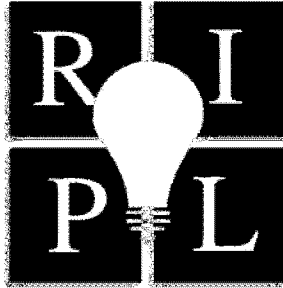


# THE JOHN MARSHALL REVIEW OF INTELLECTUAL PROPERTY LAW



## WHY ARE COMPETITOR'S ADVERTISING LINKS DISPLAYED WHEN I GOOGLE MY PRODUCT? AN ANALYSIS OF INTERNET SEARCH ENGINE LIABILITY FOR TRADEMARK INFRINGEMENT

ISAIAH A. FISHMAN

### ABSTRACT

Traditional federal trademark law is being challenged in the current case of *Google v. American Blind*. When internet issues clash with trademark infringement, courts are often faced with the dangerous task of either refusing to stretch not specifically internet tailored trademark law to grant remedy to a perceived wrong or refusing to grant remedy because of the chilling effect the remedy may have on traditional trademark. By analyzing the history of trademark law in relation with internet issues, focusing on domain name cases, pop-up advertising cases, and search engine cases, it becomes clear that specific congressional action is the most viable solution.

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# WHY ARE COMPETITOR'S ADVERTISING LINKS DISPLAYED WHEN I GOOGLE MY PRODUCT? AN ANALYSIS OF INTERNET SEARCH ENGINE LIABILITY FOR TRADEMARK INFRINGEMENT

ISAIAH A. FISHMAN\*

See how today's achievement is only tomorrow's confusion<sup>1</sup>

## INTRODUCTION

In late August of 2004, Google went public.<sup>2</sup> By late September of 2005, Google's co-founders, Sergey Brin and Larry Page, were billionaires.<sup>3</sup> A large portion of this fortune derived from Google's AdWords campaign.<sup>4</sup> Google is a popular search engine that, similar to all search engines, finds specific websites when a computer user enters words or phrases into a search query.<sup>5</sup> The search engine then creates a list of the corresponding websites by providing links to each website with descriptions that a computer user "must sort in order to find what he or she is looking for."<sup>6</sup> AdWords is a service created by Google that allows advertisers to purchase words that force their websites to appear under "sponsored links" when specific keywords are typed into Google's search engine.<sup>7</sup> Frequently, advertisers not

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<sup>1</sup> William Dean Howells, *Pordenone, IV*, reprinted in John Bartlett, *Familiar Quotations: A Collection of Passages, Phrases and Proverbs Traced to their Sources in Ancient and Modern Literature* 1, 631 (Emily Morison Beck ed., 1980).

<sup>2</sup> See Editorial, *Google Goes Public*, N.Y. TIMES, Aug. 20, 2004, at A1 (stating that Google's initial public offering occurred on August 19, 2004).

<sup>3</sup> See *Billionaires' Club*, L.A. TIMES, Sept. 23, 2005, at C1 (noting that both Sergey Brin and Larry Page, the co-creators of the Google search engine, each have a net worth of \$11 billion dollars).

<sup>4</sup> Gary Rivlin, *It's Maybe a Bubble, but a Selective One*, N.Y. TIMES, Feb. 3, 2005, at C1 (noting Google's advertisement revenue was up 122 percent from the previous year's fourth quarter, due in large part to the AdWords program).

<sup>5</sup> See *Novak v. Overture*, 309 F. Supp. 2d 446, 450 (E.D. N.Y. 2004). The Eastern District of New York defined a search engine as a device used to find internet websites relating to a specific topic. See *Id.* To use a search engine "a user must enter a text inquiry into the program" and the search engine will "attempt to match the intent of the user's text query with the actual content of the web pages found on the net." *Id.* The court goes on to reference Google.com as examples of search engines. *Id.*

<sup>6</sup> *Sporty's Farm, LLC v. Sportsman's Mkt., Inc.*, 202 F.3d 489, 493 (2nd Cir. 2000).

<sup>7</sup> *Google v. Am. Blind & Wallpaper Factory, Inc.*, No. C 03-05340-JF, 2005 U.S. Dist. LEXIS 6228, at \*6 (N.D. Cal. Mar. 30, 2005); See also Google AdWords, <https://adwords.google.com/select/> (last visited Oct. 10, 2005). Google's AdWords program is available to anyone wishing to purchase keywords that will trigger his advertisement to pop up when the keywords are entered into Google's search engine. *Id.*

only purchase words associated with their products and services, but also purchase words associated with their competitor's products and services.<sup>8</sup> For example, when "Goodyear Tires" is typed in, the first link appearing under the sponsored links is BFGoodrich Tires, a direct competitor to Goodyear.<sup>9</sup> Further, when the advertiser attempts to purchase a generic word, for example "tires," Google also suggests purchasing the words "Goodyear Tires" and "Volvo Tires."<sup>10</sup> This practice is of understandable concern to businesses looking to protect their trademarked interests and, in the current age of e-commerce, raises questions of trademark infringement that are still unresolved.<sup>11</sup>

The trademark legality of AdWords is currently being litigated in *Google v. American Blind*.<sup>12</sup> American Blind claims Google's AdWords program earns money by allowing competitors to purchase American Blind's trademarks.<sup>13</sup> These marks are subsequently being used by American Blind's competitors in an attempt to lure customers to their websites.<sup>14</sup> However, it would be difficult to find Google liable for traditional direct trademark infringement because the Lanham Act, the federal act governing trademarks,<sup>15</sup> requires that a search engine, like Google, "use[s]" American Blind's marks "in commerce."<sup>16</sup> Under the traditional view of direct trademark infringement, a "use in commerce" means direct public use of a trademark by a competitor.<sup>17</sup> This means that Google would incur liability if a search engine user, after typing "American Blind" into the search engine, associates the companies that appear under "sponsored links" with Google's services.<sup>18</sup> On the other hand,

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<sup>8</sup> See *Am. Blind*, 2005 U.S. Dist. LEXIS 6228, at \*6. American Blind alleges that through Google's AdWords campaign, its competitors purchased keywords that, in whole or part, utilized American Blind trademarks. *Id.*

<sup>9</sup> <http://www.google.com/search?hl=en&lr=Goodyear+Tires&btnG=Search> (last visited Sept. 25, 2005).

<sup>10</sup> Google Keyword Tool, <https://adwords.google.com/select/KeywordToolExternal> (last visited Apr. 1, 2006) (enter "Goodyear Tires" and scan keyword's suggestions).

<sup>11</sup> See *Am. Blind*, at \*3-4. Of particular concern is the fear that potential consumers that would have purchased a company's product are being led to competitors because those competitors purchased words associated with their brand in Google's AdWords campaign. *See id.*

<sup>12</sup> *Id.* at \*13.

<sup>13</sup> *Id.* at \*6.

<sup>14</sup> *Id.* at \*7-8.

<sup>15</sup> *Black's Law Dictionary* 896 (8th ed. 2001). The Lanham Act is "[a] federal trademark statute, enacted in 1946, that provides for a national system of trademark registration and protects the owner of a federally registered mark against the use of similar marks if any confusion might result . . ." *Id.* The definition goes on further to state that the Lanham Act defines the scope of federal trademark law. *See id.*

<sup>16</sup> See 15 U.S.C. § 1127 (2000). "The term 'use in commerce' means the bona fide use of a mark in the ordinary course of trade." *Id.*

<sup>17</sup> See 15 U.S.C. § 1114(1)(b) (2000) (finding reproduction of "labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce" are triggering events that enable the remedy provision for trademark infringement).

<sup>18</sup> See *Interactive Prods. Corp. v. a2z Mobile Office Solutions, Inc.*, 326 F.3d 687, 695 (6th Cir. 2003) (holding that the question of "use" in a trademark case focuses on whether the infringing party is using the mark in a way that identifies the source of his goods or services); *see also*, *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 163-64 (1995) (finding that the basic objective of trademark law is to prevent competitors from copying a source-identifying trademark and using it in association with their goods, reaping an unjust reward based on the reputation of the trademark).

allowing a liberal reading of “use in commerce” to include search engine liability could lead to hazardous repercussions in non-internet related trademark law.<sup>19</sup>

This comment proposes that current trademark law should not liberally construe the “use” requirement to apply to search engines. Instead, Congress should create a specific exception within the Lanham Act to remedy the situation.

This comment begins with a background section that is a chronology of the evolution of trademark law actions pertaining to the internet. Second, there is an analysis of the conflicts courts must resolve under the current state of internet trademark law. In particular, courts are faced with three options: 1) refuse to expand traditional trademark law<sup>20</sup> and deny companies, similar to American Blind, trademark remedy against search engines like Google, 2) expand trademark to a level that would expose search engines to direct trademark infringement,<sup>21</sup> or 3) advocate that Congress make a specific amendment to the Lanham Act concerning search engines. Third, the proposal suggests a congressional creation of a search engine exception to the Lanham Act. Due to the creation of the anti-cybersquatting amendment to the Lanham Act and current state<sup>22</sup> and pending federal legislation<sup>23</sup> arising from pop-up advertisement cases, advocacy to Congress to create an exception is not only a sound option, but a viable one.

#### I. THE DEVELOPMENT OF TRADEMARK LAW ON THE INTERNET

Trademark law has long required that a successful claim for infringement proves: “1) [the party] possesses a mark, 2) that the defendant used the mark, 3) that the defendant’s use of the mark occurred ‘in commerce,’ 4) that the defendant used the mark ‘in connection with the sale, offering for sale, distribution or advertising’ of goods or services, and 5) that the defendant used the mark in a manner likely to confuse consumers.”<sup>24</sup> As internet trademark law has developed, most of the debate

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holder).

<sup>19</sup> See Stacey L. Doogan & Mark A. Lemley, *Trademark in Transition: Institute for Intellectual Property & Information Law Symposium: Trademarks and Consumer Search Costs on the Internet*, 41 HOUS. L. REV. 777, 809–10 (2004) (pointing out that if “use” was broadly construed in trademark infringement to the point that selling a mark as a keyword is illegal, previously protected uses, like newspapers using trademarked terms in headlines, writers of movies and books using trademarked goods in their stories, and even gas stations or restaurants locating across the street from their competitor and capitalizing off of the attention grabbing sign, might be liable for trademark infringement based on the new definition).

<sup>20</sup> See *Wells Fargo & Co. v. WhenU.com, Inc.*, 293 F. Supp. 2d 734, 762 (E.D. Mich. 2003) (upholding a strict interpretation of “use” in a pop-up scenario)

<sup>21</sup> See *Playboy Enters., Inc. v. Netscape Commc’ns. Corp.*, 354 F.3d 1020, 1024 (9th Cir. 2004) (upholding a liberal interpretation of “use” in a search engine scenario).

<sup>22</sup> See generally Utah Code Ann. § 13-40-101 (2000) (dealing with pop-up legislation and is popularly known as the “Spyware Control Act”); 15 U.S.C. § 1125(d).

<sup>23</sup> See H.R. REP. NO. 108-619, at 2 (2004), available at [http://thomas.loc.gov/cgi-bin/cpquery/R?cp108:FLD010:@1\(hr619\)](http://thomas.loc.gov/cgi-bin/cpquery/R?cp108:FLD010:@1(hr619)). This report concerns proposed federal legislation (H.R. 2929) about pop-ups and is popularly known as the “Securely Protect Yourself Against Cyber Trespass Act” or the “Spy Act.” *Id.*

<sup>24</sup> *U-Haul Int’l, Inc. v. WhenU.com, Inc.*, 279 F. Supp. 2d 723, 727 (E.D. Mich. 2003). See generally 15 U.S.C. § 1114 (2000).

occurs over the “use in commerce” and “likelihood of confusion” elements.<sup>25</sup> However, within these two elements there is no consensus amongst courts as to what element is considered the “core” element.<sup>26</sup> This section begins with a discussion regarding how these elements have been applied to pre-Anti-cybersquatting Act, in domain name and pop-up advertisement/spyware cases, and culminates with a discussion of current search engine cases.

### A. Domain Name Disputes

Domain name cases were some of the first cases in which online trademark infringement actions were asserted.<sup>27</sup> In these cases, the typical issue was private citizens buying corporate domain names, such as “McDonalds.com,” with hopes of capitalizing off the McDonald’s brand or by reselling the website back to McDonald’s.<sup>28</sup> Because the use of the mark was the actual domain name, courts tended to focus more on the “likelihood of confusion” element than the “use in commerce” element.<sup>29</sup>

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<sup>25</sup> *Brookfield Commc’ns, Inc. v. W. Coast Entm’t Corp.*, 174 F.3d 1036, 1053 (9th Cir. 1999) (stating that “use” is “half the battle” and one “must also show that the public is likely to be somehow confused about the source or sponsorship”); *Playboy*, 354 F.3d at 1024 (explaining that after “use” is set forth, a “likelihood of confusion” must be shown). *Contra* *Interactive Prods. Corp. v. a2z Mobile Office Solutions, Inc.*, 326 F.3d 687, 695 (6th Cir. 2003) (holding that “use in commerce” is a preliminary/threshold question to be determined).

<sup>26</sup> *See* *U-Haul Int’l*, 279 F. Supp. 2d at 729. Perhaps giving an explanation as to why courts stress different elements, the Eastern District of Michigan found that since there was no “use” of the trademark under the Lanham Act, and use was a threshold issue, U-Haul’s trademark infringement claim failed and no discussion of the “likelihood of confusion” was necessary. *Id.* *Compare* *Wells Fargo*, 293 F. Supp. 2d at 757–69 (discussing in depth that court devoted a large amount of discussion to the issue of “use” and only briefly addressed the “likelihood of confusion” element), *with* *Playboy*, 354 F.3d at 1024 (claiming that the core element of trademark infringement is the “likelihood of confusion” and only spending a brief amount of discussion on “use”), *and* *Wells Fargo*, 293 F. Supp. 2d at 764–69 (devoting significant analysis as to the merits of the “likelihood of confusion” element after already finding Wells Fargo failed on the “use” requirement).

<sup>27</sup> *See generally* *Gateway 2000, Inc. v. Gateway.com, Inc.*, No. 5:96CV1021, 1997 WL 33165847, at \*3 (E.D.N.C. Feb. 6, 1997); *Planned Parenthood Fed’n of Am. v. Bucci*, No. 97 Civ. 0629, 1997 WL 133313, at \*2 (S.D.N.Y. Mar. 24, 1997). *Compare* *Brookfield Commc’ns*, 174 F.3d at 1036 (reaching its final disposition as a cybersquatting case in 1999), *with* *U-Haul*, 279 F. Supp. 2d at 723 (reaching its final disposition as a pop-up case in 2003), *and* *Google v. Am. Blind & Wallpaper Factory, Inc.*, No. C03-05340-JF, 2005 U.S. Dist. LEXIS 6228, at \*1 (reaching a preliminary ruling in a search engine case in 2005).

<sup>28</sup> *See* David Nelmark, *Virtual Property: The Challenges of Regulating Intangible, Exclusionary Property Interests Such as Domain Names*, 3 NW. J. TECH. & INTELL. PROP. 1, 9 (2004). Nelmark reasons that the purchase of the McDonald’s domain name was valuable because the domain name holder could sell his own products or services when the consumer entered the already-established McDonald’s name as a hyperlink. *Id.* The purchase could be additionally beneficial because the domain name holder could offer to sell the domain name to McDonalds at a much higher cost than its purchase price. *Id.*

<sup>29</sup> *See* *Quokka Sports, Inc. v. Cup Int’l. LTD.*, 99 F. Supp. 2d. 1105, 1114–15 (N.D. Cal. 1999) (devoting no time to “use,” the Northern District of California found quickly that Quokka had an enforceable right in the mark and then immediately focused its attention on the “likelihood of confusion” element); *see also* *CCBN.com, Inc. v. C-Call.com, Inc.*, 73 F. Supp. 2d. 106, 109–14 (D.

Two of the earliest reported domain name dispute cases, *Intermatic v. Toeppen* and *Panvision v. Toeppen*, demonstrate how courts attempted to understand the internet while trying to apply trademark theory.<sup>30</sup> Both cases involve Dennis Toeppen, an entrepreneur who registered approximately 240 domain names of well-known businesses.<sup>31</sup>

In *Intermatic*, the Northern District of Illinois affirmed a magistrate judge's refusal to grant summary judgment on behalf of Intermatic.<sup>32</sup> Intermatic claimed that Toeppen, by purchasing [www.intermatic.com](http://www.intermatic.com), infringed on intermatic's trademark, INTERMATIC.<sup>33</sup> To get an idea how new the internet was in a legal context, the magistrate judge's decision started with the exclamation "Welcome to cyberspace!"<sup>34</sup> Instead of going into a "use" analysis, the *Intermatic* court applied the Seventh Circuit's seven factor "likelihood of confusion" test.<sup>35</sup> The court concluded that summary judgment was improper because, among other things, there was no evidence that Toeppen associated his services with Intermatic's services and the issue before the court was an untested area of law that Toeppen was "free to test."<sup>36</sup>

The companion case, *Panavision*, was decided by the Central District of California. Similar to *Intermatic*, *Panavision* was a summary judgment motion against Dennis Toeppen.<sup>37</sup> However, instead of trademark infringement, Panavision argued a cause of action under Federal and California trademark dilution laws.<sup>38</sup> Additionally, unlike *Intermatic*, the *Panavision* court found Toeppen liable for dilution because Toeppen "prevented Panavision from using its marks in a new and important business medium."<sup>39</sup> While *Panavision*, a dilution case, did not argue direct trademark infringement or "likelihood of confusion," direct trademark infringement cases began to develop where courts ruled in favor of companies on the "likelihood of confusion" element.<sup>40</sup>

This is evidenced in *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*, where the plaintiff attempted to purchase "moviebuff.com" and discovered West Coast, the defendant, already purchased the domain name.<sup>41</sup> In addition, there was evidence that West Coast intended to launch a website

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Mass., 1999) (addressing the "likelihood of confusion" as the major factor and limiting the "use" discussion to determine who had senior rights to the mark).

<sup>30</sup> *Intermatic Inc. v. Toeppen*, 947 F. Supp. 1227, 1228–29 (N.D. Ill. 1996); *Panavision Int'l v. Toeppen*, 945 F. Supp. 1296, 1300 (C.D. Cal. 1996).

<sup>31</sup> *Intermatic*, 947 F. Supp. at 1230.

<sup>32</sup> *Id.* at 1236.

<sup>33</sup> *Id.* at 1233.

<sup>34</sup> *Id.* at 1229.

<sup>35</sup> *Id.* at 1234–35.

<sup>36</sup> *Id.* at 1236.

<sup>37</sup> *Panavision Int'l v. Toeppen*, 945 F. Supp. 1296, 1300–01 (C.D. Cal. 1996).

<sup>38</sup> *Id.* at 1298.

<sup>39</sup> *Id.* at 1304.

<sup>40</sup> *See, e.g., Brookfield Comm'ns, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1057 (9th Cir. 1999).

<sup>41</sup> *Id.* at 1042; *see also* Colby B. Springer, Comment, *Master of the Domain (Name): A History of Domain Name Legislation and the Emergence of the Anti-cybersquatting Consumer Protection Act and Uniform Dispute Resolution Policy*, 17 SANTA CLARA COMPUTER & HIGH TECH. L.J. 315, 327 (2001) (explaining that the West Coast Entertainment not only took Brookfield's desired domain name, but was using it for the same reason Brookfield desired to use it).

containing a searchable entertainment database similar to the plaintiff's database.<sup>42</sup> Focusing on "likelihood of confusion," the Ninth Circuit proclaimed that even when consumers immediately realize they have arrived at West Coast's movie database rather than Brookfield's, West Coast gained the initial interest through use of Brookfield's trademark.<sup>43</sup> This doctrine is commonly referred to as "initial interest confusion."<sup>44</sup>

If the *Intermatic* court applied *Brookfield's* definition of initial interest confusion, it would have had a better chance of the Northern District of Illinois granting summary judgment. This is because Intermatic, a software marketing company, could argue that when users typed "www.intermatic.com," they thought they were going to Intermatic's website.<sup>45</sup> To add to the computer user's confusion, Toeppen also sold software on the website.<sup>46</sup> However, though the facts in *Intermatic* and *Brookfield* fit neatly into initial interest confusion, other cases created problems for the courts.<sup>47</sup> Occasionally, courts found "use" of the mark in the domain name, but the party "using" that mark provided such a dissimilar service and product there may not be initial interest confusion.<sup>48</sup> These findings vexed courts because often the domain name seemed to be purchased in bad faith; yet, with no confusion, there could be no trademark infringement.<sup>49</sup> Due to the prevalence of this practice, courts began calling it "cybersquatting."<sup>50</sup>

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<sup>42</sup> *Brookfield Commc'ns.*, 174 F.3d at 1042.

<sup>43</sup> *Id.* at 1057.

<sup>44</sup> See Eric Goldman, *Deregulating Relevancy In Internet Trademark Law*, 54 EMORY L.J. 507, 560–61 (2005) (arguing that *Brookfield* modified the theory of internal interest confusion from requiring credibility transference to "merely requir[ing] searcher 'diversion.'"); see also Doogan & Lemley, *supra* note 19, at 815–16. Initial interest confusion was a pre-*Brookfield* doctrine that addressed the notion that confusion can occur at times other than the point of sale; but, *Brookfield* used the concept of initial interest confusion to prove actual likelihood of confusion. *Id.* at 814–15. Courts continue to rely on *Brookfield* and still find that initial interest confusion can be substituted for actual confusion. *Id.* at 816–817; see *Promatek Indus., Ltd. v. Equitrac Corp.*, 300 F.3d 808, 812 (7th Cir. 2002) (finding initial interest confusion without finding actual confusion).

<sup>45</sup> See *Intermatic Inc. v. Toeppen*, 947 F. Supp. 1227, 1236 (N.D. Ill. 1996) (arguing that Toeppen's "use of the 'intermatic.com' domain name in and of itself would cause confusion" but not bringing up the concept of initial interest confusion).

<sup>46</sup> *Id.* at 1232.

<sup>47</sup> See *Sporty's Farm, LLC v. Sportsman's Mkt., Inc.*, No. 3:96CV0756, 1998 U.S. Dist. LEXIS 23290, at \*12–\*13 (D. Conn. Mar. 13, 1998) (finding that there was not a direct "likelihood of confusion" because Sporty's Farm was in the business of selling Christmas trees during the holiday season while Sportsman's Market was in the business of having a mail order business catalogue year round); *Giacalone v. Network Solutions, Inc.*, No. C-96 20434, 1996 U.S. Dist. LEXIS 20807, at \*2 (N.D. Cal. June 14, 1996) (granting a preliminary injunction even though both companies offered somewhat similar services); see also Sally M. Abel, *Trademark Issues in Cyberspace: The Brave New Frontier*, 5 MICH. TELECOMM. & TECH. L. REV. 91, 104 (1999) (claiming that, in *Giacalone*, the Northern District of California prevented a toy manufacturer from interfering with Giacalone's right to use the disputed website because he offered web consulting services even though Giacalone's site analogized web software to children's toys).

<sup>48</sup> See *Sporty's Farm*, 1998 U.S. Dist. LEXIS 23290, at \*12–\*13.

<sup>49</sup> See *id.*

<sup>50</sup> See *Nelmark*, *supra* note 28, at 10. During a the trial in the Northern District of Illinois, the court defined a cybersquater as "an individual who attempts to profit from the Internet by reserving and later reselling or licensing domain names back to the companies that spent millions of dollars developing the goodwill of the trademark." *Id.* Apparently, the judge had a large degree of



Recognizing the dilemma of the courts, Congress created a separate provision in the Lanham Act focusing on the bad faith intent of the domain name purchaser.<sup>51</sup> On November 29, 1999, Congress passed the Anti-Cybersquatting Protection Act creating a clear remedy for domain name disputes.<sup>52</sup> However, the courts were not finished with internet-related trademark issues and soon began considering a second line of cases that concerned downloaded programs that created pop-up advertisements on an internet user's computer.<sup>53</sup>

### *B. Pop-Up/Spyware Cases*

Pop-up advertisements are advertisements that appear on an internet user's screen without the user's consent.<sup>54</sup> They have become commonplace on the internet and have resulted in a lucrative business for programs that are able to block pop-up windows.<sup>55</sup> These programs block the "triggering device" that causes advertisements to appear on the user's screen.<sup>56</sup> Most computer users, however, do not understand that some pop-up windows are triggered by programs installed on their personal computers, oftentimes buried in the fine print of download agreements.<sup>57</sup> This is exactly the type of program WhenU, an internet advertising company, used and, as a result, became a defendant in three high profile pop-up cases.<sup>58</sup> WhenU allowed

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animosity towards this particular defendant and was a big factor in the use of the term, "cybersquatter." *See id.*

<sup>51</sup> *See* Lanham Act § 43, 15 U.S.C. § 1125(d)(1)(A)(i) (2000). A person is liable under the provision if he "has a bad faith intent to profit from that mark, including a personal name which is protected as a mark under this section." *Id.* This might significantly change a ruling in a case like *Giacalone*, in which the website used an analogy to the toy manufacturer. *See Giacalone*, 1996 U.S. Dist. LEXIS 20807, at \*2. Additionally, the CyberPiracy prevention provision helped to remedy jurisdictional problems. Lanham Act § 43, 15 U.S.C. § 1125(d)(2)(A). The Act allows a person filing a domain name suit to do so as an in rem action against the domain name itself, causing the jurisdiction to occur in the district of the domain name registrar. *Id.*

<sup>52</sup> *See* Lanham Act § 43, 15 U.S.C. § 1125(d)(1).

<sup>53</sup> *See, e.g.,* U-Haul Int'l, Inc. v. WhenU.com, Inc., 279 F. Supp. 2d 723, 725–26 (E.D. Va. 2003).

<sup>54</sup> *See* Jonathan Bick, *Trademark Law Shapes Internet Pop-Up Ads: Trademark Infringement Actions May Get Internet Advertisers to Change their Business Methods*, 180 N.J. L.J. 1017, 1017 (2005) (stating that pop-up ads appear "on an internet user's computer, while the Internet user surfs the Internet," and that these pop-ups "are normally generated by the host Web site without the user's consent").

<sup>55</sup> *See* Brad Stone, *Those Annoying Ads that Won't Go Away*, Newsweek, Oct. 14, 2002, at 38 (finding that pop-up advertisements are "obnoxious" and noting how there is growing consumer backlash against them); *see also* Shelley Emling, *Intrusive Ads Popping Up Less? Companies Start to Pull Plug on TV, Phone, Online Advertising as Consumers get Fed Up*, The Austin Am. Statesman, Nov. 3, 2002, at J1 (noting that consumers are consistently complaining about pop-up advertisements and pointing out that the company X10 Wireless Technology Inc., from January through July 2002, launched 1 billion pop-up advertisements).

<sup>56</sup> *Business*, Earthlink KO's Pop-ups to punch up marketing, Boardwatch Magazine, Nov. 1, 2002, at 8. *See* Randall Stross, *St. Google Slays Pop-Up Dragon*, INT'L HERALD TRIBUNE, Nov. 22, 2005, at Finance 3 (praising Google for setting up a "multilateral disarmament" of pop-up advertisers by not allowing them on their website).

<sup>57</sup> *See U-Haul Int'l*, 279 F. Supp. 2d at 724–25 (finding that pop-up advertisement software is downloaded to a person's computer when he downloads free programs, such as screensavers and games, from the internet).

<sup>58</sup> 1-800 Contacts, Inc v. Whenu.com, 309 F. Supp. 2d 467, 476 (S.D.N.Y. 2003), *rev'd*, 414 F.3d

internet users to download “free” screensavers in return for accepting software containing an adware/spyware program that caused pop-ups.<sup>59</sup> This program used a directory “of commonly used search phrases, commonly visited web addresses, and various keyword algorithms” to determine whether a computer should receive a pop-up advertisement.<sup>60</sup> For example, when a consumer entered the domain name “www.1800contacts.com” in an attempt to purchase eye-care products, the WhenU program recognized the domain name and triggered pop-up advertisements for other eye-care companies as well.<sup>61</sup>

Unlike domain name cases where courts focused on “likelihood of confusion”, most courts in pop-up cases focused on the word “use” in the Lanham Act and whether a liberal or strict reading applied.<sup>62</sup> To complicate things further, it is unclear whether courts interpreting the Act opted for a liberal interpretation of “use” or simply confused trademark “use” with the concept of “use in commerce” to invoke federal jurisdiction on trademark issues.<sup>63</sup>

The initial cases involving WhenU, *U-Haul v. WhenU* and *Wells Fargo v. WhenU*, reached similar results on the determination of “use.”<sup>64</sup> These cases strictly interpreted “use” within the Lanham Act to mean an actual public use of the

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400 (2nd Cir. 2005) (arguing that WhenU.com used the 1-800 Contacts domain name to trigger direct competitors advertisements); *U-Haul Int'l*, 279 F. Supp. 2d at 723 (arguing that, similar to *1-800 Contacts*, its trademarks were being illegally used); *Wells Fargo & Co. v. WhenU.com, Inc.*, 293 F. Supp. 2d 734, 757 (E.D. Mich. 2003) (pursuing trademark infringement).

<sup>59</sup> *1-800 Contacts, Inc. v. WhenU.com, Inc.*, 414 F.3d 400, at 404 (2nd Cir. 2005); *U-Haul Int'l*, 279 F. Supp. 2d at 726; *Wells Fargo*, 293 F. Supp. 2d at 739. *1-800 Contacts*, *U-Haul Int'l*, and *Wells Fargo* all involve WhenU.com’s software that a user accepts through a license agreement when downloading various free internet software. *1-800 Contacts*, 414 F.3d at 404; *U-Haul Int'l*, 279 F. Supp. 2d at 726; *Wells Fargo*, 293 F. Supp. 2d at 739.

<sup>60</sup> *U-Haul Int'l*, 279 F. Supp. 2d at 725–26.

<sup>61</sup> See *1-800 Contacts*, 309 F. Supp. 3d at 476. The similarity between WhenU’s software and Google’s AdWords product are similar. Compare *1-800 Contacts*, 414 F.3d at 404, with *Google v. Am. Blind & Wallpaper Factory, Inc.*, No. C 03-05340-JF, 2005 U.S. Dist. LEXIS 6228, at \*5–\*6 (N.D. Cal. Mar. 30, 2005). Both systems use trademarked terms to generate advertisements. Compare *1-800 Contacts*, 309 F. Supp. 3d at 476, with *Am. Blind*, 2005 U.S. Dist. LEXIS, at \*5–\*6.

<sup>62</sup> See *Wells Fargo*, 293 F. Supp. 2d at 757–58 (holding that even though defendant “used” plaintiff’s website in its adware to trigger pop-ups, it is not trademark “use” because the plaintiff’s trademark was not seen by the consumer/computer user). But see *1-800 Contacts*, 309 F. Supp. 3d at 489 (finding that a search engine that contains the URL for plaintiff’s website that triggers competitors pop-up ads was capitalizing on the goodwill of plaintiff with the use of its product); *GEICO v. Google*, No. 1:04cv507, 2005 U.S. Dist. LEXIS 18642, at \*11 (E.D. Va. Aug. 8, 2005) (finding, in a search engine context, that defendant “used” plaintiff’s marks and rejecting defendant’s argument that the marks were used only in defendant’s computer coding and was not seen by the consumer/computer user).

<sup>63</sup> Compare Brief of Amicus Curiae Google Inc. Supporting Neither Appellants Nor Appellee But Supporting Reversal at 4–5, *1-800 Contacts, Inc v. WhenU.com*, 414 F.3d 400 (2nd Cir. 2005) (No. 04-0026-cv) 2004 WL 546932 (arguing that the *1-800 Contacts* court went beyond a liberal reading and erroneously confused the concepts of “use” to invoke jurisdiction and “use” to satisfy the “use” element of a trademark action), with 15 U.S.C. § 1127 (2000) (defining “use in commerce” as “the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark”).

<sup>64</sup> See *U-Haul Int'l*, 279 F. Supp. 2d at 728 (finding that public use can only be shown when infringers use a trademark to generate business/interest in their product by identifying their products with the trademark they are infringing upon); see also *Wells Fargo*, 293 F. Supp. 2d at 747 (holding that use is actual public use).

trademark.<sup>65</sup> The *U-Haul* court found that “use” could only be shown if U-Haul could prove that WhenU used U-Haul’s marks in the pop-ups and associated them with WhenU’s advertising services.<sup>66</sup> The problem was that advertisements for WhenU never appeared in the pop-up windows; only advertisers that paid WhenU to have their names in the WhenU program registry would appear.<sup>67</sup> Because WhenU’s pop-up windows were separate and distinct from the trademark protected website and the use of the trademarked URL as an ad trigger was not seen by the consumer, nor promoted by WhenU’s software, the Eastern District of Virginia concluded there was no “use” under the Act.<sup>68</sup>

In *Wells Fargo*, the Eastern District of Michigan similarly concluded WhenU’s pop-up advertisements did not constitute “use” because WhenU simply used the trademark to “identify the website itself, just like one would have to use the word ‘Macy’s’ to describe the Macy’s department store.”<sup>69</sup>

The first two WhenU cases made clear that the courts would not extend the requirement of “use in commerce” to pop-up software providers.<sup>70</sup> However, the third case in the series, *1-800 Contacts v. WhenU*, initially found differently.<sup>71</sup> The District Court of New York disagreed with the Eastern Districts of Michigan and Virginia, finding there was “use” in two separate ways. First, the court found that WhenU’s program, which caused competitors’ pop-up advertisements to appear when internet users specifically attempted to access another website, provided services “rendered in commerce.”<sup>72</sup> Second, the inclusion of the exact trademark, 1-800

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<sup>65</sup> See *U-Haul Int’l*, 279 F. Supp. 2d at 728 (finding that public use can only be shown when infringers use a trademark to generate business/interest in their product by identifying their products with the trademark they are infringing upon); see also *Wells Fargo*, 293 F. Supp. 2d at 747 (holding that use is actual public use).

<sup>66</sup> *U-Haul Int’l*, 279 F. Supp. 2d at 728. The court did not mention that “use” could not be shown in the pop-up context *per se*, but found that U-Haul provided insufficient evidence to prove trademark use. See *id.*

<sup>67</sup> *Id.*

<sup>68</sup> See *id.* at 725. The court additionally found that while the SaveNow program may have caused inconvenience, but it did not hinder users from accessing U-Haul’s website in a trademark “use” type of way. *Id.*

<sup>69</sup> *Wells Fargo*, 293 F. Supp. 2d at 762. The Eastern District of Michigan additionally distinguished the “metatag” cases by not only claiming there was a use of the metatag but that there was also an additional use by the companies to rise to the level of “use.” *Id.* at 763. These additional uses are comparable to domain name disputes because defendants also use domain name to establish their website in addition to the metatags. See *id.*

<sup>70</sup> *U-Haul Int’l*, 279 F. Supp. 2d at 728; see *Wells Fargo*, 293 F. Supp. 2d at 762.; *U-Haul Int’l*, 279 F. Supp. 2d at 728.

<sup>71</sup> Compare *Wells Fargo*, 293 F. Supp. 2d at 762 (finding that WhenU’s “use” had to be actual use of Wells Fargo’s marks), and *U-Haul Int’l*, 279 F. Supp. 2d at 728 (finding that the “use” requirement was not fulfilled), with *1-800 Contacts, Inc. v. WhenU.com*, 309 F. Supp. 2d 467, 489 (2003) (holding that not only did “WhenU” “use” the mark, it did so in such a way that constituted a “use in commerce”). The Southern District of New York did not accept WhenU’s arguments that: 1) WhenU’s advertising pop-ups occurred in separate windows; consequently, the pop-ups and the 1-800 Contacts website would be visible at the same time creating no likelihood of confusion; and 2) “nothing is more fundamental” in trademark infringement “use” than showing that WhenU not only used the 1-800 Contacts marks, but used the marks in such a way that a consumer would associate WhenU with 1-800 Contacts goods. *1-800 Contacts*, 309 F. Supp. 2d at 488.

<sup>72</sup> *1-800 Contacts*, 309 F. Supp. 2d at 489. The court supported this conclusion by reasoning

CONTACTS, in the adware was “use” by WhenU.<sup>73</sup> The court either liberally read “trademark use” or confused it with the “use in commerce” jurisdictional requirement.<sup>74</sup>

The District Court of New York’s decision in *1-800 Contacts* allowed American Blind to survive Google’s motion to dismiss in *Google v. American Blind*.<sup>75</sup> However, for American Blind to be ultimately successful in its trademark infringement claim against Google, American Blind must establish that AdWords’s suggestion that competitors purchase American Blind’s marks rises to the level of direct trademark “use.”<sup>76</sup> The District Court of New York was helpful because its finding that the inclusion of a trademarked term in WhenU’s software was direct “use” can be easily analogized with Google’s act of suggesting/allowing trademarked terms to be purchased in its AdWords program. Regardless whether the District Court of New York’s liberal construction of “use” was confused with the “use in commerce” federal jurisdictional requirement, American Blind relied on that construction to overcome Google’s motion to dismiss.<sup>77</sup>

Shortly after American Blind survived Google’s motion to dismiss, the *1-800 Contacts* case was overturned on appeal to the Second Circuit.<sup>78</sup> The Second Circuit believed there was no “use in commerce” within trademark law and ultimately deferred to the strict interpretation of “use in commerce” by the *Wells Fargo* and *U-Haul* courts.<sup>79</sup> Google submitted an amicus brief supporting reversal of the District Court’s interpretation of “use.”<sup>80</sup> The Second Circuit seemingly agreed with Google

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that when computer users with WhenU’s software attempted to access the 1-800 Contacts website and the software triggered pop-up advertisements for direct competitors, it was based off of the goodwill from the 1-800 Contacts brand. *Id.*

<sup>73</sup> *Id.*

<sup>74</sup> Doogan & Lemley, *supra* note 19, at 805. Doogan and Lemley argue that the traditional interpretation of public trademark “use” by the courts is that the Lanham Act prohibits only “use of the [trade]mark to brand or advertise the defendant’s services or to suggest an affiliation with the plaintiff.” *Id.* They further claim that the *1-800 Contacts* court either erred or wrongly expanded the doctrine because no matter how much WhenU used 1-800 Contacts’s marks they did not “use” 1-800 Contacts’s mark in a way to associate the mark with WhenU. *Id.* This is ultimately evidenced by the fact that when a computer user types in the 1-800 Contacts mark, WhenU’s SaveNow software generates pop-ups of 1-800 Contacts’s competitors, not advertisements for WhenU itself. *See id.* *But see*, Sarah J. Givan, *Using Trademarks as Location Tools on the Internet: Use in Commerce?*, 2005 UCLA J.L. & TECH. 4, ¶ 6 (2005) (arguing that the liberal interpretation of “use” does not go against trademark law nor is it wrongly reasoned because the pop-up windows are used in such a way that could cause a likelihood of confusion).

<sup>75</sup> *Google v. Am. Blind & Wallpaper Factory, Inc.*, No. C 03-05340, 2005 U.S. Dist. LEXIS 6228, at \*22, \*41 (N.D. Cal. Mar. 30, 2005).

<sup>76</sup> *See id.*

<sup>77</sup> *See id.* (stating “[h]owever, in light of the uncertain state of the law [i.e. the *1-800 Contacts* and *Playboy* decisions], the court does not find the Defendants’ arguments sufficient to warrant dismissal of American Blind’s counterclaims and third-party claims at the pleading stage”).

<sup>78</sup> *1-800 Contacts, Inc. v. WhenU.com*, 414 F.3d 400, 413 (2nd Cir. 2005). The Second Circuit remanded the Southern District of New York’s decision that WhenU “used” the marks according to the definition of “use” in the Lanham Act and remanded the case with instructions to “dismiss with prejudice 1-800’s trademark infringement claims against WhenU.” *Id.*

<sup>79</sup> *Id.* at 408. The Second Circuit maintained that even though *1-800 Contacts* believed it was not bound by the *U-Haul* and *Wells Fargo* decisions, the “thorough analyses” by both courts on the same issue at hand was “persuasive and compelling.” *Id.*

<sup>80</sup> Brief of Amicus Curiae Google Inc. Supporting Neither Appellants Nor Appellee But Supporting Reversal at 4–5, *1-800 Contacts, Inc v. Whenu.com*, 414 F.3d 400 (2nd Cir. 2005) (No.

that the District Court of New York confused the federal jurisdiction requirement of “commercial use” with the separate and distinct trademark infringement requirement that the infringing party “use” another’s mark “in commerce.”<sup>81</sup>

The WhenU case trilogy is not the only line of cases against pop-up windows and adware. In *Sotelo v. Directrevenue*, a computer user sued an adware company on a claim of trespass to chattels and survived a motion to dismiss.<sup>82</sup> In addition, there is pending legislation in the federal government and enacted legislation in Utah specifically targeting “spyware,” though neither is related to trademark law.<sup>83</sup> The pop-up cases raise issues such as whether trademark law is the best avenue for remedy, whether tort actions or other areas of current law, besides trademark, are a better fit, and whether legislation is necessary to remedy the problem. These questions are similar to the issues raised by recent search engine litigation.<sup>84</sup>

### C. Search Engine Cases

Two cases that discuss a search engine’s liability for trademark infringement are *Playboy v. Netscape* and *GEICO v. Google*.<sup>85</sup> In *Playboy*, a search provider had a

04-0026-cv) 2004 WL 546932. Google argued that the Southern District of New York’s decision appeared to be a misinterpretation of “use.” *Id.* Google argued that the court confused “use in commerce,” which creates minimum contacts and enables Federal diversity jurisdiction, with “use,” an element of trademark infringement that requires a showing that WhenU used 1-800 Contact’s trademark to associate the mark with WhenU’s goods or services. *Id.*

<sup>81</sup> Compare *id.* at \*5 (2nd Cir Feb. 18, 2004) (stating, very similar to the way the second circuit later ruled that it found the *U-Haul* and *Wells Fargo* cases controlling, that the District Court’s ruling on “use” placed the law in “direct conflict with the only two other cases to consider trademark liability for pop-up ads; with *1-800 Contacts*, 414 F.3d at 408 (finding “the thorough analyses set forth in both *U-Haul* and *Wells Fargo* to be persuasive and compelling”).

<sup>82</sup> *Sotelo v. Directrevenue LLC*, 384 F. Supp. 2d 1219, 1230–33 (N.D. Ill. 2005). The Northern District of Illinois found that even though trespass to personal property had been “largely relegated to a historical note in legal textbooks,” it was still a valid cause of action and had enough legal weight to withstand a motion to dismiss. *Id.* at 1230. The court went on to say that trespass to chattels has a viable application to spyware programs because the prima facie elements of trespass to chattels, which are interference and damage, equally apply in an internet context. *See id.*

<sup>83</sup> *See generally* Utah Code Ann. § 13-40-101 (2000). The statute states that a person cannot “display a pop-up advertisement” through a spyware program if the advertisement is triggered “in response to a specific mark” or “in response to a specific internet website address” regardless of whether it is trademark infringement. Utah Code Ann. § 13-40-201(1)–(1)(c) (2000). *See* Securely Protect Yourself Against Cyber Trespass Act, H.R. 2929, 109th Cong. § 3 (2005) (containing proposed legislation seeking to require more stringent notice requirements when a computer user downloads a program that contains spyware). Most recently, this bill was approved by the House by a vote of 393-4. The Library of Congress Thomas Bill Summary of H.R. 29, <http://thomas.loc.gov/cgi-bin/bdquery/z?d109:H.R.29:@@L&summ2=m&> (last visited Mar. 31, 2006).

<sup>84</sup> *See* Goldman, *supra* note 44, at 588–89 (arguing there should not be attempts to make search providers liable for trademark infringement based on keyword usage where domain name registrars, essentially doing the same thing, have long enjoyed protection from trademark infringement lawsuits).

<sup>85</sup> *Playboy Enters., Inc. v. Netscape Commc’ns. Corp.*, 354 F.3d 1020, 1022–23 (9th Cir. 2004) (discussing the concept of “keying” in which advertisers linked advertisements to pre-identified terms the computer user typed into the search engine); *GEICO v. Google, Inc.*, 330 F. Supp. 2d 700, 701 (E.D. Va. 2004) (analyzing a case where GEICO accused Google of “using” GEICO’s marks for advertising purposes through Google’s search engine).

policy that required adult oriented companies to link their advertisements to Playboy's trademarked terms "Playboy" and "Playmate."<sup>86</sup> Similar to *Google v. American Blind*, when the search engine user typed in "playboy" or "playmate," ad banners of other sites would appear.<sup>87</sup> Playboy, as a result, filed a claim for trademark infringement against Netscape.<sup>88</sup>

The Ninth Circuit quickly dismissed the "use" issue under a liberal interpretation of the statute.<sup>89</sup> The court, instead, dedicated a majority of its discussion to the issue of "likelihood of confusion."<sup>90</sup> Applying the principles of initial interest confusion established in *Brookfield*, the court concluded there was a genuine issue of material fact as to a substantial likelihood of confusion.<sup>91</sup>

Likewise, in *GEICO*, the Eastern District of Virginia liberally interpreted the definition of "use."<sup>92</sup> However, it is difficult to argue that the court confused the interpretation of "use" with the Federal jurisdictional requirement because the court distinguished that Google used both GEICO's trademarks "in commerce" and "in connection with the sale, offering for sale, distribution, or advertising."<sup>93</sup> Similar to *Playboy*, *GEICO* stressed that once "use" occurred there must be a finding of "likelihood of confusion."<sup>94</sup> To show "likelihood of confusion," GEICO introduced surveys of internet users' confusion with the search engine-triggered advertisement,

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<sup>86</sup> *Playboy*, 554 F.3d at 1023. The Ninth Circuit found that Netscape actually required adult oriented companies to link their advertisements to "Playboy" and "Playmate" so, when the keywords were typed in by the computer user, those companies' banner ads appeared on the search results page. *Id.*

<sup>87</sup> *Id.*

<sup>88</sup> *Id.* Playboy brought action against Netscape on the alternative theories of trademark infringement and trademark dilution. *Id.* Procedurally, the Ninth Circuit first overturned the District Court's denial of Playboy's request for a preliminary injunction and then overturned the district court's subsequent granting of summary judgment in favor of Netscape. *Id.*

<sup>89</sup> *Id.* at 1024 (finding that Netscape had "used" Playboy's marks in the span of a sentence and focusing the rest of the argument on the "likelihood of confusion" element of trademark infringement).

<sup>90</sup> *Id.* The Ninth Circuit reasoned that the "core element" of a trademark infringement action is the likelihood of confusion element and that element is the center of the *Playboy* case. *Id.*

<sup>91</sup> *Id.* at 1026. The *Playboy* court relied on an eight-part test for determining initial interest confusion that was established in an earlier case. *Id.* This test balances several factors, some of which do not apply and others that weigh more heavily. *Id.* The test analyzes, among other things, the "strength of the mark," the "evidence of actual confusion," and the "defendant's intent in selecting the mark." *Id.* Additionally, the court suggested that the showing of actual confusion is the most import of the factors. *See id.* Defendant's intent in possessing the mark is similar to the intent/bad faith requirement in the Cyberpiracy prevention provision. *See* 15 U.S.C. § 1125(d)(1)(A)(i) (2000).

<sup>92</sup> *GEICO v. Google, Inc.*, 330 F. Supp. 2d 700, 703 (E.D. Va. 2004). The Eastern District of Virginia summarized the conflict in the law between the two definitions of the trademark "use" element. *Id.* The court stated, "in *1-800 Contacts* . . . on facts identical to those found in *U-Haul* and *Wells Fargo* cases" the Southern District of New York took the completely opposite position and found that WhenU engaged in "trademark" use. *Id.* The court ultimately found that the interpretation of trademark "use" by the *1-800 Contacts* and *Playboy* courts was better and would control the interpretation of "use" in the case at hand. *Id.*

<sup>93</sup> *Id.* at 703–04. The Court reasoned that if they were to accept the facts alleged by GEICO as true, GEICO would prevail on the "use in commerce" requirement. *Id.*

<sup>94</sup> *GEICO v. Google, Inc.*, No. 1:04cv507, 2005 U.S. Dist. LEXIS 18642, at \*11–\*12 (E.D. Va. Aug. 8, 2005)

which the court ultimately found unconvincing.<sup>95</sup>

*Google v. American Blind* must be decided in the above context. The court faces many difficult decisions such as how it will apply “use in commerce,” whether it believes trademark is an adequate form of remedy for American Blind’s situation, and whether it should rely on Congress to create a specifically tailored exception.

## II. ANALYSIS

This section discusses three major questions that the *American Blind* court must decide. First, this section compares and contrasts both the liberal and traditional interpretations of the “use in commerce” element. Second, this section analyzes whether the court should deny trademark infringement as an adequate avenue of remedy for search engine actions or promote another area of law as a solution. Last, taking into perspective the history of congressional legislation relating to online intellectual property rights, there is an exploration of the viability of advocating congressional creation of search engine specific legislation.

### A. “Use in Commerce.” Inherent Problems with a Liberal Interpretation?

The *Playboy* and *GEICO* decisions create difficulties for Google because, despite Google’s success in having the liberal interpretation of “use in commerce” overturned by the Second Circuit in *1-800 Contacts*, the more on-point *Playboy* and *GEICO* cases seem to embrace the liberal view.<sup>96</sup> In Google’s reply in support of a motion to dismiss, Google argued that *Playboy* and *Brookfield* are inapposite.<sup>97</sup> Additionally, Google asked that *GEICO* be limited to its specific facts.<sup>98</sup> However, if American Blind succeeds in getting a liberal interpretation of “use,” what does this mean for trademark law as a whole?

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<sup>95</sup> *GEICO v. Google, Inc.*, No. 1:04cv507, 2005 U.S. Dist. LEXIS 18642, at \*17–\*26 (E.D. Va. Aug. 8, 2005) (finding that GEICO’s survey was weak and failed to demonstrate a “likelihood of confusion” because the control group did not “demonstrate the source of the test group’s confusion.”).

<sup>96</sup> *Compare GEICO*, 330 F. Supp. 2d at 704 (finding that Google’s use of the trademark in its adware program satisfies the “use in commerce” requirement), *and Google v. Am. Blind & Wallpaper Factory*, No. C 03-05340, 2005 WL 832398, at \*5 (N.D. Cal. Mar. 30, 2005) (finding that, under the standard of a motion to dismiss, American Blind’s argument that Google “used” its mark survived), *with* Brief of Amicus Curiae Google Inc. Supporting Neither Appellants Nor Appellee But Supporting Reversal at 4–5, *1-800 Contacts, Inc v. Whenu.com*, 414 F.3d 400 (2nd Cir. 2005) (No. 04-0026-cv) 2004 WL 546932 (claiming, in an amicus brief written by Google, the Eastern District of New York misinterpreted use and the traditional view should be embraced).

<sup>97</sup> *Am. Blind*, 2004 WL 2159680, at \*5–\*6. Google argued that *Brookfield* and *Playboy* did “not directly address the issue of whether the defendant’s actions can constitute a Lanham Act ‘use’” because both cases essentially bootstrapped the use argument with the separate requirement of the “likelihood of confusion.” *Id.* at \*6.

<sup>98</sup> *See id.* at \*11. Google argued *GEICO* did not apply because in the case *GEICO* actually alleged Google used its marks, whereas, in *American Blind*, American Blind is only arguing the “likelihood of confusion” element. *Id.*

### 1. Justification for Trademark Law

Trademark law was created to protect businesses from unfair competition and dilution of their brand.<sup>99</sup> However, it was not intended to stifle competition in the free marketplace.<sup>100</sup> A court must attempt to balance these two conflicting policy questions in its interpretation of “use in commerce.”<sup>101</sup> The general interpretation of trademark “use,” in a non-internet context, is that the infringing parties “use” another party’s mark “in connection with the offering of [their] goods and services.”<sup>102</sup> Additionally, the infringing parties are generally required to be a competitor of the trademark holder.<sup>103</sup> Search engine cases seek to expand the definition of “use” because search engines are not using the “sponsored links” section to advertise their own services nor are they generally a competitor of the opposing party.<sup>104</sup> For example, Google’s services as a search engine are not being advertised under the “sponsored links” section when someone types in “American Blind,” but the companies that purchased the term from Google’s AdWords are. Moreover, Google’s role as a search engine is not in competition with a wallpaper and blinds retailer like American Blind. Nevertheless, there are several reasons for not expanding the definition of “use,” while, conversely, there are several reasons for expanding the definition.

### 2. Support for a Strict Interpretation of “Use”

A group of scholars against the broad interpretation of “use” believes the

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<sup>99</sup> See Lanham Act § 43, 15 U.S.C. § 1125 (2000). The Lanham Act inherently carves out circumstances which allow a business remedy for unfair competition. See *id.* 15 U.S.C. § 1125 covers trademark infringement, dilution, and cybersquatting. *Id.*

<sup>100</sup> *Colligan v. Activities Club of NY, LTD.*, 442 F.2d 686, 692 (2nd Cir. 1970) (interpreting the Lanham Act as protecting unfair competition, but also calling it a “special and limited unfair competition remedy”); *Allied Maint. Corp. v. Allied Mech. Trades, Inc.*, 42 N.Y.2d 538, 544 (N.Y. 1977) (referring to a dilution statute, the court claimed that the “evil which the Legislature sought to remedy was not public confusion caused by similar products or services sold by competitors”). Both of these cases illustrate how courts attempt to interpret statutory intent and are examples of the balancing between the wrongs the Lanham Act attempts to prevent and the encouragement of competition. See *Allied Maint. Corp.*, 42 N.Y.2d at 544; *Colligan*, 442 F.2d at 692.

<sup>101</sup> See *Allied Maint. Corp.*, 42 N.Y.2d at 544; *Colligan*, 442 F.2d at 692.

<sup>102</sup> See *Doogan & Lemley*, *supra* note 19, at 779 (mentioning that to “face liability under trademark law, a party had to ‘use’ a mark as a brand in connection with the offering of goods and services, usually in direct competition with the trademark holder”).

<sup>103</sup> See *Doogan & Lemley*, *supra* note 19, at 779 (discussing how in the domain name cases courts had a hard time applying the very liberal concept of initial interest confusion when the potential infringing party had a dissimilar product or service); *DaimlerChrysler AG v. Bloom*, 315 F.3d 932, 939 (8th Cir. 1996) (claiming that the trademark holder was not entitled to relief unless the defendant used the actual mark to cause “the public to see the protected mark and associate the infringer’s goods or services with those of the mark holder”).

<sup>104</sup> See Brief of Amicus Curiae Google Inc. Supporting Neither Appellants Nor Appellee But Supporting Reversal at 4–8, *1-800 Contacts, Inc v. Whenu.com*, 414 F.3d 400 (2nd Cir. 2005) (No. 04-0026-cv) 2004 WL 546932 (arguing that the expansive definition of use would not only expand traditional trademark law, but expand it in a negative fashion).



expansion threatens informative speech and fair competition.<sup>105</sup> This rhetoric appeared in *Ringling Bros.-Barnum & Bailey v. Utah Division of Travel Development*.<sup>106</sup> Ringling Brother's trademarked term THE GREATEST SHOW ON EARTH.<sup>107</sup> In discussing trademark dilution, the Fourth Circuit stated a "broad interpretation of statutes would undermine the balance between private and public rights" of traditional trademark protection.<sup>108</sup>

Another case that refused to expand use on similar grounds was *Lockheed Martin v. Network Solutions*.<sup>109</sup> Network Solutions was a domain name registrar.<sup>110</sup> In the course of business, it sold domain names, which contained Lockheed Martin's famous marks, to domain name purchasers; as a result, Lockheed Martin sued Network Solutions for trademark infringement.<sup>111</sup> In a decision relying heavily on policy, the Northern District of Texas determined that allowing Lockheed Martin to prevail would place Network Solutions in a position to perform "gatekeeper functions."<sup>112</sup> The Northern District of Texas reasoned that imputing gatekeeper status on Network Solutions would require Network Solutions to evaluate the legitimacy of every person registering a domain name.<sup>113</sup> The court concluded that this would not only be a hard standard for Network Solutions to attain, but it would create a multitude of problems which, in the Northern District of Texas's view, would

<sup>105</sup> See Doogan & Lemley, *supra* note 19, at 780–82 ("suggesting that Internet intermediaries have a responsibility to police the content of their advertisers and a duty to avoid the use of marks as keywords . . . *Playboy* and its progeny threaten to chill a vast sector of informative speech"); Uli Widmaier, *Use, Liability, and the Structure of Trademark Law*, 33 HOFSTRA L. REV. 603, 604 (arguing that "the courts' current tendency to overprotect communicative symbols of all kinds via trademark law impoverishes human discourse and leads inevitably to collisions with the First Amendment"). Mark A. Lemley, the co-Author of *Trademark in Transition: Institute for Intellectual Property & Information Law Symposium: Trademarks and Consumer Search Costs on the Internet*, was also the representative for Google in the filing of the amicus brief before the Second Circuit in the *1-800 Contacts, Inc. v. WhenU.com* decision. Brief of Amicus Curiae Google Inc. Supporting Neither Appellants Nor Appellee But Supporting Reversal at 1, *1-800 Contacts, Inc. v. WhenU.com*, 414 F.3d 400 (2d Cir. 2005) (No. 04-0026-cv) 2004 WL 546932.

<sup>106</sup> See *Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. UT Div. Travel Dev.*, 170 F.3d 449, 455 (4th Cir. 1999).

<sup>107</sup> *Id.* at 451–52 (4th Cir. 1999) (stating that the cause of action developed when Ringling Brothers sought "injunctive and monetary relief, on allegations that Utah's use of the 'GREATEST SNOW' mark 'diluted' Ringling's 'GREATEST SHOW' mark").

<sup>108</sup> *Id.* at 455. See *Moseley v. Secret Catalogue*, 537 U.S. 418, 433 (2003). Although the United States Supreme Court overturned *Ringling Brothers* in part, it did agree that "where the marks at issue are not identical, the mere fact that consumers mentally associate the junior user's mark with the famous mark is not sufficient to establish actionable dilution." *Id.*

<sup>109</sup> *Lockheed Martin Corp. v. Network Solutions, Inc.*, 141 F. Supp. 2d 648, 656 (N.D. Tex. 2001) (concluding that dilution claims are premised on the infringing parties' "use" of plaintiff's trademark or any attempt to benefit from that mark).

<sup>110</sup> *Id.* at 650.

<sup>111</sup> See *id.* (including these examples: "lockheedmartin.org, lockheedmartin-comsat.com, and comsat-lockheedmartin.com").

<sup>112</sup> *Id.* at 655. Network Solutions service, as a registrar that kept a registry of domain names, could not bear the expense and liability of registering trademarked domain names. *Id.* The court ultimately seemed unwilling to extend trademark law for fear that it would cripple the domain name registering industry. *Id.*

<sup>113</sup> *Id.*

make it impossible for Network solutions to function as a registrar.<sup>114</sup> Analogizing *Networking Solutions* with *Google v. American Blind*, AdWords allows people to purchase search terms, just like Network Solutions allows people to purchase domain names.<sup>115</sup> Continuing the parallel, Google could argue that extending trademark liability to AdWords's practice of allowing advertisers to purchase trademarks of competitors would subject it to gatekeeper functions wrought with liability and economically crippling repercussions.<sup>116</sup>

Google, in its amicus brief in *1-800 Contacts*, further pushed policy reasons for the court not to expand the definition of trademark "use."<sup>117</sup> Google argued that its practice is no different than walking into a drug store to purchase a certain type of drug, and finding the drug store's generic brand next to the name brand product.<sup>118</sup> In addition to the legal backdrop of the three *WhenU* cases, which applied the strict/traditional interpretation of "use," Google used the above policy arguments to persuade the court to keep the interpretation of "use" strict.<sup>119</sup>

### 3. Support for a Liberal Interpretation of "Use"

On the other hand, the argument for the liberal interpretation of "use" is that businesses, like American Blind, will be granted trademark remedy against a search engine for perpetuating the problem.<sup>120</sup> Supporters of a liberal construction of "use" separate search engines from traditional trademark analysis.<sup>121</sup> At least one commentator has disagreed directly with the traditional interpretation and attacked it.<sup>122</sup> In an attempt to distinguish *Network Solutions*, the commentator argued that

<sup>114</sup> *Id.*

<sup>115</sup> *Id.* at 650.

<sup>116</sup> See generally William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J.L. & ECON. 265, 268–70 (1987). Underlying and supporting the policy to create trademark law is Judge Posner's Law and Economics theory. *Id.* Posner posits that the lowering of brand recognition costs to consumers was one of the justifications for trademark law. *Id.*

<sup>117</sup> Brief of Amicus Curiae Google Inc. Supporting Neither Appellants Nor Appellee But Supporting Reversal at 4–5, *1-800 Contacts, Inc v. Whenu.com*, 414 F.3d 400 (2nd Cir. 2005) (No. 04-0026-cv) 2004 WL 546932.

<sup>118</sup> *Id.* There were several analogies submitted to the court by Google. *Id.* These included: newspapers being allowed to use "trademarked terms in a headline," magazines being able to sell "advertising that relates to the content of their special issues," and restaurants and other businesses buying property close to "an established competitor . . . [and] trading on the attraction the established company has created." *Id.*

<sup>119</sup> See *id.*

<sup>120</sup> See Givan, *supra* note 74, at ¶ 6. Givan argues search engine use, such as Google's selling of adware, should be considered "use" in commerce because a liberal interpretation allows courts to analyze the main point of trademark law: the "likelihood of confusion." Givan, *supra* note 74, at ¶ 6. However, she ultimately believes search engine actions that pass the "use" requirement will fail under the "likelihood of confusion" element. Givan, *supra* note 74, at ¶ 6.

<sup>121</sup> See Givan, *supra* note 74, at ¶ 6.

<sup>122</sup> Givan, *supra* note 74, at ¶ 6. Because a potential liberal reading of "use" is in its infant stages, there are not many cases that support the policy arguments. See *GEICO v. Google, Inc.*, 330 F. Supp. 2d 700, 704 (E.D. Va. 2004) (mentioning no policy arguments when it found use), *Playboy Enters., Inc. v. Netscape Comm'ns Corp.*, 354 F.3d 1020, 1024 (9th Cir. 2004) (mentioning that the

Network Solutions charged the same amount for every registered domain name, while, Google allows advertisers to bid on AdWords, charging the advertisers according to the number of times a computer user activates the link.<sup>123</sup> However, the argument is shaky because it attempts to bootstrap the “likelihood of confusion” element for the “use” element.<sup>124</sup>

The argument for liberal interpretation ultimately reasons that because the overriding policy of trademark law is to prevent consumer confusion, “the ‘use in commerce’ definition should be interpreted flexibly enough so as to prevent that use.”<sup>125</sup> The question begs to be asked is if an act is committed that meets a requirement of a multipart test, should the rest of that multipart test be interpreted liberally to ultimately find a wrong has been committed. More importantly, does Google’s practice of “suggesting” an internet user purchase certain AdWords that contain trademarks go far enough past *Network Solutions* to the extent that Google is no longer a “gatekeeper,” but an actual participant?

### *B. Is Trademark Infringement the Proper Cause of Action in Search Engine Cases?*

Trademark owners asserting their rights in both the search engine and pop-up cases made sure not to put their entire argument into one cause of action.<sup>126</sup> It is not unusual to see internet related trademark claims grouped under the contributory form of trademark infringement and the direct and contributory forms of trademark dilution.<sup>127</sup> Occasionally, attorneys will attempt to use non-trademark causes of action, like the trespass to chattels claim in *Sotelo*, to grant their client remedy.<sup>128</sup> The *Google* court must determine whether trademark infringement is the most viable and actionable form of remedy in search engine cases.

In *U-Haul v. WhenU*, U-Haul pleaded trademark dilution along with trademark infringement.<sup>129</sup> However, proving *prima facie* trademark dilution and infringement

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commerce clause has traditionally been interpreted liberally). Basically, the *Playboy* and *GEICO* decisions are the only two valid cases directly on point. *GEICO*, 330 F. Supp. 2d at 703; *Playboy*, 354 F.3d at 1024. With few cases, and in the face of a long line of legal precedent that interprets “use” narrowly, Givan distinguishes the historical policy arguments from the current search engine situation. Givan, *supra* note 74, at ¶¶ 30–42.

<sup>123</sup> See Givan, *supra* note 74, ¶ 42.

<sup>124</sup> See Givan, *supra* note 74, ¶ 47. But see *Holiday Inns, Inc. v. 800 Reservation, Inc.*, 86 F.3d 619, 626 (6th Cir. 1996) (refusing to perform an analysis test for the “likelihood of confusion” because “use,” a threshold issue, was not met).

<sup>125</sup> Givan, *supra* note 74, ¶ 47; see *1-800 Contacts, Inc. v. WhenU.com*, 309 F. Supp. 2d 467, 489 (S.D.N.Y. 2003) (finding that a pop-up advertisement is not only confusing, but also capitalizes on the goodwill of those who use the product); *Playboy*, 354 F.3d at 1024 (commenting that the main goal of trademark is to prevent consumer confusion).

<sup>126</sup> See *Google v. Am. Blind & Wallpaper Factory, Inc.*, No. C 03-05340, 2005 U.S. Dist. LEXIS 6228, at \*3 (N.D. Cal. Mar. 30, 2005). American Blind threw the proverbial kitchen sink at Google by not only suing on claims of direct and contributory infringement and dilution actions, but going a step further and charging tortious interference with a prospective business advantage. *Id.*

<sup>127</sup> *Id.*

<sup>128</sup> *Sotelo v. Directrevenue LLC*, 384 F. Supp. 2d 1219, 1222 (N.D. Ill. 2005).

<sup>129</sup> *U-Haul Int’l, Inc. v. WhenU.com, Inc.*, 279 F. Supp. 2d 723, 729 (E.D. Mich. 2003). The court stated that the elements of dilution are: 1) the party asserting the action has famous marks, 2) the offending party makes commercial use of the marks in commerce, 3) the use of those marks

requires a showing that the trademarks in question are “used in commerce.”<sup>130</sup> Because the *U-Haul* court did not find WhenU “used” U-Haul’s marks within the context of a trademark infringement claim, it could not find that WhenU “used” the marks to dilute U-Haul’s brand.<sup>131</sup> This clarifies that a strict definition of trademark “use” on an infringement claim would also carry over to the identical requirement in a dilution claim.

Trying to succeed on the merits of contributory infringement or dilution creates an additional level of problems. In *Inwood Laboratories v. Ives Laboratories*, the United States Supreme Court held that third parties can be liable if they either intentionally induce trademark infringement or they know or have reason to know that parties using their services is infringing.<sup>132</sup> This lends credence to an argument that Google’s AdWords suggestions of trademarked terms may make Google rise above the level of mere registrar, enjoyed by Network Solutions, and impute them with “gatekeeper” responsibilities and liabilities.

However, courts interpreting contributory infringement or dilution in internet cases tend to avoid the question altogether and bury it within their direct dilution and infringement analysis.<sup>133</sup> In *Network Solutions*, the Northern District of Texas avoided application of contributory dilution stating “although courts have discussed contributory dilution, no appellate court or statute has yet established the cause of action.”<sup>134</sup> In *Playboy*, the Ninth Circuit stated that the determination of Netscape being directly or contributorily liable “provel[d] to be a tricky question” and avoided answering the question altogether.<sup>135</sup> The fact that *Playboy* did not delve into a discussion of contributory trademark infringement demonstrates how undecided this area of law is because this is the same court that took a strong liberal stance on the “use” requirement for direct trademark infringement.<sup>136</sup>

Finally, there might be an avenue outside trademark law altogether.<sup>137</sup> In *Sotelo*, the Northern District of Illinois held that trespass to chattels survived a motion to dismiss in a pop-up case.<sup>138</sup> The attempted application of trespass to

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began after the marks became famous, and 4) the use of the “trademarks dilutes the distinctive quality of the marks.” *Id.*

<sup>130</sup> *Id.* The second element of the text clearly tracks the language that the offending party must make “commercial use of the marks in commerce.” *Id.*

<sup>131</sup> *See id.* The Eastern District of Michigan found that U-Haul could not show that WhenU “used” “U-Haul’s marks as defined in the Lanham Act.” *Id.* As a result, WhenU was entitled to summary judgment for the trademark dilution claim. *Id.*

<sup>132</sup> *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 853–54 (1982). *See also* *Warner & Co. v. Lilly & Co.*, 265 U.S. 526, 530 (1924). The court analyzed the theory in a manufacture of goods context. *Id.* at 530. *Inwood* relied on *Warner & Co. v. Lilly & Co.*, a case from the 1920’s that predates the Lanham Act, to support its theory on contributory infringement. *Inwood Labs., Inc.*, 456 U.S. at 854.

<sup>133</sup> *See* *Google v. Am. Blind & Wallpaper Factory, Inc.*, No. C 03-05340-JF, 2005 U.S. Dist. LEXIS 6228, at \*33 (N.D. Cal. Mar. 30, 2005).

<sup>134</sup> *Lockheed Martin Corp. v. Network Solutions, Inc.*, 194 F. 3d 980, 986 (9th Cir. 1999).

<sup>135</sup> *Playboy Enters., Inc. v. Netscape Commc’ns. Corp.*, 354 F.3d 1020, 1024 (9th Cir. 2004) (stating, in a very broad manner that under either theory of contributory or direct infringement, the case may proceed).

<sup>136</sup> *Id.*

<sup>137</sup> *See* *Sotelo v. Directrevenue LLC*, 384 F. Supp. 2d 1219, 1233 (N.D. Ill. 2005).

<sup>138</sup> *Id.*

chattels actions on the internet is not new.<sup>139</sup> Most recently, in *Intel Corp. v. Hamidi*, the Supreme Court of California addressed the trespass to chattels theory in relation to unsolicited email messages.<sup>140</sup> However, even though the court upheld the possible application of trespass to chattels to an internet context, it ultimately decided, in a narrow 4-3 decision, that the plaintiff Intel was unable to establish the requisite elements.<sup>141</sup> *Hamidi*, in turn, has created equally divided commentary.<sup>142</sup> Those in favor of the application of the doctrine praise it, in part, because it creates remedy in an area with no adequate statutory remedy.<sup>143</sup> In contrast, those opposed to the application of the doctrine point to the difficulty the *Hamidi* court had in applying the doctrine, claiming that adoption of trespass to chattels was an “ill-fated attempt to adapt a traditional tort doctrine to the new legal frontier of cyberspace.”<sup>144</sup> The similarities between commentators lamenting the expansion of the trespass to chattels doctrine and the “use” element of trademark infringement highlight the inherent problems of adapting current law to a new medium.

In addition, because the Supreme Court of California found that parties attempting to succeed on the theory must show that their chattels have actually been harmed, it would be difficult to argue that there is actual harm in a search engine scenario.<sup>145</sup> This is because search engines, unlike spyware, are not physically on the consumer’s computer.<sup>146</sup> The reason why trespass to chattels may work in a pop-up scenario is because there is actual spyware software that affects the aggrieved party’s computer.<sup>147</sup>

As the case analysis demonstrates, trying to get around direct infringement by claiming trademark dilution will be confronted with the same “use” requirement and those who attempt contributory trademark infringement claims face murky and unsettled law.<sup>148</sup> Not to mention, it does not get any easier trying to revitalize old legal concepts, like trespass to chattels, and apply them to present law.<sup>149</sup> Should the

<sup>139</sup> See Mark D. Robins, *Electronic Trespass: An Old Theory in a New Context*, 15 NO. 7 COMPUTER LAWYER 1, 1 (1998) (discussing trespass to chattels as it relates to the internet in 1998).

<sup>140</sup> *Intel Corp. v. Hamidi*, 71 P.3d 296, 299–300 (Cal. 2003).

<sup>141</sup> *Id.* at 296.

<sup>142</sup> Compare Edward W. Chang, *Bidding on Trespass: EBAY, Inc. v. Bidder’s Edge, Inc. ad the Abuse of Trespass Theory*, 29 AIPLA Q.J. 445, 456 (2001) (finding “supporters of the cyber-trespass theory point to the void in statutory remedies available to litigants who depend on technology and internet-based property”), with President & Fellows of Harvard College, 17 HARV. J.L. & TECH. 283, 294 (2003) (arguing that applying trespass to chattels on the internet is “in direct conflict with our conception of the Internet and electronic communication channels as ‘new marketplaces of ideas’”).

<sup>143</sup> Chang, *supra* note 142, at 456.

<sup>144</sup> President & Fellows of Harvard College, *supra* note 142, at 284.

<sup>145</sup> *Intel Corp.*, 71 P.3d at 300.

<sup>146</sup> See *Sotelo v. Directrevenue LLC*, 384 F. Supp. 2d 1219, at 1223 (N.D. Ill. 2005). In *Sotelo* the court found that “Spyware is being installed” on consumers’ computers because Direct Revenue “deceptively caused” Spyware to download without the users’ consent or knowledge.” *Id.* at 1223.

<sup>147</sup> *Id.* “DirectRevenue ‘secretly installs’ Spyware by bundling it with other legitimate software that is available ‘free’ on the Internet, such as games.” *Id.*

<sup>148</sup> See 1 CHARLES MCKENNEY & GEORGE F. LONG III, FED. UNFAIR COMPETITION: LANHAM ACT 43(a) § 3:37 (2005) (suggesting that there are two courts that have considered contributory dilution claims and, though it states the law, it does not state a case that has found an example of contributory dilution).

<sup>149</sup> See President & Fellows of Harvard College, *supra* note 142, at 284.

court try to fashion an answer or demand Congress address the situation?

*C. Advocating Congressional Action: A Viable Solution?*

It is well known that Congress can be slow in enacting legislation to address a specific problem.<sup>150</sup> However, in internet-related cases, Congress seems to respond more quickly.<sup>151</sup> Around the time *Brookfield*, a domain name case, interpreted initial interest confusion in a way to grant Brookfield remedy in the late 1990's, the Anti-Cybersquatting Act was enacted.<sup>152</sup> Not only did this Act remedy the inadequacies of trademark law by creating a bad faith provision, it created clear remedies and separated domain name disputes from general trademark law.<sup>153</sup>

*Sporty's Farm LLC v. Sportsman's Market* provides a particularly good example of how the new legislation remedied the holes in traditional trademark law.<sup>154</sup> The trademarked term "Sporty's" was used by Sporty's Farm, a Christmas Tree Farm, as a domain name.<sup>155</sup> In addition, "Sporty's" was used by Sportsman's Market "to identify its catalogs and products."<sup>156</sup> Under the unamended Lanham Act, even if there appeared to be bad faith, courts analyzing cases like *Sporty's Farm* typically found that even though there was dissimilar service there could not be confusion.<sup>157</sup> With the new legislation, however, the Second Circuit *Sporty's Farm* decision found bad faith and a violation of the Anti-Cybersquatting Act.<sup>158</sup>

Pop-Up cases also have pending federal legislation in the Securely Protect Yourself Against Cyber Trespass Act.<sup>159</sup> Although the laws do not utilize trademark law, Congress recognizes that there is a unique problem necessitating specific legislation.<sup>160</sup> Should a similar fate be necessary for search engine cases?

<sup>150</sup> See generally Carsten A. Peterson, *New Twist to an Old Injustice Genetic Discrimination and Medicare Reform*, 36 IDAHO L. REV. 345, 347 (2000). Peterson argues that Medicare legislation has for years avoided a comprehensive treatment of genetic discrimination in Medicare. *Id.* This is also true in international affairs and civil rights contexts. See generally Michael J. Bazyler, *Survey of Book: Justice for the Collective: The Limits of the Human Rights Class Actions: Holocaust Justice: The Battle for Restitution in America's Courts*, 102 MICH. L. REV. 1152, 1168 (2004). Bazyler asserts that Congress did not enact the Foreign Sovereign Immunities Act to limit the immunity of foreign states until 1976. *Id.* Additionally, it was only much later that the Supreme Court found the Act could apply retroactively. *Id.*

<sup>151</sup> See generally Utah Code Ann. § 13-40-101 (2000) (relating to legislation dealing with pop-ups); 15 U.S.C. § 1125(d) (2000) (relating to legislation dealing with domain name cybersquatting).

<sup>152</sup> *Brookfield Comm'ns, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1057 (9th Cir. 1999); 15 U.S.C. § 1125(d) (2000).

<sup>153</sup> 15 U.S.C. § 1125(d) (2000).

<sup>154</sup> *Sporty's Farm LLC v. Sportsman's Mkt, Inc.*, 202 F.3d 489, 495-96 (2nd Cir. 2000); Springer, *supra* note 41, at 344-46 (pointing out that the District Court decided the case before the legislation and the Second Circuit decided the case using the new legislation).

<sup>155</sup> Springer, *supra* note 41, at 345.

<sup>156</sup> Springer, *supra* note 41, at 345.

<sup>157</sup> See Springer, *supra* note 41, at 346-47.

<sup>158</sup> *Sporty's Farm*, 202 F.3d at 499; see generally 15 U.S.C. § 1125(d) (2000).

<sup>159</sup> See generally H.R. REP. NO. 108-619 (2004) (introducing a federal bill called the "Securely Protect Yourself Against Cyber Trespass Act").

<sup>160</sup> See *id.*

### III. SOLUTION

This comment proposes specific legislation as a solution to the difficult trademark questions search engine cases pose. First and foremost, the fact that Google's AdWords program suggests brand names like "Volvo Tires" and "Goodyear Tires" when a competitor wants to purchase the term "tires," seems to promote confusion. However, finding another area of law or attempting to expand the doctrine of trademark infringement to fix the situation is not the best solution.

#### *A. Can Search Engine Actions Fit Into Another Area of Law?*

Creative attorneys in *Sotelo v. Directrevenue* were able to find a potential remedy in a trespass to chattels theory for pop-up cases.<sup>161</sup> They argued that the legal concept worked well with pop-up cases because two elements of trespass to chattels, interference and damage, applied to the internet context.<sup>162</sup> Basically, a plaintiff could assert that a spyware program interfered with his computer when the plaintiff received the program by downloading completely unrelated software.<sup>163</sup> Additionally, in arguing damages, Sotelo posited that spyware not only obscured the computer's monitor, but was also a resource consuming the computer's operating capacity.<sup>164</sup>

These theories and similar ones, such as conversion, do not work for search engines because personal computers are not being interfered with. For example, search engine liability for conversion would only work if the person who entered a search into a search engine brought an action against that search engine for providing advertising links. This action would not hold up because the search engine is "online" and is not installed on the user's computer.<sup>165</sup>

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<sup>161</sup> *Sotelo v. Directrevenue, LLC*, 384 F. Supp. 2d 1219, 1222 (N.D. Ill. 2005). The Northern District of Illinois admitted that there was little to no case law over the past century addressing the elements of trespass to chattels. *Id.* at 1230. However, Sotelo, arguing primarily from treatises and secondary sources, convinced the court that it was a colorable form of action. *See id.*

<sup>162</sup> *Id.* Common law trespass to chattels had three major elements: 1) an intent to possess the chattel, 2) interference and, 3) the using or intermeddling with that chattel. Restatement (Second) of Torts § 217 (1965). Directrevenue argued that, assuming trespass to chattels is colorable, Sotelo did not meet the requirements because he failed to plead causation and damages to his computer. *Sotelo*, 384 F. Supp. 2d at 1230. However, the court found Sotelo plead sufficient facts on causation and damages to withstand Directrevenue's motion to dismiss. *Id.*

<sup>163</sup> *See Sotelo*, 384 F. Supp. 2d at 1230. Sotelo's causation argument alleged that spyware was "the proximate cause of significant and cumulative injury to computers." *Id.*

<sup>164</sup> *Id.* Sotelo argued that not only does spyware "bombard" a person's computer when he tries to navigate the internet, but it also "destroys other software" on a person's computer. *Id.*

<sup>165</sup> *Compare Id.* at 1223 (stating that Directrevenue actually installs its product on the computer user's computer), with *Google v. Am. Blind & Wallpaper Factory, Inc.*, No. C 03-05340-JF, 2005 U.S. Dist. LEXIS 6228, at \*5-\*7 (N.D. Cal. Mar. 30, 2005) (mentioning that Google is a search

Finally, an application of trespass to chattels to internet trademark law has created a substantial amount of criticism that is similar to the criticism of a liberal interpretation of “use” in trademark law.<sup>166</sup> It would not be the best option to step from an unresolved area of the law directly into another. Because of the tremendous burden in resurrecting old common law concepts to overcome current case law and to provide a high-tech solution, it would be best to rely on the current trademark law to gain remedy.

### B. Will A Liberal Reading of “Use” Work?

Analyzing the facts in *GEICO v. Google* illuminates why even a liberal reading of “use” would not be enough to grant companies suing search engines remedy. *GEICO v. Google* is the only search engine case that found “use,” other than *Google v. American Blind*.<sup>167</sup> However, this is a scenario in which one door opens, i.e. trademark “use” is found, and another one is closed, i.e. the formidable burden of “likelihood of confusion” has to be shown.<sup>168</sup> In *GEICO v. Google*, GEICO attempted to prove confusion through a survey.<sup>169</sup> The survey tested two groups of people searching online.<sup>170</sup> The test group entered “GEICO” into the Google search engine and received the regular sponsored links of GEICO’s competitors.<sup>171</sup> The control group entered the same term and, instead of GEICO’s competitors, received Nike advertisements.<sup>172</sup>

A questionnaire then asked consumers questions regarding whether the advertising links would cause the consumers to utilize them and whether the consumers would think the advertising links were GEICO’s links.<sup>173</sup> The results found that 69.5% of the group thought that the sponsored links were “links to GEICO’s site or affiliated with GEICO in some way.”<sup>174</sup> The Eastern District of Virginia, after breaking new ground in a search engine case and finding “use,” ultimately ruled against GEICO and held that even though the survey’s results could establish a “likelihood of confusion,” the survey itself failed to prove there was confusion.<sup>175</sup>

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engine but never stating that the search engine actually interfered with the search engine user’s computer).

<sup>166</sup> See President & Fellows of Harvard College, *supra* note 142, at 284.

<sup>167</sup> *GEICO v. Google, Inc.*, No. 1:04cv507, 2005 U.S. Dist. LEXIS 18642, at \*11–\*12 (E.D. Va. Aug. 8, 2005); *Am. Blind*, 2005 U.S. Dist. LEXIS 6228, at \*22.

<sup>168</sup> See *Brookfield Commc’ns, Inc. v. W. Coast Entm’t Corp.*, 174 F.3d 1036, 1053 (9th Cir. 1999) (holding that the two major requirements of trademark infringement are the elements are “use” and “likelihood of confusion”).

<sup>169</sup> *GEICO*, 2005 U.S. Dist. LEXIS 18642, at \*17.

<sup>170</sup> *Id.*

<sup>171</sup> *Id.*

<sup>172</sup> *Id.*

<sup>173</sup> *Id.* at \*18–\*19

<sup>174</sup> *Id.* at \*19. Additionally, the survey found that approximately twenty percent of the test group stated that they believed in order to purchase GEICO insurance, they needed to activate one of the “sponsored links.” *Id.* at \*20.

<sup>175</sup> See *id.* at \*24–\*26. The *GEICO* court never mentioned what it would believe is the percentage necessary to create a likelihood of confusion. *Id.*



Therefore, Google's selling of keywords to direct competitors may be a trademark "use," but it does not cause confusion as to Google's practice. This puts Google in a powerful position because Google can easily analogize its situation with the domain name registrar cases in which the domain name registrar was not responsible for selling the trademarked domain names to cybersquatters.<sup>176</sup> It also does not bode well for plaintiff's attorneys considering trademark infringement because not only do they need to get a court to liberally construe "use," which has only been done in *GEICO* and *American Blind*, but they also must get the court to find a likelihood of confusion, a feat yet to be accomplished in the search engine scenario.<sup>177</sup>

### C. Congressional legislation: A Viable Solution?

A major criticism of proposing legislation is it usually takes a long time to enact, if at all, and during that time many parties are injured.<sup>178</sup> However, Congress has shown a willingness to address internet related property questions rather quickly.<sup>179</sup> For example, the internet was in its beginning stages when Congress passed the Anti-Cybersquatting Act on November 29, 1999.<sup>180</sup> Furthermore, Utah enacted spyware legislation less than two years from the decision of *1-800 Contacts v. WhenU* and, in addition, there is currently similar legislation proposed in the Federal Government.<sup>181</sup>

The question becomes: what should search engine legislation look like? Utah's Spyware Control Act ("SCA") has useful statutory language that can be used in a search engine context.<sup>182</sup> It requires that spyware cannot present a product "displayed in response to a specific mark" or that otherwise "constitutes infringement

<sup>176</sup> See *Lockheed Martin Corp. v. Network Solutions, Inc.*, 141 F. Supp. 2d 648, 655 (N.D. Tex. 2001) (concluding that Network Solutions, as a domain name registrar, was not liable for selling trademarked domain names). But see Givan, *supra* note 74, ¶ 42. Givan argues that *Network Solutions* and *American Blind* can be distinguished. Givan, *supra* note 74, ¶ 42. Network Solutions charged only a flat fee for every domain name; whereas, Google's AdWords campaign charges higher prices based on popularity of the term and how much advertisers want their link to show up first under the sponsored links. Givan, *supra* note 74, ¶ 42. In a sense, the fluctuation prices caused Google to be more of an active participant than a passive registrar like Network Solutions. Givan, *supra* note 74, ¶ 42.

<sup>177</sup> Compare *1-800 Contacts, Inc v. Whenu.com*, 309 F.Supp.2d 467, 489 (S.D.N.Y. 2003) (finding use in a pop-up case), with *1-800 Contacts, Inc v. Whenu.com*, 414 F.3d 400, 408 (2nd Cir. 2005) (overruling the Southern District of New York's finding of use). The Southern District of New York's liberal construction of "use" was one of the "uncertain" states of law that the *American Blind* court relied on to deny Google's motion to dismiss. See *Google Inc., v. Am. Blind & Wallpaper Factory*, No. C 03-05340, 2005 WL 832398, \*5 (N.D. Cal. Mar. 30, 2005).

<sup>178</sup> Peterson, *supra* note 150, at 347; Bazylar, *supra* note 150, at 1168.

<sup>179</sup> See generally Securely Protect Yourself Against Cyber Trespass Act, H.R. 2929, 109th Cong. (2005); UTAH CODE ANN. § 13-40-101 (2000).

<sup>180</sup> Compare *Intermatic Inc. v. Toeppen*, 947 F. Supp. 1227, 1229 (N.D. Ill. 1996) (proclaiming "[w]elcome to cyberspace!"), with 15 U.S.C. § 1125(d) (2000).

<sup>181</sup> See generally Securely Protect Yourself Against Cyber Trespass Act, H.R. 2929; UTAH CODE ANN. § 13-40-101.

<sup>182</sup> See generally UTAH CODE ANN. § 13-40-201(1) (2000).

of a registered trademark under federal or state law.”<sup>183</sup> This would take care of the *1-800 Contacts* problem with WhenU’s software recognizing its mark and triggering competitor’s pop-ups because, under the Act, the WhenU software would be considered “spyware” that is displayed in response to the trademark 1-800 CONTACTS.<sup>184</sup> What is so appealing about Utah’s legislation is it leaves room for trademark protection while, at the same time, not leaning on trademark principles too heavily.

The same holds true in the Google scenario. If Google is not allowed to use trademarks as suggested AdWords terms for purchase, much of the litigation would cease. Alternatively, under the Utah statute, Google would be in violation of the legislation if its actions constituted trademark infringement.<sup>185</sup> This allows traditional trademark law the potential to grow, but it does not force courts to strive to liberalize the law to grant remedy in search engine disputes.

#### IV. CONCLUSION

Trademark law, as currently defined, is being challenged by the new search engine cases. Just like domain name and pop-up disputes before it, plaintiffs are asking courts to grant them remedies based on liberal readings of trademark requirements.<sup>186</sup> There is a fine line, however, between stretching a doctrine to remedy a perceived wrong and having that doctrine, and the law behind it, snapped when trying to stretch it too far. It is in these instances legislation is necessary because it will keep traditional trademark requirements intact, while providing an avenue of justice for injured parties.

Legislation as a solution becomes even more appealing when Congressional response to online trademark disputes is considered. The domain name cases were tough on courts because, though it seemed that people would purchase domain names in bad faith, it was not easy to prove trademark infringement.<sup>187</sup> Congress responded quickly with legislation, providing an amendment to the Lanham Act that kept traditional trademark law intact, while specifically addressing domain name trademark issues.<sup>188</sup>

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<sup>183</sup> *Id.* § 13-40-201(1)(a)–(b).

<sup>184</sup> *See id.* *But see* Securely Protect Yourself Against Cyber Trespass Act, H.R. 2929. The legislation focuses most of its attention on the notice to be received when a user is going to download a program that contains spyware. *Id.* § 3. For example, in the proposed legislation, the notice must contain such direct information as “[t]his program will collect and transmit data about you. Do you accept?” *Id.* § 2(c)(1)(B)(i). Essentially, it seems to be no different from contracts clauses that must be conspicuous, such as a disclaimer of warranties. UCC, § 2-316(2) (2000).

<sup>185</sup> *See* Doogan & Lemley, *supra* note 19, at 809–10 (arguing that “use” should not be liberally construed, yet the door should be left open for a liberal interpretation of use).

<sup>186</sup> *See* *Google v. Am. Blind & Wallpaper Factory, Inc.*, No. C 03-05340-JF, 2005 U.S. Dist. LEXIS 6228, at \*11–\*12 (N.D. Cal. Mar. 30, 2005); *GEICO v. Google, Inc.*, No. 1:04cv507, 2005 U.S. Dist. LEXIS 18642, at \*11 (E.D. Va. Aug. 8, 2005).

<sup>187</sup> *See* Springer, *supra* note 41, at 341–43 (stating the most significant effect of the Anti-cybersquatting Act is the creation of the bad faith provision as well as an attempt to solve jurisdictional problems in civil procedure).

<sup>188</sup> *See generally* 15 U.S.C. § 1125(d) (2000).

Pop-up cases seem to be headed towards a similar fate. Courts may no longer have to stretch old common law causes of action, such as trespass to chattels, to reach a solution.<sup>189</sup> With the current Utah legislation and the pending Federal Legislation, which passed the House with an overwhelming majority vote, Congress has made it clear that it is committed to creating legislation concerning internet property rights.<sup>190</sup>

Google's practice of allowing competitors to bid on trademarked terms so their name is displayed under "sponsored links" on Google's website does not incur the ire of consumers as much as a barrage of annoying pop-up windows. However, domain name disputes did not cause a large amount of consumer complaints either, and yet these were the first situations to garner trademark legislation. What is important is that legislation will provide a remedy against search engines, while maintaining the balance of trademark law as a whole.

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<sup>189</sup> Sotelo v. Directrevenue, LLC, 384 F. Supp. 2d 1219, 1231–33 (N.D. Ill. 2005).

<sup>190</sup> See generally Securely Protect Yourself Against Cyber Trespass Act, H.R. 2929, 109th Cong. (2005).