

Metatags, Keywords, and Links: Recent Developments Addressing Trademark Threats in Cyberspace

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I. INTRODUCTION

Much has been written about trademark issues created by the registration and use of Internet domain names; however, trademark issues have arisen in a variety of other forms that result from technology and capabilities specific to the Internet. For example, the technology that supports the Internet allows for the creation of hypertext links that allow Web surfers to jump from one site to another. Internet technology also allows the use of metatags—keywords embedded into a Web site’s computer code—that allow search engines to identify the subject matter of the site. These Internet technologies have forced traditional trademark law principles to evolve in order to provide remedies to trademark holders for unauthorized uses of their trademarks in ways that are likely to cause consumer confusion or at least allow for unfair competition. This Article discusses how trademark law has evolved and the ground that it still needs to cover.

II. METATAGS

A. *The Technology*

Metatags are one type of hypertext markup language (HTML). HTML is the set of symbols or “tags” inserted in a file that is intended for display on a Web browser, such as Microsoft’s Internet Explorer or Netscape’s Navigator.¹ These tags provide display instructions to the browser or describe the document’s logical structure, such as the location of line breaks, new paragraphs, and other display attributes that determine the appearance of the document to the Internet user.² HTML tags are hidden from the normal view of a Web page, but they can be viewed with the “view source” function.³

A metatag is the type of HTML tag that contains information about

1. See Webservice.com, *HTML*, at http://searchwebservices.techtarget.com/sDefinition/0,,sid26_gci212286,00.html (last visited January 16, 2003).

2. *Id.*

3. Noel Guivani Ramiscal, *The Nature and Function of Meta-Tags: Covert Infringement of Trademarks and Other Issues*, at <http://www.dcita.gov.au/crf/paper99/ramiscal.html> (last visited Jan. 30, 2003).

the document, such as its author, its expiration date, and the time it takes for the Web browser to reload or “refresh” the document. Thus, metatags do not affect how the document is displayed when loaded into a browser, but are primarily intended to be read by search engines in order to identify, index, and catalog the content of the Web page.⁴

Keyword and description metatags have become subjects of controversy. For purposes of this discussion, the term “metatag” alone shall refer to keyword and description metatags. These metatags allow Web site designers to choose terms (in the case of keyword metatags) and phrases (in the case of description metatags) that refer to the subject matter of the site.⁵ Internet search engines operate by identifying keyword and description metatags⁶ and then compiling a list of uniform resource locator (URL) addresses of Web pages whose metatags match the chosen search terms.⁷

Thus, the primary function of metatags is to allow search engines to easily index a site based on the keyword and description provided by the Web site designer, thereby creating an organized environment for Web users searching for information.⁸ In addition, metatags allow Web site designers to “designate the purpose of a particular Web site that might not wear its real identity in its address.”⁹ As such, selecting the content of metatags provides Web site designers some control over traffic to their sites.

However, herein lies opportunity for the abuse of metatags: using another’s trademark to divert Internet users that are conducting a search for the trademark holder’s site. A search conducted using a trademark as one of the search terms will produce results that include both the site of the trademark holder and the site containing the trademark in its metatag.¹⁰ In addition, the more a particular keyword or key phrase is

4. *Id.*

5. Scott Clark, *Back to Basics: META Tags*, http://www.Webdeveloper.com/html/html_metatags.html (last updated Nov. 1998).

6. *Id.*

7. Ramiscal, *supra* note 3.

8. See Elizabeth Cohen, *Getting Noticed: Using Metatags to Draw Potential Customers to Web Sites*, CHI. TRIB., Mar. 8, 1998, at 19. Metatags go beyond “free-text searching” to use a more indexed style of search. The indexed style of searching serves to (1) “clearly denote the contents of a highly graphical site” and (2) provide search engine users with an “electronic confidence” that all items retrieved by the search engine pertain to the subject of the search. *Id.*

9. *Id.*

10. See Arthur M. Peslak, *Trademark and Name Issues on the Web*, N.J. LAW., Mar. 2, 1998, at 39.

used in metatags, the higher most search engines will rank the site in its search results. Thus, by repeating another's trademark in its metatags, a Web site designer can manipulate search engines to rank its site higher than the site of the trademark holder.

B. Relevant Legal Issues

Using another's trademark in metatags smacks of trademark infringement, or at least some form of unfair competition. After all, it may result in diversion of traffic from the trademark holder's site to the site of a third party who is seeking to capitalize or free ride off the recognition and goodwill of that trademark. However, are the legal elements of trademark infringement or unfair competition met? Both sections 32 and 43(a) of the Lanham Act, which set forth the elements for trademark infringement and unfair competition, require another's trademark to be used in commerce in connection with goods or services that are likely to cause confusion, mistake, or deception.¹¹ This standard raises several issues when applied to use of a trademark in metatags.

First, is the trademark used in commerce in connection with any goods or services if that use is not visible to the potential customer? The definition of the term "use in commerce" in the Lanham Act requires some kind of affixation of the mark in connection with the goods or services. The mark must be used (1) on goods, when "placed in any manner on the goods or their containers, or the displays associated therewith or on the tags or labels affixed thereto," or (2) on services, "when it is used or displayed in the sale or advertising of services."¹² Use of a trademark in metatags cannot be described as use on goods because the word "placed" implies some kind of *visible* display of the mark. Use of a trademark in metatags could arguably fall under the meaning of use on services because it is a use in the sale or advertising of services offered over the Web site at issue.

The invisible nature of the use leads to the second issue: Is this use likely to result in consumer confusion, mistake, or deception? In contrast to the typical trademark infringement case—wherein another's mark is used to label one's own goods or services—the Internet user may never see the trademark displayed in connection with the third party's Web site. In fact, the third party's Web site may clearly distinguish itself from the trademark holder—through its own domain name or a disclaimer. Moreover, the nature of online consumers must be taken into account. Internet users *expect* a search to generate a results

11. 15 U.S.C. §§ 1114, 1125(a) (2000).

12. *Id.* § 1127.

page that lists sites of third parties, and even competitors, in addition to the site they seek. Thus, Internet users will be willing to filter the search results to find the desired site when faced with a results page that lists the trademark holder's site and competitors' sites.

Finally, should there be any limits to the protection afforded a trademark holder over third parties' uses of its mark in metatags, particularly given that the primary function of metatags is to allow search engines to index their content?

C. Judicial Development

1. The Limitation of Likelihood of Confusion, Mistake, or Deception

Early on, courts broadly interpreted the requirement that a mark must be "used in commerce in connection with any goods or services" to include use of a trademark as a metatag, although invisible. As suggested above, courts likely found that this use occurred "in the sale or advertising of services"¹³ provided at the defendant's Web site. However, the courts did not have to immediately face the more difficult question of whether this invisible use resulted in a likelihood of confusion because the early reported cases also involved a *visible* "bad act" by the defendant, such as using the plaintiff's mark as a domain name, using images or text from the plaintiff's Web site, or "cyberstuffing" the defendant's Web page with the plaintiff's mark.¹⁴

*Playboy Enterprises v. Calvin Designer Label*¹⁵ is the first case in which the parties failed to reach settlement and the court issued a preliminary injunction against the defendants. The defendants were adult entertainment Web site operators that used Playboy Enterprises' trademark in connection with their Web site in the following ways: (1) registering domain names, playboyxxx.com and playmatealive.com, that incorporated Playboy Enterprises' trademarks; (2) using Playboy Enterprises' trademarks as part of slogans on their Web sites; and (3) invisibly cyberstuffing the marks "playboy" and "playmate" hundreds of

13. *Id.* (defining the term "use in commerce").

14. Cyberstuffing is the practice of "stuffing" one's Web page with another's mark or name by repeating the mark or name either in the text of the Web page or in the background of the page. In the latter case, the mark or name that is stuffed may be the same color as the background itself so that it is invisible or barely visible to the Internet user. Cyberstuffing helps maximize the ranking of a particular Web site on the search results page of search engines.

15. *Playboy Enters. v. Calvin Designer Label*, 985 F. Supp. 1220 (N.D. Cal. 1997).

times in the background of their Web pages.¹⁶ These activities helped the defendants rise to the top of some search engine rankings when searches for the word “playboy” were executed.

The District Court for the Northern District of California issued a preliminary injunction against the defendants on likelihood of confusion grounds.¹⁷ The defendants were enjoined from, among other things:

using in any manner the PLAYMATE or PLAYBOY trademarks, and any other term or terms likely to cause confusion therewith . . . in buried code or metatags on their home page or Web pages, or in connection with the retrieval of data or information . . . or in connection with the advertising or promotion of their goods, services or Web sites . . .¹⁸

Thus, the court found the defendants’ use of the playboy and playmate trademarks as metatags to misguide Internet traffic and their Web sites to constitute a likelihood of confusion *in conjunction* with other, more apparent acts of trademark infringement, such as using domain names featuring Playboy Enterprises’ marks in connection with these sites.

*Playboy Enterprises v. AsiaFocus, Int’l*¹⁹ also involved the use of Playboy Enterprises’ trademarks as metatags, in addition to other unauthorized uses of Playboy Enterprises’ trademarks. *AsiaFocus* is the first legal ruling that resulted in an award of damages. The defendants, operators of adult entertainment Web sites containing adult photo collections and selling related merchandise, used the trademarks “playboy” and “playmate” as part of their domain names in the text of their Web sites, and as metatags.²⁰ Other factors favored a finding that *AsiaFocus*’s use of the terms “playboy” and “playmate” would be likely to cause confusion. *AsiaFocus*’s site consisted of computer images of nude women, the core of Playboy Enterprises’ business.²¹ *AsiaFocus* also offered merchandise, such as key chains, calendars, and wristwatches under the name “Asian Playmates.”²² Playboy Enterprises owned federal trademark registrations for each of these goods. *AsiaFocus* also actively encouraged other Web sites to promote “Asian Playmates” goods and services through a “click for cash” program, by which the defendants offered monetary compensation to other Web site owners who displayed the Asian Playmates banner advertisement on their Web sites.²³ Each site would receive four cents for each “hit” that

16. *Id.* at 1221.

17. *Id.* at 1221–22.

18. *Id.* at 1221.

19. *Playboy Enters. v. AsiaFocus, Int’l*, No. 97-734-A, 1998 U.S. Dist. LEXIS 10359, at *1 (E.D. Va. Feb. 2, 1998).

20. *Id.* at *6–9.

21. *Id.* at *17.

22. *Id.* at *18.

23. *Id.* at *9.

AsiaFocus received from the particular Web site where the banner advertisement appeared.²⁴

The District Court for the Eastern District of Virginia found “a strong likelihood that the consuming public would believe that the defendants’ Web site was sponsored by or somehow affiliated with [Playboy Enterprises],”²⁵ as well as dilution because “the capacity of [Playboy Enterprises] to identify its goods and services was diminished”²⁶ In particular, AsiaFocus’s “purposeful tactic of embedding the trademarks PLAYMATE and PLAYBOY in the hidden computer source code . . . epitomizes [AsiaFocus’s] ‘blurring’ of [Playboy Enterprises’] trademarks.”²⁷ In addition, the court found that “[t]he accessibility of the infringing Web sites, the defendants’ successful number of hits, and the blatant display of [Playboy Enterprises’] trademarks are all factors that compound [Playboy Enterprises’] damage.”²⁸ Thus, the court found that AsiaFocus’s conduct in this case warranted the award of statutory damages under 15 U.S.C. § 1117(c) and consequently awarded \$3 million based on the maximum of \$100,000 per mark per type of goods or services sold, offered for sale, or distributed.²⁹

*Niton Corp. v. Radiation Monitoring Devices, Inc.*³⁰ provides the first instance in which a defendant was preliminarily enjoined from using metatags comprising of the plaintiff’s trade name, as well as terms relevant only to the plaintiff’s business.³¹ The parties in this case were competitors in the specialized market of manufacturing x-ray fluorescence (XRF) instruments that detect the presence of lead in paint. Niton initially filed suit against Radiation Monitoring Devices (RMD) for using false and misleading statements in advertising and marketing its own product, including statements on RMD’s Web site that included the Niton trade name.³² Thereafter, Niton discovered that many of the metatags on RMD’s site were identical to those used on Niton’s Web

24. *Id.*

25. *Id.* at *18.

26. *Id.* at *20.

27. *Id.* at *21.

28. *Id.* at *21–22.

29. *Id.* at *22.

30. 27 F. Supp. 2d 102 (D. Mass. 1998).

31. *Id.* at 105.

32. *Id.* at 103–04.

site.³³ Specifically, the only metatag on five Web pages of RMD’s site was “The Home Page of Niton Corporation, makers of the finest lead, radon and multi-element detectors.”³⁴ In addition, several metatags included keywords, such as “radon,” that were relevant to products sold by Niton but not by RMD.³⁵

While declining to define the nature of the defendant’s conduct as trademark infringement, dilution, or unfair competition, the court found that Niton was likely to prevail on “its contention that RMD’s Internet Web sites and means of attracting users . . . have been used by RMD in a way likely to lead users to believe” that RMD was also known as or affiliated with Niton Corporation or made Niton products, and that RMD Web sites were Niton Web sites.³⁶ The injunction appeared to be based on the nature of RMD’s actions, which the court characterized as “deceptive and immediately harmful,”³⁷ instead of a showing of likelihood of confusion, mistake, or deception.

2. Initial Interest Confusion

While the *Niton* case highlights the difficulty in categorizing the use of another’s trademarks in metatags as trademark infringement, dilution, unfair competition, or some other legal doctrine, *Brookfield Communications, Inc. v. West Coast Entertainment*³⁸ directly confronts this issue. This case is also significant because it is the first to analyze the use of another’s trademark or trade name as a metatag *alone* and *not* in the context of other improper uses of that trademark or trade name, such as in the text of the Web site or as part of a domain name. While search engines listed the defendant’s Web site along with that of the plaintiff, the defendant used a domain name and identifying information on its Web site that would distinguish itself from the plaintiff.

Brookfield relied upon the doctrine of initial interest confusion. This doctrine imposes liability even where circumstances mitigate any consumer confusion before goods are sold or services are rendered. Instead, initial interest confusion recognizes exactly what is wrong with using another’s trademark in a metatag—capitalizing on the trademark holder’s goodwill to divert consumers from the trademark holder’s site to one’s own site.

Brookfield Communications (Brookfield) and West Coast Entertainment

33. *Id.* at 104.

34. *Id.*

35. *Id.*

36. *Id.* at 102.

37. *Id.*

38. 174 F.3d 1036 (9th Cir. 1999).

(West Coast) started out in related but noncompetitive fields, but became competitors as both sought to expand their businesses into e-commerce. Brookfield began using the mark “moviebuff” in December 1993 in connection with software featuring searchable databases containing information related to and intended exclusively for the entertainment industry. Brookfield began offering a scaled-down version of the software to consumers in 1994, made the product available through its Web site, brookfieldcomm.com, in 1996, and registered the mark for these goods and related services in September 1998.³⁹

West Coast was one of the nation’s largest video rental store chains. It owned the service mark, “the movie buff’s movie store” and used the term “movie buff” as part of various phrases to promote goods and services available at its video stores.⁴⁰ West Coast registered the domain name “moviebuff.com” with Network Solutions in February 1996, although it conducted no business activity at this address.⁴¹ In October 1998, West Coast announced its intention to launch a Web site at this address that would include searchable databases related to movies intended for prospective video purchasers.⁴² The district court denied a temporary restraining order sought by Brookfield enjoining West Coast from, among other things, using the mark “moviebuff” as a domain name and “in buried code or metatags on their home page or Web pages.”⁴³

The U.S. Court of Appeals for the Ninth Circuit reversed, first disposing of the domain name issue by finding a likelihood of confusion by West Coast’s use and registration of the domain name “moviebuff.com.”⁴⁴ The court then turned to the question of West Coast’s use of moviebuff as a metatag “at any other domain address *other than* ‘moviebuff.com’ (which we have determined that West Coast may not use).”⁴⁵ This question specifically addressed West Coast’s use of moviebuff as a metatag at West Coast’s other Web site, westcoastvideo.com.

The court recognized that West Coast’s use of the term “moviebuff” in its metatags meant that a search for moviebuff would bring up a list

39. *Id.* at 1041–42.

40. *Id.* at 1042.

41. *Id.*

42. *Id.*

43. *Id.* at 1043.

44. *Id.* at 1045–60.

45. *Id.* at 1062.

including westcoastvideo.com.⁴⁶ However, the resulting confusion would not be as great as if West Coast used the moviebuff.com domain name.⁴⁷ Confusion was reduced because the search results page would display both West Coast's and Brookfield's sites so that the user would be able to scan the list and find the particular site being sought.⁴⁸ Moreover, should the user choose the westcoastvideo.com site, confusion would not be likely because the site had a distinct domain name and prominently displayed the "West Coast" name on its home page.⁴⁹

Instead, the court based West Coast's liability for use of moviebuff in its metatags on initial interest confusion, finding that "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.'"⁵⁰ Although Web surfers looking for Brookfield's moviebuff products and taken by a search engine to westcoastvideo.com would not be confused as to the source of the site, at least some of those consumers may simply utilize West Coast's offerings rather than going through the trouble of backtracking to Brookfield's site because the two companies offer such similar services. By using Brookfield's trademarks to initially attract the interest of consumers looking for moviebuff products, and to ultimately divert them to its own Web site, West Coast misappropriated and rode on the goodwill that Brookfield developed in its mark. The court analogized West Coast's use of Brookfield's trademark as a metatag to a situation wherein a competitor of West Coast, say Blockbuster, posts a billboard on the highway reading "West Coast Video: 2 miles ahead at Exit 7" and West Coast is actually located at exit eight while Blockbuster is at exit seven.⁵¹ The unwitting consumer looking for West Coast's store takes exit seven, but finds Blockbuster instead, and could decide to rent a video there instead of continuing to search for West

46. *Id.*

47. *Id.*

48. *Id.*

49. *Id.*

50. *Id.* (quoting *Dr. Seuss Enters. v. Penguin Books USA, Inc.*, 109 F.3d 1394, 1405 (9th Cir. 1997); citing *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d 254, 257-60 (2d Cir. 1987)). In *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, the Second Circuit held that Pegasus Petroleum's use of Pegasus was infringement of Mobil's trademark, a flying horse symbol in the form of the Greek mythological creature Pegasus. Even though Mobil acknowledged that potential consumers would typically realize that Pegasus Petroleum was unrelated to Mobil before consummating an actual sale, "potential purchasers would be misled into an initial interest in Pegasus Petroleum" by at least preliminarily thinking that Pegasus Petroleum was associated with Mobil. *Mobil Oil Corp.*, 818 F.2d at 260.

51. *Brookfield Communications, Inc.*, 174 F.3d at 1064.

Coast.⁵² The fact that customers are not confused because they are fully aware that they are purchasing from Blockbuster does not diminish the effect of initial interest confusion; in this case it would allow Blockbuster to divert consumers by misappropriating West Coast's acquired goodwill.⁵³

However, the court distinguished between West Coast's improper use of moviebuff in its metatags from its legitimate use of the term "movie buff" as a metatag. The latter use is permitted as fair use because "movie buff" is a descriptive term routinely used in the English language to describe a movie devotee.⁵⁴ "Even though [moviebuff] differs from 'Movie Buff' by a single space, that difference is pivotal."⁵⁵

3. Limitations on Protection of Trademarks as Metatags

Brookfield suggests one limitation on the protection of trademarks as metatags: terms and trademarks should remain available for others to *legitimately* use as metatags—to describe or refer in good faith to the content of their sites. This limitation corresponds to the fair use defense for trademark infringement, which protects a party using trademarks "fairly and in good faith to describe to users the goods or services" of such party, or their geographic origin.⁵⁶ "The 'fair use' defense, in essence, forbids a trademark registrant to appropriate a descriptive term for his exclusive use and so prevent others from accurately describing a characteristic of their goods."⁵⁷

*Playboy Enterprises v. Welles*⁵⁸ bucked the trend of cases prohibiting the use of another's trademarks as metatags by finding that the defendant used Playboy Enterprises' trademarks in good faith.⁵⁹ The defendant in this case, Terri Welles, was awarded the playmate of the year title in 1981. Since that time, Ms. Welles appeared in thirteen issues of *Playboy* magazine and eighteen newsstand specials. Ms. Welles claimed that since 1980, she had always referred to herself as a "playmate" or

52. *Id.*

53. *Id.*

54. *Id.* at 1066.

55. *Id.*

56. 15 U.S.C. § 1115(b)(4) (2000).

57. *New Kids on the Block v. News Am. Publ'g, Inc.*, 971 F.2d 302, 306 (9th Cir. 1992) (quoting *Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178, 1185 (5th Cir. 1980)).

58. 7 F. Supp. 2d 1098 (S.D. Cal. 1998), *aff'd without opinion*, 162 F.3d 1169 (9th Cir. 1998).

59. *Id.* at 1104.

“playmate of the year,” with Playboy Enterprises’ knowledge.⁶⁰

Ms. Welles operated a Web site, *terriwelles.com*, featuring adult photo collections of herself and others. Eleven of the fifteen pages of the Web site included statements, in varying font sizes, which disclaimed the site’s sponsorship or endorsement by, or association with, Playboy Enterprises.⁶¹ The Web site activity that Playboy Enterprises sought to enjoin on the grounds of trademark infringement, dilution, and unfair competition, involved: (1) Ms. Welles’s use of the mark, “playmate of the year” in the title of her home page and link page; (2) cyberstuffing the background of her Web pages with the barely visible watermark “PMOY ’81” (an abbreviation for playmate of the year 1981); and (3) using the trademarks “playboy” and “playmate” as metatags.⁶²

The court denied Playboy Enterprises’ motion for a preliminary injunction on its claims of trademark infringement and dilution.⁶³ Ms. Welles’s *visual uses* of Playboy Enterprises’ marks were in good faith and constituted fair uses because “the trademarks that defendant uses, and the manner in which she uses them, describe her and identify her.”⁶⁴ In addition, the court recognized that Playboy Enterprises did not contractually restrict, and typically encouraged, playmates to use their titles for self-promotion and for the promotion of the company, such as using these terms in the title of an autobiography.⁶⁵ Playboy Enterprises contended that permitting these uses of the playmate title did not allow Ms. Welles to trade on Playboy Enterprises’ marks so as to compete with Playboy Enterprises. However, the court found that Ms. Welles’s uses of Playboy Enterprises’ trademarks, the inclusion of disclaimers, as well as other good faith factors—not using Playboy Enterprises’ famous bunny logo or incorporating a Playboy Enterprises mark as part of her domain name—indicated that the “defendant is selling Terri Welles and only Terri Welles on the Web site. There is no overt attempt to confuse the websurfer into believing that her site is a Playboy-related site.”⁶⁶ Absent was any discussion of Ms. Welles’s good faith in using Playboy Enterprises’ mark to cyberstuff her Web pages with the barely visible PMOY ’81 mark.

With respect to Ms. Welles’s *invisible* use of Playboy Enterprises’ trademarks as metatags, the court similarly found no trademark infringement and dilution because the marks were used “in good faith to

60. *Id.* at 1100.

61. *Id.* at 1100–01.

62. *Id.* at 1101.

63. *Id.* at 1105.

64. *Id.* at 1103.

65. *Id.* at 1102–03.

66. *Id.* at 1104.

index the content of Welles's Web site."⁶⁷ Analogizing metatags to the subject index of a card catalog, in that both give researchers—whether human or computerized—a clearer indication of the content of what they search, the court found that Playboy Enterprises' marks as metatags merely referenced the legitimate editorial uses of the terms in the text of Ms. Welles's Web site.⁶⁸

4. *The Boundaries of Fair Use and Initial Interest Confusion*

The decision in *Playboy Enterprises v. Welles* does not mean that use of another's trademark in metatags will automatically be protected as fair use as long as the trademark refers to some aspect of the Web site. The boundary of fair use has been explored where the defendant has claimed that its use of another's trademark in metatags is legitimate because its Web site refers to commentary or criticism about the trademark holder. Ultimately, the standard of good faith defines this boundary. The good faith standard is determined by factors such as whether the defendant offers goods or services in competition with the trademark owner, the frequency that the defendant uses the trademark in metatags, and whether the defendant engages in any other practices that cause search engines to prioritize the defendant's site in its search results.

In the recent case of *J.K. Harris & Co. v. Kassel*⁶⁹ the U.S. District Court for the Northern District of California refused to apply the fair use doctrine to allow uses of another's mark that unfairly manipulated search engines, and found that these uses diverted consumers away from the plaintiff's services.⁷⁰ The parties were competitors in the field of tax representation and negotiation—representing clients to eliminate or reduce their assessed tax liability and negotiate favorable terms. J.K. Harris advertised its services at *jkharris.com*, while Kassel used the Web site, *taxes.com*, to advertise its competing services and to criticize and publish unfavorable statements about J.K. Harris.

J.K. Harris sought a preliminary injunction to prevent Kassel from certain manipulative practices in connection with its *taxes.com* Web site that caused search engines to list the *taxes.com* site along with the

67. *Id.*

68. *Id.*

69. 2002 WL 1303124, at *1 (N.D. Cal. Mar. 22, 2002).

70. *Id.* at *6.

jkharris.com site in their search results pages.⁷¹ Specifically, J.K. Harris alleged that this was done by “creating keyword density”—using the J.K. Harris trade name excessively throughout the taxes.com Web site.⁷² In addition, Kassel increased the font size and underlined sentences containing the J.K. Harris trade name, and placed these sentences at the top of several Web pages.⁷³ In so doing, Kassel repetitively used the J.K. Harris trade name in its header and underline tags.⁷⁴ Finally, Kassel used the J.K. Harris trade name as part of links to sites with information about J.K. Harris.⁷⁵ Thus, by repeatedly using the J.K. Harris trade name throughout the text and HTML tags of the taxes.com site, Kassel guaranteed that search engines would find and prioritize the taxes.com site upon a search for “J.K. Harris” because engines search text and tags for keywords matching requested search terms. According to J.K. Harris, the result of this conduct was that Web users who conducted a search for “J.K. Harris” were simultaneously given a chance to visit the taxes.com site.⁷⁶ In fact, most search engines returned a link to taxes.com under the title “complaints about JK Harris pile up” among the first ten links.⁷⁷ According to J.K. Harris, these practices constituted trade name infringement pursuant to section 43(a) of the Lanham Act⁷⁸ because they created initial interest confusion among consumers looking for J.K. Harris’s services.⁷⁹

Before reaching the issue of initial interest confusion, the court considered whether Kassel’s uses of the J.K. Harris trade name could constitute “nominative fair use” because, according to Kassel, these uses were necessary to warn consumers about allegedly harmful business practices.⁸⁰ The court applied a three factor test from an earlier Ninth Circuit case⁸¹ in order to determine when an unauthorized use of a trademark is permissible: (1) the product or service in question is not

71. *Id.* at *1–2.

72. *Id.* at *1. Creating keyword density is a form of cyberstuffing. *See supra* note 14.

73. *Id.* at *3.

74. *Id.* at *1. Header and underline tags are types of HTML tags that provide display instructions to the Web browser opening the file that contains the Web site in question. While header and underline tags are not solely intended to provide indexing information to search engines, like keyword and description metatags, some search engines do read these tags and use them in determining how high to rank a site.

75. *Id.*

76. *Id.* at *4.

77. *Id.*

78. 15 U.S.C. § 1125(a) (2000).

79. *Id.* at *2, *4. J.K. Harris also based its request for injunctive relief on alleged violations of state laws prohibiting unfair competition and false and misleading advertising. *Id.* at *2.

80. *Id.* at *4.

81. *New Kids on the Block v. News Am. Publ’g Inc.*, 971 F.2d 302, 308 (9th Cir. 1992).

readily identifiable without use of the trademark; (2) only so much of the mark is used as is reasonably necessary to identify the product or service; and (3) the mark is not used in any manner that would suggest sponsorship or endorsement of the trademark owner.⁸²

Under this three part test, J.K. Harris's request to enjoin all of Kassel's uses of its trade name was overly broad.⁸³ The uses of the trade name in links to Web pages about the plaintiff and dissemination of truthful factual information, even if critical, was nominative fair use.⁸⁴ However, Kassel's other uses of the trade name did not satisfy the second factor of the fair use test because they were not reasonably necessary to identify the product or services.⁸⁵ Specifically, the court found that Kassel did not need to underline and otherwise emphasize sentences containing the J.K. Harris trade name, nor did they need to use the trade name as a header or underline tags.⁸⁶ Further, it was not necessary to use the trade name and permutations thereof seventy-five different times through the Web site in order to identify J.K. Harris's services.⁸⁷ Unlike the decision in *Playboy Enterprises v. Welles*,⁸⁸ these uses were not fair because the metatags listed the trade name so repeatedly that they functioned to manipulate the result of search engines instead of merely indexing the content of the site.

The court also enjoined these unauthorized uses as likely to cause initial interest confusion among consumers because the services provided by the parties were competitive, and the design of Kassel's Web site indicated that Kassel intended to induce consumer confusion.⁸⁹ Thus, the court agreed with J.K. Harris that potential customers might be diverted to Kassel's services.⁹⁰ While consumers would not believe that J.K. Harris was the sponsor of the negative publicity on the taxes.com site, they might choose to investigate these charges before visiting J.K. Harris's services.⁹¹ Consumers might then decide to secure tax representation services from Kassel, instead of J.K. Harris, because of

82. *J.K. Harris*, 2002 WL 1303124, at *4.

83. *Id.* at *5.

84. *Id.*

85. *Id.*

86. *Id.*

87. *Id.*

88. 7 F. Supp. 2d 1098 (S.D. Cal. 1998), *aff'd without op.*, 162 F.3d 1169 (1998).

89. *J.K. Harris*, 2002 WL 1303124, at *6.

90. *Id.*

91. *Id.* at *4.

the negative comments, or simply because the services offered by both were sufficiently similar that they would not bother to find J.K. Harris's site.⁹²

In contrast, courts may be less likely to find initial interest confusion and more likely to apply the fair use doctrine where the parties are *not* competitors. In *Bihari v. Gross*,⁹³ the plaintiffs, Bihari and Bihari Interiors (Bihari), sought to preliminarily enjoin the defendants Craig Gross and Yolanda Trublio (Gross) from using the trademark "Bihari Interiors" as a metatag in the defendants' Web sites.⁹⁴ Bihari had provided interior design services in connection with the Bihari and Bihari Interiors trade names since 1989; Gross was a former client of Bihari Interiors who was less than satisfied with the relationship.⁹⁵ Gross used the Web sites *designscam.com* and *manhattaninteriordesign.com* to criticize Bihari. The home page of each Web site began with a caption reading "The Real Story Behind Marianne Bihari & Bihari Interiors."⁹⁶ Also included on the Web sites were numerous links to third party sites, many of which offered interior design services competitive with those of Bihari.⁹⁷ Bihari moved for an injunction for trademark infringement under section 43(a) of the Lanham Act.⁹⁸

The District Court for the Southern District of New York easily disposed of the issue of likelihood of confusion because the Gross Web sites did not sell any goods or provide services competitive with Bihari Interiors.⁹⁹ Moreover, because the critical nature of the Web sites was evident from the first pages of the sites, no reasonable Web user would believe that the negative comments about Bihari were sponsored by or associated with Bihari.¹⁰⁰

The court also found that Bihari failed to prove a likelihood of initial interest confusion because Gross's use of the Bihari Interiors mark as a metatag was not a bad faith attempt to trick users into visiting his Web sites.¹⁰¹ The basis of this conclusion must have been the fact that Bihari and Gross were not competitors. "[T]he Gross websites cannot divert Internet users away from Bihari's websites because Bihari does not have a competing website."¹⁰² According to the court, the unauthorized use of

92. *Id.*

93. 119 F. Supp. 2d 309 (S.D.N.Y. 2000).

94. *Id.* at 311.

95. *Id.* at 312.

96. *Id.* at 313.

97. *Id.* at 311.

98. *Id.*

99. *Id.* at 318–19.

100. *Id.* at 319.

101. *Id.* at 319–20.

102. *Id.* at 320.

the Bihari Interiors mark brought users to sites that provided Web users with information about Bihari, albeit negative, rather than diverting users from Bihari.¹⁰³

Finally, the court found that even if the Gross Web sites caused consumer confusion, use of the Bihari Interiors mark in the metatags was protected fair use because it was used in its descriptive sense as an index or catalog.¹⁰⁴ That is, Gross included Bihari Interiors in the metatags of his Web sites simply because the sites provide information about Bihari Interiors and Marianne Bihari.¹⁰⁵ Moreover, use of this mark as a metatag was the only way Gross “can get his message to the public” because prohibiting such use might foreclose access to Gross’s commentary.¹⁰⁶ “Courts must be particularly cautious of overextending the reach of the Lanham Act and intruding on First Amendment values.”¹⁰⁷ In addition, the court found that a finding of fair use was appropriate because Gross acted in “good faith.”¹⁰⁸ Gross chose domain names that did not incorporate Bihari’s trade name or trademark and included the disclaimer: “Keep in mind that this site reflects only the viewpoint and experiences of one Manhattan couple.”¹⁰⁹

Although the facts of the *Bihari* case are similar to the facts of the *J.K. Harris* case, there are two key differences that account for the different outcomes of each case. First and foremost, the *J.K. Harris* defendant was a competitor of the plaintiff, while the *Bihari* defendant was not. The defendant in the *J.K. Harris* case used the site at issue to criticize the plaintiff *and* to advertise and offer competing services, while the defendant in the *Bihari* case ostensibly used the site only to provide negative commentary about the plaintiff. Consequently, the *J.K. Harris* court found that the defendant’s site diverted consumers away from the plaintiff and ultimately led to initial interest confusion, while the *Bihari* court did not. Second, the *J.K. Harris* defendant used the mark in dispute in header and underline tags, which are intended to provide instructions to a Web browser about display effects—in this case, where to display headers and underlining—while the mark in the *Bihari* case was used as a metatag, which functions only to describe the content of the Web site.

103. *Id.* at 322.

104. *Id.*

105. *Id.*

106. *Id.* at 323.

107. *Id.*

108. *Id.* at 323–24.

109. *Id.*

This practice, along with the excessive use of the J.K. Harris trade name throughout the site, evidenced Kassel's bad faith and intent to divert consumers from J.K. Harris's site and at least initially induce confusion.

III. KEYWORDS

A. The Technology: What Is a Keyword?

Online advertisers seek to optimize the effectiveness of their advertisements by targeting particular consumers. The desire to market to specialized consumers in e-commerce has led many of the large search engines to sell search terms, or keywords, to advertisers. The operators of these search engines program their servers to link banner advertisements to the purchased keyword. As a result, when an Internet user types a particular word into a search engine, the advertisement of the company that has bought this word from the search engine will appear as a banner advertisement along with the search results page, usually at the top.

Unfortunately for most trademark holders, this ostensibly innocuous practice has developed into what some regard as a new form of cyber piracy. Search engines sell others' trademarks as keywords, often to competitors of the trademark holder.¹¹⁰ As a result, the purchaser uses that trademark to trigger its advertising without having to compensate the trademark holder for the value and goodwill that led Web surfers to search for that mark in the first place. The predatory nature of this use becomes particularly apparent when compared to practices in the traditional advertising context, where advertisers pay magazines or networks to use their name, reputation, and the attractiveness of their content to sell the advertisers' products.¹¹¹ Moreover, banner advertisements typically contain clickable hyperlinks to the advertisers' own Web sites, which facilitates diversion of traffic away from the Web site associated with the trademark holder.

B. Legal Issues

The sale and purchase of keywords involves many of the same legal questions raised by using another's trademark in metatags. Does this practice "use" a trademark in commerce in connection with any goods or services that is likely to cause confusion, mistake, or deception, as

110. See Robert C. Scheinfeld & Parker H. Bagley, *Using Others' Trademarks to Trigger Internet Advertisements*, N.Y.L.J., Mar. 24, 1999, at 3.

111. See Dale M. Cendali et al., *An Overview of Intellectual Property Issues Relating to the Internet*, 89 TRADEMARK REP. 485, 539-40 (1999).

required by the Lanham Act?¹¹² Is the sale or purchase of a trademark as a keyword a use at all? The answer depends in large part on whether the accused use involves the sale of a trademark by a search engine or the purchase of a trademark by an advertiser. The former is more difficult to categorize as a proper use because the services provided by the search engine are typically not competitive with the goods or services of the trademark holder. However, the *purchase* of a trademark by a competitor of the trademark holder could qualify as use “in the sale or advertising of services,” as required by the Lanham Act’s definition of “use in commerce” on services,¹¹³ and may be likely to cause confusion, mistake, or deception.

Moreover, given the context of the Internet and the savvy of many Internet users, is the appearance of banner advertisements at the top of search results pages likely to cause confusion, mistake, or deception as to the association or affiliation between the advertiser and the trademark holder? Such confusion or mistake is more likely to occur where the advertiser and the trademark holder offer competing goods or services and the advertiser uses a banner advertisement that does not identify the source of the advertising. However, even if the advertiser does identify itself in a manner that minimizes confusion, is the advertiser engaging in unfair competition by free riding off the recognition and goodwill of the trademark? After all, without the goodwill associated with the purchased trademark, its banner advertising would never have been triggered in response to a search for that trademark. On its face, this practice may appear to be akin to grocery store cash registers that generate a coupon for, say, Pampers diapers upon the purchase of Huggies diapers. The crucial difference is that Pampers’s “advertising” does not appear until *after* the purchase of the Huggies diapers and does not divert consumers from their intended purchases. In contrast, banner advertising appears *before* the Internet user can even link to the site that it seeks. Further, banner ads may be displayed in a manner that makes the Internet user’s search more difficult by occupying a large part of the search results page and thereby obscuring the trademark holder’s site.

The only judicial decision on the use of trademarks as keywords, *Playboy Enterprises v. Netscape Communications Corp.*,¹¹⁴ has left some of these issues unanswered. However, the decision does provide

112. 15 U.S.C. §§ 1114, 1125(a) (2000).

113. *Id.* § 1127.

114. 55 F. Supp. 2d 1070 (C.D. Cal. 1999), *aff’d*, 202 F.3d 278 (9th Cir. 1999).

some guidelines that trademark holders should follow in asserting their trademark rights to prohibit the selling and purchasing of trademarks as keywords.

C. *The Playboy Enterprises Decision*

Playboy Enterprises sued two operators of one of the Internet's most popular search engines, *excite.com*, to prohibit them from generating hard core porn banner advertisements when Web surfers searched for the terms "playboy" and "playmate."¹¹⁵ The defendants (*Excite*) sold a package of over 450 words to operators of hard core adult entertainment sites, including the words "playboy" and "playmate."¹¹⁶ Playboy Enterprises sought a preliminary injunction on the grounds of trademark infringement and dilution for (1) marketing and selling the package of words to Playboy Enterprises' competitors in the adult entertainment field; (2) programming, or "keying," the banner ads to run in response to the search terms "playboy" and "playmate;" and (3) actually displaying the hard core banner advertisements on the search results page.¹¹⁷ As a result, Playboy Enterprises contended that Internet users were diverted away from its official Web site and Web sites sponsored or approved by Playboy Enterprises to other competitive adult entertainment sites.¹¹⁸ The banner advertisements, while animated and designed to entice the Internet user to "click here," did not contain any information about the advertiser,¹¹⁹ a practice that is arguably more likely to confuse the consumer into thinking that the advertisement is associated with Playboy Enterprises. *Excite* responded that it did not use Playboy Enterprises' trademarks as trademarks.¹²⁰

The United States District Court for the Central District of California agreed with *Excite*, holding that Playboy Enterprises failed to show that *Excite* used the terms "playboy" and "playmate" in their trademark form instead of in their ordinary, descriptive connotations.¹²¹ *Playboy* and *playmate* are, in addition to trademarks owned by Playboy Enterprises, English words in their own right.¹²² Internet users cannot conduct searches using the trademark form of the words—*playboy*[®] and *playmate*[®].¹²³ "Thus, whether the user is looking for goods and services

115. *Id.* at 1072.

116. *Id.*

117. *Id.*

118. *Id.*

119. *Id.*

120. *Id.* at 1073.

121. *Id.* at 1073–74.

122. *Id.* at 1073.

123. *Id.*

covered by [Playboy Enterprises'] trademarks or something altogether unrelated to [Playboy Enterprises] is anybody's guess."¹²⁴

The court proceeded to hold that even if the words "playboy" and "playmate" were used as trademarks, Playboy Enterprises failed to show that confusion was likely to result from that use.¹²⁵ Focusing again on the fact that the trademarks at issue were English words in their own right, the court refused to allow a trademark holder to remove a word from the English language merely by acquiring its trademark rights.¹²⁶

Moreover, the initial interest confusion theory applied in the Internet context by the *Brookfield Communications* case was rejected in this context because, unlike the parties in *Brookfield*, Excite and Playboy Enterprises were not competitors.¹²⁷ As a result, Excite's activities did not capture Internet users looking for Playboy Enterprises' site in the same way that West Coast's use of Brookfield's trademarks as metatags did.¹²⁸ In contrast to the analogy set forth in *Brookfield Communications*, the court provided this analogy for the selling of trademarks:

This case presents a scenario more akin to a driver pulling off the freeway in response to a sign that reads 'Fast Food Burgers' to find a well-known fast food burger restaurant, next to which stands a billboard that reads: 'Better Burgers: 1 Block Further.' The driver, previously enticed by the prospect of a burger from the well-known restaurant, now decides she wants to explore other burger options. Assuming that the same entity owns the land on which both the burger restaurant and the competitor's billboard stand, should that entity be liable to the burger restaurant for diverting the driver?¹²⁹

The court's reasoning, and particularly its refusal to answer this question in the affirmative, implies that Playboy Enterprises may have named the wrong defendants. Excite is not a competitor of Playboy Enterprises, nor does Excite use Playboy Enterprises' marks (assuming that the terms are used in their trademark forms) "in connection with the sale, offering for sale, distribution or advertising of any goods or services on or in connection with which such use is likely to cause confusion" as required by 15 U.S.C. § 1114.¹³⁰ While Excite may have

124. *Id.*

125. *Id.* at 1074–75.

126. *Id.* at 1074.

127. *Id.* at 1074–75.

128. *Id.*

129. *Id.* at 1075.

130. 15 U.S.C. § 1114 (2000) (relating to registered trademarks, such as the playboy and playmate marks).

marketed and sold the words “playboy” and “playmate” and programmed banner ads to appear in response to search requests for these terms, these activities are certainly not what is typically understood to be use in commerce in connection with goods or services confusingly similar to Playboy Enterprises’ use. Instead, the *purchasers* of the terms “playboy” and “playmate” may have been more appropriate defendants because they were competitors of Playboy Enterprises and, arguably, used the terms in connection with their adult entertainment services in a way that was likely to cause confusion with Playboy Enterprises’ services. Thus, the court may have found that the terms “playboy” and “playmate” were being used as *trademarks* instead of common English words if the *purchasers* used the terms because they were direct competitors of Playboy Enterprises.

Predictably, the court also found, for all the reasons set forth above, that Excite’s activities did not dilute by blurring or tarnishing Playboy Enterprises’ marks.¹³¹ The Ninth Circuit affirmed the court’s denial of a preliminary injunction without opinion.¹³²

Playboy Enterprises v. Netscape Communications Corp. appears to suggest some strategies for trademark holders that object to the sale of their trademarks as keywords. First, claims may be more likely to stand against the purchase of trademarks by advertisers that offer competing goods or services rather than against the sale of these trademarks by search engines. Secondly, an arbitrary or fanciful mark that has no other meaning in the English language may be more successful than a suggestive or descriptive mark.

IV. HYPERLINKING

A. *The Technology: What Is a “Link”?*

Hypertext links, or “links” for short, allow users to move to another Web site or to another part of the current site without having to type complicated URL addresses.¹³³ In fact, hyperlinking created and defined the Web—the graphical, linkable portion of the Internet.¹³⁴ A link typically appears on a Web page as an underlined and highlighted URL address or as a graphic, which may or may not incorporate the trademark or other designation identifying the linked site.

131. *Playboy Enters.*, 55 F. Supp. 2d at 1087–89.

132. *Playboy Enters. v. Netscape Communications Corp.*, 202 F.3d 278 (9th Cir. 1999).

133. Emily Madoff, *Freedom to Link Under Attack: Web Community Up in Arms over Lawsuits*, N.Y.L.J., June 23, 1997, at S1.

134. Martin J. Elgison & James M. Jordan III, *Trademark Cases Arise from Meta-Tags, Frames*, NAT’L L.J., Oct. 20, 1997, at C6.

The main advantage of linking is convenience. Links make the Internet a powerful resource that provides its users with an interconnected world of knowledge, all made possible by the ability to link information available on one site to other sites. However, trademark holders have objected to this practice and have asserted trademark infringement and unfair competition in two different linking scenarios.

In the first, a site links to the trademark holder's Web site, or the "linked site," which may cause a blurring in the distinction between the proprietary material of the linking site and that of the linked site. That is, the link may provoke a mistaken belief that the linking site is affiliated or associated with the linked site, in violation of section 43(a) of the Lanham Act.¹³⁵ The link also may lead to a dilution claim under section 43(c) of the Lanham Act,¹³⁶ particularly because frequent linking may diminish the ability of a famous mark on the linked site to identify goods and services associated with that mark. Particularly problematic are "deep links," which connect the linking site to a subsidiary page of the linked site. These links bypass the home page of the linked site, which typically set forth its trademarks, logos, and other identifying information. As such, deep links are even more likely to mislead users into thinking that the two sites are associated or affiliated. Moreover, bypassing the home page also typically means skipping the advertising sold by the linked site, which is often its main source of income. Advertisers pay a premium for advertisements placed on the home page of Web sites, and the value of advertising space on a home page depends greatly on the volume of hits it receives.

In the second scenario, the link incorporates a trademark (or a confusingly similar term) in its domain name to operate a site that appears to be noncommercial and noncompeting. The noncommercial nature of these sites would ordinarily insulate them from trademark infringement liability because there is no use in commerce. However, if these sites link away from the trademark holder's site to third parties' sites, these links may make the sites commercial and may create a likelihood of confusion, or otherwise unfairly compete, with the trademark holder's site.

1. Linking to a Trademark Holder's Site

The following cases exemplify the objections of owners of linked sites

135. 15 U.S.C. § 1125(a) (2000).

136. *Id.* § 1125(c).

against unauthorized links to their sites. Trademark infringement and unfair competition have turned out to be suitable causes of action for such unauthorized linking because the facts of each case indicate that the defendants were not trying to pass themselves off as the plaintiffs. Instead, the defendants' primary wrong was to operate parasitic sites that lifted content from others' sites, often in great volume, and sold advertising and attracted users based on unauthorized uses of that content. Thus, the defendants took for free material that cost the owners of the linked sites significant expenses, resources, and time to create and organize. As such, the defendants deprived the linked sites of advertising dollars and users to which they were arguably entitled. This type of wrong may be best characterized as misappropriation, which is catchall common law tort that recognizes the investment involved in creating a product, service, or business and protects against unauthorized taking or free riding off of that value. Courts, however, have addressed this wrong as copyright infringement¹³⁷ and trespass to personal property. The linking cases discussed below have been selected because the plaintiffs asserted claims for trademark infringement and unfair competition, even though the cases were ultimately decided on other nontrademark grounds.

Ticketmaster filed suit against Tickets.com,¹³⁸ another online company that provided entertainment, sports, and travel tickets, event information, and related products and services. Tickets.com operated like a clearinghouse by directing users to tickets wherever they are available, including other ticketing agents on the Web, such as Ticketmaster. However, Tickets.com also had exclusive relationships with 4000 venues, providing them with ticketing software and distribution services, and earned commissions for directly selling the tickets for those venues.¹³⁹

Ticketmaster's complaint alleged both copyright infringement and unfair competition for providing deep links into Ticketmaster's site, bypassing introductory pages, and advertising on Ticketmaster's home

137. In fact, the first written judicial opinion inquiring into potential liability for deep linking was based exclusively on principles of copyright infringement and, in part, addressed whether Web site operators linking to another's site, which displayed plagiarized texts of the Mormon Church, could be held liable for contributory infringement. *Intellectual Reserve v. Utah Lighthouse*, 75 F. Supp. 2d 1290 (D. Utah 1999).

138. *Ticketmaster Corp. v. Tickets.com, Inc.*, 2000 WL 1887522, at *1 (C.D. Cal. Aug. 10, 2000).

139. See Bob Tedeschi, *Ticketmaster Sues Again over Links*, N.Y. TIMES, Aug. 10, 1999, at B10, available at <http://www.nytimes.com/library/tech/99/08/cyber/articles/10tickets.html> (last visited Feb. 9, 2003).

page.¹⁴⁰ Because Ticketmaster generated revenue by selling advertising on its home pages, the practice of deep linking diminished the value of those pages.¹⁴¹ Ticketmaster did allow other sites, such as Yahoo and Knight-Ridder, to maintain deep links into its site, but only pursuant to terms agreed upon by the parties.¹⁴² In addition, Ticketmaster claimed that, in order to earn its commissions, Tickets.com falsely stated that tickets for certain events were not available through online ticketing sources, including Ticketmaster, other than the ticket brokers with whom Tickets.com had relationships.¹⁴³ Ticketmaster's suit also included copyright infringement claims directed to Tickets.com's purported unauthorized downloading and reproduction of material from Ticketmaster's site, such as events listings.¹⁴⁴

The District Court for the Central District of California dismissed four of Ticketmaster's counts against Tickets.com and set forth guidelines by which Ticketmaster had to prove its case.¹⁴⁵ In so doing, the court voiced support for the practice of hyperlinking, stating that hyperlinking does not itself involve a violation of the Copyright Act because no copying is involved.¹⁴⁶ However, the court refused to dismiss the copyright infringement claim because Ticketmaster *did* allege copying to the extent that it contended Tickets.com copied its interior Web pages in order to extract factual information, such as event, place, time, date, and price.¹⁴⁷

The court also refused to dismiss Ticketmaster's claims for federal unfair competition, false advertising, state unfair business practices, and interference with business advantage.¹⁴⁸ However, Tickets.com was not

140. *Id.*

141. *Id.*

On some Web sites, advertising space deep inside a site is more valuable, because it lets advertisers reach an audience with a specific interest. On ticketing sites, however . . . [a] home page seen by entertainment fans in great numbers is likely to be more valuable to an advertiser than, say, a page selling tickets for a Marilyn Manson concert.

Id.

142. *Id.*

143. *Id.*

144. *Id.*

145. Ticketmaster Corp. v. Tickets.com, Inc., 2000 WL 525390, at *1 (C.D. Cal. Mar. 27, 2000).

146. *Id.* at *2.

147. *Id.* However, the court ultimately refused to grant a preliminary injunction on the copyright aspects of this case as "fair use" reverse engineering. Ticketmaster v. Tickets.com, 2000 WL 1887522, at *3 (C.D. Cal. Aug. 10, 2000).

148. Ticketmaster Corp., 2000 WL 525390, at *1.

preliminarily enjoined under these theories because Tickets.com did not pass itself off as Ticketmaster and, therefore, the customer was not misled.¹⁴⁹ Tickets.com accompanied its link with clear statements that it did not sell the tickets itself, but would refer the customer to another broker.¹⁵⁰ The customer ended up on the Ticketmaster home page filled with Ticketmaster logos.¹⁵¹

The online auction site eBay joined the fray by filing suit against Bidders' Edge,¹⁵² an online auction comparison site that functioned as a one stop shop for auction hunters by indexing, organizing, and linking to listings on major auction Web sites, including eBay's site. Bidders' Edge was able to do this by using two common Internet tools. "Robots" and "spiders" are programs that automatically search auction hosts like eBay for the latest posted auctions on a particular item and assemble a database of retrieved information so that users can compare various auctions. Then, users can directly deep link to the page on the host site that features the desired auction. While eBay ultimately ends up making money from Bidders' Edge customers, eBay claimed that Bidders' Edge was engaging in unfair competition because it profited off the success of eBay, which the company spent millions of dollars developing.¹⁵³

Included in eBay's nine-count complaint were allegations for trespass to personal property because Bidders' Edge "used, accessed and intermeddled with and continues to use, access and intermeddle with eBay's computer systems for defendant's own commercial benefit."¹⁵⁴ eBay also alleged that Bidders' Edge's deep links into eBay's site constituted unfair business practices, copyright infringement, misappropriation, and interference with prospective economic advantage.¹⁵⁵ Bidders' Edge also allegedly infringed and diluted the eBay mark by repeatedly displaying the mark in its auction listings, and engaged in false advertising by representing that eBay had a smaller proportionate share of the relevant auctions than it actually did.¹⁵⁶

The District Court for the Northern District of California preliminarily enjoined Bidders' Edge from accessing eBay's computer system by its robot or the use of "any automated querying program" on the ground of trespass to eBay's proprietary computer system.¹⁵⁷

149. *Ticketmaster Corp.*, 2000 WL 1887522, at *5.

150. *Id.*

151. *Id.*

152. *eBay, Inc. v. Bidder's Edge, Inc.*, 100 F. Supp. 2d 1058 (N.D. Cal. 2000).

153. *See Debra Baker, Bid for Fair Practice*, 86 A.B.A.J. 22 (2000).

154. *eBay, Inc.*, 100 F. Supp. 2d at 1063.

155. *Id.*

156. *Id.*

157. *Id.* at 1060.

2. Linking as a Basis of Commercial Use of a Mark

Trademark infringement and dilution claims have also been raised where the defendant's Web site was clearly not competitive with the plaintiff's business, such as sites that criticize or parody the plaintiff's business. Trademark infringement claims often founder on the issue of whether such sites use a mark "in commerce . . . in connection with the sale, offering for sale, distribution or advertising" of goods or services.¹⁵⁸ Moreover, challenging these sites under federal trademark dilution grounds requires proof that the sites make commercial use of the marks in dispute.¹⁵⁹ Using a Web site for criticism or parody does not typically constitute commercial activity; but can linking to other sites establish the threshold commercial use requirement? The answer depends on the commercial nature of the linked sites. If so, can these links change the nature of a criticism or parody site that does not appear to compete with the plaintiff? The answer depends on whether the linked sites offer goods or services that are competing with those of the plaintiff.

The defendant in *OBH, Inc. v. Spotlight Magazine Inc.*¹⁶⁰ was found liable for trademark infringement and dilution for, in part, linking away from the plaintiff's Web site and to another Web site that advertised competing products.¹⁶¹ The plaintiff, OBH, Inc., owned the *Buffalo News*, the daily newspaper of Buffalo, New York, which included an advertising periodical called *Apartment Finder*.¹⁶² OBH had owned a registration for the mark "The Buffalo News" since 1980.¹⁶³

Defendant Tortora was the president of the *Apartment Spotlight Magazine*, which advertised available apartments in Buffalo and the surrounding areas.¹⁶⁴ One online version of this magazine was published at buffalonyapartments.com.¹⁶⁵ In April 1999, Tortora registered the domain name "thebuffalonews.com," and began operating a site at that address.¹⁶⁶ The site opened with the greeting "Welcome to www.thebuffalonews.com," followed by a statement disclaiming

158. 15 U.S.C. § 1114 (2000).

159. *Id.* § 1125(c).

160. 86 F. Supp. 2d 176 (W.D.N.Y. 2000).

161. *Id.* at 185–98.

162. *Id.* at 181–82.

163. *Id.* at 181.

164. *Id.* at 181–82.

165. *Id.* at 182.

166. *Id.*

affiliation with or endorsement by the *Buffalo News* and specifying that the site was intended only for parody and criticism of the *Buffalo News*.¹⁶⁷ The site contained hyperlinks to other Web pages containing negative opinions and stories about the newspaper, as well as to other news-related Web sites, including local news competitors of the *Buffalo News*.¹⁶⁸ The site also included a link to another of Tortora's sites, buffalonyapartments.com, which advertised apartments for rent.¹⁶⁹ It appears that the links in this case were *not* deep links, but links to surface pages of other news-related sites and buffalonyapartments.com.¹⁷⁰

The defendants argued that, as a threshold matter, their use of the plaintiff's mark did not constitute "use in commerce . . . in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion" ¹⁷¹ The defendants' site located at the address containing the plaintiff's mark "The Buffalo News" did not itself offer or sell goods or services competitive with OBH and was not even commercial in nature.¹⁷² In addition to use of a domain name confusingly similar to OBH's registered trademark, the District Court for the Western District of New York found that the use in commerce requirement was satisfied because the site included a link to Tortora's other Web site, buffalonyapartments.com.¹⁷³ This linked site, featuring an online version of Tortora's *Apartment Spotlight Magazine*, was operated for a primarily commercial purpose.¹⁷⁴ This link to Tortora's online magazine also established that the defendants were using the OBH mark "at least in part, to offer their own services over the Internet."¹⁷⁵ That the linked online publication directly competed with OBH's online publication factored into the court's conclusion that a likelihood of confusion existed because "such a high degree of proximity" between Tortora's originating site and the linked site also operated by Tortora "increases the likelihood of confusion among Internet users."¹⁷⁶

Moreover, observing that infringing use of another's mark "in connection with goods or services" may also be in connection with the goods or services offered or distributed *by the trademark holder*, the court found that the links potentially diverted site users who had

167. *Id.*

168. *Id.* at 183.

169. *Id.*

170. *Id.*

171. *Id.* at 185.

172. *Id.*

173. *Id.* at 185–86.

174. *Id.* at 186.

175. *Id.*

176. *Id.* at 188.

mistakenly arrived at Tortora's site from OBH's site.¹⁷⁷ These Web surfers may have failed to continue searching for OBH's site and instead may have opted to select Tortora's buffalonyapartments.com site or one of the other news-related links that pointed to sites in direct competition with OBH. In this way, the defendants' appropriation of OBH's mark constituted use in connection with OBH's distribution of its services.¹⁷⁸

*People for the Ethical Treatment of Animals v. Doughney*¹⁷⁹ is another example of a link providing a basis for use in commerce. The defendant registered the domain name "peta.org" and created a Web site called "People Eating Tasty Animals."¹⁸⁰ Doughney claimed he created the Web site as a parody of the plaintiff, People for the Ethical Treatment of Animals (PETA), a worldwide animal rights organization.¹⁸¹ The Web site also included at least thirty links to various sites promoting meat, fur, leather, hunting, and animal research organizations, all of which held views antithetical to PETA's views.¹⁸² The plaintiff brought suit for federal, state, and common law trademark infringement and unfair competition.¹⁸³ The court relied in part on Doughney's many links to commercial operations offering goods and services to establish that the mark was used in commerce, in connection with goods and services.¹⁸⁴

Likewise, in *Bihari v. Gross*,¹⁸⁵ the defendants were disgruntled ex-customers of Ms. Bihari's interior design services. The defendants registered the domain names "bihari.com" and "bihariinteriors.com" in order to criticize Bihari and Bihari Interiors. Also appearing on the Web sites were links to Web sites that promoted the services of other interior designers. Bihari brought suit for trademark infringement under section 43(a) of the Lanham Act. These links established commercial use because they acted "as a conduit, steering potential customers away from Bihari Interiors and toward its competitors, thereby transforming his otherwise protected speech into a commercial use."¹⁸⁶

The issue of commercial use in connection with goods and services

177. *Id.* at 186.

178. *Id.*

179. 263 F.3d 359 (4th Cir. 2001).

180. *Id.* at 362-63.

181. *Id.* at 363.

182. *Id.* at 365.

183. *Id.* at 362.

184. *Id.* at 365.

185. 119 F. Supp. 2d 309, 312 (S.D.N.Y. 2000); see *supra* notes 93-109 and accompanying text.

186. *Id.* at 318.

arose in an unusual context in *Ford Motor Co. v. 2600 Enterprises*.¹⁸⁷ In that case, the only use of the mark was in the programming code that created a link to the plaintiff's Web site. Ford Motor Co. (Ford) attempted to prevent a hacker group from pointing the domain name "fuckgeneralmotors.com" to Ford's official Web site, ford.com.¹⁸⁸ 2600 Enterprises used the Ford mark in its programming code, which is invisible to the Internet user but which creates an automatic hyperlink to the ford.com site.¹⁸⁹ Although there was no content at the fuckgeneralmotors.com site, when Internet users entered this domain name into a Web browser, they were automatically linked to the ford.com Web site.¹⁹⁰ Ford filed suit, alleging trademark infringement, dilution, and false designation of origin under the Lanham Act.¹⁹¹ The court denied Ford injunctive relief because the creation of an unseen, programmatic link to Ford's site was not a commercial use or a use in connection with goods or services of the mark within the meaning of the Lanham Act.¹⁹²

In order to establish commercial use for its dilution claim, Ford relied on earlier cases,¹⁹³ in which the registration and use of domain names incorporating another's mark were found to dilute the mark.¹⁹⁴ In each case, the defendant's uses of the disputed domain names was commercial because they promoted the defendant's products or raised funds for the defendant's cause.¹⁹⁵ Moreover, the domain names were designed to harm the plaintiff commercially because they prevented the plaintiff from using the mark and kept Internet users from locating the plaintiff's site.¹⁹⁶ In contrast, 2600 Enterprises' domain name did not incorporate any of Ford's trademarks, nor did it use Ford's marks for its own financial benefit.¹⁹⁷ Instead, the only use of the Ford mark, in the invisible programming code creating a link from fuckgeneralmotors.com

187. 177 F. Supp. 2d 661 (E.D. Mich. 2001).

188. *Id.* at 662.

189. *Id.* at 664.

190. *Id.*

191. *Id.* at 662.

192. *Id.* at 663–66.

193. *Planned Parenthood Fed'n of Am., Inc., v. Bucci*, 1997 WL 133313, at *1 (S.D.N.Y. Mar. 24, 1997) (stating that the defendant, an active participant in the anti-abortion movement, registered the domain name plannedparenthood.com and set up a Web site advertising an anti-abortion book); *Jews for Jesus v. Brodsky*, 993 F. Supp. 282 (D.N.J. 1998), *aff'd*, 159 F.3d 1351 (3d Cir. 1998) (stating that the defendant used the plaintiff's mark in the domain name jewsforjesus.com to raise funds through the sale of merchandise).

194. *Ford Motor Co.*, 177 F. Supp. 2d at 663.

195. *Id.* at 664.

196. *Id.*

197. *Id.*

to ford.com, was not a commercial use.¹⁹⁸ According to the court, the dilution statute's commercial use requirement should not extend so far as to include any use that the trademark holder may object to because of the domain name or other content of the linking Web page.¹⁹⁹ The court disagreed with the earlier courts by finding that the commercial use requirement was not satisfied simply because an unauthorized use may disparage the mark's owner.²⁰⁰

With respect to the claims for trademark infringement and unfair competition, Ford failed to show that the mark was used in connection with goods and services.²⁰¹ 2600 Enterprises' use of the Ford mark in its programming code, unlike the unauthorized use of a trademark as a domain name, did not inhibit Internet users from reaching the Web sites that were most likely to be associated with Ford.²⁰² Moreover, because the unauthorized use in no way competed with Ford's offering of goods or services, the "in connection with goods or services" requirement was not satisfied simply because prospective users may have faced some difficulty in finding the home page they sought.²⁰³

In cases like *OBH, Inc. v. Spotlight Magazine Inc.*,²⁰⁴ wherein the activity complained of consisted of providing links to third party sites or to other sites that the defendant owned or controlled, a likelihood of confusion generally only arises if the goods or services of the trademark owner and the alleged infringer are the same or related. Links to third party sites may implicate trademark infringement claims if they change the nature of defendant's business into one related to the plaintiff, and may implicate dilution claims if the third party sites contain content that tarnish the plaintiff's mark.

For instance, in *ImOn, Inc. v. ImaginOn, Inc.*,²⁰⁵ links did not convert the defendant's Internet television software offered at imon.com into a business similar to the plaintiff's "Imon" Internet portal and dial-up services.²⁰⁶ The court found that the services rendered in connection with the Imon mark and the imon.com domain name were sufficiently different

198. *Id.* at 665.

199. *Id.*

200. *Id.* at 664.

201. *Id.* at 665.

202. *Id.*

203. *Id.*

204. 86 F. Supp. 2d 176 (W.D.N.Y. 2000).

205. 90 F. Supp. 2d 345 (S.D.N.Y. 2000).

206. *Id.* at 352-53.

as to avoid a likelihood of confusion.²⁰⁷ The links from the defendant's imon.com site failed to make confusion more likely because they led to other software products offered by defendant, such as a search engine, that were not sufficiently competitive with the plaintiff's business.²⁰⁸

However, in *Nissan Motor Co. v. Nissan Computer Corp.*,²⁰⁹ links to third party sites created a likelihood of confusion between the defendant's computer services offered at nissan.com and nissan.net and the plaintiff's automobile services.²¹⁰ The defendant, Uzi Nissan, had been using Nissan as a trademark and trade name for a variety of businesses and registered the domain names "nissan.com" and "nissan.net" to provide computer related services.²¹¹ The plaintiff brought suit for trademark infringement when the defendant modified these sites to include advertisements that linked to various third party sites promoting and selling automobiles.²¹² The court found that the defendant's domain name infringed the plaintiff's Nissan mark because the car-related advertisements and links created a similarity in the goods and services of the parties and reflected the defendant's intent to confuse consumers.²¹³ The court allowed the defendant to continue conducting its computer-related business under the Nissan mark, to use the Nissan mark in its metatags, and to display third party advertisement and links not related to cars, but prohibited it from displaying on its sites any car-related advertising or links.²¹⁴

V. CONCLUSION

Should trademarks, as one form of intellectual property, be protected when used on the Internet? Yes. Some have argued that trademarks, or any other kind of intellectual property, should not be protected to the same extent as they are in the real world because the Internet should provide a means of openly sharing information without the restrictions or concerns about what is legal. However, as the Internet became more and more commercial, trademark holders increasingly sought to protect their trademarks and other means of source identification. The courts have likewise responded by recognizing that consumers rely on brand names and other means of source identification in the virtual world as much as they do in the real world. As the cases discussed in this Article

207. *Id.*

208. *Id.* at 351.

209. 89 F. Supp. 2d 1154, *aff'd*, 246 F.3d 675 (9th Cir. 2000).

210. *Id.* at 1164.

211. *Id.* at 1162.

212. *Id.* at 1156.

213. *Id.* at 1164.

214. *Id.* at 1165.

indicate, the courts are willing to tweak trademark law and unfair competition principles to protect unauthorized uses that do not fit the facts of traditional trademark infringement in the real world. The courts should continue to shape trademark law to protect those unauthorized uses that may not be visible to consumers and that may not even result in a likelihood of consumer confusion, but nonetheless give competitors an unfair advantage. In particular, trademark holders should be able to assert their trademark rights to block those actions and technologies that allow for unfair competition, specifically, those actions that allow others to free ride and benefit from the goodwill generated by the trademark holder and potentially divert consumers away from the trademark holder.

