



FENWICK & WEST LLP



eVolution or Revolution?

Trademark Law on the Internet

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Introduction

In April 2001 a U.S. federal court imposed a damages award of \$65 million in the infamous *sex.com case*, *Kremen v. Cohen*, April 3, 2001 Judgment, No. C 98-20718 JW (N.D. Cal. 2001), in which the defendant had surreptitiously pulled the domain out from under the plaintiff by submitting a fraudulent transfer request to NSI, the domain registrar. This is just one of the most recent and visible examples of developing domain name/internet case law coming of age. While *sex.com* is distinguishable from the garden variety trademark dispute on the net given its unique facts, numerous less glamorous cases have now been decided in the courts and in administrative settings, creating a vast and growing body of the law of trademarks in cyberspace.

Much of the caselaw to date demonstrates a fundamental struggle by the courts to determine the extent to which the online world requires modification of the traditional test of infringement, or reassessment of dilution doctrine. Does this new medium require a paradigm shift, such as a new infringement test, or is established doctrine sufficient to the task? Are the courts dismantling traditional likelihood of confusion analysis, and, if so, is this necessary?

Do ICANN's Uniform Dispute Resolution Policy¹ or the Anticybersquatting Consumer Protection Act (ACPA)² — two mechanisms developed to address cyberpiracy in the domain name area — effectively serve their intended purpose?

¹ Internet Corporation for Assigned Names and Numbers <<http://www.icann.org>>.

² 15 U.S.C. § 1125 (Lanham Act § 43(d)). Enacted November 29, 1999.

I. Trademark Infringement

Traditionally, the question whether a trademark is infringed has turned on a multi-factor test which seeks to determine whether the junior user's use of a trademark creates a "likelihood of confusion" among consumers as to the source of the junior user's goods.³ The tests applied in the various circuits turn on factors such as the strength of the senior user's mark, similarity of the marks, similarity of the goods/services, channels of trade, sophistication of consumers, wrongful intent, actual confusion and whether the challenged use is within the senior user's zone of natural expansion. *See, e.g., McGraw-Edison v. Walt Disney Prod.*, 787 F.2d 1163, 1167-68 (7th Cir. 1986); *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-354 (9th Cir. 1979); *Polaroid Corp. v. Polorad Elecs. Corp.*, 287 F. 2d. 492, 495 (2d. Cir. 1961).

II. Likelihood of Confusion on the Internet

To date, a number of courts have applied a traditional likelihood of confusion analysis to infringement claims arising in connection with internet activities. Most of these cases arise in the context of domain disputes. Examples of such cases, categorized by the likelihood of confusion factor(s) on which the particular court focused, include:

A. Strength of the Mark

America OnLine, Inc. v. AT&T Corp., 243 F.3d 812 (4th Cir. 2001):

On summary judgment, the district court concluded that America OnLine's alleged marks YOU HAVE MAIL and IM for automatic email notification services, and BUDDY LIST for real time chat services are generic, and therefore not protectible against use in connection with competing email service, because the "primary significance" of each is as a noun not a mark. The court considered AOL's use, competitors' use, the media and reference books in

³ The Lanham Act provides, in relevant part:

§32(a) (registered mark)

"Any person who shall, without the consent of the registrant (a) use in commerce any reproduction, copy, or colorable imitation of a registered mark in connection with the sale . . . of any goods or devices on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive . . ." 15 U.S.C. §1114(a).

§43(a) (unregistered mark)

"Any person who, on or in connection with any goods or services, . . . uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which . . . is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person . . . shall be liable in a civil action . . ." 15 U.S.C. §1125(a)(1).

reaching its conclusion. The Fourth Circuit affirmed the district court's findings as to YOU HAVE MAIL and IM, but vacated and remanded the ruling that BUDDY LIST is generic, finding that in determining whether a genuine issue of material fact existed for summary judgment purposes, the district court failed to view the evidence in the light most favorable to the nonmoving party.

B. Similarity of the Marks

TCPIP Holding Company, Inc. v. Haar Communications, Inc.,
244 F.3d 88, 101-2 (2d Cir. 2001):

Because domain names require elimination of spaces between words and punctuation, the differences are insignificant between plaintiff's mark "The Children's Place" and defendant's domain names containing "thechildrensplace", "childrensplace", "achildrensplace" and "thechildrenplace". However, because plaintiff's mark essentially is descriptive, domains containing "achildplace", "achildplaces", "yourchildsplace", "yourchildplaces", "mychildspace", "mychildrensplace" and "ourchildrensplaces" are sufficiently dissimilar.

BigStar Entertainment, Inc. v. Next Big Star, Inc., 105 F.Supp.2d 185, 205-6 (S.D.N.Y. 2000):

Court rules that similarity of purported marks BIGSTAR for an on-line movie merchandise retailer and NEXTBIGSTAR for an on-line talent contest cannot be judged in the vacuum of comparison of the domain names *bigstar.com* and *nextbigstar.com* because "reasonably informed web consumer" has no basis for distinguishing between these domains and any other domain containing the words "big star". Considering the two marks in the context of actual use, on and off of the internet, including in design form and with other text, the marks are sufficiently different.

C. Similarity of the Goods

The Network Network v. CBS, Inc., 2000 U.S. Dist LEXIS 4751, 54 U.S.P.Q. 2d 1150
(C.D. Cal. 2000):

In dispute over *tnn.com* domain name, the court granted domain holder's summary judgment motion for non-infringement, concluding that the domain holder's computer network consulting services were wholly unrelated to the trademark owner's television production and distribution services. In so ruling, the court noted that it need not conduct a likelihood of confusion (*Sleekcraft*) analysis, because the test only applies to related goods, but nonetheless went on to assess, and dismiss the limited evidence of actual confusion (see below).

D. Channels of Trade

Trans Union LLC v. Credit Research, Inc., 142 F.Supp.2d 1029, 1042-43 (N.D. Ill. 2001):

Court finds likelihood of confusion in defendant's use of plaintiff credit agency's logo and use of domains containing plaintiff's trade name, in part based on fact that both parties used the internet to market and sell credit reports. The court noted that the record contained no evidence as to how the parties marketed their products "in real space", but that "[t]heir concurrent marketing efforts in cyberspace, [], weigh in favor of [plaintiff] Trans Union." *Id.* at 1043.

E. Consumer Sophistication

BigStar Entertainment, Inc. v. Next Big Star, Inc., 105 F.Supp.2d 185, 214 (S.D.N.Y. 2000):

In concluding that the relevant purchasers of plaintiff's on-line video retailing services were fairly sophisticated, the court observed:

"[t]he relevant purchasers relied upon for purposes of gauging sophistication in the Internet context should not encompass the broad sweep of that general population. Rather the measure should be circumscribed to the class of buyers who are prospective purchasers of the parties' products."

The court also distinguished purchasers of inexpensive items over the counter from those purchasing the same items over the Internet, considering the nature of completing a purchase on the internet (locating the website and the product, creating an account, providing contact and payment information) as an indication that the Internet consumer is somewhat more sophisticated than their general population counterpart.

F. Wrongful Intent

TCPIP Holding Company, Inc. v. Haar Communications, Inc., 244 F.3d 88, (2d Cir. 2001):

Second Circuit upholds lower court's finding of bad faith given defendant's registration of 66 additional similar domains after receiving plaintiff's initial demand letter, offering to sell packages of these domains to plaintiff for approximately \$500,000, and demanding that plaintiff give defendant domain *childrensplace.com* in return.

Eli Lilly & Company v. Natural Answers, Inc., 233 F.3d 456, 465 (7th Cir. 2000):

On appeal of ruling that HERBROZAC for mood altering food infringes PROZACthorn for mood altering drug, the court finds defendant's effort to divert internet traffic to its site by use of PROZAC in metatags to be probative of wrongful intent. The court then affirmed the lower court's infringement finding, focusing on strength of the PROZACthorn mark, similarity of the marks and wrongful intent.

The New York State Society of Certified Public Accountants v. Eric Louis Associates, Inc., 79F.Supp.2d 331, 341-2, 348-52 (S.D.N.Y. 1999):

Defendant's use of *nysscpa.com* domain and of "NYSSCPA" in metatags, and framing of plaintiff's site on defendant's financial professionals placement services site was in bad faith, and likelihood of confusion was present, despite the disclaimer of affiliation with the New York Society of CPA's on the site and hot link to that organization. Given defendant's bad faith, the court awarded over \$46,000 in attorneys fees.

G. Actual Confusion

The Network Network v. CBS, Inc., 2000 U.S. Dist LEXIS 4751, 54 U.S.P.Q. 2d 1150 (C.D. Cal. 2000):

In granting summary judgment of non-infringement in use of the domain *tnn.com*, the court applied the "reasonably prudent consumer" test in discounting CBS' proffered actual confusion evidence of a few misdirected email and several affidavits of Internet users who had mistakenly gone to the *tnn.com* site looking for CBS' TNN. Dismissing the latter, the court reasoned:

"There is a difference between inadvertently landing on a website and being confused. Thousands of Internet users every day take a stab at what they think is the most likely domain name for a particular website. Given the limited number of letters in the alphabet, and the tendency toward the use of abbreviations in commerce generally and in domain names in particular, it is inevitable that consumers will often guess wrong. But the fact that aficionados of The Nashville Network may initially type "tnn.com" into their browsers in the hope of locating Grand Ole Opry programming information does not, standing alone, demonstrate confusion."

2000 U.S. Dist. LEXIS 4751 *16. *Accord Teletech Customer Care Mgmt. (Cal.), Inc. v. Tele-Tech Co.*, 977 F.Supp. 1407 (C.D. Cal. 1997) (no likelihood of confusion in mistakenly landing on teletech.com site where services unrelated).

H. Zone of Natural Expansion

Big Star Entertainment, Inc. v. Next Big Star, Inc., 105 F.Supp.2d 185, 212-13 (S.D.N.Y. 2000):

In finding no likelihood of confusion between BIG STAR and *bigstar.com* for an on-line movie video retailer, and NEXT BIG STAR and *nextbigstar.com* for an on-line talent contest, the court rejected plaintiff's argument that its expansion into television would put it in the same medium and market as defendant's quarterly television program showcasing the winners of its contest. The court noted that zone of natural expansion focuses on the junior user's business, in this case talent competitions, not the medium or market for those services.

There was no evidence the plaintiff planned such an extension of its video business or that the public would expect such expansion.

1. Are the Courts Dismantling the Likelihood of Confusion Test? Although a number of courts have decided claims of trademark infringement on the Internet by simply applying the likelihood of confusion test applicable in the relevant circuit, other courts seem to believe that the Internet required a revamping of the likelihood of confusion test. This reaction, or overreaction, is unwarranted.

Planned Parenthood Federation of America Inc. v. Richard Bucci, d/b/a Catholic Radio, 42 USPQ 2d 1430 (S.D.N.Y. 1997), was the first case to confront the question of whether the likelihood of confusion test requires tailoring in the internet context. In this case, involving an anti-abortion activist who registered the domain *plannedparenthood.com* and put up a website at which he advocated an anti-abortion tract titled “The Cost of Abortion,” the court was confronted with claims of infringement, dilution and fraud. In ruling against the defendant on the infringement claim, the court drew two remarkable conclusions. First, while appearing to perform a *Polaroid* analysis, the court essentially reasoned that in determining the likelihood of confusion between offerings on two websites, it is not necessary to consider the similarity of goods (“the competitive proximity of the products or services” as that factor is articulated in the *Polaroid* test). The court explained:

“The web sites of plaintiff and defendant are both located on the World Wide Web. Therefore, defendant’s web site at ‘www.plannedparenthood.com’ is close in proximity to plaintiff’s own web site, ‘www.ppfa.org.’ Both sites compete for the same audience — namely, Internet users who are searching for a web site that uses plaintiff’s mark as its address. The degree of competitive proximity, therefore, increases the likelihood of confusion among Internet users.”

Id. at 1446.

Second, the court similarly concluded that there is no need to consider zone of natural expansion when both parties offer goods/services on the internet: “Because plaintiff’s web site and defendant’s web site are both on the Internet, the parties are vying for users in the same ‘market.’ Where the market for competing goods or services is the same, there is no need to consider whether plaintiff will bridge the gap between the markets.” *Ibid.*

This exclusion of the similarity of goods and zone of natural expansion elements from the likelihood of confusion test in an internet context is troubling, suggesting, by logical inference, that if both parties to a trademark dispute are doing business in the United States, the courts no longer have to consider the similarity of goods or the zone of natural expansion. This reasoning is particularly disturbing, given the potential for such an early case in a new area to have persuasive effect on other courts. *See, e.g. OBH, Inc. v. Spotlight*

Magazine, Inc., 86 F.Supp.2d 176, 188-9 (W.D. NY 2000) and *Jews for Jesus v. Brodsky*, 993 F.Supp. 282, 304 (D. N.J. 1998), *aff'd*, 159 F.3d 1351 (3d Cir. 1998) (*Planned Parenthood* reasoning mirrored). Further, the modality of the Internet did not require the court to truncate the test to reach the infringement result. First Amendment consideration aside, the facts supported a likelihood of confusion conclusion without elimination of these elements.

Fast forward two years, and the Ninth Circuit embraces the *Planned Parenthood* court's "analysis" regarding the internet as a medium, but recasts the likelihood of confusion test. In *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*, 174 F.3d 1036 (9th Cir. 1999), Brookfield, a computer company, used the mark MOVIEBUFF for a searchable database containing entertainment industry related information. When West Coast, a video rental store, which had long used the slogan "The Movie Buff's Movie Store", announced the public launch of its website to be located at www.moviebuff.com, Brookfield filed an infringement action seeking to enjoin West Coast's use of the *moviebuff.com* domain and of "moviebuff" in the metatags on its website.⁴

In issuing the injunction, the court chose not to truncate the likelihood of confusion test, as the *Planned Parenthood* court and others had, but instead added a new element: "In addition to the relatedness of products, West Coast and Brookfield both utilize the Web as a marketing and advertising facility, a factor that courts have consistently recognized as exacerbating the likelihood of confusion" (*id.* at 1057), relying on *Planned Parenthood*, *Jews for Jesus* and a handful of other cases.⁵ The reasoning ignores the fact that virtually every commercial organization with a website uses the web as a marketing and advertising facility. Such presence, alone, cannot necessarily exacerbate the likelihood of confusion.

The likelihood of confusion test historically sought to balance the parties' competing interests. The addition of the "use of the web as an advertising and marketing facility" as an element of the test shifts that balance, in the internet context, in favor of the party alleging infringement. Considered in the analogous, more traditional context of the "wrongful intent" element of the likelihood of confusion test, the troubling nature of this new element is clear. While the courts have long held that it is not necessary to prove wrongful intent to establish likelihood of confusion (*e.g.*, *Sleekcraft*, 599 F.2d at 354), and proving such intent typically is

⁴ A metatag is a piece of code rooted in the hypertext mark-up language ("HTML") of a web site, invisible to the web site viewer. In the way a library patron indexes a card catalog, internet search engines read essentially hidden text, metatags to retrieve web sites for the web user. The search engine then returns a list of web pages presumably containing the search term, presenting each page with a brief description and a link to the page. The user can simply peruse the list for the site she was looking for, or something that looks interesting, click on the relevant link, and go to that web page.

⁵ *Public Service Co. v. Nexus Energy Software*, 36 F. Supp. 2d 436, 439 (D. Mass. 1999); *Washington Speakers Bureau v. Lending Authorities*, 33 F. Supp. 2d 488, 499 (E.D. Va 1999), and *Interstellar Starship Services, Ltd. v. Epix Incorporated*, 983 F. Supp. 1331, 1336 (D. Or. 1997).

very difficult to do, if the challenger is able to find the “smoking gun”, the courts will presume the wrongdoer has been successful in its efforts to deceive and will find a likelihood of confusion. *See, e.g., Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d 254, 258 (2d Cir. 1987); *Academy of Motion Pictures Arts and Sciences v. Creative House Promotions*, 944 F.2d 1446, 1456 (9th Cir. 1991). Wrongful intent, though extremely hard to prove, does exacerbate the likelihood of confusion. Given that it is not hard at all to prove that a company with a website is using the internet as an advertising and marketing facility, the new *Brookfield* factor will virtually always exacerbate the likelihood of confusion in a case on the internet, seemingly ensuring a finding of infringement. *See, e.g. PACCAR, Inc. v. Telescan Technologies, L.L.C.*, 115 F.Supp.2d 772, 778 (E.D. Mich, S.D. 2000) (relying on *Brookfield*, the fact that both companies market through the Internet “increases the likelihood of confusion.”)

Tellingly, the *Brookfield* court did not stop at adding this new element to the likelihood of confusion test. The court also suggested that the three most important factors in determining a likelihood of confusion are similarity of the marks, similarity of the goods, and simultaneous use of the web as a marketing channel. The court commented:

“Although the Ninth Circuit has yet to apply the likelihood of confusion analysis in the Internet context, a district court applying Ninth Circuit law based its finding of likelihood of confusion on (1) the virtual identity of marks, (2) the relatedness of plaintiff’s and defendant’s goods, and (3) the simultaneous use of the Web as a marketing channel. *Comp Examiner Agency v. Juris*, 1996 U.S. Dist. LEXIS 20259 at *1 (C.D. Cal. 1996). Consistently with *Comp Examiner*, we conclude that these three *Sleekcraft* factors are the most important in this case and accordingly commence our analysis by examining these factors first.”

Id. at 1055.

The Ninth Circuit later took the opportunity to further expand on this reasoning in *Goto.com, Inc. v. The Walt Disney Co.*, 202 F.3d 1199 (9th Cir. 2000). In designing a “go” logo for its internet search engine, intended to allow consumers to search Disney’s various websites, Disney came up with a traffic-signal inspired logo — a green circle on which the word “go” was superimposed, both on a square yellow background — that looked very similar to the goto.com logo used by goto.com for its internet search engine.

In the ensuing infringement litigation, the Ninth Circuit continued its redesign of the likelihood of confusion test in the internet context, now focusing on the three factors it identified in the *Brookfield* footnote as “the controlling troika in the *Sleekcraft* analysis.” *Goto.com* at 1205. To support this approach, the court expressed heightened concern about the potential for confusion in cyberspace: “We now reiterate that the Web, as a marketing channel, is particularly susceptible to a likelihood of confusion since, as it did in this case, it

allows for competing marks to be encountered at the same time, on the same screen.” *Id.* at 1207. This is a puzzling statement, given that such simultaneous visibility will not occur in the ordinary course on the internet where, as was the case in *Goto.com*, there is no evidence that the content of both parties’ sites was ever aggregated or that the logos otherwise appeared together anywhere. Although conceivably one might potentially encounter two marks on the same screen through concurrently opening a number of windows, this is neither a usual practice nor is it likely what the court had in mind. Thus the court’s comment suggests a fundamental misperception as to the mechanics of the internet and its use.

This misconception likely contributed to the court’s ultimate pronouncement regarding likelihood of confusion in the internet context. The court finally concluded that, because the relatedness of the goods or services would not be all that relevant in an internet context, there are actually only two factors that really matter in likelihood of confusion analysis in internet cases. The court concluded:

“Our ever-growing dependence on the Web may force us eventually to evolve into increasingly sophisticated users of the medium, but, for now, we can safely conclude that the use of remarkably similar trademarks on different web sites creates a likelihood of confusion amongst Web users. The ever-growing number of tentacled conglomerates may force us to conclude that even one hundred and one products could all be sponsored by a single consortium.”

Id. at 1206-1207.⁶

Shortly after the *Goto.com* decision was rendered, Disney announced that it was terminating the search engine system with which it had intended to use the offending logo. Ironically (and, for the Ninth Circuit, prophetically), Disney announced that it was reinstating the service using *Goto.com*’s internet search technology!

While, prior to the *Goto.com*, the *Brookfield* court cautioned, as numerous courts have, that the likelihood of confusion test must remain “compliant”, and that not all factors will be equally relevant or perhaps relevant at all in a particular case, the court also warned: “We must be acutely aware of excessive rigidity when applying the law in the Internet context; emerging technologies require a flexible approach.” *Brookfield* at 1054. While the court’s practical advice on this subject is well taken, it is equally true that traditional analytical approaches need not be abandoned in the face of this new medium.

⁶ The court diminished the remaining factors of the likelihood of confusion test, finding, for example, that the strength of the mark, another cornerstone of the trademark infringement analysis, is not all that important in an internet context. *Id.* at 1208.

2. The Doctrine of Initial Interest Confusion. The Ninth Circuit has raised concern that the traditional multi-factor likelihood of confusion test for infringement is unworkable in some internet contexts. In *Brookfield*, the court reasoned that traditional *Sleekcraft*, factor-based likelihood of confusion analysis was not well-suited for determining liability in the metatag infringement context. Referring to the decision in *Playboy Enters. v. Welles*, 7 F.Supp.2d 1098 (S.D. Cal. 1998), where the court ultimately found no infringement but fair use of certain Playboy trademarks in the metatags on the defendant's website, the court concluded, "this case is not a standard trademark case and does not lend itself to the systematic application of the eight factors." *Brookfield* at 1062, n.24. The court then concluded that *West Coast's* use of the word "moviebuff" in metatags would constitute infringement based on "initial interest confusion". *Id.* at 1062. Initial interest confusion permits a finding of likelihood of confusion although the consumer quickly realizes the source is different and unaffiliated, and makes no purchase as a result of the "confusion". See, e.g. *Mobil Oil Corporation v. Pegasus Petroleum Corp.*, 818 F.3d 254, 260 (2d Cir. 1987).

The *Brookfield* court defined its concern as follows:

"Web surfers looking for *Brookfield's* "MovieBuff" products who are taken by a search engine to "westcoastvideo.com" would find a database similar enough to "MovieBuff" such that a sizeable number of consumers who were originally looking for *Brookfield's* product will simply decide to utilize *West Coast's* offerings instead. Although there is no source confusion in the sense that consumers know they are patronizing *West Coast* rather than *Brookfield*, there is nevertheless initial interest confusion in the sense that, by using "moviebuff.com" or "MovieBuff" to divert people looking for "MovieBuff" to its web site, *West Coast* improperly benefits from the goodwill that *Brookfield* developed in its mark."

Id. at 1062.

The *Brookfield* court analogizes the use of metatags in cyberspace to posting misleading billboard signs on physical world highways. *Id.* at 1064. For example, a driver sees a billboard announcing that her favorite fast food restaurant is located at the next exit. In reality it is one of that restaurant's competitors that is located at that exit. The driver leaves the highway only to find the competing restaurant. At that point, the hungry driver may stop looking for her favorite restaurant and eat at the other. According to the court, this diversion causes initial confusion and creates a loss of business to the trademark owner.

However, despite the ever present "superhighway" analogies attributed to the internet, comparing the internet to a traditional highway in this context is more like comparing apples to oranges. The transactional cost to a user to click back when diverted to a different web site than the one originally sought after is in no way comparable to physically exiting a highway and driving to find a company or its products, only to find its competitor. Unlike the

physical burden placed upon the driver, an internet user can simply click back from the wrong web site and continue searching for the correct site. There is less time consumed in this process, less consumer effort, and less confusion. Even the most inexperienced internet consumer can click from web site to web site easily and effortlessly; the amount of time to exit and enter different web sites is minimal compared to a traditional brick-and-mortar store.⁷

As support for its initial interest confusion approach to infringement analysis in the metatag context, the court cites two pre-internet cases: its own decision in *Dr. Seuss Enterprises, L.P. v. Penguin Books USA, Inc.*, 109 F.3d 1394 (9th Cir. 1997), and the Second Circuit's *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d 254, 257-58 (2nd Cir. 1987). In *Dr. Seuss* the Ninth Circuit explicitly recognized that the use of another's trademark in a manner calculated "to capture initial consumer attention, even though no actual sale is finally completed as a result of the confusion, may be still an infringement." *Id.* at 1405. However, neither *Dr. Seuss* nor *Mobile Oil* suggest, as *Brookfield* does, that initial interest confusion is a substitute for likelihood of confusion analysis in infringement cases.

The Ninth Circuit seems determined to continue to push this broad initial interest confusion approach to the likelihood of confusion in Internet cases. In *Interstellar Starship Services v. Epix, Inc.*, 184 F.3d 1107, 1111 (9th Cir. 1999) the court almost seemed to propose a per se rule of domain name confusion: "An Epix customer might read about [defendant] ISS on the 'epix.com' site and decide to give ISS's services a try, permitting ISS to capitalize on the goodwill [plaintiff] Epix developed in its trademark — *even if the customer is never confused about Epix's lack of connection to 'epix.com'*. (emphasis added).

On remand, the Oregon district court in *Interstellar Starship v. Epix, Inc.*, 125 F.Supp.2d 1269 (D. Or. 2001) declined the Ninth Circuit's invitation to broadly apply initial interest confusion, distinguishing that concept as applying only in the context of bad faith. The court reasoned that because the domain holder had obtained the epix.com domain without knowledge of Epix, Inc., the domain holder could not have intended to benefit in bad faith so initial interest confusion was inapplicable.

⁷ The metatagging case law is split. Some courts have considered use of a trademark in metatags to be a fair use description of the content of the relevant site. *See, e.g. Trans Union LLC v. Credit Research, Inc.*, 2001 U.S. Dist. LEXIS 3526, *16-18 (N.D. Ill. 2001) (use of "trans union" and names of other credit report providers in metatags for defendant credit bureau's site is fair use); *Playboy Enterprises v. Welles*, 78 F.Supp.2d 1066 (S.D. Cal. 1999) (former Playboy Playmate of the Year 1981 was making a fair use of that title and other Playboy marks on her website and its metatags). Others, finding wrongful intent manifest, have enjoined the practice. *e.g., Playboy Enterprises v. Asiafocus International, Inc.*, No. CIV. A. 97-734-A, 1998 WL 724000, at *3, *6 -*7 (E.D. Va. 1998); *Niton Corp. v. Radiation Monitoring Devices*, 27 F.Supp.2d 102, 102-105 (D. Mass. 1998); *Playboy Enterprises v. Calvin Designer Label*, 985 F.Supp. 1220, 1221 (N.D. Cal. 1997).

Several other courts have reached the same conclusion: initial interest confusion applies only when the goods or services compete and/or wrongful intent is present. *See, e.g. Hasbro, Inc. v. Clue Computing, Inc.*, 232 F.3d 1, 2 (1st Cir. 2000) (proof that a few Internet surfers had stumbled upon defendant computer consulting company's clue.com website did not merit consideration of initial interest confusion given lack of similarity between computer consulting services and plaintiff's mystery board game); *Bihari v. Gross*, 119 F.Supp.2d 309 (S.D.N.Y. 2000) (use of plaintiff's BIHARI INTERIORS mark in metatags of gripe sites not initial interest confusion because no bad faith effort to "trick users into visiting" the sites; metatags simply catalog site contents); *Northland Insurance Companies v. Blaylock*, 115 F.Supp.2d 1108, 1119-20 (D. Minn. 2000) (defendant's use of northlandinsurance.com for gripe site about plaintiff is not the "bait and switch" necessary for initial interest confusion to apply because defendant not trading off plaintiff's mark for material or financial gain); *BigStar Entertainment, Inc. v. Next Big Star, Inc.*, 105 F.Supp. 2d 185, 207-11 (S.D.N.Y. 2000) (initial interest confusion inapplicable because parties do not compete, domains *bigstar.com* and *nextbigstar.com* are not "virtually identical", BIGSTAR is a weak mark without secondary meaning, the products are dissimilar, third party uses abound, no evidence defendant used plaintiff's mark in metatags, no evidence of wrongful intent); *The Network Network v. CBS, Inc.*, 2000 U.S. Dist. LEXIS 4751, *30 (C.D. Cal. 2000) (initial interest confusion claim by owner of TNN mark for television programming services against computer network consultant's use of *tnn.com* rejected: "Unlikely indeed is the hapless Internet searcher who, unable to find information on the schedule of upcoming NASCAR broadcasts or 'Dukes of Hazzard' reruns, decides to give up and purchase a computer network maintenance seminar instead").

Most recently, in *Chatam International, Inc. v. Bodum, Inc.*, 2001 U.S. Dist. LEXIS 11514 (E.D. Pa. 2001), the court rejected an initial interest confusion claim involving the domain *chambord.com*, where the parties each had legitimate trademark rights to CHAMBORD — the plaintiff for liqueur, chocolate and cake, and the defendant for coffee makers — and had coexisted off the internet, under the terms of a consent decree, for 20 years. Although there was no evidence of actual confusion for all that time, the plaintiff, which did not have a website, asserted that the technology of the Internet changed the nature of the defendant's use as contemplated in the consent agreement and was now an infringement.

The *Chatam* court conducted a likelihood of confusion analysis, finding none given the consent decree, then focused on initial interest confusion as "the gravamen of this case and of the broader problems presented by the exclusivity of domain names." *Id.*, at *19. Surveying the relevant case law, the court found the dissimilar goods reasoning of *Clue* and *The Network Network* persuasive, concluding that initial interest confusion was not present because "a consumer attempting to access an upscale liqueur product is unlikely to be dissuaded, or unnerved, by the sight of coffee makers and other housewares, having first brought up the coffee maker's screen." *Id.* at *24. Interestingly, the court then goes on to suggest that additional regulation of the Internet may be in order:

“[W]hat this case may represent is that the traditional commercial advantage of getting out ahead at the front of the marketplace is not confined to competitive products. In this sense, the Internet, in its presently exclusive construct, is itself a form of product - and more regulatory protection may well be advisable.”

Id. at *25.

The vast majority of the post-*Brookfield* cases, speak to initial interest confusion as having very narrow application, only to cases involving directly competing goods and a bad faith effort to trade on the trademark owner’s goodwill.⁸ Likewise, many of these courts have considered initial interest confusion as a part of their likelihood of confusion analysis, rather than the wholly separate inquiry the *Brookfield* court suggested may be necessary.⁹ As formulated, the test easily fits within the structure and focus of the traditional likelihood of confusion test. As the likelihood of confusion test itself contains a “wrongful intent” factor, under which a court, finding wrongful intent, may presume that the defendant achieved its wrongful purpose, there is no need to reach beyond likelihood of confusion, or reformulate that inquiry, to resolve internet cases.

The developing case law underscores that, with few deviations, the likelihood of confusion test is alive and well, and has survived the onset of the new technology of the internet, as it has new technologies in the past.

8 Only two cases appear to wholly embrace the *Brookfield* analysis, but each clearly involved bad faith intent to trade off of the plaintiff’s reputation, and the courts so held. See, *OBH, Inc. v. Spotlight Magazine, Inc.*, 86 F.Supp.2d 176, 190-91 (W.D.N.Y. 2000)(use of the *buffalonews.com* creates initial interest confusion); *New York State Society of Certified Public Accountants v. Eric Louis Associates, Inc.*, 79 F.Supp.2d 331, 342 (S.D.N.Y. 1999) (initial interest confusion in use of *nysscpa.com* and NYSSCPA in metatags).

9 See, e.g. *Trans Union LLC v. Credit Research, Inc.*, 142 F.Supp.2d 1029, 2001 U.S. Dist LEXIS 3526, *30 (N.D. Ill. 2001) (initial interest confusion analysis conducted in context of actual confusion discussion); *Northland Insurance Companies v. Blaylock*, 115 F.Supp.2d 1108, 1119 (D. Minn. 2000)(court considers initial interest confusion in context of products’ competitive proximity analysis); *Big Star Entertainment, Inc. v. Next Big Star, Inc.*, 105 F.Supp.2d 185, 207 (S.D.N.Y. 2000)(court analyzes initial interest confusion in assessing similarity of marks).

III. Trademark Dilution

Given the difficulties with infringement analysis in the internet context, particularly in domain name cases involving unrelated goods and services, the courts initially seized upon, and inadvertently expanded application of the new federal antidilution law, to craft a remedy for perceived wrongs in cyberspace. Recently, however, the courts have reined in this expansion. These efforts at striking a proper balance between competing interest are to be expected with any new law, but may have been magnified, in both directions, by the coincidence of the web and the federal law coming of age at precisely the same time.

Under traditional dilution analysis, liability may be found where the defendant uses a well known mark in a way that either tarnishes or blurs the mark, despite the absence of competition between the parties and regardless of similarity of the goods or services. *See Panavision International L.P. v. Toeppen*, 141 F. 3d. 1316, 1324-1326, and 1326 n. 7 (9th Cir. 1998). However, in the past there has been much judicial hostility to dilution protection, except on the tarnishment side, because courts have been concerned that it may upset the balance between public and private rights, essentially creating a monopoly on language. Accordingly, numerous courts essentially grafted likelihood of confusion reasoning on to the state antidilution provisions despite statutory language to the contrary. *See, e.g. Mead Data Central v. Toyota Motor Sales*, 875 F.2d 1026 (2d. Cir. 1989).¹⁰

A. The Federal Trademark Anti-Dilution Act

The Federal Trademark Dilution Act, effective since January 1996, allows the owner of a “famous mark” injunctive relief against another’s “commercial use in commerce” if that use started after the mark became famous and if that use “causes dilution of the distinctive quality of the mark.” 15 U.S.C. § 1125 (c) (1). Importantly the Act further defines dilution as “the lessening of the capacity of a famous mark to identify and distinguish goods” regardless of whether or not the goods compete or there is a likelihood of confusion. 15 U.S.C. § 1127. It therefore applies in the case of similar goods as well as dissimilar goods.

¹⁰ While federal antidilution law is relatively new, approximately one-half of the states have had antidilution statutes for many years.

Fame is not defined in the statute but there is a list of factors to consider in assessing fame including such things as level of distinctiveness, duration of use, amount of advertising, geographic scope of use and others. 15 U.S.C. § 1125 (c) (1).¹¹

B. Early Cases: Dilution Always Found

The first case to apply dilution analysis in the internet context was a straight-forward one that, not surprisingly involving the concept of tarnishment. In *Hasbro v. Internet Entertainment Group, Ltd.*, 40 U.S.P.Q. 2d 1479 (W.D. Wa. 1996), the Western District of Washington lost no time in enjoining a purveyor of on-line adult entertainment using the domain “candyland.com” based, in part, on survey evidence showing that 95% of mothers with children under the age of 5 were familiar with the famous board game. Other equally obvious, and several not so obvious cases followed.

For example, in *Teletech Customer Care Management, Inc. v. Tele-Tech Company, Inc.*, 977 F. Supp. 1407 (C.D. Cal. 1997), the plaintiff, a large provider of telephone and Internet customer care services, had been continuously using the mark for approximately fifteen years and had waged an extensive promotion and advertising campaign for its services. The defendant, a contractor providing engineering and installation services to the telecommunications industry, registered the domain name *teletech.com*. The court held that there was no likelihood of confusion, because the parties’ businesses were so dissimilar. However, the court found dilution, ruling that TELETECH was a famous mark, and ordered the defendant to transfer the domain name to the plaintiff. In facially inconsistent reasoning, the court held that defendant permissibly could, however, use the domain name *tele-tech.com*. See also *Intermatic, Inc. v. Toebben*, 947 F. Supp. 1227 (N.D. Ill. 1996), (INTERMATIC is famous mark; defendant enjoined from use of *intermatic.com*).

In 1998 the Ninth Circuit held in *Panavision International v. Toebben*, 141 F. 3d 1316 (9th Cir. 1998), that arch cybersquatter Toebben engaged in dilution by cybersquatting in registering the domain *panavision.com* and offering to sell the domain to the plaintiff for \$13,000. Despite the fact that Mr. Toebben put a map of Pana, Illinois up on his *panavision.com* website, the Ninth Circuit upheld the lower court’s conclusion that Mr. Toebben was engaged

¹¹ The Act lists eight non-exclusive factors a court may consider in determining whether a mark is distinctive and famous: “(A) the degree of inherent or acquired distinctiveness of the mark; (B) the duration and extent of use of the mark in connection with the goods or services with which the mark is used; (C) the duration and extent of advertising and publicity of the mark; (D) the geographical extent of the trading area in which the mark is used; (E) the channels of trade for the goods or services with which the mark is used; (F) the degree of recognition of the mark in the trading areas and channels of trade used by the mark’s owner and the person against whom the injunction is sought; (G) the nature and extent of use of the same or similar marks by third parties; and (H) whether the mark was registered under the Act of March 3, 1881, of February 20, 1905, or on the principal register.” 15 U.S.C. § 1125 (c)(1).

in extortive efforts and was diluting the famous PANAVISION mark. Mr. Toeppen's cause was not helped by the fact that he had registered many domains containing known brands, such as *deltaairlines.com*, *neimanmarcus.com*, *eddiebauer.com* and *lufthansa.com*.

A flurry of domain and other internet cases followed, in which, with only one exception,¹² courts seemed to bend over backward to find fame, and dilution, in order to protect the trademark owner against perceived cybersquatting or other improper acts. *See, e.g. Archdiocese of St. Louis v. Internet Entertainment Group*, 34 F. Supp. 2d 1145 (E.D. Mo. 1999) (defendant's use of the domain names, "papalvisit1999.com" and "papalvisit.com" constituted dilution of plaintiffs' common law trademarks and tradename "Papal Visit 1999", "Pastoral Visit", "1999 Papal Visit Commemorative Official Commemorative Items", and "Papal Visit 1999, St. Louis"); *Hotmail Corp. v. Van Money Pie*, 1998 U.S. Dist. LEXIS 10729 at *10; 47 U.S.P.Q.2D (BNA) 1020 (N.D. Cal. 1998) (defendant's use of Hotmail accounts to send spam e-mail messages constituted dilution of Plaintiff's famous mark). This expansive view of fame sufficient to invoke dilution protection, stemmed both from a lack of guidance in the statute as to specific qualitative and quantitative measures of fame, and from the unavailability of other remedies (such as infringement liability) to combat blatant cyberpiracy of domain names.

C. Later Cases: Shifting Winds

In 1999 the Ninth Circuit signaled an end to the continuing expansion of dilution protection in *Avery Dennison Corp v. Sumpton*, 189 F.3d 868 (9th Cir. 1999). Here, defendant Sumpton had registered the 12,000 most common English surnames for use as addresses in his email business, offering so-called portable "vanity" e-mail addresses (*e.g.* the writer might sign up for *sally@abel.net*, and use that email address permanently, regardless of any career or office changes). Among the many domains defendants' obtained were *avery.net* and *dennison.net*. Avery Dennison, the office paper products company, which already used the domains *averydennison.com* and *avery.com*, brought suit claiming trademark infringement, dilution and unfair competition.

The district court made its sentiments known in the opening sentence of the opinion: "Defendants are 'cybersquatters' as that term has come to be commonly understood." 999 F. Supp. 1337, 1338 (D.C. Cal. 1998). Not surprisingly, following that opening, and expressing doubt as to the legitimacy of the defendants' business plan, the court went on to find AVERYDENNISON to be a famous mark and concluded that dilution was occurring.

On appeal, however, the Ninth Circuit ruled that AVERYDENNISON, in fact, is not a famous mark for purposes of the dilution statute. The court observed that the mark was initially the

¹² *Washington Speakers Bureau v. Leading Authorities*, 33 F. Supp. 2d. 488, 504 (E.D. Va. 1999) ("Washingtonspeakers" insufficiently famous mark for dilution relief but infringement found in use of *Washingtonspeakers.com* domains).

combination of the surnames of the company's founders, Mr. Avery and Mr. Dennison, and that surnames are considered inherently descriptive and not distinctive as trademarks unless and until the user can prove secondary meaning. The court then determined that AVERY DENNISON had acquired secondary meaning as a mark (the company had used AVERY since the 1930s and DENNISON since the late 1800s) but that acquired distinctiveness did not rise to the level of "fame". Moreover, the court stressed that the statute requires that the defendant be making "trademark significant use", using the domain as an available address in an e-mail service would not so qualify. Rather the defendants were using words that simply happened to also be trademarks, and were using them for their non-trademark value.

In *Avery Dennison*, the Ninth Circuit scaled back on dilution as a remedy in the cyberspace context, relegating dilution protection to its more traditional sphere of applying only in rare instances involving truly famous marks.¹³ *Avery Dennison* opened the door for decisions along the same lines — that the challenging mark was not to be considered famous. For example, the court in *Hasbro Inc. v. Clue Computing Inc.*, 52 U.S.P.Q.2d 1402 (D. Mass. 1999), held that "clue" as the name of a popular board game, was not sufficiently famous for dilution protection against a computer consultant's use of clue.com, in large part due to the existence of widespread third party use of marks containing this ordinary English language word.

The Second Circuit recently went a step further, ruling that the Dilution Act never applies to marks that, when adopted, were inherently nondistinctive. In *TCPIP Holding Company, Inc. v. Haar Communications, Inc.*, No. 99-7744 (2d. Cir. February 28, 2001), the plaintiff had established trademark rights in THE CHILDREN'S PLACE for stores selling children's clothing and accessories. The stores had some significant degree of reknown in the eastern United States. The plaintiff brought infringement and dilution claims against the defendant who had registered a number of variations of the plaintiff's mark as domain name (*childsplace.com, childrensplace.com, mychildsplace.com, etc.*). The Second Circuit found that the Dilution Act would not apply because "*The Children's Place*" describes a place where one can buy clothing for children and the Dilution Act does not cover marks that were initially descriptive no matter how well known they may subsequently have become. The court reached this decision through a somewhat tortured statutory analysis focused on the dual requirements of "distinctiveness" and "fame" for protection under the Act. In so doing,

¹³ This narrowing of dilution protection is occurring off the web as well. See *Westchester Media v. PRL USA Holdings, Inc.*, 214 F.3d. 658, 671 (5th Cir. 2000) (proof of actual economic harm required); *Accord Ringling Bros.- Barnum & Bailey Combined Shows, Inc. v. Utah Div. Of Travel Dev.*, 170 F. 3d. 449, 461, cert denied, 528 U.S. 923, 145 L.Ed. 2d. 239, 120 S.Ct. 286 (1999).

the court grafted an “inherently and not acquired” element on to the unadorned term “distinctive”, in essence undercutting years of jurisprudential teaching that distinctiveness can be inherent or acquired.¹⁴

The Second Circuit’s *TCPIP* decision represents more a reaction against over expansion of dilution protection, and less a paradigm shift caused by internet specific issues. Likely the courts will continue to struggle with the parameters of dilution law, both on and off the internet, for some time to come.

IV. Cyberpiracy Relief

Absent friendly settlement, infringement and/or dilution litigation, trademark owners now have two alternative ways to challenge another’s domain name: (i) an administrative proceeding under the Uniform Domain Name Dispute Resolution Policy (UDRP)¹⁵ of ICANN (Internet Corporation for Assigned Numbers and Names), and (ii) litigation under the Anticybersquatting Consumer Protection Act (ACPA).¹⁶

A. UDRP Proceedings

ICANN’s Uniform Domain Name Dispute Resolution Policy (UDRP), under which all generic Top Level Domain (gTLD) and some country code Top Level Domain (ccTLD) holders must submit to streamlined arbitration-like proceeding once a dispute is initiated by a trademark owner, has been part of the domain system landscape for two years. In that time 4,781 cases have been decided, involving 8,242 domain names, while another 618 cases, involving 900 domain names, have been disposed of without decision. See ICANN, *Statistical Summary of Proceedings Under Uniform Domain Name Dispute Resolution Policy*, at <http://www.icann.org/udrp/proceedings-stat.htm> (last modified January 18, 2001). Only a trickle of these cases have also found their way to the courts in parallel or subsequent proceedings. While it is too early to fully appreciate the interplay between the UDRP, national and international law, there are some important early decisions now coming out of the U.S. courts. Not surprisingly, these cases focus on when and whether suit may be filed, and what deference, if any, the courts should accord UDRP rulings. A brief overview of the UDRP provides necessary context for considering how courts are reacting to cases involving this new policy.

¹⁴ The decision appears somewhat ironic given the court’s rejection of the 4th Circuit’s *Ringling Bros.* actual economic injury test for dilution as depending on “excessive literalism to defeat the intent of the statute” (*Nabisco, Inc. v. PF Brands, Inc.*, 191 F. 3d. 208, 224 (2d. Cir. 1999)).

¹⁵ Implementation documents approved October 24, 1999 <<http://www.icann.org/udrp/udrp-policy-24oct99.htm>>.

¹⁶ In November 1999, President Clinton signed the Anticybersquatting Consumer Protection Act into law. 106 Pub. L. No. 113; 113 Stat. 1501, § 3001 (Nov. 29, 1999). codified at 15 U.S.C. § 1125 (d).

1. UDRP Overview. Unlike the Network Solutions, Inc. (“NSI”) policy of old, the UDRP does not require that a complainant have a trademark or service mark registration identical to the challenged second-level domain. Instead, the UDRP allows a complainant to challenge any domain name that is confusingly similar or identical to the complainant’s trademark, regardless of registration. In this regard, the UDRP is more consistent with common law trademark law principles than was NSI’s policy. However, it also departs from those underpinnings by requiring that the complainant show that the domain holder (a) has registered and used the domain name in “bad faith” and (b) lacks any “right or legitimate interest” in the name. ICANN, *Uniform Domain Name Dispute Resolution Policy*, at <http://www.icann.org/udrp/udrp-policy-24oct99.htm> (last modified June 4, 2000) (“UDRP Policy”). In this respect, the UDRP was narrowly crafted to try to cover only true cyberpiracy situations rather than to be a panacea for all domain disputes.

Relative to full blown infringement or dilution litigation, UDRP proceedings are intended to be quick, efficient, low cost actions for weeding out only the most egregious domain disputes. Once a complaint and response are filed (or the twenty day response period passes without a response), a neutral panel of one to three “experts” in trademark law and the internet “meet” (typically electronically) and render a decision within fourteen days following appointment of the panel. See ICANN, *Rules for Uniform Domain Name Dispute Resolution Policy Paragraphs 5, 6 and 15(b)*, at <http://www.icann.org/udrp/udrp-rules-24oct99.htm> (October 24, 1999) (“UDRP Rules”). There is no discovery, no witness testimony, no hearings, no motion practice.

UDRP proceedings are sometimes decided on the basis that the complainant has not met its burden of proof on the first prong of the test, which asks if the domain is identical or confusingly similar to the complainant’s trademark. *UDRP Policy*, Paragraph 4(a)(i). For example, in *Dog.com, Inc. v. Pets.com, Inc.*, File No. FA93681 (NAF March 31, 2000), the panel found that the complainant, canine lovers’ web site dog.com, did not own trademark rights in the generic term “dog,” and on that basis, denied the request to transfer the “dogs.com” domain from respondent, owner of an on-line pet store. The three-member panel did not consider the complainant’s U.S. registration of its “dog.com” logo, in which it disclaimed exclusive rights to “dog.com”, or any other evidence presented, persuasive on the issue of established service mark rights.

Occasionally proceedings are decided on the basis of the second prong of the UDRP, under which the complainant must show that the domain holder has no right or legitimate interest in the domain. *UDRP Policy*, Paragraph 4(a)(ii). For instance, in *Nicholas, Administrator, The Sam Francis Estate v. Magidson Fine Art, Inc.*, Case No. D2000-0673 (WIPO September 27, 2000), a split three-member panel denied a request to transfer the domain “samfrancis.com” to the deceased artist’s estate, since the domain holder art gallery’s use of samfrancis.com for a web page entirely devoted to display and sale of Sam Francis’ works likely constituted fair use under applicable law. The dissent reasoned that the deceased

artist's estate should be able to control use of his name. *See also Adaptive Molecular Technologies, Inc. v. Priscilla Woodward & Charles Thorton, d/b/a Machines & More*, Case No. D2000-0006 (WIPO February 28, 2000) (transfer denied where domain holder, as authorized distributor used domain *militec.com* only to sell complainant's authentic MILITEC products purportedly with complainant's consent.)

The majority of UDRP proceedings focus on whether the requisite "bad faith" is present. The UDRP lists four nonexclusive means of establishing bad faith. *UDRP Policy*, Paragraph 4(b).

The first is the classic cybersquatting case: acquisition of the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name.

UDRP Policy, Paragraph 4(b)(i). *See also American Mensa, Ltd. v. Access Now!*, Case No. D2000-1031 (WIPO January 3, 2001) (offer to sell "mensa.net" to American Mensa in exchange for web services constituted bad faith).

The second example of establishing bad faith is showing the domain holder's "pattern" of registering domains for the purpose of blocking the mark owners from obtaining those domains. *UDRP Policy*, Paragraph 4(b)(ii). *See also Julia Fiona Roberts v. Russell Boyd*, Case No. D2000-0210 (WIPO May 29, 2000) (registration and use of "juliaroberts.com" and of other domains containing celebrity names demonstrated pattern and bad faith). It is unclear how many such registrations are necessary to constitute a "pattern."

Registration primarily for the purpose of disrupting the business of a competitor is the third indicator of bad faith set forth in the policy. *UDRP Policy*, Paragraph 4 (b)(iii).

The fourth example is the more traditional intentional infringement approach: "by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site . . . by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation or endorsement of your web site or . . . product or services." *UDRP Policy*, Paragraph 4(b)(iv). *See also Houghton Mifflin Co. v. The Weathermen, Inc.*, Case No. D2000-0211 (WIPO April 17, 2001) (bad faith in use of "curiousgeorge.net" and graphic of mischievous monkey from well-known children's book to sell CURIOUS GEORGE t-shirts); *Nicole Kidman v. John Zuccarini, d/b/a Cupcake Party*, Case No. D2000-1415 (WIPO January 23, 2001) (bad faith in use of nicholekidman.com and nicolekidmannude.com in mousetrapping via "pop-up" advertising); but *see Adaptive Molecular Technologies, supra*, (bad faith diversion not established in use of militec.com to sell complainant's authentic MILITEC engine lubricant).

The domain holder can counter the complainant's charges by establishing that it obtained and is using the domain in good faith. Again, the UDRP enumerates a non-exhaustive list, this time of what the domain holder might show:

- (i) before any notice to you of the dispute, your use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services; or
- (ii) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or
- (iii) you are making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

UDRP Policy, Paragraph 4(c). This "defense" was used effectively in the well-known "sting.com" case in which the domain holder successfully thwarted a challenge by the famous musician Sting by showing that "Sting" had been his nickname for many years. *Sumner v. Urvan*, Case No. D2000-0596 (WIPO July 20, 2000).

2. Availability of and Access to the Courts. The UDRP was not intended to usurp sovereign authority or to limit either party's access to the courts. See *WIPO, The Management Of Internet Names And Addresses: Intellectual Property Issues - Final Report of the WIPO Internet Domain Name Process*, at <http://wipo2.wipo.int/process1/report/finalreport.html> (April 30, 1999). Accordingly, the policy expressly states that neither party to a UDRP action is prevented from submitting the dispute to a court of mutual jurisdiction "for independent resolution before such mandatory administrative proceeding is commenced or after such proceeding is concluded." *UDRP Policy*, Paragraph 4(k). A court of "mutual jurisdiction" is defined as either (a) at the principal office of the registrar the respondent used to obtain the domain; or (b) where the domain holder told that registrar it resides. *UDRP Rules*, Paragraph 1. A UDRP complaint must include the complainant's agreement to submit to jurisdiction in at least one mutual jurisdiction. *UDRP Rules*, Paragraph 3(xiii).

Rule 18 further provides that if legal proceedings are initiated prior to or during an administrative proceeding for a domain-name dispute, "the Panel shall have the discretion to decide whether to suspend or terminate the administrative proceeding, or to proceed to a decision." *UDRP Rules*, Paragraph 18.

The question has arisen whether a party may initiate litigation while a UDRP dispute is pending, or whether it must wait to do so until after the UDRP panel rules. In *BroadBridge Media LLC v. HyperCD.com*, 106 F. Supp. 2d 205 (S.D.N.Y. 2000), the court held that despite the ambiguous language of UDRP Policy Paragraph 4(k), a trademark owner is not prevented

from pursuing a lawsuit and UDRP proceeding concurrently. Plaintiff initially filed a domain name dispute under the UDRP. Two days later it initiated an in rem proceeding under the Anticybersquatting Consumer Protection Act (“ACPA”) in the Southern District of New York. The domain holder moved to dismiss, contending that since Paragraph 4(k) affirmatively states that a complainant may file a suit *before or after* the UDRP proceeding, it implicitly prohibits initiating an action while a UDRP proceeding is pending. *Id.* The court rejected this argument, partly because Rule 18 contemplates a plaintiff going to court after UDRP proceedings have begun. *Id.* The court denied the motion to dismiss, and also rejected a request for a stay pending the outcome of the UDRP proceeding.

Given the consistent interests of ICANN and the courts in not allowing the UDRP to undermine national law and judicial authority, this decision is neither surprising, nor likely to be aggressively challenged. Another recent case, however, *Sallen v. Corinthians LTDA*, 273 F.3d 14 (1st Cir.2001), has generated substantial controversy.

In July 2000, Corinthians Licenciamentos LTDA, the exclusive licensee of the popular Brazilian soccer team “Corinthians Paulista,” commonly known simply as “Corinthians,” prevailed in a UDRP complaint against “corinthians.com” domain holder David Sallen, and the panel ordered that the domain be transferred. *Corinthians Licenciamentos LTDA v. David Sallen*, Case No. D2000-0461 (WIPO July 17, 2000). The domain holder then filed suit in Massachusetts district court whose jurisdiction the complainant had agreed to in filing the UDRP action. Because the domain holder timely filed the court action within the 10 days following the transfer decision, the transfer was stayed pending the outcome of the litigation. *UDRP Policy Paragraph 4(k)*.

In bringing the court action, the domain holder sought declaratory judgment that his registration of the disputed domain did not violate the “ACPA”, which provides, in relevant part:

A domain name registrant whose domain name has been suspended, disabled, or transferred under a policy described under clause (ii)(II) may, upon notice to the mark owner, file a civil action to establish that the registration or use of the domain name by such registrant is not unlawful under this chapter. The court may grant injunctive relief to the domain name registrant, including the reactivation of the domain name or transfer of the domain name to the domain name registrant.

15 U.S.C. § 1114 (2)(D)(v) (2001) (*emphasis added*). The Brazilian trademark owner then moved to dismiss for lack of subject matter jurisdiction, arguing that there was no case or controversy pursuant to 28 U.S.C. § 2201 because it had not threatened to sue under the ACPA and had no intention of doing so. The district court agreed and granted the motion to dismiss, citing *Biogen, Inc. v. Amgen, Inc.*, 913 F. Supp. 35, which held that the required controversy is absent when a defendant claims it will relinquish its rights to sue on the

subject of a declaratory action. 2000 U.S. Dist. LEXIS 19976, at *1-2.

On Appeal, the First Circuit reversed, holding that an aggrieved domain holder may bring a declaratory relief action under the ACPA before an adverse UDRP ruling becomes effective. The court reasoned that despite the defendants' statement that they had no intent to sue under the ACPA, a case or controversy, in fact, exists, because the parties each claim mutually exclusive rights to the same domain name. The First Circuit's ruling effectively restores the UDRP's promise to the domain holder of access to "independent" judicial review following an adverse UDRP ruling, a promise that appeared seriously compromised by the district court's no case or controversy ruling.

The *Sallen* decision is consistent with the earlier decision in *Parisi v. NetLearning, Inc.*, 139 F. Supp. 2d 745 (E.D. Va. 2001). A UDRP panel ruled in NetLearning's favor, ordering transfer of the "netlearning.com" domain from domain holder Parisi to trademark owner NetLearning. *Netlearning, Inc. v. Dan Parisi*, Case No. FA95471 (NAF, October 16, 2000). Parisi subsequently timely filed a federal suit, seeking declaratory judgment of lawful use and noninfringement under the ACPA and Lanham Acts, respectively. 139 F. Supp. 2d 745 at *9. Holding that UDRP proceedings do not constitute arbitration proceedings subject to the Federal Arbitration Act ("FAA"), the court denied NetLearning's motion to dismiss Parisi's request for declaratory judgment. *Id.* at *22.

NetLearning had claimed that the complaint was an improper motion to vacate an arbitration award under the FAA and therefore should be dismissed. The court reasoned that Section 10 of the FAA, which limits a court's review of arbitration awards, should be applicable only to proceedings intended to be binding. The court found that the UDRP contemplates parallel litigation in Paragraph 4(k) and even mandates a forum for challenges to UDRP decisions, indicating ICANN's intent to provide mechanism for appeal. *Id.* at *20. Moreover, the court noted that "the UDRP's unique contractual arrangement renders the FAA's provisions for judicial review of arbitration awards inapplicable." *Id.* at *17. The court was also swayed by the fact that a UDRP proceeding is not truly mandatory, because complainants, who are strangers to the registration agreement between the respondents and their domain registrars, are not obligated to use the UDRP process. *Id.* at *18.

3. Judicial Deference to UDRP Decisions. The *Parisi* case is notable not only for its FAA and declaratory relief considerations, but also for its commentary on whether judicial deference extends to UDRP decisions. The *Parisi* court observed that "the UDRP's contemplation of parallel litigation and abbreviated proceedings does not invite such deference," in contrast to the deference to arbitration decisions contemplated by FAA §§ 10 and 12. *Id.* at *21. Moreover, the court stated that the UDRP itself "calls for comprehensive, de novo adjudication of the disputants' rights." *Id.*

This reasoning is consistent with the court's in *Weber-Stephen Products Co. v. Armitage Hardware and Building Supply, Inc.*, 2000 U.S. Dist. LEXIS 6335; 54 U.S.P.Q.2D (BNA) 1766 (N.D. Ill. 2000). In May 2000, the *Weber-Stephen* court became the first U.S. court to consider the question of the legal effect of UDRP decisions. The plaintiff, maker of the well known WEBER barbeque grill, first initiated a UDRP proceeding against defendant distributor regarding several WEBER-based domains, and the following day filed suit alleging cyberpiracy as well as trademark infringement. 2000 U.S. Dist. LEXIS 6335 at *2. The defendant moved to stay the court action if the court held the UDRP proceeding was non-binding, or, in the alternative, to stay the UDRP proceeding should the court find it otherwise would be binding. The Illinois District court found that neither the UDRP nor its governing rules dictate to courts what weight should be given to a panel's decision. *Id.* at *7. Basing its opinion on language of the ICANN policy and an e-mail message from the World Intellectual Property Organization ("WIPO"), the dispute resolution provider, to the domain holder stating that a UDRP panel decision is not binding on a court but the court may give appropriate weight to the panel's decision, the court determined that the administrative proceeding was non-binding and stayed the case until completion of that proceeding. *Id.* at *8. The court declined, however, to determine the precise standard by which it ultimately might review the panel's decision, and what degree of deference (if any) would be given to a panel decision. *Id.* at *7.

Eight days later, the UDRP panel ruled in favor of the domain holder. *Weber-Stephen Products Co. v. Armitage Hardware*, Case No. D2000-0187 (WIPO May 11, 2000). The panel concluded that Weber had established confusing similarity, but failed to prove that Armitage had no right or legitimate interest in the domain or had acted in bad faith. *Id.* Armitage, Weber's authorized sales representative, used the site to legitimately offer Weber's goods for sale. The panel rejected Armitage's reverse domain name hijacking claim as well as its jurisdictional challenge to the entire proceeding, noting on the latter that Armitage was contractually bound to comply with the UDRP case. *Id.*

Another recent decision indicates that courts may give no deference whatsoever to UDRP decisions. In *Referee Enterprises, Inc. v. Planet Ref, Inc.*, No. 00-C-1391, 2001 U.S. Dist. LEXIS 9303 (E.D. Wis. 2001), plaintiff alleged that, defendant's "referee" domain names infringed plaintiff's registered trademark "referee". The court granted a preliminary injunction against defendant Planet Ref, preventing it from using the word "referee" in domain names, directory names and other such computer addresses. *Id.* This reversed an earlier ICANN ruling in Planet Ref's favor, in which the panel found that "referee" was a weak mark and that Planet Ref had the right to retain the "ereferree.com" domain. *See Referee Enterprises, Inc. v. Planet Ref, Inc.*, No. FA0004000094707 (NAF June 26, 2000). The district court decision failed to mention the UDRP ruling and the contrary result suggests that ruling was given no deference at all. *Id.*

Thus, the early cases suggest the predictable: the courts are not likely to defer to UDRP rulings. This development should not come as a surprise given ICANN's effort to avoid supplanting national law, and given the truncated nature of UDRP proceedings from both procedural and evidentiary points of view. In fact, other than the *Corinthians* decision, with its troubling implication for aggrieved domain holders, the courts appear to be taking the UDRP in stride. Time will tell.

B. Court Proceedings Under the Anti-Cybersquatting Consumer Protection Act

On November 29, 1999, Congress enacted the Anticybersquatting Consumer Protection Act (ACPA). Under the Act, a person is liable in a civil action by the owner of a mark (including a personal name), if, without regard to the goods or services of the parties, the defendant has a bad faith intent to profit from that mark, and registers, traffics in, or uses a domain name that is identical or confusingly similar to that mark.¹⁷ 15 U.S.C. § 1125 (d)(1)(A). The definitions of bad faith in the ACPA mirror UDRP factors, plus others, such as providing false information to a registry.¹⁸ 15 U.S.C. § 1125 (d)(1)(B).

¹⁷ Lanham Act § 43(d)(1)(A).

¹⁸ The Act lists nine, non-exhaustive factors for determining bad faith:

- (i) the trademark or other intellectual property rights of the person, if any, in the domain name;
- (ii) the extent to which the domain name consists of the legal name of the person or a name that is otherwise commonly used to identify that person;
- (iii) the person's prior use, if any, of the domain name in connection with the bona fide offering of any goods or services;
- (iv) the person's bona fide noncommercial or fair use of the mark in a site accessible under the domain name;
- (v) the person's intent to divert consumers from the mark owner's online location to a site accessible under the domain name that could harm the goodwill represented by the mark, either for commercial gain or with the intent to tarnish or disparage the mark, by creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site;
- (vi) the person's offer to transfer, sell, or otherwise assign the domain name to the mark owner or any third party for financial gain without having used, or having an intent to use, the domain name in the bona fide offering of any goods or services, or the person's prior conduct indicating a pattern of such conduct;
- (vii) the person's provision of material and misleading false contact information when applying for the registration of the domain name, the person's intentional failure to maintain accurate contact information, or the person's prior conduct indicating a pattern of such conduct;
- (viii) the person's registration or acquisition of multiple domain names which the person knows are identical or confusingly similar to marks of others that are distinctive at the time of registration of such domain names, or dilutive of famous marks of others that are famous at the time of registration of such domain names, without regard to the goods or services of the parties; and
- (ix) the extent to which the mark incorporated in the person's domain name registration is or is not distinctive and famous within the meaning of subsection (c)(1) of this section.

In *Sporty's Farm LLC v. Sportsman's Market Inc.*, 202 F.3d 489, (2nd Cir. 2000), the district court had invoked the Federal Trademark Dilution Act in finding the mark SPORTY'S for an aviation enthusiasts' mail order catalog to be famous, and diluted by the use of *sportys.com* for a website ostensibly selling Christmas trees. The nexus between the parties is closer than these facts would suggest, because the original registrant, a company named Omega, was a direct competitor of the trademark owner, and only created the Christmas tree company as a wholly owned subsidiary named Sporty's Farm, and transferred the domain to it, after the litigation commenced. The Second Circuit affirmed, but on the basis of the newly enacted ACPA, rather than the anti-dilution act, thereby avoiding the necessity of having to assess fame.¹⁹ The court held the trademark SPORTY'S to be distinctive, the domain *sportys.com* to be "confusingly similar" to the mark, and ample bad faith in the suspicious circumstances in the case, topped off by a truly incredible story that Sporty's Farm, and its *sportys.com* domain, actually were derived from one of the principles' childhood fondness for a dog name "Spotty".

In *Northern Light Technology v. Northern Lights Club*, 236 F.3d 57 (1st Cir. 2001), the district court had granted a preliminary injunction requiring the defendants, an unincorporated association, ostensibly for devotees of the aurora borealis, and its President Jeffrey Bugar, to post a disclaimer on their web site, "northernlights.com," to prevent confusion with plaintiff search engine's web site, "northernlight.com." The district court concluded that plaintiff was likely to prevail on its ACPA and infringement claims. The Fourth Circuit affirmed the injunction, rejecting Mr. Bugar's explanation of his web site as a site for Northern Lights admirers, because the Club has no actual members. See *Id.* at 64. Defendant's registration of thousands of domain names containing registered trademarks, a history of disregarding cease-and-desist letters from trademark owners, and his eagerness to sell "northernlights.com" at a certain price demonstrated bad faith. See *Id.* at 58. The Fourth Circuit also affirmed that the district court had personal jurisdiction over the defendant, a Canadian citizen, who was served with process in the forum state when he appeared in court for a related legal proceeding. See *Id.* at 63-64. Since the district court had based the injunction principally on the likelihood of confusion between the strongly similar domain names, the Fourth Circuit declined to determine whether the retroactive application of the ACPA was permissible. See *Id.* at 66.

¹⁹ In so doing, the court noted that the ACPA was enacted "to remedy the perceived shortcomings of applying the [Federal Trademark Dilution Act] in cybersquatting cases such as this one." *Sporty's Farm* at 496. The court also pointed out that ACPA was "adopted specifically to provide courts with a preferable alternative to stretching federal dilution law when dealing with cybersquatting cases." *Id.* at 497.

In *Virtual Works v. Network Solutions, Inc.*, 106 F. Supp. 2d 845 (E.D. Va. 2000), the district court, noting that “VW” is the “intuitive name’ of Volkswagen,” granted Volkswagen’s motions for summary judgment on its ACPA, infringement, and dilution claims against Virtual Works, a computer consultant using the domain *vw.net*. The Fourth Circuit affirmed the district court’s decision, focusing on Virtual Works’ bad faith in attempting to profit from a registered trademark to which the domain name was confusingly similar. *See* 238 F. 3d 264, 270 (4th Cir. 2001). Evidence of bad faith included Virtual Works’ threat to sell the domain name to the highest bidder if Volkswagen did not purchase it, Virtual Works’ lack of intellectual property rights in “vw,” disparagement of Volkswagen as “Nazis using slave labor,” the famousness of the Volkswagen mark, the availability of the marks *vwi.org* and *vwi.net*, and the similarity of *vw.net* to the Volkswagen mark. Additionally, Virtual Works had never been identified as or conducted business under the name “VW.” *See id.* at 269.

The Fourth Circuit court also held that Virtual Works did not fall under the safe harbor provision of the ACPA, because the provision is only available when the defendant both “believed and had reasonable grounds to believe that the use of the domain name was fair use or otherwise lawful.” *See id.* at 270; 15 U.S.C. §1125 (d)(1)(B)(ii). Virtual Works knew that it was registering a domain name that was strongly similar to a protected trademark and admitted that it hoped to profit from selling the domain name to Volkswagen. *See* 238 F. 3d at 270. “A defendant who acts even partially in bad faith in registering a domain name is not, as a matter of law, entitled to benefit from the Act’s safe harbor provision.” *Ibid.*

The ACPA provides for the possibility of an *in rem* action if the domain holder cannot be found. 15 U.S.C. § 1125 (d)(2)(A). In *FleetBoston Financial Corp. v. fleetbostonfinancial.com*, No. 00-10176-DPW (D. Mass. 2001), the court made clear that the *in rem* provisions of the ACPA can be invoked only in the judicial district where the domain registrar, registry or other authority is located. Any other interpretation of the statutory language would be inconsistent with the legislative history and would violate the constitutional requirements of “minimum contacts” for jurisdiction.

In *Hartog & Co. v. swix.com*, No. 99-1788-A (E.D. Va. 2001), the court ruled that a trademark owner in an *in rem* action under ACPA need not show that the use of a domain name is likely to cause confusion. The trademark owner need only show that the domain name is “identical or confusingly similar,” which is clearly a lower standard. According to the court, traditional likelihood of confusion analysis is inappropriate in construction and application of the ACPA. To interpret ‘confusingly similar’ as shorthand for the ‘likelihood of confusion’ infringement test would largely undermine Congress’s goal of stopping individuals who own domain names that approximate distinctive marks but do not actively use the domain names other than to make them available for sale. Ultimately, however, the court did reject the ACPA claim on the basis that the requisite bad faith had not been shown.

In a recent action based on trademark rights in Spain, the U.S. District Court for the Eastern District of Virginia ruled that it is possible to base an ACPA claim on trademark rights existing entirely outside of the United States. *Barcelona.com, Inc. v. Excelentísimo Ayuntamiento de Barcelona* (E.D. Va, Civil Action 00-1412-A; February 22, 2002). In ruling that the City of Barcelona could bring (and prevail on) an ACPA claim, based only on trademark rights in Spain, against the party that had obtained the domain barcelona.com, the court analyzed the statute, and noted, in relevant part:

“In the text of the statute Congress makes no distinction between United States or foreign marks, even though trademark law has historically been governed and regulated on a national level. However, this law was framed to govern the registration of domain names on the Internet, and the framers were perfectly aware of the international nature of the Internet when enacting the law. When an individual registers a domain name on the Internet, the initial law of registration may take place within the United States, but the effects of such a registration can be felt worldwide. An Internet site registered in the United States can be viewed by anyone with Internet access anywhere in the world. Further, while the registration may be in the United States, a party need not be in the United States to actually register a domain name. Registration itself occurs over the Internet, thereby permitting an individual to register a U.S. domain name from anywhere in the world. It is untenable to suppose that Congress, aware of the fact that the Internet is so international in nature only intended for U.S. trademarks to be protected under the Anticybersquatting statute. Indeed, the federal government established ICANN, which, in turn, authorized the World Intellectual Property Organization to resolve Internet domain name dispute. This authorization was granted, in part, precisely because of the international nature of these disputes. For these reasons, this Court is of the opinion that the Spanish trademark “Barcelona” is valid for purposes of the ACPA.”

The court went on to find that the plaintiff’s efforts to sell the domain to the City of Barcelona, based on presentation of a business plan that grossly exaggerated the value of the domain, and his registration of multiple other potentially infringing domain names, his lack of trademark rights in BARCELONA and his failure to provide more than minimal goods and services on his site, together constituted bad faith under the statute.

In any civil action brought under ACPA a court may order the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark. 15 U.S.C. § 1125 (d)(1)(D). The Act further provides for statutory damages of \$1,000 - \$100,000 per domain at the discretion of the court, but not to be awarded in cases where the domain holder reasonably believed that use of the domain name was fair or otherwise lawful. 15 U.S.C. § 1117 (d). There are no statutory damages available in *in rem* actions. 15 U.S.C. § 1125 (d)(2)(D)(i).

Courts have begun to use the statutory damages provision to make monetary awards in particularly egregious cases. One prime example is *Electronics Boutique Holdings Corp. v. John Zuccarini*, 2000 U.S. Dist. LEXIS 15719; 56 U.S.P.Q. 2d. (BNA) 1705 (E.D. Pa. 2000), where a clearly angered court rewarded the defendant's zealous cybersquatting activities (which included mousetrapping unwary web surfers into having to navigate a maze of clickable advertising), and efforts to avoid service of process, with a bill for \$500,000 in statutory damages for cybersquatting of five domains (*electronicboutique.com*, *eletronicboutique.com*, *electronicbotique.com*, *ebwold.com* and *ebworl.com*, all takeoffs of the plaintiff's ELECTRONICS BOUTIQUE and EBWORLD service marks). The court later sternly rebuffed the defendant's effort to have the judgment vacated for lack of due process. *Electronics Boutique*, 2001 U.S. Dist. LEXIS 765 (January 25, 2001).

Continuing his string of good luck, Mr. Zuccarini recently lost a bid to have the Third Circuit overturn a similar ruling against his cybersquatting and mousetrapping activities in connection with the JOE CARTOON trademark. See *Shields v. Zuccarini*, 254 F.3d 476 (3rd Cir. 2001). Mr. Zuccarini registered five variations of the trademark, *joescartoon.com*, *joecarton.com*, *joescartons.com*, *joescartoons.com* and *cartoonjoe.com*, and flooded visitors to the sites with clickable advertisements. See *Id.* at 479-480. Once challenged, Mr. Zuccarini changed course converting the site reached via each of the domains to a "political protest" page. The page read, in part: "joecartoon.com is a web site that depicts the mutilation and killing of animals in a shockwave based cartoon format — many children are inticed [sic (in original)] to the web site, not knowing what is really there and then encouraged to join in the mutilation and killing. . . ." *Id.* at 480. Zuccarini argued that registering intentional misspellings of distinctive and famous trademarks was not actionable under the ACPA; however, the court disagreed, stating that Zuccarini's bad faith intent to profit from trademarks was precisely why the ACPA was enacted. See *Id.* at 483. The Third Circuit, equally unamused, upheld the district court's grant of summary judgment to the plaintiff, the creator and licensor of JOE CARTOON, including statutory damages of \$10,000 per domain name and attorney's fees. See *Id.* at 24-25.

With the recent introduction of new internet top level domains, such as .biz and .info, and the revitalization of the .us domain name registry, domain name disputes are likely to continue to arise with frequency. Whether, and to what extent the ACPA and/or the UDRP will prove effective tools for resolving large numbers of these disputes remains to be seen.

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