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## The Initial Interest Confusion Doctrine and Trademark Infringement on the Internet

Byrce J. Maynard

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# The Initial Interest Confusion Doctrine and Trademark Infringement on the Internet

Bryce J. Maynard\*

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### I. Introduction

The recent explosive growth of the Internet as a vehicle for commerce and expression of ideas has brought with it an explosion of trademark litigation. Trademark law traditionally has been an area where the most prominent features are "doctrinal confusion, conflicting results, and judicial prolixity,"<sup>11</sup> and this is even more true in the area of Internet trademark law. As the United States Senate noted when it recently enacted a bill to help bring some certainty to this murky area, "uncertainty as to the trademark law's application to the Internet has produced inconsistent judicial decisions and created extensive monitoring obligations, unnecessary legal costs, and uncertainty for consumers and trademark owners alike."<sup>12</sup>

Applying trademark law to the Internet presents difficulty because trademark infringement traditionally has required a likelihood of confusion among consumers to be actionable, and courts have had difficulty fitting the special nature of Internet confusion into this framework. Many courts have lost sight of the fact that trademark law traditionally has required reasonableness on the part of consumers<sup>3</sup> and have expanded the likelihood of confusion in Internet cases to protect consumers who are "gullible, careless, and easily deceived."<sup>4</sup> Courts have done this by stretching traditional trademark concepts to make actionable the initial confusion of Internet users who arrive at a site other than the one they are searching for. This form of confusion is

1. *HMH Publ'g Co. v. Brincat*, 504 F.2d 713, 716 (9th Cir. 1974).

2. S. REP. NO. 106-140, at 7 (1999).

3. See *HQM, Ltd. v. Hatfield*, 71 F. Supp. 2d 500, 508-09 (D. Md. 1999) (pointing out that trademark law has always required reasonableness on part of consumers and that mere inconvenience is not actionable) (citing *Hasbro v. Clue Computing, Inc.*, 66 F. Supp. 2d 117, 124-25 (D. Mass. 1999)).

4. See Jessica Litman, *Breakfast with Batman: The Public Interest in the Advertising Age*, 108 YALE L.J. 1717, 1722 (1999) (criticizing paternalistic judicial attitudes which assume consumers are "extraordinarily gullible").

known as "initial interest confusion" because of the possibility that potential customers, looking for the web site of company A, will be diverted to the web site of company B and decide to use the offerings of company B's infringing site instead.<sup>5</sup> Since a major Ninth Circuit decision in April 1999 explicitly applied initial interest confusion in the Internet context for the first time,<sup>6</sup> courts have employed this doctrine with alarming regularity.<sup>7</sup> Some of these courts have stretched the doctrine to the point where it no longer serves the basic goals of trademark law.<sup>8</sup>

Part II of this Note provides a brief introduction to the Internet, particularly the mechanics of search engines and metatags.<sup>9</sup> Part III discusses the dual goals of trademark law and the federal cause of action for trademark infringement.<sup>10</sup> Part III also outlines the development of the initial interest confusion doctrine and its sporadic use before the appearance of the Internet.<sup>11</sup> Part IV examines how the initial interest confusion doctrine has been applied in Internet trademark infringement actions with increasing frequency in the past two years.<sup>12</sup> This section discusses application of the doctrine to two distinct types of infringement claims: metatagging and domain names.<sup>13</sup> Part V discusses some of the problems with application of the initial interest confusion doctrine on the Internet and the troubling implications it raises for technological innovation and First Amendment rights.<sup>14</sup> Part VI proposes a framework for courts analyzing claims of trademark infringement on the Internet based on initial interest confusion.<sup>15</sup>

This Note concludes that the increasing frequency with which courts have been willing to find a likelihood of confusion (and therefore trademark in-

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5. See *infra* Part IV (describing initial interest confusion in context of Internet).

6. See *infra* Part IV.A.I (discussing Ninth Circuit's decision in *Brookfield Communications*).

7. See *infra* Part IV (tracing application of initial interest confusion to Internet trademark disputes).

8. See *infra* Part V.A (explaining why initial interest confusion does not serve goals of trademark law).

9. See *infra* Part II (providing background information on Internet).

10. See *infra* Part III (providing background information on trademark law).

11. See *infra* Part III (discussing development of initial interest confusion before Internet cases).

12. See *infra* Part IV (examining application of initial interest confusion doctrine to Internet trademark disputes).

13. See *infra* Part IV (discussing cases applying initial interest confusion in Internet context).

14. See *infra* Part V (examining implications of overly broad application of initial interest confusion doctrine).

15. See *infra* Part VI (discussing when courts should find trademark infringement based on initial interest confusion).

fringement) based solely on initial interest confusion has potentially troubling consequences for the continued growth and maturation of the Internet. The Note suggests that initial interest confusion should be a basis for a finding of trademark infringement only when this confusion is likely to cause competitive damage.<sup>16</sup> The Note also suggests that the recently enacted federal trademark dilution and anticybersquatting statutes provide a better framework for analyzing many claims that courts have attempted to shoehorn into the traditional infringement framework.<sup>17</sup>

## II. The Internet

### A. The Web and Domain Names

The Internet is a global network connecting millions of individual computers and computer networks.<sup>18</sup> Information on the Internet is stored in web pages, which are files stored on a computer that may be viewed by any other computer on the Internet.<sup>19</sup> Web pages may contain text, pictures, sound, and links to other web pages.<sup>20</sup> Web pages are viewed using a "browser" software program such as Netscape Navigator or Microsoft Internet Explorer.<sup>21</sup> A web site is a collection of web pages with a common theme or topic.<sup>22</sup>

Web sites are identified by numeric Internet Protocol (IP) addresses such as "129.114.46.127," and each IP address has a corresponding domain name, which is an alphanumeric address such as "www.microsoft.com" or "www.wlu.edu."<sup>23</sup> Every domain name has a secondary-level domain (SLD) such as "microsoft" or "wlu" and a top-level domain (TLD) such as ".com," ".org," ".edu," ".net," ".gov," ".mil," or one of a number of international TLDs.<sup>24</sup> The ".com" domain is the most popular and easier to obtain than some others that

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16. See *infra* Part VII (suggesting that courts should apply initial interest confusion doctrine only in situations where confusion is likely to cause competitive damage).

17. See *infra* Part VI (suggesting courts should apply trademark dilution and anticybersquatting remedies where possible).

18. See *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1066, 1091 (S.D. Cal. 1999) (defining Internet).

19. See *Sporty's Farm v. Sportsman's Mkt.*, 202 F.3d 489, 492 (2d Cir. 2000) (providing brief explanation of Internet), *cert. denied*, 120 S. Ct. 2719 (2000).

20. See *id.* (explaining contents of web pages).

21. See *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1044 (9th Cir. 1999) (explaining how browser software allows Internet user to view web pages).

22. See *Welles*, 78 F. Supp. 2d at 1091 (defining web sites).

23. See Jennifer Golinveaux, *What's In a Domain Name: Is "Cybersquatting" Trademark Dilution?*, 33 U.S.F. L. REV. 641, 642 (1999) (explaining anatomy of domain name system).

24. *Id.*

theoretically are reserved for certain types of organizations.<sup>25</sup> In the past, a single domain name registrar, Network Solutions, Inc. (NSI), assigned domain names; however, the registration process recently has been opened up to competition from other companies, under the supervision of the Internet Committee for Assigned Names and Numbers (ICANN).<sup>26</sup>

### B. Search Engines and Metatags

Search engines provide a means of accessing the vast array of information on the Internet.<sup>27</sup> There are two basic types of search engines: Human-compiled directory search engines such as Yahoo and LookSmart and web-crawler engines such as Excite, AltaVista, and Northern Light.<sup>28</sup> Human-organized search engines are directories compiled and organized by human editors.<sup>29</sup> Web-crawler engines use programs known as "spiders"<sup>30</sup> to search and catalog pages on the web.<sup>31</sup> Although there are several offshoot and hybrid forms of search engines,<sup>32</sup> these are the two main types.<sup>33</sup>

The typical web-crawler search engine uses a program that reads and catalogs the Hyper Text Mark-Up Language (HTML) source code of individual web pages.<sup>34</sup> This includes not only the visible text of a web page, but also the page's metatags, which are words embedded in the code of a web

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25. *Id.* For example, ".gov" is reserved for governmental entities, and ".edu" is reserved for educational institutions. *Id.* The ".net" and ".org" TLDs are, in theory, reserved for computer networks and nonprofit organizations, respectively, but are freely available because applications for domains with these TLDs are not screened. *Id.*

26. See Rajiv Chandrasekaran, *AOL, Four Other Firms to Assign Net Addresses*, WASH. POST, Apr. 22, 1999, at E01 (discussing expansion of domain name registration business). Ninety-eight companies are now approved to register domain names. Leslie Walker, *Addressing the Name Question*, WASH. POST, Dec. 23, 1999, at E01.

27. See *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1066, 1091 (S.D. Cal. 1999) (discussing search engines).

28. *Id.*

29. *Id.* (describing human directory search engines).

30. See Maureen A. O'Rourke, *Defining the Limits of Free-Riding in Cyberspace: Trademark Liability for Metatagging*, 33 GONZ. L. REV. 277, 283 (1997/98) (discussing mechanics of web-crawler search engines).

31. See *Welles*, 78 F. Supp. 2d at 1092 (defining web-crawler search engines).

32. See Elizabeth Weisc, *Successful Net Search Starts with Need*, USA TODAY, Jan. 24, 2000, at 3D (mentioning search engines such as Google, which ranks query results according to popularity, and Ask Jeeves, which allows for natural-language queries).

33. *Id.* This Note will use the term "search engine" to refer only to the web-crawler type of search engine.

34. See *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1066, 1092 (S.D. Cal. 1999) (explaining mechanics of search engines).

page that are not visible to a user looking at the web page.<sup>35</sup> When a query is entered into a search engine, the search engine ranks query results based on formulas and algorithms that take into account such factors as the title of the page, the number of times the searched-for word appears on the page, the number of times the searched-for word appears in the metatags of the page, and the location of the searched-for word on the page.<sup>36</sup>

Searches often yield thousands of results because of the vast amount of information available on the Internet.<sup>37</sup> However, only the results at the very top of a result list are likely to be clicked on, and most users are unlikely to sift through more than a few pages of query results to find what they are looking for.<sup>38</sup>

There is intense, often brutal competition among web page authors to have their sites listed in search engines.<sup>39</sup> The primary reason for this competition is that the amount web site owners can charge advertisers to advertise on their sites is directly dependent on how many "hits" the web site receives.<sup>40</sup> Therefore, web page owners have a substantial interest in diverting traffic to their sites by any means possible.<sup>41</sup> Additionally, it is preferable for a page to be listed as highly as possible in a list of query results because many search engine users only look at the first few results of a particular search.<sup>42</sup> An entire cottage industry has sprung up around devising methods for web page authors to increase traffic from search engines and receive favorable placement in search engine results.<sup>43</sup>

35. See *id.* (defining metatags).

36. *Id.* The algorithms used vary among search engines. *Id.*

37. See, e.g., *Sporty's Farm v. Sportsman's Mkt.*, 202 F.3d 489, 493 (2d Cir. 2000) ("Given the current state of search engine technology, [a] search will often produce a list of hundreds of web sites through which the user must sort in order to find what he or she is looking for."), *cert. denied*, 120 S. Ct. 2719 (2000); *Panavision Int'l v. Toeppen*, 141 F.3d 1316, 1327 (9th Cir. 1999) ("Use of a 'search engine' can turn up hundreds of web sites."); *SNA, Inc. v. Array*, 51 F. Supp. 2d 542, 552 n.9 (E.D. Pa. 1999) ("[S]earches often yield thousands of possible Web sites.")

38. See Scott Shipman, Comment, *Trademark and Unfair Competition in Cyberspace: Can These Laws Deter "Baiting" Practices on Web Sites?*, 39 SANTA CLARA L. REV. 245, 276 (1998) (explaining that many consumers only look at first couple of hits on search engine results page).

39. See Ira S. Nathenson, *Internet Infoglut and Invisible Ink: Spamdexing Search Engines with Meta Tags*, 12 HARV. J.L. & TECH. 43, 58 (1998) (explaining competition for "any competitive advantage").

40. See *id.* at 61 (describing economic incentive to attract hits from search engines).

41. See F. Gregory Lastowka, *Search Engines, HTML, and Trademarks: What's the Meta For?*, 86 VA. L. REV. 835, 851 (2000) ("[B]usinesses on the web are engaged in a pitched battle to attract Web users to their sites.")

42. See Shipman, *supra* note 38, at 276 (stating most search engine users only read first page of results).

43. See Lastowka, *supra* note 41, at 851 (noting that "[n]umerous Web sites are devoted

Trademark problems often arise from this competition for favorable placement in search engine results because many of the most frequently searched terms are company and product names qualifying for trademark protection.<sup>44</sup> Celebrity names, which receive protection similar to trademarks under the "right of publicity" doctrine,<sup>45</sup> also are among the most frequently searched terms.<sup>46</sup>

The primary means of improving search engine placement is through the strategic use of metatags and buried text.<sup>47</sup> Metatags are words embedded in the code of a web page that are not visible to a user viewing the page, but which a search engine can pick up when reading the page.<sup>48</sup> The metatags of a particular web page are only visible through an examination of the source code for the page.<sup>49</sup> There are two basic types of metatags: descriptor metatags and keyword metatags.<sup>50</sup> Descriptor metatags allow a web page's author to insert a brief description of the web page that will appear in search engine

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entirely to offering the best methods for improving search engine rankings"); Nathenson, *supra* note 39, at 61 (discussing search engine placement industry).

44. See *Uncensored Words List*, at <http://www.searchwords.com/top100w.htm> (last visited Nov. 10, 2000) (listing "hotmail," "yahoo," "pokemon," "playboy," "victorias secret," "wwf," and "american airlines" among fifty terms most frequently queried in search engines).

45. See 4 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 28:1 (4th ed. 1998) (defining right of publicity as person's right to control commercial use of his or her identity). While there have not yet been any reported cases surrounding the right of publicity on the Internet, such litigation is inevitable as web page authors attempt to use celebrity names to draw traffic to their pages. These claims are likely to have considerable success given that the common law right of publicity standard does not require a showing of likelihood of confusion. See *Carson v. Here's Johnny Portable Toilets*, 698 F.2d 831, 834-37 (6th Cir. 1983) (finding that although plaintiff had not shown trademark infringement because there was no likelihood of confusion, defendant's use of "Here's Johnny!" phrase commonly associated with plaintiff was intentional appropriation of plaintiff's identity for commercial exploitation, thus invading plaintiff's right of publicity).

46. See *Uncensored Words List*, at <http://www.searchwords.com/top100w.htm> (last visited Nov. 10, 2000) (listing "pamela anderson," "jennifer love hewitt," "britney spears," and "jenna jameson" among fifty terms most frequently queried in search engines).

47. 4 MCCARTHY, *supra* note 45, § 25.69. Although the term "buried text" is sometimes used to refer to metatags, "buried text" actually refers to a more primitive practice of including words in the body of a web page that are the same color of the background (e.g. white-on-white or black-on-black) so that the words will be invisible to a viewer but will be picked up by search engines. *Id.* § 25.69, at n.6.

48. See *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1066, 1092 (S.D. Cal. 1999) (discussing metatags).

49. See Michael R. Sees, Note, *Use of Another's Trademark in a Web Page Meta Tag: Why Liability Should Not Ensure Under the Lanham Act for Trademark Infringement*, 5 TEX. WESLEYAN L. REV. 99, 110 n.87 (1998) (explaining that source code of web page can be viewed through use of "View Source" function on Internet browser while page is displayed).

50. See *Welles*, 78 F. Supp. 2d at 1092 (describing two primary types of metatags).



query results.<sup>51</sup> Keyword metatags allow page authors to include a list of "keywords" relevant to the page and its contents so that a search engine will be able to easily index the page.<sup>52</sup> In that regard, keyword metatags can be compared to the subject index of a card catalog.<sup>53</sup>

Although metatags were created as aids to the indexing of web pages, in reality they are often used to artificially boost a page's ranking in search engine query results.<sup>54</sup> There are two ways that metatags can be used to manipulate the results of search engine queries; the first method involves "stuffing" the meta tag lines with popular search terms completely unrelated to the content of the page.<sup>55</sup> The second method strategically targets web searchers inputting certain terms into search engines.<sup>56</sup> For example, a small bookstore might include the term "Barnes & Noble" in its metatags in an effort to lure customers who are searching for the official web site of the Barnes and Noble bookstore chain.<sup>57</sup> This second form of manipulative metatagging is where most of the current case law on metatags has developed.<sup>58</sup>

### III. Trademark and Unfair Competition Law

#### A. The Dual Goals of Trademark Law

Trademark law is one aspect of the law of unfair competition.<sup>59</sup> There are two main goals of trademark law.<sup>60</sup> The primary goal is the protection of the reasonable expectations of consumers and the prevention of consumer

51. *Id.*

52. *Id.*

53. See *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1098, 1104 (S.D. Cal. 1998) (comparing metatags to subject index of card catalog and stating they provide "a clearer indication of the content of a website").

54. See *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1045 (9th Cir. 1999) (explaining that "[f]he more often a term appears in the metatags and in the text of the web page, the more likely it is that the web page will be 'hit' in a search for that keyword and the higher on the list of 'hits' the web page will appear").

55. See Barbara Anna McCoy, Comment, *An Invisible Mark: A Meta-Tag Controversy*, 2 J. SMALL & EMERGING BUS. L. 377, 379 (1998) ("Simply including frequently searched terms within the meta-tag can increase a site's audience, even though the site itself may have nothing to do with the searched terms.").

56. *Id.* at 383.

57. See *id.* (explaining how small business could include names of larger and better-known competitors and "piggyback" on searches for their official sites).

58. *Id.*

59. See 1 MCCARTHY, *supra* note 45, § 2:7 (including trademark law within broader field of unfair competition law).

60. See *Avery Dennison Co. v. Sumpton*, 189 F.3d 868, 873 (9th Cir. 1999) (discussing dual goals of trademark law).

confusion (the "consumer expectations" goal).<sup>61</sup> Trademark infringement "deprives consumers of their ability to distinguish among the goods of competing manufacturers."<sup>62</sup> The second goal of trademark law is the protection of the investment that the mark's owner has made in the mark (the "proprietary interest" goal).<sup>63</sup> Trademark owners spend billions of dollars each year to distinguish their goods and services from those of their competitors, and infringement of trademarks deprives the owner of the goodwill which required substantial investments of energy, time, and money to obtain.<sup>64</sup>

It is worth noting that while one goal (the "consumer expectations" goal) is essentially public in nature, the other (the "proprietary interest" goal) focuses on protecting private interests.<sup>65</sup> It is no coincidence that the courts must often balance these two conflicting goals.<sup>66</sup> Additionally, courts must balance these two goals against the desire to encourage free competition.<sup>67</sup> In recent years, legal commentators have criticized the legislatures and the courts for paying too much attention to the private interests embodied in trademarks at the expense of open competition and the public interest.<sup>68</sup>

### B. Trademark Infringement

The federal cause of action for trademark infringement is codified in the Federal Trademark Act of 1946, commonly known as the Lanham Act.<sup>69</sup> Under Section 32(a) of the Act, a party may be liable for trademark infringement when it "use[s] in commerce any . . . copy, or colorable imitation of a registered mark in connection with the sale . . . or advertising of any goods or services . . . [when] such use is likely to cause confusion, or to cause mistake,

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61. See 1 MCCARTHY, *supra* note 45, § 2:33 (describing primary goal of trademark law).

62. *Inwood Labs. v. Ives Labs.*, 456 U.S. 844, 855 n.14 (1982).

63. See *Avery Dennison*, 189 F.3d at 873 (discussing proprietary interest goal of trademark law).

64. See *Inwood Labs.*, 456 U.S. at 854 n.14 (discussing dual goals of trademark law).

65. See generally Litman, *supra* note 4 (explaining competing public and private interests in trademark law).

66. See 1 MCCARTHY, *supra* note 45, § 2.1 (stating that "[t]he law of unfair competition has traditionally been a battleground for competing policies").

67. *Id.*

68. See generally Alex Kozinski, *Trademarks Unplugged*, 68 N.Y.U. L. REV. 960 (1993) (discussing changing role of trademarks from source identifiers to products themselves); Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 YALE L.J. 1687 (1999) (criticizing trends toward granting of trademark rights in gross); Glynn S. Lunney, Jr., *Trademark Monopolies*, 48 EMORY L.J. 367 (1999) (criticizing expansion of trademark law for granting monopoly rights in trademarks).

69. Federal Trademark Act of 1946, 15 U.S.C. § 1114 (1999).

or to deceive.<sup>70</sup> The keystone of trademark infringement is the likelihood of confusion.<sup>71</sup> Courts must determine whether consumers are likely to be confused about the source, sponsorship, or affiliation of the allegedly infringing products or services.<sup>72</sup>

Courts use multi-factor tests to determine whether there is a likelihood of confusion in a particular case.<sup>73</sup> While the tests vary among courts, the most frequently cited is the Second Circuit's *Polaroid* test which considers eight factors: the strength of the mark, the similarity of the marks, the competitive proximity of the products offered, the likelihood that the senior users will "bridge the gap" between the products, evidence of actual confusion, the intent of the junior user in adopting the mark, the quality of the junior user's product, and the sophistication of the buyers.<sup>74</sup> Regardless of the test used, determining whether confusion is likely is almost always a fact-specific query that has no bright-line answers.<sup>75</sup>

Most litigation regarding Internet trademark infringement has surrounded disputes over domain names.<sup>76</sup> During the early years of the growth of popularity of the web, NSI maintained a first-come, first-serve policy to the registration of domain names.<sup>77</sup> As a result, many entrepreneurial individuals registered the names of famous companies and trademarks as domains in the hopes of selling them back to the trademark owners.<sup>78</sup> This practice became known as "cybersquatting."<sup>79</sup> Other disputes arose when companies registered the domain names corresponding to the trademarks of competitors.<sup>80</sup> Still others arose when two companies had concurrent rights to a trademark but

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70. *Id.* § 1114(1)(a) (1999).

71. *See* 1 MCCARTHY, *supra* note 45, § 2.8 (describing likelihood of confusion as keystone of trademark infringement).

72. *See* 3 MCCARTHY, *supra* note 45, § 23:1 (explaining likelihood of confusion test).

73. *See* DONALD S. CHISUM & MICHAEL A. JACOBS, UNDERSTANDING INTELLECTUAL PROPERTY LAW § 5F(1)(a)(i) (1992) (comparing and contrasting likelihood of confusion tests).

74. *See* *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961) (setting forth eight-factor likelihood of confusion test).

75. *See* 3 MCCARTHY, *supra* note 45, § 23:1 (discussing likelihood of confusion).

76. *See generally* Danielle Weinberg Swartz, Comment, *The Limitations of Trademark Law in Addressing Domain Name Disputes*, 45 UCLA L. REV. 1487 (1998) (tracing history of domain name litigation).

77. *See* *Panavision Int'l v. Toeppen*, 141 F.3d 1316, 1319 (9th Cir. 1999) (mentioning NSI policies on domain name registration).

78. *See* 4 MCCARTHY, *supra* note 45, § 25:77 (discussing cybersquatting).

79. *Id.*

80. *See* 4 MCCARTHY, *supra* note 45, § 25:76 (discussing other forms of domain name disputes).

only one could have a corresponding domain name.<sup>81</sup> Courts have used a variety of theories, including both trademark infringement and dilution, to analyze domain name disputes, but there has been a clear trend towards a finding of liability and transfer of the domain name to the trademark owner.<sup>82</sup>

### C. *The Origins and Development of Initial Interest Confusion*

The scope of confusion actionable under the Lanham Act has been expanded greatly since 1946.<sup>83</sup> The statute used to contain a qualification that the junior user's use of a mark must be "likely to cause confusion or mistake or to deceive purchasers" as to the source of the goods or services at issue.<sup>84</sup> A 1962 amendment to the act removed the "purchasers" limitation, so that the relevant language became "likely to cause confusion or mistake or to deceive."<sup>85</sup> Perhaps because of the ambiguous legislative history surrounding this amendment, courts were slow to move away from the traditional view that the only relevant confusion is that at the point of sale.<sup>86</sup> However, a substantial number of courts now are willing to find infringement when there is confusion that creates initial interest on the part of potential customers, even if the confusion is dispelled by the time of the sale or there is no actual sale.<sup>87</sup> This is known as the theory of "pre-sale" or "initial interest" confusion.<sup>88</sup>

The initial interest confusion doctrine serves primarily to prevent a company from gaining an unfair competitive advantage through its use of a competitor's trademark.<sup>89</sup> This rationale is sometimes phrased as preventing a company from "getting a foot in the door"<sup>90</sup> at the expense of a competi-

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81. *Id.*

82. *Id.*

83. See Litman, *supra* note 4, at 1722 (explaining that trademark law now protects against after-market confusion, reverse confusion, subliminal confusion, confusion about possibility of sponsorship or acquiescence, and confusion about what sorts of confusion are actionable).

84. See Michael J. Allen, *The Scope of Confusion Actionable Under Federal Trademark Law: Who Must Be Confused and When?*, 26 WAKE FOREST L. REV. 321, 330 (1991) (tracing history of statutory language of Lanham Act).

85. Act of Oct. 9, 1962, Pub. L. No. 87-772, § 17, 76 Stat. 773.

86. See Allen, *supra* note 84, at 331-32 (discussing continued judicial focus on purchaser confusion).

87. See 3 MCCARTHY, *supra* note 45, § 23:6 (discussing initial interest confusion).

88. *Id.* The type of confusion discussed in this Note will be referred to as "initial interest" confusion because most recent cases of note have used this term, even though many earlier cases refer to "pre-sale" confusion.

89. See 3 MCCARTHY, *supra* note 45, § 23:6 (discussing initial interest confusion).

90. See *Foxworthy v. Custom Tees*, 879 F. Supp. 1200, 1216 (N.D. Ga. 1995) (finding that defendant's unauthorized use of plaintiff's "you might be a redneck if . . ." catch phrase on t-shirts constituted trademark infringement because phrase might attract potential customers).

tor.<sup>91</sup> This "foot in the door" confusion "indicates not only an unfair competitive advantage but the actual embodiment of confusion."<sup>92</sup>

Thomas McCarthy, author of the leading treatise on trademark law, has drawn an analogy between companies which capitalize on initial interest confusion and job applicants who intentionally inflate their educational or employment background on a resume.<sup>93</sup> Even if the truth about the applicant's background is revealed before the applicant receives a job offer, "[t]he misrepresentation has enabled the job-seeker to obtain a coveted interview, a clear advantage over others with the same background who honestly stated their educational achievements on their resumes. In such a situation, it is not possible to say that the misrepresentation caused no competitive damage."<sup>94</sup>

Courts applying initial interest confusion have focused on the infringing company's misappropriation of the reputation and goodwill built up in another company's trademarks. This was the rationale behind *Grotrian, Helfferich, Schulz, Th. Steinweg Nachf. v. Steinway & Sons*,<sup>95</sup> a decision which barred the plaintiff from using the "Grotrian-Steinweg" mark on its pianos as it was confusingly similar to the defendant's "Steinway" mark.<sup>96</sup> As the court explained:

[T]he harm to Steinway . . . is the likelihood that a consumer, hearing the "Grotrian-Steinweg" name and thinking it had some connection with "Steinway," would consider it on that basis. The "Grotrian-Steinweg" name therefore would attract potential customers based on the reputation built up by Steinway in this country for many years.<sup>97</sup>

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91. See 3 MCCARTHY, *supra* note 45, § 23:6 (describing purpose of initial interest confusion doctrine).

92. *Foxworthy*, 879 F. Supp. at 1216; see also *Elvis Presley Enters. v. Capece*, 141 F.3d 188, 204 (5th Cir. 1998) (observing that "[i]nitial interest confusion gives the junior user credibility during the early stages of a transaction and can possibly bar the senior user from consideration by the consumer once the confusion is dissipated").

93. 3 MCCARTHY, *supra* note 45, § 23:6.

94. *Id.*

95. 523 F.2d 1331 (2d Cir. 1975).

96. See *Grotrian, Helfferich, Schulz, Th. Steinweg Nachf. v. Steinway & Sons*, 523 F.2d 1331, 1342 (2d Cir. 1975) (finding pre-sale confusion actionable). In *Steinway & Sons*, the plaintiff, a German piano manufacturer, sought a declaratory judgment that the use of "Grotrian-Steinweg" as a trade name did not infringe the defendant's "Steinway" trademark. *Id.* at 1335. Despite survey evidence and a few instances of actual confusion, the court found it unlikely that consumers would buy plaintiff's pianos thinking that they were in fact Steinway pianos. *Id.* at 1342. The court instead found potential harm to Steinway in that potential consumers might hear the "Steinweg" name, associate it with "Steinway," and thus develop an interest in the plaintiff's pianos that they would not have had otherwise. *Id.* The court rejected the plaintiff's argument that the defendant was required to demonstrate actual or potential confusion "at the time of purchase." *Id.*

97. *Id.* at 1342.

Before the emergence of the unique problems of trademarks on the Internet, the theory of initial interest confusion was used sporadically.<sup>98</sup> The doctrine's origins usually are traced to the *Steinway & Sons* decision in 1973,<sup>99</sup> but the theory did not begin to gain widespread acceptance until the Second Circuit's 1987 decision in *Mobil Oil Corp. v. Pegasus Petroleum Corp.*,<sup>100</sup> which upheld an injunction barring an oil company from using a mark similar to Mobil's "Pegasus" symbol.<sup>101</sup> Since *Mobil Oil*, the Fifth,<sup>102</sup> Seventh,<sup>103</sup> and Ninth Circuits<sup>104</sup> have recognized initial interest confusion. A number of district courts have also recognized the doctrine.<sup>105</sup>

However, not all courts that have considered the issue have held that initial interest confusion is actionable under the Lanham Act.<sup>106</sup> The First Cir-

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98. See Allen, *supra* note 84, at 339-44 (tracing history of initial interest confusion doctrine).

99. *Id.*

100. 818 F.2d 254 (2d Cir. 1987).

101. See *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d 254, 260 (2d Cir. 1987) (affirming district court's finding of likely trademark infringement). In *Mobil Oil*, Pegasus Petroleum, an oil trading company which did not sell to the general public, used the "Pegasus" name to advertise its products. *Id.* at 255-56. The plaintiff, which had a "Pegasus" logo with a high degree of consumer recognition, objected to the defendant's use of the "Pegasus" name and symbol. *Id.* at 256. The court accepted Pegasus' argument that there was no actual confusion in the sense that customers of Pegasus would not actually believe they were purchasing from Mobil Oil. *Id.* at 259. However, the court stated that by using the confusingly similar symbol, Pegasus could gain attention in the marketplace at Mobil's expense. *Id.* This could lead to "crucial credibility" for Pegasus during the early phases of a deal. *Id.* According to the court, this confusion "works a sufficient trademark injury." *Id.* at 260. Therefore, the court affirmed the district court's finding of trademark infringement. *Id.*

102. See *Elvis Presley Enters. v. Capece*, 141 F.3d 188, 204 (5th Cir. 1998) (stating that trademark infringement can be based on confusion before sale).

103. See *Dorr-Oliver, Inc. v. Fluid-Quip, Inc.*, 94 F.3d 376, 382 (7th Cir. 1996) (recognizing initial interest confusion and comparing it to 'bait and switch' techniques).

104. See *Dr. Seuss Enters. v. Penguin Books USA*, 109 F.3d 1394, 1405 (9th Cir. 1997) (recognizing potential application of initial interest confusion).

105. See, e.g., *SecuraComm Consulting, Inc. v. SecuraCom, Inc.*, 984 F. Supp. 286, 298-99 (D.N.J. 1997) (stating that initial interest confusion can be damaging even if customers are sophisticated enough to recognize differences between products), *rev'd on other grounds*, 166 F.3d 182 (3d Cir. 1999); *Porsche Cars N. Am., Inc. v. Manny's Porshop, Inc.*, 972 F. Supp. 1128, 1131 (N.D. Ill. 1997) ("[E]ven if sophisticated customers eventually discover that [defendant's shop] is not related to plaintiffs, a trademark violation can exist simply from the initial confusion."); *Pebble Beach Co. v. Tour 18 I, Ltd.*, 942 F. Supp. 1513, 1552 (S.D. Tex. 1996) ("[T]he Lanham Act is violated whenever there is confusion in the buying process . . . even if the purchaser's confusion is later dispelled through use or familiarization with the product."); *Jordache Enters. v. Levi Strauss & Co.*, 841 F. Supp. 506, 514-15 (S.D.N.Y. 1993) (recognizing actionable confusion where potential consumers are attracted to junior users mark because of similarity to senior users mark, even if confusion is dispelled by time of purchase).

106. See, e.g., *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1063-64 (9th Cir. 1999) (citing differing views on initial interest confusion); *Munsingwear, Inc.*

cuit, in *Astra Pharmaceutical Products v. Beckman Instruments*,<sup>107</sup> acknowledged that there might be "temporary confusion" about whether Beckman's "ASTRA" blood analyzers were associated with Astra Pharmaceutical Products, but declined to find infringement based upon this fleeting confusion.<sup>108</sup> The court strongly suggested that only confusion surrounding "the ultimate decision of a purchaser whether to buy a particular product" is actionable.<sup>109</sup> The Federal Circuit, which has jurisdiction over appeals from the Trademark Trial and Appeal Board, also has refused to adopt the initial interest confusion doctrine.<sup>110</sup> In *Weiss Associates, Inc. v. HRL Associates, Inc.*,<sup>111</sup> the court reviewed a Board decision denying registration of the mark "TMM" for computer software because it was confusingly similar to the mark "TMS" that was used by a competing company to market similar software.<sup>112</sup> The court

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v. Jockey Int'l, Inc., Civ. 4-93-538, 1994 WL 422280, at \*4 n.6 (D. Minn. April 21, 1994) (noting split in circuits); Allen, *supra* note 84, at 342 (recognizing split between approaches of Second Circuit and Federal Circuit).

107. 718 F.2d 1201 (1st Cir. 1983).

108. See *Astra Pharm. Prods. v. Beckman Instruments*, 718 F.2d 1201, 1207 (1st Cir. 1983) (finding no likelihood of confusion where confusion did not affect purchasing decision). In *Astra Pharmaceutical Products*, Astra, a manufacturer of pharmaceutical preparations and prefilled syringes, sought to enjoin Beckman from using the mark "ASTRA" on a computerized blood analysis machine. *Id.* at 1203. The court analyzed Astra's claim under the eight-factor test then used in the First Circuit. *Id.* at 1205-09. In finding no likelihood of confusion, the court noted that there were substantial differences between the products at issue and that they were marketed through different channels. *Id.* at 1205-06. However, the key factor for the court was the sophistication of purchasers; the blood analyzer was expensive and was sold only to highly sophisticated hospital chemistry labs, who were unlikely to be confused. *Id.* at 1206. The court acknowledged that there may be brief confusion when a nurse or technician familiar with the blood analyzer sees an Astra salesman, but found this confusion irrelevant because nurses or technicians are not involved in the buying process and their temporary confusion would therefore have no impact on any purchasing decisions. *Id.* at 1207.

109. *Id.* at 1207.

110. See Allen, *supra* note 84, at 342 (noting that Federal Circuit has "called into question the validity of the pre-sale or initial confusion doctrine").

111. 902 F.2d 1546 (Fed. Cir. 1990).

112. See *Weiss Assocs., Inc. v. HRL Assocs., Inc.*, 902 F.2d 1546, 1549 (Fed. Cir. 1990) (declining to reach question of whether to adopt initial interest confusion doctrine). In *Weiss Associates*, Weiss sought to register the trademark "TMM" for computer software. *Id.* at 1547. HRL, which made similar software under the name "TMS," objected to the proposed registration. *Id.* The Trademark Trial and Appeal Board found that although the products of both parties were purchased only by sophisticated buyers after deliberate consideration, there was still a likelihood of initial interest confusion based upon the similarity of the marks. *Id.* The Court of Appeals for the Federal Circuit, in reviewing the board's decision, found that the products and marks were similar enough that there would be a likelihood of confusion had Weiss been allowed to use the "TMM" mark. *Id.* at 1549. However, the Federal Circuit specifically noted that it did not "address or embrace" the theory of initial interest confusion. *Id.*

noted that the Board had based its decision in part upon the concept of initial interest confusion.<sup>113</sup> However, the court declined to uphold the reasoning of the Board on this issue, stating that "this court . . . does not in this case address or embrace the theory of initial confusion."<sup>114</sup> The court instead upheld the Board's decision based on the ground that there was a traditional likelihood of confusion.<sup>115</sup> Several district courts have likewise refused to find a likelihood of confusion based solely on initial interest confusion.<sup>116</sup>

The theory of initial interest confusion is best suited to the second goal of trademark law, protecting the goodwill that companies have built up in their trademarks.<sup>117</sup> Courts applying initial interest confusion in pre-Internet cases focused on this goal and did not base their findings on the "consumer expectations" rationale.<sup>118</sup> Through its focus on situations where a company was trying to get its foot in the door of the market at the expense of an established competitor, the initial interest confusion doctrine served as a tool for courts to combat unfair competition in limited situations. In fact, almost all of the initial interest confusion cases in the pre-Internet era involved disputes between companies offering very similar goods or services,<sup>119</sup> or companies

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113. *Id.* at 1549.

114. *Id.*

115. *Id.*

116. *See Inc. Publ'g Corp. v. Manhattan Magazine, Inc.*, 616 F. Supp. 370, 387 (S.D.N.Y. 1985) ("[C]onfusion of the 'foot in the door' variety is a theory which is not only unproved but contrary to the evidence."); *see also Allen, supra* note 84, at 344 (observing that "[m]any courts have had difficulty jumping the conceptual hurdle that such confusion is prohibited when there is no likelihood 'confused' potential purchasers will continue to be confused when they actually complete their purchasing decisions").

117. *See Allen, supra* note 84, at 355 n.180 (noting that "[c]ourts embracing the concept of pre-sale confusion have . . . emphasized the proprietary interest rationale in finding actionable likelihood of confusion").

118. *Id.*

119. *See generally Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d 254 (2d Cir. 1987) (adjudicating dispute between two companies offering petroleum-related products); *Grotrian, Helfferich, Schulz, Th. Steinweg Nachf. v. Steinway & Sons*, 523 F.2d 1331 (2d Cir. 1975) (concerning dispute between two piano manufacturers); *McNeil-PPC v. Guardian Drug Co.*, 984 F. Supp. 1066 (E.D. Mich. 1997) (resolving dispute between drug companies manufacturing digestive aids for lactose-intolerant persons); *SecuraComm Consulting, Inc. v. SecuraCom, Inc.*, 984 F. Supp. 286 (D.N.J. 1997) (involving dispute between manufacturers of large-scale security systems), *rev'd on other grounds*, 166 F.3d 182 (3d Cir. 1999); *Pebble Beach Co. v. Tour 18 I, Ltd.*, 942 F. Supp. 1513 (S.D. Tex. 1996) (analyzing dispute between owners of golf courses with similar holes); *Blockbuster Entm't v. Laylco, Inc.*, 869 F. Supp. 505 (E.D. Mich. 1994) (adjudicating dispute between two video rental store companies); *Jordache Enters. v. Levi Strauss & Co.*, 841 F. Supp. 506 (S.D.N.Y. 1993) (deciding dispute between two jeans manufacturers); *Sara Lee Corp. v. Kayser-Roth Corp.*, No. 6:92CV00460, 1992 WL 436279, at \*24 (W.D.N.C. Dec. 1, 1992) (adjudicating dispute between two pantyhose manufacturers).



marketing to the same narrow consumer base.<sup>120</sup> This is a sensible way to apply initial interest confusion because when the parties are not in the same line of business, no competitive damage is done.<sup>121</sup> However, with the recent growth of the Internet and the unique problems of trademarks in cyberspace, courts have begun to apply the initial interest confusion doctrine outside of these narrow situations.<sup>122</sup>

#### IV. Initial Interest Confusion on the Internet

##### A. Metatagging

###### 1. Brookfield Communications: *The Ninth Circuit Opens the Door*

The litigation in *Brookfield Communications v. West Coast Entertainment*<sup>123</sup> arose when Brookfield, which made "MovieBuff" software for the entertainment industry, attempted to register the domain name "moviebuff.com."<sup>124</sup> Brookfield learned that the West Coast Entertainment, a video rental store chain, had already registered the "moviebuff.com" domain.<sup>125</sup> Brookfield subsequently obtained federal trademark rights to the "MovieBuff" term.<sup>126</sup> West Coast, which owned trademark rights to the term "The Movie Buff's Movie Store," subsequently launched a web site at the "moviebuff.com" domain containing a searchable database of entertainment industry information.<sup>127</sup> The site also contained the terms "moviebuff" and "moviebuff.com" in its metatags.<sup>128</sup> Brookfield then brought a trademark infringement action in

120. See generally *Elvis Presley Enters. v. Capece*, 141 F.3d 188 (5th Cir. 1999) (considering dispute between Presley estate and nightclub owner marketing to fans of Elvis Presley); *Porsche Cars N. Am. v. Manny's Porshop*, 972 F. Supp. 1128 (N.D. Ill. 1997) (analyzing dispute between Porsche and shop marketing to Porsche owners); *Foxworthy v. Custom Tees*, 879 F. Supp. 1200 (N.D. Ga. 1995) (adjudicating dispute between comedian and t-shirt company both marketing to fans of so-called "redneck humor").

121. See Charles E. Bruzga, *Sophisticated Purchaser Defense Avoided Where Pre-Sale Confusion Is Harmful—A Brief Note*, 78 TRADEMARK REP. 659, 665 (1988) (arguing that pre-sale confusion should be actionable only in situations where companies derive "crucial credibility" from association with competing trademark holders). *But see Allen, supra* note 84, at 344 (arguing this approach would be difficult to apply in practice).

122. See *infra* Part IV (discussing application of initial interest confusion doctrine to Internet trademark disputes).

123. 174 F.3d 1036 (9th Cir. 1999).

124. *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1041-42 (9th Cir. 1999).

125. *Id.*

126. *Id.*

127. *Id.*

128. *Id.* at 1043.

federal court against West Coast.<sup>129</sup> After the district court denied Brookfield's motion for a preliminary injunction, Brookfield appealed to the Ninth Circuit.<sup>130</sup>

The Ninth Circuit first determined that Brookfield had established a sufficient claim to be considered the senior user of the "moviebuff" term.<sup>131</sup> The court then analyzed the trademark infringement claims relating to the use of the domain name "moviebuff.com"<sup>132</sup> under the eight-factor test governing likelihood of confusion analysis in the Ninth Circuit.<sup>133</sup> The court found that Brookfield had demonstrated a likelihood of success on its claim that West Coast's use of the "moviebuff.com" domain constituted trademark infringement.<sup>134</sup>

The court then turned its attention to the use of the terms "moviebuff" and "moviebuff.com" in West Coast's metatags.<sup>135</sup> Unlike prior decisions analyzing alleged trademark violations in both a domain name and metatags, the Ninth Circuit made it clear that the metatag analysis would apply no matter what domain name West Coast chose.<sup>136</sup> However, rather than analyzing the metatag issue under the eight-factor *Sleekcraft* test, the court stated that "the traditional eight-factor test is not well-suited for analyzing the metatags issue" and proceeded to consider only whether the metatags caused initial interest confusion.<sup>137</sup> The court conceded that it was unlikely that consumers would be confused for any appreciable length of time as to the source or sponsorship of West Coast's site or think it was affiliated with Brookfield in any way, because users who access the West Coast site as a result of such a search will see that the domain name of the site is "westcoastvideo.com."<sup>138</sup> However, the court analogized the use of the "moviebuff" term in West Coast's metatags to the facts of *Blockbuster Entertainment v. Laylco*,<sup>139</sup> in which a store posted a sign with a name similar to a competitor's trademark in order to intentionally divert customers looking for the competitor's store.<sup>140</sup>

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129. *Id.*

130. *Id.*

131. *Id.* at 1053.

132. *Id.* at 1054-61.

133. See *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th Cir. 1979) (setting out eight factor test including strength of mark, proximity of goods, similarity of marks, evidence of actual confusion, marketing channels used, type of goods and degree of care likely to be exercised by purchaser, defendant's intent in selecting mark, and likelihood of expansion of product lines).

134. *Brookfield Communications*, 174 F.3d at 1061.

135. *Id.*

136. *Id.* at 1062.

137. *Id.* at 1062 n. 24.

138. *Id.* at 1062.

139. 869 F. Supp. 505 (E.D. Mich. 1994).

140. See *Blockbuster Enters. v. Laylco*, 869 F. Supp. 505, 512-13 (E.D. Mich. 1994) (find-

Suppose West Coast's competitor (let's call it "Blockbuster") puts up a billboard on a highway reading – "West Coast Video: 2 miles ahead at Exit 7" – where West Coast is really located at Exit 8 but Blockbuster is located at Exit 7. Customers looking for West Coast's store will pull off at Exit 7 and drive around looking for it. Unable to locate West Coast, but seeing the Blockbuster store right by the highway entrance, they may simply rent there. . . . Customers are not confused in the narrow sense: they are fully aware that they are purchasing from Blockbuster and they have no reason to believe that Blockbuster is related to, or in any way sponsored by, West Coast.<sup>141</sup>

The court further noted that West Coast had acted affirmatively in placing Brookfield's trademarks within its metatags, and could therefore not be considered a passive infringer taking advantage of a situation in which confusion was likely to exist.<sup>142</sup> Based on the initial interest confusion created by West Coast's use of the "moviebuff" metatags, the Ninth Circuit concluded that Brookfield had established a likelihood of success on the merits of its infringement claim.<sup>143</sup> The court noted that this form of confusion was "exactly what the trademark laws are designed to prevent."<sup>144</sup>

## 2. Playboy Enterprises v. Welles:

### *Placing Limits on Initial Interest Confusion*

While *Brookfield Communications* applied a broad version of initial interest confusion to a metatag dispute, the first district court within the Ninth Circuit to analyze initial interest confusion in a metatagging case has applied a more limited version of the doctrine. The litigation in *Playboy Enterprises v. Welles*<sup>145</sup> arose from a web site at "www.terriwelles.com" maintained by

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ing defendant's use of "Video Busters" store name confusingly similar to plaintiff's "Blockbuster" mark). In *Blockbuster*, the plaintiff objected to the defendant's use of the name "Video Busters" for its video rental stores on the grounds that customers would confuse it with the plaintiff's "Blockbuster" stores. *Id.* at 508. The defendant argued that customers were not likely to be confused by the time they actually rented movies in Video Busters stores and that therefore any confusion the similar names may have caused was not actionable under the Lanham Act. *Id.* at 512-13. The court rejected this argument, finding that the relevant confusion was that Video Busters stores might attract potential customers based on the similarity to the Blockbuster name. *Id.* at 513. The court conceded that these customers would eventually realize that the stores were not related, but found this irrelevant because the relevant confusion was that which drew the customers to the store in the first place. *Id.* Therefore, the court granted Blockbuster's motion for a preliminary injunction. *Id.* at 516.

141. *Brookfield Communications*, 174 F.3d at 1064.

142. *Id.* at 1065.

143. *Id.* at 1066.

144. *Id.*

145. 78 F. Supp. 2d 1066 (S.D. Cal. 1999).

Terri Welles, a former Playboy Magazine Playmate of the Year.<sup>146</sup> The site directly referred to Welles as "Playboy Playmate of the Year 1981"<sup>147</sup> and contained the marks "playboy," "playmate," and "playmate of the year" within its metatags.<sup>148</sup> Playboy objected to the site using its trademarks and contended that under *Brookfield Communications*, it had shown a sufficient likelihood of confusion as to the use of its trademarks in Welles' metatags on the basis of initial interest confusion.<sup>149</sup> There was evidence that many people who entered "playboy" or "playmate" into a search engine were looking for the official Playboy site.<sup>150</sup> This, according to the court, indicated "at least a showing of some 'initial interest confusion.'"<sup>151</sup>

Unlike the Ninth Circuit in *Brookfield*, the court in *Welles* did not end its analysis with the finding of initial interest confusion.<sup>152</sup> The decision instead adopted a more limited view of the initial interest concept, stating that while a finding of initial interest confusion can be a basis for finding a likelihood of confusion, initial interest confusion does not lead *ipso facto* to a finding of likelihood of confusion.<sup>153</sup> The court listed three factors, culled from earlier decisions applying initial interest confusion, that are relevant in determining whether there is a likelihood of confusion: (1) whether the initial interest confusion was "damaging and wrongful,"<sup>154</sup> (2) whether the initial interest confusion could lead the consumer to "believe there is some connection between the two and therefore develop an interest in the [defendant's] line that it would otherwise not have,"<sup>155</sup> and (3) whether the initial interest confusion "offers an opportunity for sale not otherwise available by enabling defendant to interest prospective consumers by confusion with the plaintiff's product."<sup>156</sup> Playboy had not adequately demonstrated the existence of any of these factors.<sup>157</sup> The court also inferred from language in *Brookfield Communications*

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146. *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1066, 1071 (S.D. Cal. 1999).

147. *Id.*

148. *Id.* at 1092.

149. *Id.*

150. *Id.* at 1094.

151. *Id.*

152. *Id.*

153. *Id.*

154. *Id.* (citing *Koppers Co. v. Krupp-Koppers GmbH*, 517 F. Supp. 836, 844 (W.D. Pa. 1981)).

155. *Id.* (citing *Kompan A.S. v. Park Structures, Inc.*, 890 F. Supp. 1167, 1180 (N.D.N.Y. 1995)).

156. *Id.* (citing *Sara Lee Corp. v. Kayser-Roth Corp.*, No. 6:92CV00460, 1992 WL 436279, at \*24 (W.D.N.C. Dec. 1, 1992)).

157. *Id.* at 1094-95.

that the intent of the alleged infringer was a factor to be considered.<sup>158</sup> The court found Welles did not have malicious intent; she was not attempting to capitalize on Playboy's name and goodwill to divert Playboy's customers to her site.<sup>159</sup> Her intent was merely to describe her website in a way which would allow search engines to accurately index her page, which she could not have done without using the terms "playboy" and "playmate of the year."<sup>160</sup>

While *Welles* placed limitations on the Ninth Circuit's understanding of initial interest confusion, other courts have expanded the contours of initial interest confusion as defined in *Brookfield Communications*. The court in *New York State Society of Certified Public Accountants v. Eric Louis Associates*<sup>161</sup> wielded the doctrinal brush of initial interest confusion with an even broader stroke than the Ninth Circuit.<sup>162</sup> *Eric Louis Associates* dealt with a job placement firm for accounting professionals which used the term "NYSSCPA" (a service mark of the New York State Society of Certified Public Accountants) in the metatags of its web sites.<sup>163</sup> Ignoring the Ninth Circuit's warnings about "excessive rigidity,"<sup>164</sup> Judge Sand in *Eric Louis Associates* made the conclusory statement that ELA's "use of the 'nysscpa.com' domain name and the 'nysscpa' meta-tag caused a likelihood of confusion because it created initial

158. *Id.* at 1095.

159. *Id.*

160. *Id.*

161. 79 F. Supp. 2d 331 (S.D.N.Y. 1999).

162. See *New York State Soc'y of Certified Pub. Accountants v. Eric Louis Assocs.*, 79 F. Supp. 2d 331, 342-43 (S.D.N.Y. 1999) (recognizing and applying initial interest confusion). In *Eric Louis Associates*, the New York State Society of Certified Public Accountants objected to the defendant, a professional job placement firm, using the domain name "nysscpa.com" and the metatag "NYSSCPA" at that site and two others ("ericlouis.com" and "eric-louis.com"). *Id.* at 339. The case came to the court in a somewhat unusual procedural posture because the defendant had already consented to a permanent injunction barring the use of "nysscpa" in a domain name or metatags. *Id.* at 333. The sole issue before the court was the payment of plaintiff's attorney fees, but the court needed to go into an analysis of whether there was indeed trademark infringement or dilution to determine whether it should award attorney fees to plaintiff. *Id.* at 334. The court analyzed the issue of initial interest confusion separately from the Second Circuit's eight-factor likelihood of confusion test. *Id.* at 342. The court rejected Eric Louis Associates' (ELA's) arguments that the content of ELA's page, which included a disclaimer, would dispel any confusion among web users looking for NYSSCPA's page. *Id.* According to the court, the confusion that mattered was the initial, momentary confusion of web browsers arriving at a web site that was not the one they were looking for. *Id.* The court found that this initial interest confusion sufficed to establish likelihood of confusion and awarded attorney fees to the plaintiff. *Id.* at 356.

163. *Id.* at 339.

164. See *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1054 (9th Cir. 1999) ("We must be acutely aware of excessive rigidity when applying the law in the Internet context; emerging technologies require a flexible approach.").

interest confusion.<sup>165</sup> The approach taken by Judge Sands basically eviscerates the traditional multi-factor likelihood-of-confusion tests by considering only whether the defendant has used the plaintiff's trademark in the defendant's domain name or metatags.<sup>166</sup> If so, according to this court, there is trademark infringement, regardless of the competitive proximity of the parties or other factors.<sup>167</sup> This approach obviously is broader than that taken by the Ninth Circuit in *Brookfield Communications*.<sup>168</sup>

## B. Domain Names

### 1. Pre-Brookfield: Confusion Per Se?

Since the Ninth Circuit's decision in *Brookfield Communications*, several courts also have extended the initial interest confusion doctrine to domain name disputes, a surprising development given that even the *Brookfield Communications* court thought that standard trademark infringement analysis sufficiently addressed the domain name aspect of the dispute between Brookfield and West Coast.<sup>169</sup> However, even before *Brookfield Communications*, some courts were truncating traditional likelihood of confusion analysis to hold that the brief initial confusion of web users was actionable under the Lanham Act.

The court in *Planned Parenthood Federation of America v. Bucci*<sup>170</sup> provided a prime example of this early approach when it stated that domain names are "external labels that, on their face, cause confusion among Internet users."<sup>171</sup> While not using the terminology of "pre-sale" or "initial interest"

165. *Eric Louis Assocs.*, 79 F. Supp. 2d at 342.

166. See Nancy J. Felsten, *Trademarks, Domain Names, Metatags, Cybersquatting, and the Internet*, 601 PLI/PAT 25, 284 (2000) (noting that Judge Sand's approach renders traditional likelihood of confusion analysis irrelevant).

167. *Id.* at 272.

168. See *id.* at 272-74 (arguing that *Eric Louis Associates* extends *Brookfield* "in dubious fashion" because "it appears to allow a plaintiff to 'bootstrap' likelihood of confusion without evidence of competition between the parties, in a way perhaps not contemplated by *Brookfield*").

169. See *Brookfield Communications*, 174 F.3d at 1054-61 (applying eight-factor likelihood of confusion analysis to West Coast's use of "moviebuff.com" domain name).

170. 1997 WL 133313 (S.D.N.Y. Mar. 24, 1997), *aff'd*, 152 F.3d 920 (2d Cir. 1998), *cert. denied.*, 525 U.S. 834 (1998).

171. See *Planned Parenthood Fed'n of Am. v. Bucci*, No. 97 CIV 0629, 1997 WL 133313, at \*12 (S.D.N.Y. Mar. 24, 1997) (granting preliminary injunction against defendant's use of "www.plannedparenthood.com" domain name), *aff'd*, 152 F.3d 920 (2d Cir. 1998). In *Planned Parenthood*, the defendant, a pro-life activist, registered the domain name "www.plannedparenthood.com" and set up a home page with the admitted intent of intercepting pro-abortion Internet users searching for the official site of Planned Parenthood. *Id.* at \*2. The page contained excerpts from an anti-abortion book but contained the words "Welcome to the Planned Parent-

confusion, the court in *Planned Parenthood* clearly was applying initial interest confusion because Judge Wood admitted that a reading of the actual content on the defendant's site would quickly dispel any potential confusion.<sup>172</sup> According to the court, the harm was that "prospective users of plaintiff's services . . . may fail to continue to search for plaintiff's own home page, due to anger, frustration, or the belief that plaintiff's home page does not exist."<sup>173</sup>

The District Court for the Northern District of Iowa employed a similar line of reasoning in *Green Products Co. v. Independence Corn By-Products Co.*,<sup>174</sup> in which the court found that the defendant's use of "greenproducts.com" was analogous to the defendant posting a "Green Products" sign outside its store in an effort to lure customers inside.<sup>175</sup> The *Green Products* court also added another twist when it stated that the defendant's registration of the "greenproducts.com" domain, even without an accompanying web page, could potentially cause "confusion about the corporate status of Green Products."<sup>176</sup> The court believed this type of confusion could cause economic damage to

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hood Home Page!" at the top of the page. *Id.* The defendant argued that his speech was non-commercial use of a trademark, but the court found that the "in commerce" requirement of the Lanham Act was satisfied by the advertisement of the book. *Id.* at \*4. The court then found that actual confusion was likely to exist because users looking for the official Planned Parenthood home page would find the defendant's page instead. *Id.* at \*8. The court noted that users would have to expend time and energy accessing the defendant's web site, and that this was sufficient confusion to find a likelihood of confusion. *Id.* at \*12. The court granted the plaintiff's motion for a preliminary injunction. *Id.*

172. See 4 MCCARTHY, *supra* note 45, § 25:76 at n.37 (surmising that "[s]ince there was no confusion of source once the user examined defendant's web site, the kind of confusion involved must be 'initial interest' confusion").

173. *Planned Parenthood*, 1997 WL 133313, at \*4.

174. 992 F. Supp. 1070 (N.D. Iowa 1997).

175. See *Green Prods. Co. v. Independence Corn By-Products Co.*, 992 F. Supp. 1070, 1077 (N.D. Iowa 1997) (analogizing defendant's use of "greenproducts.com" domain name to operation of store with "Green Products" advertising sign outside). In *Green Products*, the parties were direct competitors in the corn cob by-products industry. *Id.* at 1074. Independence Corn By-Products Co. (ICBP) registered a number of domains formed by using the trade names of their competitors, including "greenproducts.com." *Id.* Upon Green Products's motion for a preliminary injunction, the court analyzed Green Products' claims under a six-factor likelihood of confusion test. *Id.* at 1075. The court pointed out that it was making no finding that there would be a likelihood of confusion between the products of ICBP and Green Products. *Id.* at 1077. However, the court found that "the use of plaintiff's trademark as defendant's own domain name is likely to cause consumer confusion as to who owns the site," similar to a hypothetical situation where a retail store advertises a competitor's trademark as its own store name in an attempt to attract customers. *Id.* The court acknowledged that this interpretation of confusion was different than that usually employed in trademark cases, but stated that an intentionally deceptive use of a competitor's trademark as a way to lure customers away from a competitor was another form of actionable confusion. *Id.* at 1078.

176. *Id.*

Green Products if customers concluded that Green Products no longer existed or that another company had purchased Green Products.<sup>177</sup>

On the other hand, the court in *Tele-Tech Customer Care Management (California) v. Tele-Tech Co.*<sup>178</sup> declined to find that initial domain name confusion was sufficient to constitute a likelihood of confusion for trademark infringement purposes.<sup>179</sup> In that case, the court conceded that there may be brief initial confusion among Internet users entering the address "teletech.com" hoping to find the web site of Teletech Customer Care Management and instead finding a site belonging to Tele-Tech.<sup>180</sup> However, the court tersely dismissed this confusion as irrelevant.<sup>181</sup> It is worth noting that in *Teletech*, the two companies offered services that were substantially different,<sup>182</sup> while in *Green Products* the companies were direct competitors<sup>183</sup> and in *Planned Parenthood* the two parties, while not competitors in the economic sense, could be characterized as competitors in the marketplace of ideas.<sup>184</sup> However, the *Teletech* court's terse analysis seems to indicate that the initial confusion would not have been actionable even had the two companies been direct competitors.<sup>185</sup>

The decision in *Brookfield Communications* itself is ambiguous as to this type of confusion and whether or not it should be actionable under the Lanham Act.<sup>186</sup> While the portion of the opinion dealing with metatags whole-

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177. *Id.*

178. 977 F. Supp. 1407 (C.D. Cal. 1997).

179. See *Teletech Customer Care Mgmt. (Cal.) v. Tele-Tech Co.*, 977 F. Supp. 1407, 1414 (C.D. Cal. 1997) (finding initial confusion of web users not actionable under trademark laws). In *Teletech*, the plaintiff, which provided customer service to Internet users, brought trademark infringement and dilution actions against the defendant, which provided engineering services to the telecommunications industry and used the domain name "teletech.com." *Id.* at 1409-10. The court accepted Teletech's argument that there may be initial confusion among consumers going to the "teletech.com" web site in hopes of finding the plaintiff's web page. *Id.* at 1410. However, the court believed that this brief confusion was not the type of confusion the Lanham Act was intended to address. *Id.* at 1414. Therefore, the court found no likelihood of confusion, although it did conclude that the plaintiff was likely to prevail on its dilution claim. *Id.*

180. *Id.* at 1410.

181. See *id.* at 1414 ("This brief confusion is not cognizable under the trademark laws.")

182. See *id.* at 1409 (explaining different businesses of Teletech and Tele-Tech).

183. See *Green Prods. Co. v. Independence Corn By-Prods. Co.*, 992 F. Supp. 1070, 1074 (N.D. Iowa 1997) (characterizing Green Products and ICBP as direct competitors).

184. See Jon H. Oram, *Will the Real Candidate Please Stand Up?: Political Parody on the Internet*, 5 J. INTEL. PROP. L. 467, 488 n.103 (1999) (describing parties in *Planned Parenthood* as competitors in marketplace of ideas).

185. See *Teletech Customer Care Mgmt. (Cal.) v. Tele-Tech Co.*, 977 F. Supp. 1407, 1414 (C.D. Cal. 1997) (stating that "initial confusion of web browsers . . . is not cognizable under the trademark laws").

186. See *infra* notes 187-89 and accompanying text (discussing Ninth Circuit's handling of domain name infringement issue in *Brookfield*).



heartedly embraced the initial interest confusion doctrine,<sup>187</sup> the portion dealing with the question of whether West Coast's use of the "moviebuff.com" domain infringed on Brookfield's trademark relied on a traditional likelihood of confusion analysis.<sup>188</sup> In concluding that there was a likelihood of confusion, the court placed a good deal of emphasis on the fact that Brookfield and West Coast offered somewhat similar products and services:

If . . . Brookfield and West Coast did not compete to any extent whatsoever, the likelihood of confusion would probably be remote. A Web surfer who accessed "moviebuff.com" and reached a web site advertising the services of Schlumberger Ltd. (a large oil drilling company) would be unlikely to think that Brookfield had entered the oil drilling business or was sponsoring the oil driller. . . . Brookfield would bear the heavy burden of demonstrating (through other relevant factors) that consumers were likely to be confused as to source or affiliation in such a circumstance.<sup>189</sup>

This language directly conflicts with the analysis of the *Planned Parenthood* court that domain names, on their face, cause confusion regardless of such factors as the similarity of goods and services and the sophistication of purchasers.<sup>190</sup> Therefore, although the Ninth Circuit wholeheartedly embraced initial interest confusion in the analysis of metatags, the court did not directly address the issue of initial interest confusion in domain names but strongly implied that it would only be actionable where the companies in question offered similar goods or services.

## 2. Post-Brookfield: Three Different Directions

Since the decision in *Brookfield Communications*, courts have taken three distinct approaches in the analysis of initial interest confusion claims relating to domain names. The first is that domain names on their face cause actionable initial interest confusion.<sup>191</sup> The second approach holds that initial interest confusion is never actionable and that the only relevant confusion is

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187. See *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1062-63 (9th Cir. 1999) (recognizing initial interest confusion in context of metatag usage).

188. See *id.* at 1054-61 (analyzing domain name infringement claim under eight-factor likelihood of confusion test).

189. *Id.* at 1056.

190. See *Planned Parenthood Fed'n of Am. v. Bucci*, No. 97 CIV 0629, 1997 WL 133313, at \*12 (S.D.N.Y. Mar. 24, 1997) ("Defendant's domain name and home page address are external labels that, on their face, cause confusion among Internet users."), *aff'd*, 152 F.3d 920 (2d Cir. 1998); see also Sally M. Abel, *Reading the Tea Leaves: Drawing the Policing Line in Cyberspace*, 569 PLI/PAT 347, 353 (1999) (recognizing inherent tension between *Brookfield Communications* and *Planned Parenthood* approaches to domain names).

191. See *infra* notes 194-200 and accompanying text (discussing *Interstellar Starship* approach).

that which affects a purchasing decision.<sup>192</sup> The third approach accepts the actionability of initial interest confusion in limited situations only where the companies are in the same lines of business and there is an intent on the part of the infringing site to capitalize on the goodwill of a mark to divert customers from the mark's owner.<sup>193</sup>

The first approach follows the example of the *Planned Parenthood* and *Green Products* courts in stating that domain names in and of themselves can cause confusion. Although the Ninth Circuit found domain name infringement under a traditional likelihood of confusion analysis in *Brookfield Communications*, it returned to the domain name issue three months later in *Interstellar Starship Services v. Epix, Inc.*<sup>194</sup> and explicitly stated that initial interest confusion was actionable in the domain name context.<sup>195</sup> *Interstellar Starship* illustrates how courts can use the initial interest confusion doctrine to find trademark infringement where there is no competitive damage being done. In *Interstellar Starship, Epix*, which manufactured circuit boards and image acquisition software, objected to ISS's use of the "epix.com" domain.<sup>196</sup> ISS was not using the domain to compete with Epix in any way; in fact, ISS was using the domain to show pictures of a theatre group called the "Clinton Street Cabaret."<sup>197</sup> The district court found that because users could not purchase a circuit board from "epix.com" and would not be expecting pictures of a theatre group from Epix, Inc., there was no likelihood of confusion.<sup>198</sup> The Ninth Circuit reversed, speculating that a customer could view the photos on ISS's web site and decide to give ISS's services a try, even though customers might

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192. See *infra* notes 201-12 and accompanying text (discussing *Clue Computing* approach).

193. See *infra* notes 213-28 and accompanying text (discussing *The Network Network* approach).

194. 184 F.3d 1107 (9th Cir. 1999), *cert. denied*, 120 S. Ct. 1161 (2000).

195. See *Interstellar Starship Servs. v. Epix, Inc.*, 184 F.3d 1107, 1112 (9th Cir. 1999) (reversing district court's denial of preliminary injunction against defendant's use of "epix.com" domain name), *cert. denied*, 120 S. Ct. 1161 (2000). In *Interstellar Starship*, the defendant (ISS) maintained a web page at "www.epix.com." *Id.* at 1109. The defendant used the page to show photographs of a theatre group called the "Clinton Street Cabaret." *Id.* The plaintiff objected to ISS's use of the "epix.com" domain name, claiming that it constituted trademark infringement, an argument which the district court had rejected. *Id.* at 1110. However, the Ninth Circuit reversed and remanded, finding that there was not enough evidence in the record to conclude as a matter of law that the defendant's use of the "epix.com" domain was likely to cause confusion. *Id.* at 1112.

196. *Id.* at 1108-09.

197. *Id.* at 1109.

198. See *Interstellar Starship Servs. v. Epix, Inc.*, 983 F. Supp. 1331, 1336 (D. Or. 1997) (describing contents of "epix.com" web page), *rev'd*, 184 F.3d 1107 (9th Cir. 1999), *cert. denied*, 120 S. Ct. 1161 (2000), *modified on remand*, \_\_\_ F. Supp. 2d \_\_\_, 2001 WL 10885 (D. Or. Jan. 3, 2001).

not actually be confused into thinking there was a connection between ISS and Epix.<sup>199</sup> The court appeared to be confused as to the purpose of the "epix.com" web site.<sup>200</sup> It is therefore difficult to determine whether the court would have applied initial interest confusion had the court been satisfied that there was no danger of competitive damage. However, given the lack of any competitive proximity between ISS and Epix, this decision is best placed in the *Planned Parenthood* line of cases.

The second view, illustrated by two decisions of the District Court for the District of Massachusetts, follows the lead of the *Teletech* court which held that the momentary confusion of web users arriving at a site other than the one they are looking for is not sufficient to establish a likelihood of confusion.<sup>201</sup> The court in *CCBN.com, Inc. v. c-Call.com, Inc.*,<sup>202</sup> stated that the initial "de minimus" confusion of web browsers who might be briefly confused was not relevant to a likelihood of confusion.<sup>203</sup> The court relied on First Circuit precedents which held that the only confusion that mattered was that affecting the ultimate purchasing decision.<sup>204</sup>

One month later, in *Hasbro, Inc. v. Clue Computing, Inc.*,<sup>205</sup> another court in the same district went a step further and explicitly repudiated the *Interstellar Starship* approach.<sup>206</sup> In *Clue Computing*, the manufacturer of the board

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199. *Interstellar Starship*, 184 F.3d at 1111.

200. *See id.* at 1109 (stating that "[t]he record does not make crystal clear the precise nature of ISS's business or its use of the 'epix.com' web page").

201. *See supra* notes 178-85 and accompanying text (discussing *Teletech*).

202. 73 F. Supp. 2d 106 (D. Mass. 1999).

203. *See CCBN.com, Inc. v. c-Call.com, Inc.*, 73 F. Supp. 2d 106, 107 (D. Mass. 1999) (denying plaintiff's motion for preliminary injunction). In *CCBN.com*, the plaintiff (CCBN) used the domain name "streetevents.com" to provide stock market information to investment professionals. *Id.* at 107. The plaintiff moved for a preliminary injunction to prevent the defendant from using the domain name "streetfusion.com" to provide a similar service. *Id.* In determining whether there was a likelihood of confusion, the court examined evidence consisting of up to twenty incidents wherein subscribers and investment professionals confused the two services. *Id.* at 113. The court noted that CCBN had failed to show that there was confusion among sophisticated investment professionals at the time of any purchasing decision. *Id.* This "de minimus" confusion which did not affect the ultimate purchasing decision was of minimal relevance to the likelihood of confusion analysis. *Id.* The court also found that the plaintiff had not yet created enough goodwill in its trademark for the defendant to usurp. *Id.* at 114. The court concluded that CCBN had not presented a sufficient showing of a realistic likelihood of confusion and denied the motion for a preliminary injunction. *Id.* at 115.

204. *Id.* at 113 (citing *Int'l Ass'n of Machinists and Aerospace Workers v. Winship Green Nursing Ctr.*, 103 F.3d 196, 201 (1st Cir. 1996); *Lang v. Retirement Living Publ'g Co., Inc.*, 949 F.2d 576, 583 (2d Cir. 1991); *Astra Pharm. Prods. v. Beckman Instruments*, 718 F.2d 1201, 1207 (1st Cir. 1983)).

205. 66 F. Supp. 2d 117 (D. Mass. 1999), *aff'd*, 232 F.3d 1 (1st Cir. 2000).

206. *See Hasbro, Inc. v. Clue Computing, Inc.*, 66 F. Supp. 2d 117, 125 (D. Mass. 1999)

game "CLUE" sued Clue Computing, a computer consulting corporation that had registered the domain name "clue.com."<sup>207</sup> The court analyzed the plaintiff's claims under the eight-factor test used in the First Circuit.<sup>208</sup> As to the sixth factor, the existence of actual confusion, the court found that the plaintiff's evidence of actual confusion (three e-mails sent to the clue.com site's webmaster inquiring about the board game CLUE) were not sufficient to meet the First Circuit's demands of "reasonable confusion."<sup>209</sup> The court then considered the possibility that there might be initial interest confusion in light of the recent decisions in *Brookfield Communications* and *Interstellar Starship*.<sup>210</sup> However, the court found that the possibility that a user typing "clue.com" into a browser expecting to be taken to a web site for the board game "CLUE" may be momentarily confused and have to resort to a search engine to find the desired information was an "inconvenience" that was "not substantial enough to be legally significant."<sup>211</sup> On appeal, the First Circuit affirmed and stated that given the minimal nature of the confusion at issue, the trial court's "refusal to enter the initial interest confusion thicket is well taken."<sup>212</sup>

The third approach to initial interest confusion in the domain name context accepts the basic holding of *Interstellar Starship* that such confusion is actionable, but limits applicability of the doctrine to situations where the two companies offer related goods or services. In *The Network Network v. CBS*,<sup>213</sup> a federal court in California was faced with a dispute between The Network Network, a company that trains information technology professionals,<sup>214</sup> and CBS, owner of The Nashville Network, a cable television station commonly known as TNN.<sup>215</sup> The Network Network had registered the

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(endorsing *Teletech* view and recognizing disagreement with *Interstellar Starship*), *aff'd*, 232 F.3d 1 (1st Cir. 2000).

207. *Id.* at 119-20.

208. *Id.* at 121-26.

209. *Id.* at 124. The court further noted that any actual confusion that Hasbro had demonstrated was confusion "resulting from the consuming public's carelessness, indifference, or ennui" which was not sufficient to find a reasonable likelihood of confusion. *Id.* (citing *Int'l Ass'n of Machinists and Aerospace Workers v. Winship Green Nursing Ctr.*, 103 F.3d 196, 201 (1st Cir. 1996)).

210. *Id.* at 125.

211. *Id.*

212. *Hasbro, Inc. v. Clue Computing, Inc.*, 232 F.3d 1, 4 (1st Cir. 2000), *aff'g* *Hasbro, Inc. v. Clue Computing, Inc.*, 66 F. Supp. 2d 117 (D. Mass. 1999).

213. No. CV 98-1349 NM, 2000 WL 362016, at \*1 (C.D. Cal. Jan. 19, 2000).

214. *The Network Network v. CBS, Inc.*, No. CV 98-1349 NM, 2000 WL 362016, at \*2 (C.D. Cal. Jan. 19, 2000).

215. *Id.* at \*1.

domain name "tnn.com" and was seeking a declaratory judgment that its use of the "tnn.com" domain did not infringe on CBS's trademark rights.<sup>216</sup> CBS argued that The Network Network's use of the "tnn.com" domain name would cause initial interest confusion because consumers looking for the web site of the Nashville Network at "tnn.com" would find the Network Network's site instead and possibly become interested in the services offered there.<sup>217</sup> The court pointed out the absurdity of this argument, stating "unlikely indeed is the hapless Internet searcher who, unable to find information on the schedule of upcoming NASCAR broadcasts or 'Dukes of Hazzard' reruns, decides to give up and purchase a computer network maintenance seminar instead."<sup>218</sup> The court emphatically stated that initial interest confusion was not actionable where the goods and services were dissimilar and granted The Network Network's motion for a preliminary injunction.<sup>219</sup>

Courts applying this approach have taken a more restrictive view of the necessary competitive proximity than the Ninth Circuit did in *Brookfield Communications*. In *Brookfield*, the court concluded that the two parties were competitors because they were both in the movie business, even though Brookfield sold software to sophisticated Hollywood professionals and West Coast offered a database for casual movie fans.<sup>220</sup> A narrower view of competitive proximity was illustrated by *BigStar Entertainment, Inc., v. Next Big Star, Inc.*,<sup>221</sup> in which the plaintiff sold videos and movie memorabilia and the defendant operated an online talent search.<sup>222</sup> In *BigStar*, the court stated that

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216. *Id.*

217. *Id.* at \*8.

218. *Id.* at \*9.

219. *Id.*

220. *See Brookfield Communications, Inc. v. W. Coast Entm't*, 174 F.3d 1036, 1056 (9th Cir. 1999) (stating that parties' products were in close competitive proximity).

221. 105 F. Supp. 2d 185 (S.D.N.Y. 2000).

222. *See BigStar Entm't, Inc. v. Next Big Star, Inc.*, 105 F. Supp. 2d 185, 211 (S.D.N.Y. 2000) (declining to apply doctrine of initial interest confusion). In *BigStar*, plaintiff BigStar Entertainment sold videos and offered related information about the film industry through its website at "www.bigstar.com." *Id.* at 188-89. The defendant was a recently established talent search company which established a website at "www.nextbigstar.com" to provide information about their talent search competition. *Id.* at 190-91. After finding there was unlikely to be traditional source confusion among consumers, the court then considered whether Next Big Star's use of the "nextbigstar.com" domain caused initial interest confusion, finally concluding that it did not. *Id.* at 207-211. The *BigStar Entertainment* court distinguished *Brookfield Communications* on several grounds. *Id.* Most importantly, the court found that the two parties were not in direct competition with each other. *Id.* at 210. The court noted that both parties did "transact business in somewhat different corners of the same general market." *Id.* at 211. However, unlike the Ninth Circuit in *Brookfield Communications*, the *BigStar* court was not willing to characterize the parties as competitors for purposes of the infringement analysis. *Id.*

competitive proximity was necessary to apply initial interest confusion, but decided that there was insufficient competitive proximity between the products and services offered, even though both parties were in the entertainment industry.<sup>223</sup> The court stated that while "both parties transact business in somewhat different corners of the same general market, [the court] finds difficulty in substantially equating their products for the purposes of assessing the likelihood of confusion."<sup>224</sup>

A slight variation on this third approach was illustrated by the decision in *Northland Insurance Companies v. Blaylock*,<sup>225</sup> a domain name case in the District of Minnesota.<sup>226</sup> In that case, the court stated that the key factor in determining whether initial interest confusion was actionable was whether the defendant had a "commercial incentive or motive in using plaintiff's mark to attract 'initial interest.'"<sup>227</sup> This focus on the potential commercial benefit to the defendant is very similar to the focus on the competitive proximity of the parties' products, because in cases where the products are not in competitive

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The court noted several ways in which the lines of business of the respective parties differed. *Id.* The plaintiff sold products such as videocassettes and DVDs to movie fans while defendants sold a service, the opportunity to compete in a talent competition, to aspiring actors, singers, and dancers. *Id.* Although both parties offered some supplementary entertainment information, such as celebrity interviews and chat rooms, this "slight overlap" was not enough for the court to characterize the parties as competitors. *Id.* at 212. The court found no likelihood of confusion and denied the plaintiff's motion for a preliminary injunction. *Id.* at 220.

223. *Id.* at 212.

224. *Id.* at 211.

225. 115 F. Supp. 2d 1108 (D. Minn. 2000).

226. See *Northland Ins. Cos. v. Blaylock*, 115 F. Supp. 2d 1108, 1122 (D. Minn. 2000) (determining that plaintiff had failed to demonstrate sufficient likelihood of confusion to constitute violation of Lanham Act). In *Northland Insurance*, the defendant, a former customer of the plaintiff insurance company, became disgruntled with the company during a dispute over a denied insurance claim. *Id.* at 1114. The defendant created a web site at "northlandinsurance.com" to complain about his experiences with the plaintiff and provide a forum for other "victims" of the plaintiff. *Id.* The plaintiff filed a suit claiming that the defendant's use of the domain name "northlandinsurance.com" constituted trademark infringement, trademark dilution, unfair competition, and a violation of the federal Anticybersquatting Consumer Protection Act (ACPA). *Id.* During its analysis of the trademark infringement claim, the court considered the plaintiff's argument that the defendant's use of the "northlandinsurance.com" domain was likely to cause initial interest confusion among consumers. *Id.* at 1119-21. The court first noted that the Eighth Circuit had not yet accepted the validity of the initial interest confusion doctrine. *Id.* at 1119. The court then analyzed initial interest confusion cases from other circuits and concluded that in most of those cases, the defendant stood to gain financially from the initial confusion by attracting consumers at the expense of the plaintiff. *Id.* at 1120. Under the facts as the court understood them, the plaintiff had nothing to gain financially by using the "northlandinsurance.com" domain. *Id.* at 1121. Therefore, the court determined, the initial interest confusion doctrine was not applicable. *Id.*

227. *Id.* at 1120.

proximity, there will be no potential material or financial gain on the part of the defendant.<sup>228</sup>

### *V. The Problems with Initial Interest Confusion on the Internet*

#### *A. Initial Interest Confusion Doctrine Does Not Serve the First Goal of Trademark Law*

Pre-Internet initial interest confusion cases focused almost exclusively on the "proprietary interest" rationale of trademark protection.<sup>229</sup> In these cases, courts used the initial interest confusion doctrine as a tool to combat unfair competition by preventing one company from attracting initial consumer interest through the misleading use of another company's trademark.<sup>230</sup> However, many cases applying initial interest confusion in the Internet context have discussed variations of the primary goal of trademark law, protecting the reasonable expectations of consumers.<sup>231</sup> Courts considering initial interest confusion in Internet trademark disputes have stated that there are two basic ways consumers can search for a web site. The first is by "guessing" that the site will be the company name or trademark followed by ".com", and the second is through the use of a search engine.<sup>232</sup> If these are the consumer expectations that the initial interest confusion doctrine is designed to protect, it must be determined whether these expectations really exist and whether they are reasonable.

228. See *Checkpoint Sys., Inc. v. Check Point Software Techs., Inc.*, 104 F. Supp. 2d 427, 462 (D.N.J. 2000) ("Where . . . the companies are non-competitors, initial interest confusion does not have the same consequences, because there is no substituted product to buy from the junior user.").

229. See *supra* notes 117-121 and accompanying text (providing overview of pre-Internet initial interest confusion cases and explaining how courts focused on need to protect against unfair competition).

230. *Id.*

231. See, e.g., *New York State Soc'y of Certified Pub. Accountants v. Eric Louis Associates*, 79 F. Supp. 2d 331, 342 (S.D.N.Y. 1999) (stating that Internet users "using ['NYSSCPA' as a search term] are expecting to arrive at the Society's web site. When they arrive instead at Defendant's web site, they cannot help being confused"); *Jews for Jesus v. Brodsky*, 993 F. Supp. 282, 303 (D.N.J. 1998) ("[A] user may find his or her way to the Defendant Internet site and then may be confused."), *aff'd*, 159 F.3d 1351 (3d Cir. 1998); *Planned Parenthood Fed'n of Am. v. Bucci*, No. 97 CIV 0629, 1997 WL 133313, at \*12 (S.D.N.Y. Mar. 24, 1997) (stating domain names "cause Internet users who seek plaintiff's web site to expend time and energy accessing defendant's web site"), *aff'd*, 152 F.3d 920 (2d Cir. 1998).

232. See, e.g., *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1044 (9th Cir. 1999) ("[A web user] has two principal options: trying to guess the domain name or seeking the assistance of an Internet 'search engine.'"); *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1066, 1091 (S.D. Cal. 1999) ("Users searching for a specific website can either type it into a web browser to access the site directly, or they can utilize a 'search engine.'"); *SNA, Inc. v. Array*, 51 F. Supp. 2d 542, 552 n.9 (E.D. Pa. 1999) ("Users searching for a specific Web site have two options . . . they can type the address into a browser [or] rely on 'search engines.'").

The first expectation, which many domain name cases address, is that web users will be able to find the web site of a product or company by simply typing the name of the product or company followed by ".com."<sup>233</sup> The validation of this "expectation" by courts dealing with Internet trademark disputes reflects unrealistic judicial views about the nature of the Internet and the sophistication of its users.<sup>234</sup> Guessing domain names is a practice that shows "carelessness, indifference, or ennu"<sup>235</sup> in that it is a relatively inefficient way of finding information on the Internet.<sup>236</sup> While it may succeed more often than not, there are many times when the web page of a famous trademark is not located at "www.trademark.com."<sup>237</sup>

The fact that courts continue to encourage web users to guess domain names reflects a continuing judicial view that Internet users lack sophistication, particularly in relation to consumers of more conventional forms of media.<sup>238</sup> For example, in *Cox Communications v. Susquehanna Broadcasting Co.*,<sup>239</sup> the court was faced with a dispute between two radio stations in the same market advertising themselves as "99 FM."<sup>240</sup> The court declined to find

233. See, e.g., *Sporty's Farm v. Sportsman's Market*, 202 F.3d 489, 493 (2d Cir. 2000) ("The most common method of locating an unknown domain is simply to type in the company name or logo with the suffix .com."), *cert. denied*, 120 S. Ct. 2719 (2000); *Brookfield Communications*, 174 F.3d at 1045 ("Web users often assume, as a rule of thumb, that the domain name of a particular company will be the company name followed by '.com.'"); *Cardservice Int'l, Inc. v. McGee*, 950 F. Supp. 737, 741 (E.D. Va. 1997) ("A customer who is unsure about a company's domain name will often guess that the domain name is also the company's name."); 4 MCCARTHY, *supra* note 45, § 25.73 ("[T]hrough habit and convention, Internet users have come to expect that to reach the web site of a company they should be able to type in the name of the company or its major trademark."); Swartz, *supra* note 80, at 1491-92 ("Internet users often guess that a product's trademark also serves as the domain name that accesses a website with information about the product.")

234. See Jon H. Oram, Case Note, *The Costs of Confusion in Cyberspace*, 107 YALE L.J. 869, 871 (1997) (criticizing reasoning behind *Planned Parenthood* decision).

235. *Hasbro, Inc. v. Clue Computing, Inc.*, 66 F. Supp. 2d 117, 124 (D. Mass. 1999), *aff'd*, 232 F.3d 1 (1st Cir. 2000).

236. See Oram, *supra* note 234, at 873 (arguing that *Planned Parenthood* court "should have equated the practice of guessing domain names with user carelessness").

237. See *The Network Network v. CBS, Inc.*, No. CV 98-1349 NM, 2000 WL 362016, at \*5 (C.D. Cal. Jan. 19, 2000) (stating that "[g]iven the limited number of letters in the alphabet, and the tendency toward the use of abbreviations in commerce generally and in domain names in particular, it is inevitable that consumers will often guess wrong").

238. See Oram, *supra* note 234, at 871 (criticizing *Planned Parenthood* court for holding Internet users to extremely low standard of sophistication and implying they would be unable to understand "historic enmity" between pro-choice and pro-life forces).

239. 620 F. Supp. 143 (C.D. Ga. 1985).

240. See *Cox Communications v. Susquehanna Broad. Co.*, 620 F. Supp. 143, 145 (C.D. Ga. 1985) (finding no likelihood of confusion and denying plaintiff's motion for preliminary injunction). In *Cox Communications*, the plaintiff owned an FM radio frequency at 98.5



a likelihood of confusion, stating that any confusion was "minimal" and due to "total inattention and disinterest" among consumers.<sup>241</sup> The court in *Cox Communications* attributed a reasonable level of sophistication (and an accompanying responsibility) to radio listeners when it stated that "[i]f a listener really cares about which of the two stations he is listening to, it is difficult to believe that his confusion will last past the first station break."<sup>242</sup> Unfortunately, some courts analyzing domain name disputes have not attributed the same sophistication to Internet users.<sup>243</sup>

Furthermore, this so-called "rule of thumb"<sup>244</sup> ignores the fundamental difference between trademarks and domain names. While several companies (in different geographic areas or different lines of businesses) may have concurrent rights to the exact same trademark, only one company can own the ".com" domain name for that trademark.<sup>245</sup> For example, Delta Air Lines, Delta Faucets, Delta Dental, and several other companies in different lines of business have trademark rights to the term "Delta", but only one of them can have a web presence at "delta.com."<sup>246</sup> Therefore, an Internet user looking for Delta Air Lines at "delta.com" may be briefly confused when he or she finds that "delta.com" is actually the web site of Delta Financial Corporation. This is obviously not the type of confusion that the Lanham Act was meant to remedy.

A guess is only a guess; web users have no legitimate expectations that "guesstimating" will always find the web page they are looking for.<sup>247</sup> Deci-

megahertz and the defendant was assigned the frequency of 99.7. *Id.* at 145. Both stations played similar music and advertised themselves as "99 FM." *Id.* at 145-46. Cox, concerned that its station was suffering in the ratings because of confusion with defendant's station, brought a trademark infringement action against Susquehanna, claiming that it had rights to the term "99 FM." *Id.* at 146. The court found that some minimal confusion was inevitable due to the similarity of the formats the two stations employed. *Id.* at 147-48. However, the court had difficulty fitting this type of confusion into traditional trademark concepts and concluded that Cox had failed to show a likelihood of confusion. *Id.* at 148.

241. *Id.* at 148.

242. *Id.*

243. See *Oram, supra* note 234, at 871 (suggesting that judiciary holds Internet users to unreasonably low standard of sophistication). *But cf. Jews for Jesus v. Brodsky*, 993 F. Supp. 282, 303 (D.N.J. 1998) (claiming that "many Internet users are not sophisticated enough to distinguish between the subtle difference in the domain names of the parties"), *aff'd*, 159 F.3d 1351 (3d Cir. 1998).

244. See *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1045 (9th Cir. 1999) ("Web users often assume, as a rule of thumb, that the domain name of a particular company will be the company name followed by ".com.").

245. See *Swartz, supra* note 76, at 1493 (pointing out difference between concurrent availability of trademarks and uniqueness of domain names).

246. See *id.* (noting that only one party can own specific individual web address).

247. See *The Network Network v. CBS, Inc.*, No. CV 98-1349 NM, 2000 WL 362016, at \*5 (C.D. Cal. Jan. 19, 2000) (stating that "it is inevitable that consumers will often guess wrong").

sions such as *Planned Parenthood* and *Interstellar Starship*, in their rush to protect "consumer expectations," have legitimized this approach at the expense of other, more efficient ways of finding information.<sup>248</sup>

Courts in metatagging cases also have taken an overly paternalistic view of Internet users.<sup>249</sup> The need to protect the expectations of consumers entering terms into a search engine is a weak ground for imposition of trademark infringement liability. Search engines can be powerful tools for finding information, but at the present stage they are still in their infancy and one cannot reasonably expect to always be able to find what one is looking for.<sup>250</sup> For one thing, most information on the Internet cannot be found using search engines; according to recent studies, no one search engine indexes more than sixteen percent of all the pages on the web.<sup>251</sup> In addition, search engine queries usually return hundreds or even thousands of results.<sup>252</sup> A user who is attempting to find specific information via an Internet search engine must be prepared to accept a modicum of "noise"<sup>253</sup> and irrelevant search results.<sup>254</sup> Most search engine users who enter a trademarked word or phrase into a

248. See Oram, *supra* note 234, at 873 (criticizing courts that legitimize guessing of domain names instead of utilization of search engines and directory indexes).

249. See Mark T. Garrett, *Recent Developments in Trademark Law*, 8 TEX. INTELL. PROP. L.J. 101, 106 (1999) (suggesting *Brookfield Communications* court attributed low level of sophistication to Internet users).

250. See Nathenson, *supra* note 39, at 118 (arguing that consumers do not always have reasonable expectations of accurate search results).

251. Elizabeth Weise, *Web Changes Direction to People Skills*, USA TODAY, Jan. 24, 2000, at D1. The misconception that search engines index most or all of the available information on the web is a common one. See also *Sporty's Farm v. Sportsman's Mkt.*, 202 F.3d 489, 493 (2d Cir. 2000) (claiming that "[a] search engine will find all web pages on the Internet with a particular word or phrase"), *cert. denied*, 120 S. Ct. 2719 (2000); *Nat'l A-1 Adv., Inc. v. Network Solutions, Inc.*, 121 F. Supp. 2d 156, 164, (D.N.H. 2000) ("Search engines are databases that list most sites accessible on the Web.").

252. See, e.g., *Sporty's Farm*, 202 F.3d at 493 ("Given the current state of search engine technology, [a] search will often produce a list of hundreds of web sites through which the user must sort in order to find what he or she is looking for."); *Panavision Int'l v. Toepfen*, 141 F.3d 1316, 1327 (9th Cir. 1998) ("Use of a 'search engine' can turn up hundreds of web sites."); Oram, *supra* note 234, at 872 ("[S]earches . . . typically overwhelm the novice user by generating hundreds or thousands of site listings.").

253. See Nathenson, *supra* note 39, at 75 (defining noise). "Noise" in the search engine context refers to the irrelevant information resulting from a search engine query. *Id.*

254. See, e.g., Nathenson, *supra* note 39, at 45 (suggesting that Microsoft's advertising, rather than asking "Where do you want to go today?" should ask "How in the hell do you get there?"); Oram, *supra* note 184, at 469 (comparing Internet to box of chocolates; "[y]ou can try searching for the information you want, but you just never know what you're gonna get"); Tim Jackson, *The Case of the Invisible Ink*, FINANCIAL TIMES, Sept. 22, 1997, at 17 (stating that "[t]o anyone who uses search engines regularly, all these assertions [of confusion] may seem somewhat fanciful. When you type a string of words into [a search engine] you expect to see many pages listed that have no relevance to the subject that interests you").

search engine do not expect every result that the search engine returns to be sponsored by or affiliated with the trademark owner.<sup>255</sup>

Additionally, it is reasonable to expect users to read the descriptions that accompany the results of a search.<sup>256</sup> In most cases, these descriptions will contain additional information that will make it clear whether a certain page is affiliated with the trademark owner.<sup>257</sup> The fact that the *Brookfield Communications* court failed to take this into account reflects the court's inability to understand the mechanics of search engines. Search engines return a list of results when a query is entered; they do not automatically take a user to another site.<sup>258</sup> There is a fundamental difference, which the *Brookfield Communications* court failed to appreciate, between viewing a list of results and being taken directly to another site (as one would when entering a domain name). In most cases, a user will be able to tell from the list of results which site is which before clicking on any of the results.<sup>259</sup> The proper analogy is not to West Coast putting up a billboard that advertises their store using Brookfield's trademark, but to West Coast putting up a billboard right next to a billboard for Brookfield.<sup>260</sup>

The court's billboard analogy is a more appropriate illustration of the facts of *Niton Corp. v. Radiation Monitoring Devices, Inc.*,<sup>261</sup> in which Radiation Monitoring Devices (RMD) copied verbatim Niton's metatags on its own web page.<sup>262</sup> If a user entered "niton" into a search engine, RMD's web page

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255. See Lastowka, *supra* note 41, at 866-67 (suggesting that consumers understand "spamdexing" and are unlikely to be confused by irrelevant search results or believe they are affiliated with trademark owners). Lastowka argued that search engine users are likely to view irrelevant listings as a failure of search engine technology and not to assume that these sites have any relation to the trademark's owner. *Id.*

256. *Id.*

257. See 2 JEROME GILSON, TRADEMARK PROTECTION AND PRACTICE, § 5.11[7] (2000) (explaining that descriptions accompanying links on search engine results page will often dispel confusion).

258. See *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1066, 1091 (S.D. Cal. 1999) (noting that search engines return list of hits in response to specific query).

259. See 2 GILSON, *supra* note 257, § 5.11[7] (explaining that descriptions accompanying links on search engine results page will often dispel confusion).

260. See Garrett, *supra* note 249, at 106 (criticizing analogy employed by Ninth Circuit in *Brookfield Communications*).

261. 27 F. Supp. 2d 102 (D. Mass. 1998).

262. See *Niton Corp. v. Radiation Monitoring Devices, Inc.*, 27 F. Supp. 2d 102, 105 (D. Mass. 1998) (granting preliminary injunction against defendant's use of plaintiff's metatags). In *Niton*, both Niton and Radiation Monitoring Devices (RMD) manufactured x-ray instruments that detected the presence or absence of lead in paint. *Id.* at 103. Niton's webmaster discovered that RMD had copied verbatim from Niton's website the descriptive metatags which included phrases such as "The Home Page of Niton Corporation, makers of the finest lead, radon, and multi-element detectors." *Id.* at 104. The judge issued a preliminary injunction against RMD,

would appear in the list of results with the description "the official web page of Niton corporation."<sup>263</sup> In that case, a user could claim legitimately to be misdirected and confused by RMD's use of the Niton metatags.<sup>264</sup> A searcher for Brookfield's web site would not be misdirected when entering "moviebuff" into a search engine unless he failed to carefully read the descriptions of the returned pages and clicked on a link for West Coast's page instead of Brookfield's.<sup>265</sup> Any initial confusion therefore would be at least partially the fault of the search engine user for failing to exercise proper care.

The *Brookfield Communications* court noted the fact that a search query produces a list of results from which a user must select,<sup>266</sup> but failed to give this fact the proper significance.<sup>267</sup> One commentator has stated that the Ninth Circuit's decision in *Brookfield Communications* relied

on a fundamental misunderstanding of the way in which Internet search engines operate. Search engines do not "take" web surfers to any site, rather they respond to requests for information by providing lists of sites that . . . are most likely to meet the surfer's needs. The surfer then chooses from amongst the list of hyperlinks returned . . . West Coast Video's use of the metatag, "MovieBuff," would likely suffice to earn it a place on the results list returned by most search engines, but it could do no more than that. The surfer would still have to pick out the hyperlink to West Coast Video's site from among all those returned before being "taken" to that site.<sup>268</sup>

The failure to understand how search engines operate is a common problem with legal criticisms of manipulative metatagging. The practice also has been compared to dialing directory assistance to ask for Apple's number, only to be given Microsoft's number instead.<sup>269</sup> Obviously, a more appropri-

finding that Niton was likely to succeed in its argument that RMD's use of Niton's metatags would confuse customers into believing that RMD was affiliated with or identical to Niton. *Id.* at 105.

263. See 2 GILSON, *supra* note 257, § 5.11[7] (contrasting *Niton* with *Brookfield Communications*).

264. Cf. Lawrence F. Grable, *Cyber Pirates, Looting Trademarks on the Internet: Brookfield v. West Coast*, 36 TULSA L.J. 235, 252 (2000) (stating that *Niton* is "arguably the best example of willful metatag infringement resulting in initial interest confusion").

265. *Id.*

266. See *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1062 (9th Cir. 1999) (recognizing that inputting term into search engine results in list of hits).

267. See *id.* at 1064 (suggesting that search engine user looking for Brookfield's site will be "misdirected" to West Coast's page).

268. See Dan McCuaig, *Halve the Baby: An Obvious Solution to the Troubling Use of Trademarks as Metatags*, 18 J. MARSHALL J. COMPUTER & INFO. L. 643, 663 (2000) (criticizing reasoning of *Brookfield Communications* court).

269. See Nathenson, *supra* note 39, at 46 n.15 (mentioning comparison to directory assistance).

ate analogy is to receiving the number of Apple as well as those of Microsoft, Compaq, and Dell. To use another analogy, manipulative metatagging is not the same as ordering Coke and receiving Pepsi instead; it is more akin to ordering Coke and having a waiter ask "Is Pepsi okay?"<sup>270</sup> The potential consumer is faced with a number of alternate choices and must make a reasonable, informed decision.

One decision which demonstrates a proper understanding of search engine results is *Bihari v. Gross*,<sup>271</sup> in which a disgruntled customer of an interior design company created several web pages to criticize the company.<sup>272</sup> These pages contained the name of the company, "Bihari Interiors," in their meta-tags.<sup>273</sup> In denying the plaintiff's motion for summary judgment, the court took notice of the fact that a search for "Bihari Interiors" would return a list of results.<sup>274</sup> This list would contain a list of web pages with accompanying descriptions, and the descriptions for the defendant's sites (which read "[t]his site deals with the problems experienced when hiring a . . . designer. It discusses Marianne Bihari[,], fraud and deceit") would make it clear that the sites were not affiliated with Bihari Interiors.<sup>275</sup> Other courts analyzing metatagging cases should follow the example of the *Bihari* court and keep in mind that a user will be selecting from a list of results when entering a term into a search engine.<sup>276</sup>

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270. See *Link Law on the Internet: A Panel Discussion*, 38 IDEA 197, 217 (1998) (discussing analogies between metatagging and beverage ordering).

271. 119 F. Supp. 2d 309 (S.D.N.Y. 2000).

272. See *Bihari v. Gross*, 119 F. Supp. 2d 309, 311 (S.D.N.Y. 2000) (denying plaintiff's motion for preliminary injunction enjoining defendants from using terms "Bihari" or "Bihari Interiors" in meta-tags of defendant's web pages). In *Bihari*, the plaintiff operated Bihari Interiors, a Manhattan interior design company. *Id.* at 312. The defendant was a former customer of plaintiff's who became disgruntled with Bihari Interiors for a variety of reasons. *Id.* The defendant registered the domain names "designscam.com" and "manhattaninterior design.com" and created web pages at these domains criticizing the plaintiff and her company. *Id.* at 313-14. Both of these pages contained the term "Bihari Interiors" within their meta-tags. *Id.* at 313. The plaintiff brought a lawsuit claiming that this usage constituted a violation of the Lanham Act. *Id.* at 311. In its discussion of plaintiff's claims, the court discussed the possibility of initial interest confusion. *Id.* at 319-21. However, the court distinguished the facts of the case from the facts in *Brookfield Communications*. *Id.* The defendant's web site was not intended to divert customers from the plaintiff's web site; in fact, the plaintiff did not even have a web site for her company. *Id.* at 320. Additionally, the court noted that any search results for the term "Bihari Interiors" which returned one of defendant's pages as a hit would include a description of the page which would make it clear that the page was not sponsored by plaintiff. *Id.* For these reasons, the court found that web users looking for plaintiff's page would not be "tricked" into visiting the defendant's pages. *Id.* at 321.

273. *Id.* at 313.

274. *Id.* at 320.

275. *Id.*

276. See Matthew A. Kaminer, *The Limitations of Trademark Law in Addressing Trademark Keyword Banners*, 16 SANTA CLARA COMPUTER & HIGH TECH L.J. 35, 52 (1999) (arguing

Moreover, overly broad trademark liability will encourage the use of "information-poor" search terms. Information-poor terms are frequently used words which are not distinctive and do not convey specific, useful information.<sup>277</sup> Many of the most frequently searched terms, such as "sex," "mp3," and "chat" would qualify as information-poor.<sup>278</sup> Information-rich terms are those that are fairly distinctive, less frequently used, and capable only of a limited number of meanings.<sup>279</sup> Much as courts in domain name cases should not legitimize the practice of "guessing" domain names, courts in metatagging cases should not encourage the use of information-poor search terms. Consumers should be expected to use targeted, information-rich search terms.<sup>280</sup>

Finally, a user who enters a company name or product name into a search engine is not necessarily looking for the "official" site of that company or trademark. This was a point made by the court in *Bally Total Fitness Holding Corp. v. Faber*,<sup>281</sup> which granted summary judgment to a web page designer who used the mark "Bally" in a site criticizing the health club chain.<sup>282</sup> The court found that the average Internet user who inputs "Bally" into a search engine wants not just the official Bally site, but all of the available information on Bally.<sup>283</sup> While noting that some users may be searching for the official Bally site, the court also indicated that many users will also want to access the opinions of other Bally customers.<sup>284</sup>

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that likelihood of confusion in metatagging cases may depend on how close together official site and infringing site appear in search engine results).

277. See Nathenson, *supra* note 39, at 76 (defining information-poor search terms).

278. See *Uncensored Words List*, at <http://www.searchwords.com/top100w.htm> (last visited Nov. 10, 2000) (listing "sex," "mp3," and "chat" among ten terms most frequently queried in search engines).

279. See Nathenson, *supra* note 39, at 76 (defining information-rich search terms).

280. See *id.* at 113 (stating that reasonable consumers must be expected to use narrowly targeted search terms).

281. 29 F. Supp. 2d 1161 (C.D. Cal. 1998).

282. See *Bally Total Fitness Holding Corp. v. Faber*, 29 F. Supp. 2d 1161, 1166 (C.D. Cal. 1998) (finding that defendant had demonstrated there was no likelihood that his "Bally Sucks" web site would confuse web users). In *Bally*, the defendant owned the domain "www.compupix.com" and used this domain to maintain a variety of sites, including one called "Bally Sucks" (located at <http://www.compupix.com/ballysucks>). *Id.* at 1162. The site contained criticism of the Bally health clubs and a forum for others to express their opinions of Bally. *Id.* at 1164-65. Bally claimed that the unauthorized use of its trademarks on the page and in the address constituted trademark infringement. *Id.* at 1162. The court analyzed Bally's claims under the *Sleekcraft* eight-factor test and granted summary judgment to the defendant, concluding that Bally had not sufficiently demonstrated a likelihood of confusion. *Id.* at 1163-66.

283. *Id.* at 1165.

284. *Id.*; see also *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1066, 1095 (S.D. Cal. 1999) (stating that "[n]ot all web searches utilizing the words 'Playboy' [and] 'Playmate' . . . are intended to find 'Playboy' goods or the official 'Playboy' site").

Cases such as *Bihari* and *Bally* understand that Internet users have unique expectations which are different from the expectations of consumers in other areas. Internet consumers do not expect to receive information from a search engine in the same way that conventional consumers expect to receive information from advertising.<sup>285</sup> Application of the initial interest doctrine thus does not serve the primary goal of trademark law, protection of the reasonable expectations of consumers.<sup>286</sup>

*B. Initial Interest Confusion Often Does Not Serve the Second Goal of Trademark Law*

If the application of the initial interest confusion doctrine in domain name and metatagging cases does not serve the primary goal of trademark law, trademark infringement should only be based on initial interest confusion when the second goal of trademark law comes into play.<sup>287</sup> As previously discussed, the second goal focuses on the interests that trademark owners have developed in their marks.<sup>288</sup> However, in many initial interest confusion cases, the second goal is not served because the companies are not direct competitors.<sup>289</sup>

The Ninth Circuit's decision in *Brookfield Communications* is a good example of this problem. The most troubling aspect of the *Brookfield Communications* decision is the way the court blithely jettisoned the traditional eight-factor likelihood of confusion test in favor of a cursory, results-oriented analysis.<sup>290</sup> While metatag issues may not fit well within the traditional likelihood of confusion analysis, this does not mean that the entire framework must be discarded. The likelihood of confusion factors were not meant to be applied rigidly, but on a flexible case-by-case basis, with some factors obviously weighing more than others depending on the circumstances.<sup>291</sup>

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285. See Shannon N. King, Case Comment, *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*, 15 BERKELEY TECH. L.J. 313, 325 (2000) (comparing different expectations of Internet consumers and traditional consumers).

286. See Nathenson, *supra* note 39, at 113 (arguing that rationale of protecting consumer expectations has no validity where consumers have no reasonable expectations to protect).

287. See *Checkpoint Sys., Inc. v. Check Point Software Techs., Inc.*, 104 F. Supp. 2d 427, 462 (D.N.J. 2000) ("Where . . . the companies are non-competitors, initial interest confusion does not have the same consequences, because there is no substituted product to buy from the junior user, and the senior user does not bear the prospect of harm.").

288. See *supra* Section III.A (discussing dual goals of trademark law).

289. *Id.*

290. See *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1062 n.24 (9th Cir. 1999) ("[T]he traditional eight-factor test is not well-suited for analyzing the metatags issue.").

291. See *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1066, 1081 (S.D. Cal. 1999) (stating

The two factors to which the Ninth Circuit should have paid more attention are the relatedness of the two companies' goods and services and the degree of care that purchasers are likely to exercise.<sup>292</sup> Prior to *Brookfield Communications*, almost all of the decisions basing trademark infringement on initial interest confusion had been in cases in which there was likely to be some competitive damage done to the complaining party.<sup>293</sup> In most such cases, the two parties offered very similar goods or services, and the potential buyers were unsophisticated and unlikely to exercise a high degree of care.<sup>294</sup> Courts usually assume that potential consumers are more discerning when the items at issue are expensive or of a type usually sold to expert buyers.<sup>295</sup> In *Brookfield Communications*, while the products (entertainment industry-related software and databases) were facially similar, West Coast's database was geared towards the casual movie fan while Brookfield's was far more detailed and intended for entertainment industry professionals, who should have been considered expert buyers.<sup>296</sup> It is highly unlikely that, as the court surmised, an entertainment industry professional using the "moviebuff" term to search for Brookfield's detailed professional-oriented database simply would decide to use West Coast's consumer-oriented database instead.<sup>297</sup>

The *Welles* court considered three additional factors (whether the confusion was damaging and wrongful, whether the confusion would lead a consumer to believe there was some connection between the two companies, and whether the confusion offered a potential opportunity for sale by confusion with the plaintiff's products) which are significant and sensible limitations on the concept of initial interest confusion as the Ninth Circuit defined it.<sup>298</sup>

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that "some factors will be much more significant than others, and the relative importance of each factor will be case-dependent").

292. See *Brookfield Communications, Inc.*, 174 F.3d at 1053 (listing eight factors guiding likelihood of confusion analysis).

293. See *supra* notes 119-20 and accompanying text (citing courts applying initial interest confusion in these situations).

294. *Id.*

295. See *Official Airline Guides, Inc. v. Goss*, 6 F.3d 1385, 1393 (9th Cir. 1993) (recognizing that confusion is unlikely when goods at issue are advertisements sold to expert ad buyers for up to \$16,000). The opposite is also true. See *Beer Nuts, Inc. v. Clover Club Foods Co.*, 805 F.2d 920, 926 (10th Cir. 1986) (recognizing that inexpensive snack foods are often impulse buys and that customers are likely to exercise little care and are therefore more likely to be confused).

296. See *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1056 (9th Cir. 1999) (explaining differences between products but finding that companies were properly characterized as competitors).

297. See *id.* at 1062 ("[A] sizeable number of consumers who were originally looking for Brookfield's product will simply decide to utilize West Coast's offerings instead.").

298. See *Welles*, 78 F. Supp. 2d at 1094 (listing three additional factors courts should consider in initial interest confusion claims).



These factors essentially narrow the application of initial interest confusion to situations in which a company is able to get a foot in the door at the expense of a competitor or there is some likelihood of competitive damage.<sup>299</sup> Had the Ninth Circuit considered these factors in *Brookfield Communications*, the court probably would have decided the case differently because the possibility of competitive damage to Brookfield was not very realistic, due to the fact that the companies were marketing to different consumer bases.<sup>300</sup>

*Eric Louis Associates* is another case in which the court should have analyzed additional factors posited in *Welles*. The initial confusion created by ELA's use of the metatag was not "damaging and wrongful" because ELA and the NYSSCPA organization did not offer the same services.<sup>301</sup> Internet users would be unlikely to search for the official NYSSCPA web site in the hopes of finding job placement services, and thus there was no danger of the type of "foot in the door" confusion found actionable in prior cases. Additionally, the partners of Eric Louis Associates were themselves members of the New York State Society of Certified Public Accountants.<sup>302</sup> Therefore, the 'nysscpa' metatag was a relevant indexing term, and its use should have qualified as a descriptive fair use.<sup>303</sup>

On the other hand, the *Teletech* approach, which entirely rejects initial interest confusion, does not sufficiently protect the rights of trademark owners.<sup>304</sup> For example, the two companies in *CCBN.com* were in direct competition.<sup>305</sup> The court characterized them as competitors in a "very narrow, if not a two-player, market."<sup>306</sup> This is exactly the type of situation in which the defendant could have gotten a foot in the door with potential customers at the

299. *Id.* at 1094-95.

300. *See Brookfield Communications*, 174 F.3d at 1056 (explaining differences between Brookfield's and West Coast's products).

301. *See New York State Soc'y of Certified Pub. Accountants v. Eric Louis Assocs.*, 79 F. Supp. 2d 331, 341 (S.D.N.Y. 1999) (stating that "Plaintiff and Defendant are . . . not in direct competition with each other").

302. *See id.* at 342 (noting that partners of Eric Louis Associates were members of NYSSCPA).

303. *See 2 MCCARTHY, supra* note 45, § 11.45 (stating that "[t]he policies of free competition and free use of language dictate that trademark law cannot forbid the commercial use of terms in their descriptive sense"). The fair use defense was probably not strenuously argued in *Eric Louis Associates* because of the unusual procedural posture of the case. *See Eric Louis Assocs.*, 79 F. Supp. 2d at 333-34 (pointing out that sole issue before court was whether to award attorney fees to plaintiff).

304. *See supra* notes 201-12 and accompanying text (discussing *Teletech* approach to initial interest confusion in context of domain names).

305. *See CCBN.com, Inc. v. c-call.com, Inc.*, 73 F. Supp. 2d 106, 114 (D. Mass. 1999) (characterizing CCBN.com and c-call.com as direct competitors).

306. *Id.*

expense of the plaintiff.<sup>307</sup> The court therefore should have applied the initial interest confusion doctrine to prevent competitive damage.

Because the initial interest confusion doctrine does not advance the "consumer expectations" goal of trademark law, it should be applied only where it will advance the "proprietary interest" goal.<sup>308</sup> Overly broad application of the doctrine will adversely affect the growth and maturation of search engines and the Internet in general.

### C. Initial Interest Confusion Could Impede Technological Innovation

While most users are more annoyed than confused by overly broad search results, the state of existing search engine technology is such that search engines themselves often will be confused by manipulative metatagging.<sup>309</sup> Search engines will no doubt continue to evolve and in the future will deliver more accurate search results. However, overly broad trademark liability for metatagging could have deleterious effects on search engine accuracy; search engine queries will be even less precise if web authors are afraid to use terms that may be relevant.<sup>310</sup> Additionally, the threat of litigation could mean that search engine operators will choose to disregard metatags in their search algorithms, resulting in less precise search results.<sup>311</sup>

The potential for litigation also may deter potential web authors from putting up their sites or including as much information as they otherwise would. Most web page authors are very responsive to litigation or threatened litigation and increasing trends toward overly broad trademark liability could very well have a chilling effect.<sup>312</sup> For example, one commentator has suggested regulating metatag use and strictly prohibiting the use of another's

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307. See Brzuga, *supra* note 121, at 665 (arguing that actionable harm should exist when company is trying to lure customers away from competitor).

308. See Nathenson, *supra* note 39, at 113 ("To blindly apply trademark infringement may itself be anti-competitive, by overprotecting trademarks where no reasonable expectations exist.").

309. See *id.* (stating that "[a]ny confusion arising from meta tags is that of the search engines themselves, because they lack the sophistication to cull the relevant from the irrelevant"); O'Rourke, *supra* note 30, at 294 ("Any confusion by manipulative metatagging is more likely to be on the part of the search engine software than the user."); Sees, *supra* note 49, at 115 ("[T]he only confusion that might be said to result is that of the search engine in including the web site in the query result.").

310. See Nathenson, *supra* note 39, at 48-49 (explaining how threat of litigation could lead to less effective search engines).

311. See Sees, *supra* note 49, at 118 (discussing how search engine operators may react to increased threats of liability).

312. See Nathenson, *supra* note 39, at 70 (noting responsiveness of Internet community to actual or threatened litigation).

trademarks in a keyword or description metatag.<sup>313</sup> This approach certainly would prevent well-meaning webmasters from including relevant and descriptive indexing information in their metatags and therefore would lead to less accurate searches.

Given time, technology will develop more accurate ways of searching for information on the Internet. There are already technologies on the way that will lead to more accurate searches, such as the XML programming language which could one day replace the currently used HTML language.<sup>314</sup> Internet developers could also harness the system of "digital signatures" to ensure that a link on a search engine results page is what it appears to be.<sup>315</sup> Other commentators have discussed the possibility of letting search engines regulate metatag use themselves.<sup>316</sup> While technological advances may make manipulative metatagging obsolete, unscrupulous web page authors likely will find new ways of deceiving and manipulating search engines.<sup>317</sup> However, technology should do a better job dealing with these problems than a legal system that often has a difficult time even understanding the concepts involved.<sup>318</sup>

#### *D. Initial Interest Confusion Could Chill First Amendment Rights on the Internet*

The recent judicial and legislative trends toward expansion of trademark rights mean that "our ability to discuss, portray, comment, criticize, and make fun of companies and their products is diminishing."<sup>319</sup> This problem is especially troubling in the Internet context because the Internet allows an

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313. See Shipman, *supra* note 38, at 283-85 (proposing new trademark laws regulating usage of metatags); see also Grable, *supra* note 264, at 262 (advocating blanket restrictions on use of another party's trademark in metatags).

314. See Danny Sullivan, *The New Meta Tags Are Coming— Or Are They?*, at <http://www.searchenginewatch.com/sereport/97/12-metatags.html> (last visited Mar. 3, 2000) (describing how XML programming language will use "RDF tags" which allow for more accurate indexing than metatags currently used in HTML programming language).

315. See Oram, *supra* note 234, at 874 (discussing possibility of "digital signatures" being used to authenticate search engine results).

316. See Sees, *supra* note 49, at 119 n.32 (raising possibility that search engines could check for valid uses of trademarks in metatags); see also King, *supra* note 285, at 326-327 (arguing that search engines should consider changing their search algorithms or excluding pages using manipulative metatags from their search indexes).

317. See Nathenson, *supra* note 39, at 65-66 (discussing how new methods of manipulating search engines to receive higher rankings are constantly emerging).

318. See Oram, *supra* note 234, at 874 (stating that "[t]echnological solutions often do a better job of solving intellectual property problems than legal institutions could ever hope to do").

319. Lemley, *supra* note 68, at 1711.

individual to reach a greater number of consumers at a much lower cost than traditional forms of media. As the Supreme Court recently stated, "through the use of online chat rooms, any person with a phone line can become a town crier with a voice that resonates farther than it could from any soapbox. Through the use of Web pages, mail exploders, and newsgroups, the same individual can become a pamphleteer."<sup>320</sup> For this reason, the Court has indicated that speech on the Internet is to be accorded the highest level of First Amendment protection.<sup>321</sup> The increasing reliance on the initial interest confusion doctrine in Internet trademark disputes threatens to chill free speech rights on the Internet and thus raises significant First Amendment implications.<sup>322</sup>

Fair use defenses and trademark rights often have conflicted with each other.<sup>323</sup> There remains a split among courts as to whether fair use is an absolute defense to trademark infringement regardless of the likelihood of confusion, or whether fair use only "sets legal boundaries within which someone may employ another's mark as long as his use of the mark does not create a likelihood of confusion."<sup>324</sup> As one court espousing this latter view has stated, "[b]ecause the primary purpose of the trademark laws is to protect the public from confusion . . . it would be somewhat anomalous to hold that the confusing use of another's trademark is 'fair use.'<sup>325</sup> Under this approach, an overly broad application of initial interest confusion has adverse implications for web sites making fair use of trademarks because of the inherent theoretical conflict between fair use defenses and initial interest confusion as it has been applied to the Internet. After all, if the confusion at issue is the momentary confusion an Internet user feels when he is diverted to a web site which is not the one he was looking for,<sup>326</sup> why should a fair use defense be available to make that confusion non-actionable?<sup>327</sup> The initial

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320. *Reno v. ACLU*, 521 U.S. 844, 870 (1997).

321. *Id.*

322. *See Oram, supra* note 184, at 475 (arguing that broad application of intellectual property law to Internet "threatens to eviscerate" First Amendment protections).

323. *See 5 MCCARTHY, supra* note 45, § 31:144 (describing conflict between fair use defense and trademark rights).

324. *See Michael G. Frey, Comment, Is it Fair to Confuse? An Examination of Trademark Protection, the Fair Use Defense, and the First Amendment*, 65 U. CIN. L. REV. 1255, 1270 (1997) (examining split among courts as to whether fair use defense is part of likelihood of confusion analysis or independent defense).

325. *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema*, 604 F.2d 200, 206 n.9 (2d Cir. 1979).

326. *See SNA v. Array*, 51 F. Supp. 2d 542, 553 (E.D. Pa. 1999) (stating that "[i]n any case, the initial confusion of drawing the viewer to the site is the relevant confusion").

327. *See Nathenson, supra* note 39, at 114-15 (asking "if infringement is possible on a bare meta tag, then why would one inquire whether there were 'use[s] in a permissible manner . . .

confusion experienced by web users supposedly is damaging regardless of whether the confusion immediately is dispelled by a disclaimer,<sup>328</sup> so it would seem that the confusion would be just as damaging if the web page is making fair use of the trademark.

Several types of web sites may be vulnerable to claims of initial interest confusion regardless of fair use defenses, including consumer commentary sites, parody sites, and commercial sites containing comparative advertising. Consumer commentary sites are web sites devoted to commentary and criticism of specific companies which offer disgruntled employees and customers an opportunity to post messages criticizing the company.<sup>329</sup> These sites are powerful vehicles for dissatisfied consumers to let both the company and the general public know how they feel at a minimum of time and cost.<sup>330</sup> At the present time, there are hundreds of consumer commentary sites whose domain names contain trademarks<sup>331</sup> or which use the names of company trademarks in their metatags.<sup>332</sup> *Bally Total Fitness Holding Corp. v. Faber* was the first

in the visible portion of the web page [that] might even render non-infringing the additional use of the mark' in a meta tag?" (quoting Marcelo Halpern, *Meta-Tags: Effective Marketing or Unfair Competition?*, CYBERSPACE LAW., Oct. 1997, at 2)).

328. See *Paccar, Inc. v. Telescan Techs., LLC*, 115 F. Supp. 2d 772, 778 (E.D. Mich. 2000) (finding disclaimer would not defeat initial interest confusion upon encountering web site); *Ford Motor Co. v. Ford Fin. Solutions, Inc.*, 103 F. Supp. 2d 1126, 1128 (N.D. Iowa 2000) (same); *New York Soc'y of Certified Pub. Accountants v. Eric Louis Assocs.*, 79 F. Supp. 2d 331, 342 (S.D.N.Y. 1999) (same); *Jews for Jesus v. Brodsky*, 993 F. Supp. 282, 303 (D.N.J. 1998) (same), *aff'd*, 159 F.3d 1351 (3d Cir. 1998); *Planned Parenthood Fed'n of Am. v. Bucci*, No. 97 CIV 0629, 1997 WL 133313, at \*12 (S.D.N.Y. Mar. 24, 1997) (same), *aff'd*, 152 F.3d 920 (2d Cir. 1998).

329. See Robert Dodge, *Online Opinions: Web Pages Can Sting Corporations*, DALLAS MORNING NEWS, June 24, 1999, at 1D (describing consumer commentary sites).

330. See David Segal & Caroline E. Mayer, *Sites for Sore Consumers: Complaints about Companies Multiply on the Web*, WASH. POST, Mar. 28, 1999, at A1 (discussing purposes of consumer commentary sites).

331. See, e.g., *Chase Manhattan Bank Sucks*, at <http://www.chasebanksucks.com> (last visited January 26, 2001) (offering dissatisfied consumers opportunity to voice opinions on Chase Manhattan Bank); *I Hate Starbucks*, at <http://www.ihatestarbucks.com> (last visited January 26, 2001) (containing derogatory comments regarding Starbucks coffee chain); *Wal-Mart Sucks*, at <http://www.walmartsucks.com> (last visited January 26, 2001) (offering commentary and criticism of Wal-Mart stores).

332. See, e.g., *Break Up Microsoft - A True Grass Roots Movement*, at <http://www.breakupmicrosoft.org> (last visited January 26, 2001) (criticizing Microsoft and including "Microsoft," "Windows," and "Internet Explorer" in metatags); *Is Anheuser-Busch the Official Beer of Homosexuals?*, at <http://www.gaybeer.com> (last visited January 26, 2001) (criticizing Anheuser-Busch for marketing to homosexual community and including "Anheuser-Busch," "Budweiser," "Bud Light," and "Michelob" in metatags); *Prodigy Internet Sucks*, at <http://www.prodigy-sucks.com> (last visited January 26, 2001) (offering criticism of Prodigy Internet services and containing registered marks "Prodigy" and "Prodigy Internet" in metatags).

reported decision to deal with consumer commentary sites, and the *Bally* court allowed the web page as a fair use without addressing the issue of initial interest confusion.<sup>333</sup> Another recent case, *Lucent Technologies, Inc. v. LucentSucks.com*,<sup>334</sup> also found significant First Amendment interests in a commentary site and suggested that such sites were not likely to constitute trademark infringement.<sup>335</sup> However, courts conceivably could apply initial interest confusion in cases involving these types of web pages in the future because the owners of these sites arguably are attempting to divert potential customers from a company's official site.<sup>336</sup>

A federal court already invoked the doctrine of initial interest confusion to shut down a parody site. In June of 2000, a federal court in Virginia ruled in *People for the Ethical Treatment of Animals, Inc. v. Doughney*<sup>337</sup> that the defendant's "People Eating Tasty Animals" site at the domain "peta.org" created a likelihood of confusion.<sup>338</sup> In *PETA*, the court did not explicitly

333. See *supra* notes 281-84 and accompanying text (discussing *Bally* case).

334. 95 F. Supp. 2d 528 (E.D. Va. 2000).

335. See *Lucent Techs., Inc. v. LucentSucks.com*, 95 F. Supp. 2d 528, 535 (E.D. Va. 2000) (suggesting that customers would be unlikely to confuse "lucentSucks.com" commentary site with official site of plaintiff). In *Lucent*, the plaintiff brought an in rem action against the defendant web site under the recently enacted Anti-Cybersquatting Consumer Protection Act (ACPA). *Id.* at 528. The court found that the plaintiff had not complied with the jurisdictional requirements of the ACPA, which stated that in rem actions may be filed only when the plaintiff is unable to find or obtain in personam jurisdiction over the domain name registrant. *Id.* at 531. In this case, the plaintiff had not acted with the requisite "due diligence" to find the domain name registrant. *Id.* at 532-34. The court therefore dismissed the plaintiff's action. *Id.* at 536. Before doing so, however, the court briefly analyzed the merits of the plaintiff's claim. *Id.* at 535-36. The court noted the merit of defendant's argument that the web site constituted an expression of free speech which the average consumer would not confuse with a web site sponsored by Lucent Technologies. *Id.* at 535. According to the court, "[a] successful showing that lucentSucks.com is . . . a cite [sic] for critical commentary would seriously undermine the requisite elements for the causes of action at issue in this case." *Id.* at 535-36 (citing *Bally Total Fitness Holding Corp v. Faber*, 29 F. Supp. 2d 1161, 1164 (C.D. Cal. 1998)).

336. See *Segal & Mayer, supra* note 330, at A1 (discussing purposes of consumer opinion web sites).

337. 113 F. Supp. 2d 915 (E.D. Va. 2000).

338. See *People for the Ethical Treatment of Animals, Inc. v. Doughney*, 113 F. Supp. 2d 915, 921-22 (E.D. Va. 2000) (finding that defendant's "People Eating Tasty Animals" web page at "peta.org" domain was likely to cause confusion and ordering defendant to relinquish domain name). In *PETA*, the plaintiff was a non-profit organization, commonly known as PETA, which advocated animal rights. *Id.* at 917. The defendant, Michael Doughney, registered the domain name "peta.org" in September 1995 and created a web site called "People Eating Tasty Animals" at this address. *Id.* at 918. The web site advocated eating meat, hunting, and wearing fur and leather clothing. *Id.* After unsuccessfully asking Doughney to voluntarily relinquish the "peta.org" domain, the plaintiff commenced a lawsuit claiming trademark infringement, unfair competition, and cybersquatting. *Id.* On the plaintiff's motion for summary judgement, the court analyzed the trademark infringement claim, concluding that because the defendant's

refer to initial interest confusion, but cited *Planned Parenthood* and *Eric Louis Associates* for the questionable proposition that the defendant's use of the "PETA" mark created "a presumption of likelihood of confusion among internet users as a matter of law."<sup>339</sup> The court rejected the defendant's parody defense, claiming that the page was not an effective parody because the user would not realize that the "peta.org" web site was a parody until arriving at the web site.<sup>340</sup> According to this court, parody only exists when two "antithetical ideas" appear at the same time.<sup>341</sup> In this case, a user would not realize that the web page was not affiliated with PETA until arriving at the web site and viewing the contents of the page.<sup>342</sup> Therefore, "the 'People Eating Tasty Animals' web site was not a parody because not simultaneous [sic]."<sup>343</sup> Under this restrictive view of parody, no web site whose domain name contained a trademark could ever constitute an effective parody, unless the user knew that the web page was a parody before typing the domain name into his or her browser. Most parody sites, and even many consumer commentary sites, would be vulnerable to infringement claims under this type of analysis.

The decision in *Brookfield Communications* technically left the door open for the fair use of another's trademark in metatags.<sup>344</sup> However, subsequent decisions have not always taken the fair use exception seriously; one court went so far as to state that "in the case of metatags . . . where the person viewing the site may not even see the metatags, it is difficult to see how the use could be fair."<sup>345</sup> Statements like this indicate the danger that the initial

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domain name contained the plaintiff's trademark, likelihood of confusion should be presumed. *Id.* at 919-920 (citing *New York State Soc'y of Certified Pub. Accountants v. Eric Louis Assocs.*, 79 F. Supp. 2d 331, 340 (S.D.N.Y. 1999)). Later in the opinion, the court considered the defendant's defense that his web site was a parody deserving of First Amendment protection. *Id.* at 921. According to the court, the site could not be a parody because "a parody exists only when two antithetical ideas appear at the same time." *Id.* The defendant's page could not be considered a parody because the user would only realize that the site was not affiliated with PETA after arriving at the web site. *Id.* Therefore, according to the court, the "antithetical ideas" of the PETA name and the "People Eating Tasty Animals" web page were not simultaneous, and the page was not a parody. *Id.*

339. *Id.* at 920.

340. *Id.*

341. *Id.*

342. *Id.*

343. *Id.*

344. See *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1065 (9th Cir. 1999) ("[W]e are not in any way restricting West Coast's right to use terms in a manner which would constitute fair use under the Lanham Act.").

345. *Eli Lilly & Co. v. Natural Answers, Inc.*, 86 F. Supp. 2d 834, 846 (S.D. Ind. 2000), *aff'd*, 233 F.3d 456 (7th Cir. 2000).

interest confusion doctrine poses to First Amendment freedoms. Courts considering fair use defenses generally weigh the likelihood of confusion against the First Amendment rights involved.<sup>346</sup> The initial interest confusion doctrine assumes a very high likelihood of confusion, which could tip the scales against free expression in many fair use cases.<sup>347</sup>

#### VI. Finding a Proper Place for Initial Interest Confusion in Internet Trademark Law

The initial interest confusion doctrine should be invoked only where it will prevent competitive damage. Courts should not find a likelihood of confusion based solely on the possibility of initial interest confusion.<sup>348</sup> Two additional factors should be present in order for a court to base a finding of trademark infringement on initial interest confusion: competitive proximity and bad faith intent on the part of the alleged infringer. Courts should apply a high standard for determining relatedness in initial interest confusion claims. The fact that two parties may both market through the Internet does not make their goods or services related.<sup>349</sup> Courts should reject arguments that the "conceptual nature" of the goods and services are related because both companies have web sites.<sup>350</sup> Additionally, complementary goods or services are not sufficient; the goods or services should be in direct competition with each other.<sup>351</sup> Where the only confusion is initial interest confusion, the goods or services of the parties should be similar enough so that there is a possibility that a sizeable number of consumers reasonably could decide to use one party's goods or services as a substitute for those provided by the other party.

Furthermore, courts should carefully evaluate the intent of the alleged infringer. Trademark infringement law traditionally has not required bad faith

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346. See *Rogers v. Grimaldi*, 875 F.2d 994, 998-1000 (2d Cir. 1989) (suggesting that courts should show greater sensitivity to First Amendment values in cases in which there is only minimal likelihood of confusion).

347. See *Oram*, *supra* note 184, at 501 (arguing that courts tip scales against First Amendment interests when they broadly interpret likelihood of confusion).

348. See *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1066, 1094 (S.D. Cal. 1999) (stating that presence of initial interest confusion does not necessarily support finding of likelihood of confusion); see also *Nathenson*, *supra* note 39, at 118 (arguing that initial interest confusion should require "plus factor" to mature into trademark infringement).

349. See *Bally Total Fitness Holding Co. v. Faber*, 29 F. Supp. 2d 1161, 1163 (C.D. Cal. 1998) (stating that Internet is communications medium, not good or service).

350. See *Walker v. Mattel, Inc.*, 31 F. Supp. 2d 751, 760 (C.D. Cal. 1998) (rejecting "conceptual nature" standard because it "has no logical stopping point [and] distorts the test for relatedness beyond all reasonable bounds").

351. See *O'Rourke*, *supra* note 30, at 296 (arguing that in metatagging cases in which parties offer services that are merely complementary in nature, confusion is unlikely to exist).



on the part of the alleged infringer because consumer confusion can occur even if the use is in good faith.<sup>352</sup> However, the *Brookfield Communications* court implied that West Coast's bad faith intent to divert Brookfield's customers was a part of the rationale for the court's holding.<sup>353</sup> Where the intent is merely to fairly describe the contents of a web site (such as in *Welles*), or to criticize or make fun of a trademark or trademark owner (such as in *Bally*), courts should be wary of granting relief based solely on initial interest confusion.<sup>354</sup>

Additionally, courts should apply more conceptually appropriate remedies whenever possible. For example, several commentators have suggested that trademark dilution would be a more conceptually appropriate remedy in metatagging cases.<sup>355</sup> The damage in manipulative metatagging occurs not when search engine users are "misdirected," but when a valid site of a trademark is difficult to find because of the surrounding "noise."<sup>356</sup> Most users read only the first several results on a list that can number in the hundreds or thousands; the loss of visits to an official site surrounded by "noise" is the real damage.<sup>357</sup>

Trademark dilution is fundamentally different from trademark infringement because relatedness of goods or services and likelihood of confusion are not required elements of a trademark dilution claim.<sup>358</sup> The federal cause of action for trademark dilution is codified in Section 43(c) of the Lanham Act,

352. See 3 MCCARTHY, *supra* note 45, § 23:106 (discussing general lack of bad faith requirement in trademark law).

353. See *Brookfield Communications, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1062 (9th Cir. 1999) (suggesting that use of another's trademark in manner "calculated" to capture initial attention can be grounds for trademark infringement).

354. See *White v. Samsung Elecs. Am.*, 989 F.2d 1512, 1514 (9th Cir. 1993) (Kozinski, J., dissenting) (denying en banc rehearing) (noting that "[i]ntellectual property rights aren't like some constitutional rights, absolute guarantees protected against all kinds of interference").

355. See, e.g., Nathenson, *supra* note 39, at 118 (claiming dilution cause of action is "tailor-made" for manipulative metatagging claims); O'Rourke, *supra* note 30, at 302 (arguing that dilution by blurring is claim which offers greatest possibility of success in metatagging cases); Mark Everett Chancey, Comment, *Meta-Tags and Hypertext Deep Linking: How the Essential Components of Webauthoring and Internet Guidance are Strengthening Intellectual Property Rights on the World Wide Web*, 29 STETSON L. REV. 203, 227 n. 183 (1999) (stating that dilution would have been more conceptually appropriate cause of action in *Brookfield Communications*).

356. See O'Rourke, *supra* note 30, at 301 (stating metatagging creates noise around trademark which makes it difficult for users to find mark owner's site).

357. See Shipman, *supra* note 38, at 276 (stating that loss of visits is where damage occurs).

358. See O'Rourke, *supra* note 30, at 299 (noting differences between trademark infringement and trademark dilution).

which defines dilution as "the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of (1) competition between the owner of the famous mark and other parties, or (2) likelihood of confusion, mistake, or deception."<sup>359</sup> Manipulative metatagging, through the creation of "noise" that surrounds the site of a trademark's owner, lessens the capacity of the mark to identify goods and services.<sup>360</sup> Therefore, dilution appears to be a more conceptually sound cause of action than infringement based on initial interest confusion. However, dilution protection is limited to "famous" marks, so courts still have to consider metatagging claims dealing with non-famous marks under the infringement framework.<sup>361</sup>

Moreover, the Anticybersquatting Consumer Protection Act<sup>362</sup> (ACPA), a potentially powerful new weapon for trademark owners that President Clinton signed into law in November 1999, provides a more appropriate remedy in certain domain name disputes.<sup>363</sup> The title of the law is something of a misnomer in that it proscribes a much broader range of conduct than the traditional definition of cybersquatting (registering another's trademark as a domain name with the intent to sell the domain to the mark's owner). The ACPA prohibits any individual or business from registering a domain name which is "identical or confusingly similar" to a distinctive trademark.<sup>364</sup> The first appellate ruling to apply the ACPA<sup>365</sup> has noted that "confusingly similar" is a different standard from the "likelihood of confusion" test of trademark law.<sup>366</sup> Unlike trademark infringement, the law also requires "bad faith intent" on the part of the cybersquatter in order to be held liable.<sup>367</sup> This statute provides a much better framework than initial interest confusion for analyzing domain name cases. However, depending on how narrow a reading courts give the "confusingly similar" and "bad faith" requirements, there may still be a place for initial interest confusion in domain name disputes.

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359. 15 U.S.C. § 1127 (1999).

360. See Nathenson, *supra* note 39, at 119 (arguing dilution by blurring best describes harm caused by manipulative metatagging).

361. See *id.* at 118-19 (noting that dilution protection is limited to famous marks).

362. Pub. L. No. 106-113 (1999).

363. *Id.*

364. 15 U.S.C. § 1125(d)(1)(A)(ii)(I) (Supp. 1999).

365. See *Sporty's Farm v. Sportsman's Mkt.*, 202 F.3d 489, 498 (2d Cir. 2000) (finding that Sporty's Farm had violated ACPA when it registered "sportys.com" domain which was confusingly similar to Sportsman's "sporty's" trademark), *cert. denied*, 120 S. Ct. 2719 (2000).

366. See *id.* at 499 n.13 (recognizing difference between likelihood of confusion in trademark law and "confusingly similar" requirement of ACPA).

367. 15 U.S.C. § 1125(d)(1)(A)(i) (Supp. 1999).

### VII. Conclusion

The growing reliance on initial interest confusion parallels other trends in which new trademark doctrines are introduced that are appropriate in limited situations, but then are stretched beyond the bounds of common sense.<sup>368</sup> There is a place for the initial interest confusion doctrine in Internet trademark jurisprudence, but courts must keep the basic goals of trademark law in mind.<sup>369</sup> Courts must remember that just because there may be some initial or momentary confusion on the part of Internet users, this does not automatically constitute a likelihood of confusion.<sup>370</sup> This is a subtlety that has been lost on some courts.<sup>371</sup> The effects and scope of the initial interest confusion at hand must be closely analyzed to determine if there is a reasonable likelihood of confusion among potential consumers.

Courts should consider initial interest confusion within the context of the traditional likelihood of confusion factors, particularly the sophistication of consumers, the competitive proximity of the goods or services at issue, and the presence or absence of bad faith on the part of the alleged infringer. As one court analyzing an Internet trademark dispute aptly noted, "some people are always confused."<sup>372</sup> It is therefore important for courts to keep in mind the traditional requirement of the "reasonably prudent" consumer and to attribute a reasonable level of sophistication to Internet users.<sup>373</sup> As previously dis-

368. See Lemley, *supra* note 68, at 1698 (citing recent trends in trademark dilution and trade dress product configuration as examples of this "doctrinal creep").

369. See *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1066, 1095 (S.D. Cal. 1999) ("In rendering an analysis which is flexible and reflective of 'emerging technologies,' this court is also mindful that it must not lose sight of either common sense or the important, foundational and underlying principles of trademark law.").

370. See *The Network Network v. CBS, Inc.*, No. CV 98-1349 NM, 2000 WL 362016, at \*5 (C.D. Cal. Jan. 19, 2000) ("There is a difference between inadvertently landing on a website and being confused.").

371. See *New York State Soc'y of Certified Pub. Accountants v. Eric Louis Assocs.*, 79 F. Supp. 2d 331, 342 (S.D.N.Y. 1999) (stating that defendant's use of plaintiff's "NYSSCPA" mark in domain name and metatags "caused a likelihood of confusion because it created initial interest confusion").

372. *Playboy Enters. v. Netscape Communications*, 55 F. Supp. 2d 1070, 1083 (C.D. Cal. 1999); see also *Reed-Union v. Turtle Wax, Inc.* 77 F.3d 909, 912 (7th Cir. 1996) ("Befuddlement is part of the human condition.").

373. See, e.g., *Int'l Ass'n of Machinists and Aerospace Workers v. Winship Green Nursing Ctr.*, 103 F.3d 196, 204 (1st Cir. 1996) (stating that courts should assume potential customers are of ordinary intelligence); *Indianapolis Colts, Inc. v. Metro. Baltimore Football Club Ltd.*, 34 F.3d 410, 414 (7th Cir. 1994) (noting that trademark laws are not intended to "protect the most gullible fringe of the consuming public"); *United States v. 88 Cases, More or Less, Containing Bireley's Orange Beverage*, 187 F.2d 967, 971 (3d Cir. 1951) (inferring that in enacting Lanham Act, Congress "contemplated the reaction of the ordinary person who is

cussed, some courts have attributed an unreasonably low level of sophistication to Internet users.<sup>374</sup>

The Internet will continue to expand at an exponential rate in the coming years.<sup>375</sup> Courts must strike a careful balance between the need to protect trademarks and the need to encourage the growth and maturation of this new medium.<sup>376</sup> Overprotection of intellectual property rights inevitably will stifle this vibrant marketplace of ideas. When considering a trademark infringement claim where the only likely confusion is initial interest confusion, courts should find trademark infringement only where the companies' goods or services are closely related and there is a realistic threat of competitive damage.<sup>377</sup>

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neither savant nor dolt, [and] who . . . exercises a normal measure of the layman's common sense and judgment").

374. See *supra* notes 238-43 and accompanying text (discussing continuing judicial view that internet users lack sophistication).

375. See Leslie Walker, *Addressing the Name Question*, WASH. POST, Dec. 23, 1999, at E01 (pointing out that there are nine million domain names currently registered and that analysts predict there will be soon be over 100 million registered).

376. See *Playboy Enters. v. Welles*, 78 F. Supp. 2d 1066, 1095 (S.D. Cal. 1999) (noting that courts must "be careful to give consumers the freedom to locate desired sites while protecting the integrity of trademarks and trade names").

377. See *The Network Network v. CBS, Inc.*, No. CV 98-1349 NM, 2000 WL 362016, at \*8-9 (C.D. Cal. Jan. 19, 2000) (declaring that similarity of goods and services is required for initial interest confusion to be actionable).

