

Can an Invisible Word Create Confusion? The Need for Clarity in the Law of Trademark Infringement through Internet Metatags

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The federal judiciary has struggled in recent years to extend principals of traditional trademark analysis onto the Internet. This tension is particularly apparent in cases involving a website operator's use of another company's trademarks to attract consumers to his own website. This note provides a critical evaluation of the various approaches the federal courts have taken on the issue of trademarks used in keyword metatags. It analyzes the courts' application of trademark doctrines such as fair use, initial interest confusion, and trademark dilution to this novel area of law. The note argues that the federal courts have, for the most part, failed to acknowledge the fair use defenses and have unnecessarily strayed from traditional trademark infringement analysis, relying unnecessarily (and incorrectly) on less traditional doctrines to find consumer confusion. The note concludes that instead of considering metatag use as stand-alone acts of infringement, the courts should require the plaintiff to produce actual evidence from the defendant's destination website to prove a likelihood of confusion. This return to more traditional trademark analysis may be the only proper way to resolve these controversies.

I. INTRODUCTION

It's official: Internet euphoria has taken over the universe. Without a doubt, the last six to seven years have seen a "tidal wave" of new developments, a "digital revolution" delivering an entirely "New Economy." This is the "New Millennium," the "Internet Age" where the old ways of doing things are being thrown out to make room for an entirely new paradigm. However, when it comes to trademark law, should the federal courts be throwing out the Lanham Act¹ with that old Industrial Age bathwater? As the judiciary has struggled to grasp the complexities of Internet communications, it appears that the courts are deferring less to precedent and more to the tidal wave of change.

This dynamic is particularly apparent in the area of trademark infringement on the Internet. The courts have been very willing to create new rules and remedies to deal with new issues of trademark violations on the World Wide Web (the Web).² While issues such as domain name infringement have been given

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¹ The Lanham Act is also known as the Trademark Act of 1946 and is codified at 15 U.S.C. §§ 1051-1127 (1994).

² One particular area of trademark infringement on the Web—the issue of trademarks used in website domain names, often referred to as "cybersquatting"²—has received significant

significant attention by commentators, the issue of trademarks used in keyword metatags³—the computer-coded terms that help search engines find websites—has received much less critical commentary. Considering the significance to the future of global commerce and communication, however, these digital disputes deserve some attention of their own.

Keyword metatag battles traditionally pit entrepreneurs, who claim that the use of a competitor's trademarks in metatags is a legitimate way to build website traffic, against established corporations, who see metatag infringement as nothing more than an illegal ploy to grab market share by stealing goodwill. In addition to the battles between big and small business, keyword metatag disputes sometimes involve clashes between corporations and individual consumer critics who claim that their First Amendment rights to editorial comment (usually through a website with a URL like "bigcompanysucks.com") depend on the ability to use their target's tradename in their keyword metatags.

This note represents a critical evaluation of the various approaches the federal courts have taken on the issue of trademarks used in keyword metatags. The note begins by providing a very brief overview of relevant trademark law in Part II. Part III introduces some of the recent cases involving trademark infringement through keyword metatags. Part IV analyzes the federal courts' application of specific trademark issues, including fair use, initial interest confusion, and trademark dilution, to the area of trademark infringement through keyword metatags. The note argues that the federal courts have, for the most part, failed to acknowledge the fair use defense and have unnecessarily strayed from traditional

attention from commentators in recent years. For a brief discussion of this issue, see *infra* note 25.

³ The term "metatag" refers to a keyword that a website creator enters into HTML (hypertext markup language) code at the top of a webpage. A collection of metatags is often referred to as a meta description. The court in *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*, 174 F.3d 1036 (9th Cir. 1999), effectively described the process that occurs when an Internet user attempts to find a website by entering a keyword into his own Internet search engine:

When a keyword is entered, the search engine processes it through a self-created index of websites to generate a (sometimes long) list relating to the entered keyword. Each search engine uses its own algorithm to arrange indexed materials in sequence, so the list of websites that any particular set of keywords will bring up may differ depending on the search engine used. Search engines look for keywords in places such as domain names, actual text on the webpage, and metatags. Metatags are HTML code intended to describe the contents of the website. There are different types of metatags, but those of principal concern to us are the "description" and "keyword" metatags. The description metatags are intended to describe the website; the keyword metatags, at least in theory, contain keywords relating to the contents of the website. The more often a term appears in the metatags and in the text of the webpage, the more likely it is that the webpage will be "hit" in a search for that keyword and the higher on the list of "hits" the webpage will appear.

Id. at 1045 (citation omitted).

trademark infringement analysis. Further, the note explains why metatag infringement claims should not be considered stand-alone claims and why, instead, metatag claims should require some actual evidence from the defendant's destination website to prove a likelihood of confusion. In the end, this note recommends a return to traditional trademark analysis to resolve these controversies.

II. AN OVERVIEW OF RELEVANT TRADEMARK LAW

Trademark law generally exists to protect businesses from the theft or dilution of their brand identities.⁴ While state unfair competition laws have played an important role in the development of trademark law, the most often used protections for a trademark holder are found in the Federal Trademark Infringement Act of 1946, also known as the Lanham Act.⁵ Under the Lanham Act, the holder of a trademark can bring a number of claims to protect his investment in a particular trademark or trade name.⁶ These include the two primary claims of trademark infringement⁷ and trademark dilution.⁸

A. *Trademark Infringement and the "Likelihood of Confusion" Standard*

To prove a claim of trademark infringement, a plaintiff must demonstrate that the defendant's actions were "likely to cause confusion" among consumers about

⁴ The Lanham Act defines "trademark" as:

any word, name, symbol, or device, or any combination thereof—(1) used by a person, or (2) which a person has a bona fide intention to use in commerce and applies to register on the principal register established by this chapter, to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.

Lanham Act § 45, 15 U.S.C. § 1127 (1994). A "trademark" has also been referred to as "a sign, device, or mark by which the articles produced or dealt in by a particular person or organization are distinguished or distinguishable from those produced or dealt in by others." 74 AM. JUR. 2D, *Trademarks and Tradenames* § 1 (1974).

⁵ See Lanham Act, 15 U.S.C. §§ 1051–1127 (1994). For a more detailed discussion of Lanham Act provisions relevant to metatag and other Internet issues, see Marguerite S. Dougherty, Note, *The Lanham Act: Keeping Pace with Technology*, 7 J.L. & POL'Y 455 (1999).

⁶ "Trade name" means "any name used by a person to identify his or her business or vocation." 15 U.S.C. § 1127 (1994).

⁷ A plaintiff can establish a trademark infringement claim under sections 32 and 43(a) of the Lanham Act. While section 32 protects only those marks that have been registered with the U.S. Patent and Trademarks Office, section 43(a) applies to unregistered marks. See *infra* note 9 and accompanying text.

⁸ The claim of "dilution" was added to the Lanham Act in 1996. See *infra* notes 20–21.

the source or affiliation of competing products or services.⁹ The method for determining which disputed marks are “likely to cause confusion” has been the source of significant debate since passage of the Lanham Act. Currently, the majority of circuits rely on various versions of an eight-factor test to determine the likelihood of confusion. The test includes most or all of the following criteria:

[1] similarity of the conflicting designations; [2] relatedness or proximity of the two companies’ products or services; [3] strength of [the plaintiff’s] mark; [4] marketing channels used; [5] degree of care likely to be exercised by purchasers in selecting goods; [6] the defendant’s intent in selecting its mark; [7] evidence of actual confusion; and [8] likelihood of expansion in product lines.¹⁰

In the Ninth Circuit, the circuit of origin for many of the significant metatag cases, the eight-factor test was borrowed from *AMF Inc. v. Sleekcraft Boats*¹¹ and is commonly referred to as the *Sleekcraft* test.¹²

⁹ The Lanham Act designation of trademark infringement in section 32(1) states:

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.

15 U.S.C. § 1114(1)(a). Section 43(a) provides that:

(1) Any person who, on or in connection with any goods or services, or any container for goods, 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—

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person . . . shall be liable in a civil action by a person who believes that he or she is or is likely to be damaged by such act.

15 U.S.C. § 1125(a)(1)(A).

¹⁰ *Brookfield Comms, Inc. v. W. Coast Entm’t Corp.*, 174 F.3d 1036, 1053–54 (9th Cir. 1999).

¹¹ 599 F.2d 341, 348–49 (9th Cir. 1979).

¹² The Ninth Circuit’s version of the eight-factor test was cited by the court in *Brookfield Communications*:

We look to the following factors for guidance in determining the likelihood of confusion: similarity of the conflicting designations; relatedness or proximity of the two companies’ products or services; strength of Brookfield’s mark; marketing channels used; degree of care likely to be exercised by purchasers in selecting goods; West Coast’s intent in selecting its mark; evidence of actual confusion; and the likelihood of expansion in product lines. . . . These eight factors are often referred to as the *Sleekcraft* factors.

This modern test for confusion “encompasses any type of confusion, including: confusion of source; confusion of sponsorship; confusion of affiliation; or confusion of connection.”¹³ The test, therefore, is meant to protect a trademark holder from use of its mark “on any product or service which would reasonably be thought by the buying public to come from the same source, or thought to be affiliated with, connected with, or sponsored by, the trademark owner.”¹⁴

An alternative argument related to trademark infringement is a claim in tort of unfair competition.¹⁵ The unfair competition provision is found in section 43(a) of the Lanham Act,¹⁶ the same section that protects holders of non-registered trademarks from infringement. The provision captures commercial conflicts such as “passing off”¹⁷ and false advertising. Although many trademark infringement actions include section 43(a) claims, many courts do not make a functional distinction between section 32 and section 43(a) claims, since the analysis required for both is very similar.¹⁸

Brookfield Communications, 174 F.3d at 1053–54 (citing *Dr. Seuss Enters. v. Penguin Books USA, Inc.*, 109 F.3d 1394, 1404 (9th Cir. 1997), and RESTATEMENT (THIRD) OF UNFAIR COMPETITION §§ 20–23 (1995)). See also *Sleekcraft Boats*, 599 F.2d at 348 (applying the above factors to find that defendant boat maker’s use of a mark similar to plaintiff boat maker’s Slickcraft mark was infringement). The test commonly cited by the Second Circuit can be found in *Polaroid Corp. v. Polaroid Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961) (finding that the likelihood of confusion includes such factors as: the strength of plaintiff’s mark, the degree of similarity between the two marks, the market proximity of the two products, actual confusion, defendant’s good faith in adopting its mark, the quality of defendant’s products, and the sophistication of buyers).

¹³ 4 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 24:6, (4th ed. 2000).

¹⁴ *Id.*

¹⁵ See Lanham Act § 43(a), 15 U.S.C. § 1125(a) (allowing a civil action to be brought for deceptive advertising or other acts likely to cause confusion as to the authenticity of one’s goods or services).

¹⁶ 15 U.S.C. § 1125(a).

¹⁷ An interesting provision in section 43(a) involves “passing off” or using a “false or misleading description of fact, or false or misleading representation of fact” in commerce, that “is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person.” 15 U.S.C. § 1125(a)(1)(A) (1994). While this provision provides a cause of action if the plaintiff’s mark has not been registered, it is especially important where the plaintiff uses a generic phrase to identify its goods and a competitor has attempted to pass itself off as the plaintiff to consumers. See Jeffrey R. Kuester & Peter A. Nieves, *Hyperlinks, Frames and Metatags: An Intellectual Property Analysis*, 38 IDEA 243, 249–51 (1998) (discussing the claims of passing off and false advertising).

¹⁸ The Ninth Circuit Court of Appeals came to this conclusion in its decision in *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*, 174 F.3d 1036, 1046 n.8 (9th Cir. 1999). The court stated that while section 32 provides protection for registered marks, section 43(a) “protects against infringement of unregistered marks and trade dress as well as

B. Trademark Dilution

In an effort to extend protections for trademark holders beyond situations of actual source confusion, Congress passed the Federal Trademark Dilution Act of 1995.¹⁹ The Act protects trademark holders against dilution, which it defines as “the lessening of the capacity of a famous mark to identify and distinguish goods and services.”²⁰ The Act, however, does not specify how dilution occurs or how it may be detected. As a result, courts have struggled with how to differentiate the requirements of a dilution claim from the requirements of an infringement claim.²¹ As stated, the primary point of distinction is that a dilution claim does not require the proof of actual confusion as to the source of goods or services.²² However, since the dilution analysis looks at elements such as the goods being “mistakenly associated,” a certain degree of confusion seems to be required.²³

registered marks and protects against a wider range of practices such as false advertising and product disparagement.” *Id.* at 1046–47 n.8 (citations omitted). The court said that “despite these differences, the analysis under the two provisions is oftentimes identical” and elected to refer to all of the plaintiff’s claims by the term “infringement.” *Id.* at 1047 n.8.

One commentator notes that common law unfair competition tort claims and state statutes, including unfair and deceptive acts and practices statutes (UDAP), may also provide an opportunity for plaintiffs to bring unfair competition claims in keyword metatag cases which do not involve the use of trademarks. However, as of mid-1999, there were no reported cases in which trademarks were not the basis for the metatag claim. *See* Brian Kennan, *Diverting Traffic on the Web*, appended to Bruce E. H. Johnson, *Regulatory Update: Internet Sheriffs Approach the Electronic Frontier*, 579 PLI/Pat 67, 84, at 94 (1999).

¹⁹ 15 U.S.C. § 1125(c) (Supp. 1998).

²⁰ 15 U.S.C. § 1127 (Supp. 1998). The amendment, added in January 1996, gives the full definition of “dilution” as “the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of—(1) competition between the owner of the famous mark and other parties, or (2) likelihood of confusion, mistake, or deception.” In a federal dilution action, a plaintiff bears the burden of proving (1) that it owns a famous mark, and (2) that defendant’s mark dilutes the famous mark. However, because the amendment does not specify how dilution occurs or how it may be detected, this area of the law is relatively unsettled. In addition, the Federal Trademark Dilution Act preempts any state dilution action if a defendant has a federal trademark registration. *See* § 1125(c)(3).

²¹ *See* Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev., 955 F. Supp. 605 (E.D. Va. 1997) (discussing dilution and infringement). In *Ringling Bros.* the court states:

²² *See id.*

²³ *See* Mead Data Cent., Inc. v. Toyota Motor Sales, U.S.A., Inc., 875 F.2d 1026, 1031 (2d Cir. 1989) (stating that for a dilution case, “there must be some mental association between plaintiff’s and defendant’s marks”). The Act specifically excludes confusion from the dilution inquiry. However, it appears from the federal court’s interpretation of the statute that the definition of blurring is somewhat related to the concept of confusion.

Blurring results from an incorrect association of the marks in consumer’s minds. And this association is mistaken or confused to the degree that the marks and the goods or services they identify are not and should not be associated. To the contrary, these marks and their owners are

Recent cases suggest that there are two forms of trademark dilution—dilution by blurring and dilution by tarnishment.²⁴ According to one noted treatise on trademark law, “[d]ilution by blurring occurs if the defendant uses the word as its own *trademark* for goods that are so different that no confusion of source or sponsorship can occur.”²⁵ Dilution by tarnishment occurs when the trademark use causes some association in the consumer’s mind between a senior mark and a junior mark representing a good of lesser quality.²⁶

II. THE METATAG CASES

A. *The Early Cases: Domain Name Disputes and the Metatag Sideshows*

During the first few years of the Internet’s early growth in the mid-1990s, the most notable intellectual property disputes were the battles over website domain names. These “cybersquatting” battles erupted when one company or individual registered and used another company’s trade-name as their own website domain name, or held that domain for a ransom to be paid by the original trademark owner. The courts and eventually the U.S. Congress settled many of these “cybersquatting” disputes with novel remedies, including transferring the registered domain name to the holder of the original trademark.²⁷ In fact, it was

distinct, and should be seen and understood to be distinct by persons coming into contact with either mark. To the extent that persons seeing the marks mistakenly associate them, the famous mark’s power to identify and distinguish goods or services is diluted. Thus, while “source confusion” is irrelevant to the dilution inquiry, dilution by blurring entails confusion in that the famous and junior marks become wrongly or mistakenly associated in the minds of consumers.

Ringling Bros. 955 F. Supp. at 615 (citation omitted). While the federal dilution statute is relatively untested, a number of state cases shed light on an appropriate dilution analysis. *See generally* Kuester & Nieves, *supra* note 17, at 251–52 (discussing state dilution statutes that recognize that dilution occurs through either tarnishment or blurring).

²⁴ A famous trademark is diluted when subsequent uses by a third party “blur the distinctiveness of the mark or tarnish or disparage it, even in the absence of a likelihood of confusion” by consumers. H.R. REP. NO. 104-374, at 2 (1995), *reprinted in* 1995 U.S.C.C.A.N. 1029, 1029. *See also* Keuster & Nieves, *supra* note 17, at 251–53 (discussing the elements of dilution).

²⁵ 4 MCCARTHY, *supra* note 13, at § 24:103.

²⁶ *See* *Playboy Enters., Inc. v. Netscape Comms. Corp.*, 55 F. Supp. 2d 1070, 1075 (C.D. Cal. 1999) (citing *Panavision Int’l, L.P. v. Toeppen*, 141 F.3d 1316, 1326 (9th Cir. 1998)).

²⁷ These “cybersquatting” disputes follow primarily two lines. In the first, one party has registered an Internet domain name, for example “post-it.com,” that exactly duplicated a previously registered trademark of another company. In deciding many of these cases, the courts have developed a remedy that was not previously illuminated in the Lanham Act—that of transferring a domain name to the original trademark owner. *See, e.g.*, *Minn. Mining & Mfg. Co. v. Taylor*, 21 F. Supp. 2d 10003, 10005 (D. Minn. 1998) (finding “post-it.com” to be “confusingly similar” to 3M’s registered Post-It® trademark); *Public Serv. Co. v. Nexus Energy Software, Inc.* 36 F. Supp. 2d 436, 439 (D. Mass. 1999) (finding “energyplace.com”

not until 1997, relatively late in the early evolution of trademark disputes on the Internet, that the issue of trademark infringement through keyword metatags appeared in the federal courts—and right off the bat, the courts failed to separate the technical and substantive issues of metatags from the domain name issue with which they were more familiar.

1. *Playboy Goes to War*

The first reported claim of trademark infringement through keyword metatags was raised by the adult entertainment giant Playboy Enterprises, Inc. (Playboy or PEI) in a suit against a small company known as Calvin Designer Label.²⁸ Playboy's primary claim was that Calvin's use of the domain name "playboyxxx.com" amounted to trademark infringement.²⁹ However, Playboy also claimed that defendant's use of Playboy's trademarks "Playboy®" and "Playmate®" in defendant's keyword metatags also infringed on plaintiff's marks.³⁰ The court ultimately granted a cease and desist order that amounted to a blanket prohibition on defendant's use of the Playboy name on the Internet—

and "Energy Place" to be virtually identical); *Planned Parenthood Fed'n of Am., Inc. v. Bucci*, No. 97-7492, 1998 U.S. App. LEXIS 22179 at *2 (2nd Cir. Feb. 9, 1998) (concluding that "plannedparenthood.com" and "Planned Parenthood" were essentially identical). In addition, the court in *Brookfield Communications* found that West Coast Video's use of moviebuff.com was confusingly similar to Brookfield's registered service mark "Moviebuff." *Brookfield Comms., Inc. v. W. Coast Entm't Corp.*, 174 F. 3d 1036, 1066 (9th Cir. 1999). The second line of disputes involve one party using a domain name that closely resembles an existing trademark. *See, e.g., Bally Total Fitness Holding Corp. v. Faber*, 29 F. Supp. 2d 1161, 1168 (C.D. Cal. 1998) (granting defendant summary judgment on claim that site www.compupix.com/ballysucks tarnished plaintiff's mark and finding it used in a noncommercial manner in an editorial context to express an opinion). In general, courts have found that these domain names amount to fair use of the protected trademarks. In 1999, Congress passed the Anticybersquatting Protection Act, which permits a court to order the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark for any domain name registered before, on, or after the date of enactment of the Act. 15 U.S.C. § 1125(d)(1)(C). Many of these disputes are also currently resolved through an arbitration proceeding conducted by the World Intellectual Property Organization or another approved arbiter under the Uniform Domain Name Dispute Resolution Policy. *See* WIPO, WIPO GUIDE TO THE UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY, at <http://arbiter.wipo.int/domains/guide/index.html#a> (last visited Mar. 21, 2001).

²⁸ *Playboy Enters., Inc. v. Calvin Designer Label*, 985 F. Supp. 1220 (N.D. Cal. 1997).

²⁹ *Id.* at 1221.

³⁰ *Id.*

including in keyword metatags.³¹ It did not, however, consider the metatag issue separately, and the opinion therefore offers little guidance on this matter.³²

Not only was *Calvin Designer* the first case of metatag infringement, it was the first in a line of cases in which Playboy would successfully claim trademark infringement through metatag use. The second major case in that line was *Playboy Enterprises v. AsiaFocus International*³³ in which the Eastern District Court of Virginia found in favor of Playboy on a similar claim of trademark infringement, reasoning that AsiaFocus's use of the registered trademarks "Playboy®" and "Playmate®" as metatags created a likelihood of confusion. The court stated that "[t]he defendants have promoted their websites, adult photo collections and merchandise in such a way as to create a false association between the defendants and PEI."³⁴

As in the *Calvin Designer* case, the *AsiaFocus* dispute was not focused on metatags alone. It also involved the use of Playboy trademarks in a domain name, because AsiaFocus was marketing its adult photos through the domain "asian-playmates.com" and selling "Playmates" merchandise through the same site. Just like the court in *Calvin Designer*, the *AsiaFocus* court did not explain the factual basis for its finding of confusion on the metatag claim specifically or why the metatag use amounted to "willful deception."³⁵ It appears that the metatag issue was caught up in the broader issue of AsiaFocus's attempt to associate the "asian-playmates" site with PEI.

³¹ *Id.*

³² Combining the metatag infringement issue with the domain name analysis, the court stated simply that defendant was enjoined from doing anything "likely to cause confusion" including:

using in any manner the PLAYMATE or PLAYBOY trademarks, and any other term or terms likely to cause confusion therewith, including PLAYMATELIVE or "playboyxxx.com" or "playmatelive.com," as Defendants' domain name, directory name, or other such computer address, as the name of Defendants' website service, in buried code or metatags on their home page or webpages, or in connection with the retrieval of data or information or on other goods or services, or in connection with the advertising or promotion of their goods, services or websites.

Id. The defendant was blatantly attempting to cause confusion about the source of the goods available on its own website, and the metatags were a small part in a larger picture of deception and confusion. According to the decision, defendant had used PEI's trademarks in its domain names (playboyxxx.com and playmatelive.com), in a magazine (Playmate Live Magazine), and in a tagline ("Get it all here at Playboy") *id.*; see also Ann Davis, 'Invisible' Trademarks on the Web Raise Novel Issue of Infringement, WALL ST. J., Sept. 15, 1997, at B10.

³³ No. 97-734-A, 1998 U.S. Dist. LEXIS 10359 (E.D. Va. Feb. 2, 1998).

³⁴ *Id.* at *6.

³⁵ *Id.* at *8. In its finding of trademark infringement and trademark dilution, the court's only discussion of actual or likely confusion focused solely on the domain name issue. The court did not provide a separate consideration of the metatag issue. See *infra* Part IV.B and text accompanying note 116.

2. Other Early Disputes Involving Domain Names and Metatags

Although Playboy was the most active plaintiff in these early cases, it was not the only company in 1997 and 1998 filing suits that included metatag infringement claims. A small handful of similar disputes could be found in various federal district courts. These early cases, however, offer little in the way of clear analysis on which subsequent opinions could be based. While nearly all of the cases found for the plaintiffs, the opinions offer little substantive support for their findings.³⁶ For example, *Niton Corp. v. Radiation Monitoring Devices*,³⁷ a case that grew out of a domain name dispute, involved a metatag infringement argument between competitors engaged in the business of detecting radon gas and lead paint in homes. Niton accused Radiation Monitoring of copying the metatag descriptions from the Niton website into the metatag description code for Radiation Monitoring's own site.³⁸ The court found that Radiation Monitoring's use of Niton's trademarks in its metatags was likely to create confusion.³⁹

In *Oppedahl & Larson v. Advanced Concepts*,⁴⁰ a Colorado district court enjoined defendant, a website development company, from using the trade name of the law firm Oppedahl & Larson in its keyword metatags. The opinion provides no commentary on the metatag claim, stating simply that "pursuant to § 43(a) of the Lanham Act . . . [defendants] are hereby permanently enjoined

³⁶ See e.g., *Insituform Tech., Inc. v. Nat'l EnviroTech Group*, No. C-97-2064 EDL (E.D. La. Aug. 26, 1997), available at <http://www.cll.com/case1.htm> (finding that National EnviroTech Group's use of Insituform's registered trademarks INSITUFORM and INSITUPIP in its metatags amounted to trademark infringement.). See also Kuester & Nieves, *supra* note 17, at 243.

³⁷ 27 F. Supp. 2d 102 (D. Mass. 1998).

³⁸ The court found that Radiation Monitoring Devices (RMD) used the following meta-description on its pages: "The Home Page of Niton Corporation, makers of the finest lead, radon, and multi-element detectors." *Id.* at 104.

³⁹ *Id.* at 105. In describing the plaintiff's claims, the decision did not say whether the claim was of infringement, dilution, or unfair competition under section 43(a) of the Lanham Act, but did say that Niton "alleges that RMD uses false and misleading statements in RMD's advertising, marketing and promotion of its own product in Massachusetts and interstate commerce." *Id.* at 103. In fact, the prayer for injunction on the metatag issue was filed in the middle of other litigation surrounding allegedly misleading statements made by RMD on its website. The court suggests that the use of such a descriptive metatag that included a string of terms identical to those on the RMD site was evidence of an intent to confuse web searchers. *Id.* at 105. The court found that a plaintiff was likely to succeed on the merits of its claim that:

RMD's Internet websites and means of attracting users of the Internet to examine these websites have been used by RMD in a way likely to lead users to believe that . . . RMD is also known as Niton Corporation, that RMD is affiliated with Niton Corporation . . . and that RMD websites are Niton websites.

Id.

⁴⁰ No. C-97-Z-1592, 1997 U.S. Dist. LEXIS 23105 (D. Colo. Dec. 19, 1997).

from using plaintiff's mark 'Oppedahl & Larson' or the words 'Oppedahl' or 'Larson' in webpages without authorization of plaintiff."⁴¹ It offers no analysis of the intent or effect of the metatag use, even though an Advanced Concepts principal claimed to the *Wall Street Journal* that he had never attempted to lead consumers into believing that Advanced Concepts was affiliated with Oppedahl & Larson but had simply used the Oppedahl keywords because Advanced Concept's own website mentioned an article written by an Oppedahl attorney.⁴²

B. *The Recent Cases: Initial Interest Confusion or Total Confusion?*

As the courts began to separate the metatag issue from the domain name issue, they immediately struggled with how to analyze this new type of "invisible word" trademark. While some courts attempted to apply a likelihood of confusion analysis, others looked to less-traditional doctrines for answers. The result has been a shift from caselaw lacking analysis to caselaw with so much conflicting analysis that it lacked a clear direction for subsequent litigants.

1. *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*

In 1999, for the first time in a metatag case, a plaintiff offered a new basis for a claim of trademark infringement through keyword metatags. In *Brookfield Communications v. West Coast Entertainment Corp.*,⁴³ the plaintiff, a computer software manufacturer based in Southern California claimed that regional video-rental chain West Coast Video was poised to use Brookfield's trademark "moviebuff" in its website domain name and in keyword metatags.⁴⁴ Soon after

⁴¹ *Id.*

⁴² See Davis, *supra* note 32, at B10, shedding light on the impetus for the Oppedahl & Larson dispute:

In another case, Robert A. Welch, president of an Internet marketing company, Advanced Concepts says he added the name of the Frisco, Colo., law firm Oppedahl & Larson to his invisible coding because his website mentioned an article written by the firm. He says he didn't realize it might be illegal. "It was one of those 4 o'clock in the morning mistakes, when you're not careful about what you're putting in," he says.

In July, the law firm sued Mr. Welch and others in federal court in Denver. Partner Carl Oppedahl says Advanced Concepts may have been trying to use the firm's name to get clients. "They offer domain-name registration services, and our firm has provided a lot of legal services related to domain-name challenges," he says.

Mr. Welch says he never intended to compete with Mr. Oppedahl. He has removed the reference, but the suit still stands.

Id.

⁴³ 174 F.3d 1036, 1041 (9th Cir. 1999).

⁴⁴ Brookfield's original complaint alleged that West Coast's use of "moviebuff.com" would constitute trademark infringement and unfair competition in violation of sections 32 and 43(a) of the Lanham Act, 15 U.S.C. §§ 1114, 1125(a). *Id.* at 1043.

bringing suit, Brookfield filed a temporary restraining order to prevent West Coast Video from launching its “moviebuff.com” site and from using the term “MovieBuff” in any way to market videos.⁴⁵ After the district court dismissed the claim, and after the actual launch of West Coast’s “moviebuff.com” site, the case ended up in the Ninth Circuit Court of Appeals.⁴⁶ The Ninth Circuit began by

⁴⁵ The application for temporary restraining order (TRO) sought to enjoin West Coast

[f]rom using . . . in any manner . . . the mark MOVIEBUFF, or any other term or terms likely to cause confusion therewith, including *moviebuff.com*, as West Coast’s domain name . . . as the name of West Coast’s website service, in buried code or metatags on their home page or webpages, or in connection with the retrieval of data or information on other goods or services.

Id.

⁴⁶ The debate at the district court level focused on which party was the prior user and rightful holder of a trademark in the trade name “MovieBuff.” The district court initially held that West Coast was the prior user and dismissed Brookfield’s suit. *Id.* at 1041. However, Brookfield had held a federal trademark since mid-1997 on the term MovieBuff, which it had already used in commerce since 1993 to identify software and database products containing movie industry news and statistics. *Id.* at 1041–42. Brookfield marketed these MovieBuff products to movie industry insiders and movie fans. *Id.* at 1041. Sometime in 1996, Brookfield attempted to register the domain name “moviebuff.com” with Network Solutions, Inc., but was told that the requested domain name had already been registered by West Coast Video. *Id.* at 1042. Rather than contesting West Coast’s registration, most likely because no clear policy for contesting registrations existed at the time, Brookfield began to use its “moviebuffonline.com” website to market its MovieBuff products. *Id.* In late 1998, Brookfield learned that West Coast Video planned to launch a website at moviebuff.com that would contain a searchable database similar to Brookfield’s MovieBuff product. *Id.*

During the district court dispute, West Coast claimed that it was the first user of “MovieBuff” because it had used its federally registered trademark “The Movie Buff’s Movie Store” since 1986 in advertisements, promotions, and letterhead.

Alternatively, West Coast claimed seniority on the basis that it had garnered common-law rights in the domain name by using “moviebuff.com” before Brookfield began offering its “MovieBuff” Internet-based searchable database on the Web. In addition to asserting seniority, West Coast contended that its planned use of “moviebuff.com” would not cause a likelihood of confusion with Brookfield’s trademark “MovieBuff” and thus would not violate the Lanham Act.

Id. at 1043. The district court found that West Coast Video, in fact, and not Brookfield was the senior user of the MovieBuff mark and denied the TRO. West Coast then proceeded with the launch of its “moviebuff.com” website, and Brookfield promptly filed an emergency motion for injunction pending appeal with the Ninth Circuit Court of Appeals. The appellate court reversed the lower court’s decision, finding that Brookfield was, in fact, the senior user of the MovieBuff mark. *Id.* at 1053. According to the court:

West Coast’s first use date was *neither* February 1996 when it registered its domain name with Network Solutions as the district court had concluded, *nor* April 1996 when it first used “moviebuff.com” in e-mail communications, but *rather* November 1998 when it first made a widespread and public announcement about the imminent launch of its website. Thus, West Coast’s first use of “moviebuff.com” was preceded by Brookfield’s first use of “MovieBuff” in conjunction with its online database, making Brookfield the senior user.

analyzing whether West Coast's use of MovieBuff was "likely to create confusion." The court at first considered a traditional approach to "likelihood of confusion" analysis and found that a likelihood of actual source confusion did not exist.⁴⁷ However, the court then entertained plaintiff's alternate theory of "initial interest confusion."⁴⁸ The theory states, generally, that although a consumer is not confused about the ultimate source of goods when he makes a purchase, the initial confusion caused by the unauthorized use of another company's trademark may be enough to capture a sale using that competitor's brand equity.⁴⁹ Under this theory, the court granted the injunction.⁵⁰ The court thus opened the door for future metatag claims based on this initial interest doctrine.

2. Playboy Enterprises v. Netscape Communications

The plaintiff in the next major metatag case was a familiar one in the realm of Internet trademark law. On April 15, 1999, one week before the *Brookfield Communications* decision, Playboy filed a trademark infringement through metatags action against co-defendants Netscape Communications (Netscape) and Excite in the United States District Court for the Southern District Court of California.⁵¹ This case was the first to focus almost solely on the issue of metatag infringement. However, the outcome was very different from the cases that had gone before it, especially from the Ninth Circuit precedent in *Brookfield Communications*.⁵² The district court in *Netscape Communications* ultimately refused to extend the initial interest confusion doctrine, arguing first, that the use of trademarks in metatags is not a "use" of trademarks at all, and second, that the use in this case would not create initial confusion.

The dispute focused on an advertising practice used by Netscape and co-defendant Excite. The two companies offered various adult entertainment advertisers the opportunity to display advertising targeted to more than 450 keywords, including the words "playboy" and "playmate."⁵³ Playboy claimed

Id.

⁴⁷ *Id.* at 1062.

⁴⁸ *Id.*

⁴⁹ See *infra* Part IV.B (discussing the evolution and application of the initial interest confusion doctrine).

⁵⁰ The court explains initial interest confusion as "the use of another's trademark in a manner calculated 'to capture initial consumer attention.'" *Id.* (citing Mobil Oil Corp. v. Pegasus Petroleum Corp., 818 F.2d 254, 257-58 (2d Cir. 1987)).

⁵¹ *Playboy Enters. v. Netscape Comms.*, 55 F. Supp. 2d 1070 (C.D. Cal. 1999).

⁵² See *supra* Part III.B.I.

⁵³ The package allowed advertisers to purchase banner ads that were targeted to specific keywords. For example, if an Excite search engine user entered the search term "playboy," the search results page would include all results for that term as well as the advertiser's banner ad at the top of the page.

that Netscape was infringing on and diluting its trademarks in “Playboy®” and “Playmate®” by (1) marketing and selling those words, (2) programming the banner ads to run in response to those searches, and (3) actually displaying those banner ads on the search results page.⁵⁴

In response, Netscape claimed that they did not use the words “playboy” or “playmate” as trademarks, and that their use of the terms was permitted as a fair use under trademark law.⁵⁵ The court sided with Netscape and Excite, finding that the defendants did not use the trademarks “as trademarks.” According to the court: “it is undisputed that an Internet user cannot conduct a search using the trademark form of the words, i.e., Playboy® and Playmate®. Rather, the user enters the generic word ‘playboy’ or ‘playmate’ Thus, plaintiff’s argument that defendants ‘use’ plaintiff’s trademarks falls short.”⁵⁶

The court, however, proceeded to engage in a further discussion that sheds significant light on the metatag issue. The court analyzed, whether the plaintiff’s claims of infringement and dilution could be met assuming that defendants’ use of the trademarks constituted an actual “use.” On the infringement claim, the court stated that plaintiff “has presented no evidence” that confusion was likely to result from the use of these words as metatags.⁵⁷ The court also rejected the plaintiff’s theory of “initial interest confusion”—a theory borrowed from the *Brookfield Communications* case. The court distinguished its facts from those in *Brookfield Communications* on the ground that the word at the center of the debate in *Brookfield Communications*—“moviebuff”—was not an English word. In other words, there was no question that the defendant’s use of “MovieBuff” was a use of the plaintiff’s trademark. The *Netscape Communications* court’s second rationale for distinguishing the initial interest confusion theories in these

⁵⁴ *Netscape Communications*, 55 F. Supp. 2d at 1072.

⁵⁵ *Id.* at 1073.

⁵⁶ *Id.* at 1073–74. The court additionally noted:

Thus, whether the user is looking for goods and services covered by PEI’s trademarks or something altogether unrelated to PEI is anybody’s guess. Plaintiff guesses that most users searching the Web for “playboy” and “playmate” are indeed looking for PEI sites, goods and services. Based on that theory, plaintiff argues that since defendants also speculate that users searching for “playboy” and “playmate” are looking for things related to Playboy® and Playmate®, defendants use the trademarks when they key competing adult entertainment goods and services to the generic “playboy” and “playmate.”

Id. at 1073.

⁵⁷ *Id.* at 1079 nn.33–36. In addition, the court stated that the plaintiff had not provided evidence to prove confusion. For example, the court stated that “PEI has not presented a consumer survey of likelihood of confusion, despite having . . . significant financial resources to pay for such a survey.” In addition, the court noted that “[n]either Excite nor Netscape have received any complaints or comments from consumers who were confused in any way by a banner advertisement on the Excite or Netscape search results page that resulted from a search for the words ‘playboy’ or ‘playmate.’” *Id.*

two cases was that the defendant in *Brookfield Communications* competed in the same market for the same product.⁵⁸ Finally, the *Netscape Communications* court entertained, the plaintiff's claim of trademark dilution. The court found that even if the defendants' use of the plaintiff's mark constituted a trademark use, the plaintiff had not proven that its marks had been blurred or tarnished.⁵⁹ The district court's decision to deny the preliminary injunction was affirmed a few months later by the Ninth Circuit Court of Appeals.⁶⁰

IV. THE METATAG CASES: A MISAPPLICATION OF TRADEMARK ANALYSIS

A. *Is a Metatag a "Fair Use" of a Trademark?*

1. *Is a Metatag Use Really a Trademark "Use"?*

The most fundamental issue in the cases of trademark infringement through keyword metatag is whether the use of a trademark in a metatag is really the "use" of a trademark at all. The Central District Court of California raised this issue in *Netscape Communications*.⁶¹ In fact, it became the hook on which the court hung its decision in favor of the defendants. The court reasoned that the defendants' use of "playmate" and "playboy" in metatags did not amount to the use of a trademark at all because "Excite and Netscape do not use PEI's 'bunny' logo or any stylized lettering used by PEI."⁶² The court stated further:

[I]t is undisputed that an Internet user cannot conduct a search using the trademark form of the words, i.e., Playboy® and Playmate®. Rather, the user enters the generic word "playboy" or "playmate." It is also undisputed that the words "playboy" and "playmate" are English words in their own right, and that there exist other trademarks on the words wholly unrelated to PEI. Thus, whether the user is looking for goods and services covered by PEI's trademarks or something altogether unrelated to PEI is anybody's guess.⁶³

In fact, during oral argument, PEI itself acknowledged that the keywords entered into the search engine by the user were not actually the Playboy marks.⁶⁴

⁵⁸ *Id.* at 1074-75.

⁵⁹ *Id.* at 1075.

⁶⁰ *Playboy Enters. v. Netscape Communications Corp.*, No. 99-56230, No. 99-56231, 1999 U.S. App. LEXIS 30215 (9th Cir. Nov. 18, 1999).

⁶¹ *Netscape Communications*, 55 F. Supp. 2d at 1073-74.

⁶² *Id.* at 1079.

⁶³ *Id.* at 1073.

⁶⁴ "PEI admits that Internet users who type in 'playboy' and 'playmate' as search terms are not infringing PEI's trademarks. See Reporter's Transcript of May 24, 1999, Hearing at

Yet, PEI insisted that the words as programmed by the website designers, and, in this case, the words as sold by the search engine companies, were uses of the trademark. They claimed that the sellers and borrowers were using the mark because they were attempting to co-opt goodwill from PEI by speculating that people searching for the Playboy sites would use those terms.⁶⁵

It is without a doubt that a word alone—that is a word without a symbol—can be a trademark. In fact, the Lanham Act definition of a trademark “includes any *word*, name, symbol, or device, or any combination thereof.”⁶⁶ However, the second requirement of a trademark is that it be used by a person “in commerce . . . to *identify and distinguish* his or her goods, including a unique product, from those manufactured or sold by others and to *indicate the source of the goods*, even if that source is unknown.”⁶⁷

The question, therefore, is whether the use of a word alone without any identifying marks or stylized text—without any graphic identification that associates that word with a specific product—is a use to identify a source of a goods, and therefore, has the ability to cause consumer confusion. According to one famous trademark treatise, “evidentiary factors relevant to whether defendant’s use is as a trademark are the lettering, type style, size and visual placement and prominence of the challenged words.”⁶⁸ For example, use of the words “MOBILE MECHANICS” as a service mark for auto repairs was found to be an infringement of the Mobil Oil trademark, *because* the defendant “used the words on signs, letterheads and advertisements as a mark and in virtually identical lettering style as plaintiff’s MOBIL.”⁶⁹ This distinction of whether the use is “as a

P.43 (“We’re not in any way claiming that people who use the Internet, Playboy, Playmate, themselves are infringing.”) *Netscape Communications*, 55 F. Supp. 2d at 1082 n.6.

⁶⁵ See *id.* at 1073–74. Specifically, the court stated that:

plaintiff argues that since defendants also speculate that users searching for “playboy” and “playmate” are looking for things related to Playboy® and Playmate®, defendants use the trademarks when they key competing adult entertainment goods and services to the generic “playboy” and “playmate.”

[However] [p]laintiff has not shown that defendants use the terms in their trademark form, i.e., Playboy® and Playmate®, when marketing to advertisers or in the algorithm that effectuates the keying of the ads to the keywords. Thus, plaintiff’s argument that defendants “use” plaintiff’s trademarks falls short.

Id.

⁶⁶ Lanham Act § 45, 15 U.S.C. § 1127 (Supp. 1998) (emphasis added).

⁶⁷ Lanham Act § 45, 15 U.S.C. § 1127 (emphases added).

⁶⁸ 4 MCCARTHY, *supra* note 13, § 11:46. McCarthy cites, among other cases, *Woodroast Sys., Inc. v. Restaurants Unlimited, Inc.*, 793 F. Supp. 906 (8th Cir. 1993), and states that the court held that the factors to be examined to determine if use of a trademark or service mark has occurred include: “whether the term is used to attract public attention; whether the term is used prominently; whether the term is in a different type size or style; whether the term is set off; and whether the term actually describes the product being sold.” *Id.* at § 11:46 n.4.

⁶⁹ 4 MCCARTHY, *supra* note 13, § 11:46.

mark” is important, since “the only type of use which should suffice as a ‘fair use’ is use by defendant in a non-trademark sense.”⁷⁰ In other words, designation as a “non-trademark” use is very often the first hurdle over which a party must leap in order to prove that its use of another party’s mark qualifies as a non-infringing fair use.

2. The Fair Use Defense and How It Applies

The courts in both *Brookfield Communications* and *Netscape Communications* state, correctly, that trademark infringement cannot exist if the use is allowable under the “fair use” doctrine of the Lanham Act. The *Netscape Communications* court relates its “use as a mark” analysis to the doctrine of fair use by stating that “because [the defendants] use the words ‘playboy’ and ‘playmate’ as words in the English language rather than as trademarks. . . [their] use of the words is fair use.”⁷¹ However, not all “non-trademark” uses amount to fair use and not all fair use provisions require a “non-trademark” use. In actuality the line is somewhat less distinct. For this reason, the courts should have provided further analysis of the fair use provision.

The fair use provision is embodied in section 33(b) of the Lanham Act.⁷² The fundamental motivation for the fair use provision is that limitations on the use of specific words present significant First Amendment concerns. The court in *Netscape* noted this concern claiming that an unlimited ability to protect a non-distinctive mark would allow Playboy to “effectively monopolize the use of these words on the Internet.”⁷³

Courts tend to classify and analyze fair use claims under categories of use that include, for example, descriptive or comparative use. A descriptive word is a

⁷⁰ *Id.*

⁷¹ *Playboy Enters. v. Netscape Communications Corp.*, 55 F. Supp. 2d 1070, 1087 (C.D. Cal. 1999).

⁷² The Act provides that:

[T]he use of the name, term, or device charged to be an infringement is a use, otherwise than as a mark, of the party’s individual name in his own business, or of the individual name of anyone in privity with such party, or 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

Lanham Act § 33(b)(4), 15 U.S.C. § 1115(b)(4) (1994).

⁷³ *Netscape Communications*, 55 F. Supp. 2d at 1085. The court continued: “This violates the First Amendment rights of (a) Excite and Netscape; (b) other trademark holders of ‘playboy’ and ‘playmate’; as well as (c) members of the public who conduct Internet searches.” *Id.* In support of this statement, the court cited *Bally Total Fitness Corp. v. Faber*, 29 F. Supp. 2d 1161, 1165 (C.D. Cal. 1998), where it found that “prohibiting [defendant] from using [plaintiff’s] name in the machine readable code would effectively isolate him from all but the most savvy of Internet users.”

word that had primary meaning in the English language prior to its use as a trademark. In that regard it is still protected for use as a descriptive word by parties other than the trademark holder. The trademark use of the word is considered to have “secondary meaning” as an identifier, and only use of that word in its secondary meaning is protected.

Sometimes the difference between a word used in a descriptive manner and a unique word or “famous mark,” which deserves near full trademark protection with few opportunities for fair use, may appear almost insignificant. This was the case in *Brookfield Communications*, where the court found that while “Movie Buff” may be a descriptive term, “MovieBuff” was not—the difference of one space between the two words making the term unique.⁷⁴ The *Brookfield Communications* court referred to an often-cited fifth Circuit case, *New Kids on the Block v. News America Publishing*, which found that: “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.”⁷⁵ As stated by the court in *Netscape Communications*, “the law is that a word which is in its primary meaning merely descriptive of the goods to which it is applied may not be appropriated as the exclusive trademark of a single seller.”⁷⁶

Generally, any use other than a use to identify the source of products or services is considered a descriptive, fair use. For example, in the case of *Playboy v. Welles*,⁷⁷ PEI sought to enjoin former Playboy Playmate Terri Welles from using the words “playboy” or “playmate” on her website or in her metatags. However, the court found that the use was a descriptive fair use since Welles minimized the use of Playboy’s marks and used the terms in metatags “in good

⁷⁴ The court stated specifically that:

We agree that West Coast can legitimately use an appropriate descriptive term in its metatags. But “MovieBuff” is not such a descriptive term. Even though it differs from “Movie Buff” by only a single space, that difference is pivotal. The term “Movie Buff” is a descriptive term, which is routinely used in the English language to describe a movie devotee. “MovieBuff” is not.

Brookfield Comms., Inc. v. W. Coast Entm’t Corp., 174 F. 3d 1036, 1066 (9th Cir. 1999).

⁷⁵ *New Kids on the Block v. News Am. Publ’g, Inc.*, 971 F.2d 302, 306 (9th Cir. 1992) (quoting *Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178, 1185 (5th Cir. 1980))

⁷⁶ *Netscape*, 55 F. Supp. 2d at 1086–87 (quoting *Bada Co. v. Montgomery Ward & Co.*, 426 F.2d 8, 11 (9th Cir. 1970)):

The law is that a word which is in its primary meaning merely descriptive of the goods to which it is applied may not be appropriated as the exclusive trademark of a single seller, since one competitor will not be permitted to impoverish the language of commerce by preventing his fellows from fairly describing their own goods.

⁷⁷ 7 F. Supp. 2d 1098 (S.D. Cal. 1998).

faith to index the content of her website.”⁷⁸ Further, the court found that the uses of the trademarks on her website were “legitimate editorial uses of the term Playboy” to reference her identity as “Playboy Playmate of the Year 1981.”⁷⁹

Another frequently cited example of fair use is found in *New Kids on the Block*. The court found that the *Dallas Morning News* newspaper could publish an announcement containing musical band New Kids on the Block’s trademarked name, without consent, to advertise a “900” telephone line that allowed fans to vote for their favorite member of the band. According to the court, “the trademark laws do not give [plaintiffs] the right to channel their fans’ enthusiasm (and dollars) only into items licensed or authorized by them.”⁸⁰ The court stated further that in order to be considered a descriptive fair use, the product identified with the mark must “be one not readily identifiable without the use of the trademark; only so much of the mark . . . may be used as is reasonably necessary . . . ; and third, the user must do nothing . . . in conjunction with the mark [to] suggest sponsorship or endorsement.”⁸¹

A party can also use a competitor’s trademark to make comparisons to that competitor’s goods or services, provided that it does not create confusion about the source of its own goods or services in the process.⁸² In fact, the district court in *Brookfield Communications* specifically stated that West Coast’s use of the Brookfield mark to identify Brookfield as a competitor *would* constitute a fair use.⁸³

The use of a trademark in a metatag might be considered similar to the use of a trademark to make “comparisons” to a competitor’s products. The objective of

⁷⁸ *Id.* at 1104.

⁷⁹ *Id.*

⁸⁰ *New Kids on the Block*, 971 F.2d at 309.

⁸¹ *Id.* at 308.

⁸² See, e.g., *Playboy Enters. v. Netscape Communications*, 55 F. Supp. 2d 1070, 1082 (C.D. Cal. 1999) (citing *Saxony Prods., Inc. v. Guerlain, Inc.*, 513 F.2d 716, 722 (9th Cir. 1975) (finding that “[defendant] could use [plaintiff’s] trademark SHALIMAR to apprise consumers that Fragrance S is ‘LIKE’ or ‘similar’ to SHALIMAR”), and *Calvin Klein Cosmetics Corp. v. Parfums De Coeur, Ltd.*, 824 F.2d 665, 668 (8th Cir. 1987) (finding that the phrase “If you like OBSESSION you’ll love CONFESS” did not infringe)).

⁸³ The court stated:

Moreover, West Coast is not absolutely barred from using the term “MovieBuff.” As we explained above, that term can be legitimately used to describe Brookfield’s product. For example, its webpage might well include an advertisement banner such as “Why pay for MovieBuff when you can get the same thing here for FREE?” which clearly employs “MovieBuff” to refer to Brookfield’s products. West Coast, however, presently uses Brookfield’s trademark not to reference Brookfield’s products, but instead to describe its own product (in the case of the domain name) and to attract people to its website in the case of the metatags). That is not fair use.

Brookfield Comms., Inc. v. W. Coast Entm’t Corp., 174 F.3d 1036, 1066 (9th Cir. 1999).

the typical defendant in the metatag cases is similar to the objective of a company using another company's trademarks in comparison advertising—that is, to encourage comparison shopping or to persuade a consumer to *consider* the metatag user's product or service as they are shopping. However, the *Brookfield Communications* court suggested that using a competitor's trademark in a metatag can never be a fair use to identify a competitor's products. The court said that only the use of the trademark on the destination website can be a comparative fair use. According to the court:

[Brookfield's] webpage might well include an advertisement banner such as "Why pay for MovieBuff when you can get the same thing here for FREE?" which clearly employs "MovieBuff" to refer to Brookfield's products. West Coast, however, presently uses Brookfield's trademark not to reference Brookfield's products, but instead to describe its own product (in the case of the domain name) and to attract people to its website in the case of the metatags. That is not fair use.⁸⁴

Like most courts analyzing metatag cases, the court's reasoning here has a fatal flaw. It suggests that the use of the trademark on the webpage itself is subject to traditional infringement and fair use analysis, but the use of the trademark in the metatag is not. In other words, the court offers no rationale for why it should consider the metatag use to be dramatically different from the uses on the site to which those metatags lead. In Part V of this note, the author argues that the courts should apply traditional infringement analysis to metatag uses of trademarks. In cases in which traditional analysis does not support a claim of infringement through metatags (the majority of cases), the courts should consider the metatags only as evidence of confusion created by defendant's use of trademarks on the destination website.⁸⁵

3. *Does the Good Faith Requirement Apply to Metatags?*

Exactly when a use constitutes a descriptive or a good-faith comparative fair use is an issue of fact and, therefore, often the victim of subjective interpretation. *Brookfield Communications* and other decisions leave a troublesome question: Does a descriptive or comparative word used in a metatag always have a non-descriptive and non-comparative meaning? The only legitimate argument that these marks cannot constitute fair use is the requirement of "good faith" in the fair use provision of the Lanham Act. The provision states that a fair use is a use that "is descriptive of and used fairly *and in good faith* only to describe the goods or services of such party."⁸⁶

⁸⁴ *Id.*

⁸⁵ *See infra* Part V.

⁸⁶ 15 U.S.C. § 1115(b)(4) (1994) (emphasis added).

Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. Celozzi-Ettelson Chevrolet, Inc. presents one example of a finding of lack of good faith in a trademark case.⁸⁷ The defendant, an Illinois used car dealer, modified Ringling Brothers' protected trademark "The Greatest Show on Earth," calling its own car lot "The Greatest Used Car Show on Earth." The case was tried under the Illinois dilution statute and not the federal Lanham Act, thus the statutory requirement was not that the use caused actual confusion but that the use diluted the distinctiveness of the original mark; however, the case does offer a useful analysis.⁸⁸ When the defendant claimed that the Lanham Act's fair use defense pre-empted Illinois's dilution statute, the court disagreed and held that the defendant's use was not a good-faith use and was not descriptive of defendant's products or services. While defendant claimed that it had adopted its slogan "without discussion or consideration of Ringling Bros.' Slogan," the court, without actually discussing the contrary evidence in its opinion, concluded that the evidence on record did not bear out a finding of good faith.⁸⁹

It is important to note the *Ringling Bros.* court's interest in the defendant's graphical treatment of his own mark. The court highlights the fact that defendant "erected two signs on its showroom roof that in big, bold, red circus-style letters proclaimed Celozzi-Ettelson 'The Greatest Used Car Show on Earth'" and "[b]eginning in mid-1986, these signs were also visible in a television advertisement for Celozzi-Ettelson that included a view of the premises."⁹⁰ The court was clearly concerned that the dealership intentionally attempted to create a visual association between itself and the circus. In this case, the lack of good faith is fairly obvious. The car dealer chose this tagline to refer to his own goods and services because consumers already associated a similar mark with important product attributes—such as quality, tradition, fun, and value—which he wanted consumers to assign to the Celozzi-Ettelson dealership. It is difficult to see how the use of a trademark in an invisible metatag can constitute a similar proactive attempt to create such a visual association in the minds of consumers.

A metatag use of a trademark is, at its most basic level, an attempt to ensure that people who use the Web to find a product or service are aware that a competing product or service exists. In that regard, the user is definitely borrowing on the goodwill that the trademark holder has created in the trade-

⁸⁷ See *Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. Celozzi-Ettelson Chevrolet, Inc.*, 855 F.2d 480, 484 (7th Cir. 1988) (finding that car dealer's use of tagline "The Greatest Used Car Show on Earth" constituted trademark infringement because dealer lacked good faith intent necessary for fair use defense).

⁸⁸ See *id.* at 482–83 (discussing the statutory requirements of ILL. REV. STAT. ch. 140, § 22).

⁸⁹ *Id.* at 484.

⁹⁰ *Id.* at 481.

name.⁹¹ However, the courts have not explained why a metatag use automatically constitutes a bad faith use while, for example, a comparative, descriptive use outside of the Internet does not. Assigning a de facto malicious intent to the use of trademarks in metatags raises two problems. First, there are those cases in which either a malicious intent to prosper from a competitor's goodwill does not exist or, at the very least, the issue bears investigation. Second, and more importantly, although the defendant's intent is an important factor in traditional eight-factor infringement analysis, it is only one small factor that can help determine whether a likelihood of confusion exists. This concern reminds us of the primary motivation for trademark protection—to prevent companies from exploiting unwitting consumers.⁹² The courts have offered no clear argument for why an intent to confuse or dilute should automatically be presumed simply because the defendant uses a competitor's trademark in a metatag.

B. "Initial Interest Confusion" Is Incorrectly Applied

The different results in *Netscape* and *Brookfield Communications* perfectly exemplify the trouble that the courts have had finding a new framework for handling the metatag issue under existing law. Once the courts have determined that the metatag use does not constitute a fair use, their next challenge has been to explain how a trademark used in a metatag can cause actual confusion about the source of a company's products.

Assume, for example, that a search engine user entered the search term "moviebuff," hoping to find the Brookfield website. The search results page might then present the user with a list that included two sites, the Brookfield

⁹¹ It is worth noting that if the goal of trademark law, especially the dilution amendment, is to protect the value of goodwill already developed in a mark, then the people who claim dilution by metatag use may, ironically, have failed to develop the goodwill that the law was meant to protect. After all, a search engine user has become a "searcher" only because he does not know the URL (domain name) of the company he is seeking. In fact, a company that adequately develops goodwill by investing in the promotion of its trade-name and domain name will not face the problem of Internet users not knowing the company Web address. Thus, the company's "valued" customers would never actually need to search for their website, and the metatag problem would not be an issue.

⁹² 1 MCCARTHY, *supra* note 13, § 2:33:

It is accurate to state that, "Confusion of the public is the essence of both trademark infringement and unfair competition." Almost all trademark disputes are between firms that use conflicting marks; the consumer is not a party to the litigation. But it is the consumer's state of mind that largely controls the result . . .

. . . Thus, "the plaintiff is acting, not only in its own interest, but in the public interest."

Id. quoting *Dart Drug Corp. v. Schering Corp.*, 320 F.2d 745 (D.C. Cir. 1963), and *General Baking Co. v. Gorman*, 3 F.2d 891 (1st Cir. 1925).

site—called, for example, “brookfield.com” or “brookfieldmoviebuff.com” (or even moviebuff.com at a time after West Coast had been forced to surrender that name)—and the West Coast Video site—“westcoastvideo.com.” There is no *real* likelihood that the user would be confused about which website was associated with the product he sought. He would click on the Brookfield website from the search results list and be on his way. If the search engine user chose the wrong site, he would quickly realize that he was not in the right place—at least in those cases where the defendant does not actually intend to pass off his site as the plaintiff’s.

The *Brookfield* Court, in fact, stated explicitly that under the *Sleekcraft* analysis there would be no actual likelihood of confusion based on the facts in its case. The court said that because the list produced by the search engine would include both West Coast’s and Brookfield’s websites, and because the user choosing the “westcoastvideo.com” website would know whose site he was visiting, “it is difficult to say that a consumer is likely to be confused about whose site he has reached or to think that Brookfield somehow sponsors West Coast’s website.”⁹³

The *Brookfield* court gave as its only reason for not applying the eight-factor *Sleekcraft* analysis that “the traditional eight-factor test is not well-suited for analyzing the metatags issue.”⁹⁴ The court, however, never explained why the likelihood of confusion analysis is “not well-suited.” It claimed only that while there is no source confusion because “consumers know they are patronizing West

⁹³ *Brookfield Comms. v. W. Coast Entm’t Corp.*, 174 F.3d 1036, 1062 (9th Cir. 1999). The court stated further:

Although entering “MovieBuff” into a search engine is likely to bring up a list including “westcoastvideo.com” if West Coast has included that term in its metatags, the resulting confusion is not as great as where West Coast uses the “moviebuff.com” domain name. First, when the user inputs “MovieBuff” into an Internet search engine, the list produced by the search engine is likely to include both West Coast’s and Brookfield’s websites. Thus, in scanning such list, the Web user will often be able to find the particular website he is seeking. Moreover, even if the Web user chooses the website belonging to West Coast, he will see that the domain name of the website he selected is “westcoastvideo.com.” Since there is no confusion resulting from the domain address, and since West Coast’s initial webpage prominently displays its own name, it is difficult to say that a consumer is likely to be confused about whose site he has reached or to think that Brookfield somehow sponsors West Coast’s website.

Id. The court in *Oppedahl & Larson v. Advanced Concepts* came to a similar conclusion:

In fact, there is no confusion because even when a search engine user enters trademarked terms in the hopes of finding the trademark owner’s site, if a metatag user’s site is returned, so very likely is the trademark holder’s site if it exists. Therefore, the opportunity for confusion is limited.

Oppedahl & Larson v. Advanced Concepts, No. 97-Z-1592 (D. Colo. filed July 23, 1997), <http://www.patents.com/ac/complain.sht>. See also Kuester & Nieves, *supra* note 17, at nn.180–83 and accompanying text.

⁹⁴ *Brookfield Communications*, 174 F.3d, at 1062 n.24.

Coast rather than Brookfield, there is nevertheless initial interest confusion in the sense that, by using 'moviebuff.com' or 'MovieBuff' to divert people looking for 'MovieBuff' to its website, West Coast improperly benefits from the goodwill that Brookfield developed in its mark."⁹⁵

1. *The Origins of the Initial Interest Confusion Doctrine*

The initial interest confusion doctrine is a relatively recent phenomenon in the development of trademark law. The *Brookfield* court cited the case of *Dr. Seuss Enterprises v. Penguin Books USA, Inc.*,⁹⁶ as precedent.⁹⁷ *Dr. Seuss* held that the use of another's trademark in a manner calculated "to capture initial consumer attention, even though no actual sale is finally completed as a result of the confusion, may be still an infringement."⁹⁸ *Dr. Seuss* relied on the Second Circuit case of *Mobil Oil Corp. v. Pegasus Petroleum Corp.*⁹⁹ Mobil Oil claimed that defendant's use of the trade-name Pegasus, together with the use of a winged horse in its logo, would result in initial confusion in the petroleum products market as to the affiliation between the companies (since Mobil also used a winged horse in its own logo).¹⁰⁰ The court found that "potential purchasers would be misled into an initial interest in Pegasus Petroleum" because they might believe the companies were associated.¹⁰¹ The court in *Pegasus Petroleum* upheld the district court's finding of a likelihood of confusion even though, in the words of the *Brookfield* court, "these potential customers would generally learn that Pegasus Petroleum was unrelated to Mobil well before any actual sale was consummated."¹⁰²

In its decision, the *Pegasus Petroleum* court cited its own circuit's precedent¹⁰³ in *Grotrian v. Steinway & Sons*.¹⁰⁴ In *Steinway & Sons*, the plaintiff sought a declaratory judgment that its trademark "Grotrian-Steinweg" did not

⁹⁵ *Id.* at 1062.

⁹⁶ 109 F.3d 1394 (9th Cir. 1997).

⁹⁷ *Brookfield*, 174 F.3d, at 1062-63.

⁹⁸ *Dr. Seuss*, 109 F.3d, at 1405 (9th Cir. 1997) See *SecuraCom Consulting, Inc. v. Securacomm Inc.*, 984 F. Supp. 286, 298 (D. N.J. 1997) (noting that "initial interest confusion" is actionable even if no sale is completed).

⁹⁹ 818 F. 2d 254 (2d Cir. 1987)

¹⁰⁰ *Id.* at 256.

¹⁰¹ *Id.* at 259-60.

¹⁰² *Brookfield Comms. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1063 (9th Cir. 1999) (citing *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F. 2d 254, 260 (2d Cir. 1987)).

¹⁰³ *Pegasus Petroleum*, 818 F.2d at 260.

¹⁰⁴ 523 F.2d 1331 (2d Cir. 1975). The court found confusion because Grotrian-Steinweg misled Steinway shoppers into an initial interest in Steinweg pianos through deliberate tactics to exploit the similarities between the two trade-names. See *id.* at 1341-42.

infringe Steinway's trademark rights.¹⁰⁵ Steinway counterclaimed, asserting that the plaintiff, through its use of the "Grotrian-Steinweg" mark, attracted people who were really interested in "Steinway" pianos.¹⁰⁶ Finding for the defendant on its trademark infringement counterclaim, the court explained: "We decline to hold, however, that actual or potential confusion *at the time of purchase* necessarily must be demonstrated to establish trademark infringement under the circumstances of this case."¹⁰⁷ The court argued that the issue was not that a customer would actually purchase a Grotrian-Steinweg thinking it was a Steinway, but that "a consumer, hearing the 'Grotrian-Steinweg' name and thinking it had some connection with 'Steinway,' would consider it on that basis. The 'Grotrian-Steinweg' name therefore would attract potential customers based on the reputation built up by Steinway in this country for many years."¹⁰⁸

The concept of initial interest confusion has also been applied in cases where a company has created a private label product that had a different name but was made to intentionally look like another product. In *McNeil-PPC v. Guardian Drug Co.* the court found that defendant's use of look-alike packaging on its non-prescription medicine amounted to trademark infringement because it served to "'hook' customers at the initial point of contact with the product, thus initially drawing the customers to its product through the similarity in trade dress."¹⁰⁹ The court stated that although the consumer is likely to realize the true source of the product before the sale is completed, the "[d]efendant has already accomplished what it set out to do, which is to confuse the consumer at the point when he first reaches for the product on the shelf. It is at that point that the damage is done."¹¹⁰

The doctrine of "initial interest confusion" has had its critics. A number of courts have held that the initial interest confusion doctrine should be actionable only if the confusion affects the ultimate decision of a consumer about whether to buy a product. In other words, initial interest confusion is a problem only if the trademark user is able to convert an unwitting customer.¹¹¹ Another similar

¹⁰⁵ See *id.* at 1334-35.

¹⁰⁶ See *id.* at 1335.

¹⁰⁷ *Id.* at 1342.

¹⁰⁸ *Id.*

¹⁰⁹ *McNeil-PPC v. Guardian Drug Co.*, 984 F. Supp. 1066, 1074 (E.D. Mich. 1997). The court found that defendant's private label competitive product, a look-alike digestive aid for lactose-intolerant persons, was "virtually identical in color, design, and labeling." See *id.*

¹¹⁰ *Id.* at 1074. For a further discussion of initial interest confusion and "look-alike products" see 3 MCCARTHY *supra* note 13, § 23:6.

¹¹¹ See *Astra Pharm. Prods., Inc. v. Beckman Instruments, Inc.* 718 F.2d 1201, 1207 (1st Cir. 1983) (finding no confusion between appellant's registered mark of ASTRA for pharmaceuticals and appellee's use of a similar mark on a computerized blood analyzer machine because, although there was evidence of temporary confusion among hospital administrators, there was "no evidence whatsoever that anyone ever bought a Beckman analyzer thinking it came from Astra.")

counterargument to the initial interest confusion doctrine is that very often the confusion, if it exists, is so fleeting that it should not be actionable.¹¹²

2. *Why Initial Interest Analysis Is Inappropriate in Metatag Cases*

The first problem with applying the initial interest confusion doctrine to metatag claims is the fundamental weakness of the doctrine itself. The doctrine extends the protections of trademark law from situations where confusion leads to captured customers to situations in which a few people may be confused temporarily.¹¹³ If consumer protection is the fundamental basis for trademark law, then it is not appropriate to extend trademark law to protect the rare and unreasonable consumer who is temporarily confused.

The second problem with applying the initial interest confusion analysis to the metatag cases is that the doctrine is more appropriately applied to cases in which a company uses a *visible* mark in a proactive attempt to make consumers believe that the product they are actually looking at or holding is another product entirely. It is appropriate, for example, when a company in the oil industry uses the name "Pegasus" together with a flying horse and the Mobil colors to identify its own goods,¹¹⁴ or when a drug maker creates labeling that looks confusingly similar to its competitors' labels.¹¹⁵ In other words, it is appropriate when the defendant hopes that the consumer will look at his product and think that she is actually looking at a competitor's product. A metatag, however, does not have this same power to create visual associations.¹¹⁶ The search engine user is not searching for one product and finding a product that has intentionally been made to look like the one for which they are searching. The metatag user is searching for one product and getting a list that contains that product, as well as other competitive products. The inclusion of the typical defendant's site in the search engine results list does not have the same power to grab and confuse consumers as the placement of a look-alike product on a shelf.

This look-alike product issue was exemplified by the *Brookfield* court's analogy of metatag use to "posting a sign with another's trademark in front of one's store." The court wrote:

¹¹² See *Teletech Customer Care Mgmt. (Cal.), Inc. v. Tele-Tech Co.*, 977 F. Supp 1407, 1414 (C.D. Cal. 1997) (finding that plaintiff had not proved a likelihood of success on its service mark infringement claim because it had "only demonstrated an *initial confusion* on the part of Web browsers using the domain name 'teletech.com' but finding the Defendant's website. This brief confusion is not cognizable under the trademark laws." (emphases added)).

¹¹³ See *id.* (noting that brief, initial confusion is not cognizable under the trademark laws).

¹¹⁴ See *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F. 2d 254, 260 (2d. Cir. 1987).

¹¹⁵ See *McNeil PPC v. Guardian Drug Co.*, 984 F. Supp. 1066, 1074-75 (E.D. Mich. 1997).

¹¹⁶ See *Playboy Enters. v. Netscape Communications Corp.*, 55 F. Supp. 2d 1070, 1083 n.7 (C.D. Cal. 1999); see also *supra* Part IV.A.1.

Suppose West Coast's competitor (let's call it "Blockbuster") puts up a billboard on a highway reading—"West Coast Video: 2 miles ahead at Exit 7"—where West Coast is really located at Exit 8 but Blockbuster is located at Exit 7. Customers looking for West Coast's store will pull off at Exit 7 and drive around looking for it. Unable to locate West Coast, but seeing the Blockbuster store right by the highway entrance, they may simply rent there. 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 and they have no reason to believe that Blockbuster is related to, or in any way sponsored by, West Coast. 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.¹¹⁷

This analogy, however, is not exactly accurate. In the case cited by the *Brookfield* court—*Blockbuster Entertainment Group v. Laylco*¹¹⁸—the defendant, a video rental store, attracted the initial interest of customers by placing a sign *in front of its own store* that was confusingly similar to Blockbuster's trademarked sign. As consumers drove by, they approached and entered the competitor's store *believing it was* Blockbuster. The issue in metatag cases is different. In the metatag cases, a user who searches a search engine for "moviebuff" is then presented with a search results list that includes a large number of possible matching websites. At this point, as the user peruses the search results page, she has not been confused into entering one site believing it is actually the site she is looking for. She does not, to extend the analogy, believe she is about to drive up to a Blockbuster store. Instead, she knows that she must glance at all of the road signs before finding the one that leads her to her desired destination. In fact, none of these road signs is painted to look like a Blockbuster sign. If it were—i.e., if more than one of the domain names in her search results list were "blockbuster.com" or some variation—then the dispute would be about the domain name and not the metatag use of the trademark. In this regard there is no initial interest confusion.¹¹⁹

The court in *Netscape*, in fact, applied the same sign-diversion analogy to reach a different conclusion about initial interest than the *Brookfield* court. Because it believed that the metatags were not actually trademarks, the court found that, "the analogy is quite unlike that of a devious placement of a road sign

¹¹⁷ *Brookfield Comms., Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1064 (9th Cir. 1999) (citing *Blockbuster Entm't Group v. Laylco, Inc.*, 869 F. Supp. 505, 513 (1994) (finding trademark infringement where the defendant, a video rental store, attracted customers' initial interest by using a sign confusingly similar to its competitor's even though confusion would end long before the point of sale or rental)).

¹¹⁸ *Blockbuster*, 869 F. Supp. 505.

¹¹⁹ See also the *Brookfield* court's discussion of actual confusion, *supra* note 85 and accompanying text.

bearing false information.”¹²⁰ The court said the situation was “more akin to a driver pulling off the freeway in response to a sign that reads ‘Fast Food Burgers’ to find a well-known fast food burger restaurant, next to which stands a billboard that reads: ‘Better Burgers: 1 Block Further.’”¹²¹ At that point, according to the court: “The driver, previously enticed by the prospect of a burger from the well-known restaurant, now decides she wants to explore other burger options.”¹²² Continuing its analysis of the initial interest doctrine as applied to metatags the *Netscape* court stated:

PEI’s [Playboy’s] argument (unsupported by any evidence) that there is “initial interest confusion” proves too much. Under PEI’s theory, as long as the defendant uses the words in plaintiff’s trademark, there is “initial interest confusion.” This is not the law. The “initial interest confusion” cases deal with a defendant-competitor’s use of plaintiff’s trademark, which is not the situation here. Further, in this case, the search results page specifically has a “link” to PEI’s website.¹²³

What the court appears to be saying is that, in order to cause confusion—even initial interest confusion—the use must be as a visible mark with the power to create an association in the consumer’s mind. This argument supports the author’s contention that a metatag—because it is never seen by the consumer and, therefore, cannot create a visual association between products—cannot cause source confusion, either initial interest confusion, or confusion prolonged to the point of purchase.

3. *The Initial Interest Confusion Doctrine in Recent Metatag Cases*

A number of U.S. Circuit Courts have attempted recently to apply the initial interest confusion analysis from *Brookfield Communications*. The disparity among their analyses and outcomes further reveals the problems with this doctrine in the context of keyword metatags.

In one example, drug-maker Eli Lilly (Lilly) sued herbal supplement marketer Natural Answers for infringing on Lilly’s Prozac trademark.¹²⁴ Natural Answers marketed its herbal supplement Herbrozac as an alternative to the prescription drug Prozac. In addition to making comparisons to Prozac in its advertising, Natural Answers included the name Prozac in the keyword metatags on its website. Although the court found no evidence of actual confusion, it did find “significant risk of initial confusion” in part because Natural Answers used the metatags “in an attempt to attract the attention of Internet surfers looking for

¹²⁰ *Netscape*, 55 F. Supp. 2d at 1075.

¹²¹ *Id.*

¹²² *Id.*

¹²³ *Id.*

¹²⁴ *Eli Lilly & Co. v. Natural Answers, Inc.*, 86 F. Supp. 2d 834 (S.D. Ind. 2000).

information about Prozac.”¹²⁵ The court reached this conclusion despite a finding that the Prozac “metatags apparently did little to raise the visibility of the Herbrozac webpage” since tests indicated “that the Herbrozac webpage was swamped [in the search engine results listings] by many other webpages with far more references to Prozac.”¹²⁶ In other words, despite clear evidence that Herbrozac’s practices could not lead to significant confusion, and despite the fact that Natural Answer used the Prozac name only to make comparisons to its own product, the court found that a trademark violation was likely and issued an injunction.

In another recent case, the Northern District of California again failed to separate the infringing uses of a trademark on a website from the use of trademarks in metatags. The case pitted investment guru Ken Roberts against Hi-Tech Futures Trading, an investment company whose website used pictures of Roberts and text to suggest that it was affiliated with Roberts.¹²⁷ The court found initial confusion because Hi-Tech used metatags “which do not accurately describe its site” and used “the exact same image of [plaintiff] Ken Roberts on its site as is used on plaintiffs’ actual site.”¹²⁸ The court also found that Hi-Tech’s metatag use was likely to deceive Internet users “when they are searching for plaintiff on the Internet or when they are viewing Hi-Tech Futures’ website.”¹²⁹ The court’s reference to the use of the plaintiff’s image *on the website* and the deception occurring “when [users] are viewing Hi-Tech Futures’ website,” suggests that the trademark violations may have occurred on the website itself and not through the use of metatags.¹³⁰ These are just two in a set of recent cases that have inappropriately extended the initial interest confusion doctrine to keyword metatag cases.¹³¹

¹²⁵ *Id.* at 845.

¹²⁶ *Id.* at 839.

¹²⁷ *The Ken Roberts Co. v. Go-To.com*, 2000 U.S. Dist. LEXIS 6740 (N.D. Ca., May 10, 2000).

¹²⁸ *Id.* at *10.

¹²⁹ *Id.* at *10–11.

¹³⁰ See arguments *infra* Part V.

¹³¹ See also *N.Y. State Soc’y of Certified Pub. Accountants v. Eric Louis Assocs., Inc.*, 79 F. Supp. 2d 331, 339 (S.D. N.Y. 1999) (finding initial interest confusion although defendant’s home page(s) “clearly indicated that the site belonged to ELA [defendant’s business], stated that the ‘site is not affiliated with’ the Society, and provided a hyperlink to the Society’s website at ‘www.nysscpa.org’”); *777388 Ontario Ltd. v. Lencore Acoustics Corp.*, 2000 U.S. Dist. LEXIS 8404 (E.D.N.Y. May 25, 2000) (denying defendants’ motion to dismiss section 43 metatag claim and citing the discussion of initial interest confusion in *Brookfield Communications*). The *Lencore* court suggested that initial confusion might be created because defendant used metatags “deliberately . . . in an effort to steer Internet browsers looking for information on [plaintiff’s] products to the site, where in turn promotional material may be found that fosters the impression that there is no difference between the [plaintiff’s] and [defendant’s] line of sound-masking equipment.” *Id.* at 17, (emphasis added). This focus on the location of the

C. Trademark Dilution Inappropriately Applied

As stated previously, dilution occurs when the capacity of a famous mark to identify and distinguish its goods or services is reduced due to defendant's unauthorized use of the mark.¹³² Some commentators have argued that the dilution statute provides a perfect solution to the co-opting of goodwill through metatag infringement.¹³³ However, these comments distort the intent of the dilution statute. The statute was intended to cover cases where no actual confusion exists, but where the value of the plaintiff's mark is lessened due to associations created by defendant that cause a blurring or tarnishment of plaintiff's mark.¹³⁴

In *Playboy v. AsiaFocus International*, the court found trademark dilution through metatag use, stating that AsiaFocus's use of Playboy's trademarks in metatags would "probably" create confusion.¹³⁵ However, the dilution statutes do not exist to cover cases of "probable" confusion, only to prevent a devaluing of the plaintiff's mark. More importantly, the *AsiaFocus* court's analysis deals primarily with the use of plaintiff's marks within the website itself. The court concludes, without analysis, that because Playboy's advertising has resulted in its marks acquiring "such goodwill and secondary meaning" and because:

the public has come to associate the PLAYMATE and PLAYBOY trademarks exclusively with PEI. It is clear that the capacity of PEI to identify its goods and services was diminished by the defendants' use of the terms to promote not only their website, but the goods and services offered in connection therewith.¹³⁶

promotional material suggests, again, that the site itself may actually constitute the infringing uses.

¹³² See 15 U.S.C. § 1127 (Supp. II 1996).

¹³³ See, e.g., Mark E. Chancey, Comment: *Metatags and Hypertext Deep Linking: How the Essential Components of Webauthoring and Internet Guidance Are Strengthening Intellectual Property Rights on the World Wide Web*, 29 STETSON L. REV. 203, 225 (1999): "Absent a *legitimate* use, the unauthorized use of another's trademark in a metatag will *always* dilute the distinctiveness of the mark. However, this will more than likely *never* cause the requisite consumer confusion needed to prove a traditional infringement claim. . . . Thus, dilution is the more legally sound argument . . ." *Id.* (emphasis added).

¹³⁴ See *supra* Part II.B.

¹³⁵ The court wrote:

The defendants' willfulness is further established by their purposeful tactic of embedding the trademarks PLAYMATE and PLAYBOY in the hidden computer source code. This strategy epitomizes the "blurring" of PEI's trademarks. When a search engine led a consumer to the asian-playmates website in response to a search of PEI's trademarks, the consumer would probably believe that the defendants' website was affiliated with PEI.

Playboy Enters. v. AsiaFocus Int'l, Inc., 1998 U.S. Dist. LEXIS 10359, at *21 (E.D. Va. 1998).

¹³⁶ *Id.* at *20. The court also wrote:

While evidence suggests that the court's finding of dilution through the use of plaintiff's trademarks in the *domain name* playboyxxx.com and throughout the website itself was likely correct, there is no evidence that defendant's metatag use alone diluted Playboy's marks. The *AsiaFocus* decision, therefore, provides very little valuable direction for analyzing trademark dilution through metatags claims.

In deciding on the dilution claim presented in its case, the *Netscape* court came to a different conclusion than the court in *AsiaFocus*. The *Netscape* court believed that dilution could not occur if there was no visual mark to create an association in the minds of consumers. In the court's opinion: "Excite and Netscape have not used PEI's marks to identify goods or services. Therefore, there is no blurring." According to the court, the reason that dilution cannot occur with a metatag use is the same reason that infringement cannot—because a metatag use is not a use as a mark.¹³⁷

V. A RETURN TO EXISTING INFRINGEMENT ANALYSIS

Unsure of how to handle the new technology of metatags, the courts have extended the trademark laws beyond lawmakers' original intent. As a result of this judicial activism, a body of case law now exists that is so complex, unclear, and inconsistent that it is difficult to determine when a metatag use amounts to a fair use or trademark infringement. The appellate courts must now do a number of things to return the law to a state of clarity.

At the very least, the courts must abandon the idea that the use of trademarks in keywords amounts to *de facto* trademark infringement. This means, at the most basic level, that the courts must not be so quick to disregard the fair use defense. If a metatag user contends that the metatags in question are being used in a descriptive sense to refer to its own products, that claim should be considered seriously. Under facts where the keyword in question truly has secondary meaning that can be applied to describe defendants' goods, a fair use defense is appropriate. In addition, if the defendant is using the metatags to attract users to a

The plaintiff has presented sufficient evidence to establish that the blurring of the distinctiveness of PLAYMATE and PLAYBOY was willful. The defendants specifically chose to copy famous trademarks for a well-known source of "adult" entertainment for use in their own "adult" service. In doing so, they reaped the benefit of the public's established association of the trademarks PLAYMATE and PLAYBOY with adult entertainment. No other purpose appears for choosing PLAYMATE and PLAYBOY but to create that false association in the mind of the consuming public.

Id.

¹³⁷ *Playboy Enters., Inc. v. Netscape Comms. Corp.*, 55 F. Supp. 2d 1070, 1088–89 (C.D. Cal. 1999) (citing *Revlon Consumer Products Corp. v. Jennifer Leather Broadway, Inc.*, 858 F. Supp. 1268, 1277–78 (S.D.N.Y. 1994) (finding that leather furniture seller's use of the phrase "only Revlon has more colors" did not violate New York dilution statute; defendant did not use plaintiff's mark to identify defendant's goods)).

website in which good faith comparisons are made to plaintiff's products, the court should consider this a comparative good faith use.

However, in order to truly engage in an effective analysis of trademark infringement through metatags claims, the courts must go one step further. Since there are substantial questions about whether a metatag use is a use as a mark at all, courts should begin their analysis with a *rebuttable presumption* that the use of a trademark in a keyword metatag is a fair use. This paradigm would force the courts to engage in the second half of traditional infringement analysis—deciding whether there exists a likelihood of confusion under an eight-part test.

This likelihood of confusion analysis can be conducted effectively only if the courts look directly at evidence on the destination website and not at the metatags themselves. This model acknowledges reality—that the use of a trademark in a metatag alone reveals almost nothing about the likelihood of confusion. While it can serve as evidence of intent to confuse, the use of a trademark in metatags cannot create confusion by itself. Under this model, a plaintiff would never bring an infringement through metatags claim without also claiming that something on the destination website itself created confusion or diluted the plaintiff's marks. This approach revives traditional infringement and dilution analysis as it applies to the marketing and promotion of websites. The result would be appropriate limits on recent judicial activism in the metatag area and clearer guidelines for metatag users.

The likelihood of confusion analysis can be effective in these cases, as some of the decisions that look at both the metatag and domain name claims suggest. The court in *AsiaFocus* appears to have begun an eight-factor analysis of the use of the website in conjunction with the metatags and found evidence of actual confusion created by the combined use of the trademarks in the website and in the *AsiaFocus* website itself.¹³⁸ In contrast, the *Netscape* court, discussing the likelihood of confusion, struggled to apply the eight-factor test to the metatag dispute—mostly because it believed that the metatag use was not the use of a mark.¹³⁹

¹³⁸ See *AsiaFocus*, 1998 U.S. Dist. LEXIS 10359, at *8.

¹³⁹ The *Netscape* court found the eight factors either did not apply or cut in favor of defendants Netscape and Excite. The court found that the first and third factors of the eight-factor test—the “strength of mark” and “similarity of marks” factors—would not apply because Netscape did not use trademarks to identify goods. In addition, the court found that the second, fifth, sixth, and eighth factors—“proximity of goods,” “similarity of marketing channels,” “degree of purchaser care,” and “likelihood of expansion of product line”—would not apply because “Excite and Netscape do not compete with PEI and do not use PEI’s marks to identify goods or services, nor do they plan to do so.” The court also found that the fourth factor—“actual confusion”—did not apply because PEI had presented no surveys or other evidence of confusion. Finally, the *Netscape* court found that PEI had not proved the seventh factor—“intent to confuse.” See *Netscape*, 55 F. Supp. 2d at 1085–87.

This proposed framework acknowledges the reality that the use of metatags to identify a competitor's site creates little, if any, consumer confusion. This is the critical difference between the use of a trademark on a website and the use of a trademark in a metatag. The website, either the domain name or the site itself, can create an association in the minds of consumers.¹⁴⁰ The "invisible" metatag use of a descriptive mark cannot. Perhaps because the metatag claims have most often been associated with Web domain name cases, the courts have failed to note this critical distinction.¹⁴¹

The *Brookfield* court's bundling of the uses of a trademark to "describe [your] own product," in the case of a website, and "to attract people to [a] website," in the case of metatags, highlights this problem.¹⁴² One of these uses presents very real concerns about consumer confusion and the other does not. West Coast's use of Brookfield's trademark in the website domain name is a very visible identification of its products or services. Consumers are very likely in that situation to make a mental association between the domain name—for example, a domain name called playboyxxx.com—and the original trademark holder.¹⁴³ In addition, the domain name appears throughout the domain name holder's advertising and publicity materials. Imagine, for example, all those t-shirts, playing cards, fuzzy dice, and assorted other promotion items featuring the domain name playboyxxx.com. The use of trademarks "to attract people to your site,"¹⁴⁴ however, has never been deemed by trademark law to be an infringement on another's trademark. The metatag use is really a very different case. When a company uses a competitor's trademark in its own metatags it is seldom attempting to suggest that it is the source of the competitor's products. In order to give the separate problems of trademark infringement through domain names and destination websites their proper due, the courts must carefully draw the distinctions between these issues and the issue of the use of trademarks in metatags.

¹⁴⁰ One commentator has suggested that website developers should consider placing a disclaimer on their websites that would notify consumers "that the website and owner of the website are not sponsored or affiliated with any owners of the specific trademarks used on the website, including those constituting hyperlinks." Kuester & Nieves, *supra* note 17, at 277–78. However, if there is no infringing use on the website, this disclaimer would be unnecessary.

¹⁴¹ In the case of domain names, the opportunity for fair use of the protected trademark is clearly being exceeded. There is no way to simply borrow or "use" a protected trademark when you use it in your domain name. For example, in the Post-it case, if Taylor used the domain name "post-it.com" to identify its site then 3M could not also use that site because the domain name was already taken. *See Minn. Mining & Mfg. Co. v. Taylor*, 21 F. Supp 2d 10003, 10005 (D. Minn. 1998). *See also supra* note 3 and accompanying text.

¹⁴² *Brookfield Comms. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1066 (9th Cir. 1999).

¹⁴³ *See AsiaFocus*, 1998 U.S. Dist. LEXIS 10359, at *8.

¹⁴⁴ *Brookfield Communications*, 174 F.3d at 1066.

VI. CONCLUSION

Perhaps the most important thing for the courts to understand is that they do not need to grasp at straws to protect companies from “metatag infringement.” If the doctrine of fair use is applied to the Internet as it is applied to traditional commerce, it will often allow for the use of trademarks in metatags. Establishing a rebuttable presumption of fair use in metatag cases would force the courts to engage in traditional trademark infringement analysis. However, for this analysis the courts should consider not the metatag itself, which will likely never create confusion, but the totality of the metatag use with the infringing use of trademarks in the destination website. If the use of the plaintiff’s trademarks within the destination website creates a likelihood of confusion under traditional analysis—and not under initial interest confusion analysis—then, and only then, should the infringement be actionable. One thing is certain. The federal courts must quickly begin to sort through this complicated morass to arrive at some consistent guidelines that help further the expansion of the global Internet.