Web Word War (WWW): A New Approach to Trademark Infringement and Unfair Competition Claims under the Lanham Act in Brookfield Communications, Inc. v. West Coast Entertainment Corp.

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WEB WORD WAR (WWW): A NEW APPROACH TO TRADEMARK INFRINGEMENT AND UNFAIR COMPETITION CLAIMS UNDER THE LANHAM ACT IN BROOKFIELD COMMUNICATIONS, INC. v. WEST COAST ENTERTAINMENT CORP.

More than one company has recently learned a hard lesson about trademarks on the Internet: it is the electronic equivalent of the Wild West.¹

I. INTRODUCTION

Caused by a growth of use, Internet-related issues have recently begun to infiltrate the courts.² Case law in this area is still developing as courts realize that a straightforward, traditional application of statutes and precedent is no longer appropriate.³ As increasing numbers of avid Internet users apply commercial and advertising practices to the World Wide Web ("Web"), this area of law should continue to develop at an exponential rate.⁴ Judicial presence in

¹ Andrée Brunel, Billions Registered, But No Rules: The Scope of Trademark Protection for Internet Domain Names, 7 No. 3 J. PROPRIETARY RTS. 2, 2 (1995).
³ See Glenn Mitchell & Craig S. Mende, Internet Links Raise Issues of Trademark, Other Liability, N.Y. L.J., May 17, 1999, at S9 (stating that law relating to trademarks and metatags must evolve as courts attempt to apply accepted concepts to new technology); see also Marshall Leaffer, Domain Names, Globalization, and Internet Governance, 6 IND. J. GLOBAL LEGAL STUD. 139, 148 (1998) (noting that traditional trademark law provides little relief against third party appropriation of trademarks via domain names).
the entertainment industry has begun to focus on trademark infringement and unfair competition claims on the Web under the Federal Trademark Act of 1946, popularly known as the Lanham Act.  

In *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*, the United States Court of Appeals for the Ninth Circuit addressed claims of trademark infringement by a communications company against a nationwide video rental store chain. This appeal by the plaintiff engaged the Ninth Circuit in a comprehensive and innovative application of traditional trademark law to domain names and metatags. The decision served as a warning to all trademark registrants, especially those in the entertainment industry, to choose marks wisely, while keeping in mind the limitations of the Web.

1163, 1194 (1999) ("[W]ithout terrible fuss, courts in this country and elsewhere have proved neither incapable of nor shy in deciding Internet cases.").


7. 174 F.3d 1036 (9th Cir. 1999).

8. See id. at 1061-62 (altering traditional likelihood of confusion test in metatag context); see also Andrew S. Mansfield & James P. Jenal, 'Brookfield' Sets Standards on Domain Name Rights: 9th [sic] Circuit Made Key Rulings on Intent to Use Doctrine and Use of Another's Mark in Metatags, NAT'L L.J., May 31, 1999, at C6 ("The 9th [sic] Circuit now has moved ahead of its sister circuits in recognizing that the interplay between the Internet, e-commerce and intellectual property calls for new types of analysis."). For a discussion of metatags, see infra note 67 and accompanying text.

9. See RAYMOND A. KURZ, INTERNET AND THE LAW: LEGAL FUNDAMENTALS FOR THE INTERNET USER 53-54 (1996) (stating that choosing trademarks must account for legal availability of mark and scope of protection); see also Peter Brown, New Issues in Internet Litigation, in 17TH ANNUAL INSTITUTE ON COMPUTER LAW: THE EVOLVING LAW OF THE INTERNET-COMMERCE, FREE SPEECH, SECURITY, OBSCENITY, & ENTERTAINMENT 1997, at 156 (PLI Patents, Copyrights, Trademarks, & Literary Prop. Course, Handbook Series No. 471, 1997) (discussing how in current Web system, only one commercial entity may use particular domain name). For a discussion of the Web's inherent structural limitations, see infra notes 152-56 and accompanying text. For a discussion of the application of the Ninth Circuit's decision to entertainment law, see infra notes 173-84 and accompanying text.
This Note attempts to derive a method of analysis for future Internet-related cases from the *Brookfield* decision. Section II describes the facts leading up to Brookfield’s motion for a preliminary injunction.10 Section III discusses the legal framework for trademark infringement claims, including the Lanham Act’s “likelihood of confusion test” and recent adaptations by courts of the test to the Web.11 Next, Section IV explains the Ninth Circuit’s rationale supporting its ruling in *Brookfield*.12 Section V critically analyzes the *Brookfield* opinion within the context of the entertainment industry.13 Finally, this Note focuses upon new legislation and domain name registration policies that have been proposed and implemented in the wake of *Brookfield*.14

II. FACTS

*Brookfield* featured two parties. The first, Brookfield Communications, Inc. (“Brookfield”), an entertainment-industry information provider and computer software developer, initiated a suit for a preliminary injunction.15 The second, West Coast Entertainment Corporation (“West Coast”), a nationwide video rental store chain, allegedly infringed upon Brookfield’s trademark rights.16

10. For a discussion of the facts from *Brookfield*, see infra notes 15-33 and accompanying text.
11. For a discussion of the background law that preceded the decision, see infra notes 34-88 and accompanying text.
12. For a discussion of the court’s analysis in *Brookfield*, see infra notes 89-127 and accompanying text.
13. For a critical analysis of the court’s decision, see infra notes 128-84 and accompanying text.
14. For a discussion of *Brookfield’s* impact on future regulation of the Web, see infra notes 185-207 and accompanying text.
15. See Brookfield Communications, Inc. v. West Coast Entm’t Corp., 174 F.3d 1036, 1041 (9th Cir. 1999) (stating that Brookfield markets computer software targeting Hollywood film studios as well as individual consumers); see also Mansfield & Jenal, supra note 8, at C3 (stating that Brookfield gathers and sells information about entertainment industry); Brett Sporich, Virtual Video Stores, VIDEO STORE MAG., July 18, 1999, at 18, 23 (stating that Brookfield’s business is based in Hollywood, CA). Brookfield creates and markets “MovieBuff” software, an Internet-searchable, entertainment-industry database with information about “movie credits, box office receipts, films in development, [and film] release schedules . . . .” Mansfield & Jenal, supra note 8, at C3. National retail stores such as Borders and The Writer’s Computer Store distribute its software. See id. (indicating that Brookfield’s business is not parochial).
16. See *Brookfield*, 174 F.3d at 1056 (stating that West Coast’s video store chain competes with Brookfield’s); see also Penny Arevalo, Ruling Tries to Tame Wilds of the Internet: Court Offers Guidance on Trademarks and Metatags, CORP. LEGAL TIMES, July 1999, at 36 (describing West Coast’s chain as one based in Langhorne, PA); Greg Miller & Davan Maharaj, Trademark Ploy is Banned on Net Computers: Firms Cannot Falsely Lure Visitors to Web Sites, Appeals Court Rules, L.A. TIMES, Apr. 24, 1999, at A1 (noting that West Coast is one of nation’s largest video rental chains).
Brookfield's trademark and service mark rights stemmed from its 1994 registration of "MovieBuff" for its computer software with the State of California and the federal Patent and Trademark Office. In 1991, West Coast federally registered "The Movie Buff's Movie Store" as its trademark to promote its video rental business. In conjunction with this use, West Coast obtained a Web site in 1996 at "moviebuff.com." This effectively prohibited Brookfield from later using its trademark as a Web address.

Brookfield first became aware of West Coast's intent to launch a searchable, movie-related database at "moviebuff.com" in October 1998. The site was also supposed to include the term "MovieBuff" in its metatags. Brookfield believed such an Internet-related database would be infringingly similar to its own "MovieBuff" software. On November 10, 1998, Brookfield sent West Coast a

17. See Susan J. Kohlmann et al., Mere Registration of Domain Name Not Considered Trademark Use; Lanham Act Requires Use of Mark to Acquire Rights, METRO. CORP. COUNS., Aug. 1999, at 19 (stating that registration for software and Internet-searchable database was granted to West Coast in Sept. 1998).
18. See id. (mentioning that West Coast's retail services featured video cassettes and video game cartridges); see also Mansfield & Jenal, supra note 8, at C3 (stating that "The Movie Buff's Music Store" derived from West Coast's earliest advertisements in Massachusetts in 1988). Examples of such use included "The Movie Buff's Gift Guide," "Calling All Movie Buffs!," "Good News Movie Buffs!," "Movie Buffs, Show Your Stuff!," "The Perfect Stocking Stuffer for the Movie Buff!," "A Movie Buff's Top Ten," "The Movie Buff Discovery Program," "Movie Buff Picks," "Movie Buff Series," "Movie Buff Selection Program," and "Movie Buff Film Series." See Brookfield, 174 F.3d at 1042 (listing West Coast's slogans which included term "Movie Buff").
19. See Mansfield & Jenal, supra note 8, at C3 (stating that West Coast validly registered domain name "moviebuff.com" with Network Solutions, Inc. ("NSI"), one registrar of Web addresses).
20. See Intermatic Inc. v. Toeppen, 947 F. Supp. 1227, 1234 (N.D. Ill. 1996) (suggesting that practical effect of registering another's trademark as Web site enjoins trademark owner from using mark as domain name on Web); see also Brown, supra note 9, at 155 (stating that each domain name must be unique).
21. See Mansfield & Jenal, supra note 8, at C3 (noting that site would contain searchable entertainment database similar to Brookfield's software).
22. See Tom Venetis, Setting Rules about Meta Tags [sic], 15 COMPUTER DEALER NEWS, June 18, 1999, at 20 (stating that issue centered on whether West Coast could use Brookfield's trademark in metatag). For a discussion of metatags, see infra note 67 and accompanying text.
23. See U.S. Court Repudiates Web Ad Ploy, SAN JOSE MERCURY NEWS (Apr. 24, 1999), available at 1999 WL 8294043 (stating that Brookfield alleged infringement because of metatag "bait-and-switch tactics"). Brookfield believed West Coast's goals for its Web site too closely resembled Brookfield's own services provided under the trademark, "MovieBuff." See Brookfield, 174 F.3d at 1042-43 (grounding Lanham Act claim in likelihood of confusion requirement); see also Kohlmann, supra note 17, at 19 (noting Brookfield's claims that commercial online service would constitute trademark infringement). For a discussion of the likelihood of confusion test for Lanham Act claims, see infra notes 45-60 and accompanying text.
cease-and-desist letter in an attempt to convince the latter to forego its use of the Web site. The next day, West Coast ignored Brookfield's demand and issued a press release, affirming its intent to launch the database at "moviebuff.com." This refusal compelled Brookfield to file suit in the United States District Court for the Central District of California.

At the onset of the litigation, Brookfield applied ex parte for a temporary restraining order against West Coast in an attempt to block the launch of the Web site. The district court denied the restraining order. Brookfield immediately appealed the decision to the Court of Appeals for the Ninth Circuit. Meanwhile, West Coast launched its Web site. This incited Brookfield to file an emergency motion for an injunction pending appeal, which the Ninth Circuit granted.

24. See Brookfield Communications, Inc. v. West Coast Entm't Corp., 174 F.3d 1036, 1042 (9th Cir. 1999) (informing West Coast that site's use would violate Brookfield's trademark rights).

25. See Arevalo, supra note 16, at 36 (noting that press release signified West Coast's first use of "moviebuff.com" in commerce); see also Brookfield, 174 F.3d at 1042-43 (noting that site proposed inclusion of informational database and entertainment-related merchandise); Brett Sporich, *West Coast in Battle for Web Site Name*, VIDEO STORE MAG., Mar. 14, 1999, at 1, 42 (noting that Brookfield's complaint alleged "intent to benefit from Brookfield's longer presence on the Internet and that use of the name ['"] created confusion in the marketplace").

26. See Brookfield, 174 F.3d at 1043 (indicating Brookfield's immediate response to West Coast's public statement); see also Mansfield & Jenal, supra note 8, at C3 (stating allegations of trademark infringement and unfair competition in violation of Lanham Act (§§ 32 and 43(a), respectively)). Brookfield's amended complaint also included similar claims under California state law as well as claims for trademark dilution, but these were later waived on appeal by Brookfield. See Brookfield, 174 F.3d at 1043 n.4, 1046 n.7 (noting that omission from opening brief constituted waiver).

27. See Mansfield & Jenal, supra note 8, at C3 (stating that purpose was to prevent West Coast from using "moviebuff.com"); see also Brookfield, 174 F.3d at 1043 (seeking to enjoin West Coast from using "MovieBuff" in its domain name and metatags).

28. See Kohlmann, supra note 17, at 19 (noting that district court construed motion as preliminary injunction); see also Mansfield & Jenal, supra note 8, at C3 (holding that West Coast was senior user of mark because it had used "The Movie Buff's Movie Store" since 1986 and used "moviebuff.com" before Brookfield offered its Internet version of MovieBuff).

29. See Brookfield, 174 F.3d at 1043 (indicating Brookfield's response to district court's decision).

30. See Mansfield & Jenal, supra note 8, at C3 (noting that after district court decision, West Coast launched its Web site); see also Brookfield, 174 F.3d at 1043 (noting that site launch occurred on Jan. 16, 1999).

31. See Mansfield & Jenal, supra note 8, at C3 (noting that injunction prohibiting West Coast's use of Web site and metatags remained in effect pending decision). To be entitled to a preliminary injunction in a trademark case, Brookfield had to demonstrate either: "(1) a combination of probable success on the merits and the possibility of irreparable injury or (2) the existence of serious questions
On appeal, the Ninth Circuit held that Brookfield was entitled to a preliminary injunction and remanded the case for entry of that judgment. In doing so, the court halted West Coast’s use of the Web site.

III. BACKGROUND

This section begins with an in-depth analysis of the Lanham Act. It next delineates the Lanham Act’s traditional likelihood of confusion test. Then, it examines the application of the “fair use” affirmative defense to a trademark infringement claim. The section concludes with a discussion of how courts have applied traditional trademark law to the Web.

A. Lanham Act

Congress intended that the Lanham Act protect trademarks and service marks used in commerce, and it specifically targeted claims of infringement and unfair competition. Section 32 of the Lanham Act provides specific protection against infringement to going to the merits and that the balance of hardships tips sharply in [its] favor.” Sardi’s Rest. Corp. v. Sardie, 755 F.2d 719, 723 (9th Cir. 1985) (affirming denial of New York restaurant owner’s request for preliminary injunction in attempt to stop California restaurant owner’s use of “Sardie’s”).

32. See Sporich, supra note 25, at 42 (stating that preliminary ruling “effectively shut[ ] down West Coast’s new e-commerce Web site, Moviebuff.com [sic].”).

33. See id. (indicating that injunction would suspend “moviebuff.com” use); see also Kohlmann, supra note 17, at 19 (indicating that because registration with NSI did not in itself constitute first use and Brookfield was senior user, Brookfield established superior trademark rights).

The Ninth Circuit later handed down a permanent injunction against West Coast’s use of the “MovieBuff” name. See Brett Sporich, West Coast Loses Moviebuff [sic] Name, VIDEO STORE MAG., June 20, 1999, at 34, 34 (stating that grant of summary judgment against West Coast caused it to lose battle). To conclude the matter, the domain name was permanently transferred to Brookfield. See Brett Sporich, “MovieBuff” Suit Costs West Coast, VIDEO STORE MAG., Sept. 26, 1999, at 60, 60 (noting that in subsequent civil suit, Brookfield was awarded domain name and $1.5 million for “willful misappropriation”); Merging Video Retailers Report Financial Woes, VIDEO WEEK (Sept. 27, 1999), available at 1999 WL 7573823 (stating that jury in civil suit found West Coast guilty of trademark infringement and unfair competition).

34. For a discussion of the Lanham Act, see infra notes 38-44 and accompanying text.

35. For a discussion of the likelihood of confusion test, see infra notes 45-60 and accompanying text.

36. For a discussion of the fair use defense, see infra notes 61-64 and accompanying text.

37. For a discussion of traditional trademark case law, see infra notes 65-88 and accompanying text.


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registered trademarks.\textsuperscript{39} It also references a likelihood of confusion test.\textsuperscript{40} Section 43(a) provides a remedy for unfair competition claims.\textsuperscript{41} This provision protects against a wide range of circum-
 regulate commerce within the control of Congress by making actionable the deceptive and misleading use of marks in such commerce; . . . to protect persons engaged in such commerce against unfair competition; [and] to prevent fraud and deception in such commerce by the use of reproductions, copies, counterfeits, or colorable imitations of registered marks . . . .

\textit{Id.} The Act defines “trademark” to include:
any word, name, symbol, or device, or any combination thereof – (1) used by a person, or (2) which a person has a bona fide intention to use in commerce and applies to register on the principal register . . . , [–] to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.

\textit{Id.} Although this section of the Act also defines service mark, the Ninth Circuit did not distinguish between the two in its analysis. \textit{See id.} (assigning similar protection to services). Likewise, this Note also does not distinguish between trademarks and service marks.

\textsuperscript{39} See \textit{id.} § 1114(1) (referring to both trademarks and service marks (“marks”) registered with the Patent and Trademark Office). This section provides in pertinent part:

(1) Any person who shall, without the consent of the registrant –
  (a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with such use is likely to cause confusion, or to cause mistake, or to deceive . . . shall be liable in a civil action by the registrant . . . .


\textsuperscript{40} See \textit{id.} § 1114(1) (pointing to non-specific likelihood of confusion test). The test holds any person liable for the use of another’s registered mark if the use is likely to cause confusion, mistake, or deception. \textit{See id.} § 1114(1)(a)-(b) (referring to test without defining factors). The remedy as prescribed by the statute is an injunction against the violator. \textit{See id.} § 1114(2) (suspending infringing use). Section 1114(2)(C) as amended in 1988 added a provision regarding “electronic communication,” but the statute does not clearly extend this to include the World Wide Web. \textit{See id.} § 1114(2)(C) (omitting reference to Internet); \textit{but see} Consolidated Appropriations Act, 2000, Pub. L. No. 106-113, § 1000(a)(9), \textit{reprinted in} 1999 U.S.C.C.A.N. (113 Stat. 1501) 1536 (amending Lanham Act after \textit{Brookfield} in Nov. 1999 to refer to domain names and to limit liability of domain name registration authorities as codified in 15 U.S.C. § 1114(2)(D)). For a discussion of the post-\textit{Brookfield} changes to the Lanham Act, see \textit{infra} notes 195-199 and accompanying text.

\textsuperscript{41} See 15 U.S.C. § 1125(a)(1) (prohibiting false designations of origin and false description). It states in pertinent part:

(a) Civil action

(1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which –
  (A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, spon-
stances, including infringement of unregistered marks and false designations of origin.\textsuperscript{42} Thus, trademark infringement and unfair competition claims under the Lanham Act consist of three essential elements: (1) the existence of a valid, protectible trademark; (2) the use of goods and services in commerce; and (3) a likelihood of confusion.\textsuperscript{43} The usual relief granted by a court is an injunction.\textsuperscript{44}

B. Likelihood of Confusion Balancing Test

The Lanham Act’s likelihood of confusion test determines not whether the public would confuse similar trademarks, but whether

\begin{quote}
\hspace{1cm} sorship, or approval of his or her goods, services, or commercial activities by another person . . . shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.
\end{quote}

\textit{id.} § 1125(a)(1)(A).

42. \textit{See id.} § 1125 (prescribing liability for misrepresentation as to origin of goods or services). Similar to section 32 of the Lanham Act, this provision applies a likelihood of confusion test to the offending mark. \textit{See id.} § 1125(a)(1)(A) (mandating test but omitting factors). The remedy for a violation of this provision also includes civil liability. \textit{See id.} § 1125(a)(1) (leaving out injunctive remedy from § 32 of Lanham Act). Although this Note does not discuss the issue, section 43(a) of the Lanham Act additionally provides remedies for the claims of trademark dilution of famous marks. \textit{See 15 U.S.C. § 1125(c)(1) (including eight part test for determining whether mark is famous).}

Section 43(a) of the Lanham Act essentially provides the same protection for unregistered trademarks as for registered marks under section 32 of the Lanham Act. \textit{See Kurz, supra} note 9, at 89 (analyzing § 43(a) of Lanham Act). For this reason, courts have combined the analyses, and this Note follows their example.

43. \textit{See 15 U.S.C. §§ 1114(1)(a), 1125(a)(1)(A), 1127 (emphasizing three similar requirements); see also Lone Star Steakhouse & Saloon v. Alpha of Va., Inc., 43 F.3d 922, 930 (4th Cir. 1995) (“[T]o prevail under [sections] 32(1) and 43(a) of the Lanham Act for trademark infringement and unfair competition, respectively, a complainant must demonstrate that it has a valid, protectible trademark and that the defendant’s use of a colorable imitation of the trademark is likely to cause confusion among consumers.”); HENRY H. PERRITT, JR., LAW AND THE INFORMATION SUPERHIGHWAY 438 (1996) (stating that essentially same requirements must be satisfied to qualify for protection as either unregistered or registered mark). Yet, mere registration of a domain name does not constitute a commercial use. \textit{See Acad. of Motion Picture Arts & Sci’s. v. Network Solutions, Inc., 989 F. Supp. 1276, 1281 (C.D. Cal. 1997) (denying motion for preliminary injunction on ground that there was no commercial use); see also Juno Online Servs., L.P. v. Juno Lighting, Inc., 979 F. Supp. 684, 691 (N.D. Ill. 1997) (holding that reservation of “juno-online.com” without more was not commercial use).}

44. \textit{See, e.g., 15 U.S.C. §§ 1114(1)(a), 1125(a)(1) (explicitly prescribing injunctive relief). Injunctions are also permitted under 15 U.S.C. § 1116(d) for violations of 15 U.S.C. § 1114(1)(a). \textit{See id.} § 1116(d) (reinforcing relief for registered marks). In addition, under 15 U.S.C. § 1117(a), when there is a violation of a registered trademark right (as under 15 U.S.C. § 1114(1)) or of an unregistered trademark (as under 15 U.S.C. § 1125(a)), the plaintiff may be entitled to recover: “(1) defendant’s profits, (2) any damages sustained by the plaintiff, and (3) the costs of the action.” \textit{See id.} § 1117(a) (providing alternative remedies in unusual circumstances).
the customer of an accused mark would believe that the "trademark owner sponsored, endorsed or was otherwise affiliated with the product."45 As one court noted in Dreamwerks [sic] Production Group, Inc. v. SKG Studio,46 "[i]n the usual infringement case, these factors are applied to determine whether the junior user is palming off its products as those of the senior user."47 Because the statute does not delineate the test, courts have applied their own factors.48 Thus, the application of the test varies throughout the appellate courts.49

Polaroid Corp. v. Polarad Electronics Corp.50 laid out one of the earliest meaningful delineations of the likelihood of confusion test.51 The court applied an eight-factor balancing test to determine the likelihood of confusion between two competing products.52 These factors included:

45. Nike, Inc. v. "Just Did It" Enters., 6 F.3d 1225, 1228-29 (7th Cir. 1993) (applying seven factor likelihood of confusion test to alleged infringement of trademarks and "swoosh" symbol).
46. 142 F.3d 1127 (9th Cir. 1998).
47. Id. at 1129-30 (remanding for trial trademark infringement claim against Steven Spielberg's DreamWorks movie studio by senior user of "Dreamworks" mark, sponsor of Star Trek conventions).
48. See Anheuser-Busch, Inc. v. Balducci Publ'ns, 28 F.3d 769, 774 (8th Cir. 1994) (noting that six factors were not distinct test but representative of factors to consider in determining likelihood of confusion between Anheuser-Busch's registered trademarks and fictitious advertisement for "Michelob Oily"); see also Freedom Sav. & Loan Ass'n v. Way, 757 F.2d 1176, 1182 (11th Cir. 1985) (using seven factor likelihood of confusion test to determine no infringement existed between two service marks, each employing term "Freedom"). Other courts define the test as a balancing of "digits." See Amicus Communications, L.P. v. Hewlett-Packard Co., Inc., No. CIV. A.SA-98CA1176PMA, 1999 WL 495921, at *7 (W.D. Tex. June 11, 1999) (noting that Fifth Circuit precedent referred to factors as "digits").
49. See generally Anheuser-Busch, 28 F.3d at 775 (surveying six factors to determine existence of likelihood of confusion); Freedom Sav. & Loan Ass'n, 757 F.2d at 1186 (finding that evidence of actual confusion and type of mark were most important of seven factors); Roto-Rooter Corp. v. O'Neal, 513 F.2d 44, 45 (5th Cir. 1975) (determining that actual confusion was not required to sustain infringement claim).
50. 287 F.2d 492 (2d Cir. 1961).
51. See id. at 494 (dismissing Lanham Act claim by innovator of polarizing material, electronic-optical devices and cameras against seller of television studio equipment and microwave-generating devices after likelihood of confusion analysis because of Polaroid's eleven-year delay in filing suit). The court hesitated because it was "by no means sure" that Polaroid "would not have been entitled to at least some injunctive relief if it had moved with reasonable promptness." Id. at 496.
52. See id. at 495 (explaining that factors did not provide exhaustive list); see also Champions Golf Club, Inc. v. The Champions Golf Club, Inc., 78 F.3d 1111, 1122 (6th Cir. 1996) (indicating that factors serve only as guides and are not of equal significance).
[(1)] the strength of [the prior owner's mark; (2)] the degree of similarity between the two marks; (3)] the proximity of the products; (4)] the likelihood that the prior owner will bridge the gap; (5)] actual confusion; (6)] the reciprocal of defendant's good faith in adopting its own mark; (7)] the quality of [the] defendant's product; and (8)] the sophistication of the buyers.53

Other circuit courts have since used Polaroid to fashion their own likelihood of confusion tests.54 While the analyses and number of factors differ on a case-by-case basis, the balancing tests remain similar and cohesive.55 The Ninth Circuit in AMF Inc. v. Sleekcraft Boats56 modified two of the Polaroid factors for its application of the likelihood of confusion test.57 The Sixth Circuit first applied the test to the Internet in Data Concepts, Inc. v. Digital Consulting, Inc.,58 and it used factors similar to those from Polaroid and Sleekcraft.59

53. Polaroid, 287 F.2d at 495.
54. Compare Nike, Inc. v. "Just Did It" Enters., 6 F.3d 1225, 1232 (7th Cir. 1993) (including parody as additional factor in likelihood of confusion test), with Sunmark, Inc. v. Ocean Spray Cranberries, Inc., 64 F.3d 1055, 1060 (7th Cir. 1995) (weighing actual confusion factor heavily).
55. A comparison of various circuits' tests proves that a differing number of factors did not eliminate the tests' similarities. Compare Anheuser-Busch, Inc. v. Balducci Publ'ns, 28 F.3d 769, 774 (8th Cir. 1994) (applying six factors for Eighth Circuit's analysis), with Roto-Rooter Corp. v. O'Neal, 513 F.2d 44, 45 (5th Cir. 1975) (applying seven factors to find likelihood of confusion between two competing sewer cleaning services). Specifically, the seven factors applied by the Fifth Circuit included "the type of trademark at issue[, the] similarity of [the] design[, the] similarity of [the] product[s, the] identity of retail outlets and purchasers[ the] identity of advertising media utilized[ the] defendant's intent[,] and actual confusion." Id. at 45. The Eleventh Circuit later mirrored these factors in its own likelihood of confusion analysis. See Freedom Sav. and Loan Ass'n v. Way, 757 F.2d 1176, 1182, 1187 (11th Cir. 1985) (finding no infringement between unrelated service marks).
56. 599 F.2d 341 (9th Cir. 1979).
57. See id. at 348-49 (providing recreational boat manufacturer plaintiff with limited mandatory injunction against competitor's use of trademark "Sleekcraft" for its line of high-speed, recreational boats). Sleekcraft discussed eight factors: "[(1) the] strength of the mark; [(2)] proximity of the goods; [(3)] similarity of the marks; [(4)] evidence of actual confusion; [(5)] marketing channels used; [(6)] type of goods and the degree of care likely to be exercised by the purchaser; [(7)] defendant's intent in selecting the mark; and [(8)] likelihood of expansion of the product lines." Id.
58. 150 F.3d 620 (6th Cir. 1998).
59. See id. at 627 (remanding software company's case against consulting company because of inadequate application of likelihood of confusion test). The Sixth Circuit cited its own precedent, but its likelihood of confusion test nevertheless correlates with that of Polaroid and Sleekcraft. See id. at 624-25 (stating Sixth Circuit's factors); see also Sleekcraft, 599 F.2d at 348-49 (listing identical factors); Polaroid Corp. v. Polarad Elecs. Corp., 287 F.2d 492, 495 (2d Cir. 1961) (listing similar factors).
The circuits also concur that the presence of all of the factors is not required to determine the likelihood of confusion. 60

C. "Fair Use" Affirmative Defense

The Lanham Act provides a "fair use" affirmative defense by which a competitor may avoid liability even if the use of a valid, protectible mark creates a likelihood of confusion. 61 Under this defense, if the mark was used in good faith to describe goods or services or a geographic area, the use may not constitute infringement. 62 The three factors of the test for fair use are: "(a) the product must be one not readily identifiable without the use of the trademark . . . ; (b) only so much of the mark may be used as is reasonably necessary; and (c) the user must do nothing in conjunction with the mark to suggest sponsorship or endorsement." 63 Thus, courts must determine as a question of fact whether the words are employed as descriptions rather than references to the mark. 64

60. See Elvis Presley Enters., Inc. v. Capece, 141 F.3d 188, 194 (5th Cir. 1998) ("No one factor is dispositive, and a finding of a likelihood of confusion does not even require a positive finding on a majority of these [factors] of confusion."); see also New West Corp. v. NYM Co. of Cal., Inc., 595 F.2d 1194, 1201 (9th Cir. 1979) ("Neither actual confusion nor intent are necessary to a finding of likelihood of confusion under the Lanham Act.").


62. See 15 U.S.C. § 1115(b)(4) (mandating when defense may be invoked). Under this provision fair use prevents infringement when:

the use of the name, term or device charged to be an infringement is a use, otherwise than as a mark . . . of a term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin . . . .


64. See Sunmark, Inc. v. Ocean Spray Cranberries, Inc., 64 F.3d 1055, 1058-59 (7th Cir. 1995) (holding that with fair use defense, Ocean Spray's use of descriptive terms sweet and tart to describe its cranapple juice did not infringe on Sunmark's "SweeTARTS" candies); see also Washington Speakers, 33 F. Supp. 2d at 502 (rejecting the fair use defense because Leading Authorities lacked requisite good faith).
D. Modern Application of Traditional Trademark Law to the World Wide Web

The Court of Appeals has only recently applied trademark law to the Web; thus most case law exists in district court opinions.65 This Note addresses the holdings that pertain to domain names66 and metatags.67


66. "The Internet is an international network of interconnected computers," and each computer is identified through the use of domain names. See Reno v. ACLU, 521 U.S. 844, 849 (1997) (finding that provisions of Communications Decency Act aimed at protecting minors from indecent material on Internet violated First Amendment). A domain name consists of a series of letters or numbers that correlate to an assigned numerical code. See Leaffer, supra note 3, at 143 (stating that Internet translates domain name into numbers in determining where to send data packets). Domain names are usually comprised of two parts, a second-level domain followed by a top-level domain name. See id. (noting that domain name may also consist of third part, a country designation). The second-level domain name features a term or series of terms by which a consumer identifies the site. See Jason R. Berne, Comment, Court Intervention But Not in a Classic Form: A Survey of Remedies in Internet Trademark Cases, 43 ST. LOUIS U. L.J. 1157, 1167 (1999) (describing second-level domain names as "user-friendly"). The top-level domain name is the equivalent of a suffix and describes the nature of the enterprise. See F. LAWRENCE STREET, THE LAW OF THE INTERNET § 4-3, at 308 (indicating that top-level domain names include ".com," ".edu," ".mil," ".net" and ".org.").

Domain names must be unique, and, in the United States, they must be approved through any one of the various competing "registries" who provide this service. See NSI Press Release, Next Step in Evolution of Internet's Key Infrastructure (Sept. 28, 1999), available at http://www.netsol.com/news/1999/pr_19990928.html (announcing that twelve companies will share registration of ".com," ".net," and ".org"). These registries are connected by Network Solutions, Inc. ("NSI"), the "registrar" with control over the main, root server of the Internet until November 2004. See id. (noting that under agreement with U.S. Department of Commerce and Internet Corporation for Assigned Names and Numbers ("ICANN"), NSI will continue to be accredited registrar). It should be noted that although NSI’s Internet control is global, other countries register domain names through their own companies. See Sally M. Abel, Trademark Issues in Cyberspace: The Brave New Frontier, in UNDERSTANDING BASIC TRADEMARK LAW 1998, at 336 (PLI Patents, Copyrights, Trademarks, & Literary Prop. Course, Handbook Series No. 528, 1998) (mentioning that other registries all over the world may assign second level domains). Thus, efforts have been made to unify the policy for domain name registration on a global scale. For this discussion, see infra notes 200-07 and accompanying text.

67. Metatags are HTML codes used by search engines but are not visible to users. See J. THOMAS McCARTHY, McCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 12:12 (3d ed. 1998).
1. Domain Names Cases

Unlike the typical trademark dispute where both parties use a term simultaneously and argue whether confusion exists, the current configuration of the Web allows only one party to register the term as its domain name.68 Thus, the party unable to register the domain name of its choice usually brings the claim.69 The more active district courts have decided on both sides of the issue, establishing that these Web-related claims must be determined on a case-by-case basis.70

In recent cases, district courts have employed relatively similar likelihood of confusion tests. For example, in Washington Speakers Bureau, Inc. v. Leading Authorities, Inc.,71 a Virginia district court held that the registration of “washingtonspeakers.com” was likely to cause confusion with “Washington Speakers Bureau,” the trad-
mark of an agency firm that represents famous lecturers. Likewise, in Green Products Co. v. Independence Corn By-Products Co., after performing the likelihood of confusion balancing test, a district court in Iowa granted a preliminary injunction against a competitor of Green Products Co. who registered “greenproducts.com.” In comparison, Toys “R” Us, Inc. v. Feinberg illustrated that the balancing test does not always produce a likelihood of confusion. In this instance, a New York district court held that the owner of the domain name “gunsrus.com” was not in competition with the children’s toy store, and its mark was not confusingly similar to the Toys “R” Us mark.

Regarding the Court of Appeals, prior to Brookfield only the Sixth Circuit had applied the likelihood of confusion test to a domain name. In Data Concepts, the Sixth Circuit determined that the registration of one company’s trademark as another’s domain name could create a likelihood of confusion.

2. Metatags Cases

When metatags are at issue, the case does not remain a “standard trademark case and does not lend itself to the systematic application” of the likelihood of confusion test. To adjust the test, the courts shift their focus of the purchaser care factor from the tradi-
tional likelihood of confusion analysis to an examination of "initial interest confusion" by the consumer as to the origin of the mark. 81 Initial interest confusion relates to the consumer's confusion as to the origin of the particular mark. 82

The Second Circuit developed the initial interest confusion concept as a traditional trademark law application in Mobil Oil Corp. v. Pegasus Petroleum Corp. 83 In that case, the court found that an oil trading company's use of "Pegasus" infringed upon Mobil Oil's trademark, a red flying horse in the form of the mythological Pegasus. 84 The Ninth Circuit later affirmed this modification to the likelihood of confusion test in Dr. Seuss Enterprises, L.P. v. Penguin Books USA, Inc. 85 The Ninth Circuit found that the "capture [of] initial consumer attention" might constitute trademark infringement. 86 In Playboy Enterprises, Inc. v. Netscape Communications Corp., 87 the court noted that "[i]nal interest confusion, . . . is a brand of confusion particularly applicable to the Internet." 88 Thus, this inquiry is relatively new in its application.

IV. NARRATIVE ANALYSIS

On appeal, the court in Brookfield focused its efforts on two main issues under the Lanham Act: (A) whether the use of another's trademark in a domain name constituted a colorable claim for direct infringement; and (B) whether the use of that trademark in the Web site's metatags also qualified as infringement. 89

81. See Playboy Enters., Inc. v. Netscape Communications Corp., 55 F. Supp. 2d 1070, 1082-83 (C.D. Cal. 1999) (finding no trademark infringement under initial interest confusion analysis for search engines' keying advertisements to Web search of "playmate"); see also TeleTech Customer Care Mgmt., Inc. v. Tele-Tech Co., Inc., 977 F. Supp. 1407, 1410 (C.D. Cal. 1997) (applying similar initial interest confusion test to infringing domain name, "teletech.com"). For a comparison of the eight traditional likelihood of confusion factors, see supra notes 45-60 and accompanying text.

82. See Netscape, 55 F. Supp. 2d at 1083 (stating that Internet users may experience initial interest confusion when search results include Web sites other than those sponsored by trademark holder).

83. 818 F.2d 254, 260 (2d Cir. 1987).

84. See id. at 255 (holding that redressable trademark injury existed because potential purchasers would be misled by marks).

85. 109 F.3d 1394, 1405 (9th Cir. 1997).

86. See id. (noting that readers would be initially attracted to Penguin's The Cat NOT in the Hat! book parody of O.J. Simpson's double murder trial, confusing it with Dr. Seuss' trademark, The Cat in the Hat).


88. Id. at 1074.

89. Brookfield Communications, Inc. v. West Coast Entm't Corp., 174 F.3d 1036, 1061 (9th Cir. 1999) (deciding trademark and metatag issues separately).
A. Domain Names

The Lanham Act first required the Ninth Circuit to determine whether Brookfield had a protectable trademark interest in the term “MovieBuff.” The court found Brookfield’s federal trademark registration supportive of a protectible interest presumption. West Coast could rebut the presumption, however, by proving it was the first to use the mark in commerce, or the “senior user.” This finding would also satisfy the Lanham Act’s second element, use of goods and services in commerce.

The court combined its analyses of these first two elements to determine which company was the trademark’s senior user. West Coast unsuccessfully argued for seniority under a tacking theory. West Coast also claimed seniority with a first date of use argument, namely that it started to use the domain name “moviebuff.com” before Brookfield started to distribute its online database over the

90. For a discussion of the three essential elements of a Lanham Act claim for trademark infringement and unfair competition, see supra note 43 and accompanying text.

91. See Brookfield, 174 F.3d at 1047 (explaining that validity of Brookfield’s mark “MovieBuff” was established prima facie by registration with Patent and Trademark Office); see also 15 U.S.C. §§ 1057(b), 1115(a) (1988) (mandating prima facie evidence of validity with federal registration); STREET, supra note 66, § 4-2(a), at 296 (1998) (noting that while registration is suggested, it does not eliminate legal protection for trademarks). Registration of a mark, however, does provide “constructive notice of trademark ownership against all other parties.” Id.

92. See Brookfield, 174 F.3d at 1047-53 (comparing Brookfield’s valid, protectible trademark argument with West Coast’s first use in commerce argument).

93. For a discussion of the statute’s use in commerce requirement, see supra notes 38-39 & 41 and accompanying text.

94. See Brookfield, 174 F.3d at 1047-53 (comparing Brookfield’s valid, protectible trademark argument with West Coast’s first use in commerce argument).

95. See id. at 1047-48 (explaining that tacking encompasses trademark owner’s ability to claim priority in mark based upon previous constructive use of legally equivalent mark or previous use of mark indistinguishable from mark in question); see also Van Dyne-Crotty, Inc. v. Wear-Guard Corp., 926 F.2d 1156, 1160 (Fed. Cir. 1991) (rejecting tacking argument with decision that trademarks, “CLOTHES THAT WORK” and “CLOTHES THAT WORK. FOR THE WORK YOU DO.,” were not legal equivalents). Hence, tacking claims are widely unsuccessful because of the strict standard. See Van Dyne-Crotty, 926 F.2d at 1160 (approving of tacking only in rare circumstances).
Nevertheless, focusing on the lack of similarities between the marks, the court rejected West Coast’s tacking argument. It ultimately found Brookfield to be the commercial senior user of “MovieBuff.”

After establishing Brookfield’s valid trademark and West Coast’s use in commerce, the court looked to the third element of the Lanham Act, a likelihood of confusion between Brookfield’s product and West Coast’s use of “moviebuff.com.” The Ninth Circuit, for the first time, applied the eight factor test, delineated in *AMF Inc. v. Sleekcraft Boats* to the Web. Under the first factor, the court examined the similarity of the conflicting marks, and determined that “MovieBuff” and “moviebuff.com” were essentially

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96. See *Brookfield*, 174 F.3d at 1050 (finding trademark, “The Movie Buff’s Movie Store,” and domain name, “moviebuff.com,” irreconcilably different). The court emphasized the Lanham Act’s actual use in commerce requirement. See *id.* at 1051-52 (characterizing West Coast’s use as merely intent to use in commerce); see also 15 U.S.C. § 1127 (1996) (defining “use in commerce” as “the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark.”); Allard Enters., Inc. v. Advanced Programming Res., Inc., 146 F.3d 350, 358 (6th Cir. 1998) (stating that in absence of registration, prior use is established only through genuine commercial transaction). The Ninth Circuit concluded that Brookfield’s commercial use of the Internet began in either 1996 or 1997, and this trumped West Coast’s commercial use of “moviebuff.com” which began in 1998 with the issuance of its press release. See *Brookfield*, 174 F.3d at 1053 (holding that Brookfield was senior user).

97. See *Brookfield*, 174 F.3d at 1049 (identifying differences between marks). The court gave three reasons for the rejection of West Coast’s similarity argument: (1) the registered mark contained five words while the domain name combined two; (2) the space and possessive were omitted in the domain name; and (3) the domain name included “.com”. See *id.* (determining that customers would not assume marks to be identical).

98. See *id.* (holding that Brookfield marketed software well before West Coast used “moviebuff.com” in commerce).

99. See *id.* at 1053, 1053 n.15 (stating that at preliminary injunction stage, plaintiff must establish plausibility of likelihood of confusion showing); see also 15 U.S.C. §§ 1114(1), 1125(a) (mandating Lanham Act requirements for infringement of registered and unregistered marks); Official Airline Guides, Inc. v. Goss, 6 F.3d 1385, 1391 (9th Cir. 1993) (“The core element of trademark infringement is the likelihood of confusion, i.e., whether the similarity of the marks is likely to confuse customers about the source of the products.”). For a discussion of the three elements of a Lanham Act trademark infringement claim, see *supra* note 43 and accompanying text.

100. 599 F.2d 341, 348-49 (9th Cir. 1979).

101. See *Brookfield*, 174 F.3d at 1053-54 n.16 (focusing on three factors of balancing test: (1) similarity of marks; (2) relatedness of products or services; and (3) marketing channels used). The court noted the flexibility of the balancing test and mentioned the possibility of reaching a conclusion without thoroughly examining each factor individually. See *id.* at 1054 (cautioning that test is pliant); Feingold, *supra* note 4, at S10 (emphasizing Ninth Circuit’s warning against excessive rigidity in application of test). For further information concerning the eight factor test from *Sleekcraft*, see *supra* note 57 and accompanying text.
identical in appearance, sound and meaning.\textsuperscript{102} The second factor, relatedness of the products and services offered, turned in favor of Brookfield because the court concluded that Brookfield and West Coast were competitors.\textsuperscript{103} Regarding the marketing channels for the goods and services, both companies used the Web to advertise and sell, and the court believed this use of media increased the likelihood of confusion.\textsuperscript{104} These three factors gave the court the tentative conclusion that Brookfield had a strong case for the likelihood of confusion argument.\textsuperscript{105}

To complete the test, the court continued with the remaining factors which it found less important.\textsuperscript{106} Under the fourth factor, the court determined that "MovieBuff" was a "suggestive" trade-
mark and, therefore, normally entitled to less protection under the Lanham Act. Under the fifth factor, the court analyzed West Coast’s intent in selecting “moviebuff.com.” It found the intent factor indeterminate. Finally, the court focused on the remaining three factors – evidence of actual confusion, likelihood of expansion in product lines, and purchaser care. It also found them inconclusive. Under the Sleekcraft test, the Ninth Circuit concluded that the district court erred; it held that Brookfield indeed demonstrated a likelihood of confusion between its trademark and West Coast’s domain name while satisfying the three Lanham Act elements.

B. Metatags

Having resolved the domain name infringement issue under its new application of the Lanham Act, the court turned to whether it should enjoin West Coast from using “moviebuff.com” in its

107. See id. at 1058 (stating that suggestive marks are weakly protected under the Lanham Act). “A suggestive trademark sheds some light as to what the goods are, but thought or imagination is needed to connect the meaning of the mark with the goods.” Kurz, supra note 9, at 61; see also Street, supra note 66, § 4-2(a), at 296 (noting that this classification of mark suggests some quality about such product or service). Furthermore, under the Lanham Act, suggestive terms generally have a narrow scope of protection. See Kurz, supra note 9, at 62-63 (indicating that when one chooses suggestive mark as trademark, its protection becomes limited).


109. See Brookfield, 174 F.3d at 1059 (noting that when West Coast registered “moviebuff.com” it was unaware of trademark rights in “MovieBuff” and that it invested money in site long before Brookfield asserted trademark infringement). Given the flexibility of the Sleekcraft factors, the Ninth Circuit concluded that intent did not affect the likelihood of confusion analysis. See id. at 1059-60 (indicating that test favored Brookfield).

110. See id. at 1060 (noting that remaining factors did not affect balancing test).

111. See id. (finding these three factors either irrelevant or unimportant). Actual confusion did not apply because Brookfield filed the action before West Coast launched its Web site; likelihood of expansion of product lines was unimportant because the parties were competitors. See id. (dismissing these two factors). Regarding the final factor, due care of purchaser, the court applied a reasonable person standard of care. See Brookfield, 174 F.3d at 1060 (noting that resolution of this factor would not balance likelihood of confusion test in favor of West Coast).

112. See id. at 1061, 1066 (satisfying first criterion for preliminary injunction – probable success on merits). For a discussion of the preliminary injunction criteria, see supra note 31 and accompanying text.
Because the first two elements of a Lanham Act claim were already satisfied, the court looked to the third element, the likelihood of confusion test. The Ninth Circuit found the Sleekcraft factors inapplicable and instead instituted an initial interest confusion analysis for the metatag issue.

To understand the application of initial interest confusion to the Web, one must examine a common scenario: when conducting a search on the Web, many consumers assume they can reach their target site either by entering the name of the particular target followed by a top-level domain name or by entering the relevant terms into a search engine. Oftentimes, this retrieves a Web page that does not belong to the target. Upon arrival at this incorrect Web page, confused customers might not realize that they had reached another's site. Alternatively, they might mistakenly believe that the retrieved site was licensed from the target company's site. In either situation, the consumer might take advantage of the services found at the retrieved site instead of continuing to

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113. See Brookfield, 174 F.3d at 1061 (analyzing remainder of Brookfield's trademark infringement and unfair competition claims). For a discussion of metatags, see supra note 67 and accompanying text.

114. See Brookfield, 174 F.3d at 1062 (explaining that disposing of issue under traditional likelihood of confusion test would ignore confusion caused by Internet context). The initial interest confusion test finds the equivalent of a likelihood of confusion test in the situation where the results of an Internet search include Web sites not sponsored by the trademark holder. See Interstellar Starship Servs. Ltd. v. EPIX, Inc., 184 F.3d 1107, 1110 (9th Cir. 1999), cert. denied, 120 S.Ct. 1161 (U.S. Feb. 22, 2000) (noting that purchase is not required to find initial interest confusion); see also Playboy Enters., Inc. v. Netscape Communications Corp., 55 F. Supp. 2d 1070, 1082-83 (C.D. Cal. 1999) (noting that initial interest confusion test applies in context of Internet searches using trademarks as search terms). The court in Brookfield refused to apply the Sleekcraft analysis because to do so "would ignore the fact that the likelihood of confusion in the domain name context resulted largely from the associational confusion between West Coast's domain name 'moviebuff.com' and Brookfield's trademark 'MovieBuff.'" Brookfield, 174 F.3d at 1062.


117. See Brookfield, 174 F.3d at 1062 (stating that Web surfers taken to West Coast's site while looking for Brookfield's products will find similar database).

118. See id. at 1064 ("Using another's trademark in one's metatags is much like posting a sign with another's trademark in front of one's store.")
search for the target site.\textsuperscript{119} Even if a transaction does not occur, the target company has lost its direct link to the customer.\textsuperscript{120}

Coined by the Ninth Circuit as applicable to the Internet, other district courts have adopted this initial interest confusion doctrine as a standard for Web-related infringement claims under the Lanham Act.\textsuperscript{121} This is based on the premise that, as related to the Web, only words are search terms; trademarks cannot be search terms.\textsuperscript{122} Damage to the trademark owner, therefore, occurs in the consumer's diversion from the target Web site.\textsuperscript{123}

In \textit{Brookfield}, the Ninth Circuit held that the Lanham Act protected against this type of confusion.\textsuperscript{124} Thus, "the Lanham Act bar\[red\] West Coast from including in its metatags any terms [that might be] confusingly similar with Brookfield's mark."\textsuperscript{125} Although West Coast was not prohibited from using appropriate descriptive terms such as "motion picture enthusiast" in its metatags, its deliberate and intentional use of "MovieBuff" destroyed any possibility of a fair use defense.\textsuperscript{126}

\textsuperscript{119.} See \textit{Nettis}, 46 F. Supp. 2d at 723-26 (noting that this kind of confusion was not only hypothetical but actually did occur); see also \textit{Brookfield}, 174 F.3d at 1062 (noting that diversion of people from intended Web site improperly benefited competitor).

\textsuperscript{120.} See \textit{Playboy Enters., Inc. v. Netscape Communications Corp.}, 55 F. Supp. 2d 1070, 1083 (C.D. Cal. 1999) (stating that diverted consumer may not continue to search Web for initially intended destination).

\textsuperscript{121.} See \textit{id.} at 1074 (attributing initial interest confusion test to \textit{Brookfield}); see \textit{generally Netscape}, 55 F. Supp. 2d, at 1083 (requiring higher showing of initial interest confusion for First Amendment interests); Amicus Communications, L.P. v. Hewlett-Packard Co., Inc., No. Crv. A.SA-98CA1176PMA, 1999 WL 495921, at *14 (W.D. Tex. June 11, 1999) (requiring further investigation into confusion caused by metatags).

\textsuperscript{122.} See \textit{Netscape}, 55 F. Supp. 2d, 1078-79 (indicating that "playboy" and "playmate" are simply words, not search terms). Thus, "[a] trademark holder may not bar all use on the Internet of words in the English language." \textit{Id.} at 1081.

\textsuperscript{123.} See \textit{Brookfield}, 174 F.3d at 1065 (holding that West Coast injured Brookfield by affirmatively using Brookfield's trademark in its metatags). \textit{But cf.} TeleTech Customer Care Mgmt., Inc. v. Tele-Tech Co., 977 F. Supp. 1407, 1414 (C.D. Cal. 1997) (holding that brevity of initial interest confusion was not actionable under trademark laws).

\textsuperscript{124.} \textit{Brookfield}, 174 F.3d at 1066-67 (granting preliminary injunction under Lanham Act against infringing metatag use); see also \textit{Dr. Seuss Enters., L.P. v. Penguin Books USA, Inc.}, 105 F.3d 1394, 1398-99 (9th Cir. 1997) (discussing initial interest confusion between parody and children's book trademark in purchaser care analysis under Lanham Act's likelihood of confusion test); Mobil Oil Corp. v. Pegasus Petroleum Corp., 818 F.2d 254, 260 (2d Cir. 1987) (holding that "initial confusion works a sufficient trademark injury").

\textsuperscript{125.} \textit{Brookfield}, 174 F.3d at 1065.

\textsuperscript{126.} See \textit{id.} at 1066 (holding that West Coast could only use "MovieBuff" to describe its competitor's product). "MovieBuff" referred strictly to Brookfield's software because the common English phrase is "movie buff;" "Movie Buff" referred to a "motion picture enthusiast." \textit{See id.} (prohibiting West Coast from omit-
Because West Coast's use of "moviebuff" in its domain name and in its metatags infringed on Brookfield's registered trademark under the Lanham Act, the circuit court instructed the district court to enter the preliminary injunction barring West's Coast use of "MovieBuff" on its Web site.127

V. CRITICAL ANALYSIS

The Ninth Circuit's reasoning in Brookfield delineated an innovative application of Lanham Act claims to the developing World Wide Web forum.128 The court drew its analysis from district court case law,129 claiming to be the only circuit to address the issue of trademark infringement via domain name use.130 Despite this inaccurate assertion, the reasoning from the Brookfield decision supported the Sixth Circuit's earlier approach to trademark law on the Web in Data Concepts.131 Because Brookfield was only the second of the circuits to address trademark infringement and unfair competition in cyberspace, it set the stage for what potentially could be the

127. See Brookfield, 174 F.3d at 1066 (stating that domain name registration cannot trump long-established principles of trademark law). For a discussion of the conclusion of the proceedings, see supra notes 32-33 and accompanying text.

128. See Brookfield, 174 F.3d at 1066-67 (resolving trademark law application to Web). The court exerted substantial effort to ground the issues within the context of the Internet and based its derivation in traditional trademark case law. See id. at 1044-66 (referring to Internet's structure and referencing traditional trademark cases for likelihood of confusion tests).

129. See id. at 1061 n.22 (citing, for example, Washington Speakers Bureau, Inc. v. Leading Auths., Inc., 33 F. Supp. 2d 488 (E.D. Va. 1999), aff'd, 217 F.3d 843 (4th Cir. 2000); Toys "R" Us, Inc. v. Feinberg, 26 F. Supp. 2d 639 (S.D.N.Y. 1998); Green Prods. Co. v. Independence Corn By-PROds. Co., 992 F. Supp. 1070 (N.D. Iowa 1997), and acknowledging that decision comported with many district court opinions); see also Richard L. Kirkpatrick, Trademark Infringement and Dilution Update, in UNDERSTANDING BASIC TRADEMARK LAW 1999, at 74 (PLI Patents, Copyrights, Trademarks, & Literary Prop. Course, Handbook Series No. 569, 1999) (stating that before Brookfield, cyberspace trademark law was articulated only in scattered lower court cases that were not controlling authority).

130. See Brookfield, 174 F.3d at 1061 n.22 (failing to mention Data Concepts except in tacking discussion).

131. Data Concepts, Inc. v. Digital Consulting, Inc., 150 F.3d 620, 627 (6th Cir. 1998) (analyzing possible trademark infringement claims under Lanham Act by software company registered domain name that was registered trademark of consulting firm). Brookfield cited Data Concepts in its discussion of tacking but did not recognize that the earlier case could have been used as persuasive authority. Compare Data Concepts, 150 F.3d at 623-27 (analyzing use in commerce and likelihood of confusion test for domain name dispute under Lanham Act), with Brookfield, 174 F.3d at 1048 (also analyzing use in commerce and likelihood of confusion test for domain name under Lanham Act).
precedent for a new brand of trademark law. One must assess, however, the flaws which exist in the decision before making a strict application of Brookfield in future cases.

A. Courts’ Emerging Role in Regulation of the Internet

The Internet’s rapid technological growth has compelled the interpretation of traditional laws to adapt to this new electronic environment. Brookfield embodied the Ninth Circuit’s firm entrance into the digital world and further evidenced how the Internet has affected society. Yet, in doing so, the court’s introductory description of the Internet indicated that an Internet medium would create a new spin on traditional trademark law. Law before the Internet was different because trademarks and competition were more parochial. In contrast, today, the Internet connects people around the globe and permits instantaneous communication and advertising. Indeed, commerce may occur on a twenty-four hour a day basis with a complete lack of

132. See Abel, supra note 4, at 366 (indicating that following Brookfield, policing in cyberspace must be grounded in traditional trademark law notions but also must account for new avenues of consumer confusion); see also Mansfield & Jenal, supra note 8, at C3 (stating that Ninth Circuit moved ahead of other circuit courts by recognizing need for new type of Internet-based analysis).

133. See Brookfield, 174 F.3d at 1041 (“We must venture into cyberspace to determine whether federal trademark and unfair competition laws . . . [apply to] the domain name of [a] web [sic] site and in [a] web [sic] site’s metatags.”); see also Reno v. ACLU, 521 U.S. 844, 885 (1997) (indicating that since its inception thirty years ago, Internet use and technological power has mushroomed); WORLD INTELLECTUAL PROPERTY ORGANIZATION (WIPO), FINAL REPORT OF THE WIPO INTERNET DOMAIN NAME PROCESS 1, ¶ 2(i) (Apr. 30, 1999) (forthcoming Publication #92-805-0779-6), available at http://ecommerce.wipo.int/domains/process/eng/processhome.html [hereinafter WIPO] (“The Internet is something that increasingly large numbers of people throughout the world find an interest in being connected to. From 1990 to 1997, the estimated number of Internet users grew from around one million to around 70 million.”) (footnote omitted).

134. See Brookfield, 174 F.3d at 1041-42 (explaining consumers’ use of domain names and metatags).

135. See id. at 1044-45, 1062 (establishing basic understanding of Internet and Web while disposing of Sleekcraft factors for metatag likelihood of confusion test).

136. See Perritt, supra note 43, § 10.14 (indicating that Internet has changed scope of advertising and commerce). Without the Internet, there was less potential for consumer confusion because advertisements spanned more limited forms of media, such as newspapers and signs, and later television and radio. In contrast, the Internet created a global society with immediate access to goods and services at its fingertips.

137. See WIPO, supra note 133, at 1 ¶ 2(ii) (observing that Internet is populist rather than elitist medium); see also Reno, 521 U.S. at 850 (1997) (stating that Internet provides new medium of worldwide communication); STREET, supra note 66, at xxviii (relating that Web is most popular means of obtaining information and receiving delivery of entertainment on Internet).
human contact.138 These technological developments potentially lead to more severe trademark infringement injuries.139 Traditional trademark law theorized that the number of possible trademarks was virtually unlimited.140 While that idea remains, trademark use is confined when applied to domain names and metatags.141 Thus, Brookfield reassessed trademark law in relation to the nature of today’s society and the removal of traditional boundaries.142

B. Concordance between Brookfield and Data Concepts

The Brookfield approach implicitly concurred with the Sixth Circuit’s 1998 decision in Data Concepts, Inc. v. Digital Consulting, Inc.143 Like Brookfield, this earlier decision fielded a trademark infringement claim based on the registration of the domain name “dci.com.”144 Both the Sixth and the Ninth Circuits addressed tacking in the context of establishing senior use under the first element of the Lanham Act.145 Regarding the second element, both courts

138. See Street, supra note 66, § 1-1, at 2 (indicating vitality of Internet marketplace for consumer and business commercial transactions).

139. See Wu, supra note 4, at 1180 (indicating that in domain name context, companies spend small fortunes to establish trademark in consumers’ minds); see also Sporich, supra note 33, at 60 (implying that regardless of investment, infringer may lose rights to domain name).

140. See Kurz, supra note 9, at 53-54 (indicating that companies may choose any terms and words as trademark, limited only by trademark’s category of protection); see also Brown, supra note 9, at 156 (mentioning that in traditional trademark environment, identical marks could exist in different markets); Wu, supra note 4, at 1180 (stating that hundreds of different companies may have trademarks for same word mark).

141. See Brown, supra note 9, at 156 (noting that on Web, only one commercial domain name may exist per trademark). For a discussion of domain name limitations, see infra notes 152-56 and accompanying text.

142. See Brookfield Communications, Inc. v. West Coast Entm’t Corp., 174 F.3d 1036, 1044-45 (9th Cir. 1999) (grounding discussion in current Internet configuration).


144. See Data Concepts, 150 F.3d at 623-27 (discussing use in commerce and likelihood of confusion test). Unlike Data Concepts, Brookfield added the additional issue of metatags. See Brookfield, 174 F.3d at 1061-65 (analyzing buried code which was not at issue in Data Concepts).

145. See Data Concepts, 150 F.3d at 623-24 (holding that Data Concepts was not senior user of “DCI” mark); see also Brookfield, 174 F.3d at 1047-50, 1053 (analyzing extensive tacking case law and concluding West Coast could not tack prior use of “The Movie Buff’s Movie Store” to domain name). For a discussion of the first element of Lanham Act claims, see supra note 43 and accompanying text. For a specific discussion of tacking, see supra note 95 and accompanying text.
established use in commerce and identified identical factors for the third element.146

Data Concepts, however, may be distinguished from Brookfield because of the posture of the parties.147 In the Sixth Circuit case, Data Concepts, Inc. ("Data"), the owner of "dci.com," brought an action against Digital Consulting, Inc. ("Digital"), the holder of the trademark, "DCI," and Network Solutions, a registrar of domain names, in an effort to secure its rights to its Web address.148 Data attempted to preempt an infringement action by filing an action for a declaratory judgment against the trademark holder.149 The Ninth Circuit was unable to apply Data Concepts to its preliminary injunction analysis because the Sixth Circuit did not complete its likelihood of confusion analysis.150 Instead, the Sixth Circuit rejected a summary judgment award and remanded the case.151

C. Brookfield's Incomplete Analysis

While the Ninth Circuit provided a lengthy and detailed opinion, its analysis avoided or neglected three important issues regarding the implications of its holding. These flaws could be significant to future applications of Brookfield.

First, the Brookfield decision did not address the implications of the inherent limitations imposed by the configuration of the World Wide Web.152 The two-tiered structure of the domain name creates a problem because "on the Internet, only one entity may register and use any given '.com' domain name."153 Furthermore, domain

146. See Brookfield, 174 F.3d at 1053-54 (applying eight Sleekcraft factors); see also Data Concepts, 150 F.3d at 623-27 (applying identical eight factors derived from Sixth Circuit precedent).

147. Data Concepts, 150 F.3d at 622-23 (indicating that Data Concepts sought declaratory judgment of noninfringement).

148. See id. at 622 (noting that Data Concepts sought to protect use of unregistered trademark as domain name from infringement claim by trademark holder).

149. See id. at 622-23 (noting unsuccessful strategy because trademark holder, Digital, countered with infringement action).

150. See id. at 627 (holding that analysis of likelihood of confusion factors presented "too close a question to decide as a matter of law.").

151. See id. (remanding for consideration of likelihood of confusion test's triable issue of fact).

152. See Leaffer, supra note 3, at 144 (delineating restrictive qualities of alphabetical domain name compared to unlimited qualities of its assigned numerical address).

names are limited to a maximum number of characters.\textsuperscript{154} Also, they are assigned on a first come, first served basis.\textsuperscript{155} Thus, when more than one company owns a similar trademark, only one may use it as a Web site address.\textsuperscript{156}

The Ninth Circuit did not view registration of domain names as a complicated administrative enterprise with a finite number of possibilities.\textsuperscript{157} Instead, it focused on the infringement claim without recognizing the limitations on West Coast's domain name choices.\textsuperscript{158} Although its approach was sufficient for the instant case, the court could have explored a due diligence policy for the registration of domain names.\textsuperscript{159} Implementation of such a policy could potentially reduce domain name disputes. Also, this type of procedure might make it easier for smaller start-up companies to avoid liability in cyberspace.\textsuperscript{160}

Second, although the court made clear that West Coast was not permitted to use the term "MovieBuff" in the metatags of its Web site, its authorization of West Coast's use of "Movie Buff" amounted

\textsuperscript{154} See Leaffer, supra note 3, at 144 (noting restriction of twenty-two character limit of secondary-level domains).

\textsuperscript{155} See Abel, supra note 66, at 334 (referencing procedure for domain name registration); see also Brunel, supra note 1, at 2-3 (declaring that domain names are registered on a "first-come, first-served" basis and that companies may own more than one domain name); Associated Press, Court Bars Suit Against Internet Name Provider (Oct. 26, 1999), available at \url{http://cnn.com/TECH/computing/9910/26/internetsnames.ap.index.html} (referring to first come, first served nature of domain name registration).


\textsuperscript{157} See Brookfield, 174 F.3d at 1044 (omitting discussion of Web's limitations); see also Leaffer, supra note 3, at 144 (indicating irony of extensive virtual world as related to its intrinsic limiting structure).

\textsuperscript{158} See Brookfield, 174 F.3d at 1047-62 (mentioning alternative domain name, "westcoastvideo.com," without giving credence to West Coast's preference).

\textsuperscript{159} See Christopher P. Bussert, Acquisition and Sale of Intellectual Property, in PROTECTING YOUR INTELLIGENT PROPERTY ASSETS 1999, at 183 (PLI Patents, Copyrights, Trademarks, \& Literary Prop. Course, Handbook Series No. 568, 1999) (suggesting due diligence policy for registered trademarks would indicate potential infringement of third party). Such a procedure might eliminate disputes regarding registered trademarks, but it would not account for unregistered trademarks vested with enforceable trademark rights. See Kurz, supra note 9, at 55 (indicating that unregistered trademarks would still present problem).

\textsuperscript{160} See Venetis, supra note 22, at 20 (stating that "smaller companies and start-[u]ps better be ready for a fight" regarding metatags). The same applies to the fight over domain names. Yet, if a claim were brought against such a company, the solution would involve a reliance on the fair use defense. For a discussion of the fair use defense, see supra notes 61-64 and accompanying text.
to a distinction without a difference. The court determined that "MovieBuff," a word not in any English dictionary, referred exclusively to Brookfield's goods and services. In the alternative, the Ninth Circuit held that as a colloquial expression, "Movie Buff" designated a "motion picture enthusiast" and that West Coast could use either term. The court even gave an example of a permissible use of Brookfield's trademark — "Why pay for MovieBuff when you can get the same thing here for FREE?"

Despite these lawful uses, the court did not address the possibility that a Web search for "Movie Buff" would yield a variety of results including both West Coast's and Brookfield's sites because the space between the words may not be all that important to a search engine. Also, the opinion seemingly permits the use of Brookfield's trademark in West Coast's metatags as long as it served as a "reference to Brookfield's products." In this way, the court did not conclusively resolve the metatag issue because either of these uses could produce consumer confusion.

Third, the court in Brookfield relied on the initial interest analysis in its earlier Dr. Seuss Enterprises, L.P. v. Penguin Books USA, Inc. opinion. Dissimilar to Brookfield, Dr. Seuss primarily discussed parody and copyright infringement. The Dr. Seuss court only briefly reviewed the eight Sleekcraft factors for the trademark in-

161. See Brookfield, 174 F.3d at 1066 (stating that West Coast could still use "Movie Buff" but could not omit space between words).

162. See id. (indicating that one word trademark, "MovieBuff," solely referred to Brookfield's product). The court appropriately noted that the use of "moviebuff" in lowercase letters was off limits for West Coast's domain name. The court, however, did not resolve the metatag issue as clearly. See id. at 1062 (discussing metatag issue).

163. See id. at 1066 (stating that correct general usage of term was in two word form).

164. See Street, supra note 66, § 4-2(c), at 302 (stating that query designed to locate Web sites may generate hit list having Web site that does not contain information about query).

165. Experience reveals that an Internet search compiles a vast list of sites including those containing the search term as well as Web sites containing variations of the search term.

166. See Street, supra note 66, § 4-2(c), at 302 (indicating that if West Coast placed "MovieBuff" relative to Brookfield's competing software, search of "MovieBuff" would yield both companies' Web sites).

167. 109 F.3d 1394, 1396-1403 (9th Cir. 1997).

168. Brookfield Communications, Inc. v. West Coast Entm't Corp., 174 F.3d 1036, 1062-66 (9th Cir. 1999) (deriving initial interest confusion analysis from Ninth Circuit case law).

169. Dr. Seuss, 109 F.3d at 1396-1403 (finding copyright infringement by parody of "The Cat in the Hat" books under copyright law).
fringement claim. In fact, the only mention of initial interest confusion in Dr. Seuss appeared in a single-sentence interpretation of the degree of purchaser care factor. Perhaps the Ninth Circuit wanted precedence for its inventive application of the Lanham Act to metatags. This approach, however, did not strengthen its metatag opinion because the initial interest confusion test was barely addressed in Dr. Seuss.

D. Significance of Brookfield for the Entertainment Industry

Trademark infringement has long been an issue for the entertainment industry. In fact, in Dreamwerks [sic] Production Group, Inc. v. SKG Studio, a sponsor of science fiction conventions that had previously registered the trademark, “Dreamwerks,” sued DreamWorks SKG, the famous film studio that produced “Amistad” and “The Peacemaker,” for trademark infringement.

As the realm of the Internet supplies new avenues by which infringement claims under the Lanham Act may arise, Brookfield illustrates that the entertainment industry will continue to be targeted. Following Brookfield’s holding, Playboy Enterprises, Inc. v.

170. See id. at 1404 (concentrating on discussion of copyright infringement and fair use defense). For a discussion of the eight factor likelihood of confusion test from Sleekcraft, see supra note 57.

171. Dr. Seuss, 109 F.3d at 1405 ("[T]he use of the Cat’s stove-pipe hat or the confusingly similar title to capture initial consumer attention, even though no actual sale is finally completed as a result of the confusion, may still be [trademark] infringement.").

172. See Brookfield, 174 F.3d at 1065 (stating that conclusion was consistent with Dr. Seuss). The court also examined the Second Circuit’s Mobil Oil Corp. v. Pegasus Petroleum Corp. decision and selected district court cases to show the progression of the initial interest confusion application to trademark law and then to metatags. See id. at 1062-65 (inferring consistency with earlier case law).


174. 142 F.3d 1127 (9th Cir. 1998).

175. See id. at 1132 (holding that as junior user, DreamWorks should have ensured its proposed trademark did not infringe on existing trademark rights). Analogously, in Brookfield, the Ninth Circuit noted that Brookfield could have notified West Coast sooner of the infringing use. See Brookfield, 174 F.3d at 1061 n.21 (choosing not to penalize Brookfield for delay).

176. See, e.g., Playboy Enters. Inc. v. Netscape Communications Corp., 55 F. Supp. 2d 1070, 1076 (C.D. Cal. 1999) (denying Playboy’s motion for preliminary injunction against search engine operators for “keying” advertisements on Web pages to user’s entry of terms such as “playboy” and “playmate”).
Netscape Communications Corp.\textsuperscript{177} warned the industry that, in the computer world, trademarked terms may not be afforded otherwise presumed protection.\textsuperscript{178} In this case, an adult entertainment publisher ("Playboy") instituted an action to enjoin Netscape and Excite, both Internet search engine operators, from using its trademarks in conjunction with their own advertising.\textsuperscript{179} The court denied the preliminary injunction, concluding that the use of "playboy" and "playmate" neither identified goods or services nor suggested any affiliation with Playboy.\textsuperscript{180} It also concluded that, in this case, the eight-factor likelihood of confusion test favored the search engine operators.\textsuperscript{181}

The message has become: when choosing a trademark in the age of the latest technological advances, one must now give more thought to its potential formulation as a domain name and subsequent use by others in metatags.\textsuperscript{182} The converse is also true. Brookfield's "MovieBuff" provides a fine example of a non-English word whose trademark protection was upheld.\textsuperscript{183} The court's closing comment from \textit{Dreamwerks} rings true for the entire industry in stating, "This dispute could have been avoided had DreamWorks been more careful, or a tad more creative, in choosing its [trademarked] name."\textsuperscript{184}

\section*{VI. IMPACT}

The \textit{Brookfield} decision illustrated how the World Wide Web requires an adaptation of traditional trademark law. It also proved that the Lanham Act, as written, did not fully accommodate these

\begin{itemize}
  \item \textsuperscript{177} 55 F. Supp. 2d 1070 (C.D. Cal. 1999).
  \item \textsuperscript{178} See id. at 1090 (finding Playboy unable to establish required elements for preliminary injunction).
  \item \textsuperscript{179} See id. at 1077-78 (advertisements included "banner ad" at top and bottom of Web page containing link to another's Web site).
  \item \textsuperscript{180} See id. at 1079, 1085-86 (holding that Playboy had not met Lanham Act requirements).
  \item \textsuperscript{181} See id. at 1086 (finding no confusion as to source, sponsorship or affiliation).
  \item \textsuperscript{182} See Kurz, supra note 9, at 53-54 ("[W]hoever is involved in the creative business aspect of choosing a trademark should take into account the legal aspects of trademark selection, not only with respect to deciding upon the legal availability of a mark, but also as to the inherent protectability and scope of protection which may be afforded the mark that is selected.").
  \item \textsuperscript{183} See Brookfield, 174 F.3d at 1066 (stating that "MovieBuff" only referred to Brookfield's products and services).
  \item \textsuperscript{184} Dreamwerks Prod. Group, Inc. v. SKG Studio, 142 F.3d 1127, 1132 (9th Cir. 1998).
\end{itemize}
needs. Thus, *Brookfield* fleshed out the likelihood of confusion test’s application to the Web and provided evidence that the Lanham Act must be amended to include the Web.

A. Lanham Act Amendments in the Wake of *Brookfield*

Trademark disputes over domain names and metatags such as those in *Brookfield* concern those at the center of Internet regulation. In an attempt to solve such important commercial issues, the Internet Corporation for Assigned Names and Numbers ("ICANN"), a non-profit California corporation, was formed to assume responsibility for the administration of domain names and other Internet-related functions. ICANN, in conjunction with the World Intellectual Property Organization ("WIPO"), focused on implementing changes to domain name registration so as to prevent disputes like that in *Brookfield*.

In August 1999, only four months after the *Brookfield* analysis, the United States Senate acknowledged inadequacies within the Lanham Act and passed a bill known as the Anticybersquatting Consumer Protection Act ("Act"). This bill acknowledged, "if someone is operating a web [sic] site under another brand owner’s trademark, . . . consumers bear a significant risk of being deceived and defrauded, or at a minimum, confused." The Senate’s find-

185. See S. REP. No. 106-140, at 1-4 (1999) (proposing to amend Lanham Act explicitly to provide trademark protection on Web).
186. See Brookfield, 174 F.3d at 1053-65 (delineating likelihood of confusion test under Lanham Act and applying initial interest confusion test not included in Lanham Act).
187. See Street, supra note 66, § 4-3(b), at 311-15 (indicating that several organizations have proposed reforms for domain name registration).
189. For a discussion of these new policies, see infra notes 200-04 and accompanying text.
190. See S. REP. No. 106-140, at 4. Its purpose clause states: The purpose of the bill is to protect consumers and American businesses, to promote the growth of online commerce, and to provide clarity in the law for trademark owners by prohibiting the bad-faith and abusive registration of distinctive marks as Internet domain names with the intent to profit from the goodwill associated with such marks – a practice commonly referred to as “cybersquatting.”
191. Id. at 5. These trademark violations erode consumer confidence in brand name identifiers as well as in electronic commerce. See id. at 4-6 (proposing
ings specifically determined that using a domain name that is identical to or confusingly similar to a trademark or service mark of another placed unreasonable and overwhelming burdens on trademark owners (such as Brookfield and West Coast) with regard to the protection of their trademarks. The United States House of Representatives passed a similar bill in October 1999. Before becoming law, the Senate incorporated the language of the Act into Title III of the broader Intellectual Property and Communications Omnibus Reform Act of 1999. The President signed the Act on November 29, 1999, signifying that the Lanham Act must adapt to deal with Internet-related trademark disputes.

The Act makes three major changes to traditional trademark law: (1) the addition of a definition of “domain name” to the Lanham Act; and amendments to increase consumer confidence in Internet). Although the Act takes aim primarily at "cybersquatting" and "cyberpiracy," which refer to situations where a person registers another’s trademark as a domain name either with the intent to later sell it to the trademark owner or to divert customers from the mark owner’s site, its amendments to the Lanham Act render it pertinent to this Note’s discussion of trademark infringement and unfair competition. See id. (focusing attention on cybersquatting).


193. See H. Rep. No. 106-412, at 1-5 (1999) (proposing similar amendments to Lanham Act under title, “Trademark Cyberpiracy Prevention Act,” with purpose of allowing trademark owners to sue registrants of domain names). Although titled differently, the bills’ goals remain the same – “Both the House and Senate bills outlaw ‘bad-faith’ registrations of Internet addresses, or domain names, that use movie, book, or product titles or the names of large companies that might later be interested in using those addresses to build an Internet presence.” Jeri Clausing, House Passes Measure on Internet Domain Names, N.Y. TIMES, Oct. 27, 1999, at C27.


ham Act; (2) the limitation of liability of domain name registration authorities under an amended section 32(2) of the Lanham Act; and (3) the inclusion of a nine-factor balancing test regarding the alleged infringer’s bad faith intent as well as additional remedies for the trademark owner under an amended section 43 of the Lanham Act.¹⁹⁶

Yet, while these additions to the Lanham Act make strides to advance trademark law into the Internet age, they fail to resolve the issues at hand.¹⁹⁷ While focused on domain names, the Act does not address the second issue from Brookfield, namely metatags.¹⁹⁸ In this way, the likelihood of confusion test for trademarks cannot be easily distinguished from the initial interest confusion test for metatags.¹⁹⁹

¹⁹⁶. See S. 1948, 106th Cong. §§ 3001-10 (1999) (addressing Lanham Act changes). The first change amends the definition section of the Lanham Act, 15 U.S.C. § 1127, to read, “The term ‘domain name’ means any alphanumeric designation which is registered with or assigned by any domain name registrar, domain name registry, or other domain name registration authority as part of an electronic address on the Internet.” Id. § 3005. The second change under an amendment to 15 U.S.C. § 1114(D) eliminates liability of registering authorities of domain names so that they will not be liable for trademark infringement unless those authorities acted with bad faith or knowledge of the infringement. See id. § 3004(2) (preventing virtually all claims against registries such as NSI). The third change to the Lanham Act, 15 U.S.C. § 1125(d)(1)(B), adds a nine factor bad-faith intent test to consider: (1) the trademark or other intellectual property rights in the domain name at issue; (2) the extent to which the domain name consisted of the legal name of the person; (3) prior use of the domain name in connection with the bona fide offering of goods and services; (4) legitimate noncommercial or fair use; (5) an intent to divert consumers; (6) an offer to transfer or sell the domain name; (7) registration of the domain name with false contact information; (8) registration of multiple domain names which were confusingly similar to the trademark; and (9) the extent to which the mark is or is not distinctive and famous. See id. § 3002(a) (providing objective criteria for determination of otherwise subjective “bad faith intent”). In addition, trademark owners may bring an in rem civil action against an alleged infringer, and available remedies include a court order of “the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark.” Id.; see also Karen Kaplan, More On Tech: Clinton Signs Cybersquatting Law, L.A. TIMES, Nov. 30, 1999, at C3 (denoting that improperly-intended domain name registration is now punishable with fines between $1,000 and $10,000).

¹⁹⁷. See generally S. 1948, 106th Cong. § 3005 (1999) (for example, definition of “domain name” does not define technical terms such as “registrar” and “registry”).

¹⁹⁸. See id. (failing to mention metatag issue); see also Robert C. Scheinfeld & Parker H. Bagley, Internet Update - Legislative and Case Law Developments, N.Y. L.J., Nov. 24, 1999, at 3 (arguing that metatag issue is unresolved by provisions of new trademark law).

¹⁹⁹. See S. 1948, 106th Cong. § 3002(a) (generalizing “confusingly similar” without separating two analyses for likelihood of confusion and initial interest confusion).
B. Reformation of the Domain Name Dispute Resolution Policy

In its attempt to reform the domain name registration process and avoid trademark infringement actions like Brookfield, ICANN published a uniform dispute resolution policy, implementing mandatory arbitration for domain name conflicts.\textsuperscript{200} This requires people to represent that "to [their] knowledge, the registration of the domain name [would] not infringe upon or otherwise violate the rights of any third party" at the time of domain name registration.\textsuperscript{201}

After Brookfield, however, this provision would appear toothless because at the time it registered the domain name "moviebuff.com," West Coast was unaware of Brookfield's trademark.\textsuperscript{202} Even ICANN has emphasized that despite this representation, it will not verify whether the domain name registration infringes upon the rights of another.\textsuperscript{203} Moreover, this type of arbitration aims at avoiding litigation without firmly eliminating the source of the problem.\textsuperscript{204}

C. Global Ramifications

As a dispute between two companies in the entertainment industry, Brookfield illustrated the cyberspace-trademark issue within the United States.\textsuperscript{205} Because the Internet is a global phenomenon and the United States' Lanham Act does not bind the rest of the world,\textsuperscript{206} ICANN's international policies are poised to play an im-


\textsuperscript{201} ICANN Policy, \textit{supra} note 200, ¶ 2.

\textsuperscript{202} Brookfield Communications, Inc. v. West Coast Entm't Corp., 174 F.3d 1036, 1059 (9th Cir. 1999) (noting that West Coast did not know about Brookfield's trademark "MovieBuff" when it registered for "moviebuff.com").

\textsuperscript{203} See ICANN Policy, \textit{supra} note 200, ¶ 2 (explicitly rejecting this responsibility); see also Brunel, \textit{supra} note 1, at 3 (stating that in registering new names, there is no likelihood of confusion analysis applied to existing registrations).

\textsuperscript{204} See ICANN Policy, \textit{supra} note 200, ¶ 3 (providing remedies only for existing disputes).

\textsuperscript{205} See Brookfield, 174 F.3d at 1041-42 (discussing dispute between American companies).

\textsuperscript{206} See \textit{Street}, \textit{supra} note 66, § 4-2(b), at 299 ("Since the Internet is without boundaries or territory and allows easy communication of potentially infringing materials throughout the world, the affect of the Lanham Act on actions taken outside the United States is an important issue.").
Important role in further shaping American policies. Thus, it remains to be seen what influence Brookfield and the subsequent changes to the Lanham Act will have on trademark infringement and unfair competition actions in the future.\textsuperscript{207}

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\textsuperscript{207} See Brookfield, 174 F.3d at 1066-67 (providing persuasive authority for sister circuits regarding domain name and metatag issues).