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NOTES

IS LIABILITY JUST A LINK AWAY? TRADEMARK DILUTION BY TARNISHMENT UNDER THE FEDERAL TRADEMARK DILUTION ACT OF 1995 AND HYPERLINKS ON THE WORLD WIDE WEB

Every day, people all over the country “surf” the World Wide Web for information on every topic imaginable—from class assignments to travel itineraries to gossip on Hollywood stars. The Web has introduced our society to new possibilities in communication, education, business, and entertainment. Along with those possibilities, though, come the difficulties faced by courts in applying existing law to new technology and defining the legal parameters of the new medium. In particular, the Internet and Web have created new legal complications in the protection of intellectual property rights.

Federal trademark dilution is a new cause of action in intellectual property that provides owners of famous trademarks with additional ammunition against those who use their marks. This Note will address how courts have and should apply the Federal Trademark Dilution Act (FTDA) to alleged trademark dilution by tarnishment as it relates to hyperlinking on the World Wide Web. To understand the policies of the FTDA and its application to hyperlinking, it is necessary to explore the development of the dilution doctrine and explain the Web features involved in trademark dilution by tarnishment cases. Part I of this Note will describe the development and present status of federal trademark dilution law and Part II will explain the Web features of domain names and linking.

2 Id.
I. TRADEMARK DILUTION: AN OVERVIEW

A. THE EVOLUTION OF TRADEMARK DILUTION

While the Constitution authorizes Congress to legislate intellectual property protection in the form of copyright and patent, the Constitution does not give Congress the power to protect trademarks. Instead, this power stems from Congress's power to regulate interstate commerce under the Commerce Clause. Trademark law is a part of the broader law of unfair competition. The primary purpose of a trademark is to "identify the origin or ownership of the article to which it is affixed." Trademarks help customers select goods of a known quality with low transaction costs, and they operate as symbols of a company's goodwill.

Federal trademark dilution is a new cause of action, provided for under the Federal Trademark Dilution Act (FTDA) of 1995, an amendment to the Lanham Act. The FTDA went into effect on January 16, 1996, when signed by President Clinton. The FTDA provides a level of trademark protection unprecedented in the United States by giving trademark owners a federal cause of action for dilution of famous marks.

The policies advanced by dilution are different from those driving the law of trademark infringement. Trademark infringement law embodies two basic aims: to ensure that the public is not misled or confused about products and to protect the property rights of the trademark owner. Dilution, on the other hand, does not require consumer confusion as an
element of the cause of action. 12 Rather, dilution law's primary concern is protecting the distinctiveness of an owner's famous trademark. 13 The concept of dilution recognizes the "substantial investment the owner has made in the mark and the commercial value and aura of the mark itself, protecting both from those who would appropriate the mark for their own gain." 14

Though federal trademark dilution is a fairly new cause of action, the concept of dilution is not new. In an influential 1927 law review article, Frank I. Schechter, a trademark lawyer, used a wood carving metaphor to illustrate the type of harm caused by trademark dilution. 15 He proposed a cause of action for "the gradual whittling away or dispersion" of a mark's public identity by its use on non-competing goods. 16

The earliest attempt at a federal trademark dilution statute was in 1932, with the proposed "Perkins" bill. 17 The bill would have protected federally registered "coined or inventive or fanciful or arbitrary" trademarks against uses that might "injure the goodwill, reputation, and business credit" of the mark's owner. 18 Hostility in the legislature toward granting property rights in trademarks, though, hindered the progress of the Perkins bill. 19

Although the proposal failed, states slowly began to enact trademark dilution legislation, beginning with Massachusetts in 1947. 20 At the time of FTDA enactment, twenty-five states had trademark dilution statutes. 21 The FTDA was not intended to preempt existing state dilution laws. 22 Trademark owners whose marks do not meet the "famous" requirement of the FTDA still have remedies available under these state dilution laws. 23

12 Id.
13 Id.
16 Id.
17 2-5 GILSON, supra note 9 § 5.12.
18 Id.
19 Id.
20 Id.
23 See, e.g., Advantage Rent-A-Car v. Enterprise Rent-A-Car, 238 F.3d 378, 57 U.S.P.Q.2d (BNA) 1561 (5th Cir. 2001) (neither Texas nor Louisiana anti-dilution statutes require mark to be famous in order to be protected; the mark need only be distinctive); Kraft Gen. Foods, Inc. v. Allied Old English, Inc., 831
The FTDA was enacted, in part, because the state "patch-quilt system of [dilution] protection" provided inadequate protection for nationally used and recognized marks. The legislature was also concerned with the inconsistency in state court decisions; national consistency in dilution law became a legislative goal. Although most state statutes did not require consumer confusion, some courts required a showing of likelihood of confusion to obtain relief. Additionally, many courts were hesitant to issue nationwide injunctions for trademark dilution when numerous states did not recognize dilution as a cause of action and the claims were brought under state statutes.

The FTDA allows the owners of "famous marks" to receive an injunction against unauthorized commercial uses that cause "dilution of the distinctive quality of the mark." The Act applies without regard to the competition between the owner of the famous mark and the accused or to likelihood of confusion of the marks. Normally, the owner of the famous mark will be entitled only to injunctive relief upon a finding of liability, but if a defendant willfully intended to trade on the trademark owner's reputation or dilute the mark's distinctiveness, an award of damages is available, including the possibility of treble damages. The Act applies only to "famous" marks and provides courts with eight nonexclusive factors to consider in deciding whether a mark is "famous" for purposes of dilution.
B. WHAT IS DILUTION UNDER THE FTDA?

The term “dilution” is defined in the Lanham Act as “the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of (1) competition between the owner of the famous mark and other parties, or (2) likelihood of confusion, mistake, or deception.” The legislative history of the FTDA shows reliance on state dilution statutes and decisions, which generally placed dilution into two categories: dilution by blurring and dilution by tarnishment.

1. Dilution by Blurring. "Blurring" involves the “whittling away of the selling power and value of a trademark by unauthorized use of the mark.” Dilution by blurring occurs where a defendant uses an exact or modified version of the plaintiff's mark, raising the possibility that the mark will lose its ability to serve as the “unique identifier” of the plaintiff's product. For example, Pepperidge Farm successfully brought a dilution by blurring claim under the FTDA against Nabisco for the latter's use of the “Cat Dog” cracker, an orange, bite-sized cheddar-cheese flavored, goldfish-shaped cracker, used in promotion of a children’s television program. The court found that Nabisco's use of the cracker would dilute the distinctive quality of Pepperidge Farm's “Goldfish” mark, which consisted of a similar goldfish-shaped cracker.

Blurring can also involve use of a famous mark on a dissimilar product. Some hypothetical examples would include DUPONT shoes, BUICK aspirin, and KODAK pianos.

2. Dilution by Tarnishment. "Tarnishment" occurs when a famous trademark is associated with products of poor quality, or is portrayed in an...
unsavory or immoral context. For example, the Second Circuit enjoined the promotion of a pornographic movie that used costumes closely resembling those of the Dallas Cowboys Cheerleaders under the theory of dilution by tarnishment. Although most tarnishment claims arise from a mark being associated with pornography, courts have also found dilution from a mark's association with illegal drug use, crude jokes, and racist material.

The willingness of a court to grant relief for trademark dilution by tarnishment appears most influenced by how offensive the use is. Not every association a plaintiff views as unfavorable gives rise to dilution by tarnishment. For instance, in Clinique Laboratories, Inc. v. DEP Corp., the court held that a competitor's production of allegedly "cheap knockoffs" of the plaintiff's skin care line did not constitute tarnishment under the FTDA. Because the competitor's use did not associate Clinique with obscene, sexual, or illegal connotations, and its products were not shoddy or unwholesome, the court denied Clinique's claim of dilution by tarnishment. Similarly, a court found that a skit making fun of Barney, the purple dinosaur, did not amount to tarnishment, as the skit did not portray Barney in an unwholesome light or link Barney to products of bad quality.

A company's own image and its use of the mark can affect whether another's use tarnishes the mark. In Playboy Enterprises, Inc. v. Webbworld, Inc., the adult magazine publisher failed to establish dilution by tarnishment against an Internet site provider which sold adult images. Playboy argued that its mark was tarnished by its appearance on the Web site, which contained hard core pornography. The court declined to compare the

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40 McCarthy, supra note 35, at 24-172.
44 Id.
47 Id.
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offensiveness of the adult images offered by the plaintiff and defendant, deciding that Playboy’s mark had not been tarnished.48

C. EXCEPTIONS TO THE FEDERAL TRADEMARK DILUTION ACT

Not every use that tarnishes a trademark is actionable under the FTDA. The FTDA provides for the following exemptions: “(A) Fair use of a famous mark by another person in comparative commercial advertising or promotion to identify the competing goods or services of the owner of the famous mark [,] (B) [n]oncommercial use of a mark [and] (C) [a]ll forms of news reporting and news commentary.”49

The legislative history of the FTDA indicates a desire to protect such uses in order to prevent dilution from giving famous trademark owners a monopoly over the use of the mark.50 In Mattel, Inc. v. MCR Records, for example, the court held that even if a song that parodied the “Barbie” fashion doll and the values she represents tarnished the “Barbie” mark, the song fell within the noncommercial use exception of the FTDA.51 The court reasoned that because the song’s use of the mark was for purposes of parody, rather than to sell knock-off “Barbie” products, the use was noncommercial.52

II. FEATURES OF THE INTERNET AND WORLD WIDE WEB

The increasing capabilities of the Internet and Web have created new ways in which trademarks are susceptible to dilution by tarnishment. With the tremendous amount of information available on the Web, organization and classification of information has become increasingly important. Tools, such as hyperlinks, metatag keywords,53 and e-mail54 have tremendous

48 Id.
52 Id.
53 Metatag keywords are part of the Web page’s source code, which is invisible to the ordinary Web user. Metatags are used by some search engines to determine whether a site is a “hit” when a user performs a keyword search. See Playboy Enterprises, Inc. v. Terri Welles, Inc., 78 F. Supp. 2d 1066 (S.D. Cal. 1999). For example, if a Web site creator includes the words “Coca-Cola” in the site’s metatag keywords, a user entering “Coca-Cola” in a Yahoo keyword search would have the site included among those listed as “hits”
organizational and practical use, making the Web a more efficient place to locate information. However, these tools are prone to abuse that can threaten intellectual property rights.\footnote{For trademark tarnishment cases involving e-mail, see Classified Ventures, L.L.C. v. Softcell Mktg., Inc., 109 F. Supp. 2d 898 (N.D. Ill. 2000) (sending spam e-mails containing advertisements for pornography that listed a false return e-mail address using plaintiff company’s name constitutes trademark dilution); Am. Online, Inc. v. IMS, 24 F. Supp. 2d 548, 552, 48 U.S.P.Q.2d (BNA) 1857, 1860-61 (E.D. Va. 1998) (holding that AOL mark was tarnished by defendant sending AOL users over 60 million spam messages with aol.com in the message headers).}

A. DOMAIN NAMES

Each computer or network linked to the Internet has a unique numerical address called an Internet Protocol number (IP number).\footnote{See generally Jeffrey R. Kuester & Peter A. Nieves, Hyperlinks, Frames and Meta-Tag: An Intellectual Property Analysis, 38 IDEA 243, 245 (1998) (stating that the tools are able to adversely affect intellectual property rights through trademark dilution and trademark infringement, among other things).} The IP number is converted into a letter based format known as a domain name by specialized computers called domain name servers.\footnote{Acad. of Motion Picture Arts & Sci. v. Network Solutions, Inc., 1997 WL 829341, 45 U.S.P.Q.2d (BNA) 1463 (C.D. Cal. 1997), amended & superseded by 989 F. Supp. 1276 (1997).} Domain names are addresses that designate Web pages.\footnote{Id.} Web pages are files of information, which can include printed matter, sounds, pictures, and hyperlinks to other Web pages.\footnote{Id.}

A domain name has two parts: a top-level domain and a secondary-level domain. The top-level domain is the domain name’s suffix.\footnote{Id.} There are six primary top-level domains: “(1) .edu for educational institutions, (2) .org for non-governmental and non-commercial organizations, (3) .gov for governmental entities, (4) .net for networks, (5) .com for commercial users, and (6) a nation-specific domain, which is .us in the United States."\footnote{Morrison & Foerster, LLP v. Wick, 94 F. Supp. 2d 1125, 1126 (D. Colo. 2000).} The secondary-level domain is the rest of the address, which can include letters, numbers, and some symbols.\footnote{Sporty’s Farm, L.L.C. v. Sportsman’s Mkt., Inc., 202 F.3d 489, 492 (2d Cir. 2000).} For example, in the domain name yahoo.com, .com is the top-level domain and yahoo is the secondary-level domain.
Trademark dilution by tarnishment occurs in secondary-level domain name selection. Hypothetically, if a website advocating the use of cocaine used the domain name cocacola.com, Coca-Cola would have a strong claim of trademark dilution by tarnishment. Courts have consistently held that the "use of a famous trademark in a domain name used to purvey pornography constitutes dilution."63

For example, Hasbro, Inc., the owner of the mark "Candy Land," the name of the company's popular family-oriented board game, obtained an injunction based on trademark dilution against defendants who were using candyland.com as an Internet domain name for a site featuring sexually explicit material.64 Similarly, a court enjoined a defendant under the FTDA from using fordrecalls.com, a domain name that the court found confusingly similar to Ford Motor Company's trademark, as a site displaying and selling pornographic images.65 The court reasoned that the association of the Ford mark with pornography tarnished the wholesome nature and integrity of the mark.66 The court in Toys "R" Us v. Akkaoui used similar reasoning to enjoin the defendant from maintaining a pornographic Web site at www.adultsrus.com, a domain name confusingly similar to the mark of the plaintiff, Toys "R" Us.67

Such claims are successful because consumers, rather than using a search engine, often type in a company name or logo, followed by .com in order to locate an unknown domain name.68 In fact, in Ford Motor Co., the court noted that several Ford customers had visited the fordrecalls.com site seeking information about possible Ford recalls and called Ford Motor Company to complain.69 If a consumer types in what he believes to be a company's home page and is presented with offensive material, the company's wholesome image may be tarnished by its association with that material.

66 Id.
68 "Sporty's Farm," 202 F.3d at 493.
69 126 F. Supp. 2d at 467.
B. HYPERLINKS

Hyperlinks allow a user to connect almost instantly from one Web site to another site (or to another page within the initial site) by clicking on a designated space on the initial site.70 The ability to hyperlink to other Web pages creates the "web" of sites on the Internet. With links, Web "surfing" from site to site is possible.71 Nearly every site, including search engines, hyperlink to other sites.72 Hyperlinks are often represented as underlined, colored, or bold text, or a graphical image.73 Linking allows users to connect to other Web pages quickly and efficiently, without having to perform a search.74 Deep linking refers to linking to an internal page of a Web site, bypassing the home page that generally includes the basic introduction to and identification of the site.75 Deep linking can lead to litigation because it tends to cause consumer confusion, as viewers do not see the identifying information on the home Web page.76

Hyperlinking has tremendous value both to Webmasters and Web surfers. Users can bookmark a site with interesting and reliable links and are then able to find information on subjects of interest without having to bookmark each individual site.77 A Web site with good links can form a loyal user base, increasing the site's goodwill and, in turn, its value to advertisers.78 Hyperlinking is generally encouraged because hyperlinks benefit the linked sites by bringing additional viewers.79

Although hyperlinks have advantages, they can present potential liability problems, particularly in the intellectual property arena. Web surfers,

73 See Kuester & Nieves, supra note 55, at 246.
74 Id.
78 Id.
79 Id.
especially those who are not “web savvy,” may end up far from the site they originally visited, with no idea how they got there and, possibly, with confusion as to whether the sites are related. Web sites that provide hyperlinks may face liability in the areas of unfair competition, copyright infringement, and trademark violations.

This Note will address two issues involving hyperlinks in the context of trademark tarnishment: (1) Whether hyperlinking to an offensive Web site is sufficient to establish liability for tarnishment, and (2) Whether hyperlinking to a commercial Web site satisfies the commercial use requirement of the FTDA. Part III will discuss trademark tarnishment resulting from links to offensive Web sites. Part IV will discuss the “cybergriper” phenomenon, in which a disgruntled consumer or employee creates a Web site to disparage a company or group. In the cybergripping context, the analysis will focus on the court’s reliance on links to establish commercial use in dilution claims.

III. TARNISHING A TRADEMARK BY HYPERLINKING TO OFFENSIVE WEB SITES

It is well-established that one can tarnish a famous trademark by using it as a domain name for an offensive Web site, such as one containing pornography. However, it is unclear whether using a famous trademark in a Web site that contains hyperlinks to offensive sites tarnishes the mark under the FTDA.

A. DO HYPERLINKS ESTABLISH TRADEMARK TARNISHMENT?

Few courts have commented on this issue, but some cases provide insight into how courts would treat hyperlinks in the context of tarnishment. For example, the court in Archdiocese of St. Louis v. Internet Entertainment Group,
Inc., found tarnishment of the plaintiff's spiritual trademarks by association with Web sites advertising sexually explicit services.\(^4\) There, the defendant's Web sites papalvisit.com and papalvisit1999.com contained information about the 1999 visit to St. Louis of Pope John Paul II.\(^5\) These sites also recited off-color jokes about the Roman Catholic Church and the Pope and displayed banner ads linking to sexually explicit Web sites.\(^6\) It is unclear whether the court would have found tarnishment based solely on links to offensive material. Though the banner ads were links to sexually explicit Web sites, the ads themselves may have displayed offensive material directly on the defendant's sites. Nevertheless, the case demonstrates a court's willingness to find tarnishment when a defendant associates a trademark with offensive Web sites.

More recently, Morrison & Foerster, a law firm, sued an individual who had registered several domain names, including www.morrisonfoerster.com, morrisonandfoerster.com, morrisonforester.com, and morrisonandforester.com.\(^7\) The sites contained disparaging remarks about the firm and lawyers in general.\(^8\) Additionally, the Web sites contained hyperlinks to other sites with racist and off-color domain names, such as www.LetsDoSomeIllegalSteroids.com, www.JewKike.com, and www.NoIrishNeedApply.com.\(^9\)

Although the court did not reach the issue of dilution,\(^10\) the court expressed concern that those visiting the defendant's sites might associate Morrison & Foerster with the anti-Semitic, racist and offensive domain names linked to by the defendant's sites.\(^11\) This association, the court reasoned, could damage the law firm's goodwill.\(^12\) This language shows concern for the very harm the FTDA protects against. Thus, the court likely would have found that the offensive hyperlinks tarnished the plaintiff's mark had the court reached the dilution issue.

\(^{4}\) Id. The opinion has been withdrawn at the request of the court. Archdiocese of St. Louis v. Internet Entm't Group, Inc., No. 499CV275NL 1999 WL 66022 (E.D. Mo. 1999).

\(^{5}\) Kelly & Hieber, supra note 76, at C14.

\(^{6}\) Id.


\(^{8}\) Id.

\(^{9}\) Id. at 1128.

\(^{10}\) The court granted injunctive relief to the plaintiff under the cybersquatting claim, and, therefore, did not reach the other claims, including trademark infringement and dilution. See id. at 1135-36. For a discussion of cybersquatting, see infra note 110.

\(^{11}\) Morrison & Foerster, 94 F. Supp. 2d at 1132.

\(^{12}\) Id.
Nevertheless, courts have been hesitant to use hyperlinks as a basis for trademark tarnishment. In *Bally Total Fitness*, the court stated that when a Web site containing a trademark merely hyperlinks to an unsavory site, such links do not constitute trademark dilution by tarnishment. There, the defendant maintained a Web site named “Bally sucks” that was devoted to criticizing the plaintiff corporation, which operates fitness centers throughout the United States. The site instructed viewers how to cancel a Bally fitness center membership, contained editorial criticism of Bally, and featured a “Complaint Guestbook,” which allowed visitors to add their own complaints and comments about Bally to the site. The site, at one time, hyperlinked to a site named “Images of Men,” which displayed male pornography targeted to the gay community. At the time of litigation, the defendant had removed the links, but both the “Bally Sucks” site and the “Images of Men” site maintained the same domain name.

The plaintiff argued that the close proximity between the “Bally sucks” site and the pornographic site tarnished the Bally trademark. The court, though, found this argument unpersuasive. Even if the direct hyperlinks had remained, the court reasoned, there was never pornographic material directly located on the “Bally sucks” site and, thus, no tarnishment. Cautioning against use of hyperlinks as the basis of tarnishment, the court stated that “[l]ooking beyond the ‘Bally sucks’ site to other sites within the domain or to other linked sites would, to an extent, include the Internet in its entirety.” The court reasoned that the “essence” of the Internet and Web was the connection between Web sites for information access purposes. Thus, including linked sites as grounds for dilution would exceed the purpose of the FTDA.

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93 Bally Total Fitness Holding Corp. v. Faber, 29 F. Supp. 2d 1161, 1168 (C.D. Cal. 1998).
94 Id. at 1162. “Cybergripping,” as this practice is commonly known, is discussed fully in Part IV.
96 Bally Total Fitness, 29 F. Supp. 2d at 1168.
97 The “Bally Sucks” site address was www.compupix.com/ballysucks and the “Images of Men” site address was www.compupix.com/index. Id. at 1162, 1168.
98 Id. at 1168.
99 Id.
100 Id. at 1168.
101 Id.
B. REMEMBERING THE PURPOSE OF THE FTDA

The purpose of the FTDA is to prevent uses of a famous trademark which lessen "the capacity of [the mark] to identify and distinguish goods or services," even when there is no "likelihood of confusion." The legislative history and dilution cases establish that trademark tarnishment is a harm targeted by the FTDA. When a mark is associated with offensive material, such as pornography, it is tarnished because its ability to serve as a wholesome identifier of a product is lessened, even if the consumer is not confused by the association. In this way, the FTDA recognizes the "aura" of a mark.

The FTDA does not address a concrete harm; it targets the more abstract harm that offensive connotations cause to the psychological associations consumers form with a mark. A hyperlink from a site that uses a famous mark to a pornographic Web site can create a psychological association of the mark with pornography in the mind of the viewer, even if the viewer knows that the trademark owner is not sponsoring the pornographic site. As long as the commercial use requirement is satisfied, such hyperlinks should constitute trademark dilution by tarnishment under the FTDA.

Liability, though, should extend only to hyperlinks located directly on the Web page that uses the trademark. The court in Bally Total Fitness correctly stated that broadening trademark tarnishment claims to other Web sites within the domain name would extend liability too far and exceed the purposes of the FTDA. The mark and the offensive use must be close enough in proximity to create a psychological connection between the mark and the offensive material in the viewer's mind. Courts should only allow tarnishment claims when the mark and the pornographic (or other offensive) hyperlink are on the same Web page. This rule would confine liability to a reasonable scope.

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105 For a discussion of the commercial use requirement, see Part IV.C.
106 Bally Total Fitness Holding Corp. v. Faber, 29 F. Supp. 2d 1161, 1168 (C.D. Cal. 1998).
IV. CYBERGRIPING: DO HYPERLINKS ESTABLISH A COMMERCIAL USE FOR TRADEMARK TARNISHMENT?

A. WHAT IS CYBERGRIPING?

"Cybergriping" is a relatively new but common phenomenon, where a consumer or former employee maintains a Web site devoted to criticizing a company or group. Often, these sites use the company’s trademark in the domain name or on the Web page. Cybergrippers often choose domain names that consist of the company’s mark, followed by sucks.com. For example, cybergriper Dan Parisi spent approximately $100,000 to register the domain names of over 500 large companies followed by sucks.com, including Merrillynchsucks.com. Companies faced with a cybergriping Web site can sue under the theories of trademark infringement, trademark dilution, unfair competition, and cybersquatting; they also may commence an arbitration proceeding under the Internet Corporation for Assigned Names and Numbers (ICANN) Uniform Dispute Resolution Policy (UDRP). Cybergriping has become so widespread that some companies have registered

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108 Id.


110 Cybersquatting is the practice of registering domain names that are identical or confusingly similar to a company’s mark and then attempting to sell the domain name to the company or use the domain name to misdirect viewers toward the cybersquatter’s Web site. Elke Flores Suber & Michael Cukor, *Whose Cybrpae is it Anyway? Several Forums for Ending Domain Name Disputes*, METROPOLITAN CORPORATE COUNSEL, Sept. 2001, at 18. Alleged cybersquatter Dennis Toeppen acquired over 100 domain names using trademarks, including eddiebauer.com and nieman-marcus.com, and has been sued by several corporations. Panavision, Int'l L.P. v. Toeppen, 141 F.3d 1316, 1319, 46 U.S.P.Q.2d (BNA) 1511, 1514 (9th Cir. 1998). Toeppen allegedly offered to sell Panavision the domain name panavision.com for $13,000. Panavision, Int'l L.P. v. Toeppen, 945 F. Supp. 1296, 1300, 40 U.S.P.Q.2d (BNA) 1908, 1910 (C.D. Cal. 1996); Ebbinghouse, supra note 77. He also offered to sell intermatic.com to Intermatic, Inc. for $10,000 and americanstandard.com to American Standard, Inc. for $15,000. *Panavision Int'l, L.P.*, 141 F.3d at 1319. The Anticybersquatting Consumer Protection Act (ACPA), an amendment to the Lanham Act, provides protection against cybersquatters who register marks as domain names in bad faith. See 15 U.S.C. § 1125(d) (2001).

111 Begler & Speciner, *supra* note 107, at 51. ICANN offers UDRP as an option to avoid lengthy and costly litigation over domain names. The remedies available under UDRP are cancellation or transfer of ownership of the domain name. A complainant must prove that the domain name is identical or confusingly similar to the complainant’s trademark or service mark, that the registrant has no legitimate rights in the domain name, and that the domain name was registered and used in bad faith. Suber & Cukor, *supra* note 110.
domain names that potential cybergrippers might choose to use. Chase Manhattan Bank, for example, has registered the domain names Chasesucks.com, IhateChase.com, and ChaseStinks.com. Following in suit, U-Haul registered the domain name UHaulsucks.com, and Porsche registered Porschesucks.com.

B. CYBERGRIPING GENERALLY: FREE SPEECH ISSUES

The First Amendment and the FTDA’s requirement of commercial use usually dispel trademark dilution liability of a cybergriper. As the legislative history of the FTDA indicates, the noncommercial exception to the Act prohibits “dilution actions that seek to enjoin use of famous marks in ‘noncommercial’ uses (such as consumer product reviews).” The House Report concerning the FTDA states that the noncommercial exception section “is designed to preclude the courts from enjoining speech that courts have recognized to be constitutionally protected.” Thus, courts agree that typical cybergripping sites fall squarely within this noncommercial exception because their purpose is to provide a forum for consumer product reviews.

For instance, in Northland Insurance Cos. v. Blaylock, the defendant created two Web sites, with the domain names northlandinsurance.com and sailinglegacy.com, to criticize the plaintiff’s insurance business. The complained about how the plaintiff dealt with the defendant’s insurance claim for a damaged yacht, detailed the litigation that resulted from the yacht dispute, and provided viewers a forum for expressing their own complaints about Northland Insurance.

The plaintiff argued that the cybergripping site diluted its trademark by tarnishing it, but the court rejected this argument. Instead, the court found that the defendant’s use of the mark was “for noncommercial commentary purposes.” The court stated that the FTDA did not apply to “forms of

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113 Farrell, supra note 109.
115 Id.
117 Id. at 1114.
118 Id. at 1123.
expression that are not part of a commercial transaction." The court reasoned that Congress intended that "the federal anti-dilution law [could not] be used as a legal riposte to uses of trademark in negative product reviews in the media, or negative opinions expressed about company policies." Thus, the court held, the plaintiff was unlikely to prevail on the merits of its FTDA claim.

An ex-employee of Bridgestone-Firestone, Inc. set up a similar site at www.bridgestone-firestone.com to complain about the company’s pension payment policies. Bridgestone-Firestone initiated arbitration proceedings under ICANN’s Uniform Dispute Resolution Policy (URDP) to settle the domain name dispute. A World Intellectual Property Organization (WIPO) arbitrator ruled that the site constituted "legitimate noncommercial use." The respondent’s primary purpose in registering the domain name and maintaining the site, the arbitrator concluded, was to "exercise . . . his free speech right to criticize [Bridgestone-Firestone]." Although this was not a trademark dilution case under the FTDA, the finding that cybergripping is noncommercial, protected speech is certainly influential.

The court in *Lucent Technologies, Inc. v. Luentsucks.com* also indicated, in dicta, that such sites are protected as either criticism or parody. There, Lucent Technologies brought an in rem action under the Anti-Cybersquatting Consumer Protection Act (ACPA) against the domain name luentsucks.com, which allegedly contained pornographic materials. In discussing cybergripping sites, the court stated that ‘sucks’ has “entered the

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119 *Id.* at 1122.
120 *Id.* at 1122 (quoting THOMAS McCARTHY, McCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 24:97.2 (4th ed. 1998)).
121 *Northland Ins. Cos.*, 115 F. Supp. 2d at 1123.
123 *Id.* For a discussion of ICANN’s UDRP arbitration option, see *supra* note 111.
124 *WIPO Panel Allows ‘Cybergriper’ to Keep Domain That Uses Company Name, supra* note 122 (quoting Bridgestone Firestone, Inc. v. Myers, No. D2000-0190 (W.I.P.O. Arbitration and Mediation Ctr., July 6, 2000)).
125 *Id.*
127 *Id.* at 529. The court held that Lucent Technologies did not comply with the due diligence requirement of the ACPA in rem suit provision, and, thus, dismissed the suit, but went on to discuss cybergripping Web sites generally. *Id.*
vernacular as a word loaded with criticism." A showing that the sucks.com Web site is parody or a forum for critical commentary, the court reasoned, would undermine an action under the ACPA, because such uses are “noncommercial or fair use of the mark.”

Courts and commentators have pointed out the positive consequences of protecting speech criticizing corporations. In L.L. Bean, Inc. v. Drake Publishers, Inc., the court held that a sexually-oriented parody of L.L. Bean’s clothing catalogue in a commercial adult magazine was noncommercial use of the trademark. In discussing the state anti-dilution statute at issue, the court noted:

If the anti-dilution statute were construed as permitting a trademark owner to enjoin the use of his mark in a noncommercial context found to be negative or offensive, then a corporation could shield itself from criticism by forbidding the use of its name in commentaries critical of its conduct. The legitimate aim of the anti-dilution statute is to prohibit the unauthorized use of another’s trademark in order to market incompatible products or services. The Constitution does not, however, permit the range of the anti-dilution statute to encompass the unauthorized use of a trademark in a noncommercial setting such as an editorial or artistic context.

A policy favoring noncommercial criticism of a company also provides that company and its competitors with incentives to provide good service. One commentator argues that if a company were able to silence criticism about its goods or services, the company would not have as much of an incentive to create goodwill in its mark by providing good customer

128 Id. at 535 (quoting Bally Total Fitness Holding Corp. v. Faber, 29 F. Supp. 2d 1161, 1164 (C.D. Cal. 1998)).  
129 Lucent Techs., Inc., 95 F. Supp. 2d at 535.  
130 Id. at 536. Under the ACPA, a plaintiff must show that the defendant registered the domain name in “bad faith.” Courts consider nine factors to determine whether there is bad faith, and one of these factors is whether the use is noncommercial. Id.  
132 Id.  
133 Cisneros, supra note 95.
service.134 Cybergripping sites can serve as a "watchdog" in the industry, which will encourage the industry as a whole to provide better service to customers.135 Additionally, protecting such speech allows consumers to have more informed opinions of companies.136 With the existence of cybergripping sites, a would-be consumer can view a range of information about the company online. The consumer is not limited to the company's own advertising on the Web, but can also view comments that former consumers have made about the company.137 Thus, the consumer can make an informed decision whether or not to purchase the company's goods or use its services.138

Cybergripping sites are not always protected, particularly if the court finds the owner registered the site for the sole purpose of selling it to the trademark owner. In another arbitration proceeding, WIPO ordered Purge IT, a British company, to transfer natwestsucks.com, standardcharteredbucks.com, directlinesucks.com, dixonssucks.com, and freeservesucks.com, to the respective companies.139 The arbitrator found that the company bought the domain names solely to sell them to the companies for large sums, rather than exercise free speech by complaining about the targeted companies.140 In fact, Purge admitted that it had never used the domain names and only intended to sell them to the companies involved.141 Had the sites been maintained for true cybergripping, rather than registered for cybersquatting purposes, they should have received protection as noncommercial use.

C. DO HYPERLINKS TRANSFORM FREE SPEECH INTO COMMERCIAL USE OF A MARK?

Although typical cybergripping sites are noncommercial and, thus, protected from tarnishment claims, some courts have held that hyperlinks from the cybergripping site to a commercial site establish commercial use.142

134 Id. at 239.  
135 Id.  
136 Id. at 240.  
137 Id.  
138 Cisneros, supra note 95.  
140 Id.  
141 Id.  
In *Jews for Jesus v. Brodsky*, for example, a non-profit international outreach ministry that teaches Jesus is the Messiah, and states as its mission “advocacy, education and religious camaraderie for both Gentiles and Jews,” filed suit against a professional Internet developer and attorney who posted criticism of the ministry on the Internet site jewsforjesus.org. The defendant’s site invited the user to “click here to learn more about how the Jews for Jesus cult is founded upon deceit and distortion of fact.” If the user clicked on the hyperlink provided, the user was connected to the Web site of the Outreach Judaism Organization, a religious group also vocally opposed to the plaintiff’s ministry.

The defendant argued that his site was exempt from trademark dilution law under the “non-commercial” exception of the FTDA. The court disagreed, finding the jewsforjesus.org site to be commercial in two ways. First, the court found that the site constituted commercial use because the site was intended to prevent Internet users from locating the true site of the Jews for Jesus ministry, thus, harming the plaintiff commercially. More interestingly, though, the court found that the site was a commercial use because it provided a hyperlink to the Outreach Judaism Organization Web site, which solicited funds through the sale of merchandise. The court reasoned that jewsforjesus.org acted as a conduit to a commercial site, thus rendering it commercial in nature.

Similarly, in *OBH, Inc.*, the court disagreed with a cybergripping defendant’s contention that his site was non-commercial and, thus, exempt from the FTDA. There, The Buffalo News sued the Internet Web site operator of thebuffalonews.com, a site which contained disparaging comments about The Buffalo News and hyperlinks to other local news sources, under a variety of theories, including trademark dilution. As in *Jews for Jesus*, the defendant in *OBH, Inc.* asserted FTDA exemption under

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143 *Jews for Jesus*, 993 F. Supp. at 290.
144 Id. at 291 n.15.
147 Id.
148 Id.
149 *OBH, Inc.*, 86 F. Supp. at 192-93.
150 Id. at 182-83.
the non-commercial exception. The court, however, found the defendant’s site to be commercial, as it contained a hyperlink to the defendant’s other Web site, the online version of Apartment Spotlight Magazine, which the defendant operated for commercial purposes.

In addition to using hyperlinks to establish commercial use for claims under the FTDA, courts have also used hyperlinks to establish commercial use for trademark infringement cases under the Lanham Act. A claim of trademark infringement under the Lanham Act is only applicable to commercial uses of another’s mark. In Bihari v. Gross, an interior designer sued a former client whose Web sites designscam.com and manhattaninteriordesign.com contained disparaging remarks about the plaintiff, alleging that the designer engaged in scams to defraud clients. Although the Gross Web sites did not offer any “commercial transaction,” the court found that the sites constituted commercial use for trademark infringement. The defendants did not sell visitors any product or services, but the Web sites contained hyperlinks to sites which promoted the services of other interior designers. These hyperlinks, the court reasoned, made the Gross Web sites conduits, “steering potential customers away from Bihari Interiors and toward its competitors,” thereby rendering the site commercial use.

Not all courts, though, have been willing to find commercial use of cybergripping Web sites through hyperlinking to sites that sell merchandise. In Bally Total Fitness, Bally brought suit against the operator of “Bally sucks,” located at the address www.compupix.com/ballysucks. Faber operated...
several Web sites in addition to his “Bally sucks” site, which were all located in the domain www.compupix.com. These other sites included “Images of Men,” a Web site displaying and selling photos of nude men and another Web site advertising “Drew Faber Web Site Services,” at www.compupix.com/biz.htm.160

Bally argued that Faber’s hyperlinking to commercial sites, such as the one advertising his Web services, rendered the “Bally sucks” site commercial in nature.161 The court, though, rejected this argument, and found that the “Bally sucks” site was non-commercial in nature and, thus, not trademark dilution.162 First, the court stated that “mere use of another’s name on the Internet . . . is not per se commercial use.”163 The court then pointed to the legislative history of the FTDA to decide that the “Bally sucks” site was noncommercial. In congressional hearings, Senator Orin Hatch stated that the FTDA “will not prohibit or threaten noncommercial expression, such as parody, satire, editorial and other forms of expression that are not part of a commercial transaction.”164 The court reasoned that the non-commercial exception would encompass customer product reviews, such as the “Bally sucks” Web site.165

The court refused to allow hyperlinks to commercial sites to render the cybergripping site commercial in nature. The court reasoned that Faber was not using the “Bally sucks” site to sell his services, but, rather, was using the site to allow customer product review of Bally’s services.166 Faber’s linking to and mentioning his other sites, some of which were commercial, was comparable to, the court stated, “an on-line resume.”167 Because the “Bally sucks” site was not directly involved in commercial transactions, the court found it to be non-commercial and, thus, exempt from the FTDA.168

160 Id. at 1162.
161 Id. at 1166.
162 Id. at 1167.
163 Id. at 1166.
165 Id.
166 Id.
167 Id.
168 See id.
E. FOCUS ON THE SITE’S PURPOSE

Although they reach different conclusions, the preceding cases, with respect to commercial use, are consistent with the purpose of the FTDA and its legislative history.\textsuperscript{169}

If a cybergriping site’s primary purpose is commercial competition with the criticized company, rather than providing a forum for protected criticism, a finding of commercial use is warranted. If, for example, a Web site with the domain name pepsisucks.com offered criticism of Pepsi and contained a direct hyperlink to Coca-Cola’s Web site, a court should find a commercial use for FTDA purposes. This is because the cybergriping site’s primary purpose is not to provide a forum for criticism of Pepsi, but to redirect consumers to a commercial competitor of Pepsi, by way of a hyperlink, after the consumers have just read disparaging remarks about Pepsi. That makes the purpose of the site commercial, rather than expression of protected speech. In such a case, the defendant should be liable, as long as the court finds that the cybergriping site causes dilution of the distinctive quality of the famous trademark.

Similarly, the defendant’s cybergriping site in Bihari v. Gross hyperlinked to competitors of the plaintiff. These hyperlinks indicate that the site’s purpose was to steer viewers to commercial competitors of the plaintiff, not merely to provide a forum for criticism of the plaintiff. Thus, the court correctly held that the site was commercial use.

If a site’s purpose does not include commercial competition with the criticized company, though, there is no basis for finding commercial use. A court that finds commercial use by hyperlinks to unrelated sites that offer commercial transactions is employing a view of “commercial use” that is overly broad. The FTDA states that there can be liability for trademark dilution only by “another person’s commercial use in commerce of a mark or trade name.”\textsuperscript{170} The “use in commerce” language requires an aspect of interstate commerce to be present before the dilution provision can be triggered.\textsuperscript{171} When a person maintains a Web site where consumers criticize a company, that free speech should not be transformed into “commercial use

\textsuperscript{169} See Bally Total Fitness, 29 F. Supp. 2d at 1167.


in commerce” of the mark by hyperlinks to unrelated sites that happen to sell goods or services.

Thus, in Bally Total Fitness, the court correctly decided that Faber’s hyperlinks to advertisements for his Internet services did not render his cybergripping commercial in nature. The “Bally sucks” site was unrelated to interstate commerce; rather, its purpose was to provide a forum for expressing criticism of Bally Total Fitness.172

As with the trademark tarnishment by hyperlinks analysis, the court’s analysis of commercial use should end with the cybergripping site’s own hyperlinks. A court should not consider whether other sites within the domain contain links to commercial sites. Doing so would extend liability too far on the Web.

VI. CONCLUSION

This analysis highlights how courts have dealt with hyperlinks as both a basis for tarnishment and commercial use in claims brought under the Federal Trademark Dilution Action of 1995. Courts disagree over whether tarnishment results from using a famous mark on a Web site and hyperlinking to an offensive site.173 In light of the policies of the FTDA, courts should allow hyperlinks to offensive Web sites to constitute trademark dilution by tarnishment if the commercial use requirement of the Act is met. This is because a hyperlink from a site using a mark to an offensive site, such as one containing pornographic images, can form a psychological association between the mark and pornography in the consumer’s mind. This association lessens the mark’s ability to serve as a wholesome identifier of its product. Liability for using hyperlinks in this way, though, should be limited to the hyperlinks that are directly located on the allegedly diluting site, so that the scope of the FTDA is not exceeded.

Courts have also expressed different views on whether hyperlinks to commercial sites can establish that a cybergripping site is commercial use for the purposes of the FTDA.174 A hyperlink to an unrelated Web site that is commercial in nature should not render a cybergripping site commercial use because the cybergriper is not engaged in interstate commerce in connection

172 See Bally Total Fitness, 29 F. Supp. 2d at 1167.
173 See Kelly & Hieber, supra note 76.
174 Id.
with the mark. The primary purpose of such a site is expression of criticism, which qualifies as a noncommercial use. However, when a cybergripping site hyperlinks to a competitor of the target company, a finding of commercial use is warranted. As the hyperlink redirects viewers to a commercial competitor of the target company, the purpose of the site becomes commercial in nature.

In deciding these difficult questions, courts should focus on the purpose of the FTDA and the type harm from which it intends to protect famous marks. By focusing on the purpose and scope of the Act, courts can transfer traditional trademark law properly to the new horizon of the Internet and World Wide Web.

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