall could demand premium prices for placing advertisements on his website because he received hundreds of thousands of hits per day. Owing to confusion between Compaq's search engine at www.altavista.digital.com and Marshall's www.altavista.com. Compaq sued Marshall to compel him to change his mark and to add a disclaimer to his site. However, Compaq eventually agreed to pay \$ 3.35

³⁷ Jeffery J. Look, *ARTICLE: THE VIRTUAL WILD, WILD WEST (WWW): INTELLECTUAL PROPERTY ISSUES IN CYBERSPACE-TRADEMARKS, SERVICE MARKS, COPYRIGHTS, AND DOMAIN NAMES*, Lexis

³⁸ [1998] FSR 21

³⁹ The Plaintiff is now to be located at prince.co.uk

⁴⁰ [1997] FSR 797

million plus it gave Marshall a permanent link from the AltaVista search engine to his new website, www.photoloft.com. Marshall was obviously no cybersquatter. He had legitimate and superior rights in the AltaVista mark. Where a registrant has a rightful claim to the domain name, i.e. if he uses it in connection with his own business which happens to be less famous than someone else's business, the courts usually allow the first to register the domain name to keep the domain name as it would be unfair to reward "the company which can afford to litigate in an attempt to seize a name it did not have the foresight to register first."⁴¹

In Pike et al v. Network Solutions et al⁴² however, the original registrant lost the domain name battle over pike.com. Peter Pike a real estate agent in California, was forced to transfer the domain name to Floyd Pike, a resident of North Carolina who owned the Pike trademark which used stylised letters, such lettering being incapable of reflection in an Internet address. Like Mueller, I think the court in this instance misapplied trademark law to a domain name conflict. What real confusion could arise between different services provided 3,000 miles apart? Similarly in the *Alice* case, the French Court of Appeal did not follow the first-come, first-served principle, where two French companies had the same name, i.e. "Alice". Alice SNC was established in 1957 and registered "Alice" in 1975 as a trademark for advertising services. In 1996, Alice SA was formed. It registered "Alice d'ISOFT" as a mark and set up a website using the address www.alice.fr. Alice SNC sued for trademark infringement, unfair competition and unlawful use of the corporate name "Alice". Here, the judge ordered the cancellation of the alice.fr domain name within 21 days, refusing to apply the first-come, first-served rule at the core of the domain system as it would "prejudice the elder company because it would deprive it of its corporate name and identity on the Internet whereas it owns a true property right in such name". Where both parties have legitimate claims to use a domain name, the first-come, first-served principle should, in my opinion, generally be applied, even if trademark dilution transpires. Trademark owners are advised to register their marks in as many jurisdictions as possible to strengthen their rights. For fiscal reasons, most intellectual property owners would be loath to undertake numerous court cases throughout the globe. Significant resources are easily squandered in (disputes between competing users where neither party has a clear-cut case. "In order to avoid such costs some parties both wishing to use the same domain name have

reached an agreement to share the domain name."⁴³ WIPO commend such gateways which are "a list of names ... with links to distinguish the addresses and their owners from each other."⁴⁴ Should Internet users type in www.nielson.com for instance, they are greeted with this message - "Both ACNielson and Nielson Media Research are linked from this page, however neither entity holds the 'Nielson' domain as its own." It is unlikely that such gateways will be made compulsory however as many trademark owners "wish to preserve their unique identity and do not wish to countenance sharing it, even through a portal, with

⁴¹ Quinn, *Domain Names Part II, Op. Cit.*, pg. 30

⁴² US Dist. Court for North Dist. Of California (SF) 96-CV-4256, 25 November 1996.

⁴³ Harte, pg. 7.

⁴⁴ WIPO Interim Report, paragraph 103

another."⁴⁵ In competing use cases, another possible solution might be to add a brief description of the different businesses in the domain name, such as "applecomputer.com" and "apple-grocery.com." Alternatively it has been suggested that NSI could add a trademark classification code to each domain name, such as "apple.9.com" - thus the treatment of domain names would be more in line with regular trademark law. "Two parties with the same mark but operating in dissimilar business areas could both use the mark in their domain names. The problem is that Internet users would no longer be provided with short, easily remembered domain names."⁴⁶

Parody

Cybersquatters are not the only ones who deliberately infringe or dilute a company's trademarks over the Internet. A growing number of marks are being registered as domain names by people who are peeved with the mark owning companies by adding the word "SUCKS" to the marks. Netscape encountered problems with NETSCAPESUCKS, a website created explicitly to allow people who did not like the Netscape web browser to post disparaging information about the product on the Internet. Chase Manhattan Bank ran into similar problems with a complaint website called CHASEMANHATTANSUCKS. The website BALLYSUCKS was likewise created as a grumble site for people upset with the Bally Total Fitness health club. The user of the BALLYSUCKS name actually won summary judgment against Bally Total Fitness when sued for trademark infringement and dilution. The court held that no reasonable consumer would believe that Bally's official website and the defendant's BALLYSUCKS website originated from the same source. There was no trademark dilution because the defendant was using the site to make legitimate criticisms of Bally Total Fitness.

In Planned Parenthood Federation of America, Inc. v. Bucci⁴⁷, Richard Bucci, the defendant, hosted a daily radio talk show called "Catholic Radio." Planned Parenthood, a well-known pro-choice abortion organization owned the PLANNED PARENTHOOD federal trademark. Bucci registered the domain name "plannedparenthood.com," and published anti-abortion information on the website, a position clearly conflicting with Planned Parenthood's objective. Bucci's website also promoted a book which advocated restrictions on abortion. The court granted an injunction against Bucci preventing him from using PLANNED PARENTHOOD as a trademark or domain name. The court held that Bucci's promotion of the book amounted to a commercial use and that Bucci's actions were purposely intended to cause harm to Planned Parenthood.

Jews For Jesus v. Brodsky⁴⁸ was another parody case where a pro-Christ Jewish outreach group sued Brodsky, a Jewish Internet website developer, who harshly criticized their organization, calling it a cult.

⁴⁵ WIPO Interim Report, paragraph 105

⁴⁶ Markevitz. Lexis

⁴⁷ S.D.N.Y.[1997]

⁴⁸ 993 F.Supp. 282 D.N.J. [1998]

Jews For Jesus had distributed religious pamphlets and materials for over 20 years and in 1995 registered the www.jews-for-jesus.org domain name. In 1997, Brodsky registered www.jewsforjesus.org and posted derogatory statements about Jews For Jesus on the website. Brodsky admitted that his intent behind the bogus Jews For Jesus site was to intercept potential converts before they had "a chance to see the obscene garbage on the real site." The court held that although the JEWS FOR JESUS mark may have been descriptive when it was adopted, it had become distinctive and renowned through widespread advertising. Moreover, Brodsky's use of the domain name to disparage the Jews For Jesus organization was a commercial use in that he prevented Jews For Jesus from fully exploiting their mark. The court rejected Brodsky's claim that his First Amendment rights would be violated by having to give up the domain name. Brodsky did not have a right to use false and deceptive marks to confuse the public. Nothing precluded him from posting his message on another, non-confusing domain name.

Conclusion

It is vital to view trademarks as property which require protection no matter where infringement occurs. A business's status can perhaps be more easily damaged on the Internet than in any other forum. The transjurisdictional nature of damage caused by abusive domain name registration and indeed innocent registration is a major concern. It has been suggested that NSI perform trademark searches similar to the PTO searches before registering a domain name as this would avoid many disputes. It would however make the domain name registration process longer and costlier. "The fundamental problem remains that, the trademark system permits many companies to use the same trademark for different goods and services and in different countries. Yet the domain system has one .com domain. This problem demonstrates both the difficulty of fitting the new types of intellectual property created by the Internet into our current legal system and the challenge of regulating a global medium in a world of national laws."⁴⁹ It is submitted that courts should persist in punishing the bad faith domain name grabber or disparager, but resolve innocent domain name registrations which just happen to be very similar to a famous registered mark on a first-come, first-served basis.

⁴⁹ Harte, pg. 6

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