

REMEDIES IN DOMAIN NAME LAWSUITS: HOW IS A DOMAIN NAME LIKE A COW?

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I. INTRODUCTION

In three short years the Internet domain name has gone from an intellectual curiosity to one of the most hotly contested forms of intellectual property. While thousands of domain names have been fought over, only a handful of court opinions have been written. There is as yet no well-developed body of law regarding remedies in domain name cases. This article offers a framework for analysis and proposes an answer to a central question:

Under what circumstances ought a court take away a domain name from one party and give it to another?

II. BACKGROUND

The significance of an Internet domain name derives fundamentally from the significance of the Internet itself. The Internet is the single most pervasive and potent agent of change in modern society. It has unified the e-mail systems of most of the individuals, companies, and organizations in the world. Any two persons, connected to the Internet, anywhere on the planet, may communicate via e-mail, regardless of the types of computers and software they may use.¹ The Internet has made possible the World Wide Web ("Web"), an interlinked structure of computer networks which now makes a significant fraction of the body of human knowledge available to anyone with an Internet connection and a Web browser. The Web allows anyone to be an instant publisher, and the publication is not only instant but worldwide. The World Wide Web

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1. The Internet-style e-mail address, a user name and domain name conjoined with an "@" sign, is now standard worldwide and all other forms of e-mail addresses have fallen out of use.

has enabled a variety of meta-applications such as Web search engines,² which permit searching the Web quickly and thoroughly. People sharing any interest, no matter how obscure, can learn of each other's existence and devote arbitrarily large amounts of time and energy to that interest, whatever it may be.

From its origins, the Internet has been consensus-driven and uncontrolled by any governmental or central authority. As such, the Internet differs from other agents of change, namely telephone, broadcast radio, and broadcast television, which were taken completely under the control of regulators and governments early in their development. Even the terminology of the Internet's organization shows its consensus-based nature: where other media are defined by "standards"³ and "specifications," the interaction of elements of the Internet is set forth in Requests for Comment ("RFC").⁴ Any author may publish an RFC for consideration by the Internet community. If a consensus develops around a particular RFC then it may be adopted and followed by the entirety of the Internet, at which point it enjoys the status that a "standard" or "specification" has in other industries. There are thousands of RFCs, which define, for example, how computer systems exchange e-mail, and how computer systems are to route data packets to each other. Some commentators refer to the Internet as "anarchic," a term which is meant to convey the absence of central planning and the insusceptibility to governmental control. Of course, in an important sense, the Internet is not anarchic at all. The Internet functions only because every computer connected to it behaves in precisely the manner set forth in myriad RFCs, not deviating an iota from the prescribed behavior.

All interaction via the Web relies upon uniform resource locators ("URL"s), each of which is comprised of a protocol identifier, a domain name defining a physical host, and optional location information within the host.⁵ A typical URL is <http://www.patents.com/nsi/iip.sht>, which uses the domain name *patents.com*, which would be useless if the *patents.com* domain name did not function. All e-mail interaction relies

2. *E.g.*, Alta Vista, <<http://www.altavista.digital.com.html>>; Lycos, <<http://www.lycos.com.html>>; and Yahoo!, <<http://www.yahoo.com.html>>.

3. For example, in the United States, the National Technical Standards Committee promulgates NTSC standards for broadcast television.

4. There are by now over a thousand RFCs, one of which is RFC 1591. J. Postel, *Domain Name System Structure and Delegation*, RFC 1591 (March 1994) <<ftp://rs.internic.net/rfc/rfc1591.txt>>. RFC 1591 sets forth, among other things, the role of a domain name registration authority with respect to disputes over Internet domain names. *Id.*

5. The majority of URLs begin with "http://" which stands for Hypertext Transport Protocol. It is commonplace to omit the "http://" and most Web browsers will supply it if the user does not enter it. A URL that begins with "http://" may be variously referred to as a "Web address," "Web page address" or "Web site address."

upon e-mail addresses, each of which likewise contains a domain name, without which the e-mail address would not function.

In principle, a URL or e-mail address could be an arbitrary string of characters, no easier to remember than a street address, a numeric telephone number, a geographic latitude or longitude, or the internal hardware ("MAC") address of one's Ethernet card. Indeed, some URLs and e-mail addresses are largely or wholly arbitrary.⁶ However, for many purposes, it is desirable that a URL or e-mail address be easily remembered. Notably, many television advertisements end with a Web address which a viewer might use to obtain more information about the goods or services touted in the advertisement. The Web address serves this purpose well only if it is easily remembered, which necessarily requires that the domain name, which forms part or all of the Web address, likewise be easily remembered.

A series of rather unfortunate historical accidents has led many large companies to perceive the domain name to be extremely important. To these companies it is important not only that a domain name be easily remembered, but also that it be easily guessed. For example, a company named "Brown Enterprises" may wish to have the domain name "*brown.com*," since that might be a first guess made by a would-be visitor to the Web site of Brown Enterprises. This perception has led to bitter legal disputes. An example is the recent case in which Juno Electric, a maker of light fixtures, took steps to deprive Juno Online, an e-mail service provider, of the domain name *juno.com*. Had the steps initiated by Juno Electric reached their conclusion, some seven hundred thousand e-mail customers of Juno Online would have lost their ability to receive e-mail. Juno Electric presumably wanted to possess the domain name so that would-be visitors to its Web site could guess the address *www.juno.com*, and thereby reach the Web site of Juno Electric rather than of Juno Online.

Commentators have suggested that the present-day emphasis on domain names is inappropriate and that in coming years search engines and other metalayers of Internet interaction will develop to make domain names unimportant, and thus, not worth fighting over.⁷ The views of such commentators cannot be ignored, considering generally the fast pace of change within the Internet, and considering as a particular example the Web search engines which now play a crucial role in the Web and which did not even exist three years ago. The fact remains, however, that at the present time, domain names are hotly contested. The courts

6. For example, many CompuServe e-mail addresses begin with nine randomly assigned numerical digits.

7. Don Mitchell et al., *In whose domain: name service in adolescence* (visited Feb. 1, 1997) <<http://ksgwww.harvard.edu/iip/bradner.html>>.

and the legal profession have no choice but to attempt to understand the purpose and function of domain names, and to try to develop sensible principles according to which domain name disputes will be decided and resolved. In particular, a law of remedies for domain names must be developed.

A. CATEGORIZING DISPUTES

The domain name disputes that are publicly known have been listed and summarized by several commentators.⁸ Several distinctions may be drawn among the disputes.

1. *Uniqueness.*

Some domain names are identical to unique commercial names. For example, PANAVISION and ACTMEDIA are trademarks, each of which is held by only one company worldwide. The company owning the trademark PANAVISION found that someone else had registered the domain name *panavision.com*, and convinced a United States district court to order the transfer of the domain name.⁹ The same occurred in the case of *ActMedia*.¹⁰ Conversely, other domain names such as *perfection.com* and *clue.com* are identical to words in common use in the English language.

2. *Presence or absence of commercial activity.*

Some domain names are used in commercial activity, while others are not. This is significant because many commonly asserted causes of action, such as those brought under the Lanham Act¹¹ or the Federal Trademark Dilution Act,¹² are expressly directed only to commercial activity.

3. *Presence or absence of allegedly offending conduct above and beyond mere possession of the domain name itself.*

As will be discussed in more detail below, in a substantial number of domain name disputes the plaintiff presents the case as if it were a tradi-

8. Jonathan Agmon et al., *What's in a Name?* (visited Feb. 12, 1997) <<http://www.law.georgetown.edu/lc/internic/domain1.html>>; Carl Oppedahl et al., *NSI Flawed Domain Name Policy information page* (last modified Jan. 24, 1997) <<http://www.patents.com/nsi.sht>>; *Electronic Frontier Foundation's "Internet Address & Domain Name Disputes" Archive* (last modified Oct. 2, 1996) <http://www.eff.org/pub/Intellectual_property/Internet_address_disputes/>.

9. See *Panavision Int'l L.P. v. Toeppen*, 945 F. Supp. 1296, 1300 (C.D. Cal. 1996).

10. See *ActMedia, Inc. v. Active Media Int'l Inc.*, No. 96C3448, 1996 WL 466527, at *1 (N.D. Ill. July 17, 1996).

11. Federal Trademark Dilution Act of 1995, 15 U.S.C.A. § 1125(a) (West Supp. 1996).

12. Federal Trademark Dilution Act of 1995, 15 U.S.C.A. § 1125(c) (West Supp. 1996).

tional trademark case with goods or services being marketed in a way that allegedly gives rise to confusion. Despite the danger of confusion, however, the reality in these cases is that no goods or services are involved. In such disputes, the complaint, reduced to its essence, is, "We wish we had registered the domain name first, and we really want to have the domain name now." In such cases, the past conduct of the defendant domain name owner is generally irrelevant, and in some cases, there has been no conduct whatsoever other than the mere registration of a domain name.

4. *Presence or absence of a legitimate basis for use of the domain name.*

Some domain names are identical to words or phrases which anyone could plausibly use. The domain name "homes.com" could be plausibly used by anyone doing anything involving homes, from real estate brokerage to house construction. The domain name *roadrunner.com* could plausibly be used by anyone located in New Mexico, where the state bird is the roadrunner and dozens of companies are named *Roadrunner*.¹³ In contrast, it is difficult to imagine who, other than the publisher of *The New York Times*, could offer an innocent reason to use *newyorktimes.com*.

B. ANALOGIZING DOMAIN NAMES

Attempts have been made to analogize domain names to other things. Some commentators have stated that domain names are of no greater legal significance than street addresses, urging that since people do not litigate over street addresses, courts should ignore demands regarding domain names. This analogy fails for the simple reason that one generally does not choose one's street address, while every domain name is expressly selected by its owner.¹⁴

The body of cases concerning North American toll-free 800 telephone numbers is somewhat instructive. The letters on the telephone dial give rise to easily remembered sequences of digits. The comparison goes only so far because a telephone customer might obtain a telephone number without knowing that it "spells" some word or phrase that is important to someone else. In contrast, a domain name's spelling is evident from the domain name itself. A party obtaining the telephone number 1-800-

13. The author was counsel for *Roadrunner Computer Systems, Inc.* in *Roadrunner Computer Systems, Inc. v. Network Solutions, Inc.*, 96-civ-413-A. (E.D. Va. filed Mar. 26, 1996).

14. This point was, so far as the author is aware, first made clear by Albert Tramosch of the World Intellectual Property Organization in a posting in a discussion group hosted by the Internet Ad Hoc Committee.

698-4637 may truly be unaware that it spells 1-800-NYTIMES, but the same may not be plausibly said of someone who registers the domain name *nytimes.com*.¹⁵

In a recent case, *Holiday Inns v. 800 Reservation*,¹⁶ an enterprising party obtained a telephone number that happened to spell 800-HOLIDAY, notable because the second digit after "800" was a zero rather than the digit "6" corresponding to the letter "O."¹⁷ The number 800-HOLIDAY was owned by the motel chain Holiday Inns, Inc., the plaintiff in the action. The practical result was that the defendant party occasionally received calls in which people intended to dial 800-HOLIDAY, using all letters, but who mistakenly dialed the digit zero instead of a 6, and offered to book hotel rooms for such people.¹⁸ The district court ruled in favor of Holiday Inns, Inc.¹⁹ On appeal, the Sixth Circuit noted that this party did not overtly trade on the name "Holiday" and took pains to identify itself when answering the telephone, thus negating any consumer confusion that might have arisen. The Sixth Circuit felt that no remedy was needed and reversed, deciding the case against the plaintiff.²⁰

A strong analogy can be drawn between domain names and stock exchange ticker symbols. With ticker symbols, which are by their nature limited to only a few characters, a company might sometimes find its desired ticker symbol already taken by someone else. As with domain names, ticker symbols are allocated in the first instance on a first-come, first-serve basis.²¹ In what is perhaps the only published case involving ticker symbols, *MDT v. NY Stock Exchange*,²² plaintiff MDT Corp., wanted the ticker symbol MDT, only to find that it was already in use by the company Medtronic, Inc.²³ The court ruled against the plaintiff, finding no remedy to be necessary. Notably, the ticker symbol had been in use for some twelve years, a factor the court apparently found relevant in view of MDT Corp's tardy presentation of a claim to the ticker symbol.²⁴ Thus, the *Holiday Inns* and *MDT* cases suggest that while at-

15. It should also be understood that in most countries, there are no letters on telephone dials, or the letters are in different places than on North American telephone dials. Thus, the law relating to disputes over 800 numbers is of only limited utility in an attempt to provide guidance to courts in such countries.

16. *Holiday Inns Inc. v. 800 Reservation Inc.*, 86 F.3d 619 (6th Cir. 1996).

17. *Id.* at 620.

18. *Id.*

19. *Id.*

20. *Id.* at 626.

21. *See MDT Corp. v. New York Stock Exch. Inc.*, 858 F. Supp. 1028, 1030-31 (C.D. Cal. 1994).

22. *Id.* at 1028.

23. *Id.* at 1031.

24. *Id.* at 1034.

tempts to analogize domain names to other property rights may yield insights, the legal community and the Internet community should be prepared for the possibility that domain names may turn out to be *sui generis*.²⁵

III. ANALYSIS

A. IS A DOMAIN NAME PROPERTY?

One question that arises, albeit only briefly, is whether a domain name is property. One factor suggesting that the answer is in the affirmative is that domain names issued by most registration authorities²⁶ (Israel being an exception) are capable of being bought and sold.

Network Solutions, Inc. ("NSI"), the registration authority which, under government contract, will administer *com* and other top-level domains until 1998, has taken the position that domain names are property. In an attempt to use federal interpleader²⁷ to escape judicial review of its actions regarding the domain name *clue.com*, NSI stated the following in its interpleader complaint: "Network Solutions, as an impartial and unbiased stakeholder, has no interest in the *property* in dispute and is prepared to assign the registration and use of the 'CLUE.COM' domain name as determined by the Court."²⁸ Interpleader is available only with respect to property, and thus, NSI had to take the position that the *clue.com* domain name was property so as to attempt to avail itself of interpleader. Perhaps the most telling indications that domain names may be property are simply that (1) parties have gone to court to attempt to obtain them, and (2) courts have been willing to order transfer of domain names from one party to another.

If one determines that domain names are property, a related question concerns ownership. Does the domain name registration authority or NSI own the domain names, and a domain name "owner" merely has

25. "Of its own kind or class; i.e., the only one of its own kind; peculiar." BLACK'S LAW DICTIONARY 1434 (6th ed. 1990).

26. See Hank Nussbacher, *Domain Name assignment rules in Israel* (last modified May 2, 1996) <<http://www.isoc.org.ildomain.html>>.

27. There are two types of federal interpleader, so-called rule interpleader under Fed. R. Civ. P. 22, and statutory interpleader under 28 U.S.C. § 1335 (1996).

28. Complaint for Interpleader pursuant to 28 U.S.C. § 1335, Network Solutions, Inc. v. Clue Computing, Inc. et al., No. 96-1530 (D. Colo. filed June 21, 1996). NSI's attempt to use federal interpleader in this case was ruled improper not because domain names are not property, but on other grounds. Network Solutions, Inc. v. Clue Computing, Inc., 946 F. Supp. 858, 861 (D. Colo. 1996). The court, explaining why interpleader was not proper with respect to the *clue.com* domain name, likened NSI to "a wrongdoer with respect to the subject matter of the suit," said that NSI was not "free from blame in causing the controversy," and said that NSI was improperly seeking "to escape adjudication of its contractual duties, and possible liability, in [a previously filed] state court action." *Id.*

some entitlement to use its domain name, but does not actually “own” it? Or on the contrary, is the party who has registered and used the domain name the legal owner of the domain name? Perhaps the question is merely one of semantics. Perhaps it is irrelevant whether we say that what people are fighting over is the domain name itself, or as NSI characterized it, “the registration and use of” the domain name. Parties to domain name lawsuits know perfectly well what they want, and in most cases they want the domain name. For purposes of this article, we will defer the question of whether domain names are property, but will simply employ the shorthand that the registrant is the “domain name owner,” and that what is being fought over is “the domain name.”

B. REMEDIES SOUGHT BY TRADEMARK OWNERS

Trademark owners have sought a variety of remedies against domain name owners. Most prayers for relief have fallen into two general categories: cease-and-desist relief and transfer-the-domain-name relief. A typical prayer for relief in an actual domain name lawsuit reads as follows:

Wherefore, plaintiff respectfully prays:

1. That defendants, individually and collectively, their agents, servants, employees, representatives, attorneys, related companies, successors, assigns, and all others in active concert or participation with defendants or any of them, be preliminarily and then permanently enjoined and restrained:
 - (a) From using the GLAD trademark, any colorable imitation of the GLAD trademark, and any thing or mark confusingly similar thereto or likely to cause dilution of the distinctiveness of the GLAD trademark or injury to plaintiff’s business reputation;
 - (b) From representing by any means whatsoever, directly or indirectly, that defendants, any products or services offered by defendants including, without limitation, telecommunications services on the Internet, are associated in any way with plaintiff or its products or services, and from otherwise taking any other action likely to cause confusion, mistake or deception on the part of purchasers or consumers; and
 - (c) From doing any other acts or things calculated or likely to cause confusion or mistake in the mind of the public or to lead purchasers or consumers into the belief that defendants’ products or services come from or are the products or services of plaintiff, or are somehow sponsored or underwritten by, or affiliated with, plaintiff, and from otherwise unfairly competing with plaintiff or misappropriating that which rightfully belongs to plaintiff.
2. That defendants, individually and collectively, their agents, servants, employees, representatives, attorneys, related companies, successors, assigns, and all others in active concert or participation with defendants or any of them, take affirmative steps to dispel

such false impressions that heretofore have been created by defendants' use of the GLAD trademark.

3. That defendants be required to relinquish the registration of the Domain Name "GLAD.COM" and to be limited to use of a Domain Name or Names that do not use the GLAD trademark, any colorable imitation of such trademark, or any thing or mark confusingly similar thereto or likely to cause dilution of the distinctiveness of such trademark or injury to plaintiff's business reputation.
4. That defendants account to plaintiff for defendants' profits arising from the foregoing acts of dilution, infringement, unfair competition and misappropriation.
5. That, pursuant to 15 U.S.C. § 1117, plaintiff be awarded judgment for three times the defendants' profits, in accordance with the accounting demanded in the preceding paragraph.
6. That plaintiff have and recover its costs, including its reasonable attorneys' fees and disbursements in this action, pursuant to 15 U.S.C. § 1117.
7. That a declaration and judgment be entered by this Court that defendants' registration, establishment and use of "GLAD.COM" to identify its Internet Domain is likely to cause confusion with plaintiff's famous registered GLAD mark and that such registration and use constitute trademark infringement, unfair competition and trademark dilution by defendants and that Network Solutions, Inc. be directed to transfer the registration for the "GLAD.COM" Domain Name from defendants to plaintiff.
8. That plaintiff have such other and further relief as the Court may deem just and proper.²⁹

The prayer for relief, up to paragraph 8, reads like any boilerplate trademark prayer for relief, seeking essentially cease-and-desist relief. Paragraph 8 differs from trademark boilerplate in that it asks that the court "direct" that the domain name be transferred "from defendants to plaintiff." This "transfer-of-domain-name" relief is the focus of this article.

Extremely interesting is how different a domain name suit, such as that excerpted above, can be from a traditional trademark lawsuit. In a traditional trademark suit, the defendant has either sold or offered goods or services, and the sale or offer is alleged to have given rise to infringement. The complaint from which the above excerpt was taken alleged neither a sale nor offer of goods or services. No commercial activity of any kind was alleged in the complaint. The only conduct complained of was the mere registration of the domain name *glad.com*. Indeed, at the time the complaint was filed, so far as the author is aware, the owner of the *glad.com* domain name had done nothing other than register it.

29. *First Brands Properties, Inc. v. Weitzman*, No. 96 Civ. 2193 (D. Md. filed July 16, 1996).

As it happens, the *glad.com* suit settled, so no judicial factfinding occurred. However, in light of suggestions made later in this paper, it is also interesting to note that First Brands was by no means the only company that might have felt it was entitled to the use of the word "glad." In the United States alone, for example, there are more than two hundred businesses called "Glad."³⁰ Domain names ending in ".com" are worldwide, so one must also look outside the United States for companies that might feel entitled to the use of the word "glad." Procter & Gamble Limited has a British trademark for "GLAD" for detergents.³¹ International Business Machines Corp. has a French trademark "GLAD" for electrical apparatus.³² L'Oréal S.A. has a Swiss trademark for "GLAD" for cosmetic products.³³ Therefore, any rule of law relating to remedies in domain name cases must necessarily take into account situations in which there is more than one company using a particular name.

C. POSSIBLE BASES FOR DOMAIN NAME REMEDIES

Every suit filed relating to domain names has based its claims, at least in part, on trademark law. Thus, it is important to keep clearly in mind the traditional trademark remedies. When a trademark owner wins a trademark infringement case, the most commonly granted remedy is an injunction, that is, an order that the infringer must cease and desist from particular conduct.³⁴ The simple reason for the injunction is that if the conduct is causing ongoing harm, no award of money damages would be adequate to compensate the plaintiff.³⁵ In relatively rare cases, such as those involving counterfeiting, the court also orders impoundment and destruction of the infringing goods.³⁶ It bears noting that the trademark owner does not get to keep the infringer's goods, but is merely entitled to destroy them.³⁷ Finally, awards of money damages are exceedingly rare in trademark cases. One treatise says that "it is a realistic and cautious view" to say that "obtaining a strongly worded injunction should be viewed as a 'win' in a trademark infringement case and that recovery of a monetary award of any kind is problematical."³⁸

30. *Dun's Market Identifiers*, Dun & Bradstreet, Jan. 1997, available in DIALOG, File No. 516.

31. Gr. Brit. Tm. Reg. No. 752245.

32. Fr. Tm. Reg. No. 1536267.

33. Switz. Tm. Reg. No. R 266562.

34. See generally 4 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 30.02 (4th ed. 1996) ("It is difficult to imagine an unfair competition case where damages are adequate to remedy the problem of defendant's continued acts.").

35. *Id.*

36. *Id.* at § 30.16[2][g] and cases cited therein.

37. *Id.* at § 30.04[5] and cases cited therein.

38. MCCARTHY, *supra* note 34, at § 30.24[2].

Traditional trademark cases involve sales of allegedly infringing goods or services. Yet, in many domain-name-related cases, no allegation is made that any goods or services are being sold or offered for sale. In fact, a substantial number of cases have been brought in which the *only* conduct complained of is that the domain name owner *registered the domain name* and has refused to give it to the plaintiff. Thus, in developing a law of domain name remedies, it is important to distinguish between (1) cases in which conduct above and beyond registration of a domain name somehow forms a partial basis for the trademark claim,³⁹ and (2) cases in which the only conduct complained of is that the domain name owner now owns the domain name.

The closely related, but distinct, legal theory alleged in nearly all domain name lawsuits is dilution. While many states have had anti-dilution laws for many years, a great shift in American trademark law occurred in January 1996 when Congress enacted the Federal Trademark Dilution Act.⁴⁰ This new law provides an injunctive remedy for any conduct that "dilutes" a trademark, regardless of whether the conduct gives rise to customer confusion, the only requirements for this relief being that the trademark is "famous" and that the diluting conduct commenced after the mark became famous. One's first reaction, upon learning of such a law, is to attempt to locate Congress's definition of "famous" in the Act, since this determines who the eligible plaintiffs are for this extraordinarily powerful relief. Surprisingly, Congress did not see fit to define "famous." Instead, Congress merely provided a non-binding list of eight factors which courts are free to apply or not as they see fit in their efforts to determine whether a trade mark is "famous."

Senator Patrick Leahy said this about the Act: "[I]t is my hope that this antidilution statute can help stem the use of deceptive Internet addresses taken by those who are choosing marks that are associated with the products and reputations of others."⁴¹ Given the absence of any definition of "famous," and Senator Leahy's comments, perhaps not surprising to observe is that every subsequent United States lawsuit filed by a trademark owner relating to a domain name has asserted the Federal Trademark Dilution Act. Likewise not surprising is that each such lawsuit has been accompanied by a brief quoting the statement by Senator Leahy.

The trademark plaintiff drafting a domain name complaint need not hesitate in inserting a dilution claim for the simple reason that there is no way to rule out the possibility, however remote, that the court might find the trademark to be "famous." The dilution claim offers the great

39. *E.g.*, conduct that gives rise to customer confusion.

40. 15 U.S.C.A § 1125(c) (West Supp. 1996).

41. 141 CONG. REC. S19312 (daily ed. Dec. 29, 1995) (statement of Sen. Leahy).

advantage that the plaintiff need not prove confusion, as would be required to prove a traditional trademark infringement claim. There is, however, one salient drawback to a dilution claim for the would-be litigant that desires to possess a domain name, namely that the Federal Trademark Dilution Act provides an exhaustive list of available remedies,⁴² and the transfer of a domain name is not among them. The chief remedy is a simple injunction⁴³ and, in exceptional cases, an award of money damages.⁴⁴ Thus, for the trademark plaintiff whose goal is to possess a domain name, the Federal Trademark Dilution Act is (or should be) of little or no help, other than as a "make-weight" together with other theories of relief.

D. REMEDIES GRANTED BY NETWORK SOLUTIONS, INC.

No discussion of domain name remedies would be complete without mentioning the peculiar trademark domain name policy of Network Solutions, Inc. ("NSI").⁴⁵ Under NSI's policy,⁴⁶ a trademark owner can obtain preliminary relief without the burden of showing any likelihood of success on the merits or any irreparable harm. All the trademark owner needs to do is write two letters, one to the domain name owner and a second one to NSI, and NSI will make plans to deactivate the domain name. Similar relief from an ordinary court would require the above-mentioned showings of likelihood of success and irreparable harm, and would also require the posting of a bond to protect the domain name owner in the event the relief was improvidently granted.

NSI's policy has come under attack from all sides. The Domain Name Rights Coalition, which speaks for domain name owners, says NSI's policy is "unfair," and that it "favors large companies, even when their claims may be unsustainable."⁴⁷ A recent article in *Wired* magazine says, "Network Solutions' policy shows a fundamental misunderstanding of trademark law and offers a novel interpretation of it: the trademark holder is always right; domain-name holders must prove

42. The Act offers only an "injunction against [the diluter's] commercial use in commerce of a mark or trade name. . ." except in cases in which willfulness is shown. 15 U.S.C.A. § 1125 (c)(1) (West Supp. 1996).

43. 15 U.S.C.A. § 1125(c)(2) (West Supp. 1996).

44. *Id.*

45. NSI is the temporary administrator of most Internet domain names, including all .com domains. NSI is under a five-year contract with the U.S. government that expires in 1998.

46. See David M. Graves, *Network Solutions' Domain Name Policy* (last modified Sept. 9, 1996) <ftp://rs.internic.net/policy/internic/internic-domain-6.txt>.

47. *Domain Name Rights Coalition* (visited Feb. 12, 1997) <http://www.domain-name.org/intro.html>.

their innocence. And the only place to do that is in court."⁴⁸ The Internet subcommittee of the International Trademark Association, which represents trademark owners, recently issued a paper which "proposes that the current NSI Dispute Policy be recognized as a failure and eliminated, [and] that domain name disputes be left to the courts."⁴⁹

For the trademark owner who happens to have a goal of gaining possession of a domain name, the NSI policy is not fully satisfactory for the simple reason that NSI does not transfer the domain name to the trademark owner. Nonetheless, the NSI policy promotes that goal because in some cases getting a domain name placed "on hold" under the policy will cause the domain name owner to be put out of business, which then permits the trademark owner to apply to NSI for the domain name and thus to obtain it.

A most unfortunate direct effect of the NSI policy has been to make trademark owners (and perhaps courts) think that somehow the possession of a trademark registration, without more, entitles the trademark owner to a remedy. Many trademark owners, thus, think of the NSI policy as a perfectly proper weapon to use in cases where an ordinary court would not rule in their favor.

A recent sequence of events underscores the intellectual poverty of the NSI policy. In 1989, a company called Publishing Perfection was incorporated and began doing business under that name.⁵⁰ In November 1994, the company registered the domain name *perfection.com*.⁵¹ The word "perfection" is, to state the obvious, a common English word, and it is difficult to imagine circumstances in which one company would have to answer to another for the use of such a domain name, absent traditional trademark confusion.

Everything changed in 1995 when NSI began following its now-notorious trademark domain name policy.⁵² Hasbro, Inc., a maker of children's games, noted that its "perfection" trademark for children's games

48. Simson Garfinkel, *Roadrunner, InterNIC's After You* (visited Feb. 12, 1997) <<http://www.wired.com/wired/4.10/update.html>>.

49. *INTA Internet Subcommittee Proposed Domain Name Registry Policy* (last modified Jan. 14, 1997) <<http://plaza.interport.net/inta/intaprop.htm>>.

50. Telephone Interview with Richard Wintersberger, President of Publishing Perfection, Inc. (Dec. 1996).

51. *Id.*

52. NSI Policy, *supra* note 46, at ¶ 6(e). Under NSI's policy, NSI does nothing to investigate whether any actual trademark infringement is going on, but at the behest of any trademark owner, will merely mechanically check to see if the trademark and domain name are identical, in which case it schedules a cutoff of the domain name at a certain date, generally 30 days later. In the case of *perfection.com*, the presentation of two distinct trademarks (one for children's games, another for cosmetics) led to NSI mechanically making the same check and presumably would have led to NSI's determination that both trademark owners deserved to receive the benefit of NSI's preliminary injunctive relief.

was text-identical to the domain name owned by Publishing Perfection. In mid-1996, Hasbro asked NSI to commence a challenge proceeding against Publishing Perfection.⁵³ NSI did so and scheduled a date for the domain name to be cut off. As it happens, the domain name owner and Hasbro have agreed to a series of time extensions.⁵⁴ The domain name has not yet been cut off, although, at any particular moment there has always been some date certain in the future at which the domain name would be cut off.

In late 1996, the L'Oréal cosmetics company noted that its "perfection" trademark for cosmetics was text-identical to the domain name owned by Publishing Perfection, and in December 1996 asked NSI to commence a challenge proceeding.⁵⁵ L'Oréal was apparently unaware that Hasbro had, just months earlier, made a similar request of NSI.

To the credit of L'Oréal and the domain name owner, they managed to reach a private resolution that avoided the spectacle of NSI's proceeding with two different challenge proceedings by companies that presumably had comparable claims to the domain name. The sequence of events, however, illustrates some of the primary flaws in the NSI policy. First, the NSI policy fails completely to take account of the possibility that two or more parties may coexist in the use of a trademark. Second, the NSI policy fails to consider that perhaps no one of them is entitled to take the domain name from any of the others.

E. REPORTED CASES IN WHICH DOMAIN NAME TRANSFERS WERE ORDERED

In traditional goods-and-services trademark cases, the usual remedy, if any, is cease-and-desist relief relating to the disputed goods and services. But apparently many domain name cases are different from traditional trademark cases. In three recently reported cases, there were no goods or services involved, and indeed no conduct other than registration of the domain name. Yet, the court ordered that the domain name be transferred from the domain name owner to the trademark owner.

1. *ACTMEDIA.COM*.⁵⁶

A company called ActMedia, Inc., which owns a United States trademark registration for ACTMEDIA,⁵⁷ went to Network Solutions, Inc. to apply for the domain name *actmedia.com*, and found that a company

53. Telephone Interview with Richard Wintersberger, *supra* note 50.

54. Telephone Interview with Richard Wintersberger, *supra* note 50.

55. Telephone Interview with Richard Wintersberger, *supra* note 50.

56. *ActMedia*, 1996 WL 466527, at *1.

57. U.S. Tm. Reg. No. 1,389,370.

called Active Media International, Inc. had already registered it.⁵⁸ ActMedia did what many companies do these days when they find that the desired domain name is already taken—they sued the domain name owner. In a very short statement of findings that does little to guide practitioners, the court found the domain name owner's actions to constitute trademark infringement and ordered that the domain name be given over to the plaintiff.⁵⁹ The court was silent on the source of its authority to order that the domain name be transferred.

Not only did the *ActMedia* opinion omit to mention the basis for its remedy, the opinion also based its conclusions on a misunderstanding about how the Internet works. The court said that the “[d]efendant’s reservation of [*actmedia.com*] has precluded Plaintiff from reserving an Internet domain name incorporating its registered Mark.”⁶⁰ In reality, the plaintiff was not so precluded. First, there are more than 180 top-level domains in the Internet, of which *.com* is only one. The trademark owner could have registered *actmedia.org* or a domain name in the *.us* domain, either of which would have been “an Internet domain name incorporating its registered Mark.”⁶¹ Second, even within the *.com* domain it would have been quite easy for the trademark owner to reserve an Internet domain name incorporating its registered mark, for example *actmediainc.com* or *actmedia-inc.com*. The *ActMedia* judgment was not appealed, so one can only speculate as to whether an appellate court would have attached any significance to this particular misunderstanding.

Probably what the court meant to say was something rather different, namely that “[d]efendant’s reservation of [*actmedia.com*] has precluded [the] plaintiff from reserving” the particular domain name that is made by adding *.com* to the company name of ActMedia.⁶² In other words, probably the court assumed, but did not bother to say openly, that the only top-level domain suitable for the plaintiff’s use was the *.com* domain and that the only domain name acceptable to the plaintiff was the particular *.com* domain constructed by adding *.com* to *actmedia*.

As it happens, *actmedia* is apparently a unique mark; a search of online trademark databases for many countries revealed no registrations owned by anyone other than the plaintiff. That, together with the apparent overlap of lines of business (media presumably overlapping with media), may explain why the court concluded that “[d]efendants’ commercial activities” were likely to cause confusion, and why the court

58. *ActMedia*, 1996 WL 466527, at *1.

59. *Id.* at *2.

60. *Id.* at *1.

61. *Id.*

62. *Id.*

found the Illinois Anti-Dilution Act to have been violated.⁶³ It may also explain why the Court apparently felt justified not only in granting the usual trademark infringement relief enjoining further conduct, but additionally ordering that the *actmedia.com* domain name be transferred to the plaintiff.⁶⁴

2. *INTERMATIC.COM*.⁶⁵

Intermatic, Inc., the plaintiff, was the owner of a trademark registration for "INTERMATIC"⁶⁶ for a variety of goods relating to its main line of business: timers that turn electrical equipment on and off at various times of day.⁶⁷ Intermatic Inc. tried to register the domain name *intermatic.com* and found that it had been registered by a Mr. Toeppen.⁶⁸ Indeed it found that Toeppen had registered about 240 domain names, including *intermatic.com*, *deltaairlines.com*, *britishairways.com*, *crateandbarrell.com*, *ramadainn.com*, *eddiebauer.com*, *greatamerica.com*, *neiman-marcus.com*, *northwestairlines.com*, *ussteel.com*, and *unionpacific.com*.⁶⁹ The trademark owner sued Toeppen, alleging trademark infringement, trademark dilution, and related causes of action.⁷⁰

The *Intermatic* court wrote a thirty-two page opinion which opened by saying, "Welcome to cyberspace!"⁷¹ One of the problems faced by the court was the apparent inapplicability of substantive law to the conduct. Toeppen was not, it seems, engaged in any overt commercial activity with the contested domain name *intermatic.com*. Visitors to the *intermatic.com* Web site were greeted with a decidedly noncommercial street map of the greater Champaign-Urbana area.⁷² Yet, the Federal Trademark Dilution Act explicitly limits itself to commercial activity, and thus, on its own terms did not provide a remedy to the trademark owner.⁷³ The remainder of the Lanham Act likewise limits itself to fact patterns in which "goods or services" are changing hands "in commerce," and Toeppen was apparently intentionally avoiding the provision of goods or services and anything resembling commerce.

63. *ActMedia*, 1996 WL 466527, at *2 (citing the Illinois Anti-Dilution Act, 765 Ill. Comp. Stat. 1035/15 (West 1996)).

64. *ActMedia*, 1996 WL 466527, at *2.

65. *Intermatic Inc. v. Toeppen*, 947 F. Supp. 1227, 40 U.S.P.Q.2d 1412 (N.D. Ill. 1996).

66. U.S. Tm. Reg. No. 1,117,588.

67. *Intermatic*, 947 F. Supp. at 1229.

68. *Id.* at 1232.

69. *Id.* at 1230.

70. *Id.* at 1229.

71. *Id.*

72. *Intermatic*, 947 F. Supp. at 1232.

73. 15 U.S.C.A. § 1125(c)(4b) (West Supp. 1996).

Trademark plaintiffs, when faced with a domain name owner defendant that is not engaged in commerce, have strained to find something to fill the place of the traditional goods and services of a traditional trademark lawsuit. One approach is to urge (as the *Intermatic* plaintiff apparently did) that because the three letters *com* are taken from the word *commercial*, then the use of a domain name ending in *com* is necessarily commercial (and thus counts as commercial activity even in the absence of any other conduct). Indeed, the designers of the Internet offer support for this view in the official document RFC 1591, which says in pertinent part, "This domain [*com*] is intended for commercial entities, that is companies."⁷⁴ Yet, the *Intermatic* court said, instead, "[T]he use of the first level domain designation '*.com*' does not in and of itself constitute a commercial use."⁷⁵

In the face of all this, the court in the *intermatic.com* case might have chosen to write an opinion stating that registration of an Internet domain name, without more, can nonetheless count as trademark infringement. If it had done so, this would have been new law and perhaps bad law. Instead, the court strained to find something commercial in Toeppen's conduct, and it found two items. First, Toeppen had, for a brief time, used the mark "INTERMATIC" in connection with the sale of a computer software program.⁷⁶ But this use had ceased prior to the effective date of the Federal Trademark Dilution Act, the court noted, and thus, it was with some apparent relief that the court was able to point to a second indicium of commercial activity: "At oral argument Toeppen's counsel candidly conceded that one of Toeppen's intended uses for registering the Intermatic name was to eventually sell it back to Intermatic or to some other party."⁷⁷ The court went on to say that "Toeppen's desire to resell the domain name is sufficient to meet the 'commercial use' requirement of the Lanham Act."⁷⁸

The *Intermatic* court, to its credit, did understand domain names better than the *ActMedia* court. The plaintiff was "technically capable," the court explained, "of establishing its [W]eb page at another domain name including, for example, *intermatic-inc.com* and is technically capable of establishing at any available domain name a [W]eb page featuring the INTERMATIC mark and any other Internet-related marketing or

74. J. Postel, *Domain Name System Structure and Delegation*, RFC 1591 (Mar. 1994) <<ftp://rs.internic.net/rfc/rfc1591.txt>>.

75. *Intermatic*, 947 F. Supp. at 1239.

76. *Id.* at 1232. The court says nothing that would permit the reader to discern whether the "software program" was in an area of goods or services likely to be confused with those of the trademark owner.

77. *Id.* at 1239.

78. *Id.*

business information.”⁷⁹ Yet, even the *Intermatic* court seemed to overlook that .com is but one of several top-level domain names in which the trademark owner might obtain a domain name, stating incorrectly that “[t]he practical effect of Toeppen’s conduct is to enjoin Intermatic from using its trademark as its domain name on the Internet.”⁸⁰ In reality, Intermatic could have registered *intermatic.org* or a domain name in the “.us” domain, either of which would have enabled the trademark owner to “us[e] its trademark as its domain name on the Internet.”⁸¹

Having found Toeppen’s conduct to be “in commerce”⁸² and “commercial,”⁸³ having found violation of the Illinois anti-dilution law, and having found that “intermatic” is a unique trademark, the court ordered that the *intermatic.com* domain name be given over to the trademark owner.⁸⁴ The court did not explain how the transfer-of-domain-name relief followed from the Illinois anti-dilution law.

3. PANAVISION.COM.⁸⁵

In what is by now a familiar sequence of events, the plaintiff Panavision International L.P. went to register the domain name *panavision.com*, only to find that it had been previously registered by someone else.⁸⁶ Panavision was armed with a registered trademark for PANAVISION⁸⁷ and filed suit, alleging federal and California dilution.⁸⁸

The court found that PANAVISION was “famous” under the Federal Trademark Dilution Act.⁸⁹ In support of this finding, the court noted that the word “panavision” was not “found in the dictionary” and had enjoyed a “long period of exclusive use” by the plaintiff.⁹⁰ Indeed, a search of online trademark databases for many countries shows no trademark registrations other than those to the plaintiff. As with *ActMedia* and *Intermatic*, there did not seem to be a plurality of other companies with comparable claims to the domain name.

The *Panavision* court, like the *Intermatic* court, next faced the difficulty that the anti-dilution laws expressly limit themselves to “commercial” activity, and that Toeppen had taken pains not to do anything that

79. *Id.* at 1232-33.

80. *Intermatic*, 947 F. Supp. at 1233-34.

81. *Id.*

82. *Id.* at 1239-40. The court apparently felt that from the world-wide nature of the Internet, it followed automatically that Toeppen’s conduct was “in commerce.” *Id.*

83. *Id.* at 1239.

84. *Intermatic*, 947 F. Supp. at 1241.

85. *Panavision Int’l L.P. v. Toeppen*, 945 F. Supp. 1296, 1300 (C.D. Cal. 1996).

86. *Id.* at 1300.

87. U.S. Tm. Reg. No. 1,160,790.

88. *Panavision*, 945 F. Supp. at 1300.

89. *Id.* at 1302-03.

90. *Id.* at 1303.

was commercial in the ordinary sense of the word with the domain name. The *Panavision* court openly recognized this problem, noting that “[r]egistration of a trade[mark] as a domain name, without more, is not a commercial use of the trademark and therefore is not within the prohibitions of the Act.”⁹¹ Like the *Intermatic* court, the *Panavision* court supplied the missing commercial activity by construing Mr. Toeppen’s conduct so as to trigger the anti-dilution laws:

Toeppen’s “business” is to register trademarks as domain names and then to sell the domain names to the trademarks’ owners. Toeppen’s business is evident from his conduct with regard to Panavision and his conduct in registering the domain names of many other companies.⁹²

The court listed some of the “many other companies” and the corresponding domain names registered by Mr. Toeppen: *aircanada.com*, *anaheimstadium.com*, *camdenyards.com*, *lufthansa.com*, and *yankeestadium.com*.⁹³

Like the *ActMedia* and *Intermatic* courts, the *Panavision* court appeared to misunderstand the Internet. The court stated that “Toeppen was able. . .to eliminate the capacity of the Panavision marks to identify and distinguish Panavision’s goods and services on the Internet.”⁹⁴ The court further found that “Toeppen’s conduct. . .prevented Panavision from using its marks in a new and important business medium.”⁹⁵ Of course, Panavision could have used its marks in many ways other than as a domain name, or for example, in the text of a Web site. In this way, Panavision could quite easily have “identif[ied] and distinguish[ed]” Panavision’s goods and services on the Internet.⁹⁶ Panavision could also have registered *panavision.org* or a domain name in the *.us* domain.

Notwithstanding any factual misunderstandings, having found “commercial” activity and having found the mark to be “famous,” as in the *ActMedia* and *Intermatic* cases, the court unhesitatingly found for the plaintiff.⁹⁷ However, as in the *ActMedia* and *Intermatic* cases, there was a difficulty that the court declined to address squarely—the pesky issue that the dilution law, on its own terms, only permits the court to award cease-and-desist relief. The court said nothing to explain where a basis could be found for the extra-statutory relief of an ordered transfer of a domain name.

91. *Id.*

92. *Id.* at 1303.

93. *Id.* at 1300.

94. *Panavision*, 945 F. Supp. at 1304.

95. *Id.*

96. *Id.*

97. *Id.* at 1306.

F. ANALYSIS OF THE REPORTED CASES

The reported cases are extraordinarily fact-specific. Perhaps most importantly, the *Intermatic* and *Panavision* cases involve judges who disapproved generally of Toeppen's conduct. Each judge felt compelled to list numerous other domain names held by Toeppen as part of showing a pattern of behavior.⁹⁸

Each case also involved what appeared to be a truly unique mark. Each of the three marks was coined and none of the three marks can be found in a dictionary. Furthermore, searches of online databases show but a single trademark owner for each mark: in each case the plaintiff in the action. Searches of directories of corporations show few or no other companies named for the mark.

In contrast, consider other domain name cases in which domain name owners, in the face of challenges by trademark owners, have been in and out of court and have retained their domain names. These cases include *roadrunner.com*,⁹⁹ *ty.com*,¹⁰⁰ *clue.com*,¹⁰¹ *disc.com*,¹⁰² *regis.com*,¹⁰³ and *juno.com*.¹⁰⁴ The cases have many factors in common. First, none of the domain names corresponds to a unique mark: *roadrunner*, *clue*, *disc*, *regis*, and *juno* are common dictionary words; *ty* is a person's name; and *dci* is an acronym for a three-word company name. Second, in each case, there are dozens or even hundreds of other companies that use the same name or the same trademark. Thus, the trademark owner presenting the trademark challenge is but one of many possible claimants to the use of the domain name.

The *Panavision* court acknowledged that some trademarks are held by multiple parties: "[T]raditionally, trademark law has permitted multiple parties to use the same mark for different classes of goods or services." Where a domain name in dispute corresponds to a trademark that is held by multiple parties, it seems possible that the court would conclude that in the absence of confusion, there is no reason to disturb the ownership of the domain name.

98. Another reported Toeppen case is *American Standard, Inc. v. Toeppen*, No. 96-2147, 1996 U.S. Dist. LEXIS 14451 (C.D. Ill. Sept. 3, 1996). In that case, the domain name *americanstandard.com* was transferred from Mr. Toeppen to the plaintiff. *Id.* at *2. The case is of little or no precedential value, however, because it was entered "on consent" of Mr. Toeppen. *Id.* at 1.

99. *Roadrunner Computer Systems, Inc. v. Network Solutions, Inc.*, 96-civ-413-A. (E.D. Va. filed Mar. 26, 1996).

100. *Giacalone v. Network Solutions, Inc.*, No. 96-20434 (N.D. Cal. filed May 30, 1996).

101. *Clue Computing, Inc. v. Network Solutions, Inc.*, No. 96-civ-6945-5 (Colo. Dist. Ct. filed June 13, 1996).

102. *Dynamic Info. Systems Corp. v. Network Solutions, Inc.*, No. 96-1551 (D. Colo. filed June 24, 1996).

103. *Regis v. Network Solutions, Inc.*, No. 96-20551 (N.D. Cal. filed July 9, 1996).

104. *Juno Online v. Network Solutions, Inc.*, No. 96-1505 (E.D. Va. filed Oct. 18, 1996).

IV. RECOMMENDATIONS

A. DESIGNING A RULE OF LAW FOR DOMAIN NAME REMEDIES

It will be recalled that this article poses the question:

Under what circumstances ought a court take away a domain name from one party and give it to another?

Any effort to answer that question must necessarily attempt to harmonize with the already-decided cases, as well as to generate fair and just results going forward. The following table is offered to categorize the various types of domain name disputes that have arisen and that are likely to arise in the future.

	Factor I	Factor II	Factor III	Factor IV	Factor V	Factor VI
Category	Is trademark coined, not in the dictionary, and unique?	Has domain name owner registered numerous domain names corresponding to coined, unique trademarks?	Is domain name owner doing anything at all with the domain name?	Is domain name owner actually causing confusion with trademark owner's goods or services?	Did trademark owner assert challenge promptly after domain name was registered?	Proper remedy?
A. Panavision Intermatic	yes	yes	does not matter	does not matter	does not matter	transfer domain name
B. ActMedia	yes	no	yes	yes	does not matter	transfer domain name
C. Glad Perfection	no	no	yes	no	does not matter	none
D.	no	no	yes	yes	relevant to preliminary relief and to liability	cease-and-desist only
E.	no	does not matter	does not matter	no	no	none

B. DISCUSSION OF FACTORS

The factors which courts might take into account in fashioning a remedy will be discussed in turn.

1. *Is the trademark coined, not in the dictionary, and unique?*

The relevance of this factor is not directly discussed in the *ActMedia*, *Intermatic*, and *Panavision* cases, yet given that the remedy given in those cases is different in kind from any trademark remedy heretofore granted by a court, the factor is apparently important. Perhaps the underlying policy reason for a forced transfer of the domain name is simply judicial economy. If realistically only one party could plausibly have use

of the domain name, then granting only cease-and-desist relief, possibly followed by registration of the domain name by some third party, would simply lead to another trademark lawsuit against the new owner of the domain name. The specter is a never-ending series of lawsuits in which undeserving parties have to be sued, one by one, to cause a cessation of infringing use. As will be discussed below, this factor is the sole factor which, in the author's view, might sometimes justify transfer-the-domain-name relief.

It is important to appreciate that "famous" does not mean "unique." "Uniqueness" helps a court simply because it has the potential to simplify the question of who might credibly claim the domain name. However, this factor is distinct from the definition, or rather non-definition, of "famous" in the Federal Trademark Dilution Act. With the passage of years, possibly a court could determine that "Ford" is famous in the area of automobiles, in the area of fashion models, e.g., "Ford Models," and in the area of theater, e.g., the Ford Theater in Washington. Yet, even if there is a finding that "Ford" is famous, this would not and could not lead to a conclusion that any particular one of the famous mark-holders is uniquely entitled to own the domain name *ford.com*.

Instead, for a court to reach a meaningful conclusion that only one party is entitled to a domain name, the court would necessarily have to make a fact-finding that exactly one company is so entitled. This finding would require, at a minimum, a trademark search in each of the generally available on-line trademark databases,¹⁰⁵ as well as company-name searches in a comprehensive selection of on-line company-name databases.¹⁰⁶ In addition, the subject trademark should be searched in Web search engines. Only if all of these resources come up empty, except for references to the plaintiff trademark owner, and if the trademark owner actively affirms that it is unaware of any other possible claimants to the domain name, should the court consider exercising its equitable power to order a transfer of the domain name to the plaintiff. Otherwise, the court should decline to so order.

2. *Has the domain name owner registered numerous domain names corresponding to coined, unique trademarks?*

In each of the two *Toeppen* cases, the court went to some length to detail the numerous coined and unique trademarks which *Toeppen* had

105. There are commercial databases providing comprehensive coverage of trademarks in the United States, in Canada, and in most of Europe, for example the Thomson & Thomson Trademark scan databases.

106. There are commercial databases providing comprehensive coverage of company names in North America, Europe, Japan, and other areas, published for example by Standard & Poors and Dun & Bradstreet.

registered as domain names. Recounting such a roster of domain names is surely emotionally satisfying and may play a meaningful role in inferring the infringement-related state of mind of the domain name owner, but should play no part whatsoever in selecting the remedy to apply. The reason is simple: no matter how strongly one disapproves of the domain name owner, such disapproval should not be redirected to the general public, some of whom may have as strong a claim on the domain name as the plaintiff. The extreme and nearly unprecedented remedy of an order of transfer of the domain name should be reserved for the few cases where it is conclusively shown that there is no colorable claimant to the domain name other than the plaintiff and a roster of other domain names owned by the defendant does nothing to support such a showing.

3. *Is the domain name owner doing anything at all with the domain name?*

In the *Toeppen* cases much attention was paid to the question whether the domain name owner was doing anything with the domain name. The reason for this is simple: the Lanham Act applies expressly only to commercial activity, and someone who is doing nothing is necessarily not doing anything commercial. However, this factor goes more to liability than to the selection of remedy.

4. *Is the domain name owner actually causing confusion with the trademark owner's goods or services?*

This factor was studiously ignored in the *Panavision* and *Intermatic* cases, because it would have been difficult or impossible to show such confusion. The *ActMedia* case stated in conclusory fashion that confusion was likely, but said nothing to show what basis there was for such a conclusion. In the case of a non-unique trademark, i.e., a trademark shared by two or more companies, the transfer-the-domain-name remedy should be unavailable and the only remaining question would be whether cease-and-desist relief should be available. The presence or absence of actual or likely confusion is, of course, extremely relevant to the question of whether there is trademark liability. In the absence of confusion, no trademark remedy at all would be appropriate.

5. *Did the trademark owner assert its challenge promptly after the domain name was registered?*

Still another factor that a court might be urged by the parties to consider is whether the trademark owner presented its challenge promptly after registration of the domain name or whether the trademark owner allowed months or even years to pass before presenting its

claim. Many of the highly visible domain name lawsuits¹⁰⁷ are ones in which the triggering event was the act of the trademark owner attempting for the first time to register a domain name to find that the domain name had been registered by someone else months or years before. In many of these cases, the suspicion raised in the mind of a skeptical reader is that the allegation of infringement recited by the trademark owner is mere bluster and intended to overcome embarrassment at not having been savvy enough to apply for the domain name earlier. In the case of a non-unique domain name, such an allegation raised only years after the domain name owner obtained the domain name tends to ring hollow, especially when the trademark owner is unable to point to any particular conduct by the domain name owner that supposedly infringes other than ownership of the domain name itself.¹⁰⁸ The passage of a long time between registration of a domain name and the challenge by a trademark owner, especially when combined with a finding that numerous companies use the trademark, i.e., that it is a shared trademark rather than a coined, unique one, tends to negate a finding of trademark liability, and thus tends to negate the propriety of granting any remedy at all.

C. THE GENERAL FACT-PATTERN CATEGORIES

The *Intermatic* and *Panavision* cases fall within category A of the Table.¹⁰⁹ Due to the unique and coined nature of trademarks in this category, it is suggested that perhaps it is irrelevant whether the trademark owner's assertion of a claim is made promptly after registration of the domain name. However, for the grant of the hitherto unprecedented relief of an order transferring the domain name, it is suggested that the court should require a full and credible showing that there is no one else entitled to claim the domain name. This article suggests that for the grant of such sweeping relief, it is not enough that the defendant not oppose the sweeping relief. After all, the defendant may be aware that it is going to lose and thus may have little incentive to assist the court in crafting judicially sound equitable relief. Indeed, in many such cases, there may be no meaningful commentary from the defendant due to a failure to appear, or failure to be represented by competent counsel, or to be represented at all.

Instead, as mentioned above in connection with Factor I of the Ta-

107. *E.g.*, *Roadrunner*, *supra* note 99; *Clue Computing*, *supra* note 101; *Regis*, *supra* note 103; *Dynamic Info. Sys.*, *supra* note 102; *Panavision*, 945 F. Supp. 1296; *ActMedia*, 1996 WL 466527; *Intermatic*, 1996 U.S. Dist. LEXIS 14878.

108. Examples of cases which, as perceived by the author, ring hollow in this way are the *glad.com* case, the *clue.com* case, the *juno.com* case, and the *perfection.com* case.

109. See *supra* Part IV. A.

ble,¹¹⁰ this article suggests that transfer-the-domain-name relief should be considered by a court sitting in equity only after a thorough and credible showing that there are no other colorable claimants to the domain name. Stated differently, if a court were to grant such relief in the absence of such a showing, this would merely reward the trademark owner who happens to win the race to the courthouse. Indeed, the trademark plaintiff that asks the court to transfer a domain name to it while retaining undisclosed knowledge that other trademark owners have equally colorable claims to the domain name is coming to the court with unclean hands, and should not be given equitable relief.

A court sitting in equity, with a trademark claim presented together with a request that a domain name be transferred, should also bear in mind that the purpose of the trademark and unfair competition laws is to protect the public, not merely to protect the particular trademark owner who happens to stand before the court as plaintiff. This highlights the fact that parties not before the court, namely members of the public and other trademark owners, may have colorable claims to the domain name. Absent an inquiry into this possibility, a transfer of domain name would be quite likely to harm the parties not represented in the action. Furthermore, the court that orders a transfer without having made such an inquiry is simply setting the stage for yet another fight over the domain name, and adding to the workload of the courts.

The *ActMedia* case does not fit squarely within Category A of the Table,¹¹¹ because little or no factual basis was offered for the remedy granted. Possibly, given the brevity of the *ActMedia* opinion, there was no meaningful opposition by the domain name owner. In such cases, as mentioned above, incumbent upon the court is to consider not only the plaintiff but also the public by making due inquiry before granting a remedy that affects the general public and perhaps other would-be claimants to the domain name.

Where the court discovers, or where the plaintiff discloses to the court, that there are two or more companies with the same trademark, equity suggests that before *any action* is taken by the court tending to make the domain name available to the plaintiff, reasonable notice ought to be given to the other colorable claimants to the domain name. Otherwise, the court sitting in equity will again be simply rewarding the first to reach the courthouse. Of course practices that reward races to the courthouse tend to engender unnecessary and hasty litigation, as well as tending to lead to inequitable results for the losers of the race.

Category D of the Table¹¹² represents a conventional trademark

110. See *supra* Part IV. A.

111. See *supra* Part IV. A.

112. See *supra* Part IV. A.

suit, of which there have thus far been no examples.

Categories C and E of the Table¹¹³ are the most interesting, but for lawyers counseling domain name owners, the most distressing. These are categories encompassing the increasingly common fact pattern of the company that attempts to register a domain name, only to find that the desired domain name was already registered by someone else. Clearly, given that domain names are registered on a first-come, first-served basis, what the company should have done was to register the domain name earlier. Notwithstanding, the company covets the domain name and discovers that it happens to have a trademark registration identical to the text of the domain name. The company then sues the domain name owner seeking an order that the domain name be transferred. This article suggests that such an order should be denied, for several reasons.

First, to rule otherwise would raise the specter of endless litigations, as each of the trademark holders takes its turn suing whoever happens to have the domain name. Stated differently, transfer-the-domain-name relief is appropriate only if the trademark being asserted is coined and unique. The vast majority of trademarks are not coined, are not unique, and are in fact shared by numerous parties who are in different lines of business. In cases where the trademark is non-unique and where no confusion is present or likely, it is simply indefensible to order a transfer of the domain name, and indeed is also inappropriate to grant any remedy at all.

Second, it must be remembered that strictly speaking, there is no remedy in trademark law or dilution law that calls for transfer of a domain name. The Lanham Act speaks of cease-and-desist relief and relatively rare awards of money damages, but not of transfers of property. Likewise, the Federal Trademark Dilution Act calls for cease-and-desist relief and allows damage awards only in exceptional cases.

Third, where the plaintiff's claim is properly understood as nothing more than "we wish we had registered the domain name earlier and want the court to force the owner to give it to us," then the delay of months or years from the registration of the domain name belies any claim that the domain name, by itself, somehow counts as infringement. The plaintiff should be denied a remedy and should be encouraged to select a different domain name. Such cases amount to what has been called "reverse domain name hijacking," and commentators have suggested that the trademark owner who attempts such reverse hijacking may run the risk of cancellation of the trademark.¹¹⁴

113. See *supra* Part IV. A.

114. Stephen J. Davidson et al., *Applying the Trademark Misuse Doctrine to Domain Name Disputes* (visited Feb. 12, 1996) <http://cla.org/TM_MIS/T-MISUSE.htm>.

Fourth, the Internet generally, and the Web in particular, relies on stable domain names and URLs. The Web simply would not work if URLs tended to change from time to time due to court actions brought by merely covetous plaintiffs. In the case where a domain name owner is not infringing any trademarks and has selected a name that is non-unique, the court simply should not grant any remedy that disturbs the stability of the domain name or URL. To do so harms the innocent domain name owner by harming and perhaps destroying the domain name owner's business, and harms the Internet community generally by rendering unusable their browser bookmarks and hypertext links to the domain name.

Categories C and E of the Table¹¹⁵ bring to mind the following passage from Gulliver's Travels:

For example, if my neighbour hath a mind to my cow, he hires a lawyer to prove that he ought to have my cow from me. I must then hire another to defend my right, it being against all rules of law that any man should be allowed to speak for himself. Now in this case, I who am the true owner lie under two great disadvantages. First, my lawyer, being practiced almost from his cradle in defending falsehood, is quite out of his element when he would be an advocate for justice, which as an office unnatural, he always attempts with great awkwardness, if not with ill will. The second disadvantage is, that my lawyer must proceed with great caution: or else he will be reprimanded by the judges, and abhorred by his brethren, as one who would lessen the practice of the law. And therefore I have but two methods to preserve my cow. The first is to gain over my adversary's lawyer with a double fee, who will then betray his client by insinuating that he hath justice on his side. The second way is for my lawyer to make my cause appear as unjust as he can, by allowing the cow to belong to my adversary; and this if it be skillfully done will certainly bespeak the favor of the bench. . . In pleading, [the neighbour's lawyers] studiously avoid entering into the merits of the cause, but are loud, violent, and tedious in dwelling upon all circumstances which are not to the purpose. For instance, in the case already mentioned: they never desire to know what claim or title my adversary hath to my cow, but whether the said cow were red or black, her horns long or short; whether the field I graze her in be round or square, whether she was milked at home or abroad, what diseases she is subject to, and the like; after which they consult precedents, adjourn the cause from time to time, and in ten, twenty, or thirty years come to an issue.¹¹⁶

115. See *supra* Part IV. A.

116. JONATHAN SWIFT, GULLIVER'S TRAVELS, pt. IV, ch. 5, 236-37 (Bantam Books 1962) (1726)

The courts need to recognize mere covetousness when it is presented in the guise of a trademark lawsuit. Furthermore, the courts need to be prepared to deny relief in such cases.

V. CONCLUSION

Clumsy policymaking by NSI, a poorly drafted Federal Trademark Dilution Act, and the hard facts presented by the first few domain-name-transfer cases yield an awkward mix of precedents and fact patterns for domain name-trademark disputes. It is hoped that as courts encounter new and different fact patterns, the law of domain name trademark remedies will develop in a way that is fair to non-infringing domain name owners, that promotes stability of URLs and domain names, and that provides meaningful remedies for owners of the handful of trademarks that are truly unique.