

Protecting Your Trademark on the Internet
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More than 10,000 domain name complaints have been handled by the National Arbitration Forum (“NAF”) since 1999 under the Uniform Domain Name Dispute Resolution Policy (“UDRP”). NAF is an international provider of alternative dispute resolution services approved by the Internet Corporation of Assigned Names and Numbers (“ICANN”). Based in Minneapolis, Minnesota, NAF can deal quickly, and inexpensively relative to the cost of litigation, with cases where a domain name registrant is charged by a trademark owner with having no legitimate rights to the domain.

The typical scenario is where a person owns a domain name that is confusingly similar to a company’s trademark and uses the domain name to operate a website that is detrimental to the trademark owner. The domain could be identical to a trademark such as *madonna.com*, or it could incorporate the trademark such as *madonnabooks.com*, or it could be an intentional misspelling of the mark where users are diverted to the website by mistake such as *madona.com*. There are other creative variations on these themes as well. What they all have in common is an appropriation of someone else’s rights in a trademark or trade name.

The infringer is typically sent an initial cease and desist email demanding that the domain be transferred to the trademark owner. If there is not a favorable response resulting either in a voluntary relinquishment of the domain, or occasionally an agreement to purchase the domain, there are two options: litigation or administrative proceedings. Litigation is available under the federal Anti-Cybersquatting Consumer Protection Act or the Lanham Act and various common law causes of action but is often not cost efficient. Suits usually have to be filed where the defendant resides which in some cases is outside the country. Defendants are often hard to locate and serve, and litigation can be quite expensive. As a result, a complaint with NAF under the UDRP is often the best alternative.

The core issue in most of these disputes is whether the domain name was registered and is being used by the respondent in bad faith. Evidence of registration and use of a domain name in bad faith can be found by NAF under the following circumstances in particular but without limitation: registration of the domain name with the intent to sell it to the complainant who owns the trademark or to a competitor of the complainant, registering a domain name as part of a pattern of conduct to prevent the trademark owner from using the mark in a corresponding domain name, registration of a domain name primarily to disrupt the business of a competitor, or by using a domain name to intentionally attract Internet users to a website for commercial gain by creating a likelihood of confusion with the complainant’s mark.

The domain holder is entitled to respond to a complaint within 30 days by showing circumstances demonstrating rights or legitimate interests to the domain name such as use of the domain prior to notice of the dispute in connection with a bona fide offering of goods or services, use of a domain name by which the respondent is commonly known or a legitimate noncommercial or fair use of the domain name without any intent to mislead consumers or tarnish the complainant’s mark.

Domain name disputes are typically resolved by NAF in less than 90 days. All matters are decided based on the written submissions of the parties, and there is no hearing. If the complaint is uncontested, the complainant typically is awarded transfer of the domain name. Where the respondent opposes transfer however it is less likely that NAF's decision will favor the complainant. If the facts are contested, NAF may take the position that the dispute is not of the type that it is able to resolve. A significant benefit of the UDRP procedure however is that the prevailing party does not have to go to court to enforce an award. The domain name registrar is required to implement the decision if a party does not file suit within ten days of the NAF decision.

In 2009, ICANN is expected to introduce new generic Top Level Domains ("TLD's"). There are currently two types of TLD's, generic Top Level Domains ("gTLD's"), such as .com, .org and .biz, and country code Top Level Domains ("ccTLD's"), such as .us (United States). The web address *www.agtlawyers.com*, for example, includes .com, which is the gTLD, and *agtlawyers*, as the domain name. Under the new ICANN system, companies will be able to create their own new gTLD's such as by using their marks (for example, .eBay or .sears) or generic categories (such as, .cars or .attorneys), as their gTLD's. The application fees to operate new gTLD's are likely to be significant, perhaps as much as \$1,000,000, which along with other restrictions may initially limit the number of new gTLD applications.

As for dispute resolution under the new gTLD system, the protection of the rights of trademark holders remains a priority and is under discussion at ICANN. It appears that after the initial registration process, which will include mechanisms to protect trademarks, at a minimum all new gTLD's will be subject to the UDRP. The dispute resolution system now in effect through NAF therefore is likely to continue in the future as an option for resolving claims of trademark infringement.