

Brooklyn Law Review

Volume 73 | Issue 4

Article 2

2008

Google's Law

Greg Lastowka

Follow this and additional works at: <https://brooklynworks.brooklaw.edu/blr>

Recommended Citation

Greg Lastowka, *Google's Law*, 73 Brook. L. Rev. (2008).

Available at: <https://brooklynworks.brooklaw.edu/blr/vol73/iss4/2>

This Article is brought to you for free and open access by the Law Journals at BrooklynWorks. It has been accepted for inclusion in Brooklyn Law Review by an authorized editor of BrooklynWorks.

Google's Law

Greg Lastowka[†]

[We] expect that advertising funded search engines will be inherently biased towards the advertisers and away from the needs of the consumers

— Sergey Brin and Larry Page¹

The economic success we continue to enjoy is the direct result of our ability to marry our user experience to the information that advertisers want to communicate.

— Larry Page²

INTRODUCTION

Google has become, for the majority of Americans, the index of choice for online information.³ Through dynamically generated results keyed to a near-infinite variety of search terms, Google steers our thoughts and our learning online. It tells us what words mean, what things look like, where to buy things, and who and what is most important to us. Google's control over search results constitutes an awesome ability to

[†] Associate Professor of Law, Rutgers School of Law—Camden. Early versions of this research were presented in 2007 at the University of Michigan School of Law, the annual conference of the National Communication Association, and the Rutgers Center for Cultural Analysis. I would like to thank James Grimmelman, Dan Hunter, Michael Kwun, Jessica Litman, Meredith McGill, Frank Pasquale, and Siva Vaidhyanathan for helpful conversations about Google and search. Special thanks go to Eric Goldman for extensive and invaluable feedback. Thanks also go to my research assistants Candy Dougherty, Gus Sara, and Sidharth Uberoi for their diligent help. The editors of the *Brooklyn Law Review* did wonderful work and improved the Article substantially. Finally, I am grateful to Rutgers School of Law—Camden for providing generous summer research support for this project.

¹ Sergey Brin & Larry Page, *The Anatomy of a Large-Scale Hypertextual Web Search Engine*, in PROCEEDINGS OF THE 7TH INTERNATIONAL WORLD WIDE WEB CONFERENCE ON COMPUTER NETWORKS (1998), available at <http://www7.scu.edu.au/1921/com1921.htm>.

² Google Q3 2006 Earnings Call Transcript (Oct. 19, 2006), <http://seekingalpha.com/article/18858-google-q3-2006-earnings-call-transcript>.

³ *Who's Afraid of Google?*, THE ECONOMIST, Aug. 30, 2007 (noting that there are other major search engines, “[b]ut Google, through the sheer speed with which it accumulates the treasure of information, will be the one to test the limits of what society can tolerate”).

set the course of human knowledge.⁴ It is not surprising that the commercial exploitation of results is also the primary source of Google's wealth.

As this Article will explain, fortunes are won and lost based on Google's results pages, including the fortunes of Google itself.⁵ Because Google's results are so significant to e-commerce activities today, they have already been the subject of substantial litigation.⁶ Today's courtroom disputes over Google's results are based primarily, though not exclusively, in claims about the requirements of trademark law. This Article will argue that the most powerful trademark doctrines shaping these cases, "initial interest confusion" and "trademark use," are not up to the task they have been given, but that trademark law must continue to stay engaged with Google's results.

The current application of initial interest confusion to search results represents a hyper-extension of trademark law past the point of its traditional basis in preventing consumer confusion. Courts should reject the initial interest confusion doctrine due to its tendency to grant trademark owners rights over search results that could easily operate against the greater public interest.⁷

On the other hand, the recent innovation of the trademark use doctrine improperly relieves trademark law of any role in the supervision of Google's search results. While the law should be cautious in how it regulates new technologies such as

⁴ Lucas D. Introna & Helen Nissenbaum, *Shaping the Web: Why the Politics of Search Engines Matters*, 16 INFO SOC'Y 3 (2000), available at <http://www.nyu.edu/projects/nissenbaum/papers/searchengines.pdf>; Google Inc., Letter from the Founders: "An Owner's Manual" for Google's Shareholders, in Forms S-1 Registration Statement Under the Securities Act of 1933, at vi (filed with the SEC on Apr. 29, 2004) [hereinafter Google Owner's Manual], available at <http://www.sec.gov/Archives/edgar/data/1288776/000119312504073639/ds1.htm> ("Google users trust our systems to help them with important decisions: medical, financial and many others.").

⁵ *Who's Afraid of Google?*, *supra* note 3 ("Many small firms hate Google because they relied on exploiting its search formulas to win prime positions in its rankings, but dropped to the internet's equivalent of Hades after Google tweaked these algorithms.").

⁶ See, e.g., *Rescuecom Corp. v. Google, Inc.*, 456 F. Supp. 2d 393 (N.D.N.Y. 2006); *800-JR Cigar, Inc. v. GoTo.com, Inc.*, 437 F. Supp. 2d 273 (D.N.J. 2006); *Gov't Employees Ins. Co. ("GEICO") v. Google, Inc.*, 330 F. Supp. 2d 700 (E.D. Va. 2004). All three of these suits involved plaintiffs complaining about the appearance of competitor advertisements in search results.

⁷ I have argued this point before in F. Gregory Lastowka, *Search Engines, HTML, and Trademarks: What's the Meta for?*, 86 VA. L. REV. 835, 857-58, 877 (2000) (arguing against the extension of initial interest confusion doctrine to search results).

Google,⁸ as Justice Cardozo once noted, major technological changes often call for the transformation of law.⁹ Where new technologies threaten new harms to society, the law must respond. As will be explained below, trademark law should retain its ability to confront, with common law flexibility, the abuse of power in Google's results.

If, as Lawrence Lessig has argued, computer code has a regulatory force tantamount to law,¹⁰ the absence of any state involvement in the shape of Google's results will effectively cede the structure of our primary online index to "Google's law." Given Google's meteoric rise to prominence and its current role as our primary online index, the law should be vigilant. Google may enjoy substantial public goodwill, but what is best for Google will not always be what is best for society.¹¹

Part I of this Article describes the history of Google and its business model. Google is not the only search engine today, but it is the leading search engine in terms of United States market share.¹² Additionally, Google is playing the most important role today in search engine litigation. It is a unique search engine in many respects. During its evolution, Google followed a very different path than many of its competitors. Today its competitors are largely imitating its model, yet are unable to dethrone its centrality in search. Understanding how Google rose to prominence is essential to understanding its motives and how it might act in the future.

Part II of this Article sets forth the contemporary law pertaining to search results. It begins with a short discussion of recent (failed) attempts to regulate Google's results through laws other than trademark. It then describes current theories of trademark law and summarizes how this law has been applied to search engines. It begins with early "meta tag" cases

⁸ See *Metro-Goldwyn-Mayer Studios Inc. v. Grokster, Ltd.*, 545 U.S. 913, 949-66 (2005) (Breyer, J., concurring) (explaining "the limitations facing judges where matters of technology are concerned").

⁹ BENJAMIN N. CARDOZO, *THE NATURE OF THE JUDICIAL PROCESS* 62 (1921) ("[T]he great inventions . . . have built up new customs and new law.").

¹⁰ LAWRENCE LESSIG, *CODE AND OTHER LAWS OF CYBERSPACE* 3-8 (1999).

¹¹ *Who's Afraid of Google?*, *supra* note 3 ("Pretending that, just because your founders are nice young men and you give away lots of services, society has no right to question your motives no longer seems sensible.").

¹² Elise Ackerman, *Google Gains Search Market Share*, SAN JOSE MERCURY NEWS, Mar. 20, 2008 ("According to the Chicago-based research firm, [the Google Click for Enhanced Coverage Linking Searches] share of core searches jumped from 58.5 percent to 59.2 percent . . .").

and concludes with Google's current attempts to insulate itself from liability under an expanded doctrine of trademark use.

Part III criticizes the current application of trademark law to search engines. It argues that the judicial innovations of both initial interest confusion and trademark use are inconsistent with the traditional purpose of trademark law and the new realities of the e-commerce marketplace. A simple focus on the likelihood of confusion standard, which some courts have already supported, is overdue. The Article concludes by explaining why, despite the fact that trademark law today will likely permit Google's current practices, Google's bid for the *carte blanche* freedom permitted by the trademark use doctrine should be rejected by courts. In its relatively new role as a protector of the social value of indices, trademark law must retain the ability to curb potential abuses of the commercial power enjoyed by Google.

I. GOOGLE

I may use [Google] to check the spelling of a foreign name, to acquire an image of a particular piece of military hardware, to find the exact quote of a public figure, check a stat, translate a phrase, or research the background of a particular corporation.

— Garry Trudeau¹³

For the majority of the United States population, Google currently functions as the central Web index. The verb “to Google” is often understood to mean “to search for information on the Web.”¹⁴ Google's popularity has also made it mind-bogglingly wealthy. In the summer of 2007, only three years after its IPO and nine years after its incorporation, Google was valued at over \$160 billion dollars (greater than the \$65 billion value of Disney and the \$71 billion value of Time-Warner combined).¹⁵

Google's founders, Sergey Brin and Larry Page, were typical graduate students ten years ago and today are multi-

¹³ AMY N. LANGVILLE & CARL D. MEYER, *GOOGLE'S PAGERANK AND BEYOND: THE SCIENCE OF SEARCH ENGINE RANKINGS* 4 (2006).

¹⁴ This makes Google's trademark lawyers concerned about “genericide.” See Deven R. Desai & Sandra L. Rierson, *Confronting the Genericism Conundrum*, 28 *CARDOZO L. REV.* 1789, 1839-40 n.234 (2007).

¹⁵ See Google Finance, Aug. 31, 2007, <http://finance.google.com/finance?q=GOOG+DIS+TWX>.

billionaires.¹⁶ At work on Google's California campus are at least 700 newly minted multi-millionaires in the company's employ.¹⁷ Even the name "Google" has become a form of wealth. According to one study, the Google brand, which has grown with hardly any traditional media advertising, is worth over \$60 billion and has displaced Coca-Cola to become the most recognized trademark in the world.¹⁸

How did Google become so wealthy? In short, by selling advertisements. Over ninety-nine percent of the company's revenues come from Google's sale of advertising.¹⁹ Considering the history of Google, this seems like a very strange state of affairs. As the quote from Google's founders at the start of this Article demonstrates, Brin and Page were once convinced that advertising should play no part in Google's business model. They believed that a search engine funded by advertisers would be "inherently biased towards the advertisers and away from the needs of the consumers."²⁰ Google was created to fulfill a need for a search engine that was "transparent and in the academic realm."²¹

Yet, as will be explained, despite receiving all its revenues from an influence they feared offered only contamination, Google is still guided (perhaps haunted?) by an anti-advertising ethos. The company's informal corporate motto "Don't Be Evil"²² may be viewed as naïve for a corporation, but Google's unconventional public statements suggest that its founders still believe that part of what makes Google so special is its refusal to condone "bias." According to the company's website: "Google's mission is to organize the world's information and make it universally accessible and useful."²³ Google's 2004 SEC filing in advance of its IPO included a "letter from the founders" to prospective stockholders that began:

¹⁶ More specifically, they are billionaires who roam the world in a Boeing 767 with a custom couch. Verne Kopytoff, *Luxury Jet Lands in Court; Formica Forbidden on Googlers' Plane, Lawsuit Reveals*, S.F. CHRON., July 11, 2006, at C1.

¹⁷ Quentin Hardy, *Close to the Vest*, FORBES, July 2, 2007, at 40.

¹⁸ Gemma Simpson, *Google Beats Microsoft, Coke in Brand Stakes*, CNET NEWS, Apr. 23, 2007, http://news.com.com/2100-1014_3-6178310.html.

¹⁹ Google Inc., Annual Report (Form 10K), at 43 (Mar. 1, 2007), available at <http://www.sec.gov/Archives/edgar/data/1288776/000119312507044494/d10k.htm>.

²⁰ Brin & Page, *supra* note 1.

²¹ *Id.*

²² Google, Investor Relations: Google Code of Conduct, <http://investor.google.com/conduct.html> (last visited Feb. 25, 2008).

²³ Google, Corporate Information: Company Overview, <http://www.google.com/intl/en/corporate/index.html> (last visited Feb. 25, 2008).

Google is not a conventional company. We do not intend to become one. Throughout Google's evolution as a privately held company, we have managed Google differently. We have also emphasized an atmosphere of creativity and challenge, which has helped us provide *unbiased, accurate and free access to information* for those who rely on us around the world.²⁴

Google thus presents a fascinating contradiction between its profit model and its self-conception. It claims an unconventional interest in providing the world with “unbiased, accurate and free” information, yet it also generates billions of dollars a year in corporate wealth almost exclusively through exposing the world to paid advertisements. Making this apparent contradiction more interesting is the fact that Google is the central player in contemporary litigation over what search engines may and may not do. In this litigation, Google often seeks to cast itself as a defender of public values combating the overreaching claims of intellectual property owners.²⁵

A. *Before Google*

Since its earliest inception, the Internet has been a means of storing and sharing large amounts of data. However, reams of information devoid of an organizing indexical scheme can be useless for all practical purposes. The same is true with the digital files on the Internet, which are made even more difficult to index by their scattered and anarchic mode of production and hosting.²⁶ Providing a reliable and useful public index to the data on the Internet has long been a problem.

Internet search, however, is a relatively new development. For the first 20 years or so of the Internet's history, there were no search engines of the sort we know today. ARPANET, the original network that evolved into the Internet, was created by the funding of the United States military in the late 1960s.²⁷ During the 1970s and 1980s, ARPANET grew in size

²⁴ Google Owner's Manual, *supra* note 4, at i (emphasis added).

²⁵ For instance, see Google's response to a lawsuit filed by the Author's Guild against its book search service. Susan Wojcicki, *Google Print and the Authors Guild*, <http://googleblog.blogspot.com/2005/09/google-print-and-authors-guild.html> (“We regret that this group chose to sue us over a program that will make millions of books more discoverable to the world—especially since any copyright holder can exclude their books from the program.”).

²⁶ See Dan Hunter & F. Gregory Lastowka, *Amateur-to-Amateur*, 46 WM. & MARY L. REV. 951, 1004-06 (2004).

²⁷ See generally KATIE HAFNER & MATTHEW LYON, *WHERE WIZARDS STAY UP LATE* (1996) (recounting the history of the Internet).

and merged with similarly structured decentralized computer networks. The end of all these mergers is the Internet: a great decentralized, worldwide network of networks organized around a common communications protocol.²⁸

There were already over 1000 Internet hosts as early as 1984, yet there were no automated search and retrieval programs that facilitated access to the files on these systems.²⁹ Although e-mail usage and online bulletin boards were popular in the 1980s, there were no tools that could be used to browse the totality of the network. The problem was not with understanding the concept of search. Computer programmers were well acquainted with retrieving data in response to queries. The Unix “grep” command, for instance, was (and is) a common means of finding lines in data files that matched targeted text strings.³⁰ Other Unix commands, like “finger,” were (and are) used to query networked systems for information.³¹ Yet it was not until 1989 that the Internet’s first true search engine was created, “Archie.”³²

Archie was a software tool that stored monthly indices of the many files that were made available for public access on the Internet.³³ Archie used a Unix-derived interface that was challenging to non-programmers and required users to run a separate retrieval program (file-transfer protocol (“FTP”)) to obtain files.³⁴ Yet Archie was a revolution. For the first time, the Internet community could see much of its own information. Soon, multiple hosts were using the Archie software to index and search for hosted files.³⁵

²⁸ *Id.* at 246-56 (explaining the origins and growth of the TCP/IP protocol).

²⁹ J.R. OKIN, *THE INTERNET REVOLUTION: THE NOT-FOR-DUMMIES GUIDE TO THE HISTORY, TECHNOLOGY, AND USE OF THE INTERNET* 323 (2005).

³⁰ JERRY PEEK ET AL., *LEARNING THE UNIX OPERATING SYSTEM* 93 (5th ed. 2002) (describing the “grep” command).

³¹ ARNOLD ROBBINS, *UNIX IN A NUTSHELL* 91 (2005) (describing the “finger” command).

³² Archie was the result of efforts by a group at McGill University in Canada. NATIONAL RESEARCH COUNCIL, *SIGNPOSTS IN CYBERSPACE: THE DOMAIN NAME SYSTEM AND INTERNET NAVIGATION* 296 (2005) (explaining the origins and technology of Archie); *Shea ex rel. American Reporter v. Reno*, 930 F. Supp. 916, 928 n.8 (S.D.N.Y. 1996) (“To locate files available for copying, a user can contact an “Archie” server—a remote computer capable of searching directories for file names containing a particular string of characters on FTP servers permitting anonymous retrieval.”).

³³ REGIS J. (BUD) BATES, *BROADBAND TELECOMMUNICATIONS HANDBOOK* 651 (2d ed. 2002).

³⁴ *Id.*

³⁵ NATIONAL RESEARCH COUNCIL, *supra* note 32, at 296.

Archie was quickly surpassed, however, by the World Wide Web. There were only 26 Web servers in 1992, but by 1996 the number had grown to over 340,000.³⁶ (Today there are over 90 million websites.³⁷) By 1995, Web traffic had surpassed FTP traffic.³⁸ The Web took file sharing a quantum leap forward by providing authors with a simple scripting language (HTML) and readers with a universal retrieval application (the browser) that could piece together text, graphics, and other files, while allowing seamless cross-server navigation via hyperlinks.

Early Web search engines took almost no time to arise. Modeled after Archie, they combed all publicly accessible Web servers, indexed their contents, and allowed users to search for targeted words and phrases. Companies such as Lycos (1994), Webcrawler (1994), Yahoo! (1994), Excite (1995), AltaVista (1995), Infoseek (1995), and Magellan (1995) became the new hubs of the Internet.³⁹

B. *Google's Business*

In 1997, Google founders Sergey Brin and Larry Page were graduate computer science students at Stanford. They wanted to build a search engine. To many observers, the project must have appeared naïve and quaint. Brin and Page came at least three years late to the search engine game. They had no funding to purchase hardware.⁴⁰ And more importantly,

³⁶ See Mark Ward, *Fifteen Years of the Web*, BBC NEWS, Aug. 5, 2006, <http://news.bbc.co.uk/2/hi/technology/5243862.stm>.

³⁷ *Id.*

³⁸ Lincoln Millstein, *A Star Is Born*, BOSTON GLOBE, Apr. 24, 1995, at 18 (“[I]t shouldn’t really surprise us that the World Wide Web now accounts for the highest amount of traffic on the Net.”).

³⁹ See Danny Sullivan, *Where Are They Now? Search Engines We’ve Known & Loved*, SEARCH ENGINE WATCH, Mar. 4, 2003, <http://searchenginewatch.com/2175241/print>.

⁴⁰ One of the more humorous parts of the early Google story is about Page and Brin begging, borrowing, and appropriating hardware and processing power from other Stanford departments to build their search engine. See DAVID A. VISE & MARK MALSEED, *THE GOOGLE STORY* 2-3, 40 (2005); JOHN BATTELLE, *THE SEARCH* 77-78 (2005).

More sobering is the fact that Google’s race for ever-larger mountains of hardware never ended, and today is funding a mammoth and secretive project in the Oregon wilderness alongside the Columbia River. Google’s investments in physical infrastructure for search are so huge that they may help it maintain its market position against new entrants. See Daniel Terdiman, *Jostling to get inside Google’s Oregon Outpost*, CNET NEWS, JUNE 29, 2006, http://news.com/Jostling+to+get+inside+Googles+Oregon+outpost/2100-1030_3-6089518.html.

The screenshot shows the excite.com homepage from 1999. At the top, there's a search bar and navigation links like 'Sign Up' and 'Sign In'. The main content is organized into several columns: 'My Excite' with links to 'FREE Voicemail Email', 'Calendar/Address Book', and 'Make Excite My Start Page!'; 'Today On Excite' with a date and time, and news snippets; 'My Stocks' with a table of stock prices; 'My News' with headlines; 'My Weather' with a zip code input; 'My Services' with a list of services; and 'My Chat' with a chat room link. The 'My Stocks' table is as follows:

Symbol	Price	Change
Nasdaq	3144.83	+42.54
Dow	10698.08	-5.00
S&P 500	1374.77	+4.54
ATHM	44.59	+5.41
INTU	31.06	-0.88

Figure 1 The 1999 default homepage of excite.com features polls, directories, weather forecasts, news, offers to buy books, chat rooms, stock quotes, horoscopes, etc. Excite's search function is eclipsed by its attempts to become an all-purpose Web portal.

it was not clear why they thought their project was worth pursuing. In dot-com business circles, it was believed that while the technology of Internet search was not ideal, it was not worth improving.⁴¹

But in fact, the search engines of 1997 were far less useful than Google is today. Generally, they failed to provide users with relevant results.⁴² And the companies that held themselves out as search engines were not that interested in making their search engines better. The conventional wisdom of the major search engines was that given their power as "hubs" of the Internet, they should become information and entertainment "portals" (see Figure 1). Portals would negotiate deals with traditional media companies in order to secure the *best* content (which they believed would not be free).⁴³ Portals

⁴¹ BATTELLE, *supra* note 40, at 83-84; VISE & MALSEED, *supra* note 40, at 46-47.

⁴² VISE & MALSEED, *supra* note 40, at 55.

⁴³ BATTELLE, *supra* note 40, at 83-84; VISE & MALSEED, *supra* note 40, at 46-47. The presumption that the free Web would be useless was probably the biggest mistake most dot-com investors and businesses made. See generally Hunter &

therefore attempted to make deals with major media companies to get access to “premium” news, services, information, and entertainment. While they pursued this goal, they sought revenues from advertising.

Improving search technology was actually inconsistent with the portal philosophy. The greatest profits, it was thought, would come from “stickiness,” that is, keeping people on the portal’s website, showing them ads, and channeling them toward premium partnered content.⁴⁴ Providing a better index of content “outside” the portal would simply be rewarding competitor portals and sending user eyeballs and advertising dollars away.⁴⁵

Perhaps fortunately for Google, graduate students Brin and Page lacked the finances and commercial instincts required to play the portal game. Brin and Page, at least initially, had a strong aversion to advertising, which they believed detracted from their goal of improving the search experience.⁴⁶

Google launched with a near vacant,⁴⁷ fast-loading⁴⁸ home page that constituted a complete rejection of the portal approach (see Figure 2). It was radically centered on the user experience and expressed the anti-advertising philosophy of its founders. This focus on the user helped define and popularize Google’s brand reputation for fast and focused user-centered searches.⁴⁹ The austere original design remains today, at a time when each white pixel on the home page is worth a fortune.

Lastowka, *supra* note 26 (explaining the social and historical roots of the presumption and how “amateur” copyright practices defy it by providing much of the social utility of the Web).

⁴⁴ See VISE & MALSEED, *supra* note 40, at 104.

⁴⁵ *Id.* at 42 (stating this was why Yahoo! declined to purchase Google); cf. Jonathan L. Zittrain, *The Generative Internet*, 119 HARV. L. REV. 1974, 1990-91 (2006) (describing the “walled garden” approach to content pursued by early Internet service providers like CompuServe and Prodigy).

⁴⁶ Brin & Page, *supra* note 1.

⁴⁷ VISE & MALSEED, *supra* note 40, at 78 (explaining how many Google beta testers confronted with the search engine’s page did not believe it had loaded). The pure and popular whiteness of Google’s homepage has concerned some. One company today offers a black Google homepage that utilizes Google’s search function. Blackle claims that it has conserved over 100,000 Watt hours of energy by turning off the white pixels. See Blackle—Energy Saving Search, <http://www.blackle.com/> (last visited Feb. 25, 2008).

⁴⁸ As Google’s Marissa Meyer has explained, application speed is essential to the quality of user experiences. Dan Farber, *Google’s Marissa Meyer: Speed Wins*, ZDNET: BETWEEN THE LINES, <http://blogs.zdnet.com/BTL/?p=3925> (Nov. 9, 2006).

⁴⁹ See James Caufield, *Where Did Google Get Its Value?*, 5 LIBRARIES & THE ACADEMY 555, 562 (2005) (“[W]hat differentiated [Google] from other search engines

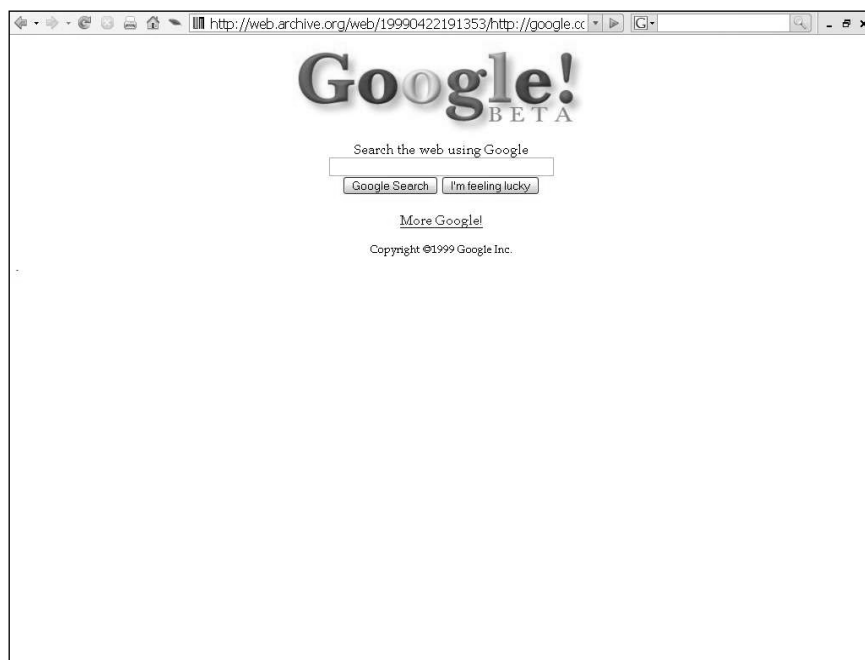


Figure 2 The 1999 default google.com beta homepage is clearly focused on user search to the exclusion of all else. Google's current home page is almost equally minimalistic.

The key appeal of Google, however, was not a predominantly blank home page, but instead the superior quality of its results. Google's technological advance, which Page later patented, was essentially a way of letting the Web speak for itself. Rather than relying exclusively on algorithmic science to parse data and calculate relevance, Page came up with a simple formula that determined the popularity of Web pages. PageRank (a play on Page's last name) took every hyperlink written on the Web to be a kind of vote for the importance of the Web page it pointed to. The application of PageRank to search results allowed the most popular Web pages to float to the top of Google's search results. Combined with link analysis techniques, PageRank made Google's search results noticeably better and allowed users to obtain more relevant results in response to their search terms.⁵⁰

was its willingness to adopt at least some of the traditional values of libraries and other information services.”)

⁵⁰ See Google, Technology Overview, <http://www.google.com/corporate/tech.html> (last visited Feb. 25, 2008). The website explains:

Google's focus on improving relevance was closely tied to its anti-advertising stance. In the same 1998 paper in which they explained how PageRank worked, Brin and Page also offered a reason why Google was opposed to advertising: "[A]dvertising income often provides an incentive to provide poor quality search results."⁵¹ Brin and Page explained that advertising-funded search engines would be inclined to simply direct users to their advertising partners. They hoped Google could avoid this conflict by avoiding advertising altogether: "[T]he issue of advertising causes enough mixed incentives that it is crucial to have a competitive search engine that is transparent and in the academic realm."⁵²

Yet by 2000, only three years after Google's launch, Brin and Page had accepted millions of dollars in venture capital while having no real business model.⁵³ Beholden to their investors in a climate where other online ventures were reeling from the dot-com collapse, Page and Brin reluctantly began selling advertising under a program called AdWords.⁵⁴ Their continued distaste for advertising was evident. There were no advertisements on the home page, which remained vacant. The ads, shown on results pages, contained no images, were printed in a uniform small text font, were shaded blue, and were segregated to the right side of the results listings under the words "Sponsored links."

Google uses numerous factors including its patented PageRank™ algorithm to examine the entire link structure of the web and determine which pages are most important. It then conducts hypertext-matching analysis to determine which pages are relevant to the specific search being conducted. By combining overall importance and query-specific relevance, Google is able to put the most relevant and reliable results first.

Id. For a good explanation of how Google currently combines PageRank with the text of hyperlink pointers and other data to calculate rankings, see Danny Sullivan, *What Is Google PageRank? A Guide for Searchers & Webmasters*, <http://searchengineland.com/070426-011828.php> (Apr. 26, 2007).

⁵¹ Brin & Page, *supra* note 1.

⁵² *Id.*

⁵³ Ben Elgin, *How Google Got Its Groove*, *BUS. WEEK*, Sept. 19, 2005, at 144 ("Google Inc.'s breathtaking success makes it difficult to recollect the search startup of five years ago: a cash-burning outfit with no business model, teetering one misguided decision away from the dot-com rubble.")

⁵⁴ The company recounts these steps more fully in its corporate history. See Google, Corporate Information: Google Milestones, <http://www.google.com/corporate/history.html> (last visited Feb. 25, 2008). Accounts of Google's advertising developments can also be found in the two leading popular histories of Google. BATTELLE, *supra* note 40, at 121-29; VISE & MALSEED, *supra* note 40, at 93-102, 123-52.

Yet when Google adopted advertising, it stole its most profitable idea from an unusual source: GoTo.com.⁵⁵ GoTo.com, like Google, was a search engine launched in 1997.⁵⁶ The business model of GoTo.com was, from a philosophical standpoint, diametrically opposed to the academic and anti-advertising ethos of Google. Rather than resisting advertising, GoTo.com offered users *pure* advertising.

GoTo.com sold its search results to advertisers under a paid placement business model.⁵⁷ It auctioned placement under specific search terms.⁵⁸ The highest bidder would achieve the highest placement in search results for a given term. For instance, a user who searched on GoTo.com for “running shoes” would be shown a page of advertisements ranked according to the amount of money each purchaser paid GoTo.com. Additionally, advertisers would pay GoTo.com only when users clicked on a hyperlink pointing to their page, thus ensuring that advertising payments were linked directly to the consumer traffic provided by GoTo.com.

Though the GoTo.com model was profitable for the company, perhaps for understandable reasons, a search engine limited to paid advertising did not generate a great deal of positive word of mouth. Instead, the majority of GoTo.com's revenues were derived from licensing its “results” for “syndication” on other search engines.⁵⁹ Essentially, GoTo.com would enter into deals with companies like AOL whereby it would buy screen space accompanying other search engine results and return a portion of its revenues to the hosting site.⁶⁰

With regard to its advertising efforts in its right-hand column, Google copied the GoTo.com model wholesale, ultimately settling a patent infringement lawsuit based on its appropriation of the practice.⁶¹ Like GoTo.com, Google sold

⁵⁵ For more information about the history of GoTo.com, see John Battelle's colorful rendition of the history of the company and its founder, Bill Gross. BATTELLE, *supra* note 40, at 95-121.

⁵⁶ GoTo.com was renamed Overture in 2001, and was later purchased by Yahoo!, Inc. It is currently known as Yahoo! Search Marketing. See Danny Sullivan, *Pay Per Click Search Engines (CPC/PPC)*, SEARCHENGINEWATCH.COM, Aug. 13, 2004, <http://searchenginewatch.com/showPage.html?page=2156291>.

⁵⁷ Saul Hansell, *Clicks for Sale; Paid Placement Is Catching On in Web Searches*, N.Y. TIMES, June 4, 2001 at C1.

⁵⁸ BATTELLE, *supra* note 40, at 104-08.

⁵⁹ *Id.* at 113-16.

⁶⁰ *Id.* This model is very similar to what Google has done with AdSense. See *infra* Part I.E.

⁶¹ See BATTELLE, *supra* note 40, at 116.

placement to advertisers only under specific terms. Like GoTo.com, starting in 2002, advertisers paid Google only if and when users clicked on their ads.⁶² And like GoTo.com, Google's AdWords terms were subject to an automated auction mechanism.⁶³

In short order, AdWords became Google's diamond mine. In 2001, Google turned a profit of \$7 million.⁶⁴ In 2002, profits rose to \$100 million.⁶⁵ Four years later, in 2006, Google posted revenues of \$10 billion from AdWords-type advertising sales, comprising over ninety-nine percent of its total revenues.⁶⁶ AdWords revenues are, essentially, the sole source of Google's wealth today. While Google may draw considerable media attention through its other promising assets, such as Google Earth, Google News, YouTube, etc., these other ventures have all been marginal in terms of their contributions to the company's profits.

"Mesothelioma" is a search term commonly used to demonstrate how AdWords tapped a new form of wealth.⁶⁷ Those searching for information about mesothelioma are often suffering, or know someone who is suffering, from asbestos-induced cancer. Class action lawyers want to find these people. As a result, Google can sell a single click on an advertisement relating to mesothelioma for \$30 to \$50.⁶⁸ The high price is the result of a fierce bidding war by litigators.

There are millions of similar niche and not-so-niche "term markets" out there, where advertisers bid against each

⁶² In 2005, Google also allowed users to purchase CPM (cost per thousand impression) advertising. However, given that CPM pricing is the traditional model of Internet "banner" advertising that preceded Google, it has apparently not taken off. Sajjad Matin, Note, *Clicks Ahoy! Navigating Online Advertising in a Sea of Fraudulent Clicks*, 22 BERKELEY TECH. L.J. 533, 536-37 (2007).

⁶³ Google added one wrinkle: when many users clicked on an advertisement, Google would count this as a "vote" to move that advertisement to the top of the AdWords pile. As a result, more popular advertisements preceded less popular ones. VISE & MALSEED, *supra* note 40, at 89-90. This increased "relevancy" and also ensured that Google would display the advertisements that were most likely to garner clicks and increase its own revenues.

⁶⁴ See VISE & MALSEED, *supra* note 40, at 305.

⁶⁵ *Id.*

⁶⁶ Google Inc., Annual Report (Form 10K), at 69 (Mar. 1, 2007), available at <http://www.sec.gov/Archives/edgar/data/1288776/000119312507044494/d10k.htm>.

⁶⁷ See, e.g., Eric Goldman, *Deregulating Relevancy in Internet Trademark Law*, 54 EMORY L.J. 507, 548 n.150 (2005); BATTELLE, *supra* note 40, at 110; VISE & MALSEED, *supra* note 40, at 117.

⁶⁸ See *Truth in Advertising; Internet Commerce*, THE ECONOMIST, Nov. 25, 2006 (\$30); Jon Fine, *Rise of the Lowly Search Ad*, BUS. WEEK, Apr. 24, 2006, at 24 (\$50).

other for the right to connect with individuals searching for “school loans,” “oversize shoes,” “beanie babies,” and everything else under the sun. For many advertisers, AdWords purchases produce a greater return on investment than traditional media channels. A newspaper advertisement about mesothelioma will force the advertiser to subsidize a broadcast to many people who have no interest. With AdWords, the searcher comes to the advertiser, perhaps primed for a commercial transaction and just a mouse-click away from completing it.

C. *Two Sample Results Pages*

In order to ground further discussion of AdWords and its relation to Google's primary results with specific examples, this section briefly discusses the results Google displayed in the summer of 2007 in response to queries for two terms: “cars” and “nike.”⁶⁹ The two terms are selected with a discussion of trademark law in mind. The term “cars” might be understood by laypersons as a generic term for a class of heavily advertised goods (automobiles). The term “nike” probably calls to mind, for many readers, the trademark of a particular sneaker company.⁷⁰

⁶⁹ It should be noted that Google's results for any term are inherently unstable. Because Google regularly refreshes its Web index and modifies its relevancy algorithm, its organic results may change from day to day.

⁷⁰ In fact, as I will explain below, this is a false dichotomy. Both terms have established trademark and non-trademark meanings.

“Nike” is also part of a proud tradition of law review commentary on search engines and trademarks. *See, e.g.*, Graeme B. Dinwoodie & Mark D. Janis, *Confusion Over Use: Contextualism in Trademark Law*, 92 IOWA L. REV. 1597-632 (2007) [hereinafter Dinwoodie & Janis, *Contextualism*] (“To ensure that potential NIKE consumers are not bamboozled in their efforts to reach the NIKE site, Nike, Inc. has purchased a sponsored link on Google that appears in response to a query for NIKE.”); Goldman, *supra* note 67, at 509 (“She enters the word ‘Nike’ into the Google search engine in an attempt to find source material for her report”); Kurt M. Saunders, *Confusion Is the Key: A Trademark Law Analysis of Keyword Banner Advertising*, 71 FORDHAM L. REV. 543, 565 (2002) (“[I]f a consumer in search of NIKE athletic shoes types in ‘Nike’”); Jason Allen Cody, Note, *Initial Interest Confusion: What Ever Happened to Traditional Likelihood of Confusion Analysis?*, 12 FED. CIR. B.J. 643, 643 n.2 (2003) (“On February 14, 2002, the author typed ‘nike’ into a comprehensive search engine, Google.”); Jennifer D. Johnson, Comment, *Potential Liability Arising Out of the Use of Trademarks in Web Site Meta Tags and Ensuring Coverage of Meta Tag Trademark Infringement Claims under Commercial Insurance Policies*, 50 CATH. U. L. REV. 1009, 1019 (2001) (“For example, if a Web user wants to search for Web pages containing information on Nike shoes, the user places ‘Nike’ as a search term in a search engine.”). “Nike” has even been used as an example search term by Google to illustrate its technology. *See* Google, Our AdWords Trademark Complaint Procedure, http://www.google.com/tm_complaint_adwords.html (last visited Feb. 25, 2008) (stating that a purchaser of the keyword “shoes” may have advertising displayed in response to queries for “Nike shoes”).

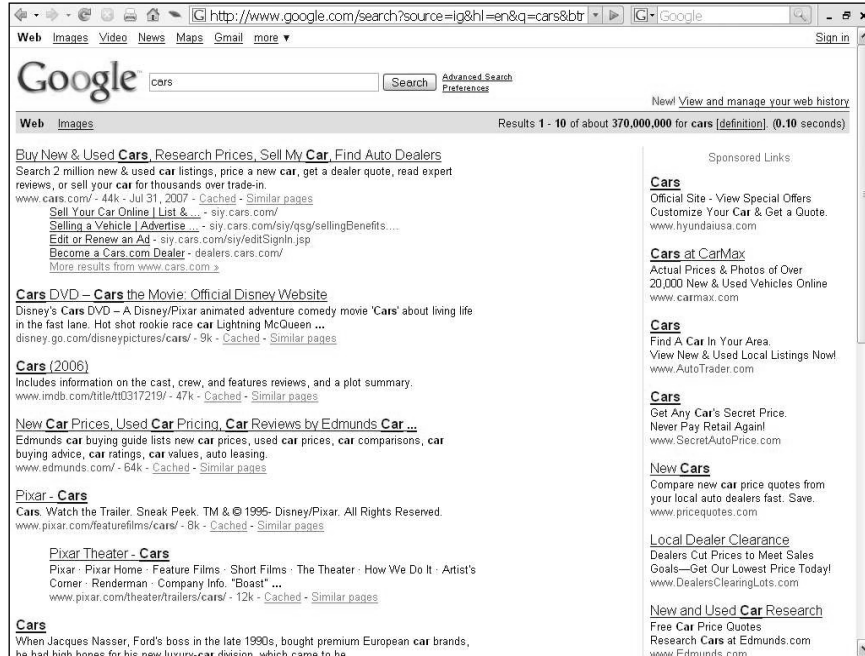


Figure 3 A 2007 search results page for “cars” shows the user-entered keyword at the top of the page, the organic (unpaid) results on the left side of the page, and the paid “sponsored links” results on the right side of the page. Note that the keyed term “cars” is highlighted with bold type in both the organic and paid results.

The screenshot in Figure 3 shows a partial page of Google results for “cars” in North America during the summer of 2007. In the shaded bar at the top of the page, Google claims to have indexed over 300 million websites related to “cars.” However, only ten of these 300 million “organic” results—those ten that Google’s ranking algorithm deemed most relevant—have been displayed on the first page of results. The average user will only rarely travel beyond this first page of results.⁷¹

The left column lists Google’s organic results, starting with multiple sub-domains of the website “cars.com.” The right column is filled with AdWords advertisements, displayed under the words “Sponsored Links.” About half of the left-column organic results for “cars” relate to a Disney movie of that name. The other half are links to websites selling and providing information about automobiles, like a *Washington Post* website that offers information about cars.

⁷¹ See, e.g., Goldman, *supra* note 67, at 535, 535 n.85 (citing studies).



Figure 4 A 2007 search for “nike” produces two sponsored links that appear above the organic listings (these are lightly shaded in a highlight color) and three sponsored links on the right side of the page. The organic results are dominated by the websites of the Nike™ athletic wear company.

Figure 4 shows Google’s results page for “nike.” “Nike” is apparently understood by both Google’s algorithm and its AdWords advertisers as the proper name of a sneaker company. All the top-page results and AdWords advertisements reflect this meaning of the word. The left column here is somewhat different than the last example because Google has “awarded” two advertisers (Nike and Finish Line⁷²) with top left-column placements for their advertisement, which appear above the left-column results.⁷³ The standard left-hand column

⁷² Finish Line has some significant advertising partnerships with Nike, which may be relevant to the placement. See Reuters, *Finish Line and Nike Team Up*, Aug. 3, 2007, <http://www.topix.net/content/reuters/2007/08/finish-line-and-nike-team-up> (reporting on a joint campaign to promote a new line of Nike™ sneakers).

⁷³ Ads that appear above the organic listings cannot be purchased from Google (at least not currently), but are Google’s way of “rewarding” AdWords purchasers who make their advertisements highly relevant to users (in other words, ads that produce a very high click-through rate are put in this position). This is explained by a Google employee blogger. See Posting of Blake to Inside AdWords, <http://adwords.blogspot.com/2005/12/into-blue.html> (Dec. 2, 2005, 15:31 EST) (“At the bottom line, highly relevant keywords and ad text, a high CPC, and a strong CTR will result in a higher position for your ad and help you rise ‘into the blue.’”).

follows these two advertisements and includes several links to the Nike company's websites. In the right column, various AdWords advertisements for the search term "Nike" are listed. These include advertisers that sell Nike footwear as well as other brands of sneakers.

D. The Left and Right Columns

During its short history, Google has repeatedly proclaimed that its business model bears no resemblance to the model of GoTo.com, in which advertisers paid for prominent placement in results.⁷⁴ Google draws a bright line between left-column "results" and right-column "advertisements."⁷⁵ The Google home page states, "[W]e always distinguish ads from the search results or other content on a page. We don't sell placement in the search results themselves, or allow people to pay for a higher ranking there."⁷⁶

In a 2004 statement to prospective shareholders, under the heading "DON'T BE EVIL," Google stated:

Our search results are the best we know how to produce. They are unbiased and objective, and we do not accept payment for them or for inclusion or more frequent updating. We also display advertising, which we work hard to make relevant, and we label it clearly. This is similar to a newspaper, where the advertisements are clear and the articles are not influenced by the advertisers' payments.⁷⁷

So according to Google's public relations, one way it avoids "being evil" is by refusing to allow its left-hand column to be purchased, while making its right-hand column its profit center. There are clearly echoes here of the Google founders' former aversion to advertising. On the other hand, placement in the right-hand column *must* be purchased. And in the right column, a lack of relevance is no bar to placement if an advertiser is willing to pay.⁷⁸

⁷⁴ See BATTELLE, *supra* note 40, at 115-16.

⁷⁵ See James Caufield, *supra* note 49, at 564 (explaining Google's historical anti-advertising ethos and stating "Google has erected a barrier between advertising and search").

⁷⁶ Google, Inc., Company Information: Corporate Overview, <http://www.google.com/intl/en/corporate/index.html> (last visited Feb. 25, 2008).

⁷⁷ Google Owner's Manual, *supra* note 4, at vi.

⁷⁸ However, advertisements producing fewer clicks (and fewer revenues for Google) are threatened with removal unless payments per click are increased. For example, in the summer of 2007, I bought an AdWords placement for the keyword "nike" that pointed to an unrelated weblog. After about 400 impressions that (unsurprisingly) led to no click-throughs, Google informed me that I might remain

The left/right distinction is very important to Google, but studies have shown it is not important to the average user.⁷⁹ In fact, the average Google user does not distinguish between the two types of links. According to one recent study, five out of six search engine users cannot tell the difference between sponsored links and organic results, and roughly half are unaware that a difference between the two exists.⁸⁰

To the extent users are uncertain about the nature of right column advertisements and left column “organic results” on Google, Google’s design choices may not help the situation. As the screenshots show, AdWords advertisements appear in generally the same format as organic results and this may lead users to equate them. The small words “Sponsored Links” and the pastel shading of the AdWords could be ambiguous. To someone unfamiliar with the details of Google’s advertising practices, it might seem as if Google is suggesting that the advertisements are *more* relevant (that is, Google “sponsors” the results). In 2002, the Federal Trade Commission warned search engines that they were obliged to clearly differentiate paid results from non-paid results.⁸¹ However, the FTC has yet to take any action.⁸²

There is another good reason that users may not spot the difference between Google’s right and left columns. Google’s left-hand column is, in fact, subject to market forces in ways that can make it similar to the right-hand column. Businesses seeking consumer traffic realize that both columns are simply

listed by increasing my bid from \$1 per click to \$5 per click. (I declined.) (Printouts on file with author.)

⁷⁹ See Goldman, *supra* note 67, at 518 (discussing “artificial divisions” between ads and content).

⁸⁰ See Deborah Fallows, *Search Engine Users*, PEW INTERNET & AM. LIFE PROJECT, Jan. 23, 2005, at 17-18, available at http://www.pewinternet.org/PPF/r/146/report_display.asp (“Among the 38% of internet users who are aware of the practice [of two different types of search results], some 47% of searchers say they can always tell which results are paid or sponsored and which are not. This represents about one in six of all internet searchers.”). It should be noted that this study apparently included other search engines—studies conducted specifically with regard to Google’s practices would be more ideal. *Id.*

⁸¹ Letter from Heather Hipsley, Acting Associate Dir., F.T.C. Division of Advertising Practices, to Gary Ruskin, Executive Director, Commercial Alert (June 27, 2002), available at <http://www.commercialalert.org/PDFs/ftcresponse.pdf> (“[T]he staff recommends that if your search engine uses paid placement, you make any changes to the presentation of your paid-ranking search results that would be necessary to clearly delineate them as such, whether they are segregated from, or inserted into, non-paid listings.”).

⁸² See generally Andrew Sinclair, Note, *Regulation of Paid Listings in Internet Search Engines: A Proposal for FTC Action*, 10 B.U. J. SCI. & TECH. L. 353 (2004) (arguing that the FTC should take action with respect to paid placement).

lists of links. Being first in the left-hand column may provide more traffic to a site than paying for an AdWords advertisement.⁸³ Many small e-commerce fortunes have been found (or lost) by inadvertently pleasing (or displeasing) the organic Google algorithms that structure the left-hand column.⁸⁴ As a result, a profitable business has grown up around the science of reverse engineering Google's algorithm and adapting business websites to please it. This practice is known as "search engine optimization," or "SEO" for short.

Google has little to gain from helping the SEO business flourish.⁸⁵ As Brin and Page realized in 1998, completely following the GoTo.com model would likely produce search results that are not ideal for users. Displeased users might look for a better search engine. If Google cannot capture profits from the left-hand column for fear of displeasing users, then its optimal strategy should be combating SEO that undermines the indexical utility that column provides to users. In addition, by combating SEO, Google can drive advertisers to its right-hand column and can gain greater profits.

Yet the SEO economy is here to stay and is currently valued at \$4.1 billion.⁸⁶ This makes questionable Google's claim that the left-hand column is not commercially influenced. Many SEO techniques are not "evil," but rather common sense (albeit technically obscure) methods designed to maximize search engine ranking. Yet these benefits are reaped only by those who are able to pay for them.

⁸³ Studies indicate that the first link in search results draws much more traffic than the second link—regardless of the text of the link. See Jakob Nielsen, *The Power of Defaults*, ALERTBOX, Sept. 26, 2005, <http://www.useit.com/alertbox/defaults.html>; Bing Pan et al., *In Google We Trust: Users' Decisions on Rank, Position, and Relevance*, J. COMPUTER-MEDIATED COMM. 12(3) (2007), available at <http://jcmc.indiana.edu/vol12/issue3/pan.html> ("In summary, the findings here show that college student subjects are heavily influenced by the order in which the results are presented and, to a lesser extent, the actual relevance of the abstracts.").

⁸⁴ See, e.g., Paul Sloan, *How to Scale Mt. Google: Getting Your Site on the First Page Can Turn a Hobby into a Thriving Business*, CNNMONEY, May 14, 2007, http://money.cnn.com/magazines/business2/business2_archive/2007/05/01/8405661/index.htm (explaining how a small business selling kitchen cabinets used search engine optimization techniques to go from negligible profits to "revenue of \$10,000 a month and more inquiries than her one-woman business can handle"); *Who's Afraid of Google?*, *supra* note 3 ("Many small firms hate Google because they relied on exploiting its search formulas to win prime positions in its rankings, but dropped to the internet's equivalent of Hades after Google tweaked these algorithms.").

⁸⁵ See generally James Grimmelmann, *The Structure of Search Engine Law*, 94 IOWA L. REV. (forthcoming 2008), draft available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=979568 (explaining the various techniques of SEO and stating that "[s]trong market incentives compel search engines to combat SEO").

⁸⁶ Sloan, *supra* note 84.

Google's algorithm can also be gamed by more devious SEO practices that can sometimes lead to retaliatory actions by Google. While Google condones "honest" SEO, it cautions against hiring "aggressive" SEO companies that "unfairly manipulate search engine results" in ways that are "beyond the pale."⁸⁷ This is obviously a fuzzy line and Google's conduct has not done much to clarify the distinction it draws between fair and unfair SEO. This might be best exemplified by Google's responses to the practice of "Google-bombing." Google-bombing is based on a well-known feature of Google's link analysis algorithm. As Steve Johnson has explained, part of Google's ranking algorithm has included the analysis of a hyperlink's textual content.⁸⁸ So, for example, if the majority of hyperlinks with the text "Nike" point to the website of Nike, Inc., Google might be more likely to list that website as an early result. Google-bombers exploit this fact by repeatedly linking a particular target phrase to a particular target website.⁸⁹

In 2005, Google vice-president Marissa Meyer acknowledged Google-bombers had managed to link Google's top result for "failure" and "miserable failure" to the website of the White House, but explained that Google was reluctant to intervene with this outcome: "We don't condone the practice of google-bombing, or any other action that seeks to affect the integrity of our search results, but we're also reluctant to alter our results by hand in order to prevent such items from showing up."⁹⁰

SEO tactics, both "fair" and "unfair" (and those in between), produce higher left column rankings. Therefore, economically rational businesses should weigh dollars spent on

⁸⁷ See Google, What's an SEO? Does Google recommend working with companies that offer to make my site Google-friendly?, <http://www.google.com/support/webmasters/bin/answer.py?hl=en&answer=35291> (last visited Feb. 25, 2008) ("[A] few unethical SEOs have given the industry a black eye through their overly aggressive marketing efforts and their attempts to unfairly manipulate search engine results While Google doesn't comment on specific companies, we've encountered firms calling themselves SEOs who follow practices that are clearly beyond the pale of accepted business behavior. Be careful."); Frank A. Pasquale, *Rankings, Reductionism, and Responsibility*, 54 CLEV. ST. L. REV. 115, 124 n.41 (2006).

⁸⁸ Steven Johnson, *The Art of Googlebombing: How the Mighty Internet Search Engine's Rankings of Results Can Be Manipulated*, DISCOVER, July 1, 2004, at 22.

⁸⁹ Pasquale, *supra* note 87, at 121.

⁹⁰ Posting of Marissa Mayer to Official Google Blog, <http://googleblog.blogspot.com/2005/09/googlebombing-failure.html> (Sept. 16, 2005, 12:54 EST) ("Pranks like this may be distracting to some, but they don't affect the overall quality of our search service, whose objectivity, as always, remains the core of our mission.").

AdWords against dollars spent on SEO.⁹¹ The *New York Times* recently admitted that it has been using SEO “to make money by driving traffic to its Web site.”⁹² An editor for the *Times* declared that its SEO tactics push “*Times* content to or near the top of search results, regardless of its importance or accuracy.”⁹³ Given the importance of SEO, it can be hard to see the much-vaunted distinction between the left-hand and right-hand columns on Google. Both are commercially influenced.

Google’s interest in the distinction between advertising results and organic results should be understood as an interest not so much based on avoiding “evil,” but primarily on securing profit. Clicks on “nike” AdWords advertisements produce revenues for Google. Clicks on left-column “nike” results may take the user to the same business, but produce no revenues for Google. Google’s bottom line depends on the difference between its left and right columns. However, users searching for “nike” on Google are likely to be sent to a sneaker company in either case.⁹⁴

E. A Note on AdSense

In 2003, Google added further complexity to its advertising model by introducing AdSense.⁹⁵ According to recent financial statements from Google, a majority of Google’s current revenues are generated by AdWords, while AdSense accounts for a significant minority percentage.⁹⁶ Though an in-depth analysis of the structure of AdSense is beyond the

⁹¹ See Pasquale, *supra* note 87, at 129 (explaining how “the first unpaid result is likely to get ten times the traffic of the tenth”). Pasquale views the practice of SEO as an “arms race” generating negative economic externalities, drawing an interesting comparison to *U.S. News Rankings*. *Id.* at 130-34.

⁹² Clark Hoyt, *When Bad News Follows You*, N.Y. TIMES, Aug. 26, 2007, at WK10.

⁹³ *Id.*

⁹⁴ *Cf.* Goldman, *supra* note 67, at 509 (hypothesizing a situation where, due to the influence of trademark law on search results, a future student might search for “nike” on Google and be unable to find information on the mythological figure). It may well be that with or without trademark law influencing search results, the mythological Nike will be comparatively obscure in the world of search engines.

⁹⁵ See Google, Corporate Information: Google Milestones, <http://www.google.com/corporate/history.html> (last visited Feb. 25, 2008).

⁹⁶ In the first quarter of 2007, Google generated approximately \$2.3 billion (62% of revenues) from AdWords and approximately \$1.3 billion (37% of revenues) from AdSense. See Google Investor Relations, Google Announces First Quarter 2007 Results, <http://investor.google.com/releases/2007Q1.html> (last visited Apr. 20, 2008).

scope of this Article, it is worth briefly describing how the AdSense model differs from the AdWords model.⁹⁷

AdSense is a program whereby website owners are paid by Google to provide advertising space on their websites where AdWords advertisements are displayed. The precise advertisements displayed are determined by a process similar to the process that determines AdWords placements in search results. However, given that the AdSense ads are incorporated in websites and are not triggered by searches, Google's algorithm matches advertisements to the text of the website rather than search term. Hence, a website describing the Greek goddess Nike might display AdSense advertisements for Nike sneakers.⁹⁸ According to Google, "AdSense technology analyzes the text on any given page and delivers ads that are appropriate and relevant, increasing the usefulness of the page and the likelihood that those viewing it will actually click on the advertising presented there."⁹⁹

The AdSense program draws hosting sites into a closer relationship with Google. Because Google operates as an index, almost all small websites are partially dependent on Google for the traffic they receive.¹⁰⁰ AdSense allows small and large websites that seek profits to partner with Google and share in revenues. When website viewers click on AdSense advertisements, the advertisers pay Google for the traffic generated, and Google forwards a percentage of the proceeds to the website that hosts the AdSense advertisement.¹⁰¹

One major criticism of the AdSense model is its relationship to a "clickfraud" industry built around "false click-

⁹⁷ For more information about clickfraud and legal claims against it, see generally Matin, *supra* note 62.

⁹⁸ Though Google's current algorithm is smart enough to promote travel to Greece most of the time, the occasional sneaker ad actually does appear. (Printout on file with author.)

⁹⁹ Google, Corporate Information: Google Milestones, <http://www.google.com/corporate/history.html> (last visited Feb. 25, 2008).

¹⁰⁰ To take a random example, the law blog *Concurring Opinions* receives the majority of its traffic from search engines, with Google accounting for the substantial majority of search engine traffic. See eXTReMe Tracking, <http://extremetracking.com/open;ref2?login=solo1111> (last visited Feb. 25, 2008).

¹⁰¹ BATTELLE, *supra* note 40, at 151-52. AdSense has even crept into the "market" (such as it is) for law review articles: the academic paper-hosting website Social Science Research Network ("SSRN") generates revenues by displaying AdSense advertisements. For instance, at present a draft of Professor Mark A. Lemley's *Property, Intellectual Property, and Free Riding*, 83 TEX. L. REV. 1031 (2005), is associated by Google with ads for the law firms of Myers, Boebel & MacLeod and Buus Kim Kuo & Tran LLP. Another popular paper by Professor Orin Kerr features advertisements for Harry Potter ring tones. (Web page printouts on file with author.)

throughs.”¹⁰² Advertisers generally and reasonably trust that traffic flowing from Google’s results pages is genuine. However, AdSense is prone to a systemic failure. AdSense hosts have an incentive to maximize their income by maximizing the number of times users click through on hosted advertisements. While most AdSense hosts generate their viewer traffic and AdSense profits in “fair” ways (for example, making their websites more likely to attract attention), there are more direct ways to generate clicks on advertisements.

If a click is worth a dollar to an AdSense host, it is hardly surprising that some hosts will pay individuals something less than a dollar to click on their advertisements. Many unscrupulous websites have been willing to split their AdSense profits with paid teams of so-called click-farmers who generate fake AdWord clicks (that is, clicks that are not based on any actual interest in the advertising). Analysts estimate that around five to twenty percent of AdSense clicks are generated by such clickfraud.¹⁰³ This makes clickfraud a multi-billion dollar business.

While Google has recognized that clickfraud is a problem, it is also true that Google must profit from undetected clickfraud practices in the short term.¹⁰⁴ While Google does not charge for “invalid clicks” that it detects and has a division that works to combat clickfraud,¹⁰⁵ it is not clear that Google has any strong incentive to address the problem. Google’s CEO, Eric Schmidt, has even stated that the clickfraud situation is “self-correcting” and that the market can provide a perfect “economic solution” to the problem.¹⁰⁶ This has not deterred class action suits against Google based on the practice, one of which was recently settled for ninety million dollars.¹⁰⁷ As a

¹⁰² VISE & MALSEED, *supra* note 40, at 240-49.

¹⁰³ Matin, *supra* note 62, at 540-41.

¹⁰⁴ VISE & MALSEED, *supra* note 40, at 248 (“Google has the data, but not the incentive, to put sufficient resources into fighting clickfraud . . .”).

¹⁰⁵ See Google, Google Ad Traffic Quality Resource Center: Overview, <http://www.google.com/adwords/adtrafficquality/overview.html> (last visited Feb. 25, 2008) (“[W]e protect advertisers against click fraud by not charging for suspicious clicks. The intent of a click is difficult to determine with a high degree of scientific accuracy. We therefore create a high false positive rate by marking a much larger number of clicks as invalid compared to the number of clicks we believe to be generated with bad intent.”).

¹⁰⁶ Posting of Donna Bogatin to ZDNET (July 9, 2006, 4:51 EST), <http://blogs.zdnet.com/micro-markets/index.php?p=219> (“According to Schmidt, Google’s auction-based pay-per-click advertising model is inherently self-correcting.”).

¹⁰⁷ Matin, *supra* note 62, at 546; Final Order and Judgment Approving Settlement, Lane’s Gifts and Collectibles LLC v. Yahoo! Inc., No. CV-2005-52-1 (Ark.

recent student note points out, the legal obligations of Google to police against clickfraud have not been conclusively settled by courts.¹⁰⁸

II. THE CURRENT LEGAL STATUS OF SEARCH RESULTS

A. *Non-Trademark Search Regulation*

This second Part considers attempts to use law to regulate the structure of Google's results. As an initial matter, it is worth observing how the law clearly *does* regulate Google's results in many ways. In its right-hand column, Google, by its own policies, prohibits twenty-eight types of AdWords advertising.¹⁰⁹ Among the prohibited advertisements are those for prostitution, child pornography, computer hacking tools, weapons, and counterfeit goods.¹¹⁰ These bans are clearly motivated by Google's concerns over legal liability. In its left column, Google has a policy of removing certain search results from its indices when copyright holders notify Google that the linked resources contain infringing material.¹¹¹ The procedure that Google follows affords it a "safe harbor" from infringement liability under the Digital Millennium Copyright Act.¹¹²

The key question about Google, therefore, is not whether its results pages should be regulated per se, but whether search results require a more specific form of regulation. Google's business model is different from that found in other media. One does not consult a daily newspaper to rapidly discover useful information about mesothelioma lawyers, Phil Rizzuto, or "phrogging."¹¹³

Cir. Ct. complaint filed Feb. 17, 2005). Given that Google generated roughly \$4 billion in 2006 from AdSense, this actually is a very favorable settlement from Google's standpoint. Much of the settlement consists of "credits" to advertisers.

¹⁰⁸ Matin, *supra* note 62, at 540 (noting that there is no industry-accepted definition for an "invalid click").

¹⁰⁹ See Google, Google AdWords: Content Policy, <https://adwords.google.com/select/contentpolicy.html> (last visited Feb. 25, 2008).

¹¹⁰ *Id.*

¹¹¹ See Google, Digital Millennium Copyright Act, <http://www.google.com/dmca.html> (last visited Feb. 25, 2008).

¹¹² *Id.*

¹¹³ This term "phrogging" apparently means living in someone else's home without their knowledge or permission. It can be found in Google's "Hot Trends," a list of search queries that became rapidly popular on given dates. For instance, on August 14, 2007, the Google top ten Hot Trends were as follows: "1. phil rizzuto, 2. phrogging, 3. sentinel management group, 4. sue sheff, 5. vomit island, 6. paycheck showdown, 7. sentinel funds, 8. craig carton, 9. albert insinnia, 10. tiger woods design." For more

If our concerns are about the general nature of Google's results pages, we might start by taking the earlier examples ("cars" and "nike") and looking for flaws. It is not hard to find some basis for criticism.¹¹⁴

Traditional mass media has been criticized for many reasons, but legal commentary has often emphasized the way in which it tends to privilege majority preferences over more diverse viewpoints, and the way that it favors information that is commercially effective over information that is less integral to facilitating commercial transactions.¹¹⁵ Both of these criticisms apply fully to the "cars" and "nike" results provided by Google.

Google clearly demonstrates a commercial bias in the searches for both "cars" and "nike." Though most dictionaries suggest that "cars" is the plural of a term for automobiles, Google's results correlate the term, in significant part, with a recent Disney movie. And whereas most all dictionaries define the word "nike" as the name of the Greek goddess of victory, Google's right and left columns privilege information about (and largely created by) a sneaker company.¹¹⁶

There is also a significant and systemic bias in favor of majority preferences. Google's PageRank formula is designed to privilege websites that win the most "votes" in the form of hyperlinks. The commercial bias and the popular bias of Google are difficult to disaggregate. Commercial influence drives offline and online advertising and social prominence. So it may be that "cars" is highly correlated with a Disney movie because many Web authors exposed to Disney's advertising and entertainment have now associated the term with the movie in hyperlinks. The same may be true of the shape of "nike" results. Google may simply be a mirror held up to a consumer culture. Of course, there might be other explanations: if Disney and Nike are engaging in sophisticated SEO, their investments

query demographics, see Google, Hot Trends, <http://www.google.com/trends/hottrends> (last visited Feb. 25, 2008).

¹¹⁴ For an early critique of search engines, see generally Introna & Nissenbaum, *supra* note 4 (criticizing the manner in which search engines display results).

¹¹⁵ See Frank A. Pasquale & Oren Bracha, *Federal Search Commission? Access, Fairness and Accountability in the Law of Search* (Univ. of Texas Law, Pub. Law Research Paper No. 123, July 23, 2007), at 7, *draft available at* <http://ssrn.com/abstract=1002453>.

¹¹⁶ Google does eventually provide results that reflect the mythological meaning, just not on its first page.

may also be responsible for the prominence of “cars” and “nike” in the organic results.

If we look for commercial influence in the right column, it is nearly total. The AdWords in the right-hand column are ranked according to the highest bidder, conditioned only by the popularity of the advertisements with users. This should naturally result in a bias toward both commercial influence and majority preferences. In short, Google’s results pages are prone to exactly the same types of bias found in traditional mass media.¹¹⁷

This may be disappointing to those hoping that Google might be able to remedy the biases of traditional media. We might ask if Google could be required to provide results that are more diverse or less responsive to commercial influence. However, even if there were political will sufficient to enact broad legislation, it is not clear that it would withstand a legal challenge. In litigation, Google has argued that its results pages simply represent Google’s opinion (or the opinion produced by its algorithm) about sites relevant to the search terms.¹¹⁸ As such, even if Google were to follow the model of GoTo.com and only direct users to sites according to advertising payments, it might claim protection under the First Amendment (unless its results were somehow deceptive).

A line of cases is beginning to reflect this view, according Google the freedom to provide results in any way it deems fit, including through the hand-editing of its indices. The two most prominent cases have been *Search King, Inc. v. Google Technology, Inc.*,¹¹⁹ brought in the Western District of Oklahoma, and *KinderStart.com, LLC v. Google, Inc.*,¹²⁰ brought in the Northern District of California.

¹¹⁷ For a thorough discussion of the potential biases inherent in Google’s results, see Alejandro M. Diaz, *Through the Google Goggles: Sociopolitical Bias in Search Engine Design* (2005) (unpublished master’s thesis), available at http://www.stanford.edu/~amd/download/thesis_final.pdf.

¹¹⁸ See *Langdon v. Google*, 474 F. Supp. 2d 622 (D. Del. 2007). In this case, a pro se plaintiff argued that Google failed to “honestly” rank his website in its search results. *Id.* at 629. Google defended its practice on the basis that the First Amendment precluded relief requiring it to change its rankings. *Id.* at 629-30. The plaintiff did not challenge this argument and the court found in Google’s favor. *Id.*

¹¹⁹ No. CIV-02-1457-M, 2003 U.S. Dist. LEXIS 27193 (W.D. Okla. May 27, 2003). For additional discussion of the *Search King* case, see Pasquale, *supra* note 87, at 124-25.

¹²⁰ No. C 06-2057, 2006 U.S. Dist. LEXIS 45700 (N.D. Cal. June 26, 2006); 2006 U.S. Dist. LEXIS 82481 (N.D. Cal. July 13, 2006); 2007 U.S. Dist. LEXIS 22648 (N.D. Cal. Mar. 16, 2007); 2007 U.S. Dist. LEXIS 22637 (N.D. Cal. Mar. 16, 2007).

In *Search King*, the plaintiff was a company based in Oklahoma that engaged in a form of SEO.¹²¹ Google believed Search King's practices abused and manipulated its algorithm.¹²² Search King's business model was oriented around locating Web pages that had a high Google PageRank and then acting as a middleman, paying those sites to link to its clients.¹²³ Essentially, Search King was monetizing the value of PageRank by paying those sites with high PageRank to extend their good PageRank to others via outbound links.

But Search King's efforts to build a free market for PageRank in the left-hand column were not in keeping with Google's desire to avoid "evil" in that space. When Google learned of Search King's practices, it reduced Search King's PageRank, as well as the PageRank ratings of associated websites.¹²⁴ Google never explicitly admitted that Search King had been targeted for "hand-editing,"¹²⁵ but employees at Google have confirmed that certain other websites have been penalized in this way and specifically removed from Google's index in response to certain SEO techniques.¹²⁶

¹²¹ See *Search King*, 2003 U.S. Dist. LEXIS 27193, at *4; Search King, <http://www.searchking.com/> (last visited Feb. 25, 2008).

¹²² On its web page, Search King disagrees and vigorously defends its SEO practices. See Search King, *The Fallacy of SEO*, <http://www.searchking.com/seofallacy.html> (last visited Feb. 25, 2008) ("Search Engine Optimization (SEO) has been defined as the art of manipulating the search engines. That is false. SEO does *not* manipulate search engines.").

¹²³ *Search King*, 2003 U.S. Dist. LEXIS 27193, at *3 ("[The advertising network's] fee is based, in part, on the PageRank assigned to the web site on which its client's advertisement and/or link is placed.").

¹²⁴ *Id.* ("In August or September of 2002, Search King's PageRank dropped [from 8] to 4; [PR Ad Network's] PageRank was eliminated completely, resulting in 'no rank.'").

¹²⁵ Bob Massa, the proprietor of Search King, claimed he was targeted as a "spammer." See Stefanie Olsen, *Google Counters Search-Fix Lawsuit*, CNET NEWS, Jan. 10, 2003, <http://www.news.com/2100-1023-980215.html> ("They arbitrarily singled us out. They make up rules, and they decide you're a spammer, and boom! you're gone. There's no recourse. Search engines have to be held accountable.").

¹²⁶ The head of Google's Webspam team, Matt Cutts, has confirmed that Google penalizes sites in its "official capacity." See Posting of Matt Cutts to Matt Cutts: Gadgets, Google, and SEO, <http://www.mattcutts.com/blog/confirming-a-penalty/> (Feb. 11, 2006, 11:42 EST).

I can confirm that Google has removed traffic-power.com and domains promoted by Traffic Power from our index because of search engine optimization techniques that violated our webmaster guidelines at <http://www.google.com/webmasters/guidelines.html>. If you are a client or former client of Traffic Power and your site is not in Google, please see my previous advice on requesting reinclusion into Google's index to learn what steps to take if you would like to be reincluded in Google's index.

Search King brought suit, alleging that Google's PageRank rating penalties constituted tortious interference with contractual relations.¹²⁷ Essentially it claimed that Google had destroyed its advertising business by removing its site from search listings. Search King's request for a preliminary injunction was denied and Google brought a motion to dismiss.¹²⁸ The key question was whether, under applicable Oklahoma law, Google's actions were "malicious and wrongful" and "not justified, privileged, or excusable."¹²⁹ Google argued that reductions in PageRank were opinions protected by the First Amendment.¹³⁰ Search King responded by pointing out how PageRank was a patented formula that Google claimed to be "objectively verifiable."¹³¹ The court sided with Google:

[T]he Court finds that PageRanks do not contain provably false connotations. PageRanks are opinions—opinions of the significance of particular web sites as they correspond to a search query. Other search engines express different opinions, as each search engine's method of determining relative significance is unique. The Court simply finds there is no conceivable way to prove that the relative significance assigned to a given web site is false.¹³²

The court held that Search King had failed to state a claim and dismissed the suit.¹³³

The *KinderStart* case involved somewhat similar facts. *KinderStart.com* is a website that provides a directory with information and resources related to young children.¹³⁴ In 2003, *KinderStart.com* became a Google AdSense affiliate,¹³⁵ and two years later *KinderStart.com* claimed monthly traffic amounting

Id. During the same week, Google confirmed that it had "blacklisted" the German website of auto manufacturer BMW for using improper SEO tactics. Tom Espiner, *Google Blacklists BMW.de*, CNET NEWS, Feb. 6, 2006, http://news.com.com/Google+blacklists+BMW.de/2100-1024_3-6035412.html (stating that the website had used "doorway pages" or false websites that enticed Google's algorithm but redirected visitors to other pages).

¹²⁷ *Search King*, 2003 U.S. Dist. LEXIS 27193, at *4 (stating that Google had "adversely impacted the business opportunities available to Search King . . . to an indeterminate degree by limiting their exposure on Google's search engine").

¹²⁸ *Id.*

¹²⁹ *Id.* at *6.

¹³⁰ *Id.*

¹³¹ *Id.* at *8.

¹³² *Id.* at *11-12.

¹³³ *Id.* at *13.

¹³⁴ See *KinderStart*, <http://www.kinderstart.com> (last visited Feb. 25, 2008).

¹³⁵ Complaint for Injunctive and Declaratory Relief and Damages at ¶ 18, *KinderStart.com, LLC v. Google, Inc.* (N.D. Cal. 2006) (No. C06-2057), 2006 WL 777064 [hereinafter *KinderStart Initial Complaint*].

to over ten million page views.¹³⁶ With this amount of traffic, KinderStart.com was surely profiting substantially from AdSense. In March 2005, however, Google de-listed KinderStart from its index and dropped KinderStart's PageRank to zero.¹³⁷ While KinderStart remained an AdSense partner, once Google stopped sending new traffic to the site, this reduced KinderStart's AdSense revenues by eighty percent and its overall website traffic by seventy percent.¹³⁸ These figures demonstrate the power that Google wields in the e-commerce marketplace.

Google has never publicly explained why it reduced KinderStart's PageRank. KinderStart claimed that it had never violated Google's policies.¹³⁹ However, it seems clear that the KinderStart de-listing and PageRank reduction were, like the actions taken against Search King, instances of targeted hand editing by Google employees based on some concern Google had about the company.

KinderStart filed suit on March 17, 2006, with a class action complaint bringing claims on behalf of itself and similarly situated online businesses.¹⁴⁰ It alleged seven counts of violations of common and statutory law, claiming, *inter alia*, that Google had abridged its rights to free speech, that Google had monopolized the online advertising market, that Google was guilty of unfair business practices, and that its "zero" PageRank constituted common law defamation and libel.¹⁴¹ After an initial unfavorable ruling dismissing the complaint with leave to amend, KinderStart filed an amended complaint, adding a false advertising claim.¹⁴²

All KinderStart's claims were ultimately dismissed.¹⁴³ Though the various claims failed for reasons grounded in the appropriate legal doctrines (for example, KinderStart's federal

¹³⁶ *See id.* at ¶ 17.

¹³⁷ *Id.* at ¶ 50.

¹³⁸ *Id.* at ¶¶ 26, 27.

¹³⁹ *Id.* at ¶¶ 46-48.

¹⁴⁰ *Id.* at 14-24.

¹⁴¹ *Id.* at 17-24.

¹⁴² First Amended Complaint for Injunctive and Declaratory Relief and Damages at ¶¶ 28-29, *KinderStart.com, LLC v. Google, Inc.* (N.D. Cal. 2006) (No. C06-2057), 2006 WL 1435539.

¹⁴³ *KinderStart.com, LLC v. Google, Inc.*, 2006 U.S. Dist. LEXIS 82481, at *1 (N.D. Cal. July 16, 2006).

and state free speech claims failed for a lack of state action¹⁴⁴), the defamation and libel claim was resolved by court findings highly similar to those in the *Search King* litigation. The court stated that Google's PageRanks were protected statements of opinion:

PageRank is a creature of Google's invention and does not constitute an independently-discoverable value. In fact, Google might choose to assign PageRanks randomly, whether as whole numbers or with many decimal places, but this would not create "incorrect" PageRanks.¹⁴⁵

Though there will undoubtedly be future cases in the same vein as *Search King* and *KinderStart*, it seems that general challenges to the nature of Google's results pages have little chance of succeeding under current law. If Google's results are simply subjective opinions, then Google apparently has the right to structure its left-hand column in whatever way it pleases.¹⁴⁶ With regard to the right-hand column, Google has stipulated in one lawsuit that it possesses the right to refuse to sell AdWords to anyone for any reason.¹⁴⁷

Many commentators, most notably Professor Eric Goldman, have argued that, from a policy perspective, this is the correct result. Goldman states that there is no compelling reason for the law to dictate how Google or other search engines structure their results pages.¹⁴⁸ Though Goldman provides several justifications for the status quo, his primary argument is that market discipline will produce results that are superior to those produced by regulatory intervention.¹⁴⁹ To the extent that Google's results fail to serve the interests of the public, another search engine company will arise to entice

¹⁴⁴ *Id.* at *1, 11-21 (dismissing claims in the First Amended Complaint); *KinderStart.com, LLC v. Google, Inc.*, 2007 U.S. Dist. LEXIS 22637, at *39-52 (N.D. Cal. Mar. 16, 2007) (dismissing claims in the Second Amended Complaint).

¹⁴⁵ *KinderStart.com*, 2007 U.S. Dist. LEXIS 22637, at *61.

¹⁴⁶ See Pasquale, *supra* note 87, at 116 (noting the largely unrestrained power of Google and expressing concern over the dangers of First Amendment "absolutism").

¹⁴⁷ *Uline, Inc. v. JIT Packaging, Inc.*, 437 F. Supp. 2d 793, 799 (N.D. Ill. 2006). In *Langdon v. Google* (discussed *supra* note 118), the court agreed with this argument. 474 F. Supp. 2d 622, 630 (D. Del. 2007); see also Frank Pasquale, *Asterisk Revisited: Debating a Right of Reply on Search Results*, 3 J. BUS. & TECH. L. 61, 71-72 (2008) (discussing *Langdon*).

¹⁴⁸ Goldman, *supra* note 67, at 588-89, 591-96; Eric Goldman, *Search Engine Bias and the Demise of Search Engine Utopianism*, 9 YALE J.L. & TECH. 188, 189 (2006), available at <http://www.yjolt.org/files/goldman-8-YJOLT-188.pdf> (arguing that search engine bias "is both necessary and desirable").

¹⁴⁹ See, e.g., Goldman, *supra* note 67, at 595-96.

users, thus allowing the market to fix the problem.¹⁵⁰ Goldman fears that efforts to regulate search engines will lead to “regulatory distortion” that will undercut the efforts of search engines to improve relevancy.¹⁵¹

Professors Oren Bracha and Frank Pasquale disagree with Goldman about the superior utility of market discipline.¹⁵² In a forthcoming article, Bracha and Pasquale argue that search engine results are prone to various types of market failure that should be remedied through federal regulation.¹⁵³ One of their primary concerns, borne out by the cases above, is that Google’s rankings lack meaningful transparency and might be subject to abuse. In a weblog posting, Bracha compared the ranking power of search engines to “concentrated power that operates in the dark.”¹⁵⁴ Bracha and Pasquale argue that the state should act to cure the failures of search engine results by requiring search engines to reveal their algorithms.¹⁵⁵ They further argue that the First Amendment, properly understood, should not serve as a shield protecting Google from relevancy regulation.¹⁵⁶

However, Bracha and Pasquale are (understandably) vague about exactly how they would like results to be regulated.¹⁵⁷ They simply state that any solution will require “institutional arrangements” that “will have to be nuanced and somewhat complex.”¹⁵⁸ One wonders how government regulators might be inclined to oversee the structure of search

¹⁵⁰ Goldman, *supra* note 148, at 197 (“[S]earchers will shop around if they do not get the results they want, and this competitive pressure constrains search engine bias.”).

¹⁵¹ *Id.* at 199-200.

¹⁵² See Pasquale, *supra* note 87, at 117 (calling for increased legal regulation of search results); Pasquale & Bracha, *supra* note 115, at 4; see also Introna & Nissenbaum, *supra* note 4, at 19 (“Web search mechanisms are too important to be shaped by the marketplace alone.”).

¹⁵³ Pasquale & Bracha, *supra* note 115.

¹⁵⁴ Posting of Oren Bracha to Eric Goldman’s Technology & Marketing Law Blog, http://blog.ericgoldman.org/archives/2007/08/bracha_responds.htm (Aug. 11, 2007).

¹⁵⁵ Pasquale & Bracha, *supra* note 115, at 54-55.

¹⁵⁶ *Id.* at 49-52.

¹⁵⁷ In a prior article, Professor Pasquale limited his regulatory proposal to results for trademarked goods and personal names. Pasquale, *supra* note 87, at 117 n.7. The remainder of this Article discusses the trademark proposal. I discuss the relation of trademarks to personal names and digital information in Greg Lastowka, *Digital Attribution: Copyright and the Right to Credit*, 87 B.U. L. REV. 41 (2007).

¹⁵⁸ Pasquale & Bracha, *supra* note 115, at 60.

engine results pages for “cars,” “nike,” “mesothelioma lawyers,” “violent crime,” “map of Philadelphia,” or “phrogging.”¹⁵⁹

Whatever one thinks of the merits of calls for greater state involvement with search results, the notion of an FCC-equivalent organization that oversees results generally seems like a distant prospect. At this point there seems little legal footing or focused political will that might support regulating Google’s results *generally*. I emphasize “generally” because within one particular category of search terms, search engine results have been and continue to be regulated. When users search for terms that correspond with recognizable trademarks, some courts have found that trademark law places limits on the shape of the results that search engines return.¹⁶⁰

Limiting the discussion of the legal regulation of search results to trademark law constitutes a concession to the power of “Google’s Law” in e-commerce today. While one might hope for a law that acts as a more general regulator of information practices like search results, trademark law is really not up to that task. The best that trademark law can offer is one means, within a very limited context, of curbing potential market abuses and unfair competition.

B. Trademark Laws Old and New

Google currently lists left-column results and sells right-column advertisements for terms such as “nike,” “jr cigars,” “playboy,” “american airlines,” and “rescuecom.com.” All of these terms have trademark meanings. Users search for these terms in left-column results and Google profits from the sale of AdWords advertisements relating to these terms in its right column. Searchers go to Google looking for “nike” and Google sometimes directs (and is sometimes paid to direct) those searchers to parties other than Nike, Inc. Is this fair to the Nike company? That is the fundamental question raised by the current litigation against Google. As a legal matter, the answer to the question is currently not clear.

Google’s policy concerning the right-column exploitation of trademark-significant terms like “nike” has changed over

¹⁵⁹ Cf. Goldman, *supra* note 148, at 197 (“[R]egulatory solutions become a vehicle for normative views about what searchers should see—or should want to see. How should we select among these normative views? What makes one bias better than the other?”).

¹⁶⁰ Pasquale, *supra* note 87, at 119.

time. Prior to 2004, Google had honored requests it received from certain trademark owners to prohibit competitors from bidding on advertising keyed to terms corresponding to trademarks. For instance, Google reportedly once refused to sell advertisements to eBay's competitors on results pages for the term "eBay."¹⁶¹ Advertisements for such terms were sold only to the companies that held the corresponding trademarks.¹⁶²

However, in 2004, shortly before making its initial public offering, Google decided to change its internal policy in the United States and Canada. It decided to allow bids for terms that corresponded with the names of brands. News reports at the time described this new policy as a legal "gambit."¹⁶³ Currently, Google informs trademark owners who complain about the practice that it will "not disable keywords in response to a trademark complaint."¹⁶⁴ It did not take long after this change in policy for trademark holders to bring suit. Within a few weeks, the insurance company GEICO sued Google for selling "geico" as a keyword.¹⁶⁵ Since that time, there has been a steady stream of new litigation brought by trademark holders against Google as well as against competitors who have bought AdWords placements from Google related to trademarked terms.¹⁶⁶

It is not at all clear how courts will ultimately decide these suits as a matter of trademark law. In order to understand why the issue is complicated, it is necessary to lay out the history of trademark law, its limits and recent expansions, and its application to search engines over the last ten years or so.

1. Traditional Trademark Law

Though trademarks have existed since ancient times, modern trademark law has its roots in the protection of the

¹⁶¹ Stefanie Olsen, *Google Plans Trademark Gambit*, CNET NEWS, Apr. 13, 2004, http://news.com.com/2100-1038_3-5190324.html.

¹⁶² *Id.*

¹⁶³ *Id.*

¹⁶⁴ *Google, Inc. v. American Blind & Wallpaper Factory Inc.*, No. C 03-5340, 2007 U.S. Dist. LEXIS 32450 at *5 (N.D. Cal. April 18, 2007).

¹⁶⁵ *Gov't Employees Ins. Co. v. Google, Inc.*, 330 F. Supp. 2d 700, 701 (E.D. Va. 2004). Overture, the successor of GoTo.com, was sued by GEICO as well. *Id.*

¹⁶⁶ *See infra* Part II.C.

marks of English and European guilds.¹⁶⁷ Trade guilds stamped their marks of origin on goods and containers. The counterfeiting of these marks was prohibited by common law courts pursuant to the law of deceit.¹⁶⁸ False designations of origin deceived consumers about the quality of the products they purchased. This deception also harmed business reputations.

As commercial trade expanded and the social distance between consumers and producers of goods increased, designations of source and origin became even more important. Consumers could not rely on personal relationships in the marketplace and increasingly needed to rely on trusted source identifications. Accordingly, trademark law grew increasingly detailed.¹⁶⁹

Today, in the United States, the federal Lanham Act is the primary source of trademark protection, though state common law and statutory protections are also available.¹⁷⁰ Most (if not all) commentators today consider United States trademark law as justified under an economic theory.¹⁷¹ The economic theory of trademark protection is largely a paraphrase of historic statements from common law courts about the purposes served by trademarks.¹⁷² Historically, trademark law has two goals: the protection of business goodwill against

¹⁶⁷ ARTHUR R. MILLER & MICHAEL H. DAVIS, *INTELLECTUAL PROPERTY: PATENTS, TRADEMARKS, AND COPYRIGHTS IN A NUTSHELL* 154-55 (3d ed. 2000); Edward S. Rogers, *Some Historical Matter Concerning Trademarks*, 9 MICH. L. REV. 29, 32-33 (1911).

¹⁶⁸ 1 J. THOMAS MCCARTHY, *MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION* § 5:2, at 5-3. (4th ed. 2008).

¹⁶⁹ Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 YALE L.J. 1687, 1690 (1999) (“[E]conomists have pointed to the role of trademarks in allowing the growth of complex, long-term organizations spread over a wide geographic area.”).

¹⁷⁰ See 15 U.S.C. §§ 1051-1127 (2000).

¹⁷¹ See William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J.L. & ECON. 265, 268-73 (1987); see also Barton Beebe, *The Semiotic Analysis of Trademark Law*, 51 UCLA L. REV. 621, 623-24 (2004).

¹⁷² While the bulk of the historic rationale of trademark protection is retained in the translation to economic jargon, the match is not perfect. Something valuable is surely lost when the lens of economics is used *exclusively* as a means of understanding the social role of trademark law. Cf. Dinwoodie & Janis, *Contextualism*, *supra* note 70, at 1607 (noting how a focus on economics can obscure “humanist concerns about a materialist, consumptive society.”); *Mayer v. Chicago*, 404 U.S. 189, 201 (1971) (Burger, C.J., concurring) (“An affluent society ought not be miserly in support of justice, for economy is not an objective of the system.”).

I should note that not everyone agrees with the conventional wisdom that trademark law has historically pursued consumer protection goals. For an argument that contemporary theories are inconsistent with historical understandings, see Mark P. McKenna, *The Normative Foundations of Trademark Law*, 82 NOTRE DAME L. REV. 1839 (2007).

unfair misappropriation by competitors and the protection of consumers against marketplace deception.¹⁷³

Translated to popular law-and-economics terms, trademark law remedies a potential market failure by generating limited property-like incentives for investments in the production of higher quality products. For example, protecting the Coca-Cola Company's exclusive right to produce beverages bearing the Coca-Cola mark encourages the company that "owns" that mark to invest in ensuring that its products have a uniform high quality. If purchasers are pleased with the quality of Coca-Cola branded products, the company can raise prices for products bearing the mark and reap the benefits of investments in superior quality. This is understood to be preferable to a system where businesses lack such incentives and companies can copy each other's designations of origin at will.

Congruently, trademarks protect consumers. The economic translation of this is that consumers benefit from both reliance on indicators of quality (as described above) and a reduction in "search costs" enabled by the legally-insured stability of trademark indicators. With regard to search costs, the general idea is that once a consumer finds a preferred brand (such as Coca-Cola) with qualities that the consumer finds acceptable, the consumer can rely on the source indicator in future purchases. The consumer need not fear that other products marked with that label are produced by a different company and need not spend additional time investigating that possibility. Because trademark law grants the trademark owner exclusive rights to the signifier, consumers can be confident it is the source of the product. This results in consumer savings of time expended in the marketplace.

The traditional and economic theories of trademark are limited by these animating justifications. There is no reason the Coca-Cola Company should own any interest in the word "Coca-Cola" in the abstract. The social objectives of trademark law can be accomplished by allowing Coca-Cola to do no more

¹⁷³ S. REP. NO. 1333, at 3 (1946) ("The purpose underlying any trade-mark statute is twofold. One is to protect the public so it may be confident that, in purchasing a product bearing a particular trade-mark which it favorably knows, it will get the product which it asks for and wants to get. Secondly, where the owner of a trade-mark has spent energy, time, and money in presenting to the public the product, he is protected in his investment from its misappropriation by pirates and cheats."); *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159, 163-64 (1995) (recognizing the same).

than prevent competitors from using the mark in a particular market. Although trademarks are often described as intellectual property interests, they do not grant broad exclusionary rights, such as are enjoyed by owners of land or bank accounts. As the Senate report accompanying the passage of the Lanham Act put it, "Trade-marks are not monopolistic grants like patents and copyrights."¹⁷⁴

Before a trademark owner can enjoin a given use, the owner has traditionally been required to demonstrate that the competitor's use created a "likelihood of confusion" among consumers about the source or sponsorship of the defendant's goods and services.¹⁷⁵ Trademark infringement is established only if the defendant's goods and services "would reasonably be thought by the buying public to come from the same source, or thought to be affiliated with, connected with, or sponsored by, the trademark owner."¹⁷⁶ Thus, each trademark infringement suit entails an inquiry into what is occurring in the minds of consumers with regard to a particular usage of a trademark signifier in a particular market.¹⁷⁷

The protection of trademarks is therefore strongly wedded to marketplace context. Indeed, in order for a trademark to be protected at all, it must operate within a particular market.¹⁷⁸ "Distinctiveness" means that the word or symbol claimed to be a trademark serves a trademark function. Only words and symbols that identify a specific commercial source are protected as trademarks. For instance, "Nike" would not be protectible as a trademark if used in relation to the sale of statues of a Greek goddess. The word would be understood to identify the product, not its source.

Many well-known trademarks are only meaningful (in their trademarked sense) in particular marketplace settings.

¹⁷⁴ S. REP. NO. 1333, at 3 (1946).

¹⁷⁵ See *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 780 (1992).

¹⁷⁶ 4 MCCARTHY, *supra* note 168, § 24:6, at 24-16.

¹⁷⁷ Courts use different multiple factor tests to determine whether confusion is likely, but most include factors such as the distinctiveness of the mark (how strongly it indicates a particular source), the similarity of the plaintiff's mark and the allegedly infringing mark, the proximity of the markets in which the marks operate, the defendant's intent in selecting the mark, and the evidence of actual confusion among consumers. See generally Barton Beebe, *An Empirical Study of the Multifactor Tests for Trademark Infringement*, 95 CAL. L. REV. 1581 (2006) (explaining the way courts apply the factors).

¹⁷⁸ 15 U.S.C. § 1052 (2000) ("No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration . . .").

The words “apple,” “caterpillar,” and “aspen” have natural meanings that predominate in conversation. Yet in some commercial contexts, consumers might associate those terms with brands of computers, construction equipment, and legal casebooks. However, the fact that trademarks protect those terms does not prohibit their use in the sale and marketing of apples, larval Lepidoptera, and certain trees of the willow family. In those marketplaces, the terms have no trademark significance or protection.

Consider how this multiplicity of meaning plays out in the search engine context. The term “cars” has a significant non-trademark meaning. Yet in the example above, half of Google’s left column results related to a recent movie by Disney. This is not simply a trademark meaning of a term taking precedence over a standard meaning. In fact, it is one trademark meaning taking precedence over a standard meaning and multiple other trademark meanings as well.

It is true that Disney has registered “Cars” as a trademark in a variety of markets.¹⁷⁹ However, various other companies are also using “cars” as a trademark denoting the sources of, among other things, investment securities (Reg. No. 2970658), database management services (Reg. No. 2802335), coupon distributions (Reg. No. 2462471), automobile restorations (Reg. No. 3065082), and instructional reading evaluation materials (Reg. No. 2320672).¹⁸⁰ And many other companies may also be using “cars” as an unregistered trademark in various other markets. These companies may also be able to obtain trademark protection under the Lanham Act.¹⁸¹

The centrality of spatial and marketplace context to trademark law permits one term to be owned by multiple entities operating within separate markets.¹⁸² In addition to being used in multiple markets, trademarks may be used by multiple parties who operate independent businesses within non-overlapping geographic areas. Under common law rules, a

¹⁷⁹ See U.S. Trademark Reg. No. 78978328 (for school supplies, clothing, and furniture). Technically, this Disney registration is limited to the movie logo, not the word “cars.” *Id.*

¹⁸⁰ Though it is not certain that all these registrations would be upheld if they were asserted in litigation, courts would award them a presumption of validity due to their federal registration. See 15 U.S.C. § 1115 (2006).

¹⁸¹ See *id.* § 1125(a).

¹⁸² Dinwoodie & Janis, *Contextualism*, *supra* note 70, at 1658-59 (explaining the importance of context to trademark law); Goldman, *supra* note 67, at 592 (“[M]any trademarked words can have multiple trademark owners . . .”).

junior (latter in time) user of a trademark may still claim exclusive rights to use a mark within the geographical area where the prior senior user of the mark did not expand.¹⁸³ So an identical mark might be used in an identical market, for example, by two different companies operating in Maine and California. Where the markets are geographically separate, these concurrent uses may be permitted because it cannot be demonstrated that consumers in either market will be confused about the origins of goods or services.

Offline, given the abundant contextual clues that consumers are able to access, there are relatively few difficulties encountered in reconciling legitimate infringement claims, common non-trademark usages, separate geographic uses, and usages by multiple trademark owners in various markets. "Playboy" yams and sweet potatoes are unlikely to confuse consumers into believing that the yam farmers have a side business in adult entertainment.¹⁸⁴ And even in instances where consumers may be confused, traditional trademark doctrine allows defendants to make fair use of trademarks where, for instance, business competitors use a trademark for comparative purposes.¹⁸⁵

Search terms are obviously different. While the term "coke" means one thing in a supermarket, another in a steel manufacturing plant, another for a student of the history of common law,¹⁸⁶ and still another thing in the drug trade, it is a single search term. Google's current technology lacks significant contextual cues and therefore it struggles to make a single page of results respond to the needs of users searching for divergent meanings of a term.¹⁸⁷ Of course, in attempting to do

¹⁸³ *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90 (1918); *Grupo Gigante SA De CV v. Dallo & Co.*, 391 F.3d 1088, 1097 (9th Cir. 2004).

¹⁸⁴ U.S. Trademark Reg. No. 73799881 (for fresh yams and fresh sweet potatoes). According to the company's website, the brand name was chosen back when "a playboy was a classy, outgoing kind of guy, not what you think of today." History of the Wayne E. Bailey Produce Company, <http://www.sweetpotatoes.com/Default.aspx?tabid=65> (last visited Sept. 1, 2007).

¹⁸⁵ *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 122 (2004).

¹⁸⁶ See EDWARD COKE, *THE SELECTED WRITINGS AND SPEECHES OF SIR EDWARD COKE* (Steve Sheppard ed., 2003).

¹⁸⁷ See Goldman, *supra* note 67, at 521-24 (discussing the "objective opaqueness" of search engine queries). There is *some* context in a Google search. With regard to AdWords, Google does offer "localized" AdWords targeting that offers results in particular geographic locations. Additionally, a user can create needed context by lengthening a query string, e.g., entering "nike mythology" or "aspen trees." However, as Professor Goldman notes, "most searchers use no more than two keywords." *Id.* at

this, it cannot make everyone happy—some users are bound to be disappointed that Google has not given priority to their intended meaning of a term.

Individuals who may be searching for “playboy” yams or “cars” investment securities will likely be disappointed by what they find in Google’s search results. Without context, popularity and commercial sway tend to prevail. Traditional trademark law by no means would dictate that a single trademark meaning should precede other trademark and non-trademark meanings in a situation devoid of any particular marketplace context.¹⁸⁸

Indeed, under a traditional trademark analysis, it should be hard to see exactly how or why trademark owners should have an ability to influence Google’s search results. Given the lack of context accompanying a search term, it is not clear what any given user is seeking when making a search for “nike” or “cars.” While the results of a search inquiry may be frustrating when they fail to produce the desired results, Google’s users would not be *confused as to the origin of goods* if, when reviewing search listings for “coke” and “apple,” they found information about carbon residue and fruit rather than makers of cola and computers.¹⁸⁹

However, the traditional theories described so far do not tell the whole story of trademark law today. Trademark law has expanded in the past half-century in terms of the scope of rights granted to trademark holders. It has also responded quite dramatically in response to online technologies.

2. Recent Doctrinal Expansions in Trademark Rights

Traditional theories of trademark law have been partly usurped today by recent judicial and legislative expansions of trademark rights.¹⁹⁰ While the doctrinal expansion of trademark protection has manifested itself in a variety of ways, this section will briefly introduce two of the most significant expansions: trademark dilution and the doctrine of initial interest confusion.

516. It is also possible that “personalized search” will eventually increase the contextual cues Google can bring to search queries. *See* Goldman, *supra* note 148, at 198-99 (discussing personalized search).

¹⁸⁸ *See* Goldman, *supra* note 67, at 509 (“[T]rademark law could jeopardize the Internet’s potential as an information resource . . .”).

¹⁸⁹ *Id.* at 592.

¹⁹⁰ Lemley, *supra* note 169, at 1687-88.

a. Dilution

The idea of dilution protection originated in a 1927 law review article written by Frank I. Schechter.¹⁹¹ Dilution's controversial innovation is that it protects marks without the need for plaintiffs to demonstrate consumer confusion. Dilution, according to Schechter, should protect against the weakening of a trademark's power to identify a source.¹⁹² Schechter warned against a "gradual whittling away or dispersion of the identity and hold upon the public mind of the mark or name by its use upon non-competing goods."¹⁹³ He argued that certain famous trademarks had inherent value that required protection without regard to consumer confusion.¹⁹⁴ Though Schechter's article was certainly the origin of the trademark dilution concept, it wasn't until 1947 (the year the Lanham Act went into effect) that the first state legislatively adopted Schechter's dilution theory.¹⁹⁵ It was not until 1996 that a federal dilution bill was passed.¹⁹⁶

Historically, state and federal courts have struggled to grasp the concept of dilution.¹⁹⁷ Some courts have explicitly criticized dilution as potentially extending unjustifiable "rights in gross" to trademark holders.¹⁹⁸ When the United States Supreme Court took its first decision addressing the dilution statute, *Moseley v. Victoria's Secret*, it effectively eviscerated the federal dilution law by imposing an almost impossible evidentiary burden on plaintiffs.¹⁹⁹ However, in 2006, Congress

¹⁹¹ Frank I. Schechter, *The Rational Basis of Trademark Protection*, 40 HARV. L. REV. 813 (1927), reprinted in 60 TRADEMARK REP. 334 (1970).

¹⁹² See generally *Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev.*, 170 F.3d 449 (4th Cir. 1999) (explaining the history of the dilution statute).

¹⁹³ Schechter, *supra* note 191, at 342.

¹⁹⁴ *Id.*

¹⁹⁵ Arguably, the dilution statutes adopted were not very faithful to Schechter's original concept, but an explanation of that point is beyond the scope of this Article.

¹⁹⁶ Federal Trademark Dilution Act of 1995, Pub. L. No. 104-98, § 3(a), 109 Stat. 985, 985-96 (codified at 15 U.S.C. § 1125(c) (2000)).

¹⁹⁷ *Sally Gee, Inc. v. Myra Hogan, Inc.*, 699 F.2d 621, 625 (2d Cir. 1983) (applying state dilution law and noting that "dilution . . . remains a somewhat nebulous concept"); Clarisa Long, *Dilution*, 106 COLUM. L. REV. 1029, 1062 (2005) ("Courts have struggled, and continue to struggle, to identify the harm dilution law is trying to prevent.").

¹⁹⁸ *Ringling Bros.*, 170 F.3d at 458.

¹⁹⁹ *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418, 433 (2003) ("[A]ctual dilution must be established."). The impossibility of establishing "actual dilution" was

legislatively reversed the *Moseley* decision and reanimated the near-dead doctrine.²⁰⁰ It did so with the Trademark Dilution Revision Act (“TDRA”), amending the statutory weakness the Supreme Court had seized upon in *Moseley*.²⁰¹ Yet the revision has essentially just forced dilution back onto the plate of the courts, doing little to clarify its nature or the basis for its inclusion in trademark law.

Under the TDRA, there are now two federal types of dilution harms. Both of these formulations are based on prior state doctrines of dilution. “Dilution by blurring” is established where the plaintiff can demonstrate an “association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark.”²⁰² An example of blurring would be a “Rolls Royce” toothbrush. Even if consumers are unlikely to believe that the owner of the Rolls Royce trademark for autos actually manufactures or sponsors a line of toothbrushes, dilution law allows the trademark owner to enjoin the toothbrush maker from using the mark. The Schechterian justification is that associating toothbrushes with “Rolls Royce” leads to the “whittling away” of the distinctive Rolls Royce signifier. Yet courts have also seemed to see dilution’s goal as prohibiting commercial actors from “free riding” on the value created by trademarks.²⁰³

“Dilution by tarnishment,” the other TDRA form of dilution, takes place where there is an “association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.”²⁰⁴ Perhaps the classic textbook example of tarnishment is the (pre-Federal Trademark Dilution Act (“FTDA”)) case of *Coca-Cola Co. v. Gemini Rising, Inc.*, where a court enjoined the sale

largely due to the fact that nobody knows exactly what dilution is or how it might create a quantifiable economic harm.

²⁰⁰ See Long, *supra* note 197, at 1075 (explaining how the *Moseley* limitation on dilution was the culmination of a “bottom-up phenomenon”).

²⁰¹ *Starbucks Corp. v. Wolfe’s Borough Coffee, Inc.*, 477 F.3d 765, 766 (2d Cir. 2007) (stating that the *Moseley* standard no longer applies); *Eldorado Stone, LLC v. Renaissance Stone, Inc.*, No. 04-2562, 2007 WL 2403572 at *5 (S.D. Cal 2007) (applying the post-*Moseley* relaxed standard and finding plaintiff’s famous “CLIFFSTONE” and “RUSTIC LEDGE” marks were diluted by defendant’s actions).

²⁰² 15 U.S.C. § 1125(c)(2)(B) (2000).

²⁰³ Long, *supra* note 197, at 1059 (2005) (identifying “free riding” as a harm independent of blurring).

²⁰⁴ 15 U.S.C. § 1125(c)(2)(C) (2000).

of posters in the style of the Coca-Cola trademark bearing the words "Enjoy Cocaine."²⁰⁵

Though the district court in *Gemini Rising* nodded to traditional trademark theories by asserting that consumers could be confused about the sponsorship of the posters, the opinion seemed to hinge on the sense that the Coca-Cola mark itself was being harmed by the poster. (Interestingly, however, Justice Holmes once opined for the Supreme Court that Coca-Cola's "goodwill" had been helped by the inclusion of cocaine in its formula.²⁰⁶) The *Gemini Rising* case also highlights common concerns that, by extending trademark protections beyond the need to prevent consumers from commercial deception, dilution law may improperly impinge upon free expression.

Dilution law, currently re-invigorated by the TDRA's blurring and tarnishment provisions, makes it hard to say that trademarks are limited rights used exclusively to prevent consumer confusion. By removing the solicitude for consumer interests from trademark law, dilution unhinges traditional theories and threatens to transform trademark law into a regime of word ownership. If dilution law becomes more powerful under the TDRA, a regime of search term ownership may not be inconceivable.²⁰⁷

b. Initial Interest Confusion

With respect to search engines, however, a more significant recent expansion of trademark law is the doctrine of initial interest confusion.²⁰⁸ Traditionally, and not surprisingly, most courts have focused analysis of consumer confusion on the time period proximate to consumer purchases.²⁰⁹ The doctrine of initial interest confusion shifts the focus of confusion analysis

²⁰⁵ 346 F. Supp. 1183, 1188 (E.D.N.Y. 1972).

²⁰⁶ *Coca-Cola Co. v. Koke Co. of America*, 254 U.S. 143, 145-46 (1920) (Holmes, J.) ("Before 1900 the beginning of [Coca-Cola's] good will was more or less helped by the presence of cocaine The amount seems to have been very small, but it may have been enough to begin a bad habit").

²⁰⁷ In 2007, Utah actually enacted its own version of this regime, though the future of the legislation is dubious. 2007 Utah Laws 365 (codified in various sections of title 70-3a); see Ameet Sachdev, *Trademark Battlefield*, CHI. TRIB., May 2, 2007, at C1.

²⁰⁸ See generally Jennifer Rothman, *Initial Interest Confusion: Standing at the Crossroads of Trademark Law*, 27 CARDOZO L. REV. 105 (2005) (explaining the historical roots and contemporary expansion of the doctrine).

²⁰⁹ See Marshall Leaffer, *Sixty Years of the Lanham Act: The Decline and Demise of Monopoly Phobia*, in U.S. INTELLECTUAL PROPERTY LAW AND POLICY 85, 127-30 (Hugh C. Hansen ed., 2006).

to at a time prior to the time of purchase. Initial interest confusion can be found to exist even if confusion was not present at the time of purchase.

*Dr. Seuss Enterprises v. Penguin Books*²¹⁰ is a well-known Ninth Circuit case applying the doctrine. The plaintiff in the case owned the copyright and trademark rights in the well-known children's book, *The Cat in the Hat*. The defendant, Penguin Books, had published *The Cat NOT in the Hat! A Parody by Dr. Juice*, a book that consisted of a "rhyming summary of highlights from the O.J. Simpson double murder trial."²¹¹ From a distance, the plaintiff claimed, consumers might become initially interested in the parody book due to the cover's resemblance to the other books bearing the trademarks of the plaintiff.

Affirming the preliminary injunction entered against the defendant, the Ninth Circuit stated that "the 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 be still an infringement."²¹² The court also seemed censorious of what it saw as a opportunistic use of the plaintiff's trademarks to generate consumer interest, stating that the defendants' "likely intent in selecting the Seuss marks was to draw consumer attention to what would otherwise be just one more book on the O.J. Simpson murder trial."²¹³ Like the *Gemini Rising* case, the *Dr. Seuss* case highlights the way that expansions beyond traditional trademark protections threaten limitations on the permissible scope of public speech.

Though not all federal circuits have endorsed the doctrine of initial interest confusion, and the Supreme Court has yet to consider a case applying it, many courts have accepted and applied the doctrine.²¹⁴ As Professor Jennifer Rothman has noted in a recent article, there is only a tenuous

²¹⁰ *Dr. Seuss Enters. v. Penguin Books USA, Inc.*, 109 F.3d 1394 (9th Cir. 1997).

²¹¹ *Id.* at 1396.

²¹² *Id.* at 1405.

²¹³ *Id.*

²¹⁴ *See, e.g.*, *Promatek Indus., Ltd. v. Equitrac Corp.*, 300 F.3d 808, 812-13 (7th Cir. 2002); *Checkpoint Sys. v. Check Point Software Tech., Inc.*, 269 F.3d 270, 293 (3d Cir. 2001); *Bihari v. Gross*, 119 F. Supp. 2d 309, 319 (S.D.N.Y. 2000). *Cf.* *Lamparello v. Falwell*, 420 F.3d 309, 316 (4th Cir. 2005) ("[W]e have never adopted the initial interest confusion theory."). According to Professor Rothman, as of 2005, only the Second, Third, Fifth, Sixth, Seventh, and Ninth Circuits had endorsed the doctrine. *See* Rothman, *supra* note 208, at 108 n.8.

connection between initial interest confusion and the traditional rationale of trademark law.²¹⁵ Indeed, there are potential anti-competitive and anti-consumer effects that flow from rights to police confusion outside the context of an actual sale.²¹⁶

In summary, the rights of trademark owners have expanded considerably in recent decades to extend to situations where consumers are not confused and/or where confusion exists outside the context of a sale. These expansions have allowed trademark law's scope of protection to drift far afield.²¹⁷ It is in this unstable legal context that Google's AdWords sales practices are being challenged.

C. *Trademarks and Search Results*

As explained, there are significant mismatches between traditional trademarks and search terms. However, given dilution's under-theorized solicitude for trademark owners and initial interest confusion's expanded scope of relevant consumer confusion, Google's practice of profiting from the sale of trademark-significant terms might conceivably be found to be an infringing act. Ironically, the decisions that now may provide a basis for policing Google's commercial conduct in its right-hand column were issued in instances where courts were attempting, in part, to protect the integrity of the left-hand column against what might be described as abusive SEO.²¹⁸

1. Meta Tags

The earliest case law on search engines involved litigation over HTML "meta tags."²¹⁹ Though more sophisticated methods of Web design are commonly used today, Web pages were originally created in a computer language called HTML

²¹⁵ Rothman, *supra* note 208, at 190 ("Initial interest confusion is . . . an excess, and one which, despite violating the express terms of the Lanham Act, thus far has been extremely successful.").

²¹⁶ *Id.*

²¹⁷ Lemley, *supra* note 169, at 1688 ("[Contemporary] changes have loosed trademark law from its traditional economic moorings and have offered little of substance to replace them.").

²¹⁸ See Grimmelmann, *supra* note 85, at 31 (describing meta tags as an early form of SEO).

²¹⁹ See Lastowka, *supra* note 7, at 836 n.6 (collecting decisions from 1997 to 1999).

(an acronym for “hyper-text markup language”).²²⁰ The meta tag is a feature of HTML that originated around 1995 as way to provide information about pages that would not be presented in the page as displayed.²²¹ Though meta tags come in a variety of flavors, it was the “keyword” tag that prompted litigation. The keyword meta tag communicates with search engines. It is used by Web page authors to identify terms they believe are relevant to their Web pages.²²²

Many Web pages still feature keyword meta tags today. The website of the *New York Times*, for instance, declares that it is properly associated with roughly a hundred search terms, including “daily newspaper,” “national,” “politics,” “Mets,” “NY Yankees,” and “obituaries.”²²³ YouTube, on the other hand, claims in its meta tags that it is relevant to just four keyword terms: “video,” “sharing,” “camera phone,” and “video phone.”²²⁴

At one point, search engines paid attention to keyword meta tags. Pages that claimed to be about “nike,” for instance, would be ranked higher in searches for that term. But today, the majority of search engines ignore meta tags.²²⁵ This is undoubtedly because meta tags permitted Web designers to engage in a simple form of abusive SEO. For instance, unscrupulous website owners noticing the high traffic for certain search terms such as “mp3” or “Princess Diana” could once benefit from placing those terms in their keyword tags, despite the fact that their sites contained no information relevant to either term. This tactic, known as “spamdexing,” could drive traffic to the meta tag manipulator, but confounded search engine users looking for information about Princess Diana.²²⁶

²²⁰ HTML is not a programming language, but a “markup language” that instructs Web browsers on how to display Web pages. As an example, a “<p>” tag instructs a browser to start a new paragraph and an “<a href>” tag indicates that the Web browser should generate a hyperlink.

²²¹ E-mail from Dave Ragget, World Wide Web Consortium Fellow, to Greg Lastowka (Sept. 6, 1999) (on file with author). Dave Ragget was one of the original drafters of HTML. Dave Ragget’s home page can be found at <http://www.w3.org/People/Raggett/>.

²²² See generally Lastowka, *supra* note 7 (describing meta tags more fully).

²²³ *New York Times*, <http://www.nytimes.com/> (last visited Sept. 1, 2007). (In order to see the meta tags, select “view source” from your Web browser and look for “meta name = ‘keywords’”).

²²⁴ YouTube, <http://www.youtube.com/> (last visited Feb. 25, 2007).

²²⁵ Though the vast majority of web crawlers grant keyword meta tags no special relevance, they may continue to influence search engine relevance ranking simply due to the fact that they appear near the top of the HTML text of a page.

²²⁶ Lastowka, *supra* note 7, at 865-68 (discussing spamdexing).

Even though search engine companies were victims of meta tag abuse, they did not participate in meta tag litigation. Spamdexing was understood by them as a systemic and technological problem to be addressed by technological fixes, like PageRank, rather than by myriad lawsuits against Web authors. Meta tag litigation was a path instead pursued by trademark owners who brought complaints against their rival competitors.²²⁷

For example, in the 1998 case of *Playboy Enterprises v. AsiaFocus International*, Playboy sued a competitor in the “adult entertainment” market that had used “playboy” and “playmate” as keyword meta tags.²²⁸ Though there were various other bases for trademark claims, the court highlighted the use of keyword meta tags as a “deceptive tactic.”²²⁹ Other cases decided in the late 1990s shared this view, finding that defendants who used the trademarks of their competitors in keyword meta tags were competing unfairly.²³⁰ In many of these early cases, it seemed that both lawyers and judges were struggling with the basic technology of Web search.

In 1999, the Ninth Circuit made a substantial innovation in the first meta tag case to be decided by a circuit court of appeals, *Brookfield Communications v. West Coast Entertainment Corp.*²³¹ Brookfield and West Coast Video were competing claimants to the trademark “moviebuff.”²³² Both intended to use the mark in marketing and sales efforts on the Web.²³³ After first finding that Brookfield was the rightful owner of “moviebuff” in this market, the court considered whether West

²²⁷ *Id.* at 874-77 (discussing competitor lawsuits).

²²⁸ *Playboy Enters. v. AsiaFocus Int'l, Inc.*, No. 97-734-A, 1998 U.S. Dist. LEXIS 10359, at *7-8 (E.D. Va. Feb. 2, 1998).

²²⁹ *Id.* at *8 (“The defendants have purposefully employed deceptive tactics to attract consumers to their Web site under the guise that their sites are sponsored by or somehow affiliated with PEI . . . [A] consumer conducting a search for PEI’s Web site by typing in the trademark ‘Playboy’ or ‘Playmate’ would receive a search engine-generated list which included the asian-playmates Web site.” (citations omitted)).

²³⁰ See *N.Y. State Soc’y of Certified Pub. Accountants v. Eric Louis Assocs.*, 79 F. Supp. 2d 331 (S.D.N.Y. 1999) (ruling in favor of plaintiff); *SNA, Inc. v. Array*, 51 F. Supp. 2d 554 (E.D. Pa. 1999) (ruling in favor of plaintiff); *Playboy Enters. v. Calvin Designer Label*, 985 F. Supp. 1220 (N.D. Cal. 1997) (ruling in favor of plaintiff). *But see Patmont Motor Werks v. Gateway Marine*, 1997 WL 811770 (N.D. Cal. Dec. 18, 1997) (ruling for defendant because plaintiff had failed to explain how keyword meta tags work).

²³¹ 174 F.3d 1036 (9th Cir. 1999).

²³² *Id.* at 1041-42.

²³³ *Id.* at 1042.

Coast's use of "moviebuff" in its keyword meta tags amounted to trademark infringement.²³⁴

Under a traditional trademark infringement analysis, this seemed unlikely. Though some courts prior to 1999 had found that meta tags contributed to a likelihood of confusion, often other factual circumstances supported liability.²³⁵ The Ninth Circuit, by comparison, considered the meta tag question exclusive of other issues. Applying the traditional analysis, the *Brookfield* court found that confusion was unlikely. It would not be reasonable for a search engine user to believe that West Coast's website was sponsored by Brookfield simply because it appeared in the results listing for "moviebuff."²³⁶

Yet by applying the doctrine of initial interest confusion, the Ninth Circuit found that West Coast's use of the meta tag unfairly diverted consumers searching for Brookfield's products toward West Coast's products.²³⁷ The court famously analogized West Coast's use of the "moviebuff" keyword meta tag to a deceptive billboard directing travelers to exit a highway at the wrong place.²³⁸ This billboard analogy has been extensively criticized and for good reason.²³⁹

²³⁴ *Id.* at 1053, 1061-66.

²³⁵ For instance, in some cases a plaintiff's trademark would appear not just in meta tags but in the text of websites or advertisements, making the use of meta tags simply a factor in finding that the defendant had created a likelihood of consumer confusion. *See, e.g.,* *Playboy Enters., Inc. v. AsiaFocus Int'l, Inc.*, No. Civ.A. 97-734-A, 1998 WL 724000, at *3 (E.D. Va. Apr. 10, 1998).

²³⁶ *Brookfield*, 174 F.3d at 1062.

²³⁷ *Id.*

²³⁸ *Id.* at 1064. The court stated:

Using another's trademark in one's metatags is much like posting a sign with another's trademark in front of one's store. Suppose West Coast's competitor (let's call it "Blockbuster") puts up a billboard on a highway reading "West Coast Video: 2 miles ahead at Exit 7" where West Coast is really located at Exit 8 but Blockbuster is located at Exit 7. Customers looking for West Coast's store will pull off at Exit 7 and drive around looking for it. Unable to locate West Coast, but seeing the Blockbuster store right by the highway entrance, they may simply rent there. Even consumers who prefer West Coast may find it not worth the trouble to continue searching for West Coast since there is a Blockbuster right there. Customers are not confused in the narrow sense: they are fully aware that they are purchasing from Blockbuster and they have no reason to believe that Blockbuster is related to, or in any way sponsored by, West Coast. Nevertheless, the fact that there is only initial consumer confusion does not alter the fact that Blockbuster would be misappropriating West Coast's acquired goodwill.

Id.

²³⁹ *See, e.g.,* Goldman, *supra* note 67, at 565, 570-73 ("[T]he *Brookfield* case took an already unclear IIC doctrine and threw it into chaos.").

Search engine users were not, in fact, being misdirected into traveling to West Coast Video's website. There was nothing in the facts that suggested West Coast's listings in the search results were not truthfully labeled. Hence, the deceptive billboard that the court envisioned was more properly understood as an *accurate* billboard. Second, even if some confusion existed, users diverted to West Coast Video's site when searching for Brookfield might easily click back to the original results listing in a second. Comparing that type of diversion to exiting a highway and searching in vain for the wrong business was overstating the severity of the problem.²⁴⁰ Yet, despite the weakness of the analogy, *Brookfield* was perceived as a sound rule with regard to meta tags by many courts.²⁴¹

Defendants in meta tag cases have prevailed at times, however. While no Ninth Circuit case has overruled *Brookfield*, prior and subsequent decisions allowed some defendants to make fair use of meta tags corresponding to the trademarks owned by plaintiffs. For instance, the district court case *Bally Total Fitness Holding Corp. v. Faber*, decided a year before the Ninth Circuit's *Brookfield* decision, upheld a defendant's use of the plaintiff's trademark in keyword meta tags.²⁴² Faber had created a website featuring his many complaints about the plaintiff's health club and used the word "Bally" in his meta tags.²⁴³

The court rejected Bally's attempt to enjoin Faber's use of the term in his meta tags, explaining that Faber had a protected interest in reaching the public:

[T]he average Internet user may want to receive all the information available on Bally This individual will be unable to locate sites containing outside commentary unless those sites include Bally's marks in the machine readable code upon which search engines rely.²⁴⁴

²⁴⁰ *Bihari v. Gross*, 119 F. Supp. 2d 309, 320 n.15 (S.D.N.Y. 2000) ("The harm caused by a misleading billboard on the highway is difficult to correct. In contrast, on the information superhighway, resuming one's search for the correct website is relatively simple. With one click of the mouse and a few seconds delay, a viewer can return to the search engine's results and resume searching for the original website.")

²⁴¹ *See, e.g., Promatek Indus., Ltd. v. Equitrac Corp.*, 300 F.3d 808, 813 (7th Cir. 2002); *Checkpoint Sys. Inc. v. Check Point Software Techs., Inc.*, 269 F.3d 270, 293 (3d Cir. 2001); *Bihari*, 119 F. Supp. 2d at 319-20.

²⁴² *Bally Total Fitness Holding Corp. v. Faber*, 29 F. Supp. 2d 1161, 1167-68 (C.D. Cal. 1998).

²⁴³ *Id.* at 1162.

²⁴⁴ *Id.* at 1165 (footnote omitted).

Bally had also claimed trademark dilution under the FTDA (the predecessor of the current TDRA). However, these claims were dismissed on the premise that “courts have held that trademark owners may not quash unauthorized use of the mark by a person expressing a point of view.”²⁴⁵ The *Bally* court cited a pre-FTDA decision from the First Circuit stating, “The Constitution does not . . . permit the range of the anti-dilution statute to encompass the unauthorized use of a trademark in a non-commercial setting such as an editorial or artistic context.”²⁴⁶

The reasoning of the *Bally* decision was echoed in a post-*Brookfield* case decided by the Ninth Circuit, *Playboy Enterprises v. Welles*.²⁴⁷ The defendant was a former Playboy model who had used the word “playboy” in her meta tags. Though the *Welles* court did not reference the *Bally* case, it found that the defendant had used her meta tag keywords to accurately describe the contents of her website.²⁴⁸ The Ninth Circuit reasoned that forcing Welles to avoid the term “playboy” “would be particularly damaging in the Internet search context.”²⁴⁹ Again, the logic seemed to be that Welles had a right to have her website appear under the term “playboy” because her site was relevant to users searching for that term. Doctrinally, *Welles* avoided the *Brookfield* outcome by relying on Ninth Circuit doctrines of trademark fair use to bar Playboy’s claims of trademark infringement.²⁵⁰

Keyword meta tag litigation continues to this day.²⁵¹ However, with the arrival of the Google AdWords business model at the turn of the century, competitors no longer needed to exclusively employ SEO tactics to appear high in the left column. They could buy their way into the right column instead. Rather than using meta tags, competitors began to pay

²⁴⁵ *Id.* at 1167.

²⁴⁶ *Id.* (quoting *L.L. Bean, Inc. v. Drake Publishers*, 811 F.2d 26, 33 (1st Cir. 1987)).

²⁴⁷ 279 F.3d 796 (9th Cir. 2002).

²⁴⁸ *Id.* at 803-04.

²⁴⁹ *Id.* at 804.

²⁵⁰ *Id.* at 804-05.

²⁵¹ *See, e.g.,* *FragranceNet.com, Inc. v. FragranceX.com, Inc.*, 493 F. Supp. 2d 545 (E.D.N.Y. 2007); *Pop Warner Little Scholars v. N.H. Youth Football & Spirit Conference*, No. 06-cv-98-SM, 2006 U.S. Dist. LEXIS 64762 (D.N.H. Sept 11, 2006). Given the technological status quo, it is something of a puzzle *why* meta tag litigation is still ongoing. *See* Posting of Eric Goldman to Technology & Marketing Law Blog, http://blog.ericgoldman.org/archives/2006/09/outdated_metata.htm (Sept. 25, 2006) (last visited Sept. 1, 2007) (expressing befuddlement over continuing meta tag litigation).

Google and other search companies to appear in advertisements keyed to results. So if trademark infringement liability attached to West Coast Video for using a “moviebuff” meta tag to divert search engine users toward its website, could West Coast Video avoid liability if it obtained the same results by purchasing “moviebuff” AdWords advertisements?

2. *Playboy v. Netscape*

The most significant early case against search engines for search term sales was *Playboy Enterprises v. Netscape Communications Corp.*, which ultimately led to a decision by the Federal Court of Appeals for the Ninth Circuit.²⁵² The defendant in the case, Netscape, had sold space for banner advertisements that were categorically “keyed” to certain groups of search terms.²⁵³ This was slightly different than Google’s current AdWords model, in that Netscape’s search engine required advertisers to purchase placement in large pools of search terms rather than allowing the purchase of specific terms.

A familiar plaintiff in search engine cases, Playboy, objected to Netscape’s sale of banner advertisement placements in the category of adult entertainment. There were over 400 sex-related terms in the category, but included among them were “playboy” and “playmate.”²⁵⁴ When “playboy” or “playmate” was entered into the search engine, an adult entertainment category banner was displayed above the search results. Playboy brought suit against Netscape, alleging trademark

²⁵² *Playboy Enters. v. Netscape Commc’ns Corp. (Netscape II)*, 354 F.3d 1020 (9th Cir. 2004). There was actually one earlier decision to consider the issue: *Nissan Motor Co. v. Nissan Computer Corp.* 204 F.R.D. 460 (C.D. Cal. 2001). The case is a well-known domain name dispute; Nissan Motor Company sought to recover the “nissan.com” domain name from the Nissan Computer Corporation. However, the claim was ultimately unsuccessful. The defendant’s given name was Uzi Nissan and he has been using his surname in relation to his businesses since 1980. *Id.* at 461.

During the course of the litigation, the defendant sought to amend its counterclaims to allege trademark infringement on the basis that Nissan Motor Company had purchased placement under the terms “Nissan” and “Nissan.com” from certain search engines. The district court saw no reason why existing meta tag cases should not be extended to situations where companies purchased search engine placement. However, the court found that the claims were unsupported in the case: Nissan Motor Company could purchase keywords congruent with trademark law because it owned trademark rights in the “Nissan” mark. *Id.* at 465-66. Mr. Nissan’s side of the story is recounted on his website. Nissan Computer Corp., http://www.nissan.com/Digest/The_Story.php (last visited Sept. 1, 2007).

²⁵³ *Netscape II*, 354 F.3d at 1022-23.

²⁵⁴ *Id.* at 1023.

infringement and dilution.²⁵⁵ Netscape prevailed at the district court level, but that decision was reversed by the Ninth Circuit Court of Appeals.²⁵⁶ Both opinions are helpful in seeing the key arguments that continue to characterize the current litigation over search engine results.

In two opinions, the district court first denied Playboy's request for a preliminary injunction²⁵⁷ and then later granted summary judgment to the defendants.²⁵⁸ Its analysis began with the conclusion that the defendants had not used the "playboy" trademark in commerce. The court stated:

[I]t is undisputed that an Internet user cannot conduct a search using the trademark form of the words, i.e., Playboy® and Playmate®. Rather, the user enters the generic word "playboy" or "playmate." It is also undisputed that the words "playboy" and "playmate" are English words in their own right, and that there exist other trademarks on the words wholly unrelated to PEI. Thus, whether the user is looking for goods and services covered by PEI's trademarks or something altogether unrelated to PEI is anybody's guess.²⁵⁹

The court distinguished the situation in *Brookfield* on the basis that "moviebuff," unlike "playboy," was not "an English word in its own right," and therefore had no significant non-trademark meaning.²⁶⁰ The court feared that if it equated the "playboy" search term with the plaintiff's trademark rights, this would be tantamount to granting the plaintiff the ability to "remove a word from the English language."²⁶¹ Because it believed that "playboy" as a search term could not be equated with "playboy" as a trademark, the district court found that Playboy had not "shown that defendants use the terms in their trademark form" and therefore there was no commercial use of

²⁵⁵ *Id.* at 1022.

²⁵⁶ *Id.*

²⁵⁷ *Playboy Enters. v. Netscape Commc'ns Corp. (Netscape I)*, 55 F. Supp. 2d 1070 (C.D. Cal.), *aff'd*, 202 F.3d 278 (9th Cir. 1999).

²⁵⁸ *Playboy Enters. v. Netscape Commc'ns Corp.*, No. SA CV 99-320, 2000 U.S. Dist. LEXIS 13418 (C.D. Cal. Sept. 12, 2000), *rev'd*, *Netscape II*, 354 F.3d 1020 (9th Cir. 2004).

²⁵⁹ *Netscape I*, 55 F. Supp. 2d at 1073.

²⁶⁰ *Id.* at 1074.

²⁶¹ *Id.* Tackling the *Brookfield* billboard metaphor, the district court made a further distinction. It suggested that the *Netscape* analysis was somewhat different than the *Brookfield* analysis because a single entity (Netscape) controlled the "land" on which both the trademark holder and the competitor had placed their businesses and advertisements, respectively. *Id.* at 1075.

the Playboy trademarks.²⁶² It dismissed the claims for both infringement and dilution.²⁶³

In its numbered findings of fact, the district court went further in defense of Netscape's practices. It explained that multiple trademark owners claim rights to the "playboy" and "playmate" marks, including a producer of yams and sweet potatoes.²⁶⁴ Citing to *Bally* and *Welles*, it noted that numerous cases had allowed trademarks to be "used" without the consent of trademark holders.²⁶⁵ Citing *Faber*, the court found that permitting Playboy to "monopolize" the use of the terms "playboy" and "playmate" would violate the First Amendment rights of (1) the defendants, (2) the other holders of "playboy" and "playmate" trademarks, and (3) "members of the public who conduct internet searches."²⁶⁶

The district court opinion in *Netscape*, had it been upheld on appeal and followed by other circuits, would have likely resolved the intersection of trademark law and search engines once and for all—in favor of search engines. However, four years later, the district court decision was reversed by the Ninth Circuit.²⁶⁷

The Ninth Circuit considered itself bound by the logic of the *Brookfield* case.²⁶⁸ Applying the theory of initial interest confusion from *Brookfield*, the court found that search engine users were being diverted toward the websites of advertisers through the use of the term "playboy" in its trademark sense: "In this case, PEI claims that defendants, in conjunction with advertisers, have misappropriated the goodwill of [Playboy's] marks by leading Internet users to competitors' websites just as West Coast video misappropriated the goodwill of Brookfield's mark."²⁶⁹

The Ninth Circuit also rejected the reliance of the district court on the various meanings, multiple trademark ownerships, and potential fair uses of the term "playboy." The Ninth Circuit found that "to argue that they use the marks for

²⁶² *Id.* at 1073.

²⁶³ *Id.* at 1089.

²⁶⁴ *Id.* at 1079.

²⁶⁵ *Id.* at 1081.

²⁶⁶ *Id.* at 1085.

²⁶⁷ *Netscape II*, 354 F.3d 1020, 1034 (9th Cir. 2004) (finding that genuine issues of material fact precluded summary judgment for the defendants). The case was settled in 2004 and did not proceed to trial.

²⁶⁸ *Id.* at 1025.

²⁶⁹ *Id.*

their primary meaning, as defendants did below, is absurd.”²⁷⁰ Apparently due to the concession of the defendants that “they use the marks for their secondary [trademark] meanings,”²⁷¹ there was “no dispute” that the defendants had “used the marks in commerce.”²⁷² The court found “farfetched” the notion that the defendant’s use of the term “playboy” was not a trademark use.²⁷³

Applying *Brookfield* and the dilution analysis under the federal statute, the court found that Playboy had introduced enough evidence to raise substantial issues of fact as to whether the defendants’ use of the “playboy” and “playmate” search terms had created a likelihood of initial interest confusion and dilution.²⁷⁴ One potentially important fact was that some banners displayed contained no text. The court determined that “[s]ome consumers, initially seeking PEI’s sites, may initially believe that unlabeled banner advertisements are links to PEI’s sites or to sites affiliated with PEI.”²⁷⁵ Playboy had introduced evidence that consumers were more likely to believe that “relevant” banner advertisements (that is, unlabeled sexual images) were sponsored by Playboy than they were to believe that “random, un-targeted” advertisements (for example, car insurance advertisements) were affiliated with Playboy.²⁷⁶ Applying the reasoning of *Brookfield*, the Ninth Circuit in *Netscape* determined that Netscape’s diversion of internet traffic could be actionable as trademark infringement.

The Ninth Circuit then considered the defendants’ fair use arguments. Unlike the district court, the Ninth Circuit did not seem concerned about a risk that Playboy would monopolize search terms or impinge on the First Amendment rights of search engine companies or users. The Ninth Circuit

²⁷⁰ *Id.* at 1027 n.32.

²⁷¹ *Id.* at 1027.

²⁷² *Id.* at 1024.

²⁷³ *Id.* at 1028.

²⁷⁴ The court also concluded there was a likelihood of trademark dilution under the FTDA. *Id.* at 1031-34. The law regarding the dilution claim was somewhat confusing due to the instability of dilution law at that time. The Ninth Circuit found that the district court had “erred under the traditional theories of dilution,” but also vacated the district court’s opinion in light of the new standard set forth by the Supreme Court in *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418, 433 (2003), and reopened discovery under the new standard. *Id.* at 1033-34. As explained above, the TDRA has now reversed *Moseley* to set forth a more lenient standard. See *supra* Part II.B.2.a.

²⁷⁵ *Moseley*, 537 U.S. at 1025.

²⁷⁶ *Id.* at 1026.

explained that the case was not analogous to *Welles* because the defendant had reasonable alternatives to using the trademark term—the defendants was already using over 400 other terms to advertise adult-oriented businesses.²⁷⁷

The stability of the Ninth Circuit's *Netscape* opinion, however, was undermined by a skeptical concurrence. Judge Berzon supported the court's opinion as "fully consistent with the applicable precedents" and was also struck by the analytical similarity of *Netscape* and *Brookfield*.²⁷⁸ However, Judge Berzon warned that the *Brookfield* holding reached to "situations in which a party is never confused."²⁷⁹ Judge Berzon saw a "big difference between hijacking a customer to another website by making the customer think he or she is visiting the trademark holder's website (even if only briefly) . . . and just distracting a potential customer with another *choice*"²⁸⁰

Judge Berzon analogized the search engine's results listings to market shelves.²⁸¹ A customer coming to a market searching for one trademark owner's product (for example, Calvin Klein) might be distracted en route to that purchase by another product (for example, Charter Club).²⁸² Judge Berzon noted, however, that this was essentially analogous to the *Brookfield* case, given that those searching for "moviebuff" would not have been confused about the sponsorship of the West Coast Video website.²⁸³ While Judge Berzon was comfortable applying the *Brookfield* rule to unlabeled (and therefore potentially confusing) advertisements, she believed that the general rule of *Brookfield* was "insupportable."²⁸⁴

3. Pop-Ups and Trademark Use

The Ninth Circuit opinion in *Playboy v. Netscape* thus left the law of search engine results in substantial flux. *Brookfield* and initial interest confusion remained the leading precedent on meta tags and SEO practices. Google's advertising practices in the right column and similar models employed

²⁷⁷ *Id.* at 1030 ("There is nothing indispensable, in this context, about [the plaintiffs] marks.").

²⁷⁸ *Netscape II*, 354 F.3d at 1034 (Berzon, J., concurring).

²⁷⁹ *Id.*

²⁸⁰ *Id.* at 1035 (emphasis in original).

²⁸¹ *Id.*

²⁸² *Id.* (using these two product lines as an example).

²⁸³ *Id.*

²⁸⁴ *Id.* at 1036.

by others were arguably governed by the ruling in *Netscape*, but Judge Berzon had also stated that *Brookfield* was “insupportable.”²⁸⁵ Since *Netscape*, there has been much litigation and little progress in the law. The most important legal development has been the adoption, prefigured by the *Netscape* district court decision, of claims that the commercial sale of search terms does not amount to trademark use. That view proceeds largely from a Second Circuit ruling concerning pop-up advertisements.²⁸⁶

The most important pop-up cases have concerned a single company, WhenU, the creator and distributor of a program called “SaveNow.”²⁸⁷ The SaveNow software comes bundled with certain programs made available for free download. In the process of installing the free software, users may install SaveNow, either intentionally or inadvertently. Because those installing free software often do not scroll through their installation agreements, they are often unaware that they have agreed to install such programs.²⁸⁸

When installed, SaveNow displays advertisements that appear over top of normal browser windows. To maximize the relevancy of the advertisements (and thereby its own revenues), the SaveNow advertisements, like the banner advertisements in *Playboy v. Netscape*, are keyed to specific terms.²⁸⁹ Unlike the Netscape banner ads, however, and more like Google’s AdSense, SaveNow’s advertisements are triggered when the terms are presented in other places, such as the domain name of a website or the text of website contents.²⁹⁰ SaveNow’s pop-up advertisements also appear in new browser

²⁸⁵ Since the ruling, district courts in the Ninth Circuit have generally understood themselves to be bound by *Brookfield*. See, e.g., *Storus v. Aroa Marketing*, No. C-06-2454 MMC, 2008 U.S. Dist. LEXIS 11698, at *13-16 (N.D. Cal. Feb 15, 2008).

²⁸⁶ *1-800 Contacts, Inc. v. WhenU.com, Inc.*, 414 F.3d 400, 409-12 (2d Cir. 2005).

²⁸⁷ WhenU describes how SaveNow works on its website. See WhenU/SaveNow Help, http://www.whenu.com/faq_savenow.html (last visited Sept. 1, 2007).

²⁸⁸ *Wells Fargo & Co. v. WhenU.com, Inc.*, 293 F. Supp. 2d 734, 739 (E.D. Mich. 2003) (“Although many users claim not to be aware that SaveNow has been loaded on to their computer, the Court finds that some user assent is required before SaveNow is downloaded. The fact that assent may be in the form of a reflexive agreement required for some other bundled program does not negate the fact that the computer user must affirmatively ask for or agree to the download.”).

²⁸⁹ See WhenU, Advertisers, <http://app.whenu.com/AdReports> (last visited Feb. 29, 2008) (“[R]elevance works: Our consumers respond to our advertisements 10 to 20 times more often than typical graphical advertisements.”).

²⁹⁰ See *id.* (“Our precision targeting technology examines keywords, URLs, HTML code, and search terms currently in use on the consumer’s browser to select relevant advertisements.”).

windows, arguably reducing the likelihood that users may believe them to be sponsored by or affiliated with content presented in the main window.

In 2003, SaveNow became a magnet for trademark litigation. Three federal district court opinions were issued concerning the company's practices. *U-Haul International v. WhenU.com*, from a Virginia district court, concerned SaveNow's use of the key term "u-haul."²⁹¹ The Virginia district court found in favor of the defendant.²⁹² It stated that SaveNow's pop-up windows did not display the plaintiff's "U-Haul" trademark and that the SaveNow program itself did not otherwise make the trademark visible to users.²⁹³ According to the court, "U-Haul fails to adduce any evidence that WhenU uses U-Haul's trademarks to identify the source of its goods or services."²⁹⁴ Given the absence of trademark use, the court concluded that WhenU was not liable.²⁹⁵

In a similar case in Michigan, the Wells Fargo Company sued over SaveNow's use of the terms "wells fargo" and "quicken loans" to trigger advertisements.²⁹⁶ The district court, citing approvingly to the district court decision in *Playboy v. Netscape*, found that the plaintiff had not demonstrated a trademark use of the plaintiff's trademarks.²⁹⁷ Additionally, and also echoing the district court in *Playboy v. Netscape*, the court explained that as a matter of trademark policy, it was important to understand that "trademark laws are concerned with source identification" and do not extend to rights beyond that purpose.²⁹⁸ According to the Michigan district court, SaveNow's pop-up advertisements were not a use of the marks and instead constituted a legitimate form of "comparative advertising."²⁹⁹

However, a federal district court in New York reached the opposite conclusion in a case brought by the 1-800 Contacts

²⁹¹ *U-Haul Int'l, Inc. v. WhenU.com, Inc.*, 279 F. Supp. 2d 723, 727 (E.D. Va. 2003).

²⁹² *Id.* at 731.

²⁹³ *Id.* at 730.

²⁹⁴ *Id.* at 728.

²⁹⁵ *Id.* at 731.

²⁹⁶ *Wells Fargo & Co. v. WhenU.com, Inc.*, 293 F. Supp. 2d 734, 737 (E.D. Mich. 2003).

²⁹⁷ *Id.* at 763-64.

²⁹⁸ *Id.* at 761.

²⁹⁹ *Id.* at 761-62.

company.³⁰⁰ The plaintiff sued over SaveNow's use of the term and the court, essentially applying the *Brookfield* initial interest confusion doctrine, found that SaveNow had used and infringed upon the plaintiff's trademark.³⁰¹ The Second Circuit reversed, however, and brought the outcome of the *1-800* case into line with *Wells Fargo* and *U-Haul*.³⁰² The Second Circuit found that SaveNow had not made trademark use of the plaintiff's 1-800 Contacts marks on goods or services.³⁰³ The use of "1-800 Contacts" was only in the non-visible software code, and the Second Circuit stated that "internal utilization of a trademark in a way that does not communicate it to the public is analogous to a[n] individual's private thoughts about a trademark. Such conduct simply does not violate the Lanham Act."³⁰⁴

4. Applying Use to Search Engines

The law of search engine results today is often pulled by the gravitation of two very powerful doctrines: the Scylla of initial interest confusion and the Charybdis of trademark use. The district courts of the Second Circuit, following the reasoning of the *1-800 Contacts* opinion and the district court in *Netscape*, have found that search term sales are not infringing because they are not a trademark use. Outside the Second Circuit, many courts seem inclined toward the reasoning of *Brookfield* and the Ninth Circuit's opinion in *Netscape*.

Part III, *infra*, will explain why neither approach is desirable. However, in order to describe the current landscape, it is useful to first set forth a representative (non-exhaustive) list of district court opinions that consider the issue of trademark use. These are broken down into two categories: (1) opinions from the district courts of the Second Circuit applying the trademark use doctrine and (2) opinions from outside the Second Circuit that have rejected the doctrine.³⁰⁵

³⁰⁰ *1-800 Contacts, Inc. v. WhenU.com*, 309 F. Supp. 2d 467, 488-505 (S.D.N.Y. 2003), *rev'd*, 414 F.3d 400 (2d Cir. 2005).

³⁰¹ *Id.* at 489-92, 504-05.

³⁰² *1-800 Contacts*, 414 F.3d at 413.

³⁰³ *Id.* at 409.

³⁰⁴ *Id.*

³⁰⁵ For a summary of recent use cases, see *Vulcan Golf L.L.C. v. Google, Inc.*, No. 07-C-3371, 2008 U.S. Dist. LEXIS 22155, at *29-32 (N.D. Ill. Mar. 20, 2008) (addressing claims about domain names).

a. Opinions Applying Trademark Use

1. In the Southern District of New York case of *Merck & Co. v. MediPlan Health Consulting*, the plaintiff sued the defendant for purchasing search engine placement under the term “zocor,” which corresponded with a registered trademark for a pharmaceutical.³⁰⁶ The court granted the defendants’ motion to dismiss these claims, finding that purchasing advertising placement under keywords did not amount to “use in commerce,” and that the Second Circuit’s decision in *1-800 Contacts* controlled.³⁰⁷ It stated that keyword purchases, like the terms used by SaveNow, are “internal utilization of a trademark in a way that does not communicate it to the public.”³⁰⁸ The same court later denied a motion for reconsideration in light of developments in the case law from other circuits.³⁰⁹

2. Google’s greatest district court victory to date under a use theory was the Northern District of New York case of *Rescuecom Corp. v. Google*.³¹⁰ In that case, the computer repair company Rescuecom sued Google for allowing its competitors to purchase AdWords placement under the “rescuecom” search term. Relying on *1-800 Contacts*, Google filed a motion to dismiss the case. The New York district court granted the motion, finding that Google’s sale of the term “rescuecom” was not visible to the public. Applying *1-800 Contacts*, the court concluded there was no trademark use and therefore no liability for trademark infringement or dilution.³¹¹ The plaintiff appealed and the *Rescuecom* case is currently before the Second Circuit.³¹² Google is clearly hoping to secure a post-*Netscape* circuit court opinion that will validate its AdWords business model.

³⁰⁶ *Merck & Co. v. MediPlan Health Consulting Inc.*, 425 F. Supp. 2d 402, 406 (S.D.N.Y. 2006); *see also* 431 F. Supp. 2d 425 (S.D.N.Y. 2006). The plaintiff also objected to the defendant’s use of the term “generic zocor” in the text of its own website. These claims were not dismissed by the district court. *Merck & Co.*, 425 F. Supp. 2d at 413.

³⁰⁷ *Merck & Co.*, 425 F. Supp. 2d at 415.

³⁰⁸ *Id.*

³⁰⁹ 431 F. Supp. 2d 425, 428 (S.D.N.Y. 2006).

³¹⁰ *See Rescuecom Corp. v. Google, Inc.*, 456 F. Supp. 2d 393, 397-404 (N.D.N.Y. 2006).

³¹¹ *Rescuecom*, 456 F. Supp. 2d at 403-04 (citing *1-800 Contacts, Inc. v. WhenU.com*, 414 F.3d 400, 406-07 (2d Cir. 2005)).

³¹² *Rescuecom Corp. v. Google, Inc.*, No. 06-4881-CV (2d Cir. filed Nov. 7, 2006).

3. In *FragranceNet.com v. FragranceX.com*, a case decided recently in the Eastern District of New York, the plaintiff sought leave to amend its complaint to allege that the defendant had infringed its trademarks via AdWords purchases.³¹³ The defendant argued that the keywords were not a trademark use.³¹⁴ The district court agreed with the defendant and denied the motion for leave to amend.³¹⁵ The opinion was also notable in that it denied the application of use to a meta tag claim as well, finding the Second Circuit's *1-800 Contacts* opinion in "stark contrast" to the Ninth Circuit decisions in *Brookfield* and *Netscape*.³¹⁶

4. In *S&L Vitamins v. Australian Gold*, the plaintiff brought a declaratory judgment action seeking a ruling that its use of terms corresponding to the defendant's trademarks in meta tags and purchased search engine keywords did not constitute infringement.³¹⁷ The court, citing prior Second Circuit decisions, determined that the plaintiff had not used the defendant's marks "by purchasing keywords and sponsored links."³¹⁸

b. Opinions Rejecting Trademark Use

1. The first major trademark case against Google was brought in the Eastern District of Virginia by the insurance company GEICO and entailed the rejection of a trademark use argument by Google.³¹⁹ GEICO alleged Google infringed its trademarks by selling advertising linked to the "geico" term (and other terms).³²⁰ GEICO relied heavily on the (subsequently reversed) district court decision in *1-800 Contacts* as well as on meta tag case law, and Google relied on a trademark use defense.³²¹ In its 2004 opinion, the district court denied the motion to dismiss, finding the sale of keywords was sufficient

³¹³ *FragranceNet.com, Inc. v. FragranceX.com, Inc.*, 493 F. Supp. 2d 545, 546 (E.D.N.Y. 2007).

³¹⁴ *Id.* at 547.

³¹⁵ *Id.* at 555.

³¹⁶ *Id.* at 554-55.

³¹⁷ *S&L Vitamins v. Australian Gold*, 521 F. Supp. 2d 188, 201-02 (E.D.N.Y. 2007).

³¹⁸ *Id.* at 202.

³¹⁹ *See Gov't Employees Ins. Co. v. Google, Inc.*, 330 F. Supp. 2d 700, 704 (E.D. Va. 2004).

³²⁰ *Id.* at 702.

³²¹ *Id.* at 703.

trademark use to state a claim for infringement.³²² The court found Google's sales of specific terms to be distinguishable from WhenU's sales of "broad categories" of terms in its SaveNow program.³²³ The defendants had "marketed the protected marks themselves as keywords to which advertisers could directly purchase rights."³²⁴ However, after a bench trial, the court granted judgment to the defendants on the issue of infringement, finding that GEICO failed to demonstrate a likelihood of consumer confusion.³²⁵

2. In the 2006 Georgia district court case of *Rescuecom Corp. v. Computer Troubleshooters*, the defendant, Computer Troubleshooters, had purchased a Google AdWords placement under the term "rescuecom."³²⁶ Computer Troubleshooters claimed that purchasing a Google AdWord did not amount to infringing trademark use under the Lanham Act.³²⁷ Following the reasoning of *GEICO*, the court denied defendant's motion to dismiss, finding that the issues of trademark use and confusion were factual questions that could not be resolved on a preliminary motion.³²⁸

3. In the 2006 New Jersey district court case of *800-JR Cigar v. GoTo.com*, the plaintiff sold cigars through its website and owned federal trademark rights in the term "JR Cigar" (and other terms).³²⁹ It brought suit against GoTo.com for the sale of advertisements keyed to terms such as "jr cigar."³³⁰ GoTo.com, like Google, defended on the basis that selling placement for search terms was not trademark use. Following the reasoning of *GEICO*, the court found that there was sufficient trademark use. Applying theories of initial interest confusion pursuant to *Brookfield* and trademark dilution, the court denied summary judgment.³³¹

³²² *Id.* at 704-05.

³²³ *Id.* at 704.

³²⁴ *Id.*

³²⁵ *Gov't Employees Ins. Co. v. Google, Inc.*, No. 1:04cv507, 2005 U.S. Dist. LEXIS 18642, at *25-26, 77 U.S.P.Q.2d (BNA) 1841 (E.D. Va. Aug. 8, 2005).

³²⁶ *Rescuecom Corp. v. Computer Troubleshooters USA, Inc.*, 464 F. Supp. 2d 1263, 1264 (N.D. Ga. 2005). In this case, Rescuecom did not sue Google, but only brought suit against the company that had purchased the AdWords placement. *Id.*

³²⁷ *Id.*

³²⁸ *Id.* at 1266-67.

³²⁹ *800-JR Cigar, Inc. v. GoTo.com, Inc.*, 437 F. Supp. 2d 273 (D.N.J. 2006).

³³⁰ *Id.* at 278-79.

³³¹ *Id.* at 290-96.

4. *Buying for the Home v. Humble Abode*³³² was decided by another New Jersey district court in 2006. The plaintiff and defendant were competitors in the online sale of furniture. The defendant had purchased Google AdWords for the term “total bedroom,” which corresponded with the plaintiff’s trademark.³³³ The defendant moved for summary judgment based on an absence of trademark use.³³⁴ Surveying the varied case law on the issue, the New Jersey district court found the allegations “clearly satisf[ied] the Lanham Act’s ‘use’ requirement.”³³⁵ The court noted that the keyword purchases were “a commercial transaction . . . trading on the value of Plaintiff’s mark.”³³⁶ The court stated that “the mark was used to provide a computer user with direct access (that is, a link) to Defendants’ website through which the user could make furniture purchases.”³³⁷

5. In the 2006 District of Minnesota case of *Edina Realty v. TheMLSOnline*,³³⁸ the plaintiff, a realtor, alleged that the defendant had infringed on its trademarks by purchasing them as advertising keywords from Google and Yahoo.³³⁹ The defendant moved for summary judgment, arguing that the keyword purchases did not amount to trademark use. Citing *Brookfield*, the court stated, “Based on the plain meaning of the Lanham Act, the purchase of search terms is a use in commerce.”³⁴⁰ The court allowed the plaintiff’s infringement claims to proceed to trial.³⁴¹

6. In the 2007 Pennsylvania district court case of *J.G. Wentworth v. Settlement Funding*,³⁴² the plaintiff claimed that the defendant had infringed on its trademarks by purchasing corresponding terms in Google’s AdWords program. In response

³³² *Buying for the Home, LLC v. Humble Abode, LLC*, 459 F. Supp. 2d 310 (D.N.J. 2006).

³³³ *Id.* at 315-17.

³³⁴ *Id.* at 318-20; see *800-JR Cigar, Inc.* 437 F. Supp. 2d at 277.

³³⁵ *Humble Abode*, 459 F. Supp. 2d at 322-23.

³³⁶ *Id.* at 323.

³³⁷ *Id.*

³³⁸ *Edina Realty, Inc. v. TheMLSOnline.com*, No. 04-4371, 2006 U.S. Dist. LEXIS 13775 (D. Minn. Mar. 20, 2006).

³³⁹ See *id.* at *3 (“Over the past four years, defendant has purchased the following search terms from Google: Edina Realty, Edina Reality, EdinaRealty.com, EdinaRealty, EdinaRealty.com, www.EdinaRealty.com and www.EdinaRealty.com.”).

³⁴⁰ *Id.* at *10.

³⁴¹ *Id.* at *21. The plaintiff’s trademark dilution claims were dismissed due to a failure to meet the Supreme Court’s stringent “actual dilution” standard announced in *Moseley*. *Id.* at *22-23.

³⁴² *J.G. Wentworth, S.S.C. v. Settlement Funding LLC*, No. 06-0597, 2007 U.S. Dist. LEXIS 288 (E.D. Pa. Jan. 4, 2007).

to the trademark use defense, the court rejected the *1-800 Contacts* position, stating that the use was “not analogous to ‘an individual’s private thoughts’ as defendant suggests. By establishing an opportunity to reach consumers via alleged purchase and/or use of a protected trademark, defendant has crossed the line from internal use to use in commerce under the Lanham Act.”³⁴³ At the same time, however, the court granted the defendant’s motion to dismiss, also rejecting the reasoning of *Brookfield* and finding that the plaintiff had not introduced evidence that could support a finding of a likelihood of confusion.³⁴⁴

7. Just recently, Google settled its claims in *Google v. American Blind & Wallpaper Factory*,³⁴⁵ a long-running case brought by Google in the Ninth Circuit.³⁴⁶ Google had brought suit seeking a declaratory judgment that it did not infringe the defendant’s marks through the sale of AdWords advertisements for terms corresponding with the plaintiff’s trademarks (for example, “american blinds”). In a 2007 ruling, the California district court found that *Playboy v. Netscape* made “an implicit finding of trademark use in commerce” that would apply to the Google AdWords program.³⁴⁷ The district court also stated that “*Brookfield*, like *Playboy*, suggests that the Ninth Circuit would assume use in commerce here.”³⁴⁸ The court was therefore prepared to allow the case to proceed to trial.³⁴⁹

The above cases highlight the struggle to reconcile jurisprudence over initial interest confusion, originating in *Brookfield*, with contemporary litigation over search engine

³⁴³ *Id.* at *17.

³⁴⁴ *Id.* at *23-24 (“Due to the separate and distinct nature of the links created on any of the search results pages in question, potential consumers have no opportunity to confuse defendant’s services, goods, advertisements, links or websites for those of plaintiff.”).

³⁴⁵ The extensive motion practice can be found at *Google, Inc. v. Am. Blind & Wallpaper Factory, Inc.*, No. C 03-5340, 2007 U.S. Dist. LEXIS 32450 (N.D. Cal. Feb. 8, 2008); 2007 U.S. Dist. LEXIS 32450 (N.D. Cal. Apr. 18, 2007); 2006 U.S. Dist. LEXIS 67284 (N.D. Cal. Sept. 6, 2006); 2006 U.S. Dist. LEXIS 58970 (N.D. Cal. Aug. 10, 2006); 74 U.S.P.Q.2d (BNA) 1385, 2005 US Dist. LEXIS 6228 (N.D. Cal. Mar. 30, 2005); 2004 U.S. Dist. LEXIS 27601 (N.D. Cal. Apr. 8, 2004).

³⁴⁶ *Google Settles Trademark Suit*, N.Y. TIMES, Sept. 1, 2007, at C4.

³⁴⁷ *Am. Blind & Wallpaper*, 2007 U.S. Dist. LEXIS 32450, at *18.

³⁴⁸ *Id.* at *20-21.

³⁴⁹ *Id.* at *21. The ruling was not an unqualified win for the defendant, however. The court dismissed its dilution claims and granted summary judgment to Google on claims based on the “American Blind” or “American Blinds,” which the court found could not be protected as trademarks. *Id.* at *26, 26 n.16, 39-40. However, the defendant had also alleged infringement of three other marks: “American Blind Factory,” “Decoratetoday,” and “American Blind & Wallpaper Factory.” *Id.* at *26 n.16.

results. While the doctrine of trademark use has been utilized in the district courts of the Second Circuit to keep trademark law out of search results, the majority of district courts outside the Second Circuit have been unwilling to adopt such a bright-line test. Caught between initial interest confusion and trademark use, the doctrine pertaining to search engine results is in flux and will likely continue to be unstable in the near future.

This brings us to the question of how courts *should* approach the intersection of trademark law and Google's search results.

III. THE PUBLIC INDEXICAL INTEREST

In Part II, the legal precedents regarding the regulation of search results were described. As was explained, there seems little possibility that the law will soon be capable of supervising *generally* the unique manner in which Google acts as an index and advertiser. However, within the limited confines of trademark law, some courts have seemed willing to curtail abusive SEO practices that influence Google's left column (under the rubric of competitor meta tag suits) and some have been willing to consider supervising Google's practices in its right-hand column.

This Part will argue that trademark law should stay engaged with the commercialization of search engine results in both columns. However, both initial interest confusion and trademark use are flawed theories that promise little progress for the public interest in search results. Trademark law should ideally pursue the goal of protecting the value of search engines as useful indices. However, protecting search engines as indices is a complex goal. The social value of online indices can be threatened by SEO practices, by the commercial practices of search engines, and by trademark law itself. What is needed in this arena is a doctrine that keeps the role of trademark law in search results very limited, but does not abdicate the state's role entirely.

A. *Avoiding the Scylla and Charybdis*

District courts confronting claims of keyword purchases today must navigate a dangerous path between two powerful doctrines, initial interest confusion and trademark use. Neither of these recent doctrines is consistent with trademark law's

historic logic. Nor is either very helpful in ensuring the public utility of online indices.

1. Initial Interest Confusion

The problems with the doctrine of initial interest confusion as applied to the Internet have been explored extensively by both courts and commentators.³⁵⁰ The principal concern among courts and commentators is that the application of the doctrine to search results offers no clear consumer benefits and risks substantial consumer harms.³⁵¹ As the district court in *Netscape* noted, it is not clear that a user searching for a given word on a search engine is actually searching for the trademark meaning of that word.³⁵² Thus, initial interest confusion may make search engines less useful by increasing consumer search costs.³⁵³ Initial interest confusion threatens to allow trademark owners to monopolize language, as the *Netscape* district court put it.³⁵⁴ Search engine users searching for non-trademark usages of words like “cars” or “nike” may have their interest in finding information on generic terms eclipsed by a proliferation of trademark-related results.³⁵⁵

Even in cases where a search engine user is searching for a trademark holder’s product by using the search term as a proxy, as the *Netscape* district court also noted, it may not be clear which market context corresponds with the user’s intent.³⁵⁶ And even if the user is searching for the exact good or service provided by a single trademark holder, as Judge Berzon’s concurrence in the Ninth Circuit opinion points out, this consumer might be pleased to be presented with additional choices.³⁵⁷

³⁵⁰ My earlier arguments against the application of the doctrine to search engines can be found in Lastowka, *supra* note 7, at 854-58, 877. The writing in this area is quite prolific. A recent article by Professor Jennifer Rothman offers a comprehensive general attack on the doctrine. Rothman, *supra* note 208.

³⁵¹ Rothman, *supra* note 208, at 121-22.

³⁵² *Netscape I*, 55 F. Supp. 2d 1070, 1073 (C.D. Cal. 1999).

³⁵³ See Stacey L. Dogan & Mark A. Lemley, *Trademarks and Consumer Search Costs on the Internet*, 41 HOUS. L. REV. 777, 810 (2004).

³⁵⁴ *Netscape I*, 55 F. Supp. 2d at 1083.

³⁵⁵ Of course, as shown in Part I. C, *supra*, even in the absence of trademark law’s influence, this result may obtain.

³⁵⁶ *Netscape I*, 55 F. Supp. 2d at 1083.

³⁵⁷ *Netscape II*, 354 F.3d 1020, 1035 (9th Cir. 2004).

There may be some arguable consumer-protection logic behind initial interest confusion. Ideally, in offline contexts, the initial interest confusion doctrine might be defended on the basis that business competitors should not be able to use trademarks in a way that amounts to a bait-and-switch tactic.³⁵⁸ For instance, a store should not be able to advertise that it offers Brand A, generating initial interest by consumers and resultant traffic to its store, and then offer those who arrive to the store only Brand B. This is essentially the story of the billboard in *Brookfield*. If an actual billboard were to divert consumers in this way by using the drawing power of a trademark, there would be good reason for trademark law to prevent that type of conduct. The plaintiff's trademark would be used as a false lure to bring consumers into unfruitful expenditures of time and energy.³⁵⁹

But while consumers may see some benefits from limited applications of the bait-and-switch theory of initial interest confusion, as the *Dr. Seuss* case demonstrates, there are reasons to be concerned that this expansion of trademark law may have the negative consequence of restricting the permissible scope of free expression.³⁶⁰ Any broadening of trademark law rights past traditional boundaries should be scrutinized carefully for a potential impact on free speech rights and other public interests.³⁶¹

The more important point with regard to bait-and-switch theory, however, is that it has not been guiding the application of initial interest confusion to search results. At present, initial interest confusion as applied to search results is much closer to a dilution-type right of word ownership. As Judge Berzon noted in *Netscape*, despite the fact that *Brookfield* was premised on initial interest confusion, there was no evidence that consumers were ever confused in that case.³⁶² Applied to search results, it seems initial interest

³⁵⁸ See Hannibal Travis, *The Battle for Mindshare: The Emerging Consensus That the First Amendment Protects Corporate Criticism and Parody on the Internet*, 10 VA. J.L. & TECH. 3 at 85 (2005); *Dorr-Oliver, Inc. v. Fluid-Quip, Inc.*, 94 F.3d 376, 382 (7th Cir. 1996).

³⁵⁹ See Rothman, *supra* note 208, at 161, 161 n.241 (providing citations to initial interest confusion cases depending on the logic of "luring").

³⁶⁰ See *supra* notes 210-213 and accompanying text. See generally Graeme W. Austin, *Trademarks and the Burdened Imagination*, 69 BROOK. L. REV. 827, 884 (2004) (explaining how initial interest confusion doctrine, by broadening trademark rights, increases the level of conflict between trademark and the First Amendment).

³⁶¹ Austin, *supra* note 360, at 883-84; Lemley, *supra* note 169, at 1710.

³⁶² *Netscape II*, 354 F.3d at 1035.

confusion serves the ends that the district court in *Netscape* feared: the ability to control the general use of words, regardless of the public interest.

In the abstract, it may seem that when a trademark owner's business efforts makes a novel term, such as "ipod" or "häagen-dazs," popular with consumers, the trademark owner should possess a legal right to receive the profit (and Web traffic) associated with the popularity of that term. Why should competitors or Google have the power to profit from the value associated with these terms, given that neither competitors nor Google generated the consumer interest in the term? This sentiment certainly plays a powerful role in rhetorical justifications of dilution law, which argue against any free riding. But as Mark Lemley has recently explained, there is no general anti-free-riding principle in intellectual property law.³⁶³ To the contrary, intellectual property often creates spillovers where the benefits of investments are not internalized by those granted ownership of the associated rights.³⁶⁴ Intellectual property owners have not captured, and should not capture, all economic value attributable to their activities. Requiring that would lead to significant social harms.

This is nowhere clearer than in the case of initial interest confusion as applied to search results listing. An overly expansive reading of trademark rights, such as the rule in *Brookfield*, would allow trademark holders to monopolize all traffic related to terms associated with their trademarks. Given that almost any word can be a trademark, a law to this effect would substantially destroy the benefits provided by search engines. The popular wealth generated by useful online indices would be transformed into the poverty of a pedestrian trademark directory.³⁶⁵

Is this possible with respect to Google's results? While we might imagine courts would find a way to avoid impeding search, there is cause for concern. In some jurisdictions, initial interest confusion is becoming a controlling doctrine in search engine jurisprudence. For instance, in the recent case of *Storus*

³⁶³ Lemley, *supra* note 101, at 1032 ("[T]he rhetoric of free riding in intellectual property . . . [is] fundamentally misguided.").

³⁶⁴ Brett M. Frischmann & Mark A. Lemley, *Spillovers*, 107 COLUM. L. REV. 257, 258-61 (2007).

³⁶⁵ Dogan & Lemley, *supra* note 353, at 816 ("*Brookfield* takes the initial interest confusion rationale in a novel and dangerous direction that disregards its confusion-based origins, defies core trademark doctrine, and thwarts the normative goals of trademark law.").

v. Aroa Marketing, a district court in the Ninth Circuit awarded summary judgment to a plaintiff complaining of a competitor's purchase of a Google AdWords advertisement.³⁶⁶ Applying the *Brookfield* doctrine and distinguishing *Netscape's* application of that doctrine to search engines, the court found that the mere diversion of traffic to the defendant's website was sufficient to establish infringement in the search context.³⁶⁷

2. Trademark Use

Given the potential dangers to the public interest posed by an unchecked initial interest confusion doctrine, it may seem prudent to keep trademark law entirely out of the process of regulating search engines. The thought might be that unless some categorical immunity is provided for search engines, trademark law—and the initial interest confusion doctrine in particular—will ruin the shape of search engine results. Professor Eric Goldman is a leading advocate of this view. He has claimed that “trademark law must step aside” from the regulation of search results.³⁶⁸ He explains that “the solution is simple: Deregulate the keyword in Internet searching.”³⁶⁹

Unsurprisingly, Professor Goldman has also favored the trademark use doctrine as a means of achieving this objective. The goal would be to deregulate relevancy entirely. Decisions such as *Rescuecom* and *FragranceNet* essentially achieve this result by finding that the sale of term-keyed AdWords advertisement does not amount to trademark use.³⁷⁰ Several scholarly commentators agree that the doctrine of trademark use is essential to limiting the expansion of errant doctrines.³⁷¹

³⁶⁶ *Storus Corp. v. Aroa Mktg.*, No. C-06-2454 MMC, 2008 U.S. Dist. LEXIS 11698, at *11-16 (N.D. Cal. Feb. 15, 2008).

³⁶⁷ *Id.* at *10-15, *13 n.6. It is important to note that the plaintiff's (weak) trademark was present in the text of the defendant's AdWords. *Id.* at *11-15.

³⁶⁸ Goldman, *supra* note 67, at 510.

³⁶⁹ *Id.* at 596.

³⁷⁰ *FragranceNet.com, Inc. v. FragranceX.com, Inc.*, 493 F. Supp. 2d 545, 550 (E.D.N.Y. 2007); *Rescuecom Corp. v. Google, Inc.*, 456 F. Supp. 2d 393, 401-02 (N.D.N.Y. 2006).

³⁷¹ See, e.g., Margreth Barrett, *Internet Trademark Suits and the Demise of “Trademark Use,”* 39 U.C. DAVIS L. REV. 371, 450-57 (2005); Stacey L. Dogan & Mark A. Lemley, *Grounding Trademark Law Through Trademark Use*, 92 IOWA L. REV. 1669, 1675-82 (2007) [hereinafter Dogan & Lemley, *Grounding*]; Dogan & Lemley, *supra* note 353, at 805-11; Uli Widmaier, *Use, Liability and the Structure of Trademark Law*, 33 HOFSTRA L. REV. 603, 708 (2004).

Professor Margreth Barrett, for instance, has lamented the demise of trademark use.³⁷² She views the public interest as threatened by a “remarkable expansion of the control trademark owners are able to extend . . . over unauthorized references to their marks on the Internet.”³⁷³ Uli Widmaier argues that “[t]rademark use must become once again a mandatory element of all trademark claims. The courts must stop disregarding this foundational premise of trademark law.”³⁷⁴

Professors Stacey Dogan and Mark Lemley are the leading advocates of use as a limitation on trademark law, and particularly on internet trademark law.³⁷⁵ According to Dogan and Lemley, “The trademark use requirement serves a gatekeeper function, limiting the reach of trademark law without regard to a factual inquiry into consumer confusion.”³⁷⁶ They state, “Selling advertising space based on an Internet keyword that is also a trademark does not use that trademark as a brand. The Internet intermediary is not selling any product or service using those terms as an identifier.”³⁷⁷

Yet this is exactly the argument that many district courts outside the Second Circuit have found unpersuasive, and that the Ninth Circuit in the *Netscape* decision decried as “absurd.”³⁷⁸ If Google knowingly sells advertising placement under the term “nike” to Adidas in order to direct consumer traffic to the website of Adidas, it is hard to understand why Google “does not use that trademark as a brand.” Indeed, many district courts, and the Ninth Circuit in *Netscape*, have found that such use is clearly within the reach of the Lanham Act.³⁷⁹

³⁷² Barrett, *supra* note 371, at 373-75.

³⁷³ *Id.* at 375.

³⁷⁴ Widmaier, *supra* note 371, at 708.

³⁷⁵ See generally Dogan & Lemley, *supra* note 353; Dogan & Lemley, *Grounding*, *supra* note 371. Professor Lemley is involved in courtroom advocacy as well. As he acknowledges in his scholarly writing, he has represented Google and several other companies in major lawsuits that have expanded the defensive scope of trademark use doctrine.

³⁷⁶ Dogan & Lemley, *supra* note 353, at 805.

³⁷⁷ *Id.* at 807.

³⁷⁸ 354 F.3d 1020, 1027 n.32; see also Misha Gregory Macaw, Google, Inc. v. American Blind & Wallpaper Factory, Inc.: A Justification for the Use of Trademarks as Keywords to Trigger Paid Advertising Placements in Internet Search Engine Results, 32 RUTGERS COMPUTER & TECH. L.J. 1, 48 (2005) (concluding that Google's AdWords is a “use in commerce” and that this “is entirely consistent with the policy underpinnings” of trademark law).

³⁷⁹ See *supra* Part II.C.

By contrast, the line of reasoning being followed by district courts in the Second Circuit, that this type of use is “not visible to the public” and that it consists only of the “private thought” of Google,³⁸⁰ seems like a concerted effort to ignore the reality of the situation. The search term is clearly communicated to the user who is, after all, querying Google with regard to that term. It is the value of the term “nike” *as a brand name* that makes it valuable to the majority of AdWords advertisers.

It seems quite obvious that the sale of advertising keyed to terms that are valuable primarily (or only) due to their correspondence with well-known trademarks is a use of those trademarks in commerce. Yet it must be emphasized that trademark infringement does not occur simply because a party uses another party’s trademark. It is only by virtue of the doctrine of initial interest confusion that some courts have decided this should be the case. But prior to that development, it was a foundational concept in trademark law that uses of a trademark that created no likelihood of consumer confusion were not uses that made a party liable for trademark infringement.

The middle ground between trademark use and initial interest confusion doctrine seems like the right place for Google’s results to fall, and some courts have started to see this. Two of the courts rejecting trademark use have also rejected plaintiffs’ claims that search engine results have created actionable consumer confusion. The court in *GEICO v. Google, Inc.* reached this result after a bench trial.³⁸¹ The court in *J.G. Wentworth v. Settlement Funding* reached this result on a motion to dismiss, while at the same time managing to explicitly reject the doctrine of initial interest confusion.³⁸² This is the correct analysis.

Rejecting all claims based on a search engine’s sale of placement under terms would certainly keep claims out of court. But it might also encourage Google to adopt sharper practices. The public interest would not be served if trademark owners could dictate the shape of Google’s results. But if

³⁸⁰ See *supra* Part II.C.

³⁸¹ *Gov’t Employees Ins. Co. v. Google, Inc.*, 330 F. Supp. 2d 700 (E.D. Va. 2004); *Gov’t Employees Ins. Co. v. Google, Inc.*, No. 1:04cv507, 2005 U.S. Dist. LEXIS 18642, at *1-7, 77 U.S.P.Q.2d (BNA) 1841 (E.D. Va. Aug. 8, 2005).

³⁸² *J.G. Wentworth, S.S.C. v. Settlement Funding LLC*, No. 06-0597, 2007 U.S. Dist. LEXIS 288, at *1, *19-24, 85 U.S.P.Q. 2d (BNA) 1780 (E.D. Pa. Jan. 4, 2007).

Google were accorded absolutely free reign to index the results it offers in response to user queries, it is not hard to imagine ways that it could abuse its power to the detriment of both trademark owners and the public.

The leading critics of the expanding trademark use doctrine are Professors Graeme Dinwoodie and Mark Janis, who have co-authored two articles criticizing arguments by Dogan and Lemley.³⁸³ Dinwoodie and Janis find little basis in the statutory text for the doctrine.³⁸⁴ Dogan and Lemley have responded by advocating for a common-law evolution.³⁸⁵

If trademark use represents a doctrinal evolution, it should be defended on policy grounds. Dinwoodie and Janis argue, persuasively, that categorically removing the influence of trademark law from certain commercial activities is unwise, especially if these activities might be found to create consumer confusion. Trademark use abdicates the power of trademark law to police actions that could be potentially harmful to consumers.³⁸⁶ Dinwoodie and Janis explain, "Experience militates against the pure laissez-faire approach Were it otherwise, of course, one might question whether there was any need for trademark and unfair competition law."³⁸⁷

This seems quite right. Courts that have carefully considered contemporary search results without being caught in the *Brookfield* doctrine have found no likelihood of consumer confusion generated. If initial interest confusion can be jettisoned, there seems to be little pressing need to confront a threat that may never materialize.³⁸⁸ Trademark law is currently one of the only means by which law polices Google's

³⁸³ Graeme B. Dinwoodie & Mark D. Janis, *Lessons from the Trademark Use Debate*, 92 IOWA L. REV. 1703 (2007) [hereinafter Dinwoodie & Janis, *Lessons*]; Dinwoodie & Janis, *Contextualism*, *supra* note 70, at 1597.

³⁸⁴ Dinwoodie & Janis, *Contextualism*, *supra* note 70, at 1608-15; Dinwoodie & Janis, *Lessons*, *supra* note 383, at 1706-08; *see also* Sarah J. Givan, *Using Trademarks as Location Tools on the Internet: Use in Commerce?*, 2005 UCLA J.L. & TECH. 4 ¶ 47 (2005) (concluding keyword uses are a "use in commerce" under the Lanham Act).

³⁸⁵ Dogan & Lemley, *Grounding*, *supra* note 371, at 1686 ("Contrary to Dinwoodie and Janis's charge, this form of common-law evolution of trademark doctrine is neither revolutionary nor unique. Indeed, common law development has been at the heart of a wide variety of IP doctrines . . .").

³⁸⁶ *See* Dinwoodie & Janis, *Lessons*, *supra* note 383, at 1719.

³⁸⁷ *Id.*; *see also* Pasquale & Bracha, *supra* note 115, at 4, 32 (critiquing arguments that market discipline will correct problems with search results).

³⁸⁸ *Cf.* Grimmelmann, *supra* note 85, at 62 ("The search engine's proper defense is that it is not misleading users, not that it is not using the trademark. It is easy to imagine search engines that deliberately cause serious confusion.").

search results. This makes the trademark use doctrine essentially a bid for Google's Law.

If the Scylla of initial interest confusion and the Charybdis of trademark use can be avoided, how might we reconcile trademark law with search engine results? This is considered in the next two sections.

B. *Space Versus Index: Supermarkets and Libraries*

In setting trademark policy for search engines, it is important to see how Google is like and unlike past spaces.³⁸⁹ Courts and commentators discussing search engines often use spatial analogies in justifying decisions and policies, be they the highways and signposts of *Brookfield* or the store shelves that Judge Berzon referenced in *Netscape*.³⁹⁰ But Google is not simply an online version of a store shelf.³⁹¹

Judge Berzon's concurrence in *Netscape* suggests that consumers desire a broad range of choices and it is good to have multiple purchasing options present on stores shelves. Yet store owners do not stock both Coke and Pepsi in order to further the public interest in choice.³⁹²

Supermarkets, like all other businesses, seek to make a profit. If a supermarket shopper were to request Coke specifically, the store owner will offer Pepsi as an alternative only if this might lead to increased revenues. Generally, if the

³⁸⁹ Givan, *supra* note 384, at 4 ¶ 5 ("Consumers navigate the internet through the use of words. . . . In effect, words are location in the online domain.")

³⁹⁰ I have used spatial analogies this way myself, explaining that search engines might be used to "recreate some of the spatial realities of the marketplace" by placing "goods in spatial proximity" and "providing consumers with more choices." Lastowka, *supra* note 7, at 877.

³⁹¹ As Dinwoodie and Janis explain:

[T]he all-too-ready resort to offline analogies to justify outcomes in Internet trademark cases gives us pause. Courts should not automatically assume that proximity in the online environment and proximity in the offline environment have the same effects. The context is different, and there are great risks in taking analogies too seriously.

Dinwoodie & Janis, *Lessons*, *supra* note 383, at 1721; *see also* Givan, *supra* note 384, ¶ 5 ("In this physical world, Safeway does not use Kellogg's trademarks to sell Safeway products.")

³⁹² Many venues today have exclusive arrangements that lead them to stock only Coke or Pepsi. *See, e.g.*, Michele Simon, *Can Food Companies Be Trusted to Self-Regulate? An Analysis of Corporate Lobbying and Deception to Undermine Children's Health*, 39 LOY. L.A. L. REV. 169, 173 (2006) ("With public schools so desperate for funding, over the past two decades many districts have opened their doors to major beverage companies such as Coca-Cola and Pepsi-Cola, often forming exclusive contracts also known as 'pouring rights.'").

profit margins are equal for both beverages and both are on hand, a request for Coke will not be met with the counteroffer of Pepsi.³⁹³ Stores may offer their customers a choice by stocking multiple brands clustered by product type, but they may not. The choices available in any marketplace are a byproduct of economic incentives, social customs, and the logistics of spatial coordination.

In theory, Google can offer better choices to consumers since it faces no spatial limit on the number of products it offers (which, in fact, are free hyperlinks). Yet Google is still constrained by the size of a monitor display and the patience of users. Most importantly, Google profits not by selling products to consumers, but by delivering consumer attention to advertisers.

Google operates in an *indexical* environment that is importantly different from the spatial context of trademarks. Trademarks within real space are often situated in contexts that lend meaning to terms.³⁹⁴ Real spaces are fluid and smooth, whereas the spaces of Google's index are rigid and striated. In real space, a supermarket aisle smoothly blends to a checkout counter to a parking lot to a city street. On Google, information does not spill across digital boundaries unless it is programmed to do so. Consumers in Google's "space" of search results are largely blind, not just to adjacent products, but to many other important contextual clues. They cannot see, for instance, the traffic patterns of other consumers, the appearance of a shopkeeper, or the need for a cleanup on aisle five. Allowing Google to sell search terms that correspond to trademarks will certainly affect the user experience, but it will not magically transform Google into a corner drug store.

There is no way to turn back the clock and restore the marketplace to the "natural" pre-Internet order that is thought to exist on supermarket shelves. Instead, trademark law in the twenty-first century must take into account the rise of indexical spaces.³⁹⁵ So far, that transformation has been characterized by significant missteps, among them cases like *Brookfield* and *1-800 Contacts*. However, it would be premature

³⁹³ Dinwoodie & Janis, *Contextualism*, *supra* note 70, at 1630-32 (explaining how offering more choices does not necessarily decrease consumer search costs).

³⁹⁴ See *supra* Part II.B.

³⁹⁵ As one example of this type of re-imagining law, James Grimmelman has recently published a very thoughtful essay on how information superabundance relates to ideal search engine policy approaches. James Grimmelman, *Information Policy for the Library of Babel*, 3 J. BUS. & TECH. L. 29 (2008).

to claim that trademark law has no ability to transform in ways that facilitate the public interest in the organization of indexical space.

At its heart, Google is not a space, but a massive index of the World Wide Web.³⁹⁶ Some courts have compared meta tags to card catalogs.³⁹⁷ This library-based analogy might work for Google as well.³⁹⁸ (Indeed, Google currently indexes and retrieves the information in books.³⁹⁹) Physical books in almost all public libraries today are spatially organized in accordance with the Dewey Decimal System, the hierarchical system created by Melvil Dewey in 1876.⁴⁰⁰ Physical tomes are spatially ordered in accordance with ten broad categories, and further grouped spatially by ten subcategories.⁴⁰¹

By contrast, Google's index is dynamically created by its algorithms in response to user queries. Its content is much greater than that of a typical library, but it is also limited to certain Web sites. The Google index actually excludes a vast amount of data.⁴⁰² And this has implications in itself—different parties have different interests with regard to how thoroughly Google performs its indexical inclusion and exclusion.⁴⁰³

³⁹⁶ The term “index,” like many terms, has a variety of meanings in different contexts. I am using it here to refer to “[s]omething that serves to guide, point out, or otherwise facilitate reference.” THE AMERICAN HERITAGE DICTIONARY OF THE ENGLISH LANGUAGE 891 (4th ed. 2000).

³⁹⁷ *Paccar Inc. v. Telescan Techs.*, 319 F.3d 243, 248 n.2 (6th Cir. 2003) (“Metatags have been ‘analogized to the subject index of a card catalog indicating the general subject of a book.’”) (quoting MCCARTHY, *supra* note 168, § 25:69 (4th ed.)); *Playboy Enters. v. Welles*, 7 F. Supp. 2d 1098, 1104 (S.D. Cal. 1998) (“Much like the subject index of a card catalog, the meta tags give the websurfer using a search engine a clearer indication of the content of the website.”). *Cf. Shea ex rel. Am. Reporter v. Reno*, 930 F. Supp. 916, 922 (S.D.N.Y. 1996) (“With access to the web of computer networks known as the Internet . . . a researcher can peruse the card catalogs of libraries across the globe . . .”).

³⁹⁸ See generally Grimmelmann, *supra* note 395 (analogizing search engines to a story by Jorge Luis Borges about an infinite library).

³⁹⁹ Jeffrey Toobin, *Google's Moon Shot: The Quest for the Universal Library*, NEW YORKER, Feb. 5, 2007, at 30 (describing the Google Book Search project).

⁴⁰⁰ Sarah N. Lynch & Eugene Mulero, *Dewey? At This Library with a Very Different Outlook, They Don't*, N.Y. TIMES, July 14, 2007, at A7 (describing how a library in Arizona “is one of the first in the nation to have abandoned the Dewey Decimal System of classifying books”).

⁴⁰¹ See generally Wikipedia, Dewey Decimal Classification, http://en.wikipedia.org/wiki/Dewey_Decimal_Classification (last visited Apr. 18, 2008) (explaining the basics of the system).

⁴⁰² See generally Wikipedia, *Deep Web*, http://en.wikipedia.org/wiki/Deep_Web (last visited Feb. 28, 2008) (summarizing and collecting current information about information not “visible” to search engines).

⁴⁰³ See generally Grimmelmann, *supra* note 85 (mapping out the competing interests). Professor Grimmelmann's article provides a helpful model of the general

Insofar as Google's index involves a process of judgment, it is not remarkably different than prior indices. A good index, online or offline, will reflect some judgment about the relative importance of the information it references. For this reason, indices are generally subject to copyright protection.⁴⁰⁴ Google expresses judgments by virtue of its algorithm and its hand-alteration of some results, such as the results at issue in *KinderStart*. This led the courts in *KinderStart* and *Search King* to conclude that Google's relevancy algorithms constituted an opinion.⁴⁰⁵

Yet the opinion of Google is tied up with its interest in making a profit. The Dewey Decimal System was not structured as a means of obtaining advertising dollars. Originally, the Google founders envisioned an index that would be similarly "transparent and in the academic realm."⁴⁰⁶ Today, however, the structure of Google's index is secret and the company is fully in the commercial realm.

But this is also not entirely new. Advertising-funded offline indices have existed before and continue to exist today. Analogies might be drawn to buying guides for cars or apartments, which are often made available for free and are subsidized by advertising payments for inclusion. GoTo.com was originally described, by its founder, as an online version of the Yellow Pages.⁴⁰⁷ Google has since defended AdWords in litigation before the Second Circuit using exactly the same analogy.⁴⁰⁸

process of search engine technology keyed to the various legal issues search engines raise.

⁴⁰⁴ The author of a good index must understand the nature of the text, anticipate what subjects the reader may need to locate, and present an index that is useful and concise. Hand-created indices are therefore creative works subject to copyright protection. See Laura Gasaway, *Do Indexes Qualify for Copyright Protection?*, 8:12 INFO. OUTLOOK 40-41 (2004).

⁴⁰⁵ See *supra* Part II.A.

⁴⁰⁶ See *supra* note 1 and accompanying text.

⁴⁰⁷ BATTELLE, *supra* note 40, at 112.

⁴⁰⁸ Google's brief in a recent case states:

There is a directory service that does something far closer to what Google does—provides a list of results for a particular area of interest (say, taxicabs), and sells advertising space to one company directly across from the listing for a competing company. That directory service is the Yellow Pages, and no one (except perhaps Rescucom) would claim that companies advertising in the Yellow Pages, much less the Yellow Pages itself, are engaged in unlawful trademark use.

Brief of Defendant-Appellee at 16 n.5, *Rescucom Corp. v. Google*, No. 06-4881-cv (2d Cir., filed Feb. 12, 2007).

The rhetorical appeal for Google is probably that offline, if a given business fails to pay the Yellow Pages in order to appear within a commercial category where it “belongs,” trademark law does not give that business cause of action.⁴⁰⁹ In the offline context, it seems that faulty indices have not raised issues of trademark law.

Yet the Yellow Pages generally lists its customers under generic headings rather than by competitor trademarks. There are many other ways one might distinguish between what Google does with AdWords and what offline advertising companies do with their publications. Perhaps most importantly, it is a fact that in the online context faulty indices *have* been made a matter of trademark law.

C. *Trademark Law and the Internet Index*

Though trademark law has never been particularly relevant to offline indices, in the last ten years, courts have been utilizing trademark law aggressively in attempts to improve the quality of online indices.⁴¹⁰ Ironically, this common law evolution has been rooted in trademark law and has been directed largely at obtaining the same goals that Professors Dogan and Lemley seek to achieve by promoting trademark use: a reduction in the search costs of consumers looking for information on the internet.

These attempts by courts can be justly criticized in many ways. It cannot be debated, however, that courts have been attempting to police the shape of online indices by way of trademark law. The use of trademark law to supervise indexical integrity is truly a common-law evolution. It is a common-law evolution that subsequently found support and endorsement in a major legislative enactment amending trademark law.

The interaction between trademarks and online indices began with domain names.⁴¹¹ Domain names were originally

⁴⁰⁹ For an interesting examination of the strategies that attorneys use in advertising in the Yellow Pages, see Daniel M. Filler, *Lawyers in the Yellow Pages*, 14 CARDOZO STUD. L. & LIT. 169 (2002).

⁴¹⁰ This attempt is understandable since, as Professor Pasquale has explained in two recent articles, the information wealth of the Web creates a new demand for authoritative and responsible metadata. Pasquale, *supra* note 87, at 125-28, 158-59, 178-82.

⁴¹¹ Goldman, *supra* note 67, at 543 (“Although the DNS has a different technical architecture and origin than search engines, the DNS has always functioned as a search tool.”).

awarded to registrants on a first-come, first-serve basis.⁴¹² In 1994, individuals could register whatever domain names they wanted: a *Wired* journalist registered “mcdonalds.com” and wrote about the strangeness of the experience.⁴¹³ Early speculators, sniffing out how these new index values were up for grabs, were soon busy grabbing up popular domain names.⁴¹⁴ Perhaps the most well-known domain name dispute was over the ownership of “sex.com.” The domain name was originally acquired for free, yet it generated millions of dollars of income for the thief who stole it from the original registrant.⁴¹⁵

Though domain names were never intended to serve as a Web index, in the late 1990s, many courts believed (perhaps correctly) that many people treated them as such, attempting to find information on the Web by guessing at domain names.⁴¹⁶ Where domain names corresponded with trademarks, trademark owners were understandably upset that “their” names were being freely appropriated by others. In a 1996 address, Judge Frank Easterbrook complained about the proliferation of practices with respect to domain names that he considered an “[a]ppropriation of names and trademarks.”⁴¹⁷ Clearly, Judge Easterbrook had no misgivings about who the proper owners of domain names were.

One early domain name case was *Planned Parenthood v. Bucci*, in which the defendant had registered the website “plannedparenthood.com” and used it to promote an anti-abortion message.⁴¹⁸ Planned Parenthood sued to prevent Bucci

⁴¹² Frank H. Easterbrook, *Cyberspace and the Law of the Horse*, 1996 U. CHI. LEGAL F. 207, 212; Margaret Jane Radin & R. Polk Wagner, *The Myth of Private Ordering: Rediscovering Legal Realism In Cyberspace*, 73 CHI.-KENT L. REV. 1295, 1298-306 (1998); Anupam Chander, *The New, New Property*, 81 TEX. L. REV. 715, 723-34 (2003).

⁴¹³ Joshua Quittner, *Billions Registered: Right Now There Are No Rules to Keep You from Owning a Bitchin' Corporate Name as Your Own Internet Address*, WIRED, Oct. 1994, at 50-51.

⁴¹⁴ Margaret Jane Radin, *A Comment on Information Propertization and Its Legal Milieu*, 54 CLEV. ST. L. REV. 23, 31 (2006).

⁴¹⁵ See *Kremen v. Cohen*, 337 F.3d 1024, 1026, 1030 (9th Cir. 2003).

⁴¹⁶ See *Sporty's Farm v. Sportsman's Mkt.*, 202 F.3d 489, 493 (2d Cir. 2000) (“The most common method of locating an unknown domain is simply to type in the company name or logo with the suffix .com.”); *Brookfield Commc'ns v. West Coast Entm't Corp.*, 174 F.3d 1036, 1045 (9th Cir. 1999); *Planned Parenthood Fed'n of Am. v. Bucci*, No. 97 Civ. 0629, 1997 U.S. Dist. LEXIS 3338, 42 U.S.P.Q.2d (BNA) 1430 (S.D.N.Y. Mar. 19, 1997); *Cardservice Int'l, Inc. v. McGee*, 950 F. Supp. 737, 741 (E.D. Va. 1997).

⁴¹⁷ Easterbrook, *supra* note 412 at 212.

⁴¹⁸ *Bucci*, 1997 U.S. Dist. LEXIS 3338, at *2-5.

from using the domain name, alleging trademark infringement and dilution. It prevailed on both theories. From the standpoint of traditional trademark law principles, the *Bucci* opinion was innovative.⁴¹⁹ Setting aside the question of how the site could have created confusion among consumers, it is not clear how Bucci had used the Planned Parenthood mark in commerce, given that he was not selling anything.⁴²⁰ Those who advocate for an expansion of trademark use often criticize *Bucci* for this reason.⁴²¹

The *Bucci* court found the defendant had used the plaintiff's trademark in commerce, in part, because the registration of the domain name was designed to capture the social value of the domain's indexical function:

[D]efendant's use of plaintiff's mark is "in connection with the distribution of services" because it is likely to prevent some Internet users from reaching plaintiff's own Internet web site. Prospective users of plaintiff's services who mistakenly access defendant's web site may fail to continue to search for plaintiff's own home page, due to anger, frustration, or the belief that plaintiff's home page does not exist.⁴²²

Though the court spoke in the language of trademark law, the subtext of the opinion seemed to indicate that Bucci should be liable for trademark infringement largely because to hold otherwise would be to allow public anger and frustration with the indexical function of domain names to continue. Bucci was liable because his actions had caused the public to struggle with a faulty index.

Later district and circuit courts developed this idea, regularly citing the "anger" and "frustration" language from *Bucci* in order to establish that the registration of domain

⁴¹⁹ Or awful, or both, depending on your point of view. See Eric Goldman, *Online Word of Mouth and Its Implications for Trademark Law* (Santa Clara Univ. School of Law, Working Paper No. 07-46, 2007), available at <http://ssrn.com/abstract=1020695> (stating that *Bucci* represented "the zenith (nadir?) of use in commerce overreaching").

⁴²⁰ The use of a trademark, while it need not be a "profit-seeking activity," must be a commercial activity. See *United We Stand Am., Inc. v. United We Stand, Am. N.Y., Inc.*, 128 F.3d 86, 92-93 (2d Cir. 1997).

⁴²¹ Barrett, *supra* note 371, at 405 ("To elevate an individual's statement of his personal religious opinion to the level of a Lanham Act service goes well beyond any established precedent and threatens to bring a wide array of fully protected First Amendment speech under the control of trademark owners."); Margreth Barrett, *Domain Names, Trademarks and the First Amendment: Searching for Meaningful Boundaries*, 39 CONN. L. REV. 973, 1024 (2007) (criticizing the decision); Widmaier, *supra* note 371, at 657-59 (criticizing the court's reasoning).

⁴²² *Bucci*, 1997 U.S. Dist. LEXIS 3338, at *15.

names by those other than trademark holders amounted to a “use in commerce.”⁴²³ In one opinion citing *Bucci*, the Ninth Circuit took the concept even further. Rather than simply using the *Bucci* language to support a finding of “use in commerce,” the court provided a general statement about trademark dilution by registering a domain name: “[d]ilution occurs because prospective users of plaintiff’s services may fail to continue to search for plaintiff’s own home page, due to anger, frustration or the belief that plaintiff’s home page does not exist.”⁴²⁴ Trademark dilution was used as a kludge to improve the index.

Another well-known corruptor of indexical value was Dennis Toeppen, who lost two of the earliest domain name cases in 1996 pursuant to trademark dilution theories.⁴²⁵ In one case, Toeppen registered the domain name “panavision.com” and used it to host views of Pana, Illinois.⁴²⁶ There was no evidence that any consumers had been confused about source or sponsorship as a result of Toeppen’s registration of the “panavision” domain, and, as in *Bucci*, it seemed a quite a stretch to say that Toeppen was using the Panavision trademark in commerce. Yet the California district court found Toeppen’s conduct was a commercial use (because he sought to sell the domain to Panavision) and constituted trademark dilution. The Ninth Circuit affirmed.

In its opinion, the Ninth Circuit referenced the “anger” and “frustration” language from *Bucci*.⁴²⁷ Other parts of its opinion offered additional examples of how the harm was not seen merely as “theft” of the trademark owner’s value, but as a corruption of the value of the domain name system as an index:

A domain name is the simplest way of locating a web site. If a computer user does not know a domain name, she can use an Internet “search engine.” To do this, the user types in a key word search, and the search will locate all of the web sites containing the key word. Such key word searches can yield hundreds of web sites.

⁴²³ See, e.g., *E. & J. Gallo Winery v. Spider Webs, Ltd.*, 286 F.3d 270, 275 (5th Cir. 2002); *People for the Ethical Treatment of Animals, Inc. v. Doughney*, 113 F. Supp. 2d 915, 919 (E.D. Va. 2000).

⁴²⁴ *Avery Dennison Corp. v. Sumpton*, 189 F.3d 868, 880 (9th Cir. 1999) (emphasis added) (internal quotation marks omitted).

⁴²⁵ See *Panavision Int’l, L.P. v. Toeppen*, 938 F. Supp. 616 (C.D. Cal. 1996) (denying Toeppen’s motion to dismiss for lack of personal jurisdiction); *Intermatic Inc. v. Toeppen*, 947 F. Supp. 1227 (N.D. Ill. 1996).

⁴²⁶ *Toeppen*, 938 F. Supp. at 619.

⁴²⁷ *Panavision Int’l. L.P. v. Toeppen*, 141 F.3d 1316, 1327 (9th Cir. 1998) (quoting *Jews for Jesus v. Brodsky*, 993 F. Supp. 282, 306-07 (D. N.J. 1998)).

To make it easier to find their web sites, individuals and companies prefer to have a recognizable domain name.

....

Using a company's name or trademark as a domain name is also the easiest way to locate that company's web site. Use of a "search engine" can turn up hundreds of web sites, and there is nothing equivalent to a phone book or directory assistance for the Internet.⁴²⁸

That the Ninth Circuit thought Toeppen interfered with this process was clear. It stated that Toeppen's "business" is to register trademarks as domain names and then sell them to the rightful trademark owners.⁴²⁹ Implicit here is the notion that it would be "rightful" for Panavision to own the domain name. This would be congruent with the belief that the domain name system should operate as a socially useful index of information. When people go to Panavision.com, in other words, they should be able to find the company they were seeking—not a picture of Pana, Illinois.

Trademark infringement and dilution were used by courts to remedy what they perceived as social harms to the value of indices created by abuses of the *laissez faire* system of domain name distribution. Findings of trademark dilution and infringement were premised on the belief that cybersquatting had little social utility. Courts found the speculative purchasing and reselling of domain names for indexical value created significant harms to trademark owners *and* to Internet users, while creating no cognizable benefits to society. And this idea was not entirely inconsistent with trademark law. Policing domain name registration under the rubric of trademark law prohibited what was seen as unfair competition and reduced search costs incurred by consumers using domain names as information indices.

Early judicial innovations in this area were later legislatively endorsed and superseded by specific amendments to the federal trademark law. The Anti-Cybersquatting Consumer Protection Act ("ACPA"), passed in 1999, codified decisions like *Bucci* and *Panavision* in a new section of the Lanham Act.⁴³⁰ The ACPA prohibits registration of domain names in "bad

⁴²⁸ *Toeppen*, 141 F.3d at 1319, 1327.

⁴²⁹ *Id.* at 1325.

⁴³⁰ Consolidated Appropriations Act of 2000, Pub. L. No. 106-113, § 3002(a), 113 Stat. 1501A-28, 1501A-545 to -548 (codified at 15 U.S.C. § 1125(d) (2000)) (effectively providing a new cause of action for cybersquatting claims, generally sounding in trademark and placed within the trademark statutes).

faith;” for example, an intention to merely resell them to trademark owners for a profit.⁴³¹ Some commentators have characterized the ACPA as an ill-considered grant of property rights to trademark holders.⁴³² While the current law is hardly perfect, it might be defended as an attempt by Congress to improve the social utility of the domain name system as a Web index.

Today we live in a time when domain names have diminishing public utility as an Internet index. The new index is Google. In the ten years since *Bucci* and *Panavision* were decided, and the eight years since the passage of the ACPA, search engines have improved to the point where the factual characterizations of them in earlier opinions is wholly inaccurate.⁴³³ Rather than being inferior to domain names as an index, search engines have effectively replaced the domain name system. Domain name guessing is not the norm and makes little sense.⁴³⁴ Google did not exist when *Bucci* and *Panavision* were being litigated, but today most people turn to Google rather than guessing randomly at possible domain names. This is eminently rational, as Google is much more likely than the domain name system to provide the desired result.⁴³⁵

⁴³¹ See *Virtual Works, Inc. v. Volkswagen of Am., Inc.*, 238 F.3d 264, 270 (4th Cir. 2001) (applying the ACPA and finding bad faith on the part of the domain name registrants).

⁴³² See, e.g., Radin, *supra* note 414, at 32.

If courts had explicitly referred to competition policy and free speech policy in these cases, we might have gotten better reasoned decisions, with more explicit consideration of competing free speech policies in the case of parody and protest sites, more explicit consideration of the needs of competitors of the plaintiff, and some exploration of the baseline question of who initially owns this new asset [I]t would have been better for the issue to have gotten the thorough analysis it deserved.

Id.

⁴³³ See Goldman, *supra* note 67, at 548 (noting how some of the most popular search engine queries are for terms where the searcher is obviously aware of the domain names, e.g., “www.yahoo.com” and “www.hotmail.com”).

⁴³⁴ See Ned Snow, *The Constitutional Failing of the Anticybersquatting Act*, 41 WILLAMETTE L. REV. 1, 76 (2005) (“[R]ather than guessing the trademark holder’s domain name, consumers identify the mark holder’s website through a search engine. Therefore, the alleged problem giving rise to the first governmental interest appears nonexistent.”); Ben Edelman, *DNS as a Search Engine: A Quantitative Evaluation* (2002), <http://cyber.law.harvard.edu/people/edelman/DNS-as-search/> (last visited Sept. 1, 2007) (concluding that in 2002, Google provided a much more effective directory to brand names than the DNS).

⁴³⁵ Edelman, *supra* note 434.

With the movement from domain names to search engines, courts lost none of their solicitude for protecting the social value of useful Web indices. This concern continues to be expressed under the rubric of trademark law. The meta tag cases discussed above demonstrate how courts continued to incorporate concerns about the social utility of online indices in their efforts to apply trademark law to search engines.

Though competitor meta tag cases like *Brookfield* strained the limits of trademark law's internal coherence, they were motivated by a noble, if misapplied, sentiment. Meta tag "abusers" were understood by courts as the new incarnation of domain name cybersquatters. The use of competitor trademarks in meta tags, pursuant to the *Brookfield* signpost analogy, was not really about wasting the time of the search engine user. Indeed, the only way *Brookfield* makes sense under a bait-and-switch theory is when it is the search engine's index that is being deceived. The index, as a proxy for the consumer's interests, was being protected. Meta tags, being "invisible," could not deceive users, but they could deceive search engines into awarding websites an undeserved high ranking. Rulings preventing meta tag abuses were therefore seen (generally incorrectly) as vindicating the interests of search engine users.

This principle can be seen best when courts refused to find infringement liability. The defendants in *Faber* and *Welles* prevailed only because courts found they did *not* corrupt the value of the search engine's index.⁴³⁶ Users seeking information about "bally" might benefit from finding the type of criticism *Faber* offered. Those seeking "playboy" might be interested in finding the website of *Welles*, a former *Playboy* model. In the *Netscape* district court opinion, the court seemed primarily concerned that *Playboy's* assertion of trademark rights threatened the utility of search engines as indices.⁴³⁷

In *Welles*, one cautionary note by the Ninth Circuit is also important to observe: "our decision might differ if . . . *Welles's* site would regularly appear above PEI's in searches for one of the trademarked terms."⁴³⁸ Here the Ninth Circuit seemed to be suggesting trademark could provide an index policy attuned to relevance-ranked listings. *Welles* was granted

⁴³⁶ *Playboy Enters. v. Welles*, 279 F.3d 796, 804 (9th Cir. 2002).

⁴³⁷ *Netscape I*, 55 F. Supp. 2d 1070, 1083 (C.D. Cal. 1999).

⁴³⁸ *Welles*, 279 F.3d at 804.

the right to be included in search results, but it was a different question whether she could appear more prominently than the Playboy site.

There are dangers in granting trademark this much power. Trademark law cannot describe an optimal index to the Internet, given the fact that much of the information users seek and the problems they encounter are not matters where trademark law has much application. As explained above with regard to initial interest confusion, allowing trademark law to dominate the indexical value of search results poses serious risks: trademark meanings might usurp other understandings of terms.⁴³⁹

Yet, by the same token, the precedent of the anti-cybersquatting cases and the ACPA must have some relevance to the intersection of trademark law and search engine results. Allowing Google to completely control the indexical function of its search results might lead to public harms. I believe Google's practices are defensible today. Google does not provide an ideal index of the Web, but it does not *currently* seem to be acting in ways that generally frustrate the public's interest in finding useful information or are intended to do that. Indeed, for most users, Google remains an incredible and essential tool. It is true that Google seems somewhat biased toward commercial and popular results (and that the mythological figure Nike has seemingly lost her symbolic capital in the online environment). Yet trademark law is ill adapted to fix this problem.

The reason trademark law must stay engaged with Google is quite simple. No matter how we feel about the company today, it is possible, perhaps even likely, that some day Google (or another major search engine) will pursue profits in such a way that threatens the interests of trademark owners *and* threatens the public indexical interest. Market discipline may prevent this result, but it might not. It is hard to predict what shape future abuses might take, but this is why judicial intervention in advance of a legislative solution might be justified, as it was in the *Panavision* case. Indeed, the mere knowledge that trademark law stands ready to curb abusive index practices may have an ameliorative effect on the commercial conduct of Google and other search engines.

⁴³⁹ Cf. Dinwoodie & Janis, *Contextualism*, *supra* note 70, at 1639 (explaining trademark may need to adapt if it is used as a "principle tool of information policy").

CONCLUSION

Google currently occupies a central role in online commerce and information retrieval. It operates as an online index, connecting the public to information about where to find people, places, products, and knowledge. Google was right when it once claimed that advertising-funded search engines are “inherently biased towards the advertisers and away from the needs of the consumers.”⁴⁴⁰ Today it seeks to “marry user experience to the information that advertisers want to communicate.”⁴⁴¹

Google’s power over search results has vast commercial significance that is in many ways unprecedented in society. Google also generates substantial wealth as a result of this power. One of the few areas of law that seems to retain some supervisory control over Google’s conduct is trademark law.

It is important that courts retain the power of trademark law to police Google, but it is equally important that they understand the limitations of trademark law in policing search results. Trademark law has so far failed in many ways to appropriately police search results by failing to hew to its historical purposes, failing to recognize the difference between indexical and spatial orderings, and failing to recognize its own inherent limitations as a tool for improving indices.

Yet the law in this area is still young. Courts have only had ten years to consider these issues. As their experience grows and the online marketplace continues to develop, the judiciary may eventually find better ways to protect the public interest in search engine results. Courts of the future may play a much more important and constructive role in shaping Google’s Law.

⁴⁴⁰ Brin & Page, *supra* note 1.

⁴⁴¹ Google Q3 2006 Earnings Call Transcript, *supra* note 2.