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Last Call for Cybersquatters?: The Anti-Cybersquatting Consumer Protection Act

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INTRODUCTION

Undoubtedly, the Internet boom during the mid to late 1990s created a new legal frontier. One scholar believes “the shadowy outlines of a new kind of constitutional structure for cyberspace have indeed begun to emerge.”²

This note will examine a thread in the fabric of this new “constitutional structure,” namely, the Anti-cybersquatting Consumer Protection Act (“ACPA”).³ The ACPA was passed to assist trademark owners in their battles against cybersquatting, which is the bad-faith and abusive registration of distinctive trademarks as Internet domain names with the intent to gain from the goodwill associated with those marks. The ACPA is a recent amendment to the Lanham Act, the federal trademark statute. Section one briefly explains the Internet and the domain name system and provides a description of cybersquatters, cyberpirates, or speculators, as they are sometimes called. Section two provides Congress’ rationale in passing the ACPA

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² David G. Post, *Governing Cyberspace, or Where is James Madison When We Need Him? at* <http://www.temple.edu/lawschool/dpost/icann/comment1.html> (last visited Apr. 3, 2000).

³ Anti-cybersquatting Consumer Protection Act, Pub. L. No. 106-113 (1999); (codified as 15 U.S.C. § 1125(d)).

and pertinent provisions of both the ACPA and FTDA. Section three analyzes four varieties of cybersquatting and the impact of the ACPA: (1) where cybersquatters warehouse well known domain names only to sell them to the rightful owner for a profit; (2) cybersquatters efforts to steal business from the true trademark owner associated with that domain name; (3) attempts to complain about or harass a well known company by purchasing a domain name identical or confusingly similar to the companies' name; and (4) the difficult disputes that arise when the name may not be sufficiently 'distinct' for ACPA purposes. Section four discusses whether the Internet Corporation for Assigned Names and Numbers ("ICANN"), Uniform Domain Name Dispute Resolution Policy is a viable arbitration alternative for settling domain name disputes.⁴

I. The Domain Name System

Before analyzing the ACPA and its potential effects on cybersquatting, a brief description of the domain name system follows. Those familiar with the domain name system may wish to skip to the next sub-section, which describes a cybersquatter in more detail. Those familiar with the concept of cybersquatters may wish to skip to section two of this note.

The "Internet (or 'World Wide Web') is a network of computers that allows a user to gain access to information stored on any other computer on the [world wide] network."⁵ The domain name system helps users to find their way around the Internet.⁶ A domain name is a numerically

⁴ See, ICANN, *Uniform Domain Name Dispute Resolution Policy* (last modified April 2, 2000), available at <http://www.icann.org/udrp/udrp.htm>.

⁵ *Sporty's Farm*, 202 F.3d at 492; for a more complete explanation of the Internet see *Brookfield Communications, Inc. v. West Coast Enter. Corp.*, 174 F.3d 1036 (9th Cir. 1999) and Marshall Leaffer, *Domain Names, Globalization and Internet Governance*, 6 IND. J. GLOBAL LEG. STUD. 139, 139-146 (1998).

⁶ *InterNIC*, *The Domain Name System: A Non-Technical Explanation – Why Universal Resolvability Is Important?* (site visited Oct. 1, 2003), at <http://www.internic.net/faqs/authoritative-dns.html>.

coded address.⁷ These numeric codes are referred to as Internet Protocol ("IP") addresses and are difficult to remember.⁸ Therefore, the IP addresses are matched with user-friendly mnemonics (words and letters).⁹ So rather than entering a numeric code, "Internet users type in mnemonic names that automatically are converted into the numeric addresses of the host sites."¹⁰ The resulting names are called domain names.¹¹

Using the made up entity Spiral, Inc., a maker of exemplary goods, as an example, Spiral's ideal domain name would be "www.spiral.com." Therefore, Internet users could easily be directed to Spiral's home page by typing "www.spiral.com:" into their Internet address bar, where they could learn all about Spiral and shop for and purchase Spiral brand products. Breaking down the components of "www.spiral.com", the "www" preceding "spirals.com" identifies the world wide web system. The second part, "spirals," is known as the second-level domain ("SLD") and trademark owners often use it to route traffic to their web sites.¹² Second level domain names can be any word not already reserved in combination with the top-level domain ("TLD"). Here, ".com," is the TLD. A TLD is meant to indicate the type of organization that operates the address.¹³ Currently, the most well known top-level domain is ".com," which is typically used by commercial organizations."¹⁴ Other top-level domains used

⁷ Michael S. Denniston & Margaret Smith Kubiszyn, *www.yourclient.com: Choosing Domain Names and Protecting Trademarks on the Internet*, 61 ALA. LAW. REV. 40, 41 (Jan. 2000).

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

¹² Denniston, *supra* note 7.

¹³ *Id.*

¹⁴ *Id.*

in the United States include: “.org,” for organizations; “.net,” for network servers; “.edu,” for educational organizations; and “.gov,” for non-military governmental organizations.¹⁵ Together, these parts create a unique address (a domain name) on the Internet.¹⁶ It is unique because no two commercial organizations using .com can have identical SLDs.¹⁷ After an interested party reserves a domain name, nobody else can use that exact domain name.¹⁸ Not surprisingly, domain name registrations are coveted possessions.

According to a recent poll of 25,500 standard dictionary words, only 1,760 were available for use with the .com TLD.¹⁹ Further, “the value of using popular words as domain names is underscored by recent transactions, including the sale of ‘wallstreet.com’ for over \$1 million.”²⁰

Understandably, businesses want to exploit their established identity on the Internet, and one way to do so is by obtaining a domain name that incorporates its trademark.²¹ For instance, consumers often perceive domain names “as performing, in electronic commerce, much the same role as trademarks and trade names historically have played in more traditional modes of business.”²²

¹⁵ Denniston, *supra* note 7.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ Denniston, *supra* note 7.

²¹ *Id.*

²² *Id.* at 41-42. (quoting *The Intersection of Trademarks and Domain Names--INTA White Paper*, 87 TRADEMARK L. REP. 668, 675 (1997)).

While drafting this note, the process of registering a domain name was in flux. Network Solutions, Inc. (“NSI”), was, at one time, the exclusive registrar of domain names.²³ In early 1999, a test program was implemented by ICANN [the Internet Corporation for Assigned Names & Numbers] to allow for competition among multiple registrars for the “.com,” “.net” and “.org” top level domains.²⁴ By September 1999, ICANN, NSI and the Commerce Department reached an accord recognizing ICANN’s authority over the domain name system.²⁵ The parties agreed that NSI will retain the contract for administering the domain name registry for four years, and will offer domain names to competing registrars at a wholesale price.²⁶ For up to date information regarding the domain name system, visit www.icann.org.

I(a). Cybersquatters, Cyberpirates or Speculators

Considering the Internet’s global impact, coupled with the first-come-first-serve system for assigning domain names, it is not surprising that various disputes result. The bad faith registration or warehousing of trademarked names has been coined cybersquatting.²⁷ The labels cybersquatter, cyberpirate or speculator are used interchangeably when referring to this practice. In extreme cases, cybersquatters are “those who capture a domain name that clearly ought to belong to someone else in order to extort money from the trademark owner.”²⁸

²³ See Jeri Clausing, *3-Week Delay in Opening Up Internet Name Registration*, N.Y. TIMES, June 28, 1999, at B10. (NSI is no longer the sole registrar of domain names.)

²⁴ Denniston, *supra* note 7, at 42.

²⁵ *Id.*

²⁶ *Id.*

²⁷ Mark A. Lemley, Symposium: *The Modern Lanham Act and the Death of Common Sense*, 108 YALE L.J. 1687, 1702 (1999).

²⁸ *Id.* at 1703.

One of the first recognized cybersquatters was Dennis Toeppen. A frequently cited example of cybersquatting is the infamous *Panavision Int'l, L.P., v. Toeppen* case.²⁹ Mr. Toeppen's "business" was to register trademarks as domain names in hopes of selling them to the rightful trademark owners.³⁰ For example, Toeppen purchased the domain name "panavision.com" before the corporation, Panavision International, had the opportunity to do so.³¹ Sometime after Toeppen's purchase, Panavision International was interested in utilizing an IP address that reflected its mark.³² Accordingly, Panavision filed suit against Mr. Toeppen alleging, among other things, trademark dilution of its Panavision mark.³³ As discussed in greater detail below, until the passage of the ACPA, trademark dilution claims were some of the more effective ones against cybersquatters.

Among Panavision's concerns was that a potential consumer might guess that by typing "panavision.com" into their computer's browser, the address would take them to Panavision's web and product page.³⁴ Instead, when Toeppen owned the site, a consumer typing in "panavision.com" would see aerial views of Pana, Illinois.³⁵

²⁹ *Panavision Int'l, L.P. v. Toeppen*, 141 F.3d 1316 (9th Cir. 1998).

³⁰ *Id.* at 1325.

³¹ *Id.* at 1319 (Toeppen had registered domain names for Delta Airlines, Neiman Marcus, Eddie Bauer, Lufthansa, and over 100 other companies hoping to sell those companies their respective domain name).

³² *Id.*

³³ *Id.* at 1319.

³⁴ *Panavision Int'l, L.P.*, 141 F. 3d at 1319.

³⁵ *Panavision Int'l, L.P.*, 141 F. 3d at 1319. (After attempts to settle the matter failed, Toeppen purchased Panavision's other trademark with NSI as the domain name 'panaflex.com.' Toeppen's web page for 'panaflex.com' simply displayed the word 'Hello').

Toeppen's goal was to sell the domain name to the highest bidder, in all likelihood Panavision. In essence, Toeppen acted as a spoiler, preventing Panavision and potential customers from conducting business under its trademarked name on the Internet unless they paid his fee, or alternatively, filed suit under federal and state trademark law.³⁶ The Ninth Circuit upheld the district court's judgment in favor of Panavision based on the California Anti-dilution Statute, Cal. Bus. & Prof. Code § 14330 and the Federal Trademark Dilution Act ("FTDA") 15 U.S.C. § 1125 (c).³⁷ The appeals court found that Toeppen made commercial use of Panavision's trademarks and his conduct diluted those marks in violation of the FTDA.³⁸ According to the court, "Toeppen engaged in a scheme to register Panavision's trademarks as his domain names on the Internet and then attempted to extort money from Panavision by trading on the value of those names."³⁹

While Toeppen may not have been the first cybersquatter, he could definitely be considered a maverick in this area of the wild, wild web. As the growing number of cybersquatting cases suggests, others followed Toeppen's lead or had already pirated other domain names in an effort to turn a quick profit by way of the Internet.

So, how do trademark owners protect their marks against cybersquatters? Before the ACPA's passage, trademark owners would bring a bevy of actions alleging federal and state claims including, *inter alia*, unfair competition, trademark infringement, and trademark dilution

³⁶ Panavision Int'l, L.P., 141 F. 3d at 1325. quoting Panavision Int'l, L.P. v. Toeppen, 938 F. Supp. 616, 621 (C.D.C.A. 1996).

³⁷ *Id.* at 1327.

³⁸ *Id.*

³⁹ *Id.*

in hopes of obtaining injunctive and monetary relief.⁴⁰ But courts struggled to apply “centuries-old trademark law to the newest medium of communication—the Internet.”⁴¹ Although the FTDA was proving to be the most effective weapon to combat cybersquatters, it was at times ineffective. In *Avery Dennison Corp. v. Sumpton*,⁴² the Ninth Circuit reversed the trial court’s grant of summary judgment for the plaintiff, Avery Dennison Corporation -- on its claim that defendant’s registrations for *avery.net* and *dennison.net* diluted Avery Dennison’s trademarks -- and denied Avery Dennison injunctive relief because Avery Dennison failed to create a genuine issue of fact that its marks were famous, which is a requirement under the FTDA. This despite the fact that the defendant was labeled a cybersquatter by the District Court.⁴³ Since the FTDA could not rescue owners of marks where fame was not easily proven, Congress reacted to the problem with the recent passage of the ACPA. Now, cases such as *Avery Dennison* may get another look as Congress has added what is considered by some scholars to be congressional overbite to trademark law.⁴⁴

II. Congress’ Rationale for Passing the ACPA

⁴⁰ *Avery Dennison Corp. v. Sumpton*, 189 F.3d 868, 873-875 (9th Cir. 1999).

⁴¹ *Avery Dennison Corp.*, 189 F. 3d at 871.

⁴² *Id.*

⁴³ *Id.*

⁴⁴ Debra Baker, *Standing Up to Cybersquatters: Judges Are Seizing on New Legislation to Keep Web Site Pirates from Taking a Name for Themselves*, 86 A.B.A. J. 18 (2000) (professor A. Michael Froomkin, University of Miami School of Law, feels the ACPA will allow trademark holders, specifically big business enterprises, to threaten expensive litigation and high damage awards thereby intimidating smaller businesses into giving up their domain names. Further, Associate Professor David Post feels that Congress has sided with trademark owners and created a statute that is too broad in scope).

On the heels of *Avery Dennison* came the passage of the ACPA.⁴⁵ According to Congress, the “law was passed to protect consumers and American businesses, to promote the growth of online commerce, and to provide clarity in the law for trademark owners by prohibiting the bad-faith and abusive registration of distinctive marks as Internet domain names with the intent to profit from the goodwill associated with such marks—a practice commonly referred to as cybersquatting.”⁴⁶ Specifically, “Congress viewed the legal remedies available for victims of cybersquatting before the passage of the ACPA as expensive and uncertain.”⁴⁷ The Second Circuit was quick to utilize the remedy available under the new act in *Sporty’s Farm*.⁴⁸ In its decision the Second Circuit cited from the Senate’s legislative history setting forth the rationale behind the new amendment:

While the [FTDA] has been useful in pursuing cybersquatters, cybersquatters have become increasingly sophisticated as the case law has developed and now take the necessary precautions to insulate themselves from liability. For example, many cybersquatters are now careful to no longer offer the domain name for sale in any manner that could implicate liability under existing trademark dilution case law. And, in cases of warehousing and trafficking in domain names, courts have sometimes declined to provide assistance to trademark holders, leaving them without adequate and effective judicial remedies. This uncertainty as to the trademark law’s application to the Internet has produced inconsistent judicial decisions and created extensive monitoring obligations, unnecessary legal costs, and uncertainty for consumers and trademark owners alike.⁴⁹II(a). The Anticybersquatting Consumer Protection Act of 1999.

⁴⁵ 15 U.S.C. § 1125(d).

⁴⁶ *Sporty’s Farm L.L.C.*, 202 F.3d at 495, (citing S. REP. NO. 106-140, at 4 (1999)).

⁴⁷ *Id.* (citing H.R. REP. NO. 106-412, at 6(1999)).

⁴⁸ *Id.* at 501.

⁴⁹ *Sporty’s Farm L.L.C.*, 202 F.3d at 495-496, (citing S. REP. NO. 106-140, at 7 (1999)).

In light of the perceived shortcomings of the FTDA in the Cybersquatting context,⁵⁰

Congress passed the Cyberpiracy Prevention Act. It provides in pertinent part:

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

(i) has a bad faith intent to profit from that mark, including a personal name which is protected as a mark under this section; 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 220506 of title 36, United States Code.⁵¹

II(b). Bad Faith Intent Under the ACPA

To determine whether a person has a bad faith intent to profit, Congress provided a non-exclusive list of factors to consider, including:⁵²

⁵⁰ *Id.* at 496.

⁵¹ Pub. L. No. 106-113 (1999) (codified at 15 U.S.C. § 1125(d)(1)(A)(i)(ii)).

⁵² 15 U.S.C. §1125(d)(1)(B)(i).

(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 having 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 marks of others that are distinctive at the time of registration of such domain names, or dilutive of famous marks of others that are famous at the time of registration of such domain names, without regard to the goods or services of the parties; and

(IX) 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 section 43 [subsec. (c)(1) of this section].⁵³

⁵³ 15 U.S.C. §1125(d)(1)(B)(i).

II(c). Safe Harbor Provision Under the ACPA

Further, the ACPA carves out a bad faith safe harbor provision where bad faith intent shall not be found for defendant's who can show that they reasonably believed the use of the domain name was fair and lawful.⁵⁴ Section 1125(d)(1)(B)(ii) states that “[b]ad faith intent described under subparagraph (A) 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.”⁵⁵

II(d). Remedies Under the ACPA and Retroactivity

The new act also provides that “a court may order the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark.”⁵⁶ Notably, the Second Circuit held in *Sporty's Farm* that a court may order the forfeiture, cancellation or transfer of the domain name to the owner of the mark if the if the domain name was “registered before, on, or after the date of the enactment” of the ACPA.⁵⁷ This application of the ACPA by the Second Circuit is retroactive in scope, therefore domain name registrants of all types should take note.⁵⁸

Further, according to *Sporty's Farm*, the ACPA provides “that damages can be awarded for violations of the act, but that they are not available with respect to registration, trafficking, or

⁵⁴ 15 U.S.C. §1125(d)(1)(B)(ii).

⁵⁵ *Id.*

⁵⁶ 15 U.S.C. §1125(d)(1)(C).

⁵⁷ *Sporty's Farm L.L.C.*, 202 F.3d at 496, *citing* Pub L. No. 106-113, § 3003.

⁵⁸ *OBH, Inc., v. Spotlight Magazine, Inc.*, 86 F. Supp. 2d 176, 184, n.6 (W.D.N.Y. 2000).

use of a domain name that occurs before the date of the enactment of the ACPA.”⁵⁹ Although retroactive damages are not available, the ACPA provides plaintiffs with an option to elect an award of statutory damages, in place of actual damages and profits, at any time before the final judgment is rendered in the amount of not less than \$ 1,000 and not more than \$ 100,000 per domain name, as the court considers just.⁶⁰ Finally, if the plaintiff does not opt for the statutory damages, the “court may award damages under 15 U.S.C. § 1117(a) and (b), based on damages, profits, and the cost of the action.”⁶¹

II(e). Definitions Under the ACPA

Subsection (D) of 15 U.S.C. § 1125(d)(1) defines those persons who may be held liable for using a domain name in violation of the ACPA, specifically, only the person that registered the domain name “or that registrant’s authorized licensee.”⁶² Subsection (E) defines the term “traffics in” as referring to “transactions that include, but are not are not limited to, sales, purchases, loans, pledges, licenses, exchanges of currency, and any other transfer for consideration or receipt in exchange for consideration.”⁶³

The terms distinctiveness and fame are not defined in the ACPA. But as the Second Circuit noted in *Sporty’s Farm*, a party bringing an ACPA claim must show that its mark is

⁵⁹ *Sporty’s Farm L.L.C.*, 202 F.3d at 496, *citing* Pub. L. No. 106-113, § 3003.

⁶⁰ *Id.*

⁶¹ *Id.* at 496, n.9 §3010.

⁶² 15 U.S.C. §1125(d)(1)(D).

⁶³ 15 U.S.C. §1125(d)(1)(E).

distinctive or famous. Factors defining fame are provided in the FTDA.⁶⁴ The rigorous criteria for fame laid out in the FTDA include consideration of these non-exclusive factors:

- 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 or services with which the mark is used;
- c. the duration and extent of advertising and publicity of the mark;
- d. the geographical extent of the trading area in which the mark is used;
- e. the channels of trade for the goods or services with which the mark is used;
- f. the degree of recognition of the mark in the trading areas and channels of trade used by the marks' owner and the person against whom the injunction is sought;
- g. the nature and extent of use of the same or similar marks by third parties; and
- h. whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register.⁶⁵

Notably, circuit courts, while applying slightly different tests, tend to agree that the FTDA protection is available only to famous marks.⁶⁶ Therefore, in practice, the FTDA was not providing enough protection to holders of legitimate trademarks that were not "famous." Therefore, the ACPA, was passed in part "to remedy perceived shortcomings of applying the

⁶⁴ 15 U.S.C. §1125(c)(1).

⁶⁵ *Id.*

⁶⁶ *See, e.g.*, I.P. Lund Trading ApS v. Kohler Co., 163 F.3d 27, 46 (1st Cir. 1998) (A mark is famous for purposes of the FTDA only if it is truly prominent and renowned); Avery Dennison Corp. v. Sumpton, , 189 F.3d 868, 874-875 (where the Ninth Circuit held that the marks in question, "Avery" and "Dennison," were distinct but failed to meet the famousness prong of the FTDA, namely, that a mark must be truly prominent and renowned to be famous); *Cf.* Nabisco Brands, Inc., v. PF Brands, Inc., 191 F.3d 208, 215-216 (2d Cir. 1999) (The court held that Pepperidge Farm's Goldfish constituted a famous mark which is an essential element in the FTDA analysis).

FTDA in cybersquatting cases.”⁶⁷ For ACPA analysis, the famousness inquiry is less important, if not obsolete, because the ACPA provides protection to distinctive marks (distinctiveness refers to inherent qualities of a mark) regardless of fame, which offers trademark owners without statutorily famous marks a remedy where their mark is distinctive.⁶⁸

This latest amendment to the Lanham Act changed the landscape of cybersquatting cases. For example, in *Avery Dennison Corp. v. Sumpton*, the Ninth Circuit held in dicta that the plaintiff, Avery Dennison, “likely established acquired distinctiveness in the ‘Avery’ and ‘Dennison’ trademarks.”⁶⁹ Accordingly, under the ACPA it would appear that Avery Dennison has a legitimate claim to its distinctive marks.⁷⁰ This is especially true in light of the retroactive reach of the ACPA. The Second Circuit’s ruled in *Sporty’s Farm* that under the ACPA a court may order the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark retroactively.⁷¹

III. Four Categories of Cybersquatting: The Early Case Law

Congress has provided trademark holders who can prove their mark is distinctive with a powerful tool to combat cybersquatters. The following section illustrates four categories of cybersquatting, and where appropriate, applies the new law to the old cases, hypothesizing as to the impact the law may have on a particular category.

⁶⁷ *Sporty’s Farm L.L.C.*, 202 F.3d at 496.

⁶⁸ *Id.*

⁶⁹ *Avery Dennison Corp.*, 189 F.3d at 877.

⁷⁰ 15 U.S.C. §1125(d).

⁷¹ 15 U.S.C. §1125 (d)(1)(C).

Considering that there can be only one “www.panavision.com,” it is understandable why trademark owners want to utilize their mark for Internet use. Commercially speaking, “it is extremely valuable for a company to have a domain name that computer users will intuitively associate with the company.”⁷² For example, “[a] customer who is unsure about a company’s domain name will often guess that the domain name is also the company’s name. For this reason, a domain name mirroring a corporate name has become a valuable corporate asset, as it facilitates communication with a customer base.”⁷³ Given the limited availability, exclusivity and inherent commercial value of domain names, it is not surprising that cybersquatters or speculators continue to surface.⁷⁴ We are just beginning to see the factual patterns develop in the cybersquatter context. Sophisticated cybersquatters continue to devise creative attempts to justify their actions; however, the ACPA sounds what may be the last call for cybersquatters. Recent case law lends itself to at least four developing categories or factual scenarios of cybersquatting incidents.

Category One:

First, the typical cybersquatter tries to profit by selling their (previously) \$ 70 to \$ 90 investment, the cost of registering a domain name, by purchasing and warehousing well known brand names, business names, or personal names in hopes that the true owner will pay top dollar to acquire the domain name.⁷⁵

⁷² Jennifer Golinveaux, *What's in a Domain Name: Is "Cybersquatting" Trademark Dilution?*, 33 U.S.F. L. REV. 641, 642 (Summer 1999).

⁷³ *Id.* at 643 (citing *Cardservice Int'l v. McGee*, 950 F. Supp. 737, 741 (E.D.V.A. 1997)).

⁷⁴ *Id.*

⁷⁵ Baker, *supra* note 44, at 19.

The new law will undoubtedly reverse such efforts, at least where a distinctive or famous trademark is at issue. Again,

[u]nder the ACPA, a trademark owner is entitled to relief, including an order requiring a domain name registrant to transfer, forfeit, or cancel its domain names, if the trademark owner shows that (1) it owns a distinctive *or* famous mark, (2) that the domain name registrant registers, uses or traffics in a domain name that is identical or confusingly similar to the trademark owner's mark, and (3) the domain name registrant had a 'bad faith intent to profit' from the trademark owner's mark [emphasis added].⁷⁶

To determine bad faith under this category, the court will be looking for indications that the domain name holder has registered numerous domain names including marks that belong to other companies and that the warehouse is obviously offering to sell the domain name to the mark owner or any third party for financial gain.⁷⁷ An example of this massive domain name warehousing was illustrated in *Panavision International v. Toeppen* (discussed *supra*).⁷⁸ There, a scheme to register and warehouse distinctive or famous marks was evidence of defendant's bad faith intent to profit from the registration of those marks. Cases like *Toeppen*, are the easy cases and the trademark holder should almost always prevail.

Category Two:

Another version of cybersquatting occurs when a speculator purchases a domain name knowing that the mark already exists, and that it is well recognized by consumers, with the intent to profit from that mark's distinct or famous qualities and to prevent their competitors, who are

⁷⁶ *Spear, Leeds & Kellogg, v. Rosado*, 122 F. Supp 2d 403, 406, (S.D.N.Y. 2000); 15 U.S.C. § 1125(d)(1)(A); (*citing Sporty's Farm*, 202 F.3d at 495-496).

⁷⁷ *Id.* at 406.

⁷⁸ *Panavision Int'l.*, 141 F.3d at 1319.

the rightful owner of the mark, from using it.⁷⁹ In effect, the cybersquatter in this scenario has a bad faith intent to profit from an established trademark.⁸⁰ In this situation, the cyber-pirate plans to profit from the Internet “Surfer” or consumer that visits a site believing he or she has found the site operated or sponsored by the trademark or well known name holder of the site he or she wishes to patronize.

Sporty’s Farm L.L.C. v. Sportsman’s Market Inc. fits into this category. The relevant facts of that case follow. Sportsman’s, a well known mail order catalog company among pilots and aviation enthusiasts, sells, among other things, aviation and pilot equipment to millions of subscribers.⁸¹ Sportsman’s enjoys yearly revenues of roughly \$50 million.⁸² Sportsman’s began to use the logo “sporty” sometime in the 1960s, and registered the trademark “sporty’s” with the United States Patent and Trademark Office in 1985.⁸³ “Sportsman’s spends about \$ 10 million per year advertising its sporty’s logo.”⁸⁴ Not surprisingly, Sportsman’s wanted to expand their business to the Internet and an obvious choice for its domain name was “sportys.com.”⁸⁵

Omega is the parent company of the defendant.⁸⁶ Omega is a mail order catalog company offering scientific measurement and control instruments.⁸⁷ Omega decided to enter the

⁷⁹ *Sporty’s Farm L.L.C.*, 202 F.3d at 499.

⁸⁰ *Id.*

⁸¹ *Id.* at 493.

⁸² *Id.*

⁸³ *Id.* at 494.

⁸⁴ *Sporty’s Farm L.L.C.*, 202 F.3d at 494.

⁸⁵ *Id.*

⁸⁶ *Id.*

⁸⁷ *Id.*

aviation mail order catalog business and created a wholly owned subsidiary called Pilot's Depot, L.L.C.⁸⁸ Shortly thereafter, Omega registered the domain name "sportys.com" with NSI.⁸⁹ The owner of Omega and their newly formed subsidiary was a former pilot who was fully aware of the sporty's trademark.⁹⁰

Eventually, "Omega formed another wholly-owned subsidiary called Sporty's Farm and sold it the rights to the 'sportys.com.' domain name."⁹¹ Sporty's Farm was in the Christmas tree business.⁹² The court assumed this transaction was an effort on the part of Omega to guard the "sportys.com" domain name from the rightful trademark owner.⁹³

After discovering Omega had registered "sportys.com," and before Sportsman's could file a suit, Sporty's Farm brought a declaratory action seeking the right to continue its use of "sportys.com."⁹⁴ Sportsman's filed a counterclaim seeking injunctive relief pursuant to, *inter alia*, the FTDA to force Omega (Sporty's Farm) to relinquish its claim to "sportys.com."⁹⁵

The trial court found for Sportsman's on its dilution theory.⁹⁶ On appeal, the Second Circuit affirmed the case based on the ACPA, rather than the FTDA, because the new law constituted a particularly good fit with the case.⁹⁷ In analyzing the case, the court found: (1) the

⁸⁸ Sporty's Farm L.L.C., 202 F.3d at 494.

⁸⁹ *Id.*

⁹⁰ *Id.*

⁹¹ *Id.*

⁹² *Id.*

⁹³ Sporty's Farm L.L.C., 202 F.3d at 494.

⁹⁴ *Id.*

⁹⁵ *Id.*

⁹⁶ *Id.* at 494-5.

⁹⁷ *Id.* at 497.

sporty's mark was distinctive, (2) Sporty's Farms' use of the mark was identical or confusingly similar, and (3) there was a bad faith intent to profit on the part of Sporty's Farm.⁹⁸

Specifically, the court held that the "sporty's" mark was inherently distinctive as used in association with Sportsman's catalogue of merchandise and advertising. In addition, the court held that the mark was, in most respects, had met the rigorous criteria for fame and distinctiveness under the FTDA because (1) the mark had been used by Sportsman's for an extended period of time, (2) the mark had millions of dollars in advertising spent on it, (3) the mark was used nationwide, and (4) the mark was traded in a wide variety of retail channels.⁹⁹ More importantly, however, the court noted that the ACPA provided "protection not only to famous marks but also to distinctive marks regardless of fame" so the famousness inquiry was obsolete.¹⁰⁰

The next issue for the court to decide was whether the domain name "sportys.com" was identical or confusingly similar to the trademark "sporty's."¹⁰¹ Since apostrophes cannot be used in domain names the secondary domain name in question, "sportys" was "indistinguishable from the Sportsman's trademark."¹⁰² Accordingly, the identical or confusingly similar factor was met.¹⁰³

⁹⁸ Sporty's Farm L.L.C., 202 F.3d at 497-500; 15 U.S.C. § 1125 (d).

⁹⁹ *Id.* at 497, n.10; (*citing* U.S.C. § 1125 (c)(1)(A)-(E)).

¹⁰⁰ *Id.* at 497, n.10; (*citing* 15 U.S.C. § 1125 (d)(1)(A)(ii)(I)).

¹⁰¹ 15 U.S.C. §1125 (d)(1)(A)(ii)(I).

¹⁰² Sporty's Farm L.L.C., 202 F.3d at 498.

¹⁰³ *Id.*

The last issue for the court was whether there was a bad faith intent to profit on the part of Sporty's Farm.¹⁰⁴ The court found that there was evidence of bad faith intent to profit, therefore satisfying a violation of the statute.¹⁰⁵ For example, Sporty's Farm did not have any intellectual property rights in "sportys.com" at the time the domain name was registered.¹⁰⁶ Second, Sporty's Farm did not begin operation or obtain the domain name until after the lawsuit was filed.¹⁰⁷ The court went on to note that sections (IV), (VI) and (IX) of 15 U.S.C. 1125(d)(1)(B) were satisfied.¹⁰⁸

The critical blow to Sporty's Farm, however, was the non-exclusive nature of the ACPA's bad faith factors.¹⁰⁹ In determining bad faith intent to profit, a court may consider the nine factors provided by Congress and factors the courts deem fit.¹¹⁰ Therefore, the courts have wide discretion when deciding whether the cybersquatter has a bad faith intent to profit, as Congress provided the courts with a loose roadmap to follow, subject to their discretion.¹¹¹ In *Sporty's Farm*, the Second Circuit stated that the most important grounds for its bad faith holding against Sporty's Farm were the unique circumstances of that case.¹¹²

¹⁰⁴ 15 U.S.C. § 1125 (d)(1)(A)(i).

¹⁰⁵ *Sporty's Farm L.L.C.*, 202 F.3d at 499; 15 U.S.C. § 1125 (d)(1)(B)(i).

¹⁰⁶ 15 U.S.C. § 1125 (d)(1)(B)(i)(I).

¹⁰⁷ 15 U.S.C. § 1125 (d)(1)(B)(i)(II)(III)

¹⁰⁸ *Sporty's Farm L.L.C.*, 202 F.3d at 499.

¹⁰⁹ 15 U.S.C. § 1125 (d)(1)(B)(i)(I)-(IX).

¹¹⁰ *Id.*

¹¹¹ *Id.*

¹¹² *Sporty's Farm L.L.C.*, 202 F.3d at 499.

While the Second Circuit probably made the right decision in *Sporty's Farm*, there may be a danger in the broad discretion that courts have under this new law. Nonetheless, in cases that fall under this type of category, where the cybersquatter is quite sophisticated and there is strong indication of a bad faith intent to profit – like in *Sporty's Farm* -- the court may need this broad power.

Category Three:

A third issue the courts have encountered occurs when the cyber-pirate creates a domain name identical, or confusingly similar to a well known trademarked name in an effort to conduct complaints or harass the trademark holder.

An example of this occurred where a disgruntled film store-owner, and evidently a past customer or shareholder of Kodak, registered a number of Kodak related domain names in an effort to publicly disparage Kodak.¹¹³ For example, the store-owner registered “kodakfilm.com,” “kodakemployees.com,” and “kodakshareholders.com” and used the domain names to post letters on the subsequent websites complaining about the Kodak company and its management.¹¹⁴ My efforts to visit those sites were unsuccessful, suggesting they no longer existed in that capacity. Due in part, perhaps, to the presence of the ACPA.¹¹⁵

A similar case dealt with the domain name “thebuffalonews.com.”¹¹⁶ There, the plaintiff, OHB, registered the mark “The Buffalo News” in 1980 and continuously used the mark in

¹¹³ Baker, *supra* note 44, at 20.

¹¹⁴ *Id.*

¹¹⁵ As of Feb. 28, 2003, “kodakfilm.com” is re-directed to Kodak’s corporate website and “kodakemployees.com” and “kodakshareholders.com” do not exist.

¹¹⁶ OHB, Inc. v. Spotlight Magazine, Inc., 86 F. Supp. 2d at 178.

connection with the publication of The Buffalo News, a newspaper distributed daily throughout Western New York.¹¹⁷ Sometime in 1999, the defendant's discovered that "thebuffalonews.com" domain name was available so they purchased the site and set up what they described as a parody and forum to discuss the Buffalo News newspaper. In essence, the site was a public forum for criticizing The Buffalo News.¹¹⁸ The court granted a preliminary injunction in favor of the plaintiffs based on, *inter alia*, the FTDA.¹¹⁹

In an apparent warning to the defendants, the court pointed out that the ACPA applies retroactively, insinuating that the plaintiff's attorneys need only to raise the ACPA claim in their amended complaint.¹²⁰ Based on the less than subtle hint from the court, it is fairly safe to presume that plaintiff's would likely prevail under the ACPA.¹²¹

Another instance of this intent to harass occurred in *Shields v. Zuccarini*.¹²² There, the defendant argued he maintained the domain name "joecartoon.com" as a part of a political protest.¹²³ Applying the ACPA, the court found that the mark "joe cartoon" (1) was distinct or famous; (2) the defendant's use of the domain name "joecartoon.com" was identical to the plaintiff's mark; and (3) the defendant had a bad faith intent to profit and merely "cooked up" the argument that he was using the domain name as a page of political protest in an attempt to avoid

¹¹⁷ OBH, Inc., 86 F. Supp. 2d at 181.

¹¹⁸ *Id.* at 182.

¹¹⁹ *Id.* at 196.

¹²⁰ *Id.* at 184, n. 6.

¹²¹ 15 U.S.C. §1125(d).

¹²² *Shields v. Zuccarini*, 89 F. Supp.2d 634, 635 (E.D.Pa. 2000).

¹²³ *Id.* at 635.

the bad faith intent prong of the ACPA.¹²⁴ Obviously, the ACPA will prove to be a powerful tool in preventing this type of cyber-activity.

Category Four:

The fourth, and most problematic, dispute arises where the trademark at issue may not be distinct or famous for purposes of the ACPA. For instance, the parties to the lawsuit may both have legitimate claims to the domain name in question. Under this category, we can expect considerable legal and scholarly debate.

For example, as the true cybersquatters-- those who register and warehouse truly famous or distinctive names with an intent to extort the trademark holder into paying money to release that name -- are weeded out, cases will surface where the mark may not be distinctive enough for ACPA purposes.

For instance, in *Cello Holdings v. Storey*, the defendant was actively selling and warehousing domain names for a profit, including the mark “cello.com.”¹²⁵ The plaintiff, Cello Holdings (“Cello”) registered the trademark “cello” for use in his audio equipment business in 1995.¹²⁶ Cello had a broad market base and enjoyed a large revenue from his musical equipment sales under the Cello name.¹²⁷

On these facts, the court denied summary judgment for the plaintiff and granted leave to amend the complaint under the ACPA in what some might consider an obvious violation of the

¹²⁴ Shields, 89 F. Supp.2d at 638-640.

¹²⁵ *Cello Holdings, L.L.C. v. Storey*, 89 F. Supp. 2d 464, 467 (S.D.N.Y. 2000) (defendant had registered numerous domain names with NSI, including “gotmilk.com,” “stereo.com,” “4nasdaq.com,” and “theyse.com”).

¹²⁶ *Id.* at 466.

¹²⁷ *Id.* at 467.

ACPA.¹²⁸ The court struggled in deciding whether “cello,” although a registered trademark belonging to the plaintiff from which he derived substantial profit in a broad market, was distinctive.¹²⁹ Specifically, the court found cello to be a common noun that co-exists with widespread third party use and therefore was a weak mark.¹³⁰

The court was also uncertain as to the defendant’s bad faith intent to profit.¹³¹ Even though the defendant conceded to actively engaging in the business of warehousing domain names, his choice to warehouse common nouns precluded him from summary judgment at that stage in the litigation because, the court felt a reasonable fact finder could conclude that the defendant was not trying to extort money from a particular trademark holder.¹³² The court felt a genuine issue of fact existed regarding the safe harbor provision which precludes a finding of bad faith where a domain name holder reasonably believes the registration of the domain was a “fair use or otherwise lawful.”¹³³

In essence, the court concluded that issues of fact existed as to the distinctiveness of the Cello mark because it is a common noun.¹³⁴ It was not enough that the defendant knew Cello was a mark known in the music industry, and that the defendant was engaged in the warehousing

¹²⁸ Cello Holdings, L.L.C., 89 F. Supp. 2d at 467.

¹²⁹ *Id.*

¹³⁰ *Id.* at 473.

¹³¹ *Id.* at 474.

¹³² *Id.*

¹³³ 15 U.S.C. § 1125(d)(1)(B)(ii); Cello Holdings, L.L.C., 89 F. Supp.2d at 474.

¹³⁴ Cello Holdings, L.L.C., 89 F. Supp.2d at 474.

of numerous domain names, and that “cello.com” was identical to the trademark owner’s mark.¹³⁵

This case raises some interesting questions regarding the warehousing of domain names that are not necessarily distinctive or famous. While the ACPA raised the standard of protection to marks that are only distinctive, rather than both distinctive and famous, some will argue that a clearer guideline should be set. Others will argue that the ACPA vests too much power in corporations that can easily afford the costs of arguing that their marks are distinctive.

While the second and third categories mentioned above are typically nothing more than attempts by speculators to argue that they are not trying to profit from their actions, the fourth category is cause for consideration. For example, is the ACPA the right tool in matters where the mark in dispute is not clearly distinctive? Whatever the case, as this area of the law develops, we can expect other creative variations to the arguments made by both alleged cybersquatters and their opponents as both sides try to utilize the ACPA.

IV. PRACTICAL ALTERNATIVES TO LITIGATION BY WAY OF ARBITRATION: ICANN’S UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY

One might ask if there is a more practical, efficient, and economical alternative to settling some of the aforementioned disputes outside the courthouse walls. If the case is one where the facts are similar to category one, *supra*, the answer is yes, with one major caveat.¹³⁶

The Internet Corporation for Assigned Names and Numbers (“ICANN”) is the non-profit corporation that was formed to assume responsibility for, among other things, domain name

¹³⁵ Cello Holdings, L.L.C., 89 F. Supp.2d at 474.

¹³⁶ Baker, *supra* note 44, at 19.

system management.¹³⁷ One of ICANN's many functions is regulating the Uniform Domain Name Dispute Resolution Policy ("UDRP").¹³⁸ In general, all registrars in the .com, .net, and .org top level domain names follow the UDRP.¹³⁹ Before a registrar will cancel or transfer a disputed domain name, the dispute must be resolved by agreement, court action, or arbitration under the UDRP.¹⁴⁰

The UDRP establishes a dispute resolution process as an alternative to litigation. If a complainant can prove that the domain name in question is (1) identical or confusingly similar to a trademark or service mark in which the complainant has rights, (2) the registrant of the domain name has no legitimate rights or interests in that domain name, and (3) the registrant is using the domain name in bad faith, the complainant may be entitled to a name transfer.¹⁴¹ Where these three claims are alleged, a domain name registrant is required to submit to a mandatory proceeding before a dispute resolution service provider approved by ICANN.¹⁴² Bad faith under the UDRP can be established by proving one of the four following circumstances to the dispute resolution provider or any other circumstance the provider deems appropriate:

(i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that

¹³⁷ *ICANN Home Page* at <http://www.icann.org>. (site visited Apr. 2, 2000).

¹³⁸ *ICANN Uniform Domain Name Dispute Resolution Policy* at <http://www.icann.org/udrp/udrp-policy-24oct99.htm>. (site visited Jan. 3, 2000). The UDRP went into effect October 24, 1999.

¹³⁹ *Id.*

¹⁴⁰ *Id.*

¹⁴¹ ICANN, *supra* note 144 at § 4(a).

¹⁴² *Id.*

complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name; or

(ii) you have registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that you have engaged in a pattern of such conduct; or

(iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or

(iv) by using the domain name, you have intentionally attempted 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 your web site or location or of a product or service on your web site or location.¹⁴³

In short, the policy is intended to “resolve those cybersquatting cases in which an individual with no other tie to a name registers it with the intent of selling it to a trademark holder for a profit.”¹⁴⁴ The upside of this form of arbitration is that it is “quick, relatively inexpensive, and it cuts down on investigative costs.”¹⁴⁵ Further, the policy applies to the Internet worldwide and the proceedings are handled through e-mail communications.¹⁴⁶

The arbitration process, however, is not without its shortcomings. Where a plaintiff suing in federal court can win monetary remedies and court costs, successful complainants using the dispute resolution process are only entitled to transfer of the domain name.¹⁴⁷

As to the caveat referenced above, the UDRP provides for the availability of a court proceeding regardless of the outcome reached by the dispute resolution panel.¹⁴⁸ Therefore, the

¹⁴³ See ICANN, *supra* note 144, at §4(b), entitled Evidence of Registration and Use in Bad Faith.

¹⁴⁴ Baker, *supra* note 44, at 20 (quoting Louis Touton, vice president and general counsel for ICANN).

¹⁴⁵ *Id.*

¹⁴⁶ *Id.* (quoting Louis Touton, vice president and general counsel for ICANN).

¹⁴⁷ *Id.*

registrant of the disputed domain name can lose the dispute resolution hearing and still commence a lawsuit against the complainant as long as he does so within ten business days of ICANN's implementation of the dispute resolution panel's decision to transfer the domain name to the complainant.¹⁴⁹

The first dispute settled under the UDRP was brought by the World Wide Wrestling Federation ("WWF").¹⁵⁰ There, a cybersquatter in California registered the domain name "www.worldwrestlingfederation.com" and attempted to sell it to the WWF for a substantial sum of money.¹⁵¹ The dispute resolution panel ruled that the cybersquatter "registered and used the domain name in bad faith" and ordered the name transferred to the WWF December 9, 1999.¹⁵² As of April 6, 2000 there were a total of 455 proceedings regarding 657 domain names presented to ICANN.¹⁵³ Out of the 455 proceedings, 107 resulted in a name transfer to the complainant, and only twenty-nine decisions were for the registrant, while 288 were pending.¹⁵⁴

Once again, this raises concerns that certain businesses with an arguably, legitimate right to a mark and domain name may lose out to major corporations with the financial capability to mount expensive legal battles. On the other hand, blatant abuses of the system will no longer be tolerated.

¹⁴⁸ ICANN, *supra* note 144.

¹⁴⁹ *Id.*

¹⁵⁰ Baker, *supra* note 44, at 20.

¹⁵¹ *Id.*

¹⁵² *Id.*

¹⁵³ *Statistical Summary of Proceedings Under Uniform Domain Name Dispute Resolution Policy* (last modified Oct. 24, 1999) <http://www.icann.org/udrp/proceedings-stat.htm>.

¹⁵⁴ *Id.*

What About Personal Names?

All of this talk about corporate domain names and cybersquatters may have some asking what remedies are available when a distinct or famous personal name is warehoused for sale. In brief, it is important to note that individuals, and not just corporations, are battling cybersquatters. For example, Brad Pitt and others have sued or are currently suing to prevent infringement on their names by cyber-pirates.¹⁵⁵ In light of the lack of case law applying these federal remedies to disputes involving personal names to date, this Note will provide a cursory preview of Congress' actions to date regarding the abusive domain registrations of personal names. Within six months of the passage of the ACPA, the Secretary of Commerce, consulting with the Patent and Trademark Office will conduct a study and report to Congress recommendations on "guidelines and procedures for resolving disputes involving the registration or use by a person of a domain name that includes the personal name of another person, in whole or in part, or a name confusingly similar thereto."¹⁵⁶ In conducting their report, the committee will consider the following:

- (1) protecting personal names from registration by another person as a second level domain name for purposes of selling or otherwise transferring such domain name to such other person or any third party for financial gain;
- (2) protecting individuals from bad faith uses of their personal names as second level domain names by others with malicious intent to harm the reputation of the individual or the goodwill associated with that individual's name;

¹⁵⁵ Baker, *supra* note 44, at 20.

¹⁵⁶ 15 U.S.C. §1125, *History; Ancillary Laws and Directives*, Act Nov. 29, 1999, P.L. 106-113, Div B, § 1000(a)(9), 113 Stat. 1536.

(3) protecting consumers from the registration and use of domain names that include personal names in the second level domain in manners which are intended or are likely to confuse or deceive the public as to the affiliation, connection, or association of the domain name registrant, or a site accessible under the domain name, with such other person, or as to the origin, sponsorship, or approval of the goods, services, or commercial activities of the domain name registrant;

(4) protecting the public from registration of domain names that include the personal names of government officials, official candidates, and potential official candidates for Federal, State, or local political office in the United States, and the use of such domain names in a manner that disrupts the electoral process or the public's ability to access accurate and reliable information regarding such individuals;

(5) existing remedies, whether under State law or otherwise, and the extent to which such remedies are sufficient to address the considerations described in paragraphs (1) through (4); and

(6) the guidelines, procedures, and policies of the Internet Corporation for Assigned Names and Numbers and the extent to which they address the considerations described in paragraphs (1) through (4).¹⁵⁷

What does this study indicate? At the very least, it should serve as a warning to cybersquatters that Congress intends to protect the integrity and goodwill associated with an individual's name from; (1) the registration of a name by another person with the intent to profit, (2) intent to harm the reputation or goodwill associated with the name, (3) intent to confuse the consumer or 'Surfer', and (4) intent to disparage political and public officials.¹⁵⁸ All of these factors will be considered in determining the guidelines and procedures for resolving individual name disputes.¹⁵⁹

¹⁵⁷ 15 U.S.C. §1125, *History; Ancillary Laws and Directives*, Act Nov. 29, 1999, P.L. 106-113, Div B, § 1000(a)(9), 113 Stat. 1536.

¹⁵⁸ 15 U.S.C. §1125, *History; Ancillary Laws and Directives*, Act Nov. 29, 1999, P.L. 106-113, Div B, § 1000(a)(9), 113 Stat. 1536.

¹⁵⁹ *Id.*

CONCLUSION

After reviewing a thread of fabric in the new “constitutional structure” that is developing in cyberspace, it is easy to see that we stand at the doorstep of a new legal frontier. The ACPA, while it will be criticized by many for being too broad in scope, will, if properly utilized, put an end to cybersquatters warehousing distinctive or famous names for profit. This preview of the developing factual patterns in cybersquatter and related cases, however, signals that the battles have just begun in cyberspace.