

Winter 2002

## Prospecting or Cybersquatting: Registering Your Name Before Someone Else Does, 35 J. Marshall L. Rev. 287 (2002)

Benjamin B. Cotton

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### Recommended Citation

Benjamin B. Cotton, *Prospecting or Cybersquatting: Registering Your Name Before Someone Else Does*, 35 J. Marshall L. Rev. 287 (2002)

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## COMMENTS

### PROSPECTING OR CYBERSQUATTING: REGISTERING YOUR NAME BEFORE SOMEONE ELSE DOES

BENJAMIN B. COTTON\*

#### INTRODUCTION

Imagine that you sit down at your computer and type the web site: "http://www.yourname.com" into the web browser. How would you feel if someone has already registered your name as a domain name? In addition, what if he or she had the nerve to post the following note on the web site:

Dear (Your Name),

Thank you for visiting this web site. I am currently taking bids for the rights to this site. The bidding will close in 2 days, and this web site will be transferred to the person with the highest bid. Currently, the highest bid is \$10,000.

Good luck.<sup>1</sup>

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\* J.D. Candidate, 2002, The John Marshall Law School; B.S. Mechanical Engineering 1998, Rose-Hulman Institute of Technology. I would like to thank Professor Doris Long for guidance and direction, and Professor Hopkins for assistance in editing this Comment. I would also like to thank Mr. Thomas Uecker, Dr. David Stienstra, and Professor Kevin Hopkins for being great mentors and consummate teachers.

1. Shields v. Zuccarini, 89 F. Supp. 2d 634, 635-36 (E.D. Pa. 2000). This note is similar to the message posted by John Zuccarini on his web sites protesting actions taken against him for five of his registered domain names relating to "Joe Cartoon." *Id.* The message he posted on the web sites was:

This is a page of POLITICAL PROTEST

—Against the web site joecartoon.com- joecartoon.com is a web site that depicts the mutilation and killing of animals in a shockwave based cartoon format – many children are [e]nticed to the web site, not knowing what is really there and then encouraged to join in the mutilation and killing through use of the shockwave cartoon presented to them.

—Against the domain name polic[ie]s of ICANN-

—Against the CyberPiracy Consumer Protection Act-

Upset? Stunned? Astonished? If so, you are not alone, because registering someone else's name as a domain name occurs frequently.<sup>2</sup> This happens not only with an individual's name, but also with company names, product names, and even misspellings of the names of famous people.<sup>3</sup> The attempt to profit from selling domain names in which the seller's only interest is the profit is called cybersquatting.<sup>4</sup>

Cybersquatting has recently become a major problem with the e-generation.<sup>5</sup> The Internet is the newest place to profit quickly, and the law is evolving slowly to conform to the rapidly changing world of the Internet.<sup>6</sup> Congress recently enacted the Anti-

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As the owner of this domain name, I am being sued by joecartoon.com for \$100,000 so he can use this domain to direct more kids to a web site that not only desensitizes children to killing animals, but also makes it seem like great fun and games.

I will under no circumstances hand this domain name over to him so he can do that.

I hope that ICANN and Network Solutions will not assist him to attaining this goal.

If you support [me in] this—please write to ICANN and Network Solutions and tell them how you feel.

—Thank you-

*Id.* Although he was not trying to sell the name to the plaintiff, he did post an interesting note on the site after the initiation of the lawsuit. *Id.* In a separate instance, a domain name owner posted several lewd and derogatory comments about a law firm. *Morrison & Foerster LLP v. Wick*, 94 F. Supp. 2d 1125, 1128 (D. Colo. 2000). Among the many comments posted on the site were: "We're your paid friends!," "Greed is good!," and "Best friends money can buy." *Id.*

2. For example, Julia Roberts (famous actress, WIPO Case No. D2000-0210), Michael Feinstein (famous entertainer and musician, WIPO Case No. D2000-0880), "Skip" Kendall (famous golfer, WIPO Case No. D2000-0868), Sade (famous singer, WIPO Case No. D2000-0794), Madonna (famous singer, WIPO Case No. D2000-0847), Dan Marino (famous quarterback, WIPO Case No. D2000-0598), and Rita Rudner (famous comedian, WIPO Case No. D2000-0581) are among the many famous individuals who have had their names registered as a domain name by cybersquatters.

3. See Ira S. Nathenson, *Showdown at the Domain Name Corral: Property Rights and Personal Jurisdiction over Squatters, Poachers and Other Parasites*, 58 U. PITT. L. REV. 911, 915 (1997) (describing the many types of cybersquatters and their actions that classify them as cybersquatters).

4. See Noel D. Humphreys, *Debating the Right to Own a Web Address*, 22 PA. LAW. 64, 64 (2000) (discussing the ACPA's definition of cybersquatters).

5. See *Sporty's Farm L.L.C. v. Sportsman's Mkt., Inc.* 202 F.3d 489, 493 (2d Cir. 2000) (commenting on how cybersquatting has become more common because of the lack of regulatory control).

6. Robert L. Tucker, *Information Superhighway Robbery: The Tortious Misuse of Links, Frames, Metatags, and Domain Names*, 4 VA. J.L. & TECH. 8, 8 (1999). "Time marches on, and the law marches with it. (footnote omitted). But the law sometimes marches to the beat of a different drummer . . . . Certainly, the law has not kept pace with the changing needs of users of the Internet . . . ." *Id.*

Cybersquatting Consumer Protection Act ("ACPA")<sup>7</sup> on November 29, 1999, in order to stop the bad-faith use of trademarked names by uninterested parties.<sup>8</sup> Although the ACPA makes references to personal names, it only prevents the bad-faith use of those names that are associated with trademarks (i.e. Michael Jordan, Hugo Boss, Calvin Klein, etc.).<sup>9</sup> Under a strict interpretation of the ACPA, those people who have not registered, do not feel the need to register, or were late in registering domain names are left without the possibility of recovery.

This Comment addresses the growing problem of registering people's names as a domain name, and the problems with the law as it relates to such a practice. Part I introduces the inner-workings of the Internet, a description of domain names and the method in which they are acquired, the current dispute resolution organizations, and a definition of the different types of cybersquatters. In Part II, this Comment discusses the ACPA and the Federal Trademark and Dilution Act ("FTDA") and provides an analysis of several court cases and arbitration outcomes that have made the results in cybersquatting controversies less predictable. In Part III, this Comment proposes several possible solutions to the problem of cybersquatting.

## I. BACKGROUND

### A. Internet Domain Names

The Internet is a rapidly increasing network of computers, which provide information to users through the sharing of files.<sup>10</sup> The information is passed from computer to computer through a "host" computer, and can be viewed using a web-browser.<sup>11</sup> The host computers recognize two separate types of addresses: an alphanumeric domain name (such as "www.jmls.edu") and an Internet protocol ("IP") address (such as 63.215.123.247).<sup>12</sup> Each

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7. 15 U.S.C. § 1125(d) (1999).

8. *Porsche Cars N. Am., Inc. v. Spencer*, No. Civ. S-00-471GEB PAN, 2000 WL 641209, at \*2 (E.D. Cal. May 18, 2000).

9. 15 U.S.C. § 1125(d)(1)(A)(i) (1999). The statute states that "[a] person shall be liable in a civil action by the owner of a mark, including a personal name which is protected as a mark." *Id.*

10. *Intermatic, Inc. v. Toeppen*, 947 F. Supp. 1227, 1230 (N.D. Ill. 1996). See also *MTV Networks v. Curry*, 867 F. Supp. 202, 204 n.1 (S.D.N.Y. 1994) (describing the Internet); Jeremy D. Mishkin, *Master of Your Domain - An Overview of the Anti-cybersquatting Consumer Protection Act*, 18 SPG COMM. LAW. 3, 3 (2000) (describing the Internet, and that a web browser is the medium for an Internet user to view information on the Internet).

11. See *MTV Networks*, 867 F. Supp. at 204 (giving a brief description of the inner-workings of the Internet).

12. See *Avery Dennison Corp. v. Sumpton*, 189 F.3d 868, 872 (9th Cir. 1999) (describing the relationship between a domain name and an IP address).

domain name has a corresponding IP address, which is specific to that particular domain name.<sup>13</sup> An IP address is similar to a telephone number<sup>14</sup> in that only one person can have the number (or in this case, the IP address).<sup>15</sup> Users locate and view web sites<sup>16</sup> by using the web browser, which is generally pre-installed on most computers.<sup>17</sup> The web browser is the computer program that provides a medium for the user to access the Internet. The easiest way to utilize a web browser is to type the desired domain name into the address field. When unsure of a web address, a user can utilize a search-engine by performing a key-word search. The key-word search provides web sites usually relating to the key words.<sup>18</sup>

A domain name is a combination of names on multiple levels.<sup>19</sup> When read backwards from right to left, domain names increase in specificity.<sup>20</sup> At the far right is the top-level domain name ("TLD").<sup>21</sup> To the left of the TLD is the second-level domain

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13. *America Online, Inc. v. Huang*, 106 F. Supp. 2d 848, 851 (E.D. Va. 2000). The domain name system ("DNS") correlates an Internet protocol ("IP") address with an alphanumeric address. *Id.*

14. *MTV Networks*, 867 F. Supp. at 204. Unlike a telephone number, IP addresses do not have a "phone book" in which users can easily correlate a domain name to an IP address, and vice-versa. *Id.* There are programs, or additions to current programs, that will allow the Internet user to determine the IP address corresponding to a domain name. *Id.* Most computers do not come with these capabilities pre-installed. Therefore, it is difficult for most users to determine the IP address by simply knowing the domain name. *Id.*

15. Nathenson, *supra* note 3, at 918.

16. *See Avery Dennison Corp.*, 189 F.3d at 872 ("A web site, which is simply an interactive presentation of data which a user accesses by dialing into the host computer, can be created by any user who reserves an Internet location – called an [IP] address – and does the necessary programming.").

17. Michael J. Dunne & Ronald D. Coleman, *Merging onto the Internet*, 608 PLI/PAT 7, 49 (2000). A web browser is the computer program that allows the user to interact on the Internet. *Id.* The user can view the web site, and the shared information, using the web browser. *Id.* The most commonly used web browsers are Netscape Navigator and Internet Explorer. *Id.* *See also* *Intermatic, Inc. v. Toepfen*, 947 F. Supp. 1227, 1231 (N.D. Ill. 1996) (referring to the most commonly used, at the time, web browsers as Navigator and Mosaic).

18. A key-word search is usually done on a search engine such as the ones found on "www.yahoo.com," "www.webcrawler.com," or "www.hotbot.com." Usually, there is a box in which the user types a series of words relating to the inquiry topic. For example, if a user wanted to find a web site for the lyrics of a song by Pearl Jam, a sample set of key words for a search would be "pearl jam." This may result in many web sites of fans of Pearl Jam, but does not narrow down those sites containing lyrics. A better search would be "pearl jam lyrics." After a Boolean search, the results will show web sites relating to the lyrics for Pearl Jam.

19. G. Peter Albert, Jr., *Right on the Mark: Defining the Nexus Between Trademarks and Internet Domain Names*, 15 J. MARSHALL J. COMPUTER & INFO. L. 277, 279 (1997).

20. *See* Nathenson, *supra* note 3, at 920.

21. *See* Christopher P. Rains, *A Domain by Any Other Name: Forging*

name ("SLD").<sup>22</sup> Some web addresses include a sub-domain name ("SD") to the left of the SLD, making it a more specific address.<sup>23</sup> When the domain name is entered into the address field of most web-browsers as a URL, the computer takes the user to the web site corresponding to the domain name or IP address entered into the address field.<sup>24</sup>

The top-level domain name ("TLD") indicates the type of web site.<sup>25</sup> The six most common TLD's are: .com (denoting a company or corporation), .net (indicating Internet service facilities), .org (denoting non-profit organizations), .edu (denoting educational institutions), .mil (denoting the US military), and .gov (representing US government organizations).<sup>26</sup> Many nations also have their own TLD that signifies the country of origin from which the domain name is registered.<sup>27</sup> Examples of the TLDs indicating the country of origin are .ca for Canada, .de for Germany, and .fr for France.<sup>28</sup>

To the left of the TLD is the SLD.<sup>29</sup> The SLD name is the topic of nearly all domain name disputes.<sup>30</sup> The SLD is what

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*International Solutions for the Governance of Internet Domain Names*, 14 EMORY INT'L L. REV. 355, 361 (2000) (describing how the domain name system works).

22. Nathenson, *supra* note 3, at 920.

23. *Id.* An example of a web site with a TLD, SLD, and a SD would be "www.admissions.jmls.edu." This web site would be the homepage for the admissions office (the SD) at The John Marshall (SLD) Law School (TLD).

24. *Intermatic, Inc. v. Toepfen*, 947 F. Supp. 1227, 1231 (N.D. Ill. 1996). The URL ("uniform resource locator") is the entire web site that is entered into the address field of a web-browser. *Id.* The first part of a URL is "http://" ("http" stands for hypertext transfer protocol). *Id.* This is followed by the SLD (or SD), then the TLD. *Id.* After the URL is entered into the address field, a top-level server matches the domain name and the IP address, whereby it directs the web-browser to the corresponding web site. *Id.*

25. Rains, *supra* note 21, at 361.

26. *Id.* See also *Sporty's Farm L.L.C. v. Sportsman's Mkt., Inc.*, 202 F.3d 489, 492 (2d Cir. 2000) (describing the six different commonly-used TLDs). Companies or individuals can pay \$50,000 and apply to create and manage their own TLD. Christopher S. Lee, *The Development of Arbitration in the Resolution of Internet Domain Name Disputes*, 7 RICH. J.L. & TECH. 2, 17-18 (2000). For example, AOL could petition to create a new TLD of .aol. *Id.* AOL would then be allowed to manage and maintain all domain names ending with the .aol TLD. *Id.*

27. Rains, *supra* note 21, at 361.

28. *Id.* Most countries with a presence in cyberspace have their own TLD referring to the country of origin. *Id.* For example, some countries' TDLs are: uk for the United Kingdom; se for Sweden; and us for the United States. *Id.* See also *Sporty's Farm*, 202 F.3d at 492 (listing the most common TLD names, and referring to the nation-specific TLD's).

29. Nathenson, *supra* note 3, at 919.

30. *Network Solutions, Inc. v. Umbro Int'l, Inc.*, 529 S.E.2d 80, 83 (Va. 2000). "The advantage of having such a domain name thus explains the value that is attached to some domain names and the reason why litigation has occurred between trademark owners and domain name holders." *Id.* Domain

distinguishes one web site from another within the context of the TLD.<sup>31</sup> Although there can be many SLD names of jmls, there can be only one with the TLD of .com.<sup>32</sup> For example, there can be jmls.net, jmls.org, jmls.com, and jmls.us, but not another jmls.com.<sup>33</sup>

Some web addresses get even more specific by adding an additional sub-domain (SD) name to the left of the SLD.<sup>34</sup> Although there are many domain name disputes, the United States government has established an organization to assign domain names and control disputes over domain names.

### B. Disputed Domain Names

The United States government created an organization, the Internet Corporation for Assigned Names and Numbers ("ICANN"), in order to gain control over Internet domain names.<sup>35</sup> This corporation was formed in November 1998 to gradually coordinate the assignment and distribution of domain names and IP addresses.<sup>36</sup> Although it is a non-profit corporation in the private sector, ICANN is under the control of the U.S. government.<sup>37</sup> The one governmental requirement is that ICANN establish a dispute-resolution process.<sup>38</sup>

The United States selected Network Solutions, Inc. ("NSI") to be the sole provider of Internet addresses with the six common TLDs.<sup>39</sup> Registration of a domain name is made on a first-come first-serve basis, and some words may be prohibited from being used.<sup>40</sup> When registering for a web address, the registrant agrees

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names have become the newest form of intellectual property. *Id.* at 82.

31. *Id.* at 84.

32. Nathenson, *supra* note 3, at 925. Once an individual registers a domain name, no one else can register the same domain name. *Id.*

33. *Id.*

34. *Id.* at 919.

35. Jessica Litman, *The DNS Wars: Trademarks and the Internet Domain Name System*, 4 J. SMALL & EMERGING BUS. L. 149, 160 (2000). This was done in an effort by the U.S. government to take the control of domain name assignments away from a private company in order for the government to have greater control over the process. *Id.*

36. ICANN, at <http://www.icann.org> (last visited Jan. 27, 2002).

37. Litman, *supra* note 35, at 160.

38. *Id.*

39. Lee, *supra* note 26, at 7-8. The "Commercial Internet domain name registration commenced in 1993 when the U.S. Department of Commerce entered into a Cooperative Agreement with Network Solutions, Inc. (NSI). (footnote omitted). The Agreement called for NSI to provide registration services for the domain names ending in .com, .org, and .net." *Id.* at 8.

40. Avery Dennison Corp. v. Sumpton, 189 F.3d 868, 872 n.3 (9th Cir. 1999). There are some words that are not permitted to be used as SLDs. *Id.* Some of the prohibited words are considered "vulgar" and others are the names of private entities. *Id.* Some of the prohibited words and phrases are Olympic, Red Cross, and NASA. Lockheed Martin Corp. v. Network Solutions,

to abide by the Uniform Dispute Resolution Policy (“UDRP”).<sup>41</sup> The policy states that if there is a dispute about a domain name, the registrar and complainant must submit the dispute to mandatory arbitration.<sup>42</sup> Presently, the only remedies that are available through the arbitration process are cancellation of the domain name and transfer of the domain name.<sup>43</sup> It is also possible to file a civil suit and collect up to \$100,000 per domain name in “statutory damages.”<sup>44</sup> The arbitration process provides advantages to a trademark owner in a domain name dispute, because trademark owners do not have to prove damages in order to recover.<sup>45</sup>

As of February 14, 2002, there were three dispute-resolution providers:<sup>46</sup> World Intellectual Property Organization (WIPO); National Arbitration Forum (NAF); and Center for Public Resources (CPR).<sup>47</sup> The parties in a domain name dispute,<sup>48</sup> if not

Inc., 194 F.3d 980, 982 (9th Cir. 1999).

41. *Rules for Uniform Domain Name Dispute Resolution Policy* (also known as the “Rules of Procedure”), at <http://www.icann.org/udrp/udrp-policy-24oct99.htm> (last updated Feb. 5, 2002).

42. *Id.* § 4. The party bringing the complaint can choose to have a single-panel or a three-panelist arbitration. Lee, *supra* note 26, at 41.

43. *Rules for Uniform Domain Name Dispute Resolution Policy*, *supra* note 41, § 3.

44. Mishkin, *supra* note 10, at 6.

45. *Id.* The trademark owners have the advantage, because they do not need to prove actual damages in order to recover. *Id.* The court can reduce the statutory damage awards if it finds the registrar registered the domain name without knowing it was infringing upon a trademark. *Id.*

46. *Timeline for the Formulation and Implementation of the Uniform Domain-Name Dispute-Resolution Policy*, at <http://www.icann.org/udrp/udrp-schedule.htm> (last updated Feb. 5, 2002).

47. The fees for arbitration for a single domain name dispute vary depending on the dispute resolution service provider chosen, and the nature of the arbitration proceeding (single vs. three panelists). Lee, *supra* note 26, at 40.

	Single Arbitration	Panelist	3-Panelist Arbitration
WIPO	\$1000		\$2500
NAF	\$750		\$2250
CPR	\$2000		\$4500

*Id.* The web sites for the dispute resolution providers are: WIPO at <http://arbiter.wipo.int/domains/index.html> (last visited Feb. 17, 2002), NAF at <http://www.arbforum.com/domains/> (last visited Feb. 17, 2002), and CPR at <http://www.cpradr.org/> (last visited Feb. 17, 2002).

48. *Rules for Uniform Domain Name Dispute Resolution Policy*, *supra* note 41, at § 1. The parties consist of the domain name holder (called the



satisfied by the arbitration, are not precluded from filing a suit in court.<sup>49</sup> The result of the arbitration is not binding on federal courts, but the rulings of the federal courts are binding on the panel of arbiters.<sup>50</sup> The disputes over domain names have led not only to litigation, but also to legislation in order to combat the cybersquatting phenomenon.

### C. Cybersquatting

Domain names are considered one of the highest prized commodities in the world of intellectual property law.<sup>51</sup> However, there is no question why there is so much litigation<sup>52</sup> revolving around domain name disputes.<sup>53</sup> Everyone wants a domain name,<sup>54</sup> but the corresponding IP addresses are finite in number.<sup>55</sup>

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respondent) and the person or company (called the complainant) that believes the use of the domain name constitutes an infringement of rights by the owner of the domain name. *Id.* § 1.

49. See *Broadbridge Media, L.L.C. v. Hypercd.com*, 106 F. Supp. 2d 505, 509 (S.D.N.Y. 2000) (explaining that according to ICANN policy, a complainant does not give up his or her right to file a lawsuit while the administrative proceeding is pending).

50. *Weber-Stephen Prods. Co. v. Armitage Hardware and Bldg. Supply, Inc.*, No. 00-C1738, 2000 WL 562470, at \*2-3 (N.D. Ill. May 3, 2000).

51. *Dorer v. Arel*, 60 F. Supp. 2d 558, 561 (E.D. Va. 1999). "Some domain names . . . are valuable assets as *domain names* irrespective of any goodwill which might be attached to them." *Id.* (emphasis in original).

52. See generally *Statistical Summary of Proceedings Under Uniform Domain Name Dispute Resolution Policy*, at <http://www.icann.org/udrp/proceedings-stat.htm> (last updated Feb. 14, 2002). According to ICANN's Summary of Status of Proceedings, there have been 5,259 arbitration proceedings involving 8,944 domain names under the UDRP. *Id.* Of those proceedings, 3,432 arbitrations have led to 5,881 domain name transfers, and 823 arbitrations have led to 1,062 domain names remaining with the original registrar. *Id.*

53. *Humphreys*, *supra* note 4, at 66. "The right to a particular domain name might be an aura or penumbra attributable to a distinctive or famous mark." *Id.*

54. Olivia Maria Baratta & Dana L. Hanaman, *A Global Update on the Domain Name System and the Law: Alternative Dispute Resolution for Increasing Internet Competition - Oh, the Times They Are A-Changin'!*, 8 TUL. J. INT'L. & COMP. L. 325, 330 (2000). The number of domain name registrants has risen from 200-300 per month in 1993 to over 10,000 registrants per day in 2000. *Id.*

55. E-mail correspondence from Chad P. Cotton, Consultant, Accenture (Oct. 12, 2000) (on file with author). Mr. Cotton has stated that there are only 4,294,967,296 possible IP addresses. *Id.* An IP address looks like 255.255.255.255 where the range of numbers for each segment (called octets) is 0 to 255, and thus 256 possible. *Id.* For example, if the first three octets are kept constant, 123.123.123.xxx, the last octet goes from 0 to 255. *Id.* This would result in 256 different addresses alone. *Id.* Now, if the third octet is increased by one, thus 123.123.124.xxx, that is another 256 possible. *Id.* It is called an octet because the numbers are really base ten representations of binary numbers. *Id.* For example, 255 is really 11111111. *Id.* Any base ten

Knowing this, Internet users with a keen eye for the future saw the possibility of registering domain names and selling them to interested parties for a profit.<sup>56</sup> This became known as cybersquatting.<sup>57</sup> The most infamous cybersquatter was Dennis Toepfen<sup>58</sup> who, at one time, had registered more than 240 domain names without permission.<sup>59</sup> Nearly all of the domain names he had registered were of companies who owned the trademarks to their names.<sup>60</sup>

The number of lawsuits concerning cybersquatting increased since the line of cases against Toepfen.<sup>61</sup> There are commonly

number between 0 and 255 can be represented by a combination of eight ones and zeros, thus an octet. *Id.* In binary, 00000010 is 2, and 00000011 is 3, and so on; and thus resulting in the 4294967296 IP address combinations. *Id.* See also *Universal City Studios, Inc. v. Reimerdes*, 111 F. Supp. 2d 294, 305-06 (S.D.N.Y. 2000) (describing the binary system in detail).

56. Mishkin, *supra* note 10, at 3. Some Internet users saw the opportunity to register any domain name possible as a chance to profit. *Id.*

57. A "squatter" is a derogatory term describing a person that "sits" on the rights of someone else. "Cyberspace" is a term coined by author William Gibson in the novel "Neuromancer." William S. Byassee, *Jurisdiction of Cyberspace: Applying Real World Precedent to the Virtual Community*, 30 WAKE FOREST L. REV. 197, 198 n.5 (1995). William S. Byassee gave a summary of the term "cyberspace":

In Gibson's vision, cyberspace is a 'consensual hallucination that felt and looked like physical space but actually was a computer-generated construct representing abstract data.' As commonly used today, cyberspace is the conceptual 'location' of the electronic interactivity available using one's computer. Cyberspace is a place 'without physical walls or even physical dimensions' in which interaction occurs as if it happened in the real world and in real time, but constitutes only a 'virtual reality.' Cyberspace is the manifestation of the words, human relationships, data, wealth, and power . . . by people using [computer-mediated communications].

*Id.* (citations omitted). See *Hearst Corp. v. Goldberger*, No. 96 Civ. 3620 (PKL)(AJP), 1997 WL 97097, \*1 (S.D.N.Y. Feb. 26, 1997) (citing the Byassee article). The term "cybersquatter" is a combination of the terms "cyberspace" and "squatter," indicating one who squats on others rights in cyberspace. "Cyber" is the prefix used to denote Internet-related things. The realm of the Internet is often referred to as 'cyberspace.'" *Sporty's Farm L.L.C. v. Sportsman's Mkt., Inc.*, 202 F.3d 489, 493 n.5 (2d Cir. 2000).

58. Nathenson, *supra* note 3, at 926.

59. *Intermatic, Inc. v. Toepfen*, 947 F. Supp. 1227, 1230 (N.D. Ill. 1996).

60. *Id.* Some of the business names registered by Toepfen included: Delta Airlines; Great America; British Airways; Neiman-Marcus; Crate and Barrel; Northwest Airlines; Ramada Inns; U.S. Steel and Eddie Bauer. *Id.*

61. *Sporty's Farm*, 202 F.3d at 493. See also *PACCAR, Inc. v. TeleScan Technologies, L.L.C.*, 115 F. Supp. 2d 772, 774-76 (E.D. Mich. 2000) (arguing over multiple domain names using the plaintiff's trademarked names of "Peterbilt" and "Kenworth"); *Northland Ins. Cos. v. Blaylock*, 115 F. Supp. 2d 1108, 1114 (D. Minn. 2000) (arguing over the name "northlandinsurance.com" in which the plaintiff used the name as its company name, and defendant claimed he was using the name to criticize plaintiff's business); *Hasbro, Inc. v. Clue Computing, Inc.*, 66 F. Supp. 2d 117, 119-20 (D. Mass. 1999) (arguing

three different types of cybersquatters: 1) a person who registers a trademark as a domain name with the purpose of extorting money from the trademark owner; 2) a person who registers a domain name very similar to that of a trademark in order to lure Internet users on the off-chance that the users misspell the name they are seeking; and 3) a person who registers a domain name but does not make commercial use of the domain name.<sup>62</sup> The person who registers a domain name without the knowledge of a trademark infringement is not considered a cybersquatter, but is often put into a fourth category for the purposes of lawsuits because the term cybersquatter presumes intentional wrongdoing.<sup>63</sup>

Arguably, the worst type of cybersquatter<sup>64</sup> is one who purposefully registers a domain name in hopes of selling it either to the highest bidder or to the trademark holder.<sup>65</sup> These cybersquatters are commonly known as “ransom grabbers.”<sup>66</sup> Those domain name registrants who participate in this type of cybersquatting generally will not be allowed to keep the domain names that they have registered, even though this sort of cybersquatting has become very common.<sup>67</sup> Generally, the punishment for ransom grabbing is simply the transfer of the domain name to the plaintiff, who owns the trademark right in the name.<sup>68</sup>

The “ransom grabbers” use various sorts of activities aimed at extorting money from people or companies interested in the domain name.<sup>69</sup> Some cybersquatters post pornography on the web site in order to force the trademark holder to pay the usually high

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over the rights to the domain name “clue.com” in which the plaintiff owns the trademark in a board-game, and defendant’s use of the name in its company name).

62. See Cynthia A. R. Woollacott, *Name Dropping: Recent Anti-cybersquatting Legislation Offers Some Relief to Trademark Holders*, 23 L.A. LAW. 28, 29 (2000) (explaining the types of registration activities of cybersquatters).

63. *Id.* at 30.

64. Nathenson, *supra* note 3, at 926. There have been many courts that have looked upon cybersquatters with disdain. *Id.*

65. *Intermatic, Inc. v. Toeppen*, 947 F. Supp. 1227, 1233. This was the seminal case for the term “cybersquatting,” and described a cybersquatter as an individual who registers a domain name on the Internet with the intent to profit by selling the name to the company who has spent large sums of money promoting the trademark name in advertising. *Id.*

66. See John D. Mercer, *Cybersquatting: Blackmail on the Information Superhighway*, 6 B.U.J. SCI. & TECH. L. 11, 16 (2000) (describing the different types of cybersquatters).

67. See *Sporty’s Farm L.L.C. v. Sportsman’s Mkt., Inc.*, 202 F.3d 489, 493 (commenting on how cybersquatting has become very common).

68. See Woollacott, *supra* note 62, at 30 (describing the different types of remedies available through the ACPA).

69. Albert, *supra* note 19, at 293. “Ransom grabbers” have also been referred to as “domain name grabbers.” *Id.*

asking price for the transfer of the domain name.<sup>70</sup>

The second type of cybersquatter is one who registers a name very close to the name of a trademark or an individual's name, usually by misspelling the name or adding a hyphen (such as *nikey.com* or *julia-roberts.com*).<sup>71</sup> These types of cybersquatters are commonly known as "competitor grabbers."<sup>72</sup> The purpose of the similar spelling is to direct a user away from the intended web site in the case of a misspelling by the user when typing the URL into the browser.<sup>73</sup> Once the competitor grabber has lured the Internet user away from the intended site, the cybersquatter either sells goods or services similar to the intended web site, or simply presents information that has nothing to do with the site the user intended to visit.<sup>74</sup> Another purpose of the competitor grabber is to "hinder the trademark holder's use of the domain name."<sup>75</sup> Although competitor grabbers are not considered to be as bad as ransom grabbers, their practice of hindering someone else's business usually provides courts with enough reason to transfer the domain name to the trademark owner.

A third type of cybersquatter is one who participates in "domain name warehousing."<sup>76</sup> This occurs when a person registers multiple domain names containing trademarks, but will not personally use the domain name.<sup>77</sup> The cybersquatter will wait until the trademark owner realizes that someone else has registered the domain name and then will bargain a transfer fee for the domain name.<sup>78</sup> Unfortunately, some trademark owners were subjected to huge transfer fees.<sup>79</sup>

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70. Woollacott, *supra* note 62, at 29. In one instance, Gateway 2000 reportedly paid \$100,000 for the transfer of the domain name "gateway2000.com" in order to remove the pornography that the previous owner had posted in order to force Gateway into paying the transfer fee as opposed to arbitration that could have ended up being very time consuming. *Id.* Gateway likely paid the asking price because the arbitration or court suit would take time, and in the interim, the company could have lost potential customers that would have visited the site, saw the pornography, and believed it was posted by Gateway. *Id.*

71. *Id.*

72. Mercer, *supra* note 66, at 5. "Competitor grabbers are individuals or corporations that register a domain name corresponding to a competitor's trademark in order to sell their own goods on it or merely to hinder the legitimate trademark holder's use of the domain name." *Id.*

73. Nathenson, *supra* note 3, at 927. The "competitor grabbers" are also known as "parasites" because they register a mark that is very near the trademark name, or a slightly different spelling with the intent to profit from a seemingly innocent error by the Internet user. *Id.*

74. Mercer, *supra* note 66, at 5.

75. *Id.*

76. Woollacott, *supra* note 62, at 29.

77. *Id.*

78. *Id.*

79. *Id.* Warner Bros. reportedly received an offer to transfer the name

There are also innocent people who unknowingly register domain names that contain a trademark.<sup>80</sup> The difference between this sort of innocent registrar and a cybersquatter is the intent with which the domain name was registered.<sup>81</sup> The ACPA was enacted as a deterrent for those cybersquatters who acted in bad faith when registering domain names.<sup>82</sup> The registrars who lack the bad faith intent will almost always be allowed to keep the domain name.<sup>83</sup>

The last forms of domain name disputants are those with a trademark or personal name that is identical to another domain name.<sup>84</sup> These companies or people that have identical names or trademarks are referred to as "concurrent" owners.<sup>85</sup> In this instance, the domain name is given to the first person to register the name.<sup>86</sup> These registrars are called concurrent users because both parties possess an equal interest in the personal name or trademark name.<sup>87</sup> Often times, companies can share the same trademark name, as long as the mark is used in different fields of sale or business.<sup>88</sup>

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"www.bugsbunny.com" for \$35,000. *Id.* Other examples of high transfer fees include: \$3.3 million paid by Compaq Computer Corp. for the domain name "altavista.com"; \$3 million paid by Bank of America for the domain name "loans.com"; \$7.5 million paid by eCompanies for the domain name "business.com." Lee, *supra* note 26, at 1.

80. Nathenson, *supra* note 3, at 928. This type of domain name owner is often called a "twin." *Id.* "With twins, the domain name holder and challenger each have the same or a nearly identical name. Each also has, to some extent, a legitimate claim to the name." *Id.*

81. Mercer, *supra* note 66, at 5. Innocent users are those who register a domain name without the requisite bad-faith intent of the ACPA. *Id.* The innocent user does not mean to interfere with a trademark, but generally registers the domain name as a word totally unrelated to the meaning of the trademark. *Id.*

82. Woollacott, *supra* note 62, at 30.

83. 15 U.S.C. § 1125(d)(1)(B)(ii) (1999). The bad-faith intent standard, as expressed in the ACPA, "shall not be found in any case in which the court determines that the person believed and had reasonable grounds to believe that the use of the domain name was a fair use or otherwise lawful." *Id.* See, e.g., Cello Holdings, L.L.C. v. Lawrence-Dahl Co., 89 F. Supp. 2d 464 (S.D.N.Y. 2000) (representing an example of a domain name registrar that was allowed to keep the domain name, even though it corresponded to the plaintiff's trademark name); Woollacott, *supra* note 62, at 30.

84. Mercer, *supra* note 66, at 5.

85. *Id.*

86. Nathenson, *supra* note 3, at 928. Some disputants participate in "reverse domain-name grabbing." *Id.* "Basic fairness should preclude poachers from prevailing in a dispute when their claim to the name is equal to or weaker than that of the domain name holder. However, the reverse is not necessarily true: the poacher should not always prevail even when it has the stronger mark." *Id.*

87. *Id.*

88. See Humphreys, *supra* note 4, at 66 (stating that identical trademarks can be registered by different owners as long as there will be no confusion

## II. ANALYSIS

### A. Statutes: ACPA<sup>89</sup> and the FTDA<sup>90</sup>

Congress passed the ACPA in 1999 to “protect consumers and American businesses . . . by prohibiting the bad-faith and abusive registration of distinctive marks as Internet domain names with the intent to profit . . . [from] a practice commonly referred to as ‘cybersquatting’.”<sup>91</sup> The ACPA holds a person liable in a civil action for the bad-faith registration of a trademark,<sup>92</sup> but does not restrict the bad-faith registration of an individual’s full name unless the individual’s name is protected as a mark.<sup>93</sup> The statute, in part, provides:

(d) Cyberpiracy prevention.

(1)(A) A person shall be liable in a civil action by the owner of a mark, *including a personal name which is protected as a mark* under this section, if without regard to the goods or services of the parties, that person—

(i) has a bad faith intent to profit from that mark, including a *personal name which is protected as a mark* under this section; . . .

between their products).

89. *Northland Ins. Cos. v. Blaylock*, 115 F. Supp. 2d 1108, 1123 (D. Minn. 2000). In order to succeed in an ACPA claim, the plaintiff must show: (1) the plaintiff’s mark is distinct or famous; (2) the defendant has registered a domain name that is identical or confusingly similar to the mark registered by the plaintiff; and (3) the defendant registered the name in bad-faith with an intent to profit from the sale of the name. *Id.*

90. *Cello Holdings, L.L.C. v. Lawrence-Dahl Co.*, 89 F. Supp. 2d 464, 471-72. In order to succeed in an FTDA claim, the plaintiff must show: (1) the plaintiff’s mark is famous; (2) the mark is distinctive; (3) the defendant commercially used the mark; (4) the use of the defendant’s mark was after the plaintiff’s mark became famous; and (5) the use of the defendant’s mark diluted the distinctive qualities of the plaintiff’s mark. *Id.* The Lanham Act does not require registration of a mark to file a civil action for trademark dilution. *Bihari v. Gross*, 119 F. Supp. 2d 309, 316-17 (S.D.N.Y. 2000).

91. *Mattel, Inc. v. Internet Dimensions Inc.*, No. 99 Civ. 10066(HB), 2000 WL 973745, at \*2 (S.D.N.Y. Jul. 13, 2000) (citing S.REP. NO. 106-140, at 4 (1999)).

92. Litman, *supra* note 35, at 162. The ACPA punishes those who register, traffic in, or use a domain name that is confusingly similar to a trademark. *Id.* Also, the ACPA expands trademark owners’ rights to the trademark, because it determines bad-faith without considering the goods or services in which the domain name is used in violation of the trademark. Humphreys, *supra* note 4, at 64. Unless the registrar of a domain name has a very strong claim for the name, he or she must turn it over to the owner of the trademark. *Id.* at 66.

93. *Northland Ins. Cos.*, 115 F. Supp. 2d at 1124. According to the United States District Court of Minnesota, the ACPA covers both registered and common law trademarks. *Id.* However, courts have yet to recognize a common law trademark right in a person’s full name.

(B)(i) In determining whether a person has a bad faith intent described under subparagraph (A), a court may consider factors such as, but not limited to . . .

(II) the extent to which the domain name consists of the *legal name of the person or a name that is otherwise commonly used to identify that person* . . .<sup>94</sup>

A strict interpretation of the statutory language would protect only those businesses and individuals who have registered their name as a trademark.<sup>95</sup> The ACPA provides a civil remedy only when the person's name has been registered with an intent to profit.<sup>96</sup> Unfortunately, Congress only provided injunctive relief and/or transfer or cancellation of the domain name, and did not provide a deterrent for any future wrongdoing.<sup>97</sup>

A second statute passed by Congress is the FTDA,<sup>98</sup> which allows for injunctive relief for the "dilution of the distinctive quality of the mark" if a mark has become famous.<sup>99</sup> Although the FTDA does not refer to personal names, if a person can prove his or her name is distinctive and famous, relief can be granted.<sup>100</sup> One of the factors to determine if the mark is famous is "the degree of inherent or acquired distinctiveness of the mark."<sup>101</sup> Personal names normally do not need to be registered as a trademark unless the name is used to identify a product, but many famous people opt to register their names as trademarks in order to protect against the bad-faith use of their name.

### B. Compare/Contrast People's Names and Trademarks

Currently, it is possible for a person to prevail through

94. 15 U.S.C. § 1125(d) (2000) (emphasis added).

95. *Id.* But see *Schmidheiny v. Weber*, 146 F. Supp. 2d 701, 705 (E.D. Pa. 2001) (arguing that the ACPA "reaches any name of 'another living person,' irrespective of whether that name has become a protectable mark"). The court further held that the registration of another person's name will be subject the registrar to civil liability when done with an intent to profit. *Id.*

96. 15 U.S.C. § 1129(1)(a) (2001). The statute provides:

Any person who registers a domain name that consists of the name of another living person, or a name substantially and confusingly similar thereto, without that person's consent, with the specific intent to profit from such name by selling the domain name for financial gain to that person or any third party, shall be liable in a civil action by such person.

*Id.* The remedies for violating the statute include injunctive relief, forfeiture or cancellation of the domain name, transfer of the domain name to the plaintiff, costs, or attorneys' fees. *Id.* §1129(2).

97. *Id.*

98. See 15 U.S.C. § 1125 (1996) (amending the Lanham Trademark Act of 1946, 15 U.S.C. §§ 1051-1127 (1994)).

99. 15 U.S.C. § 1125(c)(1) (1996).

100. *Id.*

101. *Id.* § 1125(c)(1)(A).

arbitration in a domain name dispute over his or her name, without officially registering the name as a trademark.<sup>102</sup> U.S. federal courts recognize four different categories of trademarks:<sup>103</sup> 1) generic;<sup>104</sup> 2) descriptive;<sup>105</sup> 3) suggestive;<sup>106</sup> and 4) arbitrary or fanciful.<sup>107</sup> These categories<sup>108</sup> are in ascending order of accorded

102. The World Intellectual Property Organization (“WIPO”) often cites common-law trademark rights in an individual’s name when the arbitrator is hearing a dispute over a domain name that contains a person’s full name (and sometimes even not the full name, such as Madonna, who is a world-famous singer and performer). In *Julia Fiona Roberts v. Russell Boyd*, WIPO Case No. D2000-0210 (May 29, 2000), available at <http://arbitrator.wipo.int/domains/decisions/html/2000/d2000-0210.html>, the panel held that “registration of her name as a registered trademark or service mark was not necessary and that the name ‘Julia Roberts’ has sufficient secondary association with [her] that common law trademark rights do exist under United States trademark law.” *Id.*

103. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976). These four classifications are derived from previous case law and the Lanham Act. *Id.* Although there are four distinct categories of trademarks, the line that distinguishes one from the other is not always clear. *Id.* Trademarks are often given to multiple people or companies because of the different uses and products that the name involves. *Id.* The difficulty occurs when the trademark has been given to multiple products and the name falls into different categories depending on which product the name references. *Id.*

104. *Abraham Zion Corp. v. Lebow*, 761 F.2d 93, 104 (2d Cir. 1985). Generic terms such as those “that refer to the genus of which a particular product is a species, may not be registered as trademarks under the Lanham Act and hence are given no protection.” *Id.*

105. *Id.* Terms that are descriptive may be registered as a trademark as long as they have acquired a secondary meaning in the mind of the public, which would differentiate the descriptive term from merely a generic term. *Id.* At common-law, a trademark protects neither generic terms nor descriptive terms. *Abercrombie & Fitch Co.*, 537 F.2d at 9. The Lanham Act makes an exception to descriptive terms with a secondary meaning. *Id.*

106. *Abraham Zion Corp.*, 761 F.2d at 104. Suggestive terms are those “requiring imagination, thought, and perception to reach a conclusion as to the nature of the goods, [and] may be registered as trademarks without proof of secondary meaning.” *Id.*

107. *Id.* “Fanciful terms are those that are ‘coined,’ having no independent meaning; arbitrary terms are those that have a meaning, but not one that is usually associated with the product so designated.” *Id.*

108. *Lane Capital Mgmt., Inc. v. Lane Capital Mgmt., Inc.*, 192 F.3d 337, 344 (2d Cir. 1999). The classification of the mark is a question for the factfinder. *Id.* The issue to be decided is how the purchasing public views the mark. *Id.* The purpose of the court is to determine in which of the four categories the mark belongs. *Id.* The court clarified the interpretation for surnames:

When [a trademark] is used in trade it must have some impact upon the purchasing public, and it is that impact or impression which should be evaluated in determining whether or not the primary significance of a word when applied to a product is a surname significance. If it is, and it is only that, then it is primarily merely a surname.

*Id.* at 345-46 (quoting *In re Rivera Watch Corp.*, 106 U.S.P.Q. 145, 149 (1955)). Trademarks are only trademarks when they are used in the trade. *Id.*



protection, with generic having little, if any, protection and arbitrary or fanciful having the highest level of protection.<sup>109</sup>

Individuals' names have generally fallen under the descriptive category<sup>110</sup> and are protected only if they have acquired a secondary meaning through the usage of the name in the field of business.<sup>111</sup> Although there have been a few cases involving domain name disputes concerning an individual's name, the first court to address a dispute over a surname was the Ninth Circuit Court of Appeals.<sup>112</sup> In *Avery Dennison Corp. v. Sumpton*, the court was faced with a defendant who had registered many common surnames, including the surnames of the plaintiff's business name.<sup>113</sup> The plaintiff company lost on appeal because it failed to show more than distinctiveness of the names, and therefore did not meet the fame threshold that would allow for nationwide protection under the FTDA.<sup>114</sup>

Unlike the court in *Avery Dennison*, the Supreme Court of New York ordered the transfer of a domain name that contained an individual's full name.<sup>115</sup> In *Diller v. Steurken*, the plaintiff,

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Therefore, although the court in *HQM, Ltd. v. Hatfield*, 71 F. Supp. 2d 500, 508 (D. Ma. 1999) held that the mere registration of a domain name is not commercial use, it noted the buying and selling of domain names should be considered "trade." *Id.*

109. See *Abercrombie & Fitch Co.*, 537 F.2d at 9 (describing the differing types of protection given to the different types of trademarks).

110. *Pirone v. Macmillan, Inc.*, 894 F.2d 579, 583 (2d Cir. 1990). Names are generally considered descriptive, unless the word is primarily used as a surname. *Id.* If the name is used primarily as a surname, then it must possess the requisite secondary meaning before it can be afforded protection. *Id.*

111. *Abraham Zion Corp.*, 761 F.2d at 104. Personal names are not considered arbitrary or fanciful, but as descriptive, and are subject to protection if, through usage, a secondary meaning can be established. *Id.* (citing 3A R. CALLMANN, THE LAW OF UNFAIR COMPETITION, TRADEMARKS AND MONOPOLIES § 21.36, at 145-46 (L. Altman 4th ed. 1984)).

112. *Avery Dennison Corp. v. Sumpton*, 189 F.3d 868, 868 (9th Cir. 1999). This case was the third case in over a year to address the issue of how to apply centuries-old trademark laws to the Internet. *Id.* at 871. The first two cases were *Brookfield Communications, Inc. v. W. Coast Enter. Corp.*, 174 F.3d 1036 (9th Cir. 1999) and *Panavision Int'l, L.P. v. Toeppen*, 141 F.3d 1316 (9th Cir. 1998), but neither of those decisions involved personal names. *Id.*

113. *Avery Dennison Corp.*, 189 F.3d at 873. The defendant was the president of an Internet e-mail provider. *Id.* at 872. The defendant registered thousands of domain names, most of which were surnames, hobbies, careers, pets, sports, music, etc. *Id.* The domain names had TLDs of ".com," ".org," and ".net." *Id.* at 873. Among the registered names were "avery.net" and "dennison.net." *Id.* at 880. The plaintiff company sold office products and industrial fasteners. *Id.* at 873. Although the plaintiff ran a web site at "averydennison.com," the company alleged that the defendant was diluting the trademarks "Avery" and "Dennison" to which the plaintiff owned the rights. *Id.*

114. *Id.* at 879.

115. *Diller v. Steurken*, 712 N.Y.S.2d 311, 314 (N.Y. Sup. Ct. 2000).

Barry Diller, was the Chairman and CEO of an e-commerce company.<sup>116</sup> The defendants created a company that registered the names of celebrities as domain names, and then attempted to sell the domain names to the famous people for profit.<sup>117</sup> Specifically, the defendants registered “www.barrydiller.com,” and offered to sell the domain name for 10 million dollars.<sup>118</sup>

The court held that for numerous reasons, among which was the Second Circuit’s interpretation of the ACPA, the defendant had to transfer the domain name to the plaintiff.<sup>119</sup> Although the plaintiff won the right to the domain name, the court failed to state the parts of the ACPA that the defendant violated, which warranted the transfer of the domain name.<sup>120</sup> This case was a positive example of punishment for a violation of the ACPA by registering an individual’s name. However, due to the lack of reasoning provided by the court, any future tribunal presented with the issue will have a difficult time using the *Diller* holding as precedent or persuasive authority.

Similar to the court in *Diller*, the United States District Court of Maryland allowed the defendant to retain the rights to a domain name, which incorporated his surname, although a company had registered the name as a trademark.<sup>121</sup> In *HQM, Ltd. v. Hatfield*, the defendant, William Hatfield, registered the domain name “www.hatfield.com.”<sup>122</sup> The plaintiff company sued on the grounds that the use of the domain name violated the FTDA.<sup>123</sup> The plaintiff claimed that Mr. Hatfield was commercially using the domain name when he registered the name, activated e-mail with the name, and failed to respond to the plaintiff’s letters requesting him to discontinue use of the domain name.<sup>124</sup> The court held that the plaintiff failed to show that the defendant made “commercial use”<sup>125</sup> of the domain name, reasoning that the defendant did not

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116. *Id.* at 312-13.

117. *Id.* at 313.

118. *Id.*

119. *Id.* at 314. The court supported its holding by citing state law, which reasoned that a domain name transfer is a valid remedy in anti-cybersquatting actions, and the defendant’s willingness to submit to an injunction, as authorities that should warrant the transfer of the domain name. *Id.*

120. *Diller*, 712 N.Y.S.2d at 314.

121. *HQM, Ltd. v. Hatfield*, 71 F. Supp. 2d 500, 505 (D. Md. 1999).

122. *Id.* at 502. The plaintiff felt that the defendant’s registration of the domain name violated the plaintiff’s right to the name “Hatfield,” which the plaintiff used to market its meat products. *Id.* at 503. The plaintiff claimed to have spent over \$50 million in advertising the name “Hatfield,” and the use of the name by the defendant diluted the name. *Id.*

123. *Id.* at 505.

124. *Id.*

125. *See American Online, Inc. v. Huang*, 106 F. Supp. 2d 848, 854 n.14 (E.D. Va. 2000) (holding that the act of registering a domain name is not a

register multiple domain names, multiple variations of the "Hatfield" mark, or operate a business of selling domain names.<sup>126</sup>

In *Hatfield*, the court further reasoned that by denying the plaintiff the rights to the domain name, due to dilution of the mark, the court would essentially be giving the plaintiff a "right in gross" of the trademark.<sup>127</sup> By allowing a "right in gross,"<sup>128</sup> the court would create a monopoly for all trademark holders, which the court would not allow to happen.<sup>129</sup> The court refused to grant a "right in gross" to common surnames,<sup>130</sup> but did not address the issue as it pertains to an individual's full name.<sup>131</sup>

Other than the decision in *Diller*, the only other domain name transfers involving individual names have occurred in domain name arbitration, not in the courts.<sup>132</sup> The seminal decision involving a dispute over an individual's name was *Julia Fiona*

"commercial use" of the domain name sufficient to subject the registrar to personal jurisdiction for purposes of an FTDA claim).

126. *HQM, Ltd.*, 71 F. Supp. 2d at 506. The court failed to conclude that this case fell under the rubric of cybersquatting. *Id.*

127. *Id.* See also *Avery Dennison Corp. v. Sumpton*, 189 F.3d 868, 875 (supporting the proposition that causes of action for dilution on the Internet tread very closely to awarding a "right in gross" to a trademark owner).

128. See BLACK'S LAW DICTIONARY 782 (6th ed. 1990) (defining "in gross" as "[a]t large, in one sum; not annexed to or dependent upon another thing"). Therefore, a "right in gross" would mean that the owner of a trademark is the sole owner of the name. No other person or company would be allowed to obtain a trademark for any word contained in a name in which another person has the "right in gross."

129. *HQM, Ltd.*, 71 F. Supp. 2d at 506. The court supported its holding by reasoning that if a monopolistic right-in-gross were granted, a trademark holder would be able to sue every Internet site that were "the same" as the registered trademark. *Id.* at 509. These types of lawsuits would take trademark law too far. *Id.*

130. *Id.* at 507. Pursuant to the court's analysis of the different factors required to satisfy a dilution claim, simply activating a ".com" domain name does not automatically satisfy the "commercial use" of the name. *Id.* at 508.

131. See generally *Nathenson*, *supra* note 3, at 964 (stating that "[t]he use of a famous name, or 'genericide,' is neither prohibited nor specifically permitted by the Lanham Act; enjoining such use on a dilution basis, however, would substantially expand trademark law by removing surnames and generic terms from public use.").

132. For additional disputes regarding personal names, see *Jules I. Kendall v. Donald Mayer*, WIPO Case No. D2000-0868 (Oct. 26, 2000) (addressing whether the respondent registered the domain name "skipkendall.com" in bad faith because the complainant was a professional golfer who goes by the name "Skip"); *Kathryn Bridget Moynahan v. Fantastic Sites, Inc.*, WIPO Case No. D2000-1083 (Oct. 22, 2000) (addressing whether the respondent registered the domain name "bridgetmoynahan.net" in bad faith because the complainant was a famous movie star); *Michael J. Feinstein v. PAWS Video Prods.*, WIPO Case No. D2000-0880 (Oct. 21, 2000) (addressing whether respondent registered the domain names "michaelfeinstein.com" and "purefeinstein.com" in bad faith because complainant was an international entertainer and musician).

*Roberts v. Russell Boyd*.<sup>133</sup> In this dispute, the respondent registered the domain name “www.juliaroberts.com.”<sup>134</sup> He then placed the domain name up for auction to the highest bidder, where he was offered \$2,250.<sup>135</sup> The respondent had also registered many other domain names that incorporated the names of many famous people.<sup>136</sup> The panel for the arbitration concluded that: 1) the complainant, Julia Roberts, had a common law trademark in her name, and the web site “www.juliaroberts.com” was identical to the trademark; 2) the respondent had no legitimate interest in possessing the domain name; and 3) the respondent registered the domain name in bad faith.<sup>137</sup> Therefore, the arbiter transferred the domain name to Ms. Roberts.<sup>138</sup> Since this decision, there have been several other disputes over common-law trademark rights in a person’s full name.<sup>139</sup>

Recently, there has been a shake-up in the thinking of the arbitrators in domain name disputes. In the Bruce Springsteen arbitration, the arbitration panel held that in order to make out a successful case, the complainant must prove: (1) the domain name is identical or confusingly similar to a trademark or service mark that the complainant has an interest in; (2) the respondent has no right or legitimate use in the domain name; and (3) the respondent has registered and used the domain name in bad faith.<sup>140</sup> Mr. Springsteen had not registered his name as a trademark, and therefore had to rely on the common-law in order to protect the rights to his name.<sup>141</sup> The arbitration panel held that there was no intent to divert or mislead Internet users into believing that Mr. Springsteen was associated with the web site in order to gain financially.<sup>142</sup> The panel also held that the web site was registered

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133. Julia Fiona Roberts v. Russell Boyd, WIPO Case No. D2000-0210 (May 29, 2000).

134. *Id.*

135. *Id.*

136. *Id.*

137. *Id.*

138. Julia Fiona Roberts v. Russell Boyd, WIPO Case No. D2000-0210 (May 29, 2000).

139. Pop artist Madonna is among the many celebrities to have started dispute resolution proceedings. Madonna Ciccone v. Dan Parisi, WIPO Case No. D2000-0847 (Oct. 12, 2000), available at <http://arbiter.wipo.int/domains/decisions/html/2000/d2000-0847.html>. The well-known singer had the web site “www.madonna.com” transferred to her, even though it was not her full name. *Id.* In that case, both the complainant, Madonna, and the respondent had a registered trademark in the name Madonna (although the respondent’s trademark was in Tunisia). *Id.*

140. Bruce Springsteen v. Jeff Burgar & Bruce Springsteen Club, WIPO Case No. D2000-1532 (Jan. 25, 2001), available at <http://arbiter.wipo.int/domains/decisions/html/2000/d2000-1532.html>.

141. *Id.*

142. *Id.*

as the Bruce Springsteen Fan Club, and there was no bad-faith involved when the domain name was registered.<sup>143</sup> Therefore, Mr. Burgar, the respondent, was entitled to keep the rights to the domain name.<sup>144</sup>

Since the Bruce Springsteen decision, the arbitration proceedings have become less predictable with respect to domain names involving an individual's name. The arbitration process is only one option when there is a dispute over a domain name. The alternative to arbitration would be to file a lawsuit in a court of competent jurisdiction.<sup>145</sup>

Courts have decided trademark cases involving names, primarily surnames, but have not fully addressed the issue of how the trademark laws apply to an individual's full name. The general rule the courts have adopted, with the exception of the rule in *Diller*, is that in order to succeed in an FTDA or ACPA action, the person filing the lawsuit must prove that his or her name is famous or distinctive, and his or her name has secondary meaning.<sup>146</sup> Because most cybersquatters aim their efforts at registering the names of famous people, it has not been difficult for most plaintiffs to prove that the name is famous or distinctive.

### III. PROPOSITION

Recently, there has been a problem with cybersquatters registering as their domain name the names of famous people including musicians, comedians, entertainers, and athletes.<sup>147</sup> The legal system gives these famous persons, and even those that are not as famous, little if any redress.<sup>148</sup> Presently, the least expensive and quickest option is to direct the dispute over the domain name to one of the dispute resolution arbitrators.<sup>149</sup> Unfortunately, the decisions by the arbitrators are not binding on courts in the United States, and have recently become less

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143. *Id.*

144. *Id.*

145. See *Rules for Uniform Domain Name Dispute Resolution Policy*, *supra* note 41, at § 18(a) (stating that "in the event of any legal proceedings initiated prior to or during an administrative proceeding in respect of a domain-name dispute that is the subject of the complaint, the Panel shall have the discretion to decide whether to suspend or terminate the administrative proceeding, or to proceed to a decision.").

146. *Alderman v. Idditarod Properties, Inc.*, 32 P.3d 373, 385 (Alaska 2001).

147. Tucker, *supra* note 6, at 109. In April 1998, a person registered, as domain names, the names of twenty-seven country and western singers. *Id.*

148. Woollacott, *supra* note 62, at 30. The relief granted to victims of an ACPA violation is the forfeiture, cancellation, or transfer of the domain name. *Id.* In some instances, the victim may also recover statutory damages between \$1,000 and \$100,000 per domain name. *Id.*

149. Lee, *supra* note 26, at 39. The guidelines for registering a domain name require the registrar to submit to arbitration if a dispute arises over the registered domain name. *Id.*

predictable.<sup>150</sup> The less predictable the arbitrator's decision becomes, the more likely disputants will turn to drawn-out and expensive court battles. Therefore, Congress should either amend the current legislation or allow courts significant leeway when interpreting the ACPA and the FTDA to prevent any registering of another person's full name as a domain name, regardless of whether the person is famous.<sup>151</sup>

Although there is currently legislation against cybersquatting, it does not provide protection for an individual's full name on the Internet unless the registration was done with bad-faith or an intent to profit.<sup>152</sup> Any proposed legislation should expand the ACPA to give an individual the right to keep others from registering the individual's full name on the Internet, regardless of any reason the registrar has in registering the name. The legislation should allow users to register only their own personal name under the current first-come, first-serve basis. This would essentially continue to give each person common-law trademark rights to their name, without requiring secondary meaning. The proposed legislation should not only prevent anyone from registering another's name, but also provide for punitive damages to prevent any further misuse of the domain name registration process. The punishment of the proposed legislative change to the ACPA would be to allow injured parties the ability to recover punitive damages in a civil trial from cybersquatters who register anyone else's name, regardless of whether it is done with bad-faith or an intent to profit. Therefore, each person would be given a common-law trademark in his or her own name with a guarantee that no one else can register his or her name as a domain name without severe punishment.

An alternative solution to combat the rapidly increasing problem of registering an individual's name for profit would be to allow the arbitration centers to award money damages to those

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150. See discussion *supra* note 53. Fortunately, the domain name arbitration is much cheaper and faster than if the disputants chose to go to court. See Lee, *supra* note 26, at 70. Also, there is no need for travel because the arbitration is done through electronic correspondence. *Id.* at 71. Another benefit of arbitration over a court battle is the speed in which a decision by the arbitrator is given. *Id.* at 70. If the disputants chose the legal route, it would often take anywhere from six months to three years, and cost in excess of \$15,000. *Id.* at 76.

151. Mishkin, *supra* note 10, at 6. Some critics believe that domain name disputes would be better if left to ICANN instead of each individual country trying to enact its own legislation dealing with cybersquatting. *Id.* See also Rains, *supra* note 21, at 372 (arguing that the Internet should be self-governing, exclusively by the users, because of the geographical reaches of the Internet itself).

152. 15 U.S.C. § 1125(d)(1)(A)(i) (1999). The ACPA prevents registering another person's name only when done with the intent to profit. 15 U.S.C. § 1129(1)(a) (1999).

parties whose privacy rights were violated. This may not be the easiest solution due to the position the arbitrators would be put in if they were forced to assess a damage amount. Therefore, the best solution would be to have a fine schedule that would automatically prescribe the money damages to be awarded depending on the level of severity of the violation of the individual's rights (such as the tactics used by the cybersquatter to extort money from the individual), to be decided by the arbitrator. Although different countries provide different rights to their citizens, each person in the world should have a right to his or her own name so that when someone registers that name as a domain name the registration would be considered a violation of the individual's right to privacy.

Finally, the solution that would take domain name disputes out of the United States court system, as well as all court systems, would be to create an international governing body that would regulate the Internet and settle all problems and disputes. This would lessen the burden on all courts. This governing body would only distribute domain names after verifying that the name does not interfere with a trademark right or an individual's name. Although this may create an initial burden by forcing the proposing company to perform trademark infringement searches, the result would be fewer disputes over domain names. This governing body would also eliminate the need for every country to create its own set of Internet-related laws, leaving more time for legislatures to spend on creating other worthwhile legislation.

#### IV. CONCLUSION

Congress has essentially vilified savvy entrepreneurs with a prospector's eye by classifying them as "cybersquatters" and passing legislation to prevent them from using their foresight as a businessperson to make a profit by registering and selling domain names.<sup>153</sup> The ACPA does not allow a person with a keen sense of business to register domain names, and make use of them by selling them at a profit to those who are interested.<sup>154</sup> The originators of domain name registration for profit can either be considered speculators or villains, but it seems that Congress has the last word. Unfortunately for them, the last word from Congress makes selling domain names similar to selling babies or illegal drugs, as opposed to purchasing land with gold.<sup>155</sup> The businessperson would argue that the government has impinged

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153. Humphreys, *supra* note 4, at 64.

154. *Id.* The government has taken valuable domain names away from the first-come, first-served owners of the address that were seeking a profit, and giving the names to the owners of the trademarks who lacked the vision to protect their interest in the name on the Internet. *Id.*

155. *Id.*

upon his or her right to make a living and a profit. Those who intended to profit from the Internet by registering domain names are now trying to keep from losing the farm, because they can now be forced with court action to pay up to \$100,000 in statutory damages for their registration of domain names.

The ACPA and the FTDA are inadequate when it comes to providing a remedy for people who have their full names used as domain names on the Internet. For many people, there is more to their name than simply a recognition factor. Each person is identified by his or her name, and the unauthorized use of that name by someone else is a violation of that person's right of privacy. Violating a person's right to privacy for mere profit is even worse. Although the ACPA and FTDA allow for some legal redress, neither addresses the act of registering a person's full name unless the name is a registered trademark or is done solely with the intent to profit. There are numerous other violations of a person's right to privacy that the registering of his or her name violates, and neither the ACPA nor the FTDA address such situations. These statutes also fail to provide a preventative measure to keep a cybersquatter from continuing to violate individuals' rights to the predominant form of personal identification.

The arbitration centers, although not binding on the courts, have attempted to "make whole" an individual whose rights have been violated when someone else has registered his or her name. The centers make the process of solving domain name disputes seem simple. Although they have not allowed money damages for egregious violations of an individual's rights, the arbitrations are the simplest and quickest way to correct a wrong. The legal system should either begin to follow the lead of the arbitration centers or completely avoid any of the disputes. The domain name system needs help and there are many solutions to correct it, and it will only be a matter of time before everything is worked out. Until that time comes, there will be a multitude of cases and controversies dealing with individuals' inherent right to the recognition that is associated with their name.



