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**THE WILD WEST OF TRADEMARK LAW: BAD FAITH DOMAIN NAME
REGISTRATION (CYBERSQUATTING)**

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A domain name is the alphanumeric address that identifies a web site on the World Wide Web. An example of a domain name is "www.k2d2.com." The "www" stands for "World Wide Web", the "com" for a "commercial organization," and "k2d2" makes up the unique, specific address chosen by the creator, in this case Kahn, Dees, Donovan & Kahn, LLP. The Internet Corp. for Assigned Names and Numbers (ICANN), the Internet governing body, oversees the administration of domain names ending in .com, net (networking organizations), or org (non-commercial organizations) by a growing group of accredited, qualified registrars of those names.

TRADEMARK LAW AND DOMAIN NAMES

Unlike registering for a trademark with the U.S. Patent and Trademark Office (USPTO), registering a domain name with an Internet registrar simply requires that there is no other person or entity who is using the identical, requested name. No search for confusing similarity among names is conducted like that conducted by the USPTO. The simplicity of domain name registration compared to the rigor of trademark registration and protection has created a fertile field for disputes. Trademark law caught up with the Internet in November of last year with the enactment of the Anticybersquatting Consumer Protection Act (ACPA) as an amendment to the federal trademark statute: the Lanham Act. ICANN followed the ACPA early this year, with its own attempt to protect trademark owners, entitled the Uniform Domain Name Dispute Policy (UDRP), which applies to all registrants of .com, net, and .org domains.

ACPA

In a nutshell, the ACPA modifies U.S. trademark laws to make cybersquatting - i.e. the bad faith registration of domain names that consist of well-known or distinctive trademarks-an explicit act of trademark infringement. Numerous factors are considered in assessing a registrant's bad faith. An example of potential bad faith registration is where a person registers a businesses' trademarked name or product and attempts to sell the name to the business for a substantial fee though using the site in a manner wholly unrelated to the domain name or, not using any site in connection with the name. A successful plaintiff under the ACPA may receive remedies of injunctive relief, actual damages, the defendant's profits, statutory damages of between \$1000 and \$100,000 per domain name, or the forfeiture, cancellation or transfer of the domain name at issue. While damages are often difficult to prove in trademark cases, the prospect of statutory damages under the ACPA is designed to be a powerful deterrent to would-be cybersquatters. A plaintiff may also receive a temporary injunction pending the ultimate resolution of the case. ICANN may then be ordered to temporarily suspend/hold the domain name. Though the ACPA provides powerful and immediate remedies, the cost of filing suit and being subjected to the court's docket is a drawback for persons wanting a quick final resolution to the dispute.

UDRP

As mentioned above, all registrants of .com, org, and .net domains are subject to UDRP proceedings. Unlike a Court action under the ACPA, the UDRP is a private, administrative procedure which mandates arbitration, the cost of which (an administrative fee of generally a few thousand dollars) is borne primarily by the complainant. Arbitration occurs when a mark owner files a complaint with any ICANN-accredited provider. There are currently four different arbitration organizations accepting UDRP complaints. These organizations adhere to the UDRP supplemented by their own ICANN-approved substantive and procedural rules. A successful complainant must establish that the domain name being used is identical or confusingly similar to the complainant's trademark; that the domain name user has no rights with respect to the domain name; and that the domain name has been registered, and is being used, in bad faith.

A decision under the UDRP may be relitigated in a court. At least one court has ruled that federal courts are not bound by a UDRP panel's finding in a subsequent lawsuit. Unlike the ACPA, UDRP does not allow injunctive relief, so an alleged bad faith user may continue to use a disputed domain name until a decision is rendered. Though a decision may come quicker than a protracted court battle, lack of injunctive relief and relitigation with a court are UDRP's primary drawbacks. Relief under the UDRP is also limited to cancellation or transfer of the domain name, with transfer being the most prevalent remedy.

OTHER TRADEMARK ISSUES ON THE INTERNET

Aside from instances of bad faith registration of domain names, various other trademark law issues have arisen in regard to the Internet. The issue of whether a generic term can become a registerable trademark simply by adding a suffix or an "e" or "i" as a prefix, is being debated regularly by the USPTO and potential registrants. The issue of whether selling products or services via the Internet creates jurisdiction in a court of a foreign state where a person resides who is claiming infringement by the sale is being heavily litigated. Congress, the courts and the USPTO have a long way to go before they get a comfortable grip on these issues and others presented by the Internet.

of his national origin and in retaliation for filing a charge with the Equal Employment Opportunity Commission ("EEOC"). Ghosh had been hired by IDEM in 1985 as an environmental Engineer III in the Office of Water Management. Though he was eventually promoted to Engineer II, Ghosh filed suit after failing to receive promotions to several other positions he had sought during the course of his employment.

COURT'S DECISION

Ghosh filed his suit under Title VII of the Civil Rights Act of 1964, which makes it unlawful for an employer to discriminate against an individual with respect to compensation, terms, conditions, or privileges of employment because of the individual's race, color, sex, or national origin. In its defense, IDEM argued that Ghosh failed to receive the requested promotions because he lacked the proper experience, had inadequate writing skills, did not submit the proper application, and did not score within the top 20 % of the candidates during the initial resume evaluation. In analyzing Ghosh's claim, the Court stressed that it would not "sit as a super-personnel department to review a company's honest business decisions" and would limit its analysis to whether the decisions to deny Ghosh the promotions in question were unlawfully motivated. Thus, even if the process by which Ghosh was evaluated for the promotions was poorly devised or executed, that fact alone would not be enough to create a presumption that the reasons IDEM offered as supporting this decision were pretextual, and that national origin discrimination was the true motivating factor.

Ghosh's claim ultimately failed because he made no effort to demonstrate that one of the reasons proffered by IDEM in support of the decisions not to promote him were pretextual. To prevail, the Court held that Ghosh would have to show that all of the reasons were pretextual; by failing to address one, he could not meet this burden.

IMPORTANCE

The Court's holding in Ghosh underscores the importance of evaluating employees using objective criteria so that any court reviewing that decision will be more easily convinced that, whether right or wrong, it was honestly made.

SUPREME COURT AGREES TO REVIEW DECISION REINSTATING REPEAT DRUG OFFENDER

The U.S. Supreme Court recently agreed to take up an employer's appeal of a lower court's decision which upheld an arbitrator's ruling reinstating a worker who twice tested positive for marijuana use.

FACTS

In Eastern Assoc'd Coal Corp. V. United Mine Workers, the employee was reinstated to his safety-sensitive position as a heavy equipment operator. The employee tested positive for drug use twice in a 16 month period and was discharged. An arbitrator; however; ordered Eastern to reinstate the employee. The company appealed the arbitrator's decision, but the 4th Circuit (covering Maryland, North Carolina, South Carolina, Virginia and West Virginia) ruled that the arbitrator could have rationally found that there was no just cause for firing the employee because neither the collective bargaining agreement, nor the company's drug abuse policy, mandated the firing of workers who tested positive for illegal drugs.

The Supreme Court's decision will hopefully settle a current split among the courts regarding whether; as Eastern argues, there is a public policy against enforcing an arbitration award ordering reinstatement to a safety sensitive position of an employee who has tested positive for illegal drug use.

IMPORTANCE

This case highlights the importance of clearly informing employees in writing the disciplinary actions that an employee will face if he or she tests positive for drugs in violation of an employer's anti-drug policy. If you have any questions about your company's drug policy, give us a call.