

# Oh, What a Tangled Web

*The subtle difference between metatag usage as "fair use" and invisible infringement*

Internet websites are commonly accessed by one of three methods. A user who knows a site's domain name can type it into the address line on the browser. Alternatively, a known website may provide a link to the target. However, more often than not, a search is necessary.

In searching, or surfing, the Internet, the surfer typically uses a search engine such as Google or Yahoo!, types in a few key words (with certain modifiers), and clicks "search." The search engine generates a list of sites containing the search terms entered, with a link to and a short description of each. The sites are ranked, with those most closely matching the entered terms at the top of the list. As search results may list thousands of sites, it is advantageous for an entity to have its name near the top of the list.

In determining the extent to which a site matches entered key words, search engines use data from three main sources: the site's domain name, its visible text, and text present in the source code underlying the site, but not visible to the surfer—metatags. Frequently, metatags weigh very heavily in determining a site's rank in the search results.

The metatag browser feature provides an incentive for webmasters to load up a site with multiple copies of metatags containing not only their own marks, products, and services, but those of their competitors. Predictably, this practice has led to claims of trademark infringement, unfair competition, and dilution under the Lanham Act.

## Statutory Trademark Protection Under the Lanham Act

Analysis of American trademark law ordinarily starts with the federal Lanham Act.<sup>1</sup> Section 32(1) of the Lanham Act provides:

*Any person who shall, without the consent of the registrant—*

*(a) use in commerce any reproduction, counterfeit, copy or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; shall be liable in a civil action by the registrant for the remedies hereinafter provided.*

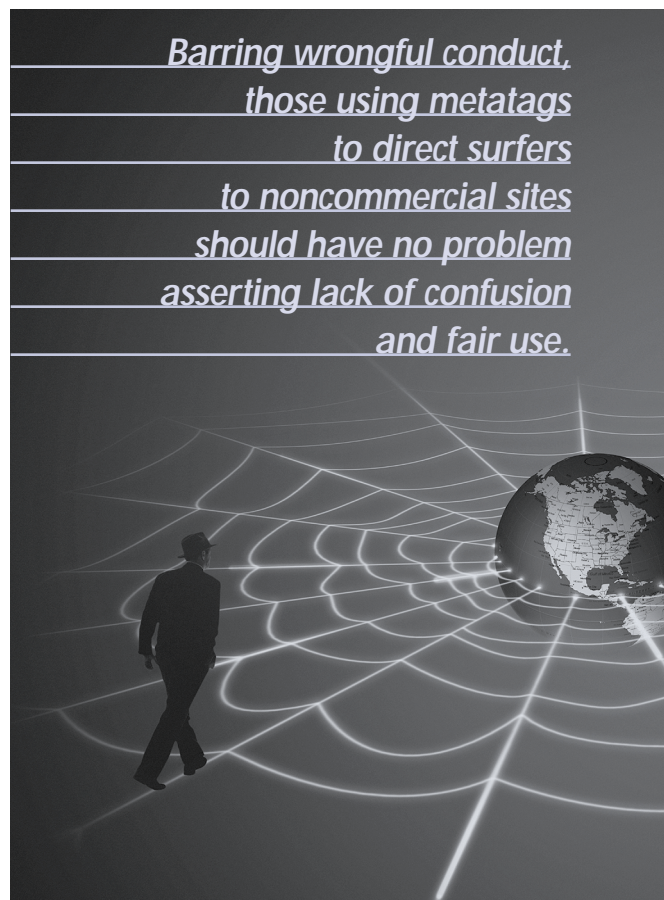
Section 43 of the act (unfair competition) provides protection to owners of both unregistered and registered marks and protects against dilution of famous marks.

Notwithstanding these provisions, there is no protection under the act if the conduct complained of constitutes a "fair use," defined as use "otherwise than as a mark... of a term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin."<sup>2</sup> According to *Playboy Enterprises, Inc v Terri Welles, Inc*, the "'fair use' defense, in essence, forbids a trademark registrant to appropriate a descriptive term for his exclusive use and so prevent others from accurately describing a characteristic of their goods."<sup>3</sup> Virtually every metatag decision involves claims of infringement, unfair competition, or dilution under the Lanham Act. Most involve application of the fair use doctrine.

## The Lanham Act, Domain Names, and Metatags

For years, mark owners have been successfully asserting their Lanham Act rights against individuals registering domain names

*Barring wrongful conduct, those using metatags to direct surfers to noncommercial sites should have no problem asserting lack of confusion and fair use.*



containing protected marks, or cybersquatters. In 1999, Congress passed the Anti-Cybersquatting Consumer Protection Act,<sup>4</sup> which provides that the owner of a distinctive, famous, or registered mark may recover damages from one who, in bad faith, registers, traffics in, or uses a domain name incorporating the mark. For distinctive or famous marks, the act extends to domain names incorporating confusingly similar marks, as well. Accordingly, it is now well-established that use of a domain name incorporating another's mark is often actionable.<sup>5</sup>

In many domain name cases, the defendant has also used the mark, or common

misspellings of it, in metatags. In some earlier cases, courts treated the metatag issue in a cursory fashion, without considering the differences between metatags and domain names. However, those differences are substantial:

1. The Anti-Cybersquatting Consumer Protection Act does not apply to metatags.<sup>6</sup>
2. A search engine's ability to locate and rank sites is typically dependent upon a site's metatags, not its domain name.
3. Use of a domain name takes the surfer directly to the site. Thus, by using another's mark as a domain name, a webmaster guarantees that users typing "www.[mark].com" will arrive at the "wrong" (infringing) site. In contrast, a metatag-based key word search provides the surfer with a list, providing links *and descriptions* of multiple sites, including that of the mark owner.
4. Given the finite number of domain names containing just the correct spelling of a particular mark (for example, www.chrysler.com), it is impossible to enforce the Lanham Act and avoid confusion without placing substantial restrictions on speech. Content-neutral restrictions on speech may not "burden substantially more speech than is necessary" to further a substantial government interest.<sup>7</sup> With respect to metatag-dependent search engines, several alternatives exist that would prevent confusion while minimally burdening the metatag user's speech. For example, requirements could use special metatags for registered marks, requiring disclaimers, and limiting the number of metatags in "unofficial" sites.
5. Restricting usage of marks and close approximations in metatags restricts more speech than restricting mark usage in domain names.

In attempting to account for these factors while enforcing the provisions of the Lanham Act, courts have reached varying results.

### The *Brookfield* Metatag Decision

The number of case decisions regarding metatags has grown rapidly since 1997. One of the most influential metatag cases decided to date is the 1999 federal appellate decision

*Brookfield Communications, Inc v West Coast Entertainment Corp.*<sup>8</sup> Brookfield sued West Coast over use of its registered trademark "MovieBuff," which was used by Brookfield to identify its entertainment industry database. West Coast, which used Brookfield's mark in its domain name and metatags, planned to launch a database similar to Brookfield's and distribute it from its www.MovieBuff.com website.

Not surprisingly, the Ninth Circuit Court held that West Coast's use of www.MovieBuff.com was likely to create confusion and remanded with instructions that the trial court enter a preliminary injunction. The court also enjoined West Coast's use of "MovieBuff" or any "confusingly similar" term in metatags. However, the court acknowledged that West Coast could use "MovieBuff" *visibly* to describe Brookfield's product (fair use) and could use the descriptive term "MovieBuff" (with the space) in metatags.

The court noted that even though consumers mistakenly arriving at the West Coast site were unlikely to believe they were viewing Brookfield's site, West Coast's metatag usage created a likelihood of confusion. The court compared West Coast's conduct to Blockbuster Video's posting a sign with West Coast's mark, on the road leading to Blockbuster's own store: "Even consumers who prefer West Coast may find it not worth the trouble to continue searching for West Coast since there is a Blockbuster right there. Customers are not confused in the narrow sense: they are fully aware that they are purchasing from Blockbuster.... Nevertheless, the fact that there is only *initial consumer confusion* does not alter the fact that Blockbuster would be misappropriating West Coast's acquired goodwill." (Emphasis added.)

As noted by one court, the relevance of the "misleading billboard" example is questionable.<sup>9</sup> After all, following a keyword

query, the Web surfer is not confronted with a single, incorrect sign, but a list of sites and site-descriptions, most likely containing the site sought. Also, unlike the “billboard” example, a Web surfer need only click the mouse to return to the list. Nonetheless, *Brookfield’s* “initial consumer confusion” or “initial interest confusion” analysis has been of central importance in nearly every subsequent published opinion involving metatag use.

### Factors Affecting Outcomes in Metatag Cases

Most courts analyze approximately eight factors in determining whether use of another’s mark creates a likelihood of confusion (infringes).<sup>10</sup> Many of these factors are of little assistance in establishing general rules in the metatag context, primarily because they do not vary among metatags cases. For instance, every metatag case involves language identical to the allegedly infringed mark. Accordingly, the “similarity of marks” analysis is identical in every case.

At least three factors, however, do vary and appear to affect case outcomes: the (non)-commercial nature of the use, relatedness of goods or services, and intent of user. Furthermore, the (non)commercial nature of the use is closely related to the fair use doctrine, which is frequently applied in metatag cases. By examining these three factors in the context of *Brookfield’s* “initial interest confusion,” it is possible to articulate general rules for whether a particular metatag use is likely to infringe.

#### 1. Noncommercial Use Generally Does Not Infringe

“[N]oncommercial use of a mark is not actionable under the Lanham Act.”<sup>11</sup> Most cases pertaining to noncommercial use of a mark in metatags involve criticism of the mark’s owner or related products and services.<sup>12</sup> Such criticism falls squarely within the fair-use doctrine.<sup>13</sup> Furthermore, since the critics generally are not selling anything, there is no possibility that they will misappropriate (as opposed to damage) the owner’s good will. Accordingly, the noncommercial metatag user generally prevails.

Cases involving metatags that incorporate another’s mark for commercial purposes are

less predictable, and commercial metatag users unable to assert a strong fair-use defense invariably lose.<sup>14</sup> Cases involving use of a mark contained in metatags to direct consumers to a site describing a competitor’s product or service, or one’s own goods, services, or accomplishments—traditional “fair uses”—have reached varying results.<sup>15</sup> Accordingly, even commercial entities using another’s mark descriptively should exercise caution in placing that mark in a metatag.

#### 2. Proximity or Similarity of Goods or Services

In nearly every case involving use of a commercial competitor’s mark in metatags, courts have found infringement or a likelihood of confusion for purposes of a preliminary injunction.<sup>16</sup> When the allegedly infringing party is not a competitor, results vary.<sup>17</sup>

#### 3. Intent of User

Within a given case, inequitable conduct is likely to result in an adverse ruling regarding metatag use (infringement), even if the conduct has nothing to do with metatag use. Examples of such conduct include egregious cybersquatting, attempting to sell domain names containing another’s mark, and criminal activity.<sup>18</sup> Courts may also take a dim view of metatag use when there is no visible reference to the mark in the Web page.<sup>19</sup> This may be because for a fair (descriptive) use of the mark to exist, it must be visible.

#### “Nominative Use”

Earlier this year, the Ninth Circuit Court of Appeals decided *Playboy Enterprises v Welles* (“*Welles II*”),<sup>20</sup> which held that “nominative use” of metatags did not infringe. Citing *New Kids on the Block v New America Publishing Company*,<sup>21</sup> the court defined nominative use as that which satisfies three criteria: (1) the product or service is not “readily identifiable without use of the trademark”; (2) only so much of the mark as is necessary to identify the product or service is used; and (3) the user does nothing that “in conjunction with the mark suggest[s] sponsorship or endorsement by the trademark holder.” In this case, former Playboy Playmate Terri Welles (using the mark to identify herself as a former “Playmate of the Year”) satisfied all three criteria.

It is noteworthy that in reaching its decision, the court relied heavily on the fact that the marks (e.g. “Playboy” and “Playmate”) were not repeated excessively in metatags and, therefore, Ms. Welles’ site did not appear “at the top of search results.”

The “nominative use” test is intuitively appealing, and perhaps better suited to the metatag context than the more traditional test. Whether it eventually will become the standard in metatag cases remains to be seen.

### Conclusion

Barring wrongful conduct, those using metatags to direct surfers to noncommercial sites should have no problem asserting lack of confusion and fair use. A clearly worded disclaimer on the site and in the description should further decrease any likelihood of confusion.

In the commercial context, those incorporating a competitor’s protected marks into metatags should exercise caution, making certain it is used only in a descriptive fashion. By definition, to constitute fair use, the competitor’s mark should be visible on the site. Copious disclaimers on the site and in the description may prevent confusion, as may a product name dissimilar to the mark at issue. In light of *Welles II*, it is probably unwise to use so many copies of a particular mark in metatags that the site appears before that of the mark’s owner in search results. Lastly, the site owner should refrain from any conduct, whether or not it relates to metatags, that could be viewed as unethical, such as cybersquatting and site spamming.

Will these safeguards satisfy competitors whose marks are used in metatags? Probably not. However, they may prevent actual confusion, thereby benefitting mark owners, and provide some protection to those engaging in fair use such as criticism or comparison. Until this rapidly evolving area of law becomes more settled, there is no guaranty that the above principles will apply in any given case. Accordingly, as long as courts wrestle to resolve the Lanham Act, public policy, and the constitutional considerations discussed above, attorneys advising commercial website owners should recommend caution when a client is considering use of a competitor’s mark in a metatag. ◆

*Douglas G. McCray is an associate with Kelley, Casey & Clarke, P.C., in St. Clair Shores and is a member of the firm's Information Technology Law practice group. In addition, McCray regularly handles environmental law, environmental insurance, and complex litigation matters. The views and opinions expressed in this article are those of the author and do not necessarily reflect those of Kelley, Casey & Clarke, P.C., or its clients.*

#### FOOTNOTES

1. 15 USC 1114(1).
2. 15 USCA 115(b)(4).
3. 7 F Supp 2d 1098, 1103-05 (SD Cal 1998) aff'd 162 F3d 1169 (CA 9, 1998) [citing *New Kids on the Block v New Am Pub, Inc*, 971 F2d 302 (CA 9, 1992)] (former Playboy Playmate's use of words *Playboy* and *Playmate* in metatags was fair use).
4. 15 USCA 1125.
5. See, *OBH, Inc v Spotlight Magazine, Inc*, 86 F Supp 2d 176 (WD NY 2000); *Playboy Enterprises, Inc v Calvin Designer Label*, 985 F Supp 1220 (ND Cal 1997); *Planned Parenthood Federation of America, Inc v Bucci*, 1997 WL 133313 (SD NY 1997) aff'd 152 F3d 920 (CA 2, 1998), cert denied 525 US 834 (1998).
6. *Bihari v Gross*, 119 F Supp 2d 309, 320 n 15 (SD NY 2000).
7. *Turner Broadcasting System, Inc v Federal Communications Comm'n*, 520 US 180, 213-14, 117 S Ct 1174, 1198 (1997) (citations omitted).
8. 174 F3d 1036 (CA 9, 1999).
9. *Bihari*, 119 F Supp 2d at 330 n 15.
10. See, *Bally Total Fitness Holding Corp v Faber*, 29 F Supp 2d 1161, 1164-44 (CD Cal 1998); *Victoria's Secret Stores v Arco Equipment Co, Inc*, 194 F Supp 2d 704 (SD Ohio 2002).
11. *Bihari*, 119 F Supp 2d at 318 (citing 15 USC (c)(4)(B)).
12. *Bally*, 29 F Supp 2d at 1161; *ServiceMaster Co v Virga*, No 99-2866-TUV (WD Tenn 1999).
13. *Bihari*, 199 F Supp 2d at 321-23.
14. See, *Playboy Enterprises, Inc v AsiaFocus Int'l, Inc*, 1998 WL 724000 (ED Va); *Calvin Designer Label, Brookfield, Ontario Ltd v Lencore Acoustics Corp*, 105 F Supp 2d 56 (ED NY 2000); *Victoria's Secret*.
15. *Eli Lilly & Co v Natural Answers, Inc*, 233 F3d 456 (CA 7, 2000); *PACCAR, Inc v Telescan Technologies, LLC*, 115 F Supp 2d 772 (ED Mich 2000); *Terri Welles, Inc*, 78 F Supp 2d at 1066.
16. See, *Brookfield, Calvin Designer Label, PACCAR, Inc, Eli Lilly and Co*. But see *Terri Welles, Inc*.
17. *Nissan Motor Co, Ltd v Nissan Computer Corp*, 89 F Supp 2d 1154 (CD Cal 2000), aff'd 246 F3d 675 (CA 9, 2000); *Bihari, NYSSCPA v Eric Louis Assoc, Inc*, 79 F Supp 2d 31 (SD NY 1999).
18. See, *Calvin Designer Label* (cybersquatting); *S/NA, Inc v Array*, 51 F Supp 2d (ED Pa 1999) (breach of contract; civil conspiracy; *PACCAR, Inc* (cybersquatting); *NYSSCPA* (cybersquatting, domain name sale).
19. See, *777388 Ontario Limited*, 105 F Supp 2d 56 (ED NY 2000); *Oppedahl & Lawson v Advanced Concepts*, No 97-2-1592 (D Colo 1997) (David Loundy, *Hidden Code Sparks High-Profile Lawsuit*, *Chicago Daily Law Bulletin Column*, [http://www.loundy.com/CDLB/Meta\\_Tags.html](http://www.loundy.com/CDLB/Meta_Tags.html)).
20. 279 F3d 796, 801 (CA 9, 2002).
21. 971 F2d 302 (CA 9, 1992).