# **NOTE**

# Meta Tags: Another Whittle from the Stick of Trademark Protection?

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#### INTRODUCTION

On September 8, 1997, a federal district court judge in California ordered Calvin Designer Label ("Designer") to remove references to Playboy Enterprises, Inc. ("Playboy") from "meta tags" encoded in its adult-oriented World Wide Web ("Web") pages.<sup>1</sup> Meta tags are codes in the sublevel of Web pages that are invisible

<sup>&</sup>lt;sup>1</sup> See Playboy Enters., Inc. v. Calvin Designer Label, 985 F. Supp. 1220, 1221-22 (N.D. Cal. 1997).

to the average user.<sup>2</sup> According to the court, Designer had infringed Playboy's trademark by electronically tying Designer's Web site,<sup>3</sup> through meta tags, to requests for "playboy" and "playmate."<sup>4</sup> This ruling is the first in the United States to hold that one may violate federal trademark law by forming this link.<sup>5</sup>

Under federal trademark law, it is illegal to profit from someone else's name or to pass off one business as another. One passes off a business as another when one utilizes someone else's image to create interest in a product. Traditionally, trademark infringement is clearly visible, such as affixing another's logo on one's product. However, *Playboy Enterprises, Inc. v. Calvin Designer Label* presents a new idea in the law: that trademark infringement can be invisible. 11

This Note examines the holding in Playboy Enterprises that one

<sup>&</sup>lt;sup>2</sup> See infra notes 28-33 and accompanying text for fuller analysis. While invisible to the average user, some search engines ("engines") used to locate topics on the Web can read meta tags. See infra notes 28-29 and accompanying text. Meta tags allow document authors to control how their Web pages will be indexed by encoding information on the Web page's sublevel. See infra notes 30-33 and accompanying text.

<sup>&</sup>lt;sup>3</sup> See Bensusan Restaurant Corp. v. King, 937 F. Supp. 295, 297 n.1 (S.D.N.Y. 1996) (quoting MTV Networks v. Curry, 867 F. Supp. 202, 202 (S.D.N.Y. 1994)) (defining "site" as unique Internet address and "Web" as collection of sites on Internet).

See Playboy Enters., 985 F. Supp. at 1221.

<sup>&</sup>lt;sup>5</sup> See Ann Davis, Web Weaves a Tangled Trademark Issue, WALL ST. J., Sept. 15, 1997, at B10 (discussing Playboy Enterprises and ramifications of case). While the plaintiffs in Playboy Enterprises were the first to obtain a judgment, others have filed cases alleging trademark infringement through the use of meta tags. See, e.g., Insituform Techs., Inc. v. National Envirotech Group, Civil Action No. 97-2064 (E.D. La. Consent judgment entered Aug. 27, 1997); Complaint, Oppedahl & Larson v. Advanced Concepts (D. Colo. 1997) (No. 97-21592).

<sup>&</sup>lt;sup>6</sup> See 15 U.S.C. §§ 1114(1), 1125(a) (1994); Davis, supra note 5, at B10 (noting that Playboy Enterprises was first court ruling prohibiting Web sites from invisibly coding someone else's name into site).

<sup>&</sup>lt;sup>7</sup> See Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 778-79 (1992) (defining "passing off" as falsely representing one's own goods as those of another); see, e.g., Paddington Corp. v. Attik: Importers & Distrib., Inc., 996 F.2d 577, 581 (2d Cir. 1993) (finding passing off in competitor's use of liquor bottle with similar appearance to plaintiff's bottle).

<sup>&</sup>lt;sup>8</sup> This Note uses the terms "trademark" and "mark" interchangeably.

<sup>&</sup>lt;sup>9</sup> See Sunbeam Prods., Inc. v. West Bend Co., 123 F.3d 246, 259-61 (5th Cir. 1997) (affirming district court's preliminary injunction against West Bend's use of product design similar to Sunbeam Product designs); United States v. Six Thousand Ninety-Four "Gecko" Swimming Trunks, 949 F. Supp. 768, 772-74 (D. Haw. 1996) (considering whether defendant, by marking its trunks with "Gecko," infringed Gecko Trading Company's trademark); see also Davis, supra note 5, at B10 (explaining distinctions between traditional trademark law violations and violations via Internet).

<sup>&</sup>lt;sup>10</sup> 985 F. Supp. 1220 (N.D. Cal. 1997).

See id. at 1221; Davis, supra note 5, at B10 (stating that Playboy Enterprises was first case to consider trademark infringement via invisible means).

may infringe upon another's trademark through meta tags that are invisible to the average viewer. Part I provides a background for understanding the Web and meta tags. Part II examines the legal background of federal trademark law as it relates to the Internet. Part III presents the facts and holding of *Playboy Enterprises*. Part IV posits that the judge in *Playboy Enterprises* correctly ruled that Designer violated trademark law when it used Playboy's marks to lure Internet users to its Web page. Part IV also presents guidance for future courts, Web-page operators, and companies facing potential trademark infringement through meta tags.

# I. A BACKGROUND FOR UNDERSTANDING THE WEB AND META TAGS

In order to understand the legal questions of *Playboy Enterprises*, it is first necessary to understand how the Internet<sup>12</sup> and, more importantly for the purposes of this Note, the Web<sup>13</sup> work. The Internet began as a communications and research tool for the military.<sup>14</sup> Slowly, others began to recognize the unique benefits of Internet communication.<sup>15</sup> Today, the Internet is a powerful and efficient vehicle through which millions around the globe access, share, and transmit a multitude of data and services.<sup>16</sup>

See MICROSOFT PRESS COMPUTER DICTIONARY 220 (2d ed. 1994). The Internet is a set of computer networks linked vis-à-vis gateways that handle data transfer and the conversion of messages so that the sending network may interface with the receiving network. See id.

A recent commentator classified the growth of the Internet as "explosive," and stated that the Web, originating in the early 1990s, is the fastest growing portion of the Internet. See Paul Arne, New Wine in Old Bottles: The Developing Law of the Internet, 416 PLI/PAT 9, 15-16 (Sept. 1995) (describing birth and growth of Web and noting connection between Internet and Web).

<sup>&</sup>lt;sup>14</sup> See Vic Sussman & Kenan Pollack, Gold Rush in Cyberspace, U.S. NEWS & WORLD REP., Nov. 13, 1995, at 73, 77 (explaining Internet and its growth). The Internet was established in 1969 as a military communications system, but today it allows private individuals to link with other individuals and many groups, including corporations and educational institutions. See id. The early Internet consisted of four linked computers in California and Utah for purposes of sharing information between computer scientists and the military. See Arne, supra note 13, at 14-15 (defining Internet and discussing its origin and initial benefits).

<sup>&</sup>lt;sup>15</sup> See Michael B. Landau, Problems Arising Out of the Use of "WWW.TRADEMARK. COM": The Application of Principles of Trademark Law to Internet Domain Name Disputes, 13 GA. ST. U. L. REV. 455, 459-60 (1997) (discussing background of Internet and noting benefits that led to Internet popularity).

See Gayle Weiswasser, Domain Names, the Internet, and Trademarks: Infringement in Cyberspace, 13 SANTA CLARA COMPUTER & HIGH TECH. L.J. 137, 138 (1997) (describing rapid growth and increased benefits of Internet). The Internet differs from other forms of communication because it is not an entity, and no single entity controls it. See id.; Arne, supra note 13, at 16-17 (distinguishing characteristics of Internet from other forms of communication and describing how Internet operates).

The Web is a graphical interface<sup>17</sup> that is a subset of the Internet. According to a recent estimate, the Web should support fifty-two million users by the year 2000.<sup>18</sup> More than a mere communications device, the Web is an intricate group of links which allows buyers and sellers to find one another and engage in commerce.<sup>19</sup> With over 175,000 companies currently utilizing the Web for commerce,<sup>20</sup> the Web is not only the marketplace of the future<sup>21</sup> but of the present.<sup>22</sup>

Without a navigational tool, the Web would be a complex, inefficient maze; enter the "search engine." A search engine ("engine") operates much like a phone company's directory assistance. After calling up an engine, users type in words or phrases related to what they are trying to locate. For example, users trying to locate Web sites featuring gardening would type in "gardening," "landscaping," "horticulture," and other gardening-related terms. While telephone directory assistance narrows down

<sup>&</sup>lt;sup>17</sup> See Sussman & Pollack, supra note 14, at 77 (stating Web is hypermedia information storage system linking resources around world). The Web allows users to view pictures, videos, and hear sounds. See id. The Web also allows distant users to instantaneously exchange data. See id. Disregarding the resource's actual geographic location, browsers allow highlighted words or icons, called hyperlinks, to display various forms of data on a local computer screen. See id.

<sup>&</sup>lt;sup>18</sup> See Mary Kathleen Flynn, A Tiny Winery's Giant Reach, U.S. NEWS & WORLD REP., Oct. 30, 1995, at 84 (providing background and projections of Internet growth).

<sup>&</sup>lt;sup>19</sup> See Weiswasser, supra note 16, at 138-39 (discussing and detailing explosion of commercial use of Internet).

<sup>&</sup>lt;sup>20</sup> See id. at 139 (stating that by February 1996, 175,000 companies had home page on Web).

See Arne, supra note 13, at 15. There are now approximately four million host computers connected to the Internet, compared to 1000 ten years ago. See id. According to a Network World consultant, the Web doubles approximately every 58 days, a seventy-eightfold annual increase. See id. at 16.

See generally Lori Bongiorno et al., Reinventing the Store: How Smart Retailers Are Changing the Way We Shop, Bus. Wk., Nov. 27, 1995, at 84, 89 (noting that CUC International sells airline tickets and cars via Web). Ranging from Big Mac backpacks at "www.mcdonalds.com" to perfume at "www.avon.com," the Web boasts a well-diversified marketplace. See Merchandise (visited Nov. 10, 1998) <a href="http://www.mcdonalds.com">http://www.mcdonalds.com</a> (on file with author); Shopping (visited Nov. 10, 1998) <a href="http://www.avon.com">http://www.avon.com</a> (on file with author).

See Guy Alvarez, A Beginner's Guide to Search Engines and Directories, 11 NO. 2 MKT. FOR LAW. 5, 8 (1997) (stating that there are several engines promoted by various commercial entities, such as Altavista, Infoseek, Lycos, and Web Crawler). See generally Michael J. Sexton, Getting Found and Staying Found on the Web, 13 ME. B.J. 260 (outlining methods and tools available to aid one in distinguishing one's Web site).

See Alvarez, supra note 23, at 6-8 (describing how engines operate and noting benefits of engines over directories).

See id. at 7-8. One connects with an engine by typing in its Web address. See id. For example, in order to connect with Altavista, the user types "www.altavista.com." See id.

See id. at 6-8 (describing search mechanisms behind search engines).

the results of an inquiry into a single phone number, an engine pulls up all Web pages that contain the user's search terms.<sup>27</sup>

Engines, however, do not limit user searches to words in the visual text of the Web pages.<sup>28</sup> Some engines search via meta tags.<sup>29</sup> Meta tags are descriptive information about a page inserted in the page's sublevel and are, therefore, invisible to users. These tags help Web operators control how their Web pages are indexed by search engines.<sup>30</sup> Continuing with the phone directory analogy, this sublevel is similar to the telephone operator's computer. While telephone operators use computers to aid them in finding requested numbers, some engines use meta tags to locate appropriate sites.

Like the telephone operator's computer, meta tags are outside of the average user's perception. Consequently, Web-page authors can encode meta tags on a Web page's sublevel to lure users to their sites.<sup>31</sup> For example, if Web-page authors wanted gardeners to visit their Web pages featuring camping supplies, they could create meta tags out of gardening-related terms.<sup>52</sup> Even though the Web-pages' texts do not relate to gardening, the Web-page authors can define and, perhaps, increase their market share by drawing in customers who would not otherwise visit their sites.<sup>33</sup> Therefore, in addition to helping users find particular sites, or sites encompassing particular subjects, meta tags also aid Web-page authors by allowing them to draw Internet users to their sites.<sup>34</sup> Unfortunately,

See id. at 7 (stating that meta tags allow search engine to list sites that contain "key word" in their meta tag lines).

<sup>&</sup>lt;sup>28</sup> See John M. Mrsich, Terms You Need to Know: Search Engines, 3 NO. 7 MULTIMEDIA STRATEGIST 3, 3-4 (1997) (explaining meta tags and outlining how meta tags enhance search tools on Internet).

See id.; Phil Bradley, Meta Tags — What, Where, When, Why? (visited Oct. 14, 1998) <a href="http://www.philb.com/metatag.htm">http://www.philb.com/metatag.htm</a> (on file with author) (outlining purpose of meta tags, providing instructions on how to create meta tags, and offering addresses of sites with additional information).

See Mrsich, supra note 28, at 3-4. Meta tags contain information that some engines use in retrieving documents. See id.

In order to give greater prominence to their Web sites when engine queries are performed, some Web site developers have inserted words like "sex," "nudity," or "startrek" into their sites, even if the terms are unrelated to their sites, to increase the number of times engines list their sites. See Davis, supra note 5, at B10.

See META Tagging for Search Engines (visited Oct. 14, 1998) <a href="http://www.stars.com/">http://www.stars.com/</a> Location/Meta/Tag.html> (on file with author) (describing meta tag method of controlling how engines index pages). Meta tags allow document authors to control how engines index their Web pages by encoding information in the Web page's sublevel. See id.

<sup>33</sup> See id

See id.; Bradley, supra note 29 (stating that meta tags allow engines to more accurately

due to their invisible nature, meta tags may also lure customers to sites against their will.

Due in part to the Internet's youth, dramatic growth, and complexity, courts have struggled to integrate traditional trademark law and the Internet.<sup>35</sup> While the case law is limited, courts have attempted to analyze Internet-related disputes concerning trademark law as they would non-Internet-related disputes.<sup>36</sup> This analysis requires an understanding of the statutory backbone of trademark law.

#### II. STATE OF THE LAW

#### A. Trademarks Defined

A trademark is any word, name, symbol, device, or combination thereof used to identify and distinguish goods from those manufactured or sold by others.<sup>37</sup> The key element of a mark is the ability of the mark to identify and distinguish the user's goods in the marketplace.<sup>38</sup> A trademark need not be registered in order to be protected.<sup>39</sup> However, the level of protection of an unregistered

list and, therefore, retrieve sites but that not all engines recognize meta tags).

See Bensusan Restaurant Corp. v. King, 126 F.3d 25, 27 (2d Cir. 1997) (comparing attempt to apply conventional trademark law to Internet to boarding moving bus); Hasbro, Inc. v. Clue Computing, Inc., 994 F. Supp 34, 37 (D. Mass. 1997) (pointing to Internet's explosive growth as root of problem in applying traditional law to Internet); Lockheed Martin Corp. v. Network Solutions, Inc., 985 F. Supp. 949, 956 (C.D. Cal. 1997) (noting difficulty in applying Lanham Act to domain name dispute because domain names, in addition to indicating source of products like other trademark forms, act for non-trademark technical purpose of designating set of computers on Internet). But see Cardservice Int'l v. McGee, 950 F. Supp. 737, 741 (E.D. Va. 1997) (stating that Lanham Act is far-reaching and encompasses Internet disputes). See generally Arne, supra note 13, at 18 (presenting examples of problems courts face when trying to apply traditional trademark law to Internet).

See Jews for Jesus v. Brodsky, 993 F. Supp. 282, 286-313 (D.N.J. 1998) (analyzing domain dispute with traditional trademark law and granting injunction against defendant's use of domain name "Jews for Jesus"); Intermatic, Inc. v. Toeppen, 947 F. Supp. 1227, 1233-41 (N.D. Ill. 1996) (applying traditional trademark infringement, unfair competition, and trademark dilution law to Internet dispute); infra notes 74-87 and accompanying text (outlining one court's attempt to apply traditional trademark law to Internet).

See 15 U.S.C. § 1127 (1997) (defining "trademark" as being "any word, name, symbol or device" used by person or "which a person has bona fide intention to use in commerce, to identify and distinguish his or her goods from those manufactured or sold by others and to indicate source of goods, even if unknown").

See Qualitex Co. v. Jacobson Prods. Co., 514 U.S. 159, 163-64 (1995) (explaining how trademarks benefit their owners).

<sup>&</sup>lt;sup>39</sup> See Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 773 (1992) (concluding that inherently distinctive unregistered trademarks should receive same analysis as registered trademarks under section 43(a) of the Lanham Act). But see 15 U.S.C. § 1065 (1997) (stating that registrant's use of marks in commerce for goods on or in connection with which

## mark depends on the mark's use and distinctiveness.<sup>40</sup>

such registered mark has been in continuous use in commerce for five consecutive years after date of registration is incontestable, provided that some limited requirements are met); Nabisco Brands, Inc. v. Quaker Oats Co., 547 F. Supp. 692, 697 (D.N.J. 1982) (stating that registration of trademark is prima facie evidence of registrant's exclusive right to use mark in commerce).

Registering a mark does not prevent others from using the mark in two situations: (1) use in connection with similar goods or services in different geographic markets, and (2) use in connection with different goods or services. See Lone Star Steakhouse & Saloon, Inc. v. Alpha of Virginia, Inc., 43 F.3d 922, 932 (4th Cir. 1995) (stating junior mark user may continue use unless senior owner is likely to enter or has entered junior mark user's geographic market); Papercutter, Inc. v. Fay's Drug Co., 900 F.2d 558, 565 (2d Cir. 1990) (concluding that defendant's use of "The Paper Cutter" as name for drugstore did not infringe Papercutter's (manufacture of paper cut-outs) corporate name partly because defendant used mark in connection with different good); Dawn Donut Co. v. Hart's Food Stores, Inc., 267 F.2d 358, 364 (2d Cir. 1959) (holding that owner of trademark is powerless to enjoin its use by others in geographic territories where owner is not likely to expand); Landau, supra note 15, at 468-72 (discussing lawful uses of marks by multiple parties).

<sup>40</sup> See J. Thomas McCarthy, McCarthy on Trademarks & Unfair Competition § 16.4, at 16-6 (4th ed. 1998) (outlining legal protection afforded to trademarks). Courts rank the protectability of marks according to the ability of a mark to distinguish a product. See Abercrombie & Fitch Co. v. Hunting World, Inc., 537 F.2d 4, 9-11 (2d Cir. 1976) (defining four categories of trademarks and outlining legal protection afforded to each). Trademarks generally fall into four categories, ranked in ascending order of trademark status from defenseless to most protected. See id. The classes are (1) generic, (2) descriptive, (3) suggestive, and (4) arbitrary or fanciful. See id. at 9 (concluding that, while helpful, lines of demarcation between trademark categories are not always bright).

A generic mark refers to the category of products in which a particular product belongs, such as "Thermos." See 15 U.S.C. § 1064(3) (1997) (stating that product becoming generic is grounds for cancellation of trademark); Abercrombie, 537 F.2d at 9 (defining generic terms); King-Seeley Thermos Co. v. Aladdin Indus., 321 F.2d 577, 581 (2d Cir. 1963) (holding King-Seeley's registered trademark "thermos" became generic when substantial majority of public did not know "thermos" had trademark significance). Generic terms do not distinguish one brand from another, and thus, cannot be registered and are never protected under trademark law. See MCCARTHY, supra, § 12:1, at 12-13 (stating that generic terms are never protected under trademark law).

A descriptive term merely describes the characteristics of the product, such as "Fish-Fri" corn meal for frying fish. See Zatarains, Inc. v. Oak Grove Smokehouse, Inc., 698 F.2d 786, 793-95 (5th Cir. 1983) (holding that plaintiff's descriptive mark, "Fish-Fri," obtained secondary meaning and, therefore, was protected trademark); Nabisco Brands, Inc. v. Quaker Oats Co., 547 F. Supp. 692, 698 (D.N.J. 1982) (defining descriptive terms). But see Dranoff-Perlstein Assocs. v. Sklar, 967 F.2d 852, 858 n.13 (3d Cir. 1992) (stating that if term is "too descriptive" it may become generic mark and not receive trademark protection). Courts only extend trademark protection to descriptive terms if they have gained secondary meaning — if consumers have begun to associate the term with the product's source of origin. See Security Ctr., Ltd. v. First Nat'l Sec. Ctrs., 750 F.2d 1295, 1300 (5th Cir. 1985) (stating that it would be unfair to competitors for courts to automatically treat descriptive terms as protected trademarks); Scott Paper Co. v. Scott's Liquid Gold, Inc., 589 F.2d 1225, 1228 (3d Cir. 1978) (stating that aim of this rule is to minimize public confusion as to origin of product and to avoid diversion of customers misled by similar mark).

Suggestive terms suggest the purpose of the product and indicate its source, such as "At A Glance" calendars. See Abercrombie, 537 F.2d at 10-11 (defining and outlining legal protections of suggestive terms); Cullman Ventures, Inc. v. Colombian Art Works, Inc., 717 F. Supp. 96, 119-20, 136 (S.D.N.Y. 1989) (restricting defendant's use of Cullman's "At-A-

#### B. Statutory Trademark Law

Adopted in 1946, the Lanham Act accords federal protection to federally registered and unregistered trademarks used in interstate commerce. Congress created the Lanham Act, at least in part, to eliminate forum shopping due to the inconsistent trademark protection between the states under common law. Under the Lan-

Glance" trademark with time designation). Courts typically protect suggestive marks even without proof of secondary meaning. See Dranoff-Perlstein, 967 F.2d at 857-58. A suggestive mark does not need to have secondary meaning and a term is often considered "suggestive" if it requires imagination to determine the nature of the goods being sold. See id. at 858.

Arbitrary terms do not inherently relate to the product at all, such as "Black & White" Scotch whiskey. See Fleischmann Distilling Corp. v. Maier Brewing Co., 314 F.2d 149, 154 (9th Cir. 1963) (concluding that "Black & White" is fanciful mark); see, e.g., Saks & Co. v. Hill, 843 F. Supp. 620, 623 (S.D. Cal. 1993) (holding that "Saks Fifth Avenue" is fanciful mark). Instead, arbitrary terms only relate to the product by virtue of customer recognition. See AmBrit, Inc. v. Kraft, Inc., 812 F.2d 1531, 1536-37 (11th Cir. 1986) (outlining distinctions between types of marks); John H. Harland Co. v. Clarke Checks, Inc., 711 F.2d 966, 974 (11th Cir. 1983) (describing differences between types of marks); Abercrombie, 537 F.2d at 10-11 (illustrating different types of marks). Due to their distinctiveness, suggestive and arbitrary/fanciful terms are entitled to registration and are accorded the strongest protection under trademark law. See id. at 11 (holding that suggestive or arbitrary fanciful terms create rebuttable presumption of secondary meaning); Plaintiff's Complaint and Jury Demand at 4, Playboy Enters. v. Calvin Designer Label, 985 F. Supp. 1220 (N.D. Cal. 1997) (No. 97-3204) (presenting facts that suggest, because Playboy's marks are suggestive and fanciful, issue is whether designer infringed on Playboy's trademark rights). In Playboy Enterprises, the trademarks under analysis are registered and internationally recognizable and, therefore, are protected from trademark infringement. See id.

<sup>41</sup> See 15 U.S.C. §§ 1051-1127 (1998); Robyn L. Phillips, Comment, Determining if a Trade Dress Is Valid, 29 IDAHO L. REV. 457, 459 n.5 (1992) (discussing trademark law prior to Lanham Act). Prior to the Lanham Act, Congress passed trademark acts in 1881, 1882, and 1905. See Trademark Act of 1881, Ch. 138, 21 Stat. 502 (repealed 1946) (entitled "An Act to authorize the registration of trademarks and protect the same"); Act of Aug. 5, 1882, Ch. 393, 22 Stat. 298 (entitled "An Act relating to the registration of trademarks"); Trademark Act of 1905, Ch. 592, 33 Stat. 725 (superseded Acts of 1881 and 1882); Phillips, supra, at 459 n.5. The Lanham Act expressly repealed inconsistent sections of the prior Acts. The Lanham Act, Ch. 540, tit. 1, 60 Stat. 427 (1946) (codified as amended at 15 U.S.C. §§ 1051-1127 (1994)).

The Lanham Act protects registered trademarks that fall within specified standards. See id. §§ 1052, 1114(1) (outlining protections for registered trademarks and registration standards). Section 43(a) of the Lanham Act also expressly protects unregistered trademarks. See id. § 1125(a); Birthright v. Birthright, Inc., 827 F. Supp. 1114, (D.N.J. 1993). Section 45 of the Lanham Act defines "commerce" as all commerce that Congress may lawfully regulate. See 15 U.S.C. § 1127 (1998).

See H.R. REP. No. 104-374, at 3-4 (1995) (highlighting inconsistent trademark law between states as impetus for uniform nationwide trademark law); Terry R. Bowan, Comment, The Federal Trademark Dilution Act of 1995 — Does It Address the Dilution Doctrine's Most Serious Problems?, 7 DEPAUL-LCA J. ART & ENT. L. 75, 76 (1996) (stating uniform national protection was one principal purpose behind Federal Dilution Act of 1995). California also protects against trademark infringement. See CAL BUS. & PROF. CODE § 14,335 (West Supp. 1998) (providing injunctive relief for claims of unlawful mark infringement).

ham Act, persons<sup>43</sup> may face civil liability for using a term in commerce in a manner that is likely to cause confusion as to the origin, sponsorship, or approval of their goods.<sup>44</sup> Pursuant to the Federal Trademark Dilution Act of 1995 ("Dilution Act"),<sup>45</sup> the Lanham Act also protects famous marks against trademark dilution.<sup>46</sup> Dilution is the reduced capacity of a famous mark to identify and distinguish products, and may occur even if the use is noncompetitive or there is little likelihood of confusion.<sup>47</sup>

See 15 U.S.C. § 1125(a)(1). Section 1125(a)(1) provides in pertinent part:

Any person who, on or in connection with any goods or services . . . uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which . . . is likely to cause confusion . . . as to the affiliation . . . of such person with another person, or as to the origin, sponsorship, or approval of his or her . . . commercial activities by another person . . . shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

Id.; see also Daniel M. McClure, Trademarks and Competition: The Recent History, 59 LAW & CONTEMP. PROBS. 13, 37-43 (Spring 1996) (outlining past 50 years of Lanham Act and concluding trademark protection is increasing due to general belief that trademarks benefit competition).

Pub. L. No. 104-98, 109 Stat. 985 (1998) (codified as 15 U.S.C. § 1125(c), 1127 (1998)) (hereinafter this Note cites this act as contained in section 43 of the Lanham Act and 15 U.S.C. §§ 1051-1127). The pertinent sections of the Dilution Act are the following:

- (1) The owner of a famous mark shall be entitled, subject to the principles of equity and upon such terms as the court deems reasonable, to an injunction 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 qualify of the mark, and to obtain such other relief as is provided in this subsection.
- (4) The following shall not be actionable under this section:
  - (A) Fair use of a famous mark by another person in comparative commercial advertising or promotion to identify the competing goods or services of the owner of the famous mark.
  - (B) Noncommercial use of a mark.
  - (C) All forms of new reporting and news commentary.

#### 15 U.S.C. § 1125(c)(1), (4).

<sup>46</sup> See Michael Caruso & Co. v. Estefan Enters., 994 F. Supp. 1454, 1464-65 (S.D. Fla. 1998) (finding that plaintiff's mark was not likely to be diluted under Dilution Act); Intermatic, Inc. v. Toeppen, 947 F. Supp. 1227, 1241 (N.D. Ill. 1996) (holding that defendant's use of plaintiff's federally registered mark as domain name violated Dilution Act because it lessened capacity of plaintiff's mark to distinguish goods or services as matter of law).

<sup>47</sup> See 15 U.S.C. § 1127. Congress has provided the following as examples of marks constituting trademark dilution: "Dupont shoes," "Buick aspirin," and "Kodak pianos." See

Under the Lanham Act, the term "person" includes natural and "juristic" persons. See 15 U.S.C. § 1127. Juristic persons include, inter alia, states, firms, corporations, and others capable of litigating under an organization name. See id.

Congress intended the Lanham Act's regulations and remedies to protect both buyers and sellers<sup>48</sup> against the deceptive and misleading use of marks in the marketplace.<sup>49</sup> By preventing individuals from using others' marks, the Lanham Act ensures that only the owners of marks will benefit from the labor required to create such marks.<sup>50</sup> In turn, the Act protects consumers because they can select a product based on its trademark, confident that the mark relates to the qualities they have come to expect from that brand name.<sup>51</sup> Together, these protections theoretically increase the efficiency of the marketplace because buyers will be more informed and, therefore, make wiser choices.<sup>52</sup>

Due to the importance of preventing consumer confusion, the critical types of trademark infringement are those that are likely to cause confusion or dilution.<sup>53</sup> "Likelihood of confusion" and "likelihood of dilution" are important infringement tests under both federal<sup>54</sup> and state law.<sup>55</sup> The first test, likelihood of confusion, re-

H.R. REP. No. 104-374 (1995), reprinted in 1995 U.S.C.C.A.N. 1029, 1030.

<sup>&</sup>lt;sup>48</sup> See 15 U.S.C. § 1127; Andrew D. Smith, Comment, Trademark Law: Equity's Role in Unfair Competition Cases, 13 U. HAW. L. REV. 137, 141 (1991) (positing that dual purpose of protecting purchaser's expectations and trademark owner's investment in trademark underlies any trademark law).

<sup>&</sup>lt;sup>19</sup> See 15 U.S.C. § 1127; Smith, supra note 48, at 142 (stating that Lanham Act protects against deception, regardless of whether consumers or trademark owners benefit more).

See 15 U.S.C. § 1127. Congress intended the Lanham Act to regulate commerce within Congress's control by protecting registered marks used in such commerce from state interference, protecting persons engaged in such commerce against unfair competition, preventing fraud and deception in such commerce by the use of imitations of registered marks, and providing rights and remedies stipulated by treaties and conventions respecting trademarks, trade names, and unfair competition entered into between the United States and foreign nations. See id.

See id.; see also Lori L. Bean, Note, Ambush Marketing: Sports Sponsorship Confusion and the Lanham Act, 75 B.U. L. REV. 1099, 1111-12 (1995) (outlining how trademark protection benefits consumers and trademark owners); William Jay Gross, Comment, The Territorial Scope of Trademark Rights, 44 U. MIAMI L. REV. 1075, 1075-76 (1990) (discussing benefits of trademarks).

<sup>&</sup>lt;sup>52</sup> See Gross, supra note 51, at 1075-76 (suggesting that trademarks increase market efficiency by allowing consumers and businesses to better participate in market transactions).

tions).

53 See Weiswasser, supra note 16, at 143-45 (defining consumer confusion and outlining how courts analyze likelihood of dilution and consumer confusion).

See 15 U.S.C. § 1125(a) (1) (A) (1998). Under the Lanham Act, courts apply the likelihood of confusion test when analyzing federally registered trademarks. See id. Where the use is likely to cause confusion, the Lanham Act creates civil liability for any person, whom without the consent of the registrant, uses in commerce copies of a registered mark in connection with the marketing and sale of any products. See id. Courts also apply the test when analyzing unregistered trademarks. See Birthright v. Birthright, Inc., 827 F. Supp. 1114, 1114 (D.N.J. 1993); Thompson Medical Co. v. Pfizer, Inc., 753 F.2d 208, 209 (2d Cir. 1985).

fers to the likelihood that a consumer would be confused about the source, sponsorship, or approval of a marked good.<sup>56</sup>

In evaluating the likelihood of consumer confusion in a particular case, courts apply several factors to help determine the level of confusion created by the infringement.<sup>57</sup> Courts balance, among other factors, the strength of the plaintiff's mark, the similarity between marks, the motives behind defendant's choice of mark, and the sophistication of the purchasers.<sup>58</sup> These factors are not exhaustive, and courts may look at other evidence to determine whether the trademark's use between the two parties is likely to cause confusion.<sup>59</sup> Courts may also weigh these factors differently

the strength of plaintiff's mark, the degree of similarity between the two marks, the competitive proximity of the products or services, the likelihood that the plaintiff will bridge the gap between the two markets, the existence of actual confusion, the defendant's good faith in adopting the mark, the quality of the defendant's product, and the sophistication of the purchasers.

Id. at 1437 (citing factors created by court in Polaroid Corp. v. Polaroid Elecs. Corp., 287 F.2d 492, 495 (2d Cir. 1961)); see also Dr. Seuss Enters. v. Penguin Books USA, Inc., 109 F.3d 1394, 1404 (9th Cir. 1997) (stating similar factors); AMF, Inc. v. Sleekcraft Boats, 599 F.2d 341, 348-49 (9th Cir. 1979) (outlining significant factors as: strength of mark, proximity of goods, similarity of marks, evidence of actual confusion, marketing channels used, type of goods and degree of care likely to be exercised by purchaser, defendant's intent in selecting mark, and likelihood of expansion of product lines).

<sup>58</sup> See Polaroid Corp. v. Polaroid Elecs. Corp., 287 F.2d 492, 495 (2d Cir. 1961) (outlining useful factors to test likelihood of consumer confusion).

See Rust Env't & Infrastructure, Inc. v. Teunissen, 131 F.3d 1210, 1218-19 (7th Cir. 1997) (considering consumer surveys as evidence of consumer confusion); Wendt v. Host Int'l, Inc., 125 F.3d 806, 814 (9th Cir. 1997) (stating that courts admit survey evidence in trademark infringement cases as long as survey is pertinent and conducted according to accepted principles); Dr. Seuss Enters., 109 F.3d at 1404 n.14 (identifying three types of likelihood of confusion proof: (1) surveys, (2) evidence of actual confusion, and (3) argument based on judicial comparison of marks and their use in marketplace); Insty\*Bit, Inc. v. Poly-Tech Indus., 95 F.3d 663, 671 (8th Cir. 1996) (focusing on survey evidence in determining likelihood of consumer confusion); Weiswasser, supra note 16, at 143 (examining which factors courts use to decide whether trademark confusion exists).

<sup>55</sup> See Century 21 Real Estate Corp. v. Sandlin, 846 F.2d 1175, 1182 (9th Cir. 1988) (holding under state law that likelihood of confusion supported judgment for franchiser on claim of trademark infringement). The likelihood of confusion test applies to actions for unfair competition under state and federal law. See Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 769-70 (1992) (applying likelihood of confusion test under federal law to potential unfair competition); Mallard Creek Indus., Inc. v. Morgan, 56 Cal. App. 4th 426, 435, 65 Cal. Rptr. 2d, 461, 467 (Ct. App. 1997) (applying likelihood of confusion test under state law to potential unfair competition); Landau, supra note 15, at 472-73. Because state and federal law handle this issue the same, this Note will examine only federal law.

<sup>&</sup>lt;sup>56</sup> See Landau, supra note 15, at 472-76.

<sup>&</sup>lt;sup>57</sup> See, e.g., Planned Parenthood Fed'n of Am., Inc. v. Bucci, 42 U.S.P.Q. 2d (BNA) 1430, 1437-38 (S.D.N.Y. 1997). The *Planned Parenthood* court presented the relevant factors as:

depending on the facts of the specific case.<sup>60</sup>

Under the second test, likelihood of dilution, courts look at the decreased capacity of a famous mark to identify and distinguish products, whether goods or services. Unlike the confusion test and its focus on the consumer, the dilution test focuses on the mark itself. Courts look at the mark to see whether another's use has harmed its distinctive character.

See Sunbeam Products, Inc. v. West Bend Co., 123 F.3d 246, 258 (5th Cir. 1997) (holding that intent factor is important factor under specific facts of Sunbeam Products); Daddy's Junky Music Stores, Inc. v. Big Daddy's Family Music Ctr., 109 F.3d 275, 280 (6th Cir. 1997) (stating that importance of individual factor depends on specific case and that some factors may prove irrelevant in court's analysis of likelihood of confusion); Jellibeans, Inc. v. Skating Clubs of Ga., Inc., 716 F.2d 833, 840 (11th Cir. 1983) (discussing how courts weigh likelihood of confusion factors differently depending on facts of case); Landau, supra note 15, at 474 (noting likelihood of confusion test is fact specific in context of domain names).

See Polaroid Corp., 287 F.2d at 495. Effective January 1996, Congress added trademark dilution to the Lanham Act. See 15 U.S.C. § 1125(c) (1998); Weiswasser, supra note 16, at 144 (stating that courts used to look at trademark dilution under test of blurring or tarnishment). Under the Lanham Act, the owner of a famous mark may get an injunction against another's commercial use of a mark; however, the second person must have made his mark after the first mark has become famous and such use causes dilution of the first mark's distinctive quality. See 15 U.S.C. § 1125(c).

Today, courts may look at seven factors in determining whether the plaintiff's mark is distinctive and famous. See Weiswasser, supra note 16, at 144-45. The seven factors are: (1) the inherent or acquired distinctiveness of the mark, (2) the duration or extent of use of the mark in connection with the products with which the mark is used, (3) the duration and extent of marketing of the mark, (4) the geographic extent of the trading area in which the mark is used, (5) the channels of trade for the goods with which the mark is used, (6) the degree of recognition of the mark in the trading areas and channels of trade used by the mark's owner and the person against whom the injunction is sought, and (7) the nature and extent of the use of the same or similar marks by third parties. See id.

<sup>&</sup>lt;sup>62</sup> See Weiswasser, supra note 16, at 143-45 (distinguishing likelihood of confusion from likelihood of dilution).

<sup>63</sup> See id.; Panavision Int'l L.P., v. Toeppen, 945 F. Supp. 1296, 1304 (C.D. Cal. 1996) (discussing state dilution statutes). Courts originally looked at two types of dilution: dilution by tarnishment and dilution by blurring. See id. "Tarnishment" occurs when a famous mark is associated with poor quality goods or depicted in an unwholesome way. See id. "Blurring" occurs when unauthorized use of a mark causes a product to lose its value and selling power. See id; see also Dominic Bencivenga, Trademark Dilution: Attorneys Long for Guidance on Proving Erosion, N.Y. L.J. Apr. 3, 1997, at 5 (outlining use of surveys to show trademark dilution); Ethan Horwitz & Eric A. Prager, What Is Dilution and How Is It Proved?: Complexities of Questions Discussed, Some Useful Answers Provided, N.Y. L.J. 1996 (discussing dilution and offering suggestions on how to prove dilution in court, such as using two-cell product attribute survey which measures attributes consumers, exposed to allegedly tarnishing mark, associate with trademark owner's mark — there is evidence of tarnishment if attributes decline).

#### C. Cases Applying Trademark Law to the Internet

The Internet is a completely new medium,<sup>64</sup> yet courts nevertheless apply traditional trademark law to cases of infringement on the Internet.<sup>65</sup> While traditional trademark law provides a basis for analysis, it may not always provide sufficient guidance. The majority of such applications are in the area of domain names.<sup>66</sup>

#### 1. Domain Names

Domain names are the addresses of Web pages on the Internet.<sup>67</sup> For example, International Business Machines Corporation ("IBM") maintains a Web page at "www.ibm.com." Domain names help distinguish one Web site from another and, in turn, help users link to the correct site.<sup>68</sup> Established companies such as IBM prefer to use domain names that are readily associated with their trade names.<sup>69</sup>

Domain names typically consist of two identifying parts — one indicating the name of the Web operator,<sup>70</sup> and the other indicating the type of organization.<sup>71</sup> For example, the University of California, Davis School of Law operates a Web page at "kinghall.ucdavis.edu," with "edu" denoting an educational connection. Domain names are particularly subject to controversy because no

<sup>&</sup>lt;sup>64</sup> See supra notes 14-16 and accompanying text (noting emergence and growth of Internet as a new medium).

<sup>&</sup>lt;sup>65</sup> See, e.g., Intermatic, Inc. v. Toeppen, 947 F. Supp. 1227, 1228-29 (N.D. Ill. 1996) (stating that courts still apply traditional trademark law to Internet, although it is new medium).

See, e.g., Jonathan Agmon et al., Domain Name Disputes <a href="http://www.law.georgetown.edu/piet/internic/recent/recl.html">http://www.law.georgetown.edu/piet/internic/recent/recl.html</a> (last modified May 4, 1996) (on file with author) (giving updated list of domain names)

<sup>(</sup>giving updated list of domain names).

See Landau, supra note 15, at 462 (discussing Internet address structure); Joshua Quittner, Life in Cyberspace: You Deserve a Break Today, NEWSDAY, Oct. 7, 1994, at A5 (comparing domain names to "postal addresses, vanity license plates and billboards, all rolled into one digital enchilada").

See Weiswasser, supra note 16, at 139-40 (identifying benefits of domain names, such as in locating desired sites and distinguishing products).

See id. (stating that companies choose easy to remember domain names).

<sup>&</sup>lt;sup>70</sup> See Panavision Int'l, L.P. v. Toeppen, 945 F. Supp. 1296, 1299 (C.D. Cal. 1996) (describing components of domain names).

See id. The organization identifier part of the domain name may be in various forms: ".com" is used by commercial entities, ".net" is used by networks, and ".edu" is used by educational institutions. See id. Other examples include: ".org," which is usually used by non-profit organizations, and ".gov," which is used by the government. See Landau, supra note 15, at 462.

two domain names can be the same.<sup>72</sup> If a private individual registered the domain name "www.ibm.com" first, IBM could not register the same name later. Consequently, users who wanted to link with IBM could find themselves on an unrelated Web page, or worse, from IBM's perspective, on an IBM competitor's Web page. This situation may confuse and discourage Internet users, as well as cost IBM customers. Such situations arise frequently, and, perhaps not surprisingly, companies argue that registration by someone other than the trademark owner constitutes trademark infringement.<sup>73</sup>

In Planned Parenthood Federation of America v. Bucci ("PPFA"),<sup>74</sup> the court granted an injunction against another person's use of "plannedparenthood" as a domain name. Planned Parenthood Federation of America ("Planned Parenthood") operated a Web site at "www.ppfa.org." The site offered information on family planning, pregnancy, sexually transmitted diseases, and abortion, along with links to similar pages. However, some Internet users found themselves on a competitor's Web page when they tried to link with Planned Parenthood. The defendant, Bucci, operated a Web page at "www.plannedparenthood.com." Bucci's antiabor-

<sup>&</sup>lt;sup>72</sup> See Zippo Mfg. Co. v. Zippo Dot Com, Inc., 952 F. Supp. 1119, 1121 n.3 (W.D. Pa. 1997) (stating that only one user may register each domain name); Landau, supra note 15, at 462 (noting only one party can occupy particular site or address on Web); Ira S. Nathenson, Comment, Showdown at the Domain Name Corral: Property Rights and Personal Jurisdiction Over Squatters, Poachers and Other Parasites, 58 U. PITT. L. REV. 911, 921-25 (1997) (likening uniqueness of domain names to having one area code for entire country and everyone wanting same phone numbers). Network Solutions, Inc. ("NSI") is the organization that registers generic domain names. See id. at 923 (stating NSI is responsible for registration services). Without needing proof of mark ownership, potential registrants simply complete forms at Network Solutions, Inc.'s Web page. See id. at 923-24; Stacy B. Sterling, Comment, New Age Bandits in Cyberspace: Domain Names Held Hostage on the Internet, 17 Loy. L.A. Ent. L.J. 733, 736-37 (1997) (outlining domain registration process).

See Lockheed Martin Corp. v. Network Solutions, Inc., 985 F. Supp. 949, 956-58 (C.D. Cal. 1997) (analyzing plaintiff's argument that defendant's registration of trademark resembling plaintiff's "Skunk Works" mark constituted trademark infringement). See generally, Dow Jones & Co., v. WSJ, Inc., No. 97-7690, 1998 U.S. App. LEXIS 77 (2d Cir. Jan. 6, 1998) (considering whether defendant infringed Dow Jones's registered trademark "The Wall Street Journal" by registering domain name "wallstreetjournal.com"); Intermatic, Inc., v. Toeppen, No. 96 C 1982, 1998 U.S. Dist. LEXIS 15431 (N.D. Ill. Feb. 28, 1998) (examining whether Toeppen infringed Intermatic, Inc.'s trademark by registering "intermatic.com" as domain name).

<sup>&</sup>lt;sup>74</sup> 42 U.S.P.Q. 2d (BNA) 1430, 1441 (S.D.N.Y. 1997).

<sup>&</sup>lt;sup>75</sup> See id. at 1432.

<sup>&</sup>lt;sup>76</sup> See id. (describing information available on Web site).

See id. at 1433. Planned Parenthood is a nonprofit reproductive health care organization. See id.

<sup>&</sup>lt;sup>78</sup> See id. at 1432.

tion Web page welcomed the Internet user with the words "Welcome to the PLANNED PARENTHOOD HOME PAGE!" Bucci was unassociated with Planned Parenthood and actually vehemently opposed Planned Parenthood's activities. 80

Determining that the Lanham Act applied,<sup>81</sup> the court analyzed whether defendant's Web site was likely to cause consumer confusion of plaintiff's mark.<sup>82</sup> The court found that Bucci had intentionally lured an audience intended for Planned Parenthood, thereby inhibiting the search for Planned Parenthood's site.<sup>83</sup> Furthermore, Bucci tried to persuade this audience not to use Planned Parenthood's services.<sup>84</sup> The court concluded that these actions were likely to confuse the consumer.<sup>85</sup> The judge granted a preliminary injunction, enjoining defendant from using any mark which would likely cause dilution to the distinctiveness of plaintiff's mark or likely to confuse Internet users.<sup>86</sup>

In *PPFA*, Bucci's page explicitly said it was Planned Parenthood, and the court applied traditional trademark infringement law as it would to any visible potential infringement.<sup>87</sup> The unique invisibility of meta tags offers additional challenges for courts applying trademark law. If the infringement is invisible to the consumer, is the owner injured, and, if so, does the degree of harm justify rigor-

<sup>&</sup>lt;sup>79</sup> See id.

<sup>&</sup>lt;sup>80</sup> See id. Bucci hosted "Catholic Radio" and opposed the right to abortion and the right to use contraception. See id. He stated that he used Planned Parenthood's mark to "to reach, primarily, Catholics that are disobedient to the natural law." Id. at 1433.

See id. at 1434-35. The court concluded that the Lanham Act applied because the Internet reaches a global audience, Planned Parenthood operates in a majority of the states, and Bucci's marketing of goods and services constituted commercial activity. See id.

See id. at 1435-39. The court focused on the likelihood of consumer confusion and did not analyze the likelihood of dilution. Concluding that the factors under the confusion test were in Planned Parenthood's favor, the court emphasized that Planned Parenthood's mark was very strong due to more than 50 years of continuous use, the Planned Parenthood's and Bucci's ("competitor's") marks were very similar, the competitor's marks were in close competitive proximity, and actual consumer confusion had occurred. See id. However, the court deemphasized the bridge-the-gap factor because Planned Parenthood and Bucci were competing for users in the same market. See id. at 1438. Furthermore, the court found unimportant Bucci's motive in adopting the mark, the quality of Bucci's product, and the sophistication of the purchasers. See id. at 1439. The court held in Planned Parenthood's favor because the Polaroid factor analysis suggested that there was a likelihood of confusion arising from Bucci's use of Planned Parenthood's mark and Bucci failed to raise a defense that would protect his use of the mark. See id. at 1441.

<sup>83</sup> See id. at 1436.

<sup>84</sup> See id.

<sup>&</sup>lt;sup>85</sup> See id. (stating that defendant's Web site misleads Internet users).

<sup>86</sup> See id. at 1435.

<sup>87</sup> See id. at 1433.

ous trademark protection? At least one court has addressed the invisibility issue in another context: the possibility of consumer confusion and trademark dilution from subliminal information.

#### 2. Subliminal Information

The court in *Philip Morris, Inc. v. Star Tobacco Corp.* <sup>88</sup> noted three basic types of consumer confusion that may arise when similar products compete in the marketplace. <sup>89</sup> First, consumers may mistake one mark for another. <sup>90</sup> Second, consumers may mistakenly believe that the two marks are somehow associated. <sup>91</sup> Third, consumer confusion may allow the second user to gain a foothold in the first user's market by exploiting the subliminal association with the first user's famous mark. <sup>92</sup>

Philip Morris argued that the defendant, Star Tobacco, subliminally tied itself to Philip Morris and, therefore, infringed Philip Morris's trademark rights. The defendant allegedly designed its product to resemble Philip Morris's product in an attempt to create subconscious consumer links between Star Tobacco and Philip Morris. For example, Philip Morris and Star Tobacco both use cowboy images on predominately red cigarette packs. Philip Morris argued that the defendant was attempting to profit from the goodwill Philip Morris had established with its customers. The court granted Philip Morris's request for a preliminary injunction.

<sup>&</sup>lt;sup>88</sup> 879 F. Supp. 379 (S.D.N.Y. 1995).

<sup>&</sup>lt;sup>89</sup> *See id*. at 384.

<sup>°</sup> See id.

<sup>91</sup> See id.

See id.

<sup>93</sup> See id. at 385.

<sup>94</sup> *See id*. at 382-85.

<sup>95</sup> See id.

<sup>&</sup>lt;sup>96</sup> See id. at 386.

<sup>&</sup>lt;sup>97</sup> See id. at 389 (basing preliminary injunction on "trade dress" infringement). See generally Sunbeam Prods., Inc. v. West Bend Co., 123 F.3d 246, 251 (5th Cir. 1997) (applying definition of trade dress from Blue Bell Bio-Medical v. Cin-Bad, Inc., 864 F.2d 1253, 1256 (5th Cir. 1989)); Coach Leatherware Co. v. AnnTaylor, Inc., 933 F.2d 162, 168 (2d Cir. 1991) (describing trade dress as total image of good, including its size, shape, color, texture, and graphics).

A product's trade dress is its packaging, labeling, and configuration. See Melissa R. Gleiberman, Note, From Fast Cars to Fast Food: Overbroad Protection of Product Trade Dress Under Section 43(a) of the Lanham Act, 45 STAN. L. REV. 2037, 2039 (1993) (defining trade dress and arguing trade dress protection is too extensive under Lanham Act); Nancy Rubner-Frandsen, Ambience, Subliminal Confusion, Color, Smell, and Sound: The Protection of Non-Verbal

Interestingly, the court emphasized subliminal information in its analysis. The court stated that a trademark owner may create "consumer magnetism" for a trademark by saturating the market with the mark. This consumer magnetism subliminally lures consumers to products affixed with the trademark. The court noted that this subliminal pull explains the existence of advertising and marketing. A continuous onslaught of product images may draw consumers to a particular product through a sense of familiarity. According to the court, this subliminal confusion can overwhelm the most sophisticated buyer. The court concluded that if another "poaches upon" this consumer magnetism, the owner has legal redress. In granting the plaintiff's injunction, the court found that Star Tobacco poached upon consumers' subliminal awareness of the plaintiff's products through its packaging and

Rights Under the Trademark and Unfair Competition Law, C674 A.L.I.-A.B.A. 155, 160 (1991) (presenting expansions in trade dress definition, such as protecting one plaintiff's exclusive use of two marble lions at its entrance).

Trade dress infringement falls under the Lanham Act, and, as such, the *Philip Morris* court applied the likelihood of confusion test. *See Philip Morris*, 879 F. Supp. at 384-87. The *Philip Morris* court also applied a likelihood of dilution test. *See id.* at 389. The Lanham Act at the time did not protect against dilution; instead, the court applied a state anti-dilution statute. *See id.* While *Philip Morris* was concerned with trade dress, the question of trade dress infringement receives the same analysis under the Lanham Act as any other mark. *See id.* at 383. Therefore, this case applies to our analysis.

See Philip Morris, 879 F. Supp. at 385 (providing that subliminal consumer confusion can give rise to legal redress); see also Harry Schiller, Note, First Amendment Dialogue and Subliminal Messages, 11 N.Y.U. REV. L. & SOC. CHANGE 331, 331 (1983) (stating that subliminal stimulus may activate psychodynamic processes, resulting in behavior change). Lanham Act infringements occur when advertisers convert another advertiser's psychological associations for their own use. See id. at 340-41 (describing subliminal infringement under Lanham Act).

99 See Philip Morris, 879 F. Supp. at 384.

See id.; Londontown Mfg. v. Cable Raincoat Co., 371 F. Supp. 1114, 1118 (S.D.N.Y. 1974) (stating that consumers do not recognize marks per se, but through past experience are subliminally drawn to affixed articles). In order to satisfy the California Anti-Dilution Statute, a plaintiff need not prove likelihood of consumer confusion. See Saks & Co. v. Hill, 843 F. Supp. 620, 624 (S.D. Cal. 1993) (stating that to prevail plaintiff must prove only that "there is some subliminal connection in a buyer's mind between the two parties use of their marks").

<sup>101</sup> See Philip Morris, 879 F. Supp. at 384-85.

102 See id

See Grotrian, Helfferich, Schulz, Th. Steinweg Nachf. v. Steinway & Sons, 365 F. Supp. 707, 717 (S.D.N.Y. 1973), quoted in Phillip Morris, 879 F. Supp. at 385.

See Phillip Morris 879 F. Supp. at 386 (ruling in Philip Morris's force court relied at

See Phillip Morris, 879 F. Supp. at 386 (ruling in Philip Morris's favor, court relied on evidence of trade dress similarity: (1) Gunsmoke and Marlboro both use cowboy images on packs; (2) Gunsmoke uses "New Man in Town," engendering in consumer thoughts of Philip Morris's Marlboro Man; (3) one Gunsmoke advertisement referred to "Gunsmoke Country," which is similar to Marlboro's "Marlboro Country;" and (4) both packs are predominantly red in color).

print advertisements. 105

Similarly, the court in Saks & Co. v. Hill<sup>106</sup> also employed the theory of subliminal information.<sup>107</sup> The court emphasized the subliminal component of a mark in deciding whether the defendant's use was likely to cause dilution instead of confusion of the plaintiff's mark.<sup>108</sup> Saks & Co., the plaintiff, alleged that the defendant, by naming a store "Sacks Thrift Avenue," infringed the plaintiff's mark "Saks Fifth Avenue."<sup>109</sup> Sacks Thrift Avenue is the name of a consignment shop that sells used clothing, whereas Saks Fifth Avenue is the name of a well-known store that sells expensive, high quality clothing and accessories.<sup>110</sup> The court found that the defendant subliminally tied its mark to plaintiff's through both appearance and sound.<sup>111</sup> The court concluded that the defendant's use was likely to cause consumer confusion and diluted the plaintiff's mark, and, consequently, permanently enjoined the defendant from further use of the name of Sacks Thrift Avenue.<sup>112</sup>

Several other courts have considered whether trademark infringement may exist through subliminal trademark association.<sup>118</sup>

See id. (holding that Star Tobacco's cigarette packaging and print advertisements could be regarded as efforts to trade upon consumers' subliminal awareness of Marlboro, but Star Tobacco's use of comparison advertising on vans was permissible). The *Philip Morris* court used the theory of subliminal information to decide the second Polaroid factor: the degree of similarity between the two trade dresses. See id.

<sup>&</sup>lt;sup>6</sup> 843 F. Supp. 620 (S.D. Cal. 1993).

See id. at 624-25 (stating that defendant's mark creates threat of damaging value of plaintiff's mark).

See id. The court emphasized the subliminal connection between the marks when it analyzed the likelihood of dilution. See id. As this case preceded the enactment of the federal anti-dilution act, the court analyzed the likelihood of dilution under the California anti-dilution statute. See id.

<sup>109</sup> See id. at 622.

<sup>110</sup> See id.

<sup>111</sup> See id. at 624-25.

<sup>112</sup> See id. at 625.

See Exxon Corp. v. Oxxford Clothes, Inc., 109 F.3d 1069, 1084 (5th Cir. 1997) (considering whether public might make subliminal association between "Exxon" and "Oxxford"); Fruit of the Loom, Inc. v. Girouard, 994 F.2d 1359, 1363 (9th Cir. 1993) (noting importance of subliminal information theory in connection with likelihood of dilution analysis); Playboy Enters., Inc. v. Chuckleberry Publ'g, Inc., 687 F.2d 563, 565 (2d Cir. 1982) (discussing potential subliminal connection between defendant's "Playmen" mark and plaintiff's "Playboy" mark); see also Blumenfeld Dev. Corp. v. Carnival Cruise Lines, Inc., 669 F. Supp. 1297, 1320 (E.D. Pa. 1987) (including "subliminal trademark association" as type of consumer confusion); Londontown Mfg. Co. v. Cable Raincoat Co., 371 F. Supp. 1114, 1118-19 (S.D.N.Y. 1974) (holding that defendant's use of "Smog" for raincoats infringed on "London Fog" mark and focused on subliminal confusion to grant relief).

In discussing this subliminal pull, the court in *Londontown* stated that consumers do not memorize marks. See id. at 1118. Instead, consumers build up "feelings" about marks

Yet courts have not extended this analysis to potential trademark infringement through meta tags on the Internet. *Playboy Enterprises* presents the first opportunity to apply the subliminal information theory to infringement through meta tags.

#### III. PLAYBOY ENTERPRISES

In *Playboy Enterprises*, the judge granted Playboy a preliminary injunction to prevent Designer from further using Playboy's federally registered trademarks as domain names and meta tags.<sup>114</sup> Designer ran the Web pages "www.playboyxxx.com" and "www.playmatelive.com," which visibly displayed the statements "Playmate Live Magazine" and "Get it all here at Playboy." Furthermore, Designer repeatedly used the "Playboy" trademark as meta tags. 116 Playboy argued that Designer, without Playboy's permission, used Playboy's marks in an effort to trade on the goodwill Playboy developed in its marks. 117 The court blocked Designer's use of both the computer addresses and the meta tags. 118

While the court granted Playboy a preliminary injunction, the court did not provide a complete analysis to support the injunc-

through experience. See id. According to the court, "[t]hat feeling may be vague, subliminal it is said, but it comes to consciousness when the article is seen with the trademark affixed." Id. The court in Ortho Pharm. Corp. v. American Cyanamid Co., 361 F. Supp. 1032 (D.N.J. 1973), was one of the first to consider the possibility that trademark infringement could occur through a subliminal connection. The court recognized that it was judging a case in which:

confusion or deception occurs on a subliminal or subconscious level, causing the consumer to identify the properties and reputation of one product with those of another, although he can identify the particular manufacturer of each. The trade-mark laws protect against this kind of psychological confusion implanted by similar trade-marks in the mind of a consumer.

Id. at 1044. The court also outlined previous cases recognizing the possibility of trademark infringement through subliminal trademark association. See id. at 1043-45.

See Playboy Enters. v. Calvin Designer Label, 985 F. Supp. 1220, 1221-22 (N.D. Cal. 1997). The court granted an injunction against Designer's use of domain names that related to Playboy and Designer's use of Playboy's trademarks as meta tags. See id.

See id. at 1221 (enjoining defendants from using Playmate or Playboy trademarks in their Web site or using names in connection with defendant goods in any way).

116 See id.

See generally Playboy Enters.'s Complaint, New York Law Publishing Co. (visited Nov. 6, 1998) <a href="http://www.ljx.com/LJXfiles/playboy/playbcomplaint.html">http://www.ljx.com/LJXfiles/playboy/playbcomplaint.html</a> (on file with author) (referring to goodwill Playboy has in connection with Playboy name).

See Playboy Enters., 985 F. Supp. at 1221 (forbidding defendants from using Playboy trademark deceptively or in ways that create confusion about who is sponsoring material).

tion. In his succinct judicial order, the judge stated that Playboy demonstrated a sufficient likelihood of success on the merits of its trademark infringement, unfair competition, and dilution claims. The court found that the preliminary injunction was necessary to prevent further consumer confusion, and such harm was more severe than the harm the court inflicted on Designer through the injunction. Because the judge ruled that Playboy was likely to prevail on the merits, it is helpful to examine the arguments Playboy made in the case.

In support of its likelihood of confusion claims as to the meta tags, Playboy argued that the public is likely to believe that Designer's page is connected with Playboy due to Designer's unauthorized and deceptive link to Playboy. First, consumers easily recognize Playboy's marks in the marketplace because Playboy used the registered marks on all forms of goods and services, including the Internet. Second, during the time Playboy used the marks, the marks acquired a secondary meaning and consumers associate those marks exclusively with Playboy. Third, the two services are similar. Playboy runs its own Web page at "www.playboy.com," which, like Designer's Web page, offers pictures of nude women on the Internet. Fourth, Playboy's current

demonstrated a sufficient (i) likelihood of success on the merits of its trademark infringement, unfair competition and dilution claims, (ii) irreparable harm if it is not granted a temporary restraining order pending hearing on its motion for a preliminary injunction, (iii) the balance of hardships tipping in its favor, (iv) and the absence of any public interest factors militating against the interim relief sought in its application, to merit and constitute good cause for the issuance of a Preliminary Injunction Order as more particularly described herein.

Id.

See id. at 1221. More specifically, the judge stated that Playboy:

See id.

See Plaintiff's Motion at 8-9, Playboy Enters., 985 F. Supp. 1220 (No. C-97-3204) (on file with author). Plaintiff argued that the relevant test for likelihood of confusion was given in Dr. Seuss Enters. v. Penguin Books, 109 F.3d 1394, 1404 (9th Cir. 1997). See Plaintiff's Motion at 5. Under Dr. Seuss, the relevant factors are: (1) strength of the mark, (2) proximity of the goods, (3) similarity of the marks, (4) evidence of actual confusion, (5) marketing channels used, (6) type of goods and the degree of care likely to be exercised by the purchaser, (7) defendant's intent in selecting the mark, and (8) likelihood of expansion of the product line. See id. These Dr. Seuss factors are an acceptable variant of the Polaroid factors, and, as such, this Note will apply these factors in analyzing Playboy Enterprises.

See Plaintiff's Motion at 1-2.

<sup>&</sup>lt;sup>123</sup> See id. at 6.

<sup>124</sup> See id. at 9.

<sup>125</sup> See id. at 1-2, 6.

and potential customers are unknowingly led to Designer's Web site through meta tags. 126

In support of its trademark dilution claims as to the meta tags, Playboy argued that Designer's use of Playboy's marks reduced the distinctiveness of the marks. Playboy argued that it heavily promoted its "playmate" and "playboy" trademarks and, consequently, the public associated such marks exclusively with Playboy. Defendant's use of the marks, Playboy argued, tarnished Playboy's marks because Designer's goods and services were at least potentially linked to Playboy. 129

The judge concluded that Designer likely violated trademark law by using Playboy's trademarks in Designer's domain name and meta tags. Consequently, the judge issued an injunction covering both domain names and meta tags. The *Playboy Enterprises* court was the first to recognize trademark infringement through the use of another's marks as meta tags. This Note focuses on this significant extension of trademark protection.

#### IV. ANALYSIS

This Note contends that the court correctly decided *Playboy Enterprises*. However, the court's cursory injunctive order provides little guidance for future courts facing potential trademark infringement through meta tags. The Internet is continually expanding, and courts need to keep pace by developing a concurrent body of law that reflects the special attributes of the Internet. While presenting justification for the *Playboy Enterprises* outcome,

<sup>126</sup> See id. at 7-8.

<sup>&</sup>lt;sup>127</sup> See id. at 10-12.

<sup>128</sup> See id. at 11-12.

<sup>129</sup> See id. at 12.

See Playboy Enters. v. Calvin Designer Label, 985 F. Supp. 1220, 1221 (N.D. Cal. 1997).

See id. at 1221-22.

See id.; see also Davis, supra note 5, at B10 (reporting on Playboy Enterprises, discussing impact of meta tags on trademark law, and stating that Playboy Enterprises was first to consider trademark infringement via meta tags).

See generally Universal City Studios, Inc. v. Sony Corp. of Am., 480 F. Supp. 429, 447 (C.D. Cal. 1979) rev'd on other grounds, 464 U.S. 417 (1984) (applying then-current copyright law in first impression case of "new technology" of video tape recorders).

See Universal City Studios, 480 F. Supp. at 447 (stating that, in analyzing "new technology" of video tape recorders, court must resolve new issues within framework of "ill-fitting existing copyright law"). Congress expressly left flexibility in copyright law to accommodate new technology. Id.

the following analysis provides judicial guidance and workable guidelines for companies designing new Web pages. Courts addressing trademark infringement through meta tags should do the following: (1) address meta tags' invisibility; (2) analogize the potential trademark infringement through meta tags to conventional trademark infringement, emphasizing a discussion of subliminal methods; and (3) weigh the public policy benefits of minimal Internet regulation against the need to protect company goodwill and consumer confidence.

#### A. Uniqueness of Meta Tags

Meta tags are unique because, unlike most subjects of trademark infringement cases, meta tags are invisible. Courts must carefully address two ramifications of meta tags' invisibility. First, it may be more arduous for policing agents to detect trademark infringement through meta tags. Therefore, courts should define trademark infringement through meta tags broadly and increase penalties for this type of infringement to deter abuse. Second, courts must realize that invisibility poses a greater threat to consumers than visible infringement. Just as with subliminal information, meta tags cause consumers to draw a subconscious, erroneous connection between one product and another. This connection may cause consumers to conduct business unknowingly with the intended companies' competitors. 137

Second, courts must acknowledge that meta tags are unique sitelocating tools, which in theory lower potential user confusion on the Internet. However, unlike other site-locating tools on the Internet, such as domain names, meta tags allow Web-page design-

Similar to how courts have had to explain other new technology before they analyzed it, courts need to explain the Internet and meta tags. See, e.g., Association of Public-Safety Communications Officials-Int'l v. FCC, 76 F.3d 395, 396-98 (D.C. Cir. 1996) (explaining new forms of communication devices); Digital Accounting Tech., Ltd. v. Commissioner, 70 T.C.M. (CCH) 178, 180 (1995) (explaining new technology of computerized check processors). The Internet is unique because it is the new superhighway for commerce, and it is being inundated with commercial marks. See supra notes 14-16 and accompanying text (documenting recent emergence and dramatic growth of Internet, specifically addressing growth of commercial use).

See supra notes 88-113 and accompanying text (outlining subliminal theory of trademark law).

See Planned Parenthood v. Bucci, 42 U.S.P.Q. 2d (BNA) 1430, 1438 (S.D.N.Y. 1997) (stating that actual confusion is likely due to nature of domain names and home page addresses). Because of the delay while a home page "loads," Internet users may erroneously continue using an unintended site. See id.

ers a unique type of control.<sup>138</sup> Meta tags allow Web-page designers to draw users to their sites without having to write the key words in a manner visible to users.<sup>139</sup> Consequently, with the key words hidden, Web-page owners may reserve the visible level of sites for their topics.<sup>140</sup> While courts must try to prevent infringers from exploiting meta tags, they also must protect legitimate Web-page owners who use meta tags in ways that benefit consumers.<sup>141</sup>

Designer, though, was not operating in good faith when it used the terms "playboy" and "playmate" as meta tags. <sup>142</sup> Instead, Designer deliberately chose meta tags already affiliated with a well-known purveyor of pictures of nude women. <sup>143</sup> Designer's actions suggest that it was using the Playboy name as a shortcut to build its own customer base at Playboy's expense. <sup>144</sup> Therefore, the injunction in *Playboy Enterprises* was appropriate given the illegitimate nature of Designer's meta tags.

#### B. Analogy to Conventional Trademark Law

In addition to recognizing the uniqueness of meta tags, courts

Holding that the defendant's use of plaintiff's trademarks as meta tags fell within the fair use doctrine, the court found that likely Web users would not be confused whether Welles was affiliated with Playboy Enterprises, Inc. See id. Rather, the meta tags accurately reflected the subject of her Web page and helped the Web surfer in locating her Web page. See id. But see META Tagging for Search Engines (visited Oct. 14, 1998) <a href="http://www.stars.com/Location/Meta/Tag.html">http://www.stars.com/Location/Meta/Tag.html</a> (on file with author) (noting Excite engine does not honor meta tags because, according to Excite, meta tags may create unreliable information).

See supra notes 28-34 and accompanying text (discussing how Web authors utilize meta tags).

See supra notes 30-34 and accompanying text (noting benefit to Web authors of meta tags).

tags).

See Mrsich, supra note 28, at 3-4 (discussing how meta tags allow Web operators to remove index terms from visible portion of Web page).

See Playboy Enters., Inc. v. Welles, 7 F. Supp. 2d 1098, 1104 (S.D. Cal. 1998); Mrsich, supra note 28, at 3-4 (discussing importance of protecting legitimate page owners). As in the instant case, the defendant in Welles used the terms "Playboy" and "Playmate" as meta tags in her Web site featuring nude pictures of women. See Welles, 7 F. Supp. at 1100-01. However, the defendant in Welles used the terms to identify that she was a former playboy playmate, and, therefore, was once affiliated with Playboy Enterprise, Inc. See id. at 1101, 1104. Denying the plaintiff's motion for a preliminary injunction, the court held that the defendant used plaintiff's trademarks in good faith to identify her and the subject of her Web site. See id. at 1104.

See supra notes 114-32 and accompanying text (presenting facts of *Playboy Enterprises* case). See generally Welles, 7 F. Supp. 2d at 1104 (presenting example of using meta tags in good faith to help rather than to confuse Web surfers).

See Playboy Enterprs.'s Complaint, New York Law Publishing Co. (visited Oct. 14, 1998) <a href="http://www.ljx.com/LJXfiles/playboy/playbcomplaint.html">http://www.ljx.com/LJXfiles/playboy/playbcomplaint.html</a> (on file with author).

See id.

should use the well-developed body of trademark law as a springboard, drawing analogies between the subjects of past trademark disputes and meta tags. 145 For example, just as in PPFA, the Playboy Enterprises court could have justified its decision by holding that Designer similarly created a consumer association between Designer and Playboy. Even though invisible, Designer's meta tags lured consumers from Playboy.<sup>146</sup> Thus, Designer created an association between the two companies comparable to how Bucci's domain name drew the attention of Planned Parenthood's clients. Even though PPFA involved domain names and Playboy Enterprises involved meta tags, the two cases contain similar facts: infringers using the Internet to create consumer confusion and lure customers away from legitimate businesses. 147 This analogy between meta tags and domain names creates a clear extension of existing trademark law, but still fails to account for meta tags' uniqueness of invisibility.

Both domain names and meta tags are useful in locating Web sites and both exist solely on the Internet. However, meta tags' invisibility makes them distinct from domain names. For example, if an entity other than Shell Oil Company registered the domain name "shelloil.com," a court would likely find trademark infringement. However, it would be unreasonable to prevent a beach novelty store from using the meta tags "shell" and "tanning oil" as lures to its Web site. Therefore, courts should look beyond conventional trademark law when deciding cases involving infringe-

See generally Scott E. Bain, Examining Traditional Legal Paradigms in a Non-Physical Environment: Need We Invent New Rules of the Road for the Information Superhighway?, 12 BERKELEY TECH. L.J. 231, 234-35 (1997) (focusing on Professor Henry Perritt's belief that existing legal principles and paradigms sufficiently cover trademark Internet issues).

See Playboy Enters. v. Calvin Designer Label, 985 F. Supp. 1220, 1220-22 (N.D. Cal. 1997) (enjoining defendants from engaging in any act causing erroneous belief that connection exits between plaintiff's and defendant's business activities).

<sup>&</sup>lt;sup>147</sup> See supra notes 74-87, 114-32, and accompanying text (discussing Planned Parenthood and Playboy Enterprises).

See supra notes 12-33 and accompanying text (defining Internet and Web search tools).

tools).

149 Cf. Comp Examiner Agency, Inc. v. Juris, Inc., No. 96-0213-WMB (CTX), 1996 WL 376600, at \*1-\*2 (C.D. Cal. Apr. 26, 1996) (holding that Comp Examiner Agency, Inc. infringed Juris, Inc.'s registered trademark "Juris" when Comp Examiner used "juris.com" as domain name, and granting Juris, Inc. right to domain name). But see Lockheed Martin Corp. v. Network Solutions, Inc., 985 F. Supp. 949, 963-68 (C.D. Cal. 1997) (holding Network Solutions, Inc. not liable for infringing Lockheed Martin Corp.'s trademark because Network Solutions, Inc. did not use mark in commerce); Landau, supra note 15, at 500-01 (noting multiple parties may sometimes use same mark, as when using mark in connection with different products).

ment through meta tags.

Subliminal information case law provides a better justification for *Playboy Enterprises* and more fully captures meta tags' critical factor of invisibility. Philip Morris presents facts similar to the facts in Playboy Enterprises. The Philip Morris court found that Star Tobacco intentionally designed its product to create a subconscious consumer link between Star Tobacco and Philip Morris, an action likely to cause consumer confusion. 150 Designer created its Web page in an analogous manner to invoke consumer association between Designer and Playboy.151

The Saks court emphasized the subliminal element of trademark infringement in testing for likelihood of trademark dilution.<sup>152</sup> However, the Philip Morris court only focused on the subliminal element in testing for likelihood of consumer confusion.<sup>153</sup> While emphasizing the subliminal element in different infringement tests, the courts both accepted that the subliminal element existed and merited analysis. 154 Furthermore, both courts carefully analyzed the potential subliminal product link in granting injunctions against future trademark infringement. 155

Like Star Tobacco and Hill, Designer created Playboy-related meta tags so that Playboy's customers would find Designer's adultoriented Web page. 156 Playboy's customers were likely confused, unaware of what truly enticed them to visit Designer's Web page. 157 Furthermore, consumers doubtlessly presumed that Designer's page was affiliated with Playboy. 158 Thus, the Playboy name lost its

See Philip Morris, Inc. v. Star Tobacco Corp., 879 F. Supp. 379, 386 (S.D.N.Y. 1995).

See Playboy Enters., 985 F. Supp. at 1221-22 (noting that plaintiff will likely succeed on merits and in proving false designation of origin and false representation).

<sup>&</sup>lt;sup>152</sup> See Saks & Co. v. Hill, 843 F. Supp. 620, 624-25 (S.D. Cal. 1993). Unlike Philip Morris, Saks emphasized the subliminal element of the trademark in its finding that Hill's actions were likely to dilute the plaintiff's trademark. See id. The likelihood of confusion and likelihood of dilution tests both analyze potential trademark infringement albeit from opposite perspectives. See id. While likelihood of confusion looks at the potential infringement from the perspective of the consumer, likelihood of dilution looks at the potential infringement from the perspective of the trademark owner. See id.

See Philip Morris, 879 F. Supp. at 389.

See id.; Saks, 843 F. Supp. at 624.

<sup>&</sup>lt;sup>155</sup> See Philip Morris, 879 F. Supp. at 389; Saks, 843 F. Supp. at 624.

See generally Landau, supra note 15, at 501-02 (noting Internet user will likely be confused in accessing unintended site).

See id. at 509 (stating that if Web operator uses domain name identical to name or trademark of unaffiliated company, Internet user may mistakenly infer affiliation between operator and company).

distinctive character because the name no longer identified only Playboy's products.

Philip Morris and Saks concerned infringement that was perhaps undetectable by consumers but was certainly visible to Philip Morris, Inc. and Saks & Co., as evidenced by the lawsuits. Therefore, even though subliminal to the consumer, Philip Morris, Inc. and Saks & Co. could easily detect the false affiliation and take the necessary steps to stop the infringement. <sup>159</sup> Conversely, with meta tags, companies can only detect infringement indirectly by conducting searches with engines, using their trademarks as key words. 160 The companies could then look for Web pages identified by the engine that do not contain the keywords in the main level of the Web page and are not affiliated with their organization. This search might be feasible if the company's trademark is unique, such as "Nordic Trak," because a manageable number of Web pages exist that use the name "Nordic Trak." However, such searches would prove virtually impossible for companies with common names, such as the Shell Oil Company with the trademark "Shell" - an engine would locate an unmanageable number of Web pages to sort through. 162 Therefore, while subliminal information cases offer better analogies than domain name cases for courts facing meta tags, the analogy is still imperfect.

Meta tags are unique, and courts need to treat them as such. Congress may develop meta tag-specific law at some point, but in the interim courts must extend trademark law to workably protect against trademark infringement through meta tags. Specifically, courts should account for the specific benefits and costs of regulation on the Internet while developing law relating to meta tags.

Because visible infringement is visible by definition, Philip Morris, Inc. and Saks & Co. could learn of potential infringements through various methods, including simply word of mouth.

One of the most beneficial aspects of meta tags, namely their invisibility, creates a more difficult search for potential infringement. Consequently, a company would have to be much more active to discover infringement via meta tags than with visible infringement.

<sup>&</sup>lt;sup>161</sup> See Altavista (visited Oct. 21, 1998) <a href="http://www.altavisa.com./cgibin/query?pg=q&q=nordictrack">http://www.altavisa.com./cgibin/query?pg=q&q=nordictrack</a> (on file with author). On October 21, 1998, a search of the brand name "Nordic Trak" located 118 Web pages. See id.

See Altavista (visited Oct. 21, 1998) <a href="http://www.altavista.com/cgi-bin/query?pg=q&q=shell">http://www.altavista.com/cgi-bin/query?pg=q&q=shell</a> (on file with author). On October 21, 1998, a search of the term "shell" located 794,350 Web pages. See id.

See Universal City Studios, Inc. v. Sony Corp. of Am., 480 F. Supp. 429, 456 (C.D. Cal. 1979), modified, 659 F.2d 963 (9th Cir. 1981) (stating that Congress expressly left flexibility in copyright law for application to new technology).

## C. Benefits Versus Cost Analysis

As explained above, the Internet is an effective linking system which boasts extraordinary growth and infinite possibilities. However, many suggest the Internet would fall far short of its potential but for today's light regulation of the Internet. Arguably, expanding trademark protection to include meta tags will move the current Internet regime one step closer to full Internet regulation. Thus, courts must weigh arguments to expand trademark protection to meta tags against arguments to limit Internet regulation. 166

The three often-cited theories<sup>167</sup> behind protecting trademarks

See Higgins, supra note 164, at 24,415 (questioning further regulation of Web).

See Amy Grason, Note, IBM v. Comdisco: Are Modified 3090 Computers Counterfeit?, 13 J. MARSHALL J. COMPUTER & INFO. L. 93, 112-15 (1994) (identifying three public policies supporting trademark protection); see also Jacob Laufer, Good Faith and Fair Dealing With the American Consumer, 1987 COLUM. BUS. L. REV. 167, 167, 173-74 (1987) (discussing benefits of trademark protection).

See Amy Grason, supra note 166, at 112-15 (1994). According to Grason, there are three theories supporting trademark protection: protecting products' ability to indicate source, encouraging production of high quality products, and protecting company goodwill. See id.; see also Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 774 (1992) (stating that purposes of trademark protection under Lanham Act are to enable consumers to distinguish among competing producers, to protect business's goodwill, and to encourage maintenance of product quality) (citing Park 'N Fly v. Dollar Park & Fly, 469 U.S. 189, 198 (1985)); S. REP. No. 79-1333 (1946), reprinted in 1946 U.S.C.C.A.N. 1274-75 (stating that trademarks enable consumers to distinguish competing goods, encourage maintenance of quality, and secure advantage of goodwill to businesses); Baila H. Celedonia, Review of the Basic Principles of Trademark Law, 559 PLI/Lit 147, 149, 153 (Mar. 1997) (stating that trademarks identify source or origin of goods or services, symbolize goodwill, and act as warranty of quality); Ethan G. Zlotchew, "Scandalous" or "Disparaging"? It Should Make a Difference in Opposition and Cancellations Actions" Views on the Lanham Act's Section 2(A) Prohibitions Using the Example of Native American Symbolism in Athletics, 22 COLUM.-VLA J.L. & ARTS 217, 220 (1998) (noting that use of trademarks helps consumers identify product or service's origin, gives providers of goods or services incentive to create high quality products or provide high quality services, and protects business's goodwill).

See Reno v. ACLU, 117 S. Ct. 2329, 2343 (1997) (justifying decision striking down Communications Decency Act by stating that Internet is not as invasive as other broadcast mediums because it does not appear on one's computer screen unbidden); JOSEPH S. FABER, REGULATION OF THE INTERNET: A LESSON IN REACHING TOO FAR A.B.A. — LGLED D-11 (1997) (criticizing past attempts to regulate Internet, noting deficit in court's understanding of Internet, and positing that future courts must protect First Amendment freedoms against legislative attempts at regulation or else risk harming free flow of ideas and information across Internet); Donna M. Higgins, Federal Courts Set a Trend in Rulings on Internet Regulation, 1997 Andrews Computer & Online Indus. Litic. Rep. 24,415, 24,415 (criticizing "kneejerk-reaction" attempts to regulate Internet); Courts Batting 1,000 on Internet Regulations, 10 No. 6 SOFTWARE L. BULL. 131, 131 (1997) (agreeing with recent decisions holding against Internet regulation). But see April Mara Major, Internet Red Light Districts: A Domain Name Proposal for Regulatory Zoning of Obscene Content, 16 J. MARSHALL J. COMPUTER & INFO. L. 21, 21-23 (1997) (noting that Internet has enjoyed independence, but arguing Internet regulation is now necessary, especially in pornography realm).

support the expansion of protection to meta tags.<sup>168</sup> The first theory balances buyers' and sellers' benefits.<sup>169</sup> This theory suggests that trademarks increase buyers' awareness of what they are buy-

However, others have focused on one or two of these theories. See United Drug Co. v. Theodore Rectanus Co., 248 U.S. 90, 97 (1918) (stating that functions of trademark law are to designate goods as product of particular source and protect that source's goodwill); Hanover Milling Co. v. Metcalf, 240 U.S. 403, 412-14 (1916) (stating that purposes of trademarks are to identify origin or ownership and protect party's interest in goodwill); Marshak v. Green, 746 F.2d 927, 929 (2d Cir. 1984) (stating that trademark is symbol of goodwill); Thomas Pride Mills, Inc. v. Monsanto Co., 155 U.S.P.Q. (BNA) 205, 208 (N.D. Ga. 1967) (stating that primary functions of trademarks are indication of single source of origin and assurance of quality); Minneapple Co. v. Normandin, 338 N.W.2d 18, 22 (Minn. 1983) (noting that purpose of trademark law is to prevent public confusion by identifying source of goods and prevent misappropriation of business's goodwill); Adam Eric Jaffe, Red Alert! Add-On Games are Coming!, 8 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 655, 658 n.17 (1998) (noting that trademarks have dual purpose of identifying source of goods and services and symbolizing goodwill of particular trademark owner); Clark W. Lackert, Introduction to the Parallel Imports Controversy: Trade or Trademark Policy?, 1987 COLUM. BUS. L. REV. 151, 157 (1987) (stating that one of the purposes behind Lanham Act is to protect trademark owner's goodwill); Chad M. Smith, Undressing Abercrombie: Defining When Trade Dress is Inherently Distinctive, 80 J. PAT. & TRADEMARK OFF. SOC'Y 401, 433 (1998) (stating that purpose of trademark is to designate goods as product of particular source); Justin D. Swindells, Repackaging Original Trademarked Goods: Trademark Exhaustion or Consumer Confusion?, 7 FED. CIRCUIT B.J. 391, 414 (1997) (recognizing association of producer's goodwill with quality of its product as legitimate purpose of trademark law); Mitchell M. Wong, The Aesthetic Functionality Doctrine and the Law of Trade-Dress Protection, 83 CORNELL L. REV. 1116, 1121-23 (1998) (identifying encouragement of production of high quality products and protection of firm's reputation as specific goals of trademark law).

While still acknowledging these theories, some have identified additional theories. See S. REP. NO. 98-627, at 3 (1984), reprinted in 1984 U.S.C.C.A.N. 5718-19 (stating that some of functions of trademarks are enabling businesses to identify their goods or services, indicating level of quality of goods or services, and symbolizing owner's goodwill); MCCARTHY, supra note 40, § 3:2 (stating that functions of trademarks include identification of source of goods, indication of level of quality, and advertising goods, and noting that trademarks are symbols of business's goodwill); Marlene B. Hanson & W. Casey Walls, Protecting Trademark GoodWill: The Case for a Federal Standard of Misappropriation, 81 TRADEMARK REP. 480, 480, 482-86 (1991) (recognizing indication of source or origin and depiction of product quality as traditional trademark functions, and advertising as additional function); Sheldon H. Klein, Introduction to Trademarks, 451 PLI/Pat 57, 60 (July 1996) (stating that trademarks identify source of goods or services, symbolize and protect company's goodwill, represent consistent quality, and act as advertising tools); William T. Vuk, Protecting Baywatch and Wagamama: Why the European Union Should Revise the 1989 Trademark Directive to Mandate Dilution Protection for Trademarks, 21 FORDHAM INT'L L.J. 861, 868-76 (1998) (stating that functions of trademarks include serving as designators of source of origin, quality connotaters, embodiments of trademark owner's goodwill, and advertising agents).

See Peter W. Smith, Note, Trademarks, Parody, and Consumer Confusion: A Workable Lanham Act Infringement Standard, 12 CARDOZO L. REV. 1525, 1531 (1991) (stating that trademarks are essential to competition as they enable buyers to distinguish between products); Weiswasser, supra note 16, at 164-80 (considering whether trademark law should protect domain names and concluding that domain names, due to ability to distinguish and identify products and services, warrant trademark protection).

See Grason, supra note 166, at 112 (analyzing traditional "source" view of trademark protection).

ing.<sup>170</sup> The more comfortable buyers are in the marketplace, the less skeptical they will be and, therefore, the more frequently they will participate in the market.<sup>171</sup>

Conversely, the first theory also suggests sellers benefit from trademark protection because their efforts are rewarded with customer recognition.<sup>172</sup> Customer recognition brings repeat and new business to the company with less company effort.<sup>173</sup> Therefore, sellers are willing to invest resources in their trademarks to create and maintain this draw to their products.<sup>174</sup>

The first theory clearly supports expanding trademark protection to include meta tags. If trademark law permitted a Web-page designer to freely use another's trademarks as meta tags, Internet users might inadvertently access an unintended page. Moreover, the user might assume that the page belongs to or is affiliated with the trademark owner. Not only does this use of meta tags skim customers away from the intended company, but it also creates uncertain, confused, and distrustful consumers. Consumer confusion may reduce consumer use of the Internet. For example, a buyer's discovery that he unknowingly purchased from Designer instead of Playboy may discourage additional business transactions on the Internet. Even if the quality of Designer's product equals or exceeds Playboy's quality, the user may fear not being so lucky in the future and resent the manipulation. Therefore, the harm

See Laufer, supra note 166, at 174 (discussing problems associated with parallel imports of trademarked goods moving into United States marketplace)

ports of trademarked goods moving into United States marketplace).

171 See RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 9 cmt. c (1995) (stating that trademark protection encourages investment); Smith, supra note 168, at 1531 (noting that trademarks are essence of competition as they enable buyers to distinguish between products).

<sup>&</sup>lt;sup>172</sup> See Smith, supra note 168, at 1531 (citing S. Rep. No. 1333, 79th Cong., 2d Sess. 3).

<sup>173</sup> See id. at 1531-32.

See generally id. (outlining policy behind trademark legislation).

See Cardservice Int'l, Inc. v. McGee, 950 F. Supp. 737, 740 (E.D. Va. 1997) (holding that consumers were likely confused by virtually identical domain names and services); Landau, supra note 15, at 502 (stating unregulated use of other's trademarks would create confusion in marketplace). But see Playboy Enters. v. Welles, 7 F. Supp. 2d 1098, 1104 (S.D. Cal. 1998) (providing example of noninfringing use of another's trademark).

See Landau, supra note 15, at 502 (outlining potential problems of free use of other's trademarks).

<sup>&</sup>lt;sup>177</sup> See id. 501.

<sup>178</sup> See id.

See Lars H. Liebeler, Note, Trademark Law, Economics and Grey-market Policy, 62 IND. L.J. 753, 755 (1987) (proposing that consumers distrust product trademarks once they find them to be unreliable in indicating characteristics of product).

<sup>180</sup> See id. at 763-64.

to Playboy and Internet users from Designer's actions exceeds any benefit Designer may have drawn from its actions.

The second trademark theory also supports the expansion of protection to include meta tags. According to this theory, if consumers can identify companies' trademarks, they will be better able to distinguish between high and low quality products and services. Consequently, consumers will be better equipped to evaluate market prices, market prices will better reflect the item's value, and the market will operate more efficiently. 182

Playboy did not explicitly allege that Designer's products or services were of inferior quality. However, Playboy did allege that Designer's actions were tarnishing 183 its trademarks. Even assuming no tarnishing occurred, without the preliminary injunction, Designer would have had free reign to offer products of varying quality. The court would have essentially forced Playboy to continually evaluate Designer's products or spend additional money distinguishing its products from Designer's. Therefore, the court's injunction prevented consumers from reaching a potentially lower quality product from Designer when they intended to reach Playboy.

Finally, the third trademark theory also supports expanding protection to include meta tags. This theory emphasizes the trademark owner's rights and suggests that trademarks are embodiments of the seller's goodwill. This theory suggests that trademarks are solely for the benefit of their owners and, as such, should be protected as rigorously as other property rights. Even more

See Grason, supra note 166, at 113-14 (outlining modern "quality" view behind trademark protection).

See generally id. (discussing modern trademark protection arguments). This relationship applies to the global market of the Internet as well. See id. Trustworthy rather than deceptive information on the Internet helps insure that well-informed consumers will make well-informed purchases. See id. at 121-22.

See Playboy Enters.'s Complaint, New York Law Publishing Co. (visited Oct. 4, 1997) <a href="http://www.ljx.com/LJXfiles/playboy/playbcomplaint.html">http://www.ljx.com/LJXfiles/playboy/playbcomplaint.html</a> (on file with author) (stating that Designer's infringement diluted Playboy's trademark quality). Tarnishment occurs "when a famous mark is linked to products of poor quality or is portrayed in an unwhole-some manner." Panavision Int'l, L.P. v. Toeppen, 945 F. Supp. 1296, 1304 (C.D. Cal. 1996).

See supra notes 119-29 and accompanying text (outlining Playboy's argument on Calvin's allegedly infringing trademark use).

See Veronica J. Cherniak, Comment, Ornamental Use of Trademarks: The Judicial Development and Economic Implications of an Exclusive Merchandising Right, 69 Tul. L. Rev. 1311, 1330-31 (1995) (outlining United States Court of Customs and Patent Appeals' recognition of trademark owner's efforts in creating goodwill); Grason, supra note 166, at 114 (discussing recent "good will" view behind trademark protection).

<sup>&</sup>lt;sup>186</sup> See Laufer, supra note 166, at 173 (stating that because work has already been per-

than the first two trademark theories, this theory supports the judge's decision in *Playboy Enterprises* regarding meta tags. Sellers generally earn customer goodwill if they consistently provide consistent high quality products and services. Designer lured consumers to its products in an underhanded way and essentially poached upon Playboy's customer base. Consequently, Playboy was not able to realize all of the benefit from the efforts it expended in creating this goodwill. Therefore, the court was correct to grant the injunction against Designer.

The direct future impact of *Playboy Enterprises* may only be slight, but the case may indirectly erode the traditional conception of a regulation-free Internet. A general counterargument to the *Playboy Enterprises* decision, and similar decisions which regulate the Internet, is that the Internet was conceived as an alternative world with little, if any, regulation, and trademark protection should not apply. One arguable benefit of a regulation-free Internet is that less regulation fosters creativity and development. In the wake of *Playboy Enterprises*, courts need to balance the interest in maintaining a relatively regulation-free Internet environment with the policy that supports expanding trademark protection to

formed, person who uses another's established trademark unjustly benefits from expenses and efforts of trademark owner). See generally Dennis S. Corgill, Measuring the Gains of Trademark Infringement, 65 FORDHAM L. REV. 1909, 1965 (1997) (presenting method of measuring gains one derives from trademark infringement, such as avoiding fixed cost marketing efforts); Paul E. Schaafsma, An Economic Overview of Patents, 79 J. PAT. & TRADEMARK OFF. SOC'Y 241, 246-51 (1997) (discussing, in context of patents, economic rewards of exclusive use of valuable intellectual property). After establishing a strong and valuable trademark, the creator's costs decrease relative to revenue. See Corgill, supra, at 1941-49.

<sup>187</sup> See, e.g., Laufer, supra note 166, at 171-72.

See Sally M. Abel, Trademark Issues in Cyberspace: The Brave New Frontier, 451 PLI/PAT 151, 165-66 (1996) (presenting argument against trademark protection on Web).

151, 165-66 (1996) (presenting argument against trademark protection on Web).

See id. Arguing laissez-faire, many Web operators respond with shock that trademark owners would attempt to control their marks on the Internet. See id.; Eric Schlachter, The Intellectual Property Renaissance in Cyberspace: Why Copyright Law Could Be Unimportant on the Internet, 12 Berkeley Tech. L.J. 15, 49-51 (1997) (concluding that traditional copyright law is generally inapplicable to Internet and positing that elimination of infringements is impossible and perhaps undesirable).

See Coe William Ramsey, Note, Burning the Global Village to Roast a Pig. The Communications Decency Act of 1996 Is Not "Narrowly Tailored" in Reno v. ACLU, 32 WAKE FOREST L. REV. 1283, 1321 (1997) (hailing importance of preserving free flow of Internet information). In 1997, some members of Congress introduced the Internet Protection Act of 1997 with the stated intention "to support rapid and efficient technological and commercial innovation, deployment, and adoption of Internet information services, it shall be the policy of the United States to rely on private initiative and to avoid, to the maximum extent possible, government restriction or supervision of such services." Internet Protection Act of 1997, H.R. 2372, 105th Cong. § 2 (1997).

include meta tags. 191

Applying trademark law to the Internet is crucial if courts are to preserve business integrity and protect Internet transactions. Trademark law is especially applicable to the Internet because the Internet facilitates trademark infringers who could easily reach millions of consumers. If trademark law did not protect companies' goodwill, companies would likely invest fewer resources to establish a quality reputation for their products, especially in unknown territories such as the Web. Instead, less concerned about repeat business, companies would produce goods of lesser quality. In a capitalist society, full and accurate information works to increase the efficiency of the market. Left unfettered, prolific use of Designer's tactics would diminish the reliability of information available for commercial use of the Internet and decrease market efficiency.

#### **CONCLUSION**

According to one judge, "Just one whittle taken from a stick de-

See Sony Corp. of Am. v. Universal City Studios, Inc., 464 U.S. 417, 450-51 (1984) (noting precarious balance of society's interest in free flow of ideas and suppliers' interest in controlling fruits of their efforts); Major, *supra* note 164, at 21-23 (arguing balance now swings in favor of regulation).

See Major, supra note 164, at 34-35 (positing that without increased regulation Internet information will be less credible). Without further regulation, some argue that many will soon discount Internet information. See id.

See supra notes 12-16 and accompanying text (explaining Internet scope).

See RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 9 cmt. c (1995) (stating that trademark protection encourages investment in quality and service by trademark owner).

See Courtenay Brian Allen, Note, Holiday Inns, Inc. v. 800 Reservation, Inc.: Defining Use of a Mark and the Source of Confusion in Trademark Infringement, 49 BAYLOR L. REV. 847, 862 (1997) (stating that investors would invest less in quality enhancing endeavors without protection of goodwill); Michael G. Frey, Comment, Is It Fair to Confuse? An Examination of Trademark Protection, the Fair Use Defense, and the First Amendment, 65 U. CIN. L. REV. 1255, 1261-63 (1997) (positing that protecting trademark owner's goodwill encourages owner to produce quality products).

See Kent Greenfield, The Unjustified Absence of Federal Fraud Protection in the Labor Market, 107 YALE L.J. 715, 730 (1997) (stating, in context of labor market, that capital market allocation efficiency depends on free flow of information); George B. Hawkins, Public and Private Company Differences Have Major Valuation Implications, 17 No. 8 Fair\$hare 2, 5 (1997) (discussing market efficiency's dependence on widely available information in context of securities market); Paul M. Schwartz, Privacy and the Economics of Personal Health Care Information, 76 TEX. L. REV. 1, 7 (1997) (positing that wide access to personal information in labor market increases economic efficiency).

See supra note 192 and accompanying text (discussing benefits of complete and accurate information).

stroys the possibility that the stick can ever be made whole." Similarly, every infringement against one's trademark acts to permanently harm its distinctiveness. The Internet is a new world with little regulation, and meta tags are a useful search device. Courts need to find a way to adapt current case law to this new world in order to reduce consumer confusion. While perhaps Designer did not infringe Playboy's trademarks in a conventional manner, its actions were just as likely to harm Playboy's business by diverting customer attention as conventional, visible trademark infringement. Therefore, the judge, in order to prevent further harm, was correct in granting Playboy a preliminary injunction. Yet the *Playboy Enterprises* court failed to provide courts with guidance on how to handle similar situations in the future.

Courts addressing trademark infringement through meta tags need to follow a firm analytical framework in order to provide Web-page designers and trademark owners with clear legal guidelines. First, courts need to explain the role of the Internet in commerce and the unique attributes of meta tags. Second, courts should analogize the potential trademark infringement through meta tags to more conventional trademark infringement, emphasizing a discussion of subliminal methods. Finally, courts must weigh the public policy benefits of minimal regulation on the Internet against the need to protect company goodwill and consumer confidence. This mode of analysis accounts for the trademark owners' interest in protecting their marks while allowing the Web to attain its full commercial potential. Once whittled on, a trademark will never again be as distinct. Therefore, courts must rigorously protect trademarks against infringement through meta tags while exercising the utmost care not to discourage creativity and commerce on the Internet.

Adam S. Chinnock

Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. B.E. Window Corp., 937 F. Supp. 204, 209 (S.D.N.Y. 1996) (examining potential damage to Combined Shows' trademark through continued use by B.E. Window Corp).