

Cybersquatters May Still Have Some Rights

By **Henry C. Dinger**

Things seemed to be going pretty well for trademark owners in the domain name wars.

Congress passed the Anticybersquatting Consumer Protection Act in 1999 that beefed up the remedies available to trademark owners against those who incorporated their trademarks in domain names.

And trademark owners enjoyed a statistically high degree of success in ICANN dispute resolution proceedings. It was not unreasonable to imagine that the Internet was evolving to the point where one could type in "www.'trademark'.com" and expect in almost every instance to get the home page of the "trademark" owner.

Law, however, like much of life, is a sequence of pendulums. A couple of recent court decisions remind us of countervailing considerations that will keep domain name disputes interesting.

In one case, dissatisfied customers of an interior designer, named Bihari used their Web sites to ventilate their unhappiness. They also used "Bihari Interiors;" Bihari's trademark, in their metatags, $\frac{3}{4}$ terms embedded in a Web page that do not appear on the screen but are used by search engines as pointers to the subjects addressed on the page.

Bihari sought a preliminary injunction from a federal court in New York against the use of her trademark in the defendants' metatags. She relied on cases in which companies used their competitors' trademarks in their metatags to divert customers seeking the competitor's sites.

The court denied the injunction. The most important fact was that the customers were not competing with Bihari but rather sought to provide information, albeit critical and allegedly defamatory information, about Bihari.

Use of "Bihari Interiors" in metatags therefore served a legitimate indexing function, the court said.

The court relied on a case involving a former Playboy Playmate of that Year who used the trademarks "playboy" and "playmate" as metatags. The court observed that the obviously critical nature of the material at the customers' site made it clear that the site was not sponsored by Bihari.

The distinction between metatags that use trademarks in a competitively diversionary manner, as opposed to a non-competitively critical manner, is certainly a defensible one. Less defensible is the decision of a federal district court in Minnesota.

In that case, one Patrick Blaylock, an insured of the Northland Insurance Companies, was dissatisfied when the insurance company denied coverage for the failure of the mast of his sailboat, the Sea Quest, during the running of the annual Master Mariners Race.

The reasons for the denial of coverage are obscure and, to Blaylock's way of thinking, unfounded, as he explains at great length at his Web site. You can access it through the home page Blaylock set up at: www.northlandinsurance.com.

Now if you're like me, your reaction will be:
What is Blaylock doing with the domain name
www.northlandinsurance.com?

More to the point, what is Northland Insurance
Company not doing with that domain name?

Northland's Web site can be found at
www.northlandins.com, a perfectly reasonable
choice for its domain name. But why on earth
did Northland not register an obvious
alternative choice for folks seeking information
about the company?

If Northland was a little slow in waking up to
the realities of brand protection in an Internet
world, the company tried to make up for it
by suing Blaylock for trademark infringement
and cybersquatting. It sought a preliminary
injunction to prevent people looking for the
company's site from being diverted by
Blaylock's broadside.

The Minnesota court denied the request. The
judge ruled that Northland did not prove that
customers would be confused because the site's
content was manifestly critical of Northland.

While some cases have found "initial interest
confusion" to provide a basis for relief where a
company used its competitor's mark to divert
prospective customers to its competing site, the
Minnesota court, like the Bihari court, refused
to extend this approach to non-competing,
non-commercial sites.

Blaylock was not engaged in a "bait and
switch," because while the domain name might
constitute "bait," to the court "there is no
discernible 'switch'".

The court placed considerable countervailing
weight on the first amendment right of the
Blaylocks of the world to use the Internet as
their soapbox.

In my view, the court in the Northland case did
not give sufficient weight to the need to let the
Internet operate predictably wherever possible.
When most folks type "*www.northlandinsur-
ance.com*" in their browser, they reasonably
expect to get to a Northland insurance-spon-
sored site. That is an expectation that I believe
the trademark laws are meant to reinforce and
ought to reinforce.

The Internet offers critics an unparalleled
opportunity to publish their criticisms, and
that opportunity should be celebrated. It just
seems to me that soapboxes ought to be
labeled accurately.

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