Effective and Complementary Solutions to Domain Name Disputes: Icann's Uniform Domain Name Dispute Resolution Policy and the Federal Anticybersquatting Consumer Protection Act of 1999

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EFFECTIVE AND COMPLEMENTARY SOLUTIONS TO DOMAIN NAME DISPUTES: ICANN’S UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY AND THE FEDERAL ANTICYBERSQUATTING CONSUMER PROTECTION ACT OF 1999

Jason M. Osborn*

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INTRODUCTION

The end of 1999 marked the introduction of two new weapons to assist trademark owners in their battles against cybersquatters, or persons who “attempt to profit from the Internet by reserving and later reselling or licensing domain names back to the companies that spent millions of dollars developing the goodwill of the trademark.”¹ First, the Internet Corporation for Assigned Names and Numbers (ICANN) approved its Uniform Domain Name Dispute Resolution Policy (UDRP)² and its accompanying rules³ for use in resolving most cybersquatting disputes beginning January 3, 2000.⁴ The UDRP, which is incorporated by reference into the registration agreements of all accredited registrars,⁵ purports to provide an on-line administrative procedure directed at “cybersquatters” to resolve trademark disputes in less than forty-five days and for about $1000 in fees.⁶ Second, on November 29, 1999, President Clinton signed into law the Anticyber-

¹ Intermatic, Inc. v. Toeppen, 947 F. Supp. 1227, 1233 (N.D. Ill. 1996); see also 4 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 25:77 (4th ed. 2000) (“A ‘cybersquatter’ is one who knowingly reserves with a registrar a domain name consisting of the mark or name of a company for the purpose of relinquishing the right to that domain name back to the legitimate owner for a price.” (citations omitted)). The UDRP, as will be discussed infra Part I, employs a multi-part test to determine whether a domain name has been registered in bad faith, the gravamen of cybersquatting.

² Internet Corporation for Assigned Names and Numbers, Uniform Domain Name Dispute Resolution Policy, at http://www.icann.org/udrp/udrp-policy-24oct99.htm (last modified June 4, 2000) [hereinafter UDRP].


⁴ See Internet Corporation for Assigned Names and Numbers, Timeline for the Formulation and Implementation of the Uniform Domain Name Dispute Resolution Policy, at http://www.icann.org/udrp/udrp-schedule.htm (last modified July 27, 2000) [hereinafter UDRP Timeline]. The UDRP was available as early as December 1, 1999 to resolve disputes arising from domain names registered through a select group of registrars receiving early accreditation from ICANN. See id.

⁵ See UDRP, supra note 2, ¶ 1.

⁶ See Internet Corporation for Assigned Names and Numbers, Frequently Asked Questions (FAQ), at http://www.icann.org/general/faq1.htm#udrp (last modified Sept. 13, 1999) [hereinafter ICANN FAQ].
squatting Consumer Protection Act (ACPA) as part of a consolidated appropriations bill. The Act amends the Federal Trademark Act of 1946 (the Lanham Act) to specifically prohibit cybersquatting and provides an option for statutory damages of $1000 to $100,000 per domain name in place of actual damages.

This Note surveys both ICANN's UDRP and the ACPA and the likely implications of both policies for trademark owners and domain name holders. Part I discusses ICANN and the domain name system and explains both the procedural and substantive aspects of the UDRP. Part II first explains federal trademark law as it applied to

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11 See id. § 1117(d).

12 The UDRP and the ACPA have already generated a substantial amount of scholarship. For additional discussion of the UDRP, see generally M. Scott Donahue & Ryan S. Hilbert, World Wrestling Federation Entertainment, Inc. v. Michael Bosman: A Legal Body Slam for Cybersquatters on the Web, 16 SANTA CLARA COMPUTER & HIGH TECH. L.J. 421 (2000) (discussing the first case resolved by an administrative panel under the UDRP); Olivia Maria Baratta & Dana L. Hanaman, Note, A Global Update on the Domain Name System and the Law: Alternative Dispute Resolution for Increasing Internet Competition—Oh, the Times They are a-Changin', 8 TUL. INT'L & COMP. L. 325 (2000) (discussing the emergence of ICANN and the UDRP and comparing the UDRP with pre-ACPA trademark law); Kevin Eng, Note, Breaking Through the Looking Glass: An Analysis in Trademark Rights in Domain Names Across Top Level Domains, 6 B.U. J. SCI. & TECH. L. 7, ¶¶ 40–53 (CD-ROM, June 1, 2000) (comparing the UDRP to Network Solutions, Inc.'s former Dispute Resolution Policy); Luke A. Walker, Note, ICANN's Uniform Domain Name Dispute Resolution Policy, 15 BERKELEY TECH. L.J. 289 (2000) (analyzing and favorably reviewing the UDRP). For additional comprehensive treatment of the ACPA, see Gregory B. Blasbalg, Note, Masters of Their Domains: Trademark Holders Now Have New Ways to Control Their Marks in Cyberspace, 5 ROGER WILLIAMS U. L. REV. 563 (2000); Elizabeth Robison Martin, Note, "Too Famous to Live Long": The Anticybersquatting Consumer Protection Act Sets Its Sites to Eliminate Cybersquatter Opportunistic Claims on Domain Names, 31 ST. MARY'S L.J. 797 (2000); Neil L. Martin, Note, The Anticybersquatting Consumer Protection Act: Empowering Trademark Owners, but Not the Last Word on Domain Name Disputes, 25 J. CORP. L. 591 (2000); Aaron L. Melville, Legal Update, New Cybersquatting Law Brings Mixed Reaction From Trademark Owners, 6 B.U. J. SCI. & TECH. L. 13 (CD-ROM, June 1, 2000). While the UDRP and the ACPA have individually served as topics for a number of notes and articles, it is my hope that this Note contributes to legal scholarship by presenting a comprehensive analysis and comparison of both the UDRP and the ACPA.
cybersquatting disputes before the ACPA. Part II then proceeds to analyze the new ACPA and to highlight the changes to federal trademark law it makes. Part III compares the UDRP with the ACPA and discusses the choice that trademark owners have between the policies and some of the problems that may arise from both. Part III.\text{A} concludes that trademark owners seeking fast and inexpensive retrieval of domain names from cybersquatters will overwhelmingly seek resolution through UDRP administrative proceedings and will litigate primarily for purposes of seeking damages. Part III.\text{B} argues that although the UDRP and, to a lesser extent, the ACPA probably provide adequate safeguards against "reverse domain name hijacking," additional action by ICANN and Congress may be necessary should it ever become problematic. Part III.\text{C} then explains that while the UDRP intentionally applies to a narrower range of domain name disputes than the ACPA, its substantive provisions should not be viewed as inconsistent with federal trademark law. Finally, Part III.\text{D} concludes that while neither the UDRP nor the ACPA threaten noncommercial speech on the Internet itself, both may impose some, although probably reasonable, limits on a noncommercial speaker's choice of domain names.

I. ICANN AND THE UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY

A. History of ICANN and the UDRP

ICANN is a private sector corporation formed in response to a Department of Commerce \textit{White Paper}\textsuperscript{13} calling for the privatization of technical coordination of the Domain Name System (DNS) formerly performed under government contract.\textsuperscript{14} Previously, the Internet As-
signed Numbers Authority (IANA) coordinated under government contract the assignment of Internet Protocol (IP) numbers that identify each computer on the Internet with a unique nine digit code (for example, 11.22.33.4.55). The DNS translates these IP numbers into easily recognizable names such as "www.nd.edu." Top Level Domains (TLDs), the last sequence of letters in a domain name, may be either a country code such as ".us" or ".ca" or a non-geographically oriented generic top level domain (gTLD) such as ".com" or ".edu." While domain names in national TLD's are managed by their respective governments or private organizations, the gTLD's ".com," ".org," ".net," and ".edu" have been registered exclusively by Network Solutions, Inc. (NSI), a Virginia corporation, under agreement with the National Science Foundation (NSF).

In addition to assuming control over the allocation and management of IP numbers (IANA's former function), ICANN is also responsible for the DNS. ICANN has recently accredited several competing registrars to register gTLDs, thereby breaking NSI's previous monopoly. Thus, in its short history, ICANN has now become the "private, not-for-profit corporation . . . managing the coordinated functions [of the Internet] in a stable and open institutional framework" and the NSFNET, the civilian portion of the Internet. See Improvement of Technical Management of Internet Names and Addresses, 63 Fed. Reg. 8826, 8826 (Dep't of Commerce Feb. 20, 1998) ("Green Paper") ("From its origins as a U.S. based research vehicle, the Internet is rapidly becoming an international medium for commerce, education and communication."). available at http://www.ntia.doc.gov/ntiahome/domainname/dnsdrft.htm; see also Scientific and Advanced-Technology Act of 1992, 42 U.S.C. § 1862(a) (1994) (authorizing commercial activity on the Internet), cited in Management of Internet Names and Addresses, 63 Fed. Reg. at 31,742 n.5; Management of Internet Names and Addresses, 63 Fed. Reg. at 31,742. See generally Baratta & Hanaman, supra note 12, at 336–46 (discussing the creation of ICANN and its new role in managing the domain name system).
has established a "system for registering second-level domains and the management of the TLD registries [that is] competitive and market driven" as envisioned by the Department of Commerce's January 1998 Green Paper and later prescribed in the more detailed White Paper.

Among ICANN's most controversial functions, and a focus of this Note, is its UDRP, which requires mandatory administrative dispute resolution for certain disputes between trademark owners and domain name holders. Adopted on August 26, 1999, the UDRP has been available during the past year for mandatory use by administrative panels to resolve cybersquatting disputes. Since its implementation, the UDRP has been enormously popular, with administrative panels resolving over 2000 domain name disputes under the UDRP.

The Dispute Resolution Policy is "uniform," since it is incorporated into the registration agreements of NSI and all other competing accredited registrars. The UDRP now supplants NSI's Domain Improvement of Technical Management of Internet Names and Addresses, 63 Fed. Reg. at 8827–28.


See Management of Internet Names and Addresses, 63 Fed. Reg. 31,741, 31,744–46 (Dep't of Commerce June 4, 1998) (outlining the details of the non-profit corporation proposed by the Green Paper); see also ICANN BACKGROUND, supra note 14 ("The DOG's White Paper envisaged a 'global, consensus, non-profit corporation,' to serve as the means by which DNS management could be privatized, enabling an open, competitive system.").

See UDRP, supra note 2; see also Walker, supra note 12, at 299–302 (analyzing the substance and procedure of the UDRP).

UDRP TIMELINE, supra note 4.

Administrative panels have resolved 2011 disputes as of September 27, 2000. See Internet Corporation for Assigned Names and Numbers, Statistical Summary of Proceedings Under Uniform Domain Name Dispute Resolution Policy, at http://www.icann.org/udrp/proceedings-stat.htm (last visited Sept. 27, 2000). The full text of all decisions reached under the UDRP are available online at Internet Corporation for Assigned Names and Numbers, List of Proceedings Under Uniform Domain Name Dispute Resolution Policy, at http://www.icann.org/udrp/proceedings-list.htm (last visited Sept. 22, 2000) [hereinafter ICANN, List of Proceedings]. Although published on-line, these administrative decisions lack mandatory precedential authority by virtue of the UDRP's rules. See 4 McCarthy, supra note 1, § 25:74.2 (citing UDRP RULES, supra note 3, ¶ 15(a) (stating ambiguously that "[a] Panel shall decide a complaint on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable"). Citations to panel decisions in this Note do not necessarily illustrate the exclusive, or even prevailing, interpretations of the UDRP's provisions, but rather illustrate examples of possible interpretations. A full survey of these decisions is far beyond the scope of this Note.

See UDRP, supra note 2, ¶ 1.
Name Dispute Policy which placed domain names “on hold” when a complainant presented evidence of rights in a registered trademark “identical to a . . . domain name,” if the trademark was registered before the domain name, and the domain name holder had no registered trademark rights in the domain name. NSI’s policy inherently conflicted with federal trademark law, since it permitted infringing and dilutive uses of non-identical domain names while it suspended domain names that were non-infringing and non-dilutive yet identical to registered trademarks. NSI’s policy also provided successful com-
plainants with an incomplete remedy to cybersquatting disputes, since they had to litigate, submit to arbitration, or privately settle to seek transfer or permanent cancellation of a domain name.34

The UDRP, which constitutes in the words of one commentator "a vast improvement" over NSI’s policy,35 arose from recommendations solicited by the Department of Commerce from the World Intellectual Property Organization (WIPO).36 While the Department of Commerce, in light of the shortcomings of NSI’s policy, emphasized the necessity of “on-line dispute resolution [to] provide an inexpensive and efficient alternative to litigation for resolving disputes between trademark owners and domain name registrants,”37 the Government also insisted that the administrative procedure should only apply to instances of cybersquatting and should not attempt to resolve disputes between “legitimate competing rights.”38 Thus, ICANN’s UDRP may have applied against Dennis Toeppen, the infra-

34 See NSI Policy, supra note 29, § 9(f). NSI’s only remedy was to place the disputed domain name on hold until the parties independently resolved the dispute. See id. § 9(d).

35 Eng, supra note 12, ¶ 50 (calling the UDRP a “vast improvement” over NSI’s former policy since it (1) “allow[s] for alternative means of resolution;” (2) “extends actionable disputes to domain names that are confusingly similar, not just ones that are identical to a trademark;” (3) “protects potentially good faith domain name registrants by eliminating NSI’s previous practice of placing domain names on hold status;” and (4) “suggests a safe harbor for non-commercial uses”).


38 Management of Internet Names and Addresses, 63 Fed. Reg. at 31,747.
mous cybersquatter who registered for resale at profit approximately 240 domain names of famous trademarks such as “deltaairlines.com,” “eddiej Bauer.com,” and “unionpacific.com.” The UDRP does not, however, attempt to resolve disputes between concurrent uses of the same trademark in which each owner holds legitimate rights (for example, a hypothetical dispute between United Airlines, the D.C. United Soccer Team, and United Artists for “www.united.com”).

B. Mechanics of the UDRP

To begin proceedings against a cybersquatter under the UDRP, the complainant first submits a complaint to one of several approved administrative dispute resolution providers. The complainant must elect in the complaint whether the dispute will be resolved by a one or three person panel. Complainants preferring a three person panel also submit a list of three candidates for one position on the panel. If either the complainant or the respondent prefers a three person panel, the dispute will be settled by a three person panel. However,


40 See, e.g., Liu, supra note 14, at 606 (discussing the exclusivity of domain names). While trademark law permits concurrent uses which do not cause confusion or dilution, the domain name system permits only one person to register and use each possible domain name. See id. “[B]oth Apple Records and Apple Computer can share the same ‘Apple’ mark. There can be, however, only one apple.com.” Id.; see also Michael Epstein, Epstein on Intellectual Property § 12.02[D][1] (4th ed. 1999) (discussing the exclusive nature of domain names); Deborah Howitt, Note, War.com: Why the Battles Over Domain Names Will Never Cease, 19 Hastings Comm. & Ent. L.J. 719, 733 (1997) (discussing how the American Broadcasting Company was unable initially to register “www.abccom,” since it had previously been registered by ABC Design in Seattle). The UDRP (or most likely federal trademark law) would not have been available to resolve the ABC dispute, since both ABCs had legitimate rights in the “abc.com” domain name.

41 See UDRP Rules, supra note 3, ¶ 3(a). A list of approved providers is available at Internet Corporation for Assigned Names and Numbers, Approved Providers for Uniform Domain Name Dispute Resolution Policy, at http://www.icann.org/udrp/approved-providers.htm (last modified May 21, 2000) [hereinafter ICANN Approved Providers]. ICANN itself assumes no role in the actual proceedings. See UDRP, supra note 2, ¶ 4h.

42 See UDRP Rules, supra note 3, ¶ 3(b)(iv).

43 See id.

44 See id. ¶ 5(b)(iv). When a three person panel is called for by either party, the respondent also has the privilege to submit the names of three possible candidates for one position on the panel. See id. ¶ 5(e).
if the respondent elects in the response a three person panel after the complainant expresses preference for a one person panel, the respondent will be responsible for fifty percent of the fees associated with an extended panel.45

Substantively, the complaint must plead:

(1) the manner in which the domain name(s) is/are identical or confusingly similar to a trademark or service mark in which the Complainant has rights; and (2) why the Respondent (domain-name holder) should be considered as having no rights or legitimate interests in respect of the domain names(s) that is/are the subject of the complaint; and (3) why the domain name(s) should be considered as having been registered and being used in bad faith.46

The UDRP sets forth four enumerated circumstances that "in particular but without limitation . . . shall be evidence of the registration and use of a domain name in bad faith."47 These circumstances include acquisition or registration "primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant . . . for valuable consideration in excess of . . . out of pocket costs;"48 registration "in order to prevent the owner of the trademark from reflecting the mark in a corresponding domain name;"49 registration "primarily for the purpose of disrupting the business of a competitor;"50 and use of the domain name with the intent to "attract, for commercial gain, Internet users to your web site or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of [their] web site ...."51

After receiving the complaint, the administrative dispute resolution provider forwards the complaint to the respondent,52 who then

45 See id. ¶ 5(c).
46 Id. ¶ 3(b) (ix); see also UDRP, supra note 2, ¶ 4a. The UDRP states that respondents must submit to mandatory administrative proceedings whenever a complainant submits a complaint to a dispute resolution service provider alleging that their "domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights"; that they "have no rights or legitimate interests in respect of the domain name"; and that the disputed "domain name has been registered and is being used in bad faith." Id. ¶ 4a(i)–(iii) (emphasis added).
47 UDRP, supra note 2, ¶ 4b (emphasis added).
48 Id. ¶ 4b(i).
49 Id. ¶ 4b(ii).
50 Id. ¶ 4b(iii).
51 Id. ¶ 4b(iv).
52 See UDRP Rules, supra note 3, ¶ 4(a).
has twenty days\textsuperscript{53} to “[r]espond specifically to the statements and allegations contained in the complaint and include any and all bases for the Respondent (domain-name holder) to retain registration and use of the disputed domain name . . . .”\textsuperscript{54} The respondent may demonstrate legitimate rights in the domain name sufficient to rebut the complainant’s allegation of bad faith by showing “in particular but without limitation”\textsuperscript{55} that respondent used or prepared to use the domain name “in connection with a bona fide offering of goods or services” prior to receiving notice of the dispute,\textsuperscript{56} that respondent has been “commonly known by the domain name,”\textsuperscript{57} or that respondent is “making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.”\textsuperscript{58}

After receiving the response, the administrative panel will then decide the dispute “on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable.”\textsuperscript{59} The dispute resolution service provider will then notify the parties, the registrar, and ICANN of the decision reached.\textsuperscript{60} Upon receipt of notification, ICANN will wait ten days before canceling any domain name pursuant to the administrative decision.\textsuperscript{61} If within this ten day period ICANN receives documentation that a lawsuit has been commenced against the complainant concerning ownership and use of the domain name, it will wait until the lawsuit is dismissed or resolved before taking further action.\textsuperscript{62} In this event, ICANN will ultimately implement the decision of a court regarding ownership of the domain name.\textsuperscript{63}

\textsuperscript{53} \textit{See} id. \textsuperscript{¶} 5(a).
\textsuperscript{54} \textit{Id.} \textsuperscript{¶} 5(b)(i).
\textsuperscript{55} \textit{UDRP, supra} note 2, \textsuperscript{¶} 4c (emphasis added).
\textsuperscript{56} \textit{Id.} \textsuperscript{¶} 4c(i).
\textsuperscript{57} \textit{Id.} \textsuperscript{¶} 4c(ii).
\textsuperscript{58} \textit{Id.} \textsuperscript{¶} 4c(iii).
\textsuperscript{59} \textit{UDRP Rules, supra} note 3, \textsuperscript{¶} 15(a) (emphasis added). To determine, for instance, what constitutes “confusingly similar” or “tarnishment,” administrative panels could refer to state, federal, foreign, or international principles of intellectual property law as they deem applicable in their discretion. \textit{See infra} note 77.
\textsuperscript{60} \textit{See} UDRP Rules, \textit{supra} note 3, \textsuperscript{¶} 16(a).
\textsuperscript{61} \textit{See} UDRP, \textit{supra} note 2, \textsuperscript{¶} 4k.
\textsuperscript{62} \textit{See id.}
\textsuperscript{63} \textit{See id.}
II. FEDERAL TRADEMARK LAW AND CYBERSQUATTING

Until the recent implementation of the UDRP, a company seeking to reclaim a domain name registered by a cybersquatter generally had to offer a settlement or pursue potentially lengthy and costly litigation. With the advent of the UDRP, courts and federal trademark law are no longer the only compulsory and complete sources of relief available for trademark owners who have fallen prey to cybersquatters. Nonetheless, the UDRP will not undermine the im-

64 Trademark owners often pay significant sums to cybersquatters (who perversely own no rights whatsoever in the trademark) in exchange for domain names to avoid the hassle or potentially greater expense of litigation. See, e.g., 145 CONG. REC. S7334 (daily ed. June 21, 1999) (statement of Sen. Abraham) (stating that Gateway Corp. paid $100,000 to a cybersquatter placing an adult website at “www.gateway2000.com”); Brown, supra note 39, at 251 (“Cybersquatters operate under the assumption that it is cheaper for the trademark holder to pay them to hand over the domain name than it is for the holder to litigate.”); Patrick McGeehan & Matt Richtel, What's in a Web Address? Maybe a Lawsuit, N.Y. TIMES, Oct. 22, 1999, at A1, C6 (reporting that Morgan Stanley Dean Witter & Company offered a seventeen-year-old domain name registrant $10,000, but refused demands of $75,000 and $50,000 for the domain name “www.msdw.com”).

65 See NSI Policy, supra note 29; supra notes 28–35 and accompanying text (discussing the inadequate relief provided by NSI’s former policy).

66 While trademark holders can also recover under state causes of action (state unfair competition and dilution law), see, e.g., Epstein, supra note 40, § 12.02[D][1], or foreign intellectual property law where jurisdiction permits, see, e.g., Heinz Goddar and Axel Nordemann, European Protection Strategies for the Internet, in INTELLIGENT PROPERTY FOR THE INTERNET 213, 231–32 (Lewis C. Lee & J. Scott Davidson eds., 1997) (surveying German courts’ protection of trademarks registered as domain names), this Note will limit its discussion, for the sake of simplicity, to applicable principles of federal trademark law.

67 Before the UDRP, trademark holders, like parties to any other dispute, could avoid litigation and seek expedited relief through various means of alternative dispute resolution (ADR). See, e.g., The Law of Cyberspace, supra note 32, at 1665 (noting that private companies offered domain name dispute resolution services in response to NSI’s shortcomings). However, unlike conventional forms of ADR, the UDRP is compulsory and does not require the consent of the respondent/cybersquatter. See UDRP, supra note 2, ¶ 4 (stating that respondent must submit to a “mandatory administrative proceeding” for resolution of applicable domain name disputes (emphasis added)).

68 Unlike NSI’s policy, the UDRP empowers ICANN to cancel respondent’s domain name altogether (as would be appropriate in a case where the disputed domain name tarnishes the complainant’s trademark but is otherwise of no utility to the complainant) or to transfer the respondent’s domain name directly to the complainant upon receipt of an administrative decision. See UDRP, supra note 2, ¶ 3c. Cancellation and transfer of domain names are, however, the only remedies available from the administrative proceedings. See id. ¶ 4i.
importance of trademark law to domain name disputes, nor will it probably eliminate or substantially reduce litigation.

As intended by the Commerce Department, the UDRP applies only to cybersquatting and similar abusive forms of domain name registration. Many domain name trademark disputes will not, for this reason, fall under the subject matter jurisdiction of the UDRP's administrative panels. Even in cases of cybersquatting covered by the UDRP, a complainant seeking damages or injunctive relief (besides an injunction against using the domain name) must still file suit against the domain name holder since the UDRP's remedies are limited to cancellation and transfer of the domain name. Furthermore, the ACPA will most likely encourage litigation and keep federal trademark law at the forefront of many domain name disputes. This powerful new weapon of trademark holders—which offers statutory damages of up to $100,000 per domain name—combined with the

69 Management of Internet Names and Addresses, 63 Fed. Reg. 31,741, 31,746 (Dep't of Commerce June 4, 1998); see also ICANN FAQ, supra note 6 (noting that domain name registrars generally have no authority to cancel domain names except at the direction of a court or arbitration decision; calling the UDRP's application to "abusive attempts to profit from another's trademark" an exception to this general rule); A. Michael Froomkin, Comments on ICANN Uniform Dispute Policy: A Catalog of Critical Process Failure; Progress on Substance; More Work Needed, at http://www.law.miami.edu/~amf/icann-udp.htm (Oct. 13, 1999) (explaining the unsuitability of the UDRP to resolve disputes more fact-intensive than those involving "cybersquatting and grossly unfair competition") ("Any fact-rich case and especially one where there are complex credibility issues belong in court or in a more traditional arbitration where parties can be heard directly.").

70 For example, a complainant who alleges that the respondent's domain name is "confusingly similar" to its trademark will find the UDRP of no avail, if the respondent is using or preparing to use the domain name "in connection with a bona fide offering of goods or services." UDRP, supra note 2, ¶ 4a(i), 4c(i). The complainant, in this circumstance, will lose under a UDRP administrative hearing, even if the offering of goods itself constitutes an egregious violation of the complainant's trademark rights. See International Trademark Association (INTA), INTA Response to Draft UDRP, Accompanying Rules, and Provider Selection, at http://www.icann.org/comments-mail/comment-udrp/current/msg00050.html (Oct. 7, 1999) (noting that a showing of use or preparation to use a domain name in connection with an offering of goods does not establish that person's legal right to use the domain name).

71 See UDRP, supra note 2, ¶ 4f.


73 The first lawsuit under the ACPA was filed just three days after the President signed the Act into law. See Ritchenya A. Shepard, Cyberpirates Now May Have to Walk the Plank, Nat'l. L.J., Dec. 20, 1999, at B18 (discussing actor Brad Pitt's lawsuit under the act to recover the domain name "bradpitt.com" from cybersquatters).

inherent limitations of the UDRP, should keep federal court dockets busy hearing domain name disputes for years to come.

A grasp of federal trademark law is also essential for the complainant seeking cancellation or transfer of a domain name held by a cybersquatter and nothing else. First, UDRP administrative panels may consider, during their deliberations, “any rules and principles of law that [they] deem[ ] applicable.”75 Given the historic and continued dominance of United States entities on the Internet,76 parties to administrative dispute resolution should not be surprised if panelists apply principles of federal trademark law to interpret ambiguous provisions of the UDRP.77 Second, the UDRP permits a domain name holder to appeal a decision of an administrative panel by filing suit in a court of competent jurisdiction within ten days.78 Complainants seeking resolution of cybersquatting disputes through the simple and cost-effective procedures of the UDRP may still find themselves having to prove their case against the domain name holder in a federal court.

Given the continued—if not growing—importance of federal trademark law and its relationship to the UDRP, this Part will survey the Federal Trademark Act of 1946, the Federal Trademark Dilution Act of 1995,79 the ACPA, and the causes of action these statutes provide against domain name holders.

75 UDRP RULES, supra note 3, ¶ 15(a).
77 See, e.g., World Wrestling Fed’n Entm’t, Inc. v. Bosman, WIPO, No. D99-0001, ¶ 6, at http://arbiter.wipo.int/domains/decisions/html/d99-0001.html (Jan. 14, 2000) (Donahey, Arb.) (citing Panavision Int’l, L.P. v. Toeppen, 141 F.3d 1316, 1325 (9th Cir. 1998), to show that the respondent’s offer to sell the disputed domain name to the complainant at a profit was “use” of the domain name, and Intermatic, Inc. v. Toeppen, 947 F. Supp. 1227, 1229 (N.D. Ill. 1996), to show that such an offer to sell was a “commercial use”), discussed in Donahey & Hilbert, supra note 12, 423–24 n.17. (M. Scott Dohaney was the panelist deciding the World Wrestling Federation Entertainment case.)

“Although it was unnecessary to consider the laws of the United States in rendering a decision, because both of the parties were domiciled in the United States, and United States courts had had recent experience in dealing with similar disputes, the arbitrator looked to these cases for assistance.” Donahey & Hilbert, supra note 12, at 424 n.17; see also InfoSpace.com, Inc. v. Delighters, Inc., WIPO, No. D2000-0068, ¶ 6A, at http://arbiter.wipo.int/domains/decisions/html/d2000-0068.html (May 1, 2000) (Partridge, Arb.) (citing N. Light Tech., Inc. v. N. Lights Club, 97 F. Supp. 2d 96 (D. Mass. 2000) (consulting a district court’s interpretation of “confusingly similar” under the ACPA to interpret “confusingly similar” under UDRP ¶ 4c(i))).
78 See UDRP, supra note 2, ¶ 4k.
A. The Federal Trademark Act of 1946 (the Lanham Act) and the Federal Trademark Dilution Act of 1995

The Federal Trademark Act of 1946, commonly known as the Lanham Act, provides for a civil cause of action against persons who "use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with ... goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive...." The Lanham Act also covers unlawful uses of a registered trademark in connection with marketing activities. A separate provision, § 1125(a), provides owners of unregistered marks with a cause of action for unfair competition against persons who "in connection with any goods and services ... use[] in commerce any word, term, name, symbol, or device... which... is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person...." These original sections of the Lanham Act have been of limited use to trademark owners, since cybersquatters usually do not use their domain names in connection with goods or services nor do they generally cause confusion to consumers.

The Federal Trademark Dilution Act of 1995 amended the Lanham Act to provide a cause of action for dilution, or 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." The Dilution Act entitles an "owner of a famous mark" to an injunction (damages are also

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81 See id. § 1114(1)(b).
82 Id. § 1125(a)(1).
83 See Golinveaux, supra note 32, at 641 ("Because the cybersquatter often does not make any significant use of the site once it is reserved, it can be difficult to show the likelihood of confusion necessary for a successful trademark infringement case."); see also 4 McCarthy, supra note 1, § 25:76 ("Neither merely reserving a domain name nor use of a domain name solely to indicate a site on the Internet, in and of itself, constitutes 'goods or services' in the Lanham Act sense. Rather, one must consider the content of the site identified by the domain name.").
85 The Dilution Act provides an inexhaustive list of factors a court may consider when determining whether a mark is distinctive and famous:
(A) the degree of inherent or acquired distinctiveness of the mark;
(B) the duration and extent of use of the mark in connection with the goods and services with which the mark is used;
available if dilution was willful)\textsuperscript{86} "against another person’s commercial use in commerce of a mark or trade name, if such use begins after the mark has become famous and causes dilution of the distinctive quality of the mark . . . ."\textsuperscript{87}

The Dilution Act is limited to commercial dilution both through its express and single application to "commercial use" and through express exceptions in the Act for "[f]air use of a famous mark by another person in comparative commercial advertising or promotion," "[n]oncommercial uses of a mark," and "[a]ll forms of news reporting and news commentary."\textsuperscript{88}

Prior to the recent passage of the ACPA, the Dilution Act has provided trademark owners' primary cause of action against cybersquatters.\textsuperscript{89} Although the Dilution Act does not expressly refer to cybersquatting or domain names, its legislative history indicates that at least one legislator, Senator Patrick Leahy of Vermont, intended direct application of the Act to cybersquatting disputes.

Although no one else has yet considered this application, it is my hope that this antidilution statute can help stem the use of decep-
Consistent with Senator Leahy's (and trademark owners') desires, courts have interpreted the Dilution Act and its "commercial use in commerce" and "dilution" requirements broadly enough to enjoin many instances of cybersquatting. Courts have held that essentially any use of the Internet satisfies the "in commerce" requirement. In Panavision International, L.P. v. Toeppen, the court declared that since the Lanham Act defines commerce as "all commerce which may lawfully be regulated by Congress," a cybersquatter's registration of the plaintiff's trademark with intent to sell to the plaintiff at a profit was "clearly commerce within this definition." Courts have further held that a cybersquatter's "intention to arbitrage" the domain name—to resell to the trademark owner at a profit—is a "commercial use." Courts have made clear, however, that registration of a domain name without further action and the mere infliction of financial loss on a

90 141 CONG. REC. S19,312 (daily ed. Dec. 29, 1995) (statement of Sen. Leahy), quoted in Golinveaux, supra note 32, at 666–67. But see Golinveaux, supra note 32, at 667 ("It is not clear, however, that Senator Leahy's remarks apply to cybersquatting. When he refers to 'deceptive Internet addresses' this could only mean 'deceptive' to consumers. Because the cybersquatter makes no use of the Web site, there would appear to be no deception of consumers.").

91 See generally Golinveaux, supra note 32 (discussing use of the Dilution Act to enjoin cybersquatting); Brown, supra note 39 (same).


93 Id. at 1303 n.5 (citing 15 U.S.C. § 1127 (Supp. IV 1998)); see also 2 JEROME GILSON, TRADEMARK PROTECTION AND PRACTICE § 5.11[2], at 5-233 (2000) ("Because Internet communications transmit instantaneously on a worldwide basis, there is little question that the 'in commerce' requirement would be met in a typical Internet message, be it trademark infringement or false advertising."). quoted in Intermatic, Inc. v. Toeppen, 947 F. Supp. 1227, 1239 (N.D. Ill. 1996).

94 See, e.g., Intermatic, 947 F. Supp. at 1239 ("Toeppen's intention to arbitrage the 'intermatic.com' domain name constitutes a commercial use. . . . Toeppen's desire to resell the domain name is sufficient to meet the 'commercial use' requirement of the Lanham Act."); Panavision, 945 F. Supp. at 1303 ("Toeppen's 'business' [thus his commercial use] is to register trademarks as domain names and then to sell the domain names to the trademarks' owners."); Golinveaux, supra note 32, at 661, 661–66 (discussing cases "holding that intent to arbitrage marks constitutes 'commercial use'"); see also Mark A. Lemley, The Modern Lanham Act and the Death of Common Sense, 108 YALE L.J. 1687, 1701–02 (1999) (discussing the erosion of the "commercial use" requirement in cybersquatting cases; citing the Toeppen cases as examples) ("[C]ourts have had to stretch the 'commercial use in commerce' requirement to the vanishing point in order to 'catch' cybersquatting.").

While courts “stretched” the meaning of “commercial use” to “catch” cybersquatters, courts similarly developed a new category of dilution, coined “dilution by elimination” by Jennifer Golinveaux, to provide trademark owners with a cause of action against cybersquatters under the Dilution Act. Cybersquatting is generally neither dilution by blurring, nor dilution by tarnishment, the two black letter categories of trademark dilution. As the Panavision court explained, cybersquatters do not “merely ‘lessen[ ] the capacity of a famous mark to identify and distinguish goods or services,’ but [rather] eliminate the capacity of . . . [trademarks] to identify and distinguish

liable under the Dilution Act for registering an infringing domain name to a third party, since the gravamen of “commercial use” in the Toeppen cases was a specific intent to arbitrage, rather than impede use of, the domain name by the trademark holder; Panavision, 945 F. Supp. at 1303 (“Registration of a trade[mark] as a domain name, without more, is not a commercial use of the trademark and therefore is not within the prohibitions of the Act.”); 4 McCarthy, supra note 1, § 25:76.

See Bally Total Fitness Holding Corp. v. Faber, 29 F. Supp. 2d 1161, 1166 (C.D. Cal. 1998) (holding that a site dedicated to consumer complaints about a business, a seemingly non-commercial use of the plaintiff’s trademark, did not become a commercial use through its infliction of financial loss on the plaintiff).

Lemley, supra note 94, at 1702.

Golinveaux, supra note 32, at 657 (discussing the Panavision court’s creation of dilution by elimination).

For a discussion of dilution by blurring, see Epstein, supra note 40, § 12.02[D][3][a][i]. See also Brown, supra note 39, at 250 (discussing dilution by blurring) (“The harm occurs when a subsequent party (‘junior user’) uses the same mark on a different non-competing product or service, thereby creating in the consumer’s mind a new association with the mark. The original mark is blurred to the extent that this new association decreases the mark’s selling power.”). For a discussion of the inapplicability of dilution by blurring to cybersquatting cases, see Golinveaux, supra note 32, at 657 (“The mere reservation of a trademark and attempt to sell it to the trademark owner causes no blurring in the minds of the consumer.”).

For a brief discussion of dilution by tarnishment, see Epstein, supra note 40, § 12.02[D][3][a][i]. For a discussion of the inapplicability of dilution by tarnishment to cybersquatting, see Golinveaux, supra note 32, at 656 (“[B]ecause the cybersquatter makes no use or minimal use of the Web site after reserving the mark . . . there is no opportunity for tarnishment.”). But see Toys “R” Us, Inc. v. Akkaoui, 40 U.S.P.Q.2d (BNA) 1836, 1838 (N.D. Cal. 1996), cited in Golinveaux, supra note 32, at 656 (finding that defendant’s adult web-site, “adultsrus.com,” tarnished plaintiff’s trademark). The Toys “R” Us domain name-trademark dispute, however, was not an instance of pure cybersquatting since the defendant registered the domain name for his personal business use without intent to resell to the plaintiff.

See Epstein, supra note 40, § 12.02[D][3][a][i]; 4 McCarthy, supra note 1, § 25:76.
A plaintiff seeking to reclaim a trademark/domain name would therefore argue that the defendant's registration of the domain name diluted the corresponding trademark not by causing blurring in the minds of consumers nor by presenting it in a negative light (dilution by tarnishment), but rather by totally precluding its use as a domain name (and thus eliminating the ability to use the domain name to market and distinguish goods and services on the Internet). Thus, until the recent enactment of the ACPA, a trademark owner's best chance to enjoin a cybersquatter from use of a domain name was to sue under the Dilution Act and argue that registration is "dilution by elimination" and that "intent to arbitrage" is "commercial use in commerce."


103 A recent Ninth Circuit decision placed limits on the "dilution by elimination" doctrine, see Golinveaux, supra note 32, at 657, by holding that the defendant's registration of the plaintiff's marks in the ".net" rather than ".com" TLD did not entitle the plaintiff to summary judgment, since such a registration would not cause a consumer searching for the plaintiff's web-page (by typing "avery.com" or "averydennison.com") to be diverted to the defendant's sites ("avery.net" and "dennison.net"). See Avery Dennison Corp. v. Sumpton, 189 F.3d 868, 881 (9th Cir. 1999). Thus, the court essentially held that the "dilution by elimination" doctrine only applies to economically valuable domain names in the ".com" TLD. See id. The court also found for the defendant on grounds that the plaintiff had failed to demonstrate that its marks were "famous" as a matter of law under the Dilution Act. See id. at 876-77. This decision reversed a lower court ruling that flatly found dilution and that granted summary judgment for the plaintiff on grounds that "[i]t is the registration of the trademark name as a domain name, which denies the holder of the famous trademark from using its trademark name as an internet domain name, that dilutes the ability to identify goods and services." Avery Dennison Corp. v. Sumpton, 999 F. Supp. 1337, 1341 (C.D. Cal. 1998), rev'd, 189 F.3d 868 (9th Cir. 1999). See generally Kimberly A. O'Meara, Comment, Avery Dennison v. Sumpton: The Ninth Circuit Raises the Bar for Successful Dilution Claims in Domain Name Cases, 20 Loy. L.A. ENT. L. REV. 61 (2000) (discussing how the Ninth Circuit's decision in Avery Dennison narrows the applicability of the Dilution Act to cybersquatting disputes).

104 Golinveaux, supra note 32, at 657. But see Avery Dennison, 189 F.3d at 880-81; supra note 103.

105 Intermatic, 947 F. Supp. at 1239.

B. The Anticybersquatting Consumer Protection Act of 1999

1. Elimination of “Commercial Use in Commerce” and Dilution Requirements

The ACPA amends the Lanham Act to explicitly provide trademark owners with a civil cause of action against cybersquatters, thereby eliminating trademark owners' reliance on cases liberally construing the Dilution Act. Although the White House reportedly opposed the legislation for its potential to undermine the UDRP, President Clinton nevertheless signed into law the consolidated appropriations bill to which the ACPA was attached on November 29, 1999. "The Act, in its principal part, provides:

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

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

(ii) registers, traffics in, or uses a domain name that—

(I) in the case of a mark that is distinctive at the time of registration of the domain name, is identical or confusingly similar to that mark;

(II) in the case of a famous mark that is famous at the time of registration of the domain name, is identical or confusingly similar to or dilutive of that mark; or

(III) is a trademark, word, or name protected by reason of section 706 of Title 18, United States Code, or section 220,506 of Title 36."

Once a plaintiff shows a bad faith intent to profit from use of the mark, the plaintiff must then demonstrate that the defendant's do-

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107 See 15 U.S.C.A. § 1125(d)(1) (West Supp. 2000). The Act also provides for a new in rem action against a domain name when the owner cannot be located or is not subject to personal jurisdiction. See id. § 1125(d)(2).

108 See infra Part II.A.

109 See Jeri Clausing, New Law Touches Off Suits Over Names in Cyberspace, N.Y. TIMES, Dec. 9, 1999, at C2 (“The law was . . . opposed by the Clinton administration, which feared it would undermine attempts by the Internet Corporation for Assigned Names and Numbers, or Icann, to cut the number and cost of international lawsuits over cybersquatting by consigning trademark-related disputes to arbitration.”).

110 See Statement on Signing Consolidated Appropriations Legislation for Fiscal Year 2000, 35 WEEKLY COMP. PRES. DOC. 2458 (Nov. 29, 1999).


112 See infra notes 126–61 and accompanying text.
NOTE: DOMAIN NAME DISPUTES

main name is "identical or confusingly similar" to a "distinctive" or "famous" mark owned by the plaintiff,\(^{113}\) as would be necessary to reclaim a domain name under a UDRP administrative hearing,\(^{114}\) or that the domain name is dilutive of a famous mark,\(^{115}\) as is necessary for a cause of action under the Dilution Act.\(^{116}\) Unlike the Lanham Act, the ACPA expressly excludes any requirement that the defendant use the domain name in connection with "goods or services."\(^{117}\) And unlike the Dilution Act, there is no requirement for "commercial use in commerce,"\(^{118}\) eliminating the need for the judge-made concept of "intent to arbitrage"\(^{119}\) as commercial use.\(^{120}\) The ACPA also eliminates plaintiffs' need to rely on "dilution by elimination."\(^{121}\) While case law creating and applying "dilution by elimination" is still available to plaintiffs pleading dilution under the ACPA,\(^{122}\) plaintiffs may also prevail by instead showing that the defendant's domain name is


\(^{114}\) See UDRP, supra note 2, ¶ 4a.


\(^{120}\) See discussion supra Part II.A and note 94; see also Blasbalg, supra note 12, at 592–93 (arguing that the Act's elimination of a "use in commerce" requirement "continues a trend" in trademark law towards "protect[ing] the trademark itself" and away from consumer protection (quoting Panavision Int'l, L.P. v. Toeppen, 141 F.3d 1316, 1325–26 (9th Cir. 1998), aff'd, 141 F.3d 1316 (9th Cir. 1998) (citing Boston Pro Hockey Ass'n v. Dallas Cap & Emblem Mfg., 510 F.2d 1004, 1011 (5th Cir. 1975))). See generally Neil L. Martin, supra note 12, at 603–04 (explaining how the ACPA's elimination of a "commercial use" requirement makes clear that "registration [a]lone [c]an [g]ive [r]ise [t]o [l]iability").

\(^{121}\) For a discussion of "dilution by elimination," see Golinveaux, supra note 32, at 657, and discussion supra Part II.A.

“identical or confusingly similar” to their mark.\textsuperscript{123} Thus, had the ACPA been available to the \textit{Intermatic, Inc. v. Toeppen} and \textit{Panavision} plaintiffs,\textsuperscript{124} they could have prevailed by simply stating that the domain names “intermatic.com” and “panavision.com” are identical to their trademarks,\textsuperscript{125} without arguing that Toeppen’s registration of these domain names diluted the trademarks by eliminating their potential use. The ACPA eliminates judge-made concepts of domain name trademark infringement and dilution by covering through its plain language the overwhelming majority of conceivable instances of cybersquatting and bad faith domain name registration.

...
2. "Bad Faith Intent to Profit" Requirement

Although the ACPA facilitates lawsuits against cybersquatters by eliminating the requirements of showing "commercial use in commerce" and "dilution," the plaintiff must still prove that the defendant had a "bad faith intent to profit from that mark." Congress granted courts broad discretion to determine bad faith by providing an in-exhaustive list of factors a court may consider. The Act states, a court may consider factors such as, but not limited to:

(I) the trademark or other intellectual property rights of the person, if any, in the domain name;

(II) the extent to which the domain name consists of the legal name of the person or a name that is otherwise commonly used to identify that person;

(III) the person's prior use, if any, of the domain name in connection with the bona fide offering of any goods or services;

(IV) the person's bona fide noncommercial or fair use of the mark in a site accessible under the domain name;

(V) the person's intent to divert consumers from the mark owner's online location to a site accessible under the domain name that could harm the goodwill represented by the mark, either for commercial gain or with the intent to tarnish or disparage the mark, by creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site;

(VI) the person's offer to transfer, sell, or otherwise assign the domain name to the mark owner or any third party for financial gain without having used, or an intent to use, the domain name in the bona fide offering of any goods or services, or the person's prior conduct indicating a pattern of such conduct;

(VII) the person's provision of material and misleading false contact information when applying for the registration of the domain name, the person's intentional failure to maintain accurate contact information, or the person's prior conduct indicating a pattern of such conduct;

(VIII) the person's registration or acquisition of multiple domain names which the person knows are identical or confusingly similar to the marks of others that are distinctive at the time of registration of such domain names, without regard to the goods or services of the parties; and


the extent to which the mark incorporated in the person’s
domain name registration is or is not distinctive and famous
within the meaning of subsection (c)(1) of this section.128

In Sporty’s Farm L.L.C. v. Sportsman’s Market, Inc.129—a declaratory
action brought by Sporty’s Farm L.L.C. seeking the right to continue
to use the domain name “sportys.com”130—the Second Circuit ap-
plied and interpreted this list of factors to find that the defendant had
registered the disputed domain name in bad faith.131 In Sporty’s Farm,
Omega, a mail order company that was considering entering the aviation
catalog business in direct competition with Sportsman’s Market,
registered the domain name “sportys.com,” a variation of Sportsman’s
“Sporty’s” trademark.132 Nine months later, Omega formed Sporty’s
Farm L.L.C. as a wholly-owned subsidiary and sold it the domain
name, where the subsidiary hosted a web-site advertising its Christmas
tree business.133 Omega’s CEO testified that he named the company
“Sporty’s Farm” after a “childhood memory” of “Spotty’s Farm”—the
farm where his uncle kept his dog “Spotty.”134

Despite this explanation, the Second Circuit found that Omega’s
owners had registered “sportys.com” in bad faith and upheld the dis-
trict court’s injunction ordering the transfer of the domain name.135
The court first noted that the domain name holder had no intellec-
tual property rights in “sportys.com,” since it formed Sporty’s Farm
L.L.C. after it registered the domain name.136 The court therefore
limited the first factor of the bad faith checklist, which allows courts to
consider “the trademark or other intellectual property rights of the
person, if any, in the domain name,”137 to rights that exist at the time
the domain name is registered.

balg, supra note 12, at 569-74 (providing additional analysis of the Act’s bad faith
factors); Neil L. Martin, supra note 12, at 599–603 (analyzing in detail the Act’s bad
faith checklist and analogizing a court’s inquiry under the list to a court’s “likelihood
of confusion” inquiry in a trademark infringement action).

129 202 F.3d 489 (2d Cir. 2000), cert. denied, 120 S. Ct. 2719 (2000). See generally
Elizabeth Robison Martin, supra note 12, at 833–37, for a complete review of Sporty’s
Farm.

130 See 202 F.3d at 494.

131 See id. at 498–99. This was the first federal appellate review of these factors.

132 See id. at 494.

133 See id.

134 Id.

135 See id. at 500.


In applying the second factor of the bad faith test, concerning "the extent to which the domain name consists of the legal name of the person or a name that is otherwise commonly used to identify that person," the court announced flatly that "the domain name does not consist of the legal name of the party that registered it, Omega." This is a narrow application of the list's second factor, since the domain name did indeed consist of the legal name of Sporty's Farm, which was a wholly owned subsidiary of Omega.

The court then proceeded to rule on the third factor of the list, the "person's prior use, if any, of the domain name in connection with the bona fide offering of any goods or services." Although the domain name holder used the web-site in connection with its legitimate Christmas tree business, the court held that a consideration of that factor favored a finding of bad faith, since the domain name holder only used the web-site for this purpose after litigation commenced—thus, he had no "prior use . . . in connection with [his] bona fide offering of . . . goods." In ruling on these factors, the court closed loopholes by essentially holding that the domain name holder must register the name in good faith and may not subsequently engage in activities such as establishing a business using the disputed domain name as its legal name or offering legitimate goods and services at the web site to shield itself from liability for an initial bad faith registration.

The Sporty's Farm court also considered factors indicative of bad faith that are not expressly listed by the Act. The court stated that "[t]he most important grounds for our holding . . . are the unique circumstances of this case, which do not fit neatly into the specific factors enumerated by Congress," including the fact that Omega's

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138 Id. § 1125(d) (1) (B) (1)(II).
139 202 F.3d at 498–99.
140 See id. at 494.
141 See id. at 499 (applying 15 U.S.C.A. § 1125(d) (1) (B) (1)(III)).
142 See id.
143 15 U.S.C.A. § 1125(d) (1) (B) (1)(III) (emphasis added).
144 A court has similarly found bad faith where the defendant formed a sham entity bearing the name of the disputed domain name prior to registration. See N. Light Tech., Inc. v. N. Lights Club, 97 F. Supp. 2d 96, 119 (D. Mass. 2000) (finding bad faith registration of "northernlights.com" upon finding that the defendant, who was the president of an entity known as the Northern Lights Club, formed the Club as a fictional entity to register the domain name).
145 See 202 F.3d at 499. The ACPA clearly states that "a court may consider factors such as, but not limited to," the enumerated factors of the bad faith checklist. 15 U.S.C.A. § 1125(d) (1) (B) (i) (emphasis added).
146 202 F.3d at 499.
owners subscribed to Sportsman's catalog and therefore had notice of its "Sporty's" trademark.\textsuperscript{147} The court also counted as indicative of bad faith its inference that the domain name registrant Omega established Sporty's Farm L.L.C. (which operated an unrelated business) in order to "(1) use the sportys.com domain name in some commercial fashion, (2) keep the name away from Sportsman's, and (3) protect itself in the event that Sportsman's brought an infringement claim alleging that 'a likelihood of confusion' had been created . . . ."\textsuperscript{148} The court finally noted that bad faith was evidenced by the domain name holder's explanation of the subsidiary's name "Sporty's Farm" as being indirectly named after a dog "Spotty," calling the explanation "more amusing than credible."\textsuperscript{149} By considering the intellectual property rights of defendant domain name holders at the time of registration, rather than at the time of litigation, and by willingly exercising its express power to consider unenumerated factors indicative of bad faith,\textsuperscript{150} the court in Sporty's Farm set precedent for broad, but not necessarily abusive or unintended, interpretation of the Act's bad faith provisions.

Although the ACPA grants courts broad discretion to find bad faith, as demonstrated by the Sporty's Farm court, the Act also prescribes that courts shall not find bad faith whenever they "determine[] that the person believed and had reasonable grounds to believe that the use of the domain name was a fair use or otherwise lawful."\textsuperscript{151} Thus, if a defendant actually and reasonably believes that his use of the domain name is lawful, the court will not grant relief to the plaintiff under the ACPA, even if the domain name causes dilution.\textsuperscript{152} Courts, however, have so far rejected this subjective provision defense in cases where bad faith was otherwise clearly established.

\textsuperscript{147} See id.
\textsuperscript{148} Id.
\textsuperscript{149} Id. at 500.
\textsuperscript{150} See also Morrison & Foerster LLP v. Wick, 94 F. Supp. 2d 1125 (D. Colo. 2000).
\textsuperscript{152} Of course, such a defendant could possibly be enjoined under the Dilution Act, which employs an objective standard for determining dilution. See 15 U.S.C. § 1125(c)(1) (Supp. IV 1998). The plaintiff, however, would most likely not be entitled to damages, since the Dilution Act only allows remedies other than injunctions,
In *Shields v. Zuccarini*, the defendant registered domain names similar to the plaintiff’s “joecartoon.com” trademark-domain name, including “joe-cartoon.com, joe-carton.com, joe-cartoons.com, and cartoonjoe.com.” While originally using these domain names to host web-sites displaying commercial advertisements, the defendant posted web-sites protesting the plaintiff’s web-site upon being sued. The defendant claimed on his web-sites that he was protesting the contents of the plaintiff’s web-site, “joecartoon.com,” which was directed towards children and featured “the mutilation and killing of [cartoon] animals.” After a fact-intensive inquiry, the district court rejected the defendant’s claim that he “reasonably believed that the use of the domain name[s] was a fair use or otherwise lawful” and issued a preliminary injunction enjoining the defendant from using the domain names. The court inferred that the defendant did not reasonably believe his use was lawful from the facts that he originally used the web-sites “for purely commercial purposes,” that most of his web-sites were commercial and/or sexually explicit and not political, that he placed the political protest web-sites at the domain name only hours after receiving notice of the plaintiff’s lawsuit, and that he had never in the past been an advocate for animal rights. The court concluded that the defendant’s “claim of good faith and fair use [was] a spurious explanation cooked up purely for this suit...” By making a fact-intensive inquiry to determine the defendant’s actual intent in registering the domain names, the court in *Shields* demonstrated the broad discretion that Congress granted to courts through the subjective component of the Act.

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154 Id. at 635.
155 See id.
156 Id.
158 See 89 F. Supp. 2d at 641-42.
159 See id. at 640-41.
160 Id. at 641.
161 The district court in *Northern Light Technology* made a similar fact-intensive, subjective inquiry to dismiss the defendants’ ACPA “escape clause” defense, calling the defendants’ explanations for their web-sites “mere pretexts.” See *N. Light Tech., Inc. v. N. Lights Club*, 97 F. Supp. 2d 96, 118-19 (D. Mass. 2000). In *Northern Light Technology*, the court concluded that the defendants did not reasonably believe their use of the domain name was lawful from the fact that they repeatedly changed their explanations for the use of the domain name, which included explanations as varied as that the web-site was “an experiment in a new business model” and that the web-site was
3. Remedies Under the ACPA

The ACPA provides a variety of remedies to a plaintiff who successfully proves the defendant's "bad faith intent to profit" from the use, trafficking, or registration of a domain name that is "identical or confusingly similar" or "dilutive" of the plaintiff's mark. First, the court may order "forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark." Second, the Act also expressly permits injunctions and damages as permitted by the Lanham Act. These damages include lost profits based on the defendant's sales, treble damages, and attorneys' fees in "exceptional cases." Third, the ACPA allows plaintiffs to elect to recover, "at any time before final judgment is recorded by the trial court[,] . . . instead of actual damages and profits, an award of statutory damages in the amount of not less than $1000 and not more than $100,000 per domain name, as the court considers just." A plaintiff that endures no actual damages can now receive a monetary award. This provides trademark owners with an obvious incentive to sue rather than file a complaint with a UDRP dispute resolution service provider. Plaintiffs will most likely also elect these statutory damages in situations where actual damages cannot be easily proven and in situations where the primary actual damage is tarnishment of the plaintiff's goodwill, the plaintiff may elect statutory damages rather than attempt to prove an...
situations where judges will likely grant statutory damages in an amount greater than that permissible under § 1117(a) of the Lanham Act.¹⁶⁹

III. THE UDRP AND THE ACPA: CAN THEY CO-EXIST?

With the implementation of the UDRP and the recent enactment of the ACPA, trademark owners now have two new, formidable weapons for use against cybersquatters. Trademark owners, who once had to choose between NSI's dispute resolution policy—an incomplete and inadequate solution¹⁷⁰—and a lawsuit under the Dilution Act—a statute that required liberal construction by courts to apply to cybersquatting¹⁷¹—now have at their disposal an alternative dispute resolution procedure and a federal statute that both address cybersquatting directly. This Part discusses the likely relationship between the UDRP and the ACPA and some of the potentially problematic issues raised by both.

A. Trademark Owners' Choice Between the UDRP and Litigation

The UDRP is mandatory for respondents but not complainants;¹⁷² nothing in the language of the UDRP or its rules requires trademark owners to utilize the available administrative proceedings to reclaim a trademark-domain name from a cybersquatter. Where jurisdiction permits,¹⁷³ trademark owners are therefore always free to bring suit under the ACPA, the Dilution Act, or other applicable law.

Trademark owners interested in rapid retrieval or cancellation of a domain name from a cybersquatter should choose the UDRP to seek actual dollar amount of damages suffered. See Neil L. Martin, supra note 12, at 607 (stating that plaintiffs doubtful of their ability to prove actual damages may elect statutory damages).

¹⁶⁹ For example, if actual damages are relatively minor, but the defendant exhibits an egregious "bad faith intent," the court may find it just to award statutory damages of up to $100,000 per domain name, even if this amount far exceeds the sum of the defendant's profits, treble actual damages, and attorneys fees permissible under 15 U.S.C. § 1117(a)-(b) (1994).

¹⁷⁰ See supra notes 29-35 and accompanying text; see also Eng, supra note 12, ¶ 44-51 (discussing the problems of NSI's old policy and the improvements made by ICANN in the UDRP); Walker, supra note 12, at 294-96 (discussing the inadequacies of NSI's old procedure that have been resolved by the UDRP).

¹⁷¹ See supra Part II.A.

¹⁷² See UDRP, supra note 2, ¶ 4a.

¹⁷³ The ACPA minimizes the problem of lack of jurisdiction by allowing plaintiffs unable to obtain personal jurisdiction over a defendant or unable to locate a defendant to bring in rem actions against the domain name. See 15 U.S.C.A. § 1125(d)(2)(A) (West Supp. 2000); infra note 201.
redress. Unlike federal litigation, the UDRP offers guaranteed expeditious resolution. Administrative panels applying the UDRP must generally resolve a domain name dispute and submit the results to the dispute resolution provider within forty-five days after commencement of the proceeding by the complainant. The dispute resolution provider must then notify the parties and ICANN of the panel's decision within three days of its submission. Unless the respondent appeals the panel's decision in a court of competent jurisdiction, ICANN will implement the decision as final and binding ten days after it receives notice of the decision from the dispute resolution provider. Thus, ICANN can implement a decision to transfer or cancel a domain name in less than fifty-seven days, or two months following commencement of the proceeding.

The first dispute resolved under the UDRP, World Wrestling Federation Entertainment, Inc. v. Bosman, was decided only thirty-six days following the commencement of the proceeding, giving the UDRP early credibility with the national press. Federal litigation offers no time guarantees, with some district courts taking as few as forty-nine days...
days and as many as 202 days upon commencement of an ACPA action to render a decision granting or denying a preliminary injunction. When time is of the essence, the UDRP offers the most effective means for a trademark owner to retrieve a domain name from a cybersquatter.

The UDRP's second major advantage over litigation is its lower costs—ICANN hailed the UDRP for its ability to permit a trademark owner to retrieve a single domain name through an administrative proceeding for approximately $1000 in fees. Currently, four competing ICANN-approved dispute resolution providers conduct proceedings under the UDRP, with fees ranging between $750 to $2000 for resolution of a single domain name dispute before a single panelist, and between $2200 and $4500 for resolution by a three person panel. Due to its low cost, the UDRP is especially useful, as one

This case shows that the policy works as it was intended. Victims of clear cases of cybersquatting should have a quick and cheap way of protecting themselves from continued abuses. Traditional court remedies are usually much more expensive and lengthy, and remedies like this are needed to keep global electronic commerce running on Internet time.

Id. (quoting Louis Touton, vice president and general counsel of ICANN).


182 See Fed. R. Civ. P. 65(a). See also Fed. R. Civ. P. 65(b) for the procedures governing the issuance of temporary restraining orders (TROs). Although TROs can grant faster relief than a preliminary injunction, see, e.g., Morrison & Foerstal, 94 F. Supp. 2d at 1128 (mentioning grant of TRO eight days after commencement of action), TROs provide an inadequate solution to trademark owners since the order normally expires ten days after issuance, see Fed. R. Civ. P. 65(b).

183 See Walker, supra note 12, at 306-08 (lauding the UDRP for its “time-and-cost efficiency”).

184 See ICANN FAQ, supra note 6.

185 See ICANN Approved Providers, supra note 41.

186 See CPR Institute for Dispute Resolution, CPR’s Supplemental Rules and Fee Schedule, ¶ 12, at http://www.cpradr.org/ICANN_RulesAndFees.htm (last visited Sept. 23, 2000) (offering resolution of a dispute involving one to two domain names for $2000
author noted, for reclaiming domain names offered for sale by cybersquatters at a "nuisance value" less expensive than litigation but much more expensive than the out-of-pocket costs of registering the domain name. In addition, as one commentator noted, the cost-efficiency of the UDRP can benefit "small-business defendants who do not have the financial resources to battle major corporations in court."

Given the UDRP's inherent cost and time advantages, why litigate? First, the UDRP was intentionally drafted to have a narrower scope than the ACPA due to the inherent limitations of the simple online dispute resolution procedure. A cybersquatter who uses a domain name prior to notice of the dispute "in connection with a bona fide offering of goods or services" or is "commonly known by the domain name" has an absolute defense under the UDRP but may be found in violation of the ACPA. The second major reason for a trademark owner to litigate rather than seek administrative resolution of a cybersquatting dispute under the UDRP is to seek damages and remedies other than cancellation and transfer of the disputed name.

A trademark owner, however, can also have the best of both worlds: rapid retrieval of an infringing or dilutive domain name before a single panelist or $4500 before three panelists); eResolution: Integrity Online, Schedule of Fees, at http://www.eresolution.ca/services/dnd/schedule.htm (last modified Aug. 19, 2000) (offering resolution of a dispute concerning one to two domain names for $750 before a single panelist or $2200 before a three person panel); National Arbitration Forum, Dispute Resolution for Domain Names Schedule of Fees, at http://www.arbforum.com/domains/domain-fees.html (last visited Sept. 23, 2000) (offering resolution of a single domain name dispute for $750 by a single arbitrator or $2250 before a three arbitrator panel); World Intellectual Property Organization Arbitration and Mediation Center, Schedule of Fees under the ICANN Policy, at http://arbiter.wipo.int/domains/fees/index.htm (valid as of Aug. 15, 2000) (offering resolution of a dispute concerning one to five domain names for $1500 before a single panelist or $3000 before three panelists).

188 See id.
189 See infra Part III.C.
190 See infra Part III.C.
191 UDRP, supra note 2, ¶ 4c(i).
192 Id. ¶ 4c(ii).
193 See id. ¶ 4c.
194 See infra Part III.C.
195 See supra Part II.B.3 for a complete discussion of remedies available under the ACPA.
through the UDRP and a subsequent award of damages under the ACPA.\textsuperscript{196} The district court's recent decision in \textit{Broadbridge Media, L.L.C. v. HyperCD.com}\textsuperscript{197} confirms that a trademark owner may file suit in federal court to resolve a domain name dispute while concurrently seeking resolution through an ICANN administrative proceeding.\textsuperscript{198} Evoking the UDRP to rapidly retrieve a domain name prior to or concurrent with filing suit is economically prudent, since trademark owners lose potential customers every day that a domain name corresponding to the trademark is unavailable.\textsuperscript{199} Thus, even trademark owners seeking damages will find the UDRP useful for recovering a domain name as quickly as possible to minimize lost profits.

Trademark owners may have, in certain limited circumstances, reasons other than the availability of remedies, to litigate rather than seek administrative resolution of a dispute falling within the substantive scope of the UDRP. For example, a trademark owner believing that the domain name holder will probably appeal an administrative panel's decision may find litigation from the onset of the dispute to be more efficient than obtaining a favorable administrative panel decision and later rearguing the same claim in court.\textsuperscript{200} Also, the Anti-cyberquating Act, unlike the UDRP, allows \textit{in rem} actions over domain names should the trademark owner be unable to locate a defendant.\textsuperscript{201} The UDRP, however, may be the best option for disputes in-

\textsuperscript{196} See UDRP, \textit{supra} note 2, ¶ 4k ("The mandatory administrative proceeding requirements . . . shall not prevent either you or the complainant from submitting the dispute to a court of competent jurisdiction for independent resolution before such mandatory administrative proceeding is commenced or after such proceeding is concluded." (emphasis added)).

\textsuperscript{197} 106 F. Supp. 2d 505 (S.D.N.Y. 2000).

\textsuperscript{198} See id. at 509 (finding that paragraph 4k of the UDRP, which expressly permits trademark owners to seek judicial resolution of domain name disputes before or after an administrative proceeding, does not implicitly forbid a trademark owner from filing suit while the administrative proceeding is pending).

\textsuperscript{199} See \textit{Walker, supra} note 12, at 307.

\textsuperscript{200} See UDRP, \textit{supra} note 2, ¶ 4k (allowing the respondent to appeal a panel's decision to a "court of competent jurisdiction" within ten days following notice of the decision and stating that ICANN will take no further action until the court case is resolved, dismissed, or withdrawn).

\textsuperscript{201} See 15 U.S.C.A. § 1125(d)(2)(A) (West Supp. 2000). Specifically, the Act permits an \textit{in rem} action where:

the court finds that the owner—

(I) is not able to obtain in personam jurisdiction over a person who would have been a defendant in a civil action under paragraph (1) [in personam action under the ACPA]; or

(II) through due diligence was not able to find a person who would have been a defendant in a civil action under paragraph (1) by—
volving foreign parties, since it avoids issues of national jurisdiction and allows panels to consider applicable principles of foreign law. In general, however, for clear cybersquatting cases falling under the scope of both the UDRP and the ACPA, the UDRP should serve as a complement to litigation when damages are sought and a litigation replacement for trademark owners seeking mere recovery of a domain name from a cybersquatter.

B. "Reverse Domain Name Hijacking"

The range of remedies available under the ACPA and the Lanham Act is an obvious reason to litigate instead of or in addition to resolving a domain name dispute through a UDRP administrative panel. These remedies, particularly the ACPA's provision for statutory damages of up to $100,000 per domain name, will not only encourage litigation but could also, according to University of Miami law professor A. Michael Froomkin, coerce settlement between large corporate trademark owners and small business and individual domain name registrants regardless of the merits of the claims.

One of the major things it's going to achieve is that now you can write these scary demand letters to mom and pop domain registrants, and say, "Do what we say, or you risk being liable for up to $100,000." Unless they go to a lawyer and find out where they

(aa) sending a notice of the alleged violation and intent to proceed under this paragraph to the registrant of the domain name at the postal and e-mail address provided by the registrant to the registrar; and
(bb) publishing notice of the action as the court may direct promptly after filing the action.

Id. § 1125(d)(2)(A)(ii).

202 See UDRP, supra note 2, at n.2 (applying to all domain name registrations in the "com," "org," and "net" gTLDs (irrespective of the location of the registrants) and certain country-code TLDs including "nu," "tv," and "ws").

203 See UDRP Rules, supra note 3, ¶ 15(a) (allowing a panel to consider "any rules and principles of law that it deems applicable").

204 See infra Part III.C.

205 See 15 U.S.C.A. § 1116(a) (West Supp. 2000) (preserving the availability of injunctions under the Lanham Act to ACPA plaintiffs); id. § 1117(a) (preserving the availability of treble damages, defendant's profits, and attorneys fees under the Lanham Act); id. § 1117(d) (permitting election of statutory damages of up to $100,000 per domain name); id. § 1125(d)(1)(C) (providing for forfeiture and transfer of domain name).

NOTE: DOMAIN NAME DISPUTES

Nevertheless, while Professor Froomkin reasonably fears that the ACPA's damages provision could encourage "reverse domain name hijacking" through coerced settlement, the Act is unlikely to condone seriously abusive lawsuits by trademark owners against legitimate domain name holders, since plaintiffs have the statutory burden of showing bad faith.\textsuperscript{209}

\textsuperscript{207} Id. at A19 (quoting A. Michael Froomkin); see also id. (Reverse domain name hijacking occurs "when you as an individual user have a perfectly legitimate registered domain name, and somebody with a trademark sends you a mean note from a lawyer threatening you with a lawsuit and all kinds of expenses and tries to take the name away from you." (quoting Milton Mueller)).

\textsuperscript{208} See id. The term "reverse domain name hijacking" originally referred to abusive use of NSI's dispute resolution policy by registered trademark holders to strip legitimate, non-infringing users of a corresponding domain name. See Oppedahl, supra note 33. When litigated, courts often order the "reverse domain name hijacker" to return the domain name to the original registrant. See id. at 538–41 (discussing Interstellar Starship Servs., Ltd. v. Epix, Inc., 983 F. Supp. 1331 (D. Or. 1997), rev'd, 184 F.3d 1107 (9th Cir. 1999), cert. denied, 120 S. Ct. 1161 (2000) (returning domain name "epix.com" to Interstellar for its non-infringing use); CD Solutions, Inc. v. Tooker, 15 F. Supp. 2d 986 (D. Or. 1998) (finding that CD (compact discs) Solutions' use of "cds.com" did not infringe or dilute Commercial Documentation Service's registered trademark "CDS"); Data Concepts, Inc. v. Digital Consulting, Inc., 150 F.3d 620 (6th Cir. 1998) (finding that Data Concepts' use of "dci.com" did not infringe Digital Consulting's corresponding trademark; noting that there are many concurrent non-infringing users of the "DCI" mark)). NSI's dispute resolution policy permitted "reverse domain name hijacking" by granting federally registered trademark holders the power to suspend any domain name "identical" to their marks, see NSI Policy, supra note 29, § 8, even if the domain name is a legitimate, non-infringing, and non-dilutive use of the mark, see Oppedahl, supra note 33, at 536–37. Commentators have not predicted that the ACPA will allow "reverse domain name hijackers" to succeed on the merits, but rather that a threat of $100,000 in damages in a cease and desist letter will coerce legitimate users to surrender a sought-after domain name. See Lochhead, supra note 206, at A19 (quoting A. Michael Froomkin & Milton Mueller).

\textsuperscript{209} See 15 U.S.C.A. § 1125(d)(1)(A)(i) (West Supp. 2000); supra Part II.B.2. Courts may consider (among other factors) when determining bad faith "the trademark or other intellectual property rights of the person, if any, in the domain name," "the extent to which the domain name consists of the legal name of the person or a name that is otherwise commonly used to identify that person," or "prior use . . . in connection with the bona fide offering of any goods or services." 15 U.S.C.A. § 1125(d)(1)(B)(i)(I)--(III). As a further safeguard to legitimate domain name users, the ACPA provides that "[b]ad faith intent . . . shall not be found in any case in which the court determines that the person believed and had reasonable grounds to believe that the use of the domain name was a fair use or otherwise lawful." Id. § 1125(d)(1)(B)(ii).
In addition to pointing out the potential of the ACPA to allow "reverse domain name hijacking" through cease and desist letters, Professor Froomkin has criticized the UDRP for inadequately addressing the same problem. The UDRP fails to impose sanctions, besides a simple reprimand, against those attempting to use the administrative proceedings to commit "reverse domain name hijacking." Commentators also feared that the UDRP's three enumerated defenses would be the three exclusive defenses available to respondents. While these three defenses do not exhaust the possible legitimate ways to use a domain name that is also another person's trademark, this provision does not encourage "reverse domain name hijacking" since the UDRP specifically authorizes panelists to consider other factors evidencing legitimate rights.

210 See Froomkin, supra note 69.

The current UDRP contains no meaningful punishment for reverse domain name hijacking (RDNH) other than the potential slap on the wrist of being chastised in an [sic] decision. Nor, other than the aspects of the policy that might make it hard for RDNH to succeed (primarily the defenses listed in Policy 4c), does it contain provisions calculated to deter RDNH.

Id.

211 See UDRP RULES, supra note 3, ¶ 15(e). The UDRP's rules direct a panel finding "reverse domain name hijacking" to merely "declare in its decision that the complaint was brought in bad faith and constitutes an abuse of the administrative proceeding." Id.

212 See Kathryn A. Kleiman & David A. Maher, Non-Commercial Domain Name Holders Constituency of the Domain Name Support Organization ("NCDNHC"), Comments of Noncommercial Constituency, at http://www.icann.org/comments-mail/comment-udrp/current/msg00104.html (Oct. 13, 1999) (supporting expansion of the UDRP to apply to "reverse domain name hijacking"; arguing that UDRP ¶ 4c should be changed to a list of "[s]ome [e]xamples of [w]ays to [d]emonstrate" legitimate rights since the current list of three defenses is "far from a fully inclusive list of defenses and both domain name holders and arbitrators should be alerted to this fact").

213 See id.

214 See UDRP, supra note 2, ¶ 4c. For example, panels have ruled that respondents can have legitimate interests in a domain name on grounds that the complainant's corresponding trademark is "generic or descriptive"—a factor not expressly enumerated by UDRP ¶ 4c. See, e.g., CRS Tech. Corp. v. Condenet, Inc., NAF, FA0093547, at http://www.arbforum.com/domains/decisions/93547.html (Mar. 28, 2000) (Bernstein & Ayers, Arbs.) (finding respondent to have possible legitimate interests in the "generic [and] descriptive" domain name "concierge.com"—a domain name identical to the complainant's registered "Concierge" trademark); General Mach. Prods. Co. v. Prime Domains, NAF, FA0092531, at http://www.arbforum.com/domains/decisions/92531.html (last visited Sept. 23, 2000) (Carney, Arb.) (finding respondent to have legitimate interests in the generic and descriptive domain name "craftwork.com" even though it had offered to sell the domain name to the complainant for as much as $30,000).
merely states that the enumerated defenses “in particular but without limitation” may be used to demonstrate legitimate rights in the domain name.\textsuperscript{215}

Furthermore, since the UDRP does not provide for damages or fines\textsuperscript{216} and allows appeals in court of administrative decisions,\textsuperscript{217} the UDRP does not, in my estimation, promote or provide a sympathetic forum for “reverse domain name hijackers.” By preempting NSI’s dispute resolution policy, which permitted several documented cases of “reverse domain name hijacking,”\textsuperscript{218} the UDRP can be viewed as an expansion of the rights of legitimate users of domain names against trademark owners. Nevertheless, “reverse domain name hijacking,” whether encouraged by the damages provision of the ACPA or, less likely,\textsuperscript{219} by loopholes in the UDRP, must be addressed in the future by Congress\textsuperscript{220}—and/or ICANN\textsuperscript{221}—should it ever become prevalent and problematic.

\textsuperscript{215} UDRP, supra note 2, ¶ 4c. This language was also included in the original draft version of the UDRP. See Internet Corporation for Assigned Names and Numbers, Draft Uniform Domain Name Dispute Resolution Policy ¶ 4c, at http://www.icann.org/udrp/udrp-policy-29sept99.htm (Sept. 29, 1999).

\textsuperscript{216} See UDRP, supra note 2, ¶ 4i (limiting remedies to the cancellation or transfer of the challenged domain name).

\textsuperscript{217} See UDRP, supra note 2, ¶ 4k.

\textsuperscript{218} See generally Oppedahl, supra note 33 (discussing cases involving “reverse domain name hijacking” under the NSI policy).

\textsuperscript{219} But see Blasbalg, supra note 12, at 594–98. Blasbalg argues that the ACPA’s “fair use” defense, combined with the “fair use” defense of the Lanham Act and the subjective provision of the ACPA, directing findings for defendants reasonably believing that their use of a domain name is fair or lawful, provide adequate safeguards against “reverse domain name hijacking.” See id. at 594–95. Blasbalg, however, fears that the UDRP will allow “reverse domain name hijacking,” since the defenses available under the ACPA are unavailable under the UDRP, because the ten day period to appeal a UDRP opinion is too short, and because the domain name holder has the burden of proof in a judicial appeal of a UDRP decision. See id. at 595, 597. Blasbalg, however, overlooks the fact that UDRP ¶ 4c provides even broader defenses than the ACPA and the fact that these defenses, if proven, are absolute. See UDRP, supra note 2, ¶ 4c; supra Part I.B; infra Part III.C.

\textsuperscript{220} Should the need arise, Congress could amend the ACPA to provide a federal cause of action for “reverse domain name hijacking.” This cause of action could be brought as a counterclaim under Rule 13 of the Federal Rules of Civil Procedure in cases where the trademark owner commences litigation against the domain name holder or an independent cause of action where the trademark owner merely seeks to coerce settlement. See Fed. R. Civ. P. 13.

\textsuperscript{221} Empowering UDRP administrative panels to impose fines would serve as an obvious deterrent to “reverse domain name hijacking.” See Walker, supra note 12, at 311 (arguing in favor of including in the UDRP “a measure that will combat reverse hijacking just as forcefully as it attempts to combat cybersquatting”).
C. Lack of Harmonization Between the UDRP and Federal Trademark Law

While trademark owners will probably use the UDRP to reclaim a domain name quickly and inexpensively and alternatively sue the domain name holder when damages are sought, differences in substantive rights provided by the UDRP and the ACPA also influence the decision whether to litigate or seek administrative resolution.222 In general, the UDRP provides narrower protection to trademarks than does federal law so as to avoid entangling administrative panels in disputes involving "competing legitimate rights" as opposed to instances of cybersquatting.223 The UDRP would not have, for instance, been available to the parties in Juno Online Services, L.P. v. Juno Lighting, Inc.,224 in which the court dismissed a Lanham Act action by Juno Online, an Internet services provider, against Juno Lighting, a manufacturer and retailer of lighting who had registered the domain name "juno-online.com."225 Highlighting the substantive limitations of the UDRP, one corporate intellectual property counsel pointed out:

If a competitor misappropriated the domain name disneycds.com, they might not be cybersquatting, but this does not necessarily imply that they have proof of legitimate rights. A court may find that the owner of disneycds.com is infringing or diluting a trademark—a process that is not covered by the UDRP process.226

For this reason, several commercial constituencies insisted (unsuccessfully) that ICANN change the defenses of paragraph 4c to be "[rele-

222 See supra Part III.A.
223 See Management of Internet Names and Addresses, 63 Fed. Reg. 31,741, 37,147 (Dep't of Commerce June 4, 1998); ICANN FAQ, supra note 6.
225 Id. at 693. For other examples of domain name disputes involving "competing legitimate rights" beyond the scope of the UDRP, see, for example, Data Concepts, Inc. v. Digital Consulting, Inc., 150 F.3d 620 (6th Cir. 1998) (reversing summary judgment enjoining Data Concepts' use of "dci.com"; finding concurrent rights between both parties in the mark); Teletech Customer Care Management, Inc. v. Tele-Tech Co., 977 F. Supp. 1407 (C.D. Cal. 1997) (granting an injunction against Tele-Tech's use of domain name "teletech.com" (no hyphen)).
226 Sarah B. Deutsch, Senior Intellectual Property Counsel, Bell Atlantic Network Services, Inc., Comments on the UDRP, at http://www.icann.org/comments-mail/comment-udrp/current/msg00090.html (Oct. 13, 1999); see also International Trademark Association (INTA), supra note 70 (criticizing (among other provisions) the "demonstrable preparations to use . . . in connection with a bona fide offering of goods or services" defense of the UDRP); Philip M. Davidson, Staff Counsel-Trademarks, Gateway, Inc., Comments on ICANN's Uniform Domain Name Dispute Resolution Policy, at http://www.icann.org/comments-mail/comment-udrp/current/msg00085.html (Oct. 13, 1999).
vantage factors' [rather than] conclusive proof of 'legitimate rights.'”

By downgrading the paragraph 4c defenses of use “in connection with a bona fide offering of goods or services,”

being “commonly known by the domain name,”

and “legitimate noncommercial or fair use”

to inconclusive evidence of legitimate rights, these commentators hoped to expand the UDRP to allow administrative panels to give greater consideration to the presence or absence of trademark infringement or dilution. These changes would have helped, at least in some circumstances, to harmonize the UDRP with federal trademark law while expanding the rights of trademark owners seeking relief through the UDRP.

Nevertheless, the Commerce Department insisted in its White Paper that any administrative dispute resolution policy of the to-be-formed non-profit corporation, which became ICANN, limit its scope to cybersquatting. The reason for this limitation seems clear. As Professor Froomkin mentioned, “complex fact-intensive cases,” such as those involving disputes between competing legitimate trademark rights, are inappropriate for the “extremely lightweight procedure” of the UDRP. Fact-intensive disputes or those involving issues of credibility belong, according to Froomkin, “in court or in a more traditional arbitration where parties can be heard directly.” Indeed, it is doubtful whether a three arbitrator panel could decide through pleadings submitted online whether there is underlying infringement or dilution after the domain name holder proves a UDRP paragraph 4c defense.

227 International Trademark Association (INTA), supra note 70; accord Davidson, supra note 226; Deutsch, supra note 226.
228 UDRP, supra note 2, ¶ 4c(i).
229 Id. ¶ 4c(ii). Incidentally, INTA suggested that this defense be struck. See International Trademark Association (INTA), supra note 70.
230 UDRP, supra note 2, ¶ 4c(iii).
231 See International Trademark Association (INTA), supra note 70; accord Davidson, supra note 226; Deutsch, supra note 226.
232 See Management of Internet Names and Addresses, 63 Fed. Reg. 31,741, 31,747 (Dept of Commerce June 4, 1998) (calling on the World Intellectual Property Organization to "develop recommendations for a uniform approach to resolving trademark/domain name disputes involving cyberpiracy [cybersquatting] (as opposed to conflicts between trademark holders with legitimate competing rights)").
233 Froomkin, supra note 69 (criticizing INTA's comments to the UDRP).
234 Id.
For example, in the recent *Sporty's Farm* case, the Second Circuit found that the domain name holder who had formed a company selling Christmas trees legally named and doing business (and thus probably commonly known) as Sporty's Farm had registered the "sportys.com" domain name in bad faith despite the fact that it may have had a UDRP paragraph 4c(ii) defense of being "commonly known" by the domain name. The domain name holder might have benefited from this defense in an administrative proceeding simply by demonstrating in its response that it conducted business as "Sporty's Farm L.L.C." In *Sporty's Farm*, the court made a fact-intensive determination to find bad faith on grounds that the domain name holder planned to enter the aviation catalog business in competition with the trademark owner, that its CEO subscribed to Sportsman's Market's catalog and knew of its "Sporty's" trademark, and that the CEO's explanation for naming his Christmas tree business indirectly after his childhood dog "Spotty" lacked credibility. This complex finding relied on facts not easily accessible to the trademark owner without discovery and on a rejection of the credibility of the domain name holder's testimony. As Professor Froomkin might agree, the dispute over "sportys.com" most likely could not have been resolved online by a UDRP administrative panel without the benefits of formal discovery and face-to-face examination of witnesses.

In fact, the UDRP is so limited to straightforward instances of cybersquatting that the UDRP paragraph 4c(ii) defense of being "commonly known by the domain name" could theoretically apply to counterfeiters who become "commonly known" as a domain name by intentionally causing confusion in the minds of consumers. This re-

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236 See 202 F.3d at 498–99.

237 *See UDRP, supra note 2, at ¶ 4c (stating that the enumerated defenses of ¶ 4c, including the ¶ 4c(ii) defense of being "commonly known by the domain name" if "proved based on [an] evaluation of all evidence presented, shall demonstrate . . . rights or legitimate interests to the domain name"). This defense applies irrespective of trademark rights. See id.; see also id. ¶ 4a (placing burden of proof on the complainant to show lack of "rights or legitimate interests in respect of domain name").

238 *See 202 F.3d. at 498–99. Since the UDRP’s defenses conclusively establish legitimate rights, *see UDRP, supra note 2, ¶ 4c*, an administrative panel would not be permitted to weigh the respondent’s defense against bad faith factors proven by the complainant. *See UDRP, supra note 2, ¶ 4a(ii)–(iii) (stating that the complainant must prove lack of rights or legitimate interests and bad faith); UDRP Rules, supra note 3, ¶ 3(b)(ix)(2)–(3).

239 *See Froomkin, supra note 69.*
result is tolerable, since the alternative solution would be to allow a one or three person administrative panel to decide complex substantive issues of infringement or dilution and to pass judgment on the credibility of the parties' written assertions without discovery and without an opportunity to question the parties directly. The failure of the UDRP to cover a full range of trademark/domain name disputes should not, therefore, be deemed an inconsistency with federal trademark law, but rather an intentional and well-reasoned limitation of scope.

D. Freedom of Speech Concerns

Commentators have criticized the UDRP for expanding the rights of trademark owners at the expense of domain name holders' freedom of speech. This criticism of the UDRP stems from the paragraph 4c(iii) defense of "legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue." As Kathryn Kleiman & David Maher noted on behalf of the Non-Commercial Domain Name Holders Constituency (NCDNHC), "[i]mplicit in this expression of the defense is the principle that even a legitimate noncommercial use, WITH INTENT to tarnish, is tantamount to cybersquatting." The tarnishment clause could, in the views of some experts, threaten freedom of speech by stifling both "legitimate criticism" of corporations and complaint or "gripe" sites such as "microsoft-sucks.com." Contrary to these commentators' fears, the UDRP will not apply to a "gripe" web-site at a domain name such as

240 While UDRP rules do not permit interrogatories, depositions, or other discovery between parties, administrative panels "may request, ['in addition to the complaint and the response'] further statements or documents from either of the Parties." UDRP Rules, supra note 3, ¶ 12.

241 See id. ¶ 13 (stating that panels shall hold in-person hearings (including telephonic, video, and Internet conferences) only as "an exceptional matter, that such a hearing is necessary for deciding the complaint" (emphasis added)).

242 UDRP, supra note 2, ¶ 4c(iii) (emphasis added).

243 Kleiman & Maher, supra note 212; see also Froomkin, supra note 69 (criticizing the tarnishment provision); Jonathan Weinberg, Comments on UDRP—Corrected Copy, at http://www.icann.org/comments-mail/comment-udrp/current/msg00103.html (Oct. 14, 1999) (condemning the tarnishment provision; agreeing with Froomkin).

244 Froomkin, supra note 69 ("A cite [sic] designed to attack a company's labor practices [or] its environmental record ('MegaCo kills the earth') might be considered to show an intent (recall—it's mere intent, not even actual tarnishment) to tarnish a mark.").

245 Weinberg, supra note 243 (stating that the owner of "microsoft-sucks.com" could lose the domain name in an administrative hearing).
"microsoft-sucks.com," even if the respondent is unable to demonstrate legitimate rights in the domain name, since the complainant would be unable to demonstrate that the domain name is "identical or confusingly similar" to the complainant's trademark. Since "confusingly similar" has been defined by an administrative panel and a district court in *Northern Light Technology, Inc. v. Northern Lights Club* as essentially alphanumerical or facial similarity, protest pages should be permissible at domain names incorporating, but facially dissimilar to, a trademark such as "microsoft-sucks.com." Furthermore, even administrative panels rejecting the *Northern Light Technology* court's objective definition of "confusingly similar" and applying a contextual approach focusing on "likelihood of confusion" will not find a domain name such as "microsoft-sucks.com" to be confusingly similar to "Microsoft" since few rational consumers would believe that such a site is actually hosted by Microsoft.

In addition to criticizing the tarnishment clause for threatening free speech, these commentators pointed out that the tarnishment

246 See UDRP, *supra* note 2, ¶ 4c.
247 UDRP Rules, *supra* note 3, ¶ 3(b)(ix)(1); see also UDRP, *supra* note 2, ¶ 4a(i).
250 97 F. Supp. 2d at 117 (citing 3 McCarthy, *supra* note 1, § 23:4) (comparing the contextual test of "likelihood of confusion" with the objective, facial test for "confusingly similar" intended by Congress under the ACPA).
251 Cf. AT&T Corp. v. Alamuddin, WIPO, No. D2000-0249, ¶¶ 6–7, at http://arbiter.wipo.int/domains/decisions/html/d2000-0249.html (May 18, 2000) (Barker, Arb.) (applying the trademark law of Australia, England, and New Zealand to find that the domain name "ATT2000.com" was confusingly similar to the trademark AT&T since "most persons in the United States and most visitors to that country—could be confused into thinking that <ATT2000.COM> was some millennium promotion by AT&T"). This consumer-confusion focused test, which was explicitly rejected by one United States district court interpreting the ACPA, see *N. Light Tech.*, 97 F. Supp. 2d at 117, would also permit a non-commercial use of a domain name such as "microsoft-sucks.com" since consumers would not be confused into believing that site, unlike a site such as "ATT2000.com," was actually hosted by the trademark owner.
NOTE: DOMAIN NAME DISPUTES

That observation may have been true (at least in theory) on October 13–14, 1999 when the NCDNHC and Professors Froomkin & Weinberg published their comments on the UDRP to ICANN's web-site. Before November 29, 1999, the Dilution Act controlled cybersquatting disputes in federal courts. The Dilution Act, unlike the ACPA, applied only to "commercial use" and further excepted (somewhat redundantly) from its scope "[n]oncommercial uses of a mark." The ACPA, however, grants less clear protection to noncommercial use of a trademark when tarnishment is intended. In determining bad faith, the ACPA permits courts to consider "the person's bona fide noncommercial or fair use of the mark . . . ." In the next provision, however, the ACPA allows courts to take account of

252 See Froomkin, supra note 69; Kleiman & Maher, supra note 212; Weinberg, supra note 243.
253 See Froomkin, supra note 69; Kleiman & Maher, supra note 212; Weinberg, supra note 243.
254 See supra Part IIA.
256 Id. § 1125(c)(4)(B). Courts, however, have narrowly interpreted the Dilution Act to find commercial use and dilution in cases involving seemingly noncommercial uses. See Planned Parenthood Fed'n of Am., Inc. v. Bucci, 42 U.S.P.Q.2d (BNA) 1430, 1435–36 (S.D.N.Y. 1997), aff'd, 152 F.3d 920 (2d Cir. 1998); see also Jews for Jesus v. Brodsky, 993 F. Supp. 282, 290 & n.13, 307–08 (D.N.J. 1998), aff'd, 159 F.3d 1351 (2d Cir. 1998) (finding that the defendant's use of the "jewsforjesus.org" domain name, which hosted a web-site criticizing the plaintiff's religious movement as being "founded upon deceit and distortion," constituted commercial use under the Dilution Act). In Planned Parenthood Federation of America, Inc. v. Bucci, the defendant/domain name holder hosted a pro-life web-site at "www.plannedparenthood.com." 42 U.S.P.Q.2d (BNA) at 1432. This web-page, which displayed the words "Welcome to the PLANNED PARENTHOOD HOME PAGE!", promoted a pro-life book entitled "The Cost of Abortion." Id. According to the defendant's counsel, this web-site, although placed at a domain name corresponding to the plaintiff's trademark, was not a commercial use, but rather "an effort to get the . . . political and social message [of the right to life] to people we might not have been otherwise able to reach." Id. at 1433. The Federal District Court for the Southern District of New York, however, declined to recognize this web-site advocating social and political change as a non-commercial use on grounds that "(1) defendant is engaged in the promotion of a book, (2) defendant is, in essence, a non-profit political activist who solicits funds for his activities, and (3) defendant's actions are designed to, and do, harm plaintiff commercially." Id. at 1435. The court concluded by declaring the use of the domain name to be commercial on the separate ground that it "prevent[ed] users from reaching plaintiff and its services and message." Id. at 1436. But see Bally Total Fitness Holding Corp. v. Faber, 29 F. Supp. 2d 1161, 1167 (C.D. Cal. 1998) (holding a consumer complaint web-site, placed at "www.compupix.com/ballysucks," to be "speech protected by the First Amendment").
the person's intent to divert consumers from the mark owner's on-
line location to a site accessible under the domain name that could
harm the goodwill represented by the mark, either for commercial gain
or with the intent to tarnish or disparage the mark, by creating a likelihood
of confusion as to the source, sponsorship, affiliation, or endorse-
ment of the site.258

Thus, noncommercial use of a trademark in a domain name may be
protected as long as the domain name does not create a "likelihood of
confusion."259 Nevertheless, the nine factor list for determining bad
faith is not exclusive (judges may consider other factors as they see
fit),260 and no factor or combination of factors is dispositive.261 To
further complicate predictions of the ACPA's application to noncom-
mercial uses (but also to help protect the rights of noncommercial
users), § 1125(d) (1) (B) (ii) introduces a subjective component by in-
structing courts that bad faith intent "shall not be found in any case in
which the court determines that the person believed and had reasonable
grounds to believe that the use of the domain name was a fair use or
otherwise lawful."262 Since the ACPA is inherently ambiguous and
grants judges a significant degree of discretion, only future case law
can completely define the scope of the Act's application to noncom-
mercial uses.

The district court's decision in Morrison & Foerster LLP v. Wick263
offers some early indication that courts may not, as a general rule,
find in favor of defendants hosting "gripe" web-sites at a domain name
"confusingly similar" to the plaintiff's trademark. In Morrison & Foer-
ster, the court found bad faith where the defendant, seeking to "get
even" with "corporate America," placed web-sites blatantly tarnishing
the plaintiff's corporate law practice at domain names such as
"www.morrisonandfoerster.com."264 The court found crucial to its
holding the defendant's "intent to divert customers from Morrison &
Foerster's online location" and noted that the defendant's placement
of the web-sites at domain names "identical or confusingly similar to
Morrison & Foerster's mark [may cause a user to] wonder about Mor-

258 Id. § 1125(d) (1) (B) (i) (V) (emphasis added).
259 Id. § 1125(d) (1) (B) (i) (IV)-(V).
260 See id. § 1125(d) (B) (i).
261 See id.
262 Id. § 1125(d) (1) (b) (ii).
264 Id. at 1132–33. Given the content of the defendant's web-sites, the court's bad
faith finding seems perfectly just. The web-sites displayed statements bitterly attacking
the plaintiff's law practice such as "no soul . . . no conscience . . . no spine . . . NO
PROBLEM!!!," id. at 1133 (alterations in original), and contained links to Anti-Sem-
mitic and racist web-sites, see id. at 1132.
rison & Foerster's affiliation with the sites or endorsement of the sites.\textsuperscript{265} The court concluded that the defendant was not entitled to a separate First Amendment defense, partially on grounds that he "could [have] simply display[ed] the content of his web pages in a different location."\textsuperscript{266} Thus, the court in \textit{Morrison & Foerster} announced a limitation roughly analogous to a "time, place, and manner"\textsuperscript{267} restriction on speech that would have allowed the defendant to place his protest web-page at a domain name such as "www.idonotlikemorrisonandfoerster.com."

Nevertheless, although the \textit{Morrison & Foerster} court suggested that the defendant could have averted an injunction under the ACPA by placing his web-sites at different domain names, the Act allows the owner of a famous mark to proceed on grounds that the domain name is "dilutive of that mark," without showing that the domain name is "identical or confusingly similar."\textsuperscript{268} For this reason, the defendant in \textit{Morrison & Foerster} might not have been able to avert injunction by placing his web-site at a domain name such as "morrisonandfoersterstinks.com," which is not confusingly similar, but is arguably dilutive, of the plaintiff's trademark. Although the ACPA could apply against a person registering and using a famous mark followed by a dilutive suffix such as "sucks" or "stinks," a plaintiff will not, in such a case, be able to rely on the bad faith checklist factor concerning the defendant's "intent to divert consumers from the mark owner's online location to a site accessible under the domain name"\textsuperscript{269} to prove the defendant's bad faith intent to profit.

While it is unsettled under the ACPA whether a domain name holder may place a gripe or protest web-page at a dilutive domain name incorporating, but not identical or confusingly similar to, a trademark, it is clear that the ACPA does not apply to web-sites hosted at domain names that are not identical, confusingly similar, or dilutive

\textsuperscript{265} \textit{Id.} at 1132.
\textsuperscript{266} \textit{Id.} at 1135. "Nor can he argue that such an order would violate his First Amendment right to free speech, as he has plenty of other outlets for his protest (i.e., just one of the three thousand domain names he owns would provide a sufficient forum)." \textit{Id.} (quoting \textit{Shields v. Zuccarini}, 89 F. Supp. 2d 634, 641 (E.D. Pa. 2000)).
\textsuperscript{267} \textit{See generally} \textit{Gerald Gunther & Kathleen M. Sullivan, Constitutional Law} 1244-47 (13th ed. 1997) (quoting \textit{Cox v. New Hampshire}, 312 U.S. 569, 575 (1941)); \textit{John E. Nowak & Ronald D. Rotunda, Constitutional Law} \textsection 16.47, at 1142-43 (5th ed. 1995) (generalizing that courts uphold "time, place, and manner restrictions on speech" where the "restriction on speech is outweighed by the promotion of significant governmental interests"). A complete treatment of constitutional issues raised by applications of the ACPA is beyond the scope of this Note.
\textsuperscript{269} \textit{Id.} \textsection 1125(d)(1)(B)(i)(V).
of a trademark irrespective of the web-site's content. Thus, while the ACPA may impose some "time, place, and manner" limitations on Internet speech, it never imposes "content-based restrictions," since it regulates only domain name choices and does not address web-page content at domain names that are not identical, confusingly similar, or dilutive. Furthermore, the UDRP does not apply to any uses of domain names that are not "identical or confusingly similar" to the complainant's trademark, even if the domain name causes dilution or is used with the "intent to tarnish the trademark." The UDRP and the ACPA do not, therefore, regulate noncommercial Internet speech itself, but rather, impose some—although probably reasonable—limitations on a noncommercial speaker's choice of domain names.

CONCLUSION

Considering the ever-increasing importance of the Internet and e-commerce to corporate financial results, 1999 was definitely a year of victory for trademark owners in the United States and worldwide. Trademark owners worldwide finally have a compulsory administrative procedure to reclaim domain names from cybersquatters quickly and inexpensively in the vast majority of circumstances. Trademark owners in the United States now also have a statute that directly addresses cybersquatting while providing a variety of remedies, including substantial statutory damages of up to $100,000 per domain name. The re-invigoration of federal trademark law by the ACPA is unlikely

271 See generally Gunther & Sullivan, supra note 267, at 1244-47 (discussing "time, place, and manner restrictions"); id. at 1204-12 (discussing content-based restrictions); Nowak & Rotunda, supra note 267, § 16.47, at 1142-43 (stating that the Court has employed a "least restrictive means test" and has also evaluated "whether the regulation leaves open ample means for communication of the message and is not an unnecessary or gratuitous suppression of communication" when determining the validity of "time, place, and manner restrictions"). The inapplicability of the ACPA to web-sites at domain names that are not identical or confusingly similar to, or dilutive of, a trademark, seems to "leave[] open ample means for communication," id., by speakers on the Internet. Furthermore, the cause of action provided by the ACPA to trademark owners against the holder of an identical, confusingly similar, or dilutive domain name may, due to the exclusive nature of domain names, see supra note 40, be the "least restrictive means," Nowak & Rotunda, supra note 267, § 16.47, at 1143, of addressing cybersquatting.
272 UDRP, supra note 2, ¶ 4a(i).
273 Id. ¶ 4c(iii); see supra notes 243-45 and accompanying text.
274 See supra Part I.
275 See supra Part II.B.
to please advocates of Internet self-governance, who would probably rather see ICANN accredited dispute resolution providers resolve all domain name disputes than have courts apply the law of a geographic jurisdiction, such as the United States, to the intrinsically international Internet. Nevertheless, since the UDRP and federal law provide different procedures, protect different substantive rights, and offer different remedies, the UDRP and federal trademark law should continue to co-exist without much friction for years to come. By greatly expanding the rights of trademark owners, the UDRP and the ACPA, however, have the inevitable effect of placing some limitations on the rights of domain name holders. Nevertheless, the potential of both the UDRP and the ACPA to cause major problems for domain name holders such as "reverse domain name hijacking" and restrictions on free speech seems minor and can always be addressed by ICANN and Congress in the future. In any event, the UDRP and the ACPA appear poised to serve as effective and complementary solutions to trademark-domain name disputes well into the twenty-first century.

276 See Jeri Clausing, Out on a Limb as Technologies Converge: One Step Forward, One Back for Internet Names Panel, N.Y. TIMES, Jan. 3, 2000, at C3 (calling the ACPA an "usurpation of ICANN’s first attempt at policy making").

In a world of jealous nation-states and cutthroat geopolitics, the odds of transforming the Internet into a self-governing institution might seem long. But that is the bet the Clinton administration placed in creating the Internet Corporation for Assigned Names and Numbers, and 2000 will likely determine the future of Internet self-governance.

Id.

277 See David R. Johnson & David Post, Law and Borders—The Rise of Law in Cyberspace, 48 STAN. L. REV. 1367, 1367 (1996) (predicting that "territorial authorities may yet learn to defer to the self-regulatory efforts of Cyberspace participants . . . [and that] [s]eparated from doctrine tied to territorial jurisdictions, new rules will emerge to govern a wide range of new phenomena that have no clear parallel in the nonvirtual world"); Robert C. Bordone, Note, Electronic Online Dispute Resolution: A Systems Approach—Potential, Problems, and a Proposal, 3 HARV. NEGOT. L. REV. 175, 181–83 (1998) (arguing that the Internet’s “elimination of boundaries” justifies a new, uniform system of rules for dispute resolution detached from physical jurisdictions).