Trademark and Unfair Competition in Cyberspace: Can These Laws Deter Baiting Practices on Web Sites

Scott Shipman

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TRADEMARK AND UNFAIR COMPETITION IN CYBERSPACE: CAN THESE LAWS DETER “BAITING” PRACTICES ON WEB SITES?

I. INTRODUCTION

The Internet\(^1\) and the World Wide Web\(^2\) are areas where claims of trademark infringement are becoming increasingly common.\(^3\) It is important that trademark law keep up with Internet technology so trademarks continue to identify the source of goods and services to consumers.\(^4\) To keep up with Internet technology, trademark law must adapt to police new trademark uses that lead to consumer confusion and trademark dilution.\(^5\) While there are many ways to infringe a trademark, this comment focuses on a web site marketing practice that will be referred to as search engine “baiting” with trademarks.\(^6\)

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1. The Internet is a worldwide computer network of approximately 100,000 networks. There are more and more users accessing the Internet everyday, and the total number of users is over 35 million worldwide. Currently it is comprised of approximately seven million computers that are all interconnected via modems and other common communication technology. The Internet has no central governing body, law, country, or organization. It was created as a project by the Department of Defense, which has now expanded to include almost everything imaginable, including commercial enterprises. American Civil Liberties Union v. Reno, 117 S. Ct. 2329 (Jun. 26, 1997).


4. See infra Part II.B. (explaining that the purpose of trademark law is to identify the source of goods or services to the consumer).

5. One recent adaptation to trademark law is the Federal Trademark Dilution Act of 1995. 15 U.S.C. § 1125(c) (West 1996); see also infra Part II.B. (discussing how trademark law infringement is principled on consumer confusion).

6. While this comment may refer to domain names, generally the domain name problem will not be addressed. For a list of domain name disputes, please
Baiting occurs when a webmaster tricks a search engine into indexing his web site when keywords are entered in a search request. Baiting can be accomplished by inserting keywords into meta keyword tags, inserting keywords into meta description tags, and inserting text into the background of the web site. Adding certain keywords onto the web site effectively puts "bait on the hook." That "bait" is then discovered by search engines and indexed. Then when a user searches for that keyword, the search engine will return an index with that site listed.

Trademark infringement arguably occurs when those keywords are someone else's trademarks and they are used to bait the search engine into indexing the web site.

This problem is more easily understood by looking at a hypothetical business example. Suppose a hypothetical book selling business, Mythic Books Inc., has finally succeeded in the tough Internet market. Mythic Books™ is now well known in the book selling business for the quality and speedy delivery of their books. A real breakthrough for Mythic Books occurred with the development of a web site that markets Mythic Books. The web site, Mythicbooks.com, brought Mythic Books™ into the public eye and the proof is in the large number of visits and orders the web site receives.

Mythicbooks.com features a price list, order forms, drawings, and descriptions of the books, as well as links to other helpful book sites on the web.

Mythic Books Inc. is well on its way to becoming a successful business when the sales of Mythic Books take a significant plunge. The web site is receiving only half of the number of visits it used to, and the orders of Mythic Books refer to a list maintained by Georgetown University available at http://www.law.georgetown.edu.html.

7. See infra Part II.A.1. (discussing how search engines work and the different types of search engines).
8. See infra Part II.A.1. (defining meta keyword tags).
10. See infra Part II.A.2. (defining baiting via background text).
13. Mythic Books Inc. and Mythic Books™ are fictitious and created exclusively for illustrative purposes. Any relation to an actual company or trademark is completely accidental and purely for educational purposes only.
14. Id.
15. Id.
are down considerably. There are no significant market factors to explain this sudden downturn, and Mythic Books Inc. is perplexed about the scarcity of sales. Mythic Books Inc. initiates a web site search on Mythic Books™ to see if its trademark comes up on the search. Alarming, ten other web sites are indexed before its site Mythicbooks.com is indexed in the search results.

Upon first glance, the trademark Mythic Books™ does not seem to be anywhere on the web sites in the search results. However, further investigation uncovers that within the meta tags and background text of the ten web sites, there are numerous instances where the trademark Mythic Books™ appears.

The use of Mythic Books trademarks in this manner by other web sites directly impacts where Mythic Books™ appears on the search engine index. The other web sites' baiting practices with the Mythic Books trademark cause the other web sites to appear higher in the index or often on the first page of search results. Consequently, they move Mythicbooks.com down the search results list, often to the second page of search results. Mythic Books Inc. consults legal counsel to determine the likelihood of winning an action against these web site owners because the name and lifeblood of Mythic Books is on the line. An attorney informs Mythic Books Inc. that there is very little case law directly on point and it is uncertain whether trademark and unfair competition law can provide an adequate remedy.

The uncertainty of the law in this area is mainly a result

16. See infra Part II.A.1. (explaining how to do this web search).
17. See infra Part II.A.1.
18. See infra Part II.A. (explaining that other factors such as how the search engine determines the keyword priority have some impact as well). See also David Loundy, Hidden Code Sparks High-Profile Lawsuit, CHI. DAILY L. BULL., Sept. 11, 1997, at 6.
of the fast growth of the Internet and the slow progression of the law regulating it.\textsuperscript{21} The cases that exist are based mostly on domain name disputes, linking and jurisdictional problems arising with trademark and unfair competition law, not baiting practices.\textsuperscript{22} Therefore, to get an adequate remedy for Mythic Books Inc., they must embrace traditional trademark and unfair competition law and apply it accordingly to fit with the current Internet cases.\textsuperscript{23}

There are currently five cases that deal with the trademark-baiting practices of web site owners: \textit{Insituform Technologies v. National Envirotech Group;}\textsuperscript{24} \textit{Oppedahl & Larson v. Advanced Concepts;}\textsuperscript{25} \textit{Playboy Enterprises v. Calvin Designer Label;}\textsuperscript{26} \textit{Playboy Enterprises v. AsiaFocus;}\textsuperscript{27} \textit{Playboy Enterprises v. Welles.}\textsuperscript{28} The trend in these cases seems to be for granting an injunction and ruling that baiting is trademark or unfair competition infringement.\textsuperscript{29} With the exception of the \textit{Welles} case, these cases involve bad actors and do not illustrate trademark use, class, geographic, or disclaimer problems and, therefore, it is unclear how courts will deal with claims involving these trademark problems.\textsuperscript{30} The \textit{Welles} case highlights the disclaimer and fair use problem.\textsuperscript{31}

This comment first traces the development of trademark and unfair competition law as it applies to traditional trademark infringement.\textsuperscript{32} Secondly, a comparison of these traditional theories to the recent decisions in federal courts re-

\begin{itemize}
  \item[21.] This is evidenced by the fact that only two cases to date have decided on this issue. \textit{Oppedahl & Larson}, No. 97-CV-1592; \textit{Insituform}, No. 97-2064.
  \item[23.] See MARGRETH BARRETT, INTELLECTUAL PROPERTY: CASES AND MATERIALS 76-80 (1996); SMEDINGHOFF, \textit{supra} note 2, at 207-24.
  \item[24.] \textit{Insituform}, No. 97-2064.
  \item[25.] \textit{Oppedahl & Larson}, No. 97-CV-1592.
  \item[27.] \textit{Playboy Enter., Inc. v. AsiaFocus Int'l Inc.}, No. 97-734-A (E.D. Va. April 10, 1998).
  \item[29.] \textit{See infra} Part II.D.
  \item[31.] \textit{Playboy Enter., Inc. v. Welles}, No. 98-CV-0413-K (JFS) (S.D. Cal. 1998).
  \item[32.] \textit{See infra} Parts II., IV.
\end{itemize}
DETERING BAITING PRACTICES

Regarding trademark and unfair competition infringement regarding trademark-baiting practices will be discussed. This will include a discussion of the particular problems raised by the evolution of the Internet and search engines. It is argued that current trademark and unfair competition laws are insufficient to adequately provide a trademark owner, victimized by baiting practices on the Internet, with a proper remedy.

This comment proposes that federal courts should continue to follow the trend set by Insituform, Oppedahl, Calvin and AsiaFocus. A system should be established that would incorporate unfair competition and trademark law with keyword meta tag use and regulate such use. Furthermore, courts should apply current trademark and unfair competition laws to the Internet so that trademark-baiting practices can be clarified and properly resolved. Additionally, owners of identical trademarks in different trademark classes or geographic origins should be encouraged to cross-link each other's web sites to eliminate confusion or trademark dilution. Finally, this comment proposes that search engines and other technology Internet companies should continue to develop technology that searches web sites in clear, comprehensive styles, and encourage web sites to register with them accordingly.

II. BACKGROUND

In order to determine whether trademark and unfair competition laws can effectively deter baiting practices on

33. See infra Parts II., IV.
34. See infra Parts II., IV.
35. See infra Part III.
40. See infra Part VI.
41. See infra Parts IV., V.
42. See infra Part VI.
43. See infra Part VI.
web sites, they must be examined and applied to the Internet. There are many intricacies to these laws, but this comment will only examine the principles and cases that are relevant to the issue of baiting practices with trademarks and Internet search engines.44

A. Search Engines

A search engine is a type of software that usually consists of three components: a spider, an index and the search-engine software.45 Common examples of search engines are AltaVista, Excite, Infoseek and Lycos.46 These software spiders, or robots, search the Internet and collect information about web sites and index that information in huge databases.47 To use these search engines to locate information the user must type in keywords for the information he or she is looking for.48 Then the search engine compares the keywords to the huge database the spiders have created and gives the user an index of web sites that contain that keyword.49

The benefits of search engines are that they provide users with a method of searching the vast Internet.50 They are quite comprehensive and can find specific topics that would not normally be indexed.51 Furthermore, search engines are often accessed at home from a personal computer so they offer a convenient way for the user to find information, instead of travelling to a library card catalog.

However, there are several disadvantages to using search engines. First, there is no single entity that indexes the Internet like the Library of Congress indexes books.52 No

44. There are border arguments, jurisdiction arguments, domain name arguments, and type of use arguments. See generally SMEDINGHOFF, supra note 2, at 209-10.
48. Id.
49. Id.
50. Id.
51. Id.
52. Id.
one search engine is a completely comprehensive index.\textsuperscript{53} Search engines are far from perfect and often a user will have to sort through piles of meaningless data to find what he or she is looking for.\textsuperscript{64} Additionally, no one search engine works or indexes the same as another search engine.\textsuperscript{55} This is because each engine uses different proprietary software and algorithms to prioritize the indexed material.\textsuperscript{66} Therefore, the results from a keyword search with one search engine could be completely different from the same keyword search on another search engine.\textsuperscript{57} Finally, search engines can be baited by webmasters to index web pages that have nothing to do with the material the user is searching for.\textsuperscript{58}

1. \textit{How Search Engines Work}

There are a number of ways search engines determine which web sites to list when a user initiates a search. While there are many factors that ultimately determine how the list is displayed, there are some factors that are generally taken into account by most search engines.\textsuperscript{59} The difference in search results from one search engine to another is mainly due to the different weight each factor is given.\textsuperscript{60}

One factor is the web site's URL and domain name.\textsuperscript{61} Search engines that search fields of text, sounds, and images will often look in the web site's domain name for the keyword terms.\textsuperscript{62} However, simply because a web site address may contain the keyword does not mean that it will contain information about that keyword.\textsuperscript{63}

\begin{itemize}
\item[53.] \textit{See} Stellin, \textit{supra} note 47.
\item[54.] \textit{Id}.
\item[55.] MILLSTEIN, ET AL., \textit{supra} note 45, at 1-19.
\item[56.] Stellin, \textit{supra} note 47.
\item[57.] \textit{Id}.
\item[58.] \textit{Id}.
\item[59.] \textit{Id}.
\item[60.] \textit{Id}.
\item[61.] \textit{Id}. URL stands for Universal Resource Locator. This is a numerical address like a phone number, which is used to identify the resource on the Web. Then a name is given to it so it can be easily remembered. This type of name is called a second level domain name. MILLSTEIN, ET AL., \textit{supra} note 45 at 1-19, G-4, G-12.
\item[62.] \textit{See} Stellin, \textit{supra} note 47; MILLSTEIN, ET AL., \textit{supra} note 45, at 1-19.
\item[63.] Web sites are often named for people or for services that are not contained within the web site. When the domain name is a trademark, this problem is known as the "Domain Name Dispute." Courtney Macavinta, CNET NEWS.COM, \textit{WIPO Deals with Domain Disputes}, July 10, 1998, (visited Oct. 16,
The title of the web page is another factor considered by search engines. The title of a web page is determined by the HTML programming <title><title/> tag. The webmaster enters the title of the web page between the title tags. If a search term is between the title tags (<title> search term <title/>) then it is more likely that the search engine will index that web site.

Another factor is the actual text of the web site. Search engines that use spiders actually retrieve the text of the web pages they search. One of the factors of full text search engines is how often the search term appears on the web pages. In theory, the more times the term appears, the more likely that web site would appear above a web site that contains less instances of that term.

The description of the web page is another factor considered by search engines. Some search engines such as Excite and Lycos generate their own descriptions of web sites while other search engines such as AltaVista and Infoseek use an HTML tag known as the description meta tag. Similar to the title tag, the description meta tag enables the webmaster to enter a description about the web site as the webmaster did for the web page title. If a search term is in the description meta tag it is more likely that the search engine will index that web site. However, unlike title tags, description meta tags are not visible on the web site itself unless the site's HTML source code is viewed.

64. HTML is the programming language used to display text and image documents on the World Wide Web. See MILLSTEIN, ET AL., supra note 45, at G-6; See Stellin, supra note 47 (discussing title tags).
65. Id.
66. Stellin, supra note 47.
67. Id.
68. Id.
69. Id. AltaVista, Excite, and InfoSeek are all examples of full text search engines. Id.
70. Id.
71. Id.
72. See Stellin, supra note 47.
73. Id.
74. Id.
75. Id.
76. Id. For example, if Mythic Books Inc. wanted its own description of the Mythic Books.com web site to appear in search engine listings, it would use the meta description tag, like so: <META name = description content = Internationally renowned online book store contains millions of books of all topics. The
The last, but in no way the least, factor generally taken into account by most search engines is the keyword meta tag. This meta tag enables the webmaster to influence how search engines will rank the website in a way similar to the description meta tag. Webmasters use these keyword meta tags for marketing and promoting web sites. Like the description meta tag, the keyword meta tag does not appear anywhere on the website. An added benefit of the keyword meta tag is that it is not displayed in the search engine index description either, so the user does not see this extra marketing text unless the HTML source code is viewed.

It is important to remember that each of these factors weighs more or less heavily depending upon the search engine. Furthermore, search engines continue to change their ranking algorithms to gain more accuracy and relevancy for users searching the web.

2. "Baiting" Search Engines

Since there are always people who cheat the system, it is no surprise that people trick search engines. One way webmasters bait search engines is to fill their web pages with terms "users most often search with" in the keyword meta tag. The keyword meta tag is used because readers of the web page do not see this material and because this tag was designed to identify the keywords of the web page. This is accomplished by repeating the same words over and over to increase the chance that the page will be listed high in the indexed search results.

Another way to bait search engines is to hide keywords
in the text of the web page. To make the text invisible to the reader, it is created in the same color as the web page's background color. Webmasters insert thousands of words into the background to bait the search spider into indexing the web site on a search of those keywords.

Not to be outdone, search engine designers battle back against these baiting techniques. For example, Infoseek ignores keywords that are repeated more than seven times. WebCrawler clears its index of web sites that use baiting practices. Excite does not use keyword meta tags because they are currently too unreliable. AltaVista only indexes keywords in text up to 1,024 characters. However, webmasters are sure to try to beat every new technique search engines discover for evaluating web sites.

It is important to note that not all search engine trademark-baiting is in an attempt to trick the search engine. A majority of webmasters use title meta tags, description meta tags, keyword meta tags, and background text to properly alert a search engine to index their own web sites. As such, the search engine is not fooled or tricked because the web site actually contains the information and keywords that the "bait" represents.

B. Trademark Law

With a foundation of search engines and baiting practices laid, it is important to understand what trademarks are, the rights associated with trademarks, and which uses of trademarks constitute infringement. A comprehensive understanding of trademark makes it clear that trademark-baiting practices should constitute trademark infringement.

1. What Are Trademarks?

Trademarks allow consumers to identify and distinguish

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87. Id.
88. Id. This is referred to as "black on black" or "white on white" text. Id.
89. See Doug Isenberg, Improper Use of 'Meta Tags' on Web Pages May Cause Trademark Infringement and Dilution, BOARDWATCH, Feb. 1998, at 96-98.
90. See Stellin, supra note 47.
91. Id.
92. Id.
93. See Isenberg, supra note 89, at 96-98.
94. See Stellin, supra note 47.
the source and origin of goods and services in the market place.\textsuperscript{95} The most common trademarks today come in many different forms such as words and phrases, logos and slogans, pictures and symbols, numerals and letters, abbreviations and nicknames, colors, sounds, music, and Internet domain names.\textsuperscript{96} One of the more commonly known forms of trademarks throughout the world today is a "brand name."\textsuperscript{97} An example of a brand name trademark is Mythic Books\textsuperscript{TM}.\textsuperscript{98} Mythic Books\textsuperscript{TM} stands for Mythic Books Inc. and is the name that their books are labeled with and marketed under.\textsuperscript{99} This trademark allows consumers to identify the source of the books through a consistent distinctive trademark.\textsuperscript{100} Consumers associate trademarks with predictability of source and consistency of product, enabling the consumer to make choices between one product and another.\textsuperscript{101}

In order for a brand name, symbol, logo, etc. to be recognized and protected as a trademark, it must be inherently distinctive or acquire distinctiveness through secondary meaning.\textsuperscript{102} There are four basic categories for trademarks that determine the strength of distinctiveness and trademark status.\textsuperscript{103} Those categories are arbitrary and fanciful marks, suggestive marks, descriptive marks, and generic marks.\textsuperscript{104} Arbitrary, fanciful, and suggestive marks are deemed inherently distinctive.\textsuperscript{105} Descriptive marks can become trademarks if the marks acquire a secondary meaning.\textsuperscript{106} Generic

\begin{footnotesize}
\textsuperscript{95} See J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 2 et seq. (3rd ed. 1996).
\textsuperscript{96} See Smedinghoff, supra note 2, § 13.1, at 209-10.
\textsuperscript{97} Smedinghoff, supra note 2, at 209.
\textsuperscript{98} Mythic Books\textsuperscript{TM} is a fictitious company trademark. A real trademark example is Nike\textsuperscript{TM}.
\textsuperscript{99} Mythic Books\textsuperscript{TM} is the product trademark of Mythic Books Inc.
\textsuperscript{100} See Barrett, supra note 23, at 81-84.
\textsuperscript{101} See Smedinghoff, supra note 2, at 210.
\textsuperscript{103} McCarthy, supra note 95, § 11.01[1].
\textsuperscript{104} Id.
\textsuperscript{105} Id. "Fanciful' marks consist of 'coined' words that have been invented or selected for the sole purpose of functioning as a trademark." Id. at § 11.03[1] (citing Tisch Hotels, Inc. v. Americana Inn, Inc., 350 F.2d 609 (7th Cir. 1965). An example of a fanciful mark is Kodak\textsuperscript{TM}.
\textsuperscript{106} Id. § 11.01[1]. "A mark is descriptive if it is describes the intended purpose, function or use of the goods, the size of the goods, the class of users of the
marks can never become trademarks.\textsuperscript{107} However, it is important to note that the placement of a mark into one of these categories is only one of many steps in determining the strength of the trademark.\textsuperscript{108}

2. The Rights Associated with Trademarks

Trademarks are protectable under federal and state law.\textsuperscript{109} These laws provide the trademark owner with a right to exclude others from unauthorized or confusing use of his trademark or from using a trademark similar to his.\textsuperscript{110} The Lanham Act provides protection against use of a trademark on any product or service that could reasonably be thought by the buying public to come from the same source as the trademark owner's mark.\textsuperscript{111} However, this right may not cover trademark use in other classes of goods or geographic regions and may not cover non-trademark uses, as defined below.

Trademark classes are different categories of goods or services that the trademark is used to distinguish.\textsuperscript{112} The same trademark can be by different owners used in different classes because there is less likelihood for confusion. An example is Domino sugar and Domino's Pizza. As long as the consumer is not confused as to the source of the goods and/or services because the consumer can distinguish the marks

\begin{quote}
\textit{Id.} $\S$ 11.04[2][a]. An example of a descriptive mark is HEALTHY CHOICE\textsuperscript{TM} for nutritious food products.
\end{quote}

\begin{quote}
\textsuperscript{107} MCCARTHY, supra note 95, $\S$ 11.01[1]. “Generic marks are the names of the goods or services themselves.” JULIAN S. MILLSTEIN, ET AL., DOING BUSINESS ON THE INTERNET: FORMS AND ANALYSIS, $\S$ 4.03[1] (Law Journal Seminars-Press 1997).
\end{quote}

\begin{quote}
\textsuperscript{108} MCCARTHY, supra note 95, $\S$ 11.01[1].
\end{quote}

\begin{quote}
\textsuperscript{109} The Trademark Act of 1946, also referred to as the Lanham Act provides federal protection for unauthorized and confusing use of trademarks. 15 U.S.C. §§ 1051 \textit{et seq}. State common law and statutory law also protect trademarks. \textit{See generally} CAL. BUS. \& PROF. CODE §§ 14320 \textit{et seq}.
\end{quote}

\begin{quote}
\textsuperscript{110} Lanham Act $\S$ 32, 15 U.S.C.S. $\S$ 1114 (1). Federal and State laws rely primarily on the same principles and therefore even though this comment focuses on Federal law, much of the analysis applies similarly to state law claims.
\end{quote}

\begin{quote}
\textsuperscript{111} \textit{See} MCCARTHY, supra note 95, $\S$ 24.03[2].
\end{quote}

\begin{quote}
\textsuperscript{112} There are 34 classes for goods and eight classes for services and an alphabetical list of all the goods and services which comprises of approximately 11,000 items. WORLD INTELLECTUAL PROPERTY ORGANIZATION, GENERAL INFORMATION BROCHURE (1997) 49; Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (1959).
\end{quote}
based on the distinct trademark classes, a trademark owner has no right to enjoin the use of the other trademark. 113

Use of the same trademark in geographically separate areas may be permissible because the trademarks identify goods or services that are geographically remote from each other and, therefore, the likelihood of consumer confusion is diminished. 114 Therefore, a trademark owner has no right to enjoin trademark use in another geographic region if his trademark use does not extend to that region. 115 However, the owner of a Principle Register trademark can enjoin a local junior user if he can prove that his senior trademark will expand into the geographic area. 116

A trademark owner cannot enjoin use of the same or similar trademark that is "non-trademark" use or "comparative" use. 117 Non-trademark use includes mere reference to a trademark that does not create any likelihood of confusion, 118 fair descriptive use of a trademark, 119 and dictionary reference use of a trademark. 120 Comparative use or comparative advertising use of a trademark may consist of a mere reference to the trademark or a descriptive reference to the trademark so long as it is truthful. 121 As long as the consumer does not confuse the source of the goods or services between the trademarks compared, the trademark owner does not have a right to enjoin the comparative use of his trademark. 122

113. See MCCARTHY, supra note 95, § 19.12[2][a].
114. See generally MCCARTHY, supra note 95, § 26.00 et seq.
115. Id. (assuming that the local trademark does not represent itself as being affiliated with the outside mark).
116. See MCCARTHY, supra note 95, § 26.13[1]. "Senior user is used herein to designate the first seller to adopt and use a mark in the United States. Junior user is used to designate the second seller to adopt the mark, even though the junior user may be the first in time within a given remote territory.” Id. § 26.01[1]. The Principle Register is the collection of federally registered trademarks under the Lanham Act. Id. § 19.00 et seq.
117. See SMEDINGHOFF, supra note 2, at 219.
118. Id. An example is an article listing computer products such as Compaq, IBM, and Gateway 2000.
119. See SMEDINGHOFF, supra note 2, at 219.
120. Id. (using the word red in a sentence is not an infringement on RED perfume).
121. Id. § 25.14.
122. Id.
3. Infringing Trademark Use

To show trademark infringement the trademark owner must prove consumer confusion of the source of goods or services, unless the trademark is famous. Statutory law for trademark infringement provides: "using a mark that is the same as or similar to the [the plaintiff's] trademark, . . . in connection with the sale or advertising of goods or services, and . . . in a way that is likely to cause confusion as to the source, origin, sponsorship, or approval of the goods or services." There are many factors under traditional trademark law used to determine a likelihood of confusion. Some factors weigh the similarity of the defendant's mark compared to the plaintiff's trademark to determine whether a consumer is likely to confuse the source of the product. Factors for determining similarity are appearance, sound, meaning, marketing channels, product or service, and purchasers.

Other factors for determining consumer confusion of the source of the trademark are: actual evidence of consumer confusion, the strength of the plaintiff's trademark, the defendant's good faith in using the mark, and post sale confusion. It is noteworthy that disclaimers are not typically held to eliminate the likelihood for consumer confusion when placed on a product. This is because the disclaimer is generally so small that its effect is questionable. Usually no one single factor is conclusive, but a combination of factors may show that a consumer is likely to confuse the product's source and, therefore, that an infringement exists under trademark law.

4. Trademark Remedies

If the plaintiff's likelihood of success against the defendant in a trademark infringement case is strong, or the in-
jury to such plaintiff would be irreparable, courts may grant a preliminary injunction against further trademark infringement. Once infringement has been found, "a court can issue an order (an injunction) forcing the infringer to stop using the mark, conduct a remedial advertising campaign, or take other action." The court can also award the plaintiff actual damages or profits from the defendant attributable to the trademark use. Furthermore, under the Lanham Act, triple damages and/or attorneys fees may be awarded if the owner has registered the trademark and provided notice. However, these remedies are usually only awarded in exceptional cases.

5. Federal Trademark Dilution

A trademark owner is entitled to enjoin the use of his trademark by another person under the dilution doctrine if he can show that the use is dilutive, commercial, and that the owner's trademark is famous. Confusion of source is not a necessary element for famous trademarks under the dilution doctrine, whereas confusion of source is required to enjoin another's use of a non-famous trademark. This is an important distinction between trademark law and the trademark dilution doctrine.

Dilutive trademark use is a weakening or reduction in the ability of a trademark to clearly distinguish one source of goods or services. Dilution can occur in two different aspects, "Blurring" and "Tarnishment." Blurring occurs when prospective customers see the plaintiff's trademark on a number of different goods and services. No confusion oc-

132. See BARRETT, supra note 23, at 117.
133. See SMEDINGHOFF, supra note 2, at 222.
134. Id.
136. See id.
137. Id.
138. Trademark Act of 1946 as amended, 15 U.S.C. § 1125c states the following: "The owner of a famous mark shall be entitled, ... to an injunction against another person's commercial use in commerce of a mark or trade name, if such mark has become famous and causes dilution of the distinctive quality of the mark." Id.
139. See MCCARTHY, supra note 95, § 24.13 [1][b].
140. Id. § 24.13 [1][a].
141. Id. §§ 24.13[1][a][i] – [ii].
142. Id. §§ 24.13[1][a][i]. Hypothetical examples of what might be dilution
curs, but the unique and distinctive significance of the trademark that distinguishes the one source is weakened. 143 Tarnishment occurs when the unauthorized use of the trademark degrades or lessens its distinctive quality. 144

Several factors are used to determine whether a trademark is famous and, therefore, protected under the anti-dilution statute: the degree of distinctiveness of the trademark; 145 the duration of the use of the trademark; the duration of advertising and publicity of the trademark; the geographic extent of the trading area in which the trademark is used; 146 the channels of trade for the goods with which the trademark is used; the degree of recognition of the trademark in the trading areas by the trademark’s owner and the person against whom the injunction is sought; the extent of use of the same or similar trademarks by third parties; and whether the trademark was federally registered. 147 The strength of these factors determines whether the mark is protected but the analysis is not limited to these factors. 148

With an understanding of the limits of trademark law, it is now important to understand what unfair competition law is and the different causes of action that may be brought under unfair competition law.

C. Unfair Competition

Unfair competition law has its roots in tort law, based on deceit, trespass and conversion. 149 Unfair competition originated as state common law because of this tort law evolution, 150 but since then Congress has codified these causes of action in what is now known as the Lanham Act. 151 Two of these causes of action are “passing off” and “false advertis-
The current body of unfair competition rests in federal law, federal anti-dilution law, state common law, state trade law, and a number of industry specific laws relating trade names and labeling.\textsuperscript{153}

1. \textbf{What is Unfair Competition?}

"The law of unfair competition is the umbrella for all causes of action arising out of business conduct that is contrary to honest practice in industrial or commercial matters."\textsuperscript{154} Unfair competition is one of the most flexible areas of law because it has to evolve with the ever changing business practices and uses of technology.\textsuperscript{155} This is exemplified in Judge Learned Hand's statement, "[t]here is no part of the law which is more plastic than unfair competition, and what was not recognized as an actionable wrong twenty-five years ago may have become one today."\textsuperscript{156} Therefore, as new business markets develop, like the Internet, this law should also evolve to address the new techniques of improper conduct in that marketplace.

2. \textbf{False Identification of Origin, "Passing Off"}

The Lanham Act prohibits the use of "false designations of origin" in connection with goods, services, or their packaging that are "likely to cause confusion, to cause mistake, or to deceive as to the affiliation, connection, or association of approval of his or her goods, services, or commercial activities."\textsuperscript{157} "Passing off" occurs essentially when the defendant makes some form of representation that causes the consumer to believe that the defendant's goods come from or are affiliated with the plaintiff.\textsuperscript{158}

3. \textbf{False Advertising Principles}

The Lanham Act prohibits the use of a "false or misleading description of fact, or false or misleading representa-
tion of fact” in commercial advertising or promotion, which “misrepresents the nature, characteristics, qualities, or geographic origin of... goods, services or commercial activities.” The elements of a false advertising claim are:

(1) a defendant’s false or misleading statement of fact in advertising about its own product; (2) the statement actually deceived or had the capacity to deceive a substantial segment of the audience; (3) the deception was material, in that it was likely to influence the purchasing decision; (4) the defendant caused its goods to enter interstate commerce; and (5) the plaintiff has been or is likely to be injured as a result.

The purpose of these elements is to protect the interests of consumers by making it easier for competitors to enjoin false advertising practices.

With a firm understanding of search engines, trademark law, and unfair competition law, it is now important to understand how the courts interpret these laws and apply them to search engine baiting with trademarks.

D. Recent Cases

There are very few court decisions that specifically address the trademark-baiting problem. These early cases all involve trademarks that are inserted into a competitor’s meta tag section of a web page. Furthermore, the trend in these cases appears to be favoring the trademark owner and enjoining the defendant’s use of the trademark in his web meta tags. However, a new line of cases may emerge that would not entitle the trademark owner to an injunction or damages for fair or descriptive trademark use.

160. See BARRETT, supra note 23, at 132.
161. Id. at 133.
163. See infra part II.D.1-3.
164. See infra part II.D.1-3.
1. Insituform Technologies, Inc. v. National EnviroTech Group, L.L.C.

The first case to come to a final judgment on these issues was Insituform Technologies, Inc. v. National EnviroTech.\(^{166}\) In Insituform, the plaintiff alleged that the insertion of the registered trademarks, Insituform and Insitupipe, into the meta tag section of the defendant's web site constituted an infringement under federal unfair competition principles.\(^{167}\) The complaint alleged that because of this trademark use, "databases maintained by various search engine companies came to have an associative link between Insituform Technologies' trademarks and defendant's web site."\(^{168}\) Furthermore, the complaint alleged that because of this link, "Internet users who searched 'Insituform' or 'Insitupipe' on those search engines were presented with a list of matching sites which included defendant's web site."\(^{169}\)

Following the principles of trademark and unfair competition, Insituform alleged that these acts by the defendant constituted an infringement and passing off.\(^{170}\) Insituform argued that the defendants' conduct "was analogous to their having altered a database maintained by the telephone company's Directory Assistance service; people calling "411" and requesting the number for "Insituform" would be given defendant's phone number instead."\(^{171}\)

Shortly after Insituform filed its preliminary injunction motion the case was settled.\(^{172}\) The defendant agreed to a final judgment that directed defendant to delete the plaintiff's trademarks from their meta tags, and prohibited the further use of those trademarks by the defendant on any other web sites.\(^{173}\) Additionally, the defendant was directed to "contact specific search engine companies via e-mail and by letter to notify the companies of the lawsuit's resolution and instruct

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167. Id.
168. Id.
169. Id.
170. Id.
172. Id.
173. Id.
the companies to delete the associate link in their databases between Insituform and Insitupipe and the [defendant's] web site."\(^{174}\)

2. Oppedahl & Larson v. Advanced Concepts

Similar to Insituform, in Oppedahl v. Advanced Concepts, the plaintiff alleged that the use of the plaintiff's trademark of Oppedahl & Larson within the keyword meta tag section of the defendants' web site constituted an infringement under trademark principles and passing off based on unfair competition principles.\(^{175}\) The complaint alleged that the use of the plaintiff's mark "is misleading and is likely to cause confusion and mistake, and to deceive the public into believing falsely that defendants' web pages are connected with and/or sponsored or authorized by Plaintiff."\(^{176}\) This cause of action is based on the false designation of origin under the federal unfair competition law.\(^{177}\)

The complaint also alleged that the use of the plaintiff's marks on defendants' web sites violate the new federal trademark dilution act.\(^{178}\) Oppedahl alleged that the mark "Oppedahl & Larson" is likely to be considered famous and that defendants used the mark for commercial use in intrastate commerce.\(^{179}\) Therefore, the defendants infringed upon the plaintiff's mark.\(^{180}\)

\(^{174}\) Id.


\(^{176}\) Id. at line 36.

\(^{177}\) Id. at line 14-15.


\(^{180}\) Id.
The United States District Court for the District of Colorado ordered on Dec. 19, 1997, that for all defendants "the Joint Motion for Entry of Final Judgment and Permanent Injunction is granted, and Judgment is entered pursuant to Fed. R. Civ. P 54(b)." The court ordered the defendants to be permanently enjoined from using plaintiff's mark, "Oppedahl & Larson," "in any 'meta tags' appearing on or in web pages owned and/or operated by [defendants] without authorization of plaintiff." Furthermore, the court ordered, pursuant to the federal unfair competition false designation of origin principles, that the defendants are permanently enjoined from using the plaintiff's mark or the words "Oppedahl" and "Larson" in web pages without the authorization of the plaintiff.

3. Playboy v. Calvin Designer Label

Similar to the Insituform and Oppedahl cases, the plaintiff in Playboy v. Calvin Designer Label alleged that the insertion of the plaintiff's registered trademarks of Playboy, Playboy Magazine, and Playmate into the meta tag section of the defendant's web site HTML coding constituted trademark infringement. Additionally, the complaint alleged that the defendant's use of misleading terms in hidden text on the web pages constituted passing off under unfair competition principles.

The use of hidden text directly on the web page was accomplished by displaying the words Playboy, Playboy Magazine, and Playmate in all black text on an all black background so the words would not be visible to a user, but would trigger a search engine to pull up the site. "In fact, given

181. Id.
182. Id.
183. Id.
the number of times the terms appeared, the sites were typically the first or second sites to be returned [in a search]."187

Following the principles of trademark and unfair competition, Playboy argued that these acts by the defendant constituted an infringement based on trademark confusion.188 The complaint alleged that the defendant’s acts “were undertaken willfully and with the intention of causing confusion, mistake or deception.”189 Additionally, Playboy argued that these acts by the defendant constituted an infringement based on false designation of origin and unfair competition.190 The complaint alleged that purchasers and potential purchasers of products bearing Playmate and Playboy trademarks are likely to be confused as to the source or origin of the services rendered by the defendant.191 This is because the purchasers are likely to believe that the defendant’s goods and services originate from, are endorsed or are affiliated with Playboy.192

On September 8, 1997, a preliminary injunction was issued that precluded the defendant from using the playboyxxx.com and playmatelive.com domain names and the trademarks Playboy and Playmate on those web sites.193 Additionally, the injunction also ordered defendant to immediately cancel their domain name registrations with NSI.194 The preliminary injunction was granted after the defendant failed to file an appearance with the court. The case is currently pending.195
3. Playboy Enterprises v. AsiaFocus

In *AsiaFocus*, the plaintiff alleged that the use of the "Playboy" and "Playmate" trademarks in meta tags, domain names and web pages was infringing use of those trademarks under the Lanham Act. The facts stated that the "Playboy" and "Playmate" trademarks have become famous and have developed significant good will and meaning, so that the public has come to associate them with Playboy Enterprises. The court concluded that the defendants' use diluted Playboy Enterprise's marks and that there was even actual confusion by consumers.

Importantly, the court held that the defendants' use of the "Playboy" and "Playmate" trademarks in meta tags established sufficient evidence that the defendants' use was willful.

[T]heir purposeful tactic of embedding the trademarks PLAYMATE and PLAYBOY in the hidden computer source code... epitomizes the "blurring" of PEI's trademarks. When a search engine led a consumer to the Asian-playmates web site in response to a search of PEI's trademarks, the consumer would probably believe that the defendants' web site was affiliated with PEI.

The significance of *AsiaFocus* is that when trademarks are clearly famous and there is willful infringement, the defendant will not only be enjoined from using the marks, but in this case was also instructed to pay a three million dollar award, attorneys' fees and court costs. This is the first trademark case that involved meta tag baiting where an actual fine was levied against the defendants. However, it is unclear whether any one factor was more paramount than another in deciding the amount of the fine. Therefore, it is uncertain whether the use of the marks in the meta tags alone would have been infringement or the factor that stimulated the large damage award.

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197. Id.
198. Id.
199. Id.
200. Id.
201. Id.
It is more likely that the prominent strength of the Playboy mark and the willful use throughout the web site, including the meta tags, are the contributing factors for the ruling of infringement and damages. However, the court did specifically state that the element of willfulness was specifically evidenced by the defendants’ use of the trademarks in meta tags.203

4. Playboy Enterprises v. Welles

One of the latest trademark meta tag cases to be decided is Playboy Enterprises v. Terri Welles.204 In Welles the plaintiff alleged that the insertion of the Playboy trademarks “Playmate” and “Playboy” into the meta tag section of the defendant’s web site constituted an infringement under the Lanham Act.205 The complaint alleged that this use is likely to cause confusion, mistake, or deception as to the ownership of those marks and the defendant’s web site.206

Terri Welles is a former Playboy Playmate of the Year. She uses her name and title, Playboy’s 1981 Playmate of the Year, on her web site pages and within the web page meta tags.207 Furthermore, her web site includes disclaimers that state, “This site is neither endorsed, nor sponsored by, nor affiliated with Playboy Enterprises, Inc. PLAYBOY, PLAYMATE OF THE YEAR and PLAYMATE OF THE MONTH are registered trademarks of Playboy Enterprises, Inc.”208 Importantly, Playboy noted that this disclaimer use, along with other terms within the keywords section of the meta tags, triggers some search engines to index her site with the Playboy trademarks.209

The judge found that because “Welles had minimized her references to Playboy on her web site and has not attempted to trick consumers into believing that they are viewing a Playboy-endorsed web site210 . . . it is clear that defendant is

203. Id.
205. Id.
206. Id.
207. Id.
208. Id.
209. Id.
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selling Terri Welles and only Terri Welles on the web site.\textsuperscript{211} Furthermore, because "she inserted disclaimers which clearly state that the web site is not endorsed by PEI,\textsuperscript{212}" the court found that "[Welles'] use of the Playboy trademarks is descriptive of and used fairly and in good faith only to describe [herself].\textsuperscript{213}

With respect to the meta tags, the court found that there is no trademark infringement where the defendant has used the plaintiff's trademarks in good faith to index the content of her web site.\textsuperscript{214} The court categorized her use of the Playboy marks as an editorial indexing or fair use.\textsuperscript{215} The judge clearly felt that Welles' use of the Playboy trademarks in her disclaimer is largely fair use and, therefore, eliminates any confusion as to the ownership of such trademarks and Welles' web site.\textsuperscript{216} Therefore, the court refused to grant the injunction against Terri Welles and, consequently, this is the first legal ruling supporting the use of trademarked terms in meta tags.\textsuperscript{217}

III. IDENTIFICATION OF THE PROBLEM CAN TRADEMARK OR UNFAIR COMPETITION LAW ADEQUATELY PROTECT A TRADEMARK OWNER AGAINST SEARCH ENGINE BAITING WITH HIS TRADEMARK?

The fundamental problem encountered when applying trademark law to search engine trademark-baiting practices is whether confusing a search engine is the same as confusing a person or consumer. To put it another way, what does a consumer expect when he or she types in search terms and does the consumer associate those results with the trademarked terms they entered? Once the consumer selects one of the web sites from the search engine index, do they still associate the web page with the search term they entered? Does this baiting practice confuse the consumer as to the source of the goods or services and/or dilute the trademarked

\textsuperscript{211} See id.
\textsuperscript{212} Id.
\textsuperscript{213} Id.
\textsuperscript{214} Id.
\textsuperscript{215} Id.
\textsuperscript{216} Playboy Enterprises, Inc. v. Welles, No. 98-CV-0413-K (JFS) (S.D. Cal. 1998).
\textsuperscript{217} See id.
good or service they were searching for?

Furthermore, assuming that courts determine that confusing a search engine can amount to consumer confusion, there are secondary problems: namely, whether trademark or unfair competition law can adequately protect a trademark owner against search engine baiting with his trademark. These secondary problems are best illustrated by returning to the Mythic Books Inc. hypothetical.\footnote{218} One of the hypothetical web sites that uses the Mythic Books trademark to bait search engines also includes a very large and prominent disclaimer stating that his web page was in no way affiliated, endorsed or sponsored by Mythic Books Inc. The problem is that the disclaimer may remove the element of consumer confusion and therefore it is unclear what effect the disclaimer will have when trademark law is applied.\footnote{219}

Another web site that uses Mythic to bait search engines belongs to a Polish company selling “Mythic Sausages” who has registered the trademark Mythic Sausages\textsuperscript{TM}. The problem here is that this web site owner is not a bad actor and that different classes of marks in geographically remote areas now conflict with each other on the Internet.

A third web site that uses Mythic to bait search engines belongs to a ten year old boy who’s last name is Mythic. The boy does not use the web site for commercial purposes, but only to display drawings and stories he creates. The problem here is that the boy’s use of the word Mythic is benign, non-trademark use. Therefore, it is unclear if the owner of Mythic Books Inc. could enjoin the boy’s use of the word Mythic on the boy’s web site.

These hypothetical web sites illustrate the numerous secondary problems that arise from applying trademark law to the search engine-baiting problem. The courts have only seen trademark-baiting practices that involve bad actors that intentionally trick search engines to index their web sites and benefit from using someone else’s trademark. In the cases where a bad actor is present the courts have begun to enjoin such trademark practices and in one case awarded

\footnote{218. \textit{See supra} Part I.}
\footnote{219. \textit{See} Loundy, \textit{supra} note 178, at 2. A web site example is available at \texttt{<http://www.geocities.com/CapitolHill/Lobby/6620/index.htm>}.}
large damages, attorney fees and court fees. However, it is unclear how courts will treat benign trademark-baiting practices that involve registered trademarks from other trademark classes or geographic regions and non-trademark or non-commercial use. Although, if the Welles case is an example of what is to come, it appears that benign use, descriptive use and truthful use will not constitute infringement when trademarks are used in meta tags. Therefore, the trademark meta tag problems for web site owners may continue following this latest case.

IV. ANALYSIS: TRADEMARK AND UNFAIR COMPETITION LAWS CURRENTLY DO NOT ADEQUATELY PROTECT A TRADEMARK OWNER FROM SEARCH ENGINE BAITING PRACTICES WITH HIS TRADEMARK

A. Fundamental Problem: Confuse a Search Engine, Not a Consumer

Trademark search engine baiting does not involve the same type of consumer confusion as the traditional types of trademark and unfair competition infringements. Unlike traditional confusion, trademark-baiting confusion is not a result of what the consumer sees, but what the consumer does not see. However, the consumer is still deceived and misled from finding the trademark or web site they are looking for. The test for the confusion principle in trademark law is whether the defendant's use of the plaintiff's trademark is likely to cause an appreciable number of consumers to be confused about the source, affiliation, or sponsorship of the goods or services associated with that trade-

222. See id.
223. See supra Part II.B.2.
224. See supra Part II.A.
225. See supra Part II.A.
One problem applying the confusion principle to search engine baiting is the difference in how the consumer is confused. Traditional confusion arises when a consumer sees a mark on goods or services that looks similar or is identical to a trademark of another company's goods or services. The consumer confuses the source of the goods.\textsuperscript{227} When a consumer goes to a store to buy Campbell's soup, they may see a can with a mark, "Campbell's good stew." The consumer may believe that this can is made by Campbell's Soup Company because of its similar mark to the Campbell's can with the Campbell's trademark. The key point is that the consumer sees the marked product that has the confusingly similar or exact trademark, and the consumer confuses the true source of the product.

However, search engine baiting practices can appear to confuse a consumer differently. Often, the consumer does not see the trademark terms at all.\textsuperscript{228} A computer user searching for Insituform Technologies Inc. typed in the trademark Insituform and arrived at a web site that "made no overt reference to Insituform Technologies or its trademarks."\textsuperscript{229} This web site was a competitor of Insituform, and therefore probably offered similar types of goods and services that a consumer would want.\textsuperscript{230} But would a consumer confuse this web site's goods and services with the Insituform trademark?

The relevant question in search engine baiting is "what exactly is a consumer thinking in this situation?" If the consumer links the web page's goods and services with the trademarks that were searched for, then the consumer is confused as to the source, affiliation, or sponsorship of those goods and services.\textsuperscript{231} If the consumer recognizes that the web page is not linked to the trademarks searched for, the consumer can not have confusion as to the source, affiliation, or sponsorship of the goods and services contained on that

\textsuperscript{227} See BARRETT, supra note 23, at 76-80; see SMEDINGHOFF, supra note 2, at 209.
\textsuperscript{229} See id.
\textsuperscript{230} Id.
\textsuperscript{231} See supra Part II.B.3.
In the former, the source of this confusion must come from an assumption the consumer makes, because the site itself does not contain any visible forms of the trademark to mislead him. The consumer would have to assume that the web pages from the search results are necessarily affiliated or sponsored by the trademark owners for confusion to exist. Whereas, in the latter, a consumer is likely to wonder why the search results came up with that web page, but is not likely to associate the trademarks searched for with the web page.

The trademark confusion principle should apply to a soup can mark just as it does to search engine baiting. Basically, a meta tag is the same as a trademark on a product. Trademarks on goods allow a consumer to determine the source of a particular product. Meta tags within web pages allow search engines, aided by a computer, to determine what web sites contain a particular keyword or trademark. Therefore, using a confusingly similar or identical trademark, whether in a meta tag or on a soup can, could cause a consumer to be confused about the source, affiliation or sponsorship of the goods or services associated with that trademark.

Therefore, the principle of trademark confusion applies well to search engine baiting. In traditional cases the courts have set up a number of factors to determine whether a defendant's use of a mark is likely to confuse consumers as to the source, affiliation, or sponsorship of his goods. It appears that the courts could apply these same factors to a defendant's trademark-baiting of a search engine to determine

232. See supra Part II.B.3.
233. A court has held that this type of consumer confusion can exist. Teletech Customer Care Management (California), Inc. v. Tele-Tech Company, 1997 U.S. Dist LEXIS 9590 (C.D. Cal. May 9, 1997). "Consumers and others are likely to be confused by the Defendant's unauthorized use of "teletech.com" as its domain name, because persons who attempt to locate the Plaintiff's web site by typing in "teletech.com" as the domain name will instead be connected to the Defendant's web site. While reading the Defendant's web site may dispel this confusion, there is at least the initial confusion as to the source of the web site that the user has accessed." See id.
234. See supra Part II.B.3.
235. See supra Part II.A.
236. See supra Part II.A.
237. See supra Part II.B.3.
if a consumer is likely to be confused.\textsuperscript{238}

\textit{Insituform, Oppedahl, Calvin, and AsiaFocus} illustrate the willingness of courts to protect consumers from confusion of the source of a product, based on trademark, dilution and unfair competition principles when there is an intentional bad act.\textsuperscript{239} When a plaintiff's trademark is used on a defendant's web page in a manner that would likely confuse a consumer or purchaser of goods as to the source of those goods, the courts have begun to permanently enjoin and fine such use.\textsuperscript{240} Based on the outcome of the cases one could infer that the courts determined that tricking a search engine through trademark-baiting could lead to consumer confusion. The courts' rationale in \textit{AsiaFocus} explicitly states that trademark use in meta tags did mislead consumers as to the ownership of the web site.\textsuperscript{241}

B. \textit{Secondary Problems}

The courts have mainly seen cases involving bad actors where confusion was likely.\textsuperscript{242} However, the element of confusion can be removed with a disclaimer.\textsuperscript{243} Furthermore, there are many instances when a trademark can be used properly to bait a search engine. The question in these instances is whether the trademark owner should be able to enjoin this arguably proper trademark use. The \textit{Welles} case is an example where the court held that the defendant was not a bad actor and used the trademarks in a truthful and descriptive manner with prominent disclaimers.\textsuperscript{244}

\textsuperscript{238} See supra Part II.B.3.
\textsuperscript{240} See cases cited supra note 239.
\textsuperscript{242} See supra Part II.
\textsuperscript{244} Playboy Enterprises, Inc. v. Welles, No. 98-CV-0413-K (JFS) (S.D. Cal. 1998).
1. Disclaimer Use Can Eliminate Trademark Confusion

Disclaimers in trademark law are statements made to clarify, repudiate, and disassociate a connection between the labeled product and another product or source.\(^\text{245}\) Usually disclaimers are not held to eliminate the likelihood for consumer confusion when placed on products.\(^\text{246}\) This is because typically the disclaimer is so small that its effect in reducing consumer confusion is questionable.\(^\text{247}\) However, if the label is so conspicuous that consumers are bound to see it, then a court may be less skeptical to its effect.\(^\text{248}\)

The principle of disclaimers at first glance appears to apply well to search engine trademark-baiting practices. However, the structure of the Internet makes it more difficult to apply disclaimers to search engine baiting.\(^\text{249}\)

Shortly after an article discussing the Oppedahl case was published in Webweek, a web site was created to illustrate the rights web owners have when it comes to trademark and unfair competition law.\(^\text{250}\) Based on principles of fair use, parodies, and lack of confusion, a web owner has posted a site that at the risk of looking silly, says nothing except that the site has nothing to do with Carl Oppedahl or Oppedahl & Larson.\(^\text{251}\) It is quite easy for a web owner to place a large, conspicuous disclaimer on his web page. The page includes disclaimers stating that the web site is in no way affiliated, sponsored, or approved by Oppedahl & Larson.\(^\text{252}\) Not surprisingly, because of all the uses of the words Oppedahl & Larson, the site is displayed quite high up on web search results for the words Oppedahl & Larson.\(^\text{253}\) This illustrates the problem with current trademark law. An owner of a non-famous trademark must show confusion of source to enjoin such trademark use. However, disclaimers remove the element of consumer confusion, which eliminates a trademark

\[^{245}\text{See Barrett, supra note 23, at 105.}\]
\[^{246}\text{Id.}\]
\[^{247}\text{Id.}\]
\[^{248}\text{Id.}\]
\[^{249}\text{See supra Part II.A.}\]
\[^{250}\text{See Loundy, supra note 178, at 2. A web site example is available at <http://www.geocities.com/CapitolHill/Lobby/6620/index.htm>.}\]
\[^{251}\text{See Loundy, supra note 178, at 2.}\]
\[^{252}\text{Id.}\]
\[^{253}\text{See search on “Oppedahl & Larson” available at <http://www.altavista.com>.}\]
owner's cause of action, while at the same time the disclaimer words continue to trigger the search engines to falsely index the web site. 254

So with the no consumer confusion, where is the damage? The damage occurs because a trademark owners web site will not be on the top of the search engine index. 255 Many consumers read the first few displays on a search engine index and either find what they are looking for or look for something else. 256 Therefore, the trademark owners web site may receive less visits because the web site is not as high up on the search engine index. For some web sites, this loss of visits is where the real damage occurs. 257

For example, a consumer looking for the Playboy web page would get all the web sites that a search engine has indexed based on the number of times the trademark Playboy occurs on them. 258 Webmasters that bait their web pages use these key words in the meta tags and background text so many times that their sites come up in the results before the actual Playboy site does. 259 The disclaimer on the competing web site is handy for the consumer, alerting them that yet again, this site in the search results is not what they are looking for. In effect, the other web sites have hidden the playboy web site from the consumer by moving ahead of the Playboy web site on the search engine index, or by comparison, moving it to the back of the supermarket shelf. 260 Therefore, although actual disclaimers can be quite effective to eliminate confusion on web pages, the use of disclaimers would create a loophole that would allow many webmasters to use someone else's trademarks to steer consumers toward their web site and away from the trademark owner's web site. 261
2. Valid Trademark Use in Another Class or Geographic Region Could Allow Search Engine Baiting

Two owners can own the same trademark if their goods or services are in different trademark classes.\textsuperscript{262} This poses a unique problem on the Internet because search engines do not index web sites based on the different trademark classes.\textsuperscript{263} Arguably, both owners could bait search engines with their registered trademarks and neither owner would be doing anything wrong.\textsuperscript{264} However, this benign use could lead a consumer to confuse the source of the goods or services on one web page with those goods or services of another company and could lead to a loss of visits on one of the web sites.\textsuperscript{265}

Returning to the hypothetical, a consumer looking for Mythic Books’ web page could be led to Mythic Sausages’ web page. Furthermore, the consumer could confuse the goods offered on Mythic Sausages’ web page as being affiliated with Mythic Books or vice versa. Should a court determine that no consumer confusion exists due to the different trademark classes or because of a prominent disclaimer on the web site, Mythic Books may not be able to enjoin Mythic Sausages from baiting search engines with the Mythic trademark. Therefore, the trademark class system may allow many

\textsuperscript{262} This assumes neither mark is famous. See supra Part II.B.2.
\textsuperscript{263} See supra Part II.A.
\textsuperscript{264} Two cases illustrating this trademark class problem on the Internet involve domain names and not baiting but they represent the heart of the problem. One case is the dispute between the computer manufacturer Philip Giacalone and the stuffed toys manufacturer Ty, Inc. Giacalone had registered the domain name ty.com for his web site with the designation “Tech Yard,” and offered his services directly on the Internet. After Ty, Inc. gave notice of its registered mark “ty” to NSI, the domain name was placed on “hold” by NSI. Giacalone filed suit against Ty, Inc. and NSI; in preliminary proceedings, NSI was ordered to re-instate the domain name for Giacalone, U.S. District Court N.D. California, May 30, 1996, Giacalone v. Network Solutions, Inc. et al, Civil Docket No. 96-20434. The second case is cited by Sutherlin Dueker, “Trademark Law Lost in Cyberspace: Trademark Protection for Internet Addresses,” 9 HARV. J. L. & TECH., No. 2, at 484, 494 (1996). In this case the Atlantic Richfield Company had always used its entire company name in commercial transactions. When the company set up a web site in the Internet under the domain name arco.com it was sued by Arco Publishing, a firm active in a different branch of trade. Atlantic Richfield contested that registration of the entire company name would not have been possible due to the limitation of domain names to 24 letters.
\textsuperscript{265} See supra Part IV.A.1. for a discussion of where the real damage occurs is in the loss of visits if no confusion exists.
webmasters to use trademarks to bait search engines to the detriment of the other trademark owners.

Two owners can own the same trademark if their goods or services are in geographically separate or geographically remote areas.\(^\text{266}\) The Internet as a business model creates a large problem for owners of identical trademarks because the Internet combines these remote areas into one community. This problem arises because search engines do not necessarily index web pages based on geographic region.\(^\text{267}\) Webmasters are not required to register their web site under any specific top level domain (TLD) name that could identify at least the country of origin.\(^\text{268}\)

Within the United States this conflict has traditionally been resolved traditionally by determining which owner was first in time to register the trademark.\(^\text{269}\) However, this resolution would not work with the Internet. There are thousands of stores in small remote towns across the country with the same name. It would be simply impractical to require all but one to change their trademarks simply because they want a web page. Therefore, it is unlikely that a trademark owner could enjoin a geographically remote owner’s use of the same trademark to bait search engines unless the trademark is famous.

3. Non-Trademark or Fair Use Could Allow Search Engine Baiting

The trademark system has another problem on the Internet. Since trademark classes are not indexed separately on the Internet, there is no way to separate generic or non-trademark use of a trademark. For example, if a computer user is searching for the new music rock band, Cake, they could arrive at Just Desserts’ web site, which sells cake recipes. This illustrates that even non-trademark use could cause a search engine to index a web site. Therefore, the owner of a generic trademark may not be able to enjoin search engine baiting when the term is generic. Further, descriptive and fair use of a trademark can lead to similar

\(^{266}\) This assumes neither mark is famous. See supra Part II.B.2.

\(^{267}\) See supra Part II.A.

\(^{268}\) Some TLD names are .com, .edu, .org, but also, .uk, .jp, which stand for United Kingdom and Japan.

\(^{269}\) See generally MCCRORHY, supra note 95, § 26.00 et seq.
problems. Looking at the Welles case, the court held that the use of the “Playboy of the Month ‘81” expression was a fair and descriptive use by the defendant, Terri Welles.\(^{270}\)

Turning again to the Mythic Books hypothetical, it does not appear likely that Mythic Books could enjoin the ten year old boy from baiting search engines with the boys last name, Mythic.\(^{271}\) The mere reference of the word Mythic when the web site is not for commercial purposes is not likely to create consumer confusion.\(^{272}\) Furthermore, the boy arguably has a first amendment right to use his name to cause search engines to index his web site.

4. **Trademark Dilution Offers Limited Protection Against Search Engine Baiting**

The federal trademark dilution statute is designed to provide protection against a gradual whittling away of the distinctiveness or unique character of a mark, protection of the selling power of a distinctive mark, or protection against blurring of a distinct mental image.\(^{273}\) A typical dilution case involves a non-confusing use of a famous mark on unrelated goods or services that is found to dilute the distinctive quality of the famous mark.\(^{274}\) Therefore, it appears that one benefit of this principle is that it does not require consumer confusion.\(^{275}\) However, this statute only protects trademarks that are determined to be famous marks.\(^{276}\)

One problem with applying federal dilution principles to search engine baiting with trademarks is determining if the plaintiff’s trademark is famous. If the mark is not famous, it is not entitled to protection under this statute.\(^{277}\) One recent example of a mark that enjoys dilution protection because it has been held famous is the “Playboy” mark.\(^{278}\) Very few


\(^{271}\) See supra Part III.

\(^{272}\) See generally Domain Name Dispute With a Twist: Pokey.org, available at http://www.callaw.com/stories/edt0330b.html. (A young boy whose nickname is Pokey uses the web site for non-commercial purposes and Prema Toys Inc. wants that web site name). See id.

\(^{273}\) See supra Part II.B.5.

\(^{274}\) Id.


\(^{276}\) See id.

\(^{277}\) Id.

\(^{278}\) Playboy Enterprises, Inc. v. AsiaFocus International Incorporated, No.
trademarks are considered famous,\textsuperscript{279} even though the chances are better on the Internet that a webmaster would use famous marks, this factor does not provide much protection for most trademarks. Since Mythic Books is a new company, it is unlikely that Mythic Books is a famous mark and therefore, it could not enjoin trademark use based on dilution. Furthermore, to get protection under the dilution statute, the use must be commercial and\textsuperscript{280} therefore, the statute does not offer broad trademark protection.

5. \textit{Passing Off May Offer Some Protection Against Search Engine Baiting}

False designation of origin, or “Passing Off,” is based on the same principle as trademark confusion.\textsuperscript{281} The test is whether the defendants use of a similar mark is likely to cause consumers to believe that the defendant’s business goods or services come from or are sponsored or affiliated with the plaintiff.\textsuperscript{282} However, the principle of passing off looks at the total impression the defendant created through a combination of marketing elements, while in trademark infringement claims, only the impression made by the allegedly infringing trademark itself is looked at.\textsuperscript{283} Therefore, “passing off” is a broader principle by which one may seek protection of one’s trademark.

The principle of “passing off” appears to apply well to search engine baiting with trademarks. In light of the problem with trademark law and the loophole disclaimers create when used on web sites, the broadness of “passing off” makes this an important principle to consider.\textsuperscript{284} The “passing off” principle focuses more on the whole picture the defendant creates by using the plaintiff’s trademarks to bait search engines.\textsuperscript{285} Therefore, the damage to the trademark owner from tricking search engines by trademark-baiting is more likely

\textsuperscript{279} Typically a mark must be used for at least ten years to become famous. See generally Gateway 2000, Inc. v. Gateway.Com, Inc., 1997 U.S. Dist. LEXIS 2144 (Feb. 6, 1997).
\textsuperscript{280} See supra Part II.B.5.
\textsuperscript{281} See BARRETT, supra note 23, at 124.
\textsuperscript{282} Id.
\textsuperscript{283} Id. at 125.
\textsuperscript{284} See supra Part II.C.2.
\textsuperscript{285} See BARRETT, supra note 23, at 125.
to be viewed as infringement under the "passing off" principle. The advantage to the passing off principle is that it looks at the whole picture. However, it is likely that passing off would only provide added protection in cases where the webmaster uses a disclaimer to use someone else's trademarks.

6. False Advertising May Offer Some Protection Against Search Engine Baiting

One problem with applying false advertising principles to search engine baiting is determining if the use of trademark meta tags is advertising. "Advertising may generally be defined as any action intended to draw the attention of the public to a product, service, person or organization." Meta tags are instructions or lists of keywords, placed in the HTML language of the web site to help a search engine index web sites with those keywords. Notice, it does not appear the consumer must see the meta tag, only that the "action is intended to draw the attention" of the consumer. Therefore, it is likely that placing trademarks in meta tags is advertising.

Another problem with applying false advertising principles to search engine baiting is determining if the defendant's use of trademarked meta tags is a false or misleading statement about its own product. So the first question is whether a meta tag is a statement about the defendant's product. Because some web sites are indexed and displayed based on consumer search keywords contained in meta tags, a web site represents that it contains something about those keywords. Ideally, keyword meta tags would be truthful locators defining the product or content of the web site. Therefore, it is possible to construe a meta tag as a statement about a web site.

However, the next question is whether that statement in the meta tag is false and misleading. The defendant's products in the Insituform, Oppedahl, and Calvin cases had

287. See supra Part IV.B.1.
288. See SMEDINGHOFF, supra note 2, at 350.
289. See Loundy, supra note 178, at 1.
290. See SMEDINGHOFF, supra note 2, at 350.
nothing to do with the trademarked meta tags they used.\textsuperscript{291} The meta tags misled the consumer and search engine into believing that the defendant's web site would have the characteristics or qualities of the trademarked search term.\textsuperscript{292} The \textit{AsiaFocus} court held that using trademarks in meta tags is misleading.\textsuperscript{293} Since it appears that meta tags could be considered a form of misleading advertising, false advertising principles apply well to the search engine baiting problem. However, these principles are limited to cases where there is a product on the web site, or affirmative advertising. Therefore, the false advertising principle could only offer limited protection for a trademark owner seeking to enjoin search engine baiting practices with his trademark.

V. CONCLUSION: NO ADEQUATE PROTECTION OF TRADEMARKS FROM SEARCH ENGINE BAITING

To date, courts enjoin search engine baiting with trademarks only when there is an intentional bad act.\textsuperscript{294} Through the principles of unfair competition courts may begin to enjoin search engine baiting with trademarks even when disclaimers are used.\textsuperscript{295} Furthermore, trademarks that are famous are likely to be protected with trademark dilution.\textsuperscript{296} However, under \textit{Welles}, a famous mark was not protected when it was used in meta tags in a descriptive, fair manner with disclaimers.\textsuperscript{297} Therefore, the extent of protection a trademark owner receives on the Internet may be limited to cases where bad actors use a trademark that they clearly do not have the rights to use.

When a trademark is used on a web site in a benign or fair manner to bait search engines the owner of the trade-

\textsuperscript{292} See cases supra note 291.
\textsuperscript{293} Playboy Enterprises, Inc. v. AsiaFocus International Incorporated, No. 97-734-A (E.D. Vir. April 10, 1998).
\textsuperscript{294} See supra Part II.D.
\textsuperscript{295} See supra Part IV.B.1.
\textsuperscript{296} See supra Part IV.B.4.
\textsuperscript{297} Playboy Enterprises, Inc. v. Welles, No. 98-CV-0413-K (JFS) (S.D. Cal. 1998).
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mark may not have a remedy against this use of his trademark. It appears that trademark and unfair competition law do not prohibit search engine baiting with trademarks when the same trademark is owed by another person for a different class of goods or services.\(^\text{298}\) Additionally, protection is equally uncertain when another person in a geographically remote area owns the same trademark.\(^\text{299}\) Finally, it appears that trademark and unfair competition law may not prohibit search engine baiting with trademarks when the trademark is generic or the use is non-trademark or fair use.\(^\text{300}\) Therefore, in order to clarify the potential consumer confusion with this benign trademark use, and to provide trademark owners with a remedy against such use, trademark law should be amended to regulate search engine baiting with trademarks.

VI. PROPOSAL: AMEND TRADEMARK LAW TO REGULATE SEARCH ENGINE BAITING.

This comment proposes that courts should continue to follow the rulings in Insituform, Oppedahl, Calvin and AsiaFocus and enjoin and fine trademark use for search engine baiting when bad actors are involved.\(^\text{301}\) Additionally, a system should be established that would incorporate unfair competition and trademark law with Internet search engine use. This system would apply the current trademark, and unfair competition laws to the Internet so that trademark "baiting" practices can be clarified and properly resolved.

The new trademark system should begin by regulating keyword meta tag use. The keyword meta tag would be limited to trademark classifications, trademarks and geographic locations. A webmaster would only represent the truthful attributes of the web site in this meta tag based on the previous elements. Following trademark law, if a trademark is used in the keyword meta tag that misrepresents the web site or trademark, the web site use of the trademark would be enjoined by the trademark owner. This system would allow search engines the ability to rely on keyword meta tags to index web sites. Therefore, the indexes generated by

\(^{298}\) See supra Part IV.B.2.
\(^{299}\) See supra Part IV.B.2.
\(^{300}\) See supra Part IV.B.3.
\(^{301}\) See cases cited supra note 220.
search engines would contain the trademark, the class of goods or services and the geographic location of the goods or services. This would eliminate most of the consumer confusion regarding the trademark source, and allow most web sites to be indexed accurately.

There are many benefits to this proposed keyword meta tag regulation. As the requirement becomes more widely accepted, it will create dialogue between web owners and trademark owners. More importantly, this requirement establishes a benchmark for meta tag use so new web sites will know the boundaries of the law. This works preemptively to avoid future conflicts between trademark owner and web site owner and encourages "netiquette."³⁰²

However, the keyword meta tag regulation will not solve the entire problem. Similar or identical trademarks in other classes or geographic areas will still come up in search engine indexes. This problem may be addressed by increasing the use of the top level country domain names or by other self help remedies. For example, owners of the same trademarks should agree to cross-link each other's web sites to help the consumer get to the web site they are looking for. Of course, this will not work in every case of the variability in the content of different web sites and the variability in owner preferences.

To resolve the class or geographic area problem, the use of the description meta tag should be regulated in addition to the keyword meta tag.³⁰³ The description meta tag should include a brief synopsis of the goods or services and the webmaster should be prohibited from using non-generic trademarks in this meta tag. This would eliminate most of the confusion as to the source of the goods or services when the consumer looks at the search engine index and would reduce the use of trademarked terms in meta tags, therefore increasing the predictability of searching based on trademarked terms.

Further, this proposal encourages the expansion of technological methods to clarify and streamline web searches. WC3 and P3P are current groups that focus on privacy con-

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³⁰² "Netiquette dictates that other web sites be told when you plan to link to them, links to other web sites be removed if the linkee objects" (available at <http://www.benedict.com/webiss.htm>). See supra Part II.B.3.
³⁰³ For a discussion on what these tags are, see supra Part II.A.
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cerns by encoding meta tags. It is entirely possible that this same technology could be used to index and differentiate between trademark classes, uses and owners on web based searches.

The practical effect of regulating the keyword and description meta tags is that web site searches based on trademark terms may become more predictable and, therefore, reliable. This will allow webmasters to use their trademarks to bait search engines as long as the class, geographic origin and description of the goods or services are included in the respective meta tags. This policy would strictly prohibit the use of someone else's trademarks.

Applying this proposal to the hypothetical book selling business, Mythic Books Inc., it appears that Mythic Books Inc. has a remedy against some of the other web sites. The web sites that use the Mythic Books mark in meta tags and background keyword text are clearly infringing on the Mythic Books trademark. More importantly, it appears the web sites using Mythic Books in meta tags and also using disclaimers would still be infringing on the trademark. Mythic Books' remedies against trademark meta tag baiting include licensing the use, enjoining the use, collecting the damages for lost profits, and, in an exceptional case, even treble damages and costs.\textsuperscript{304} However, consistent with this proposal, it is always better to ask to remove the meta tags that have the trademark in them first and sue later.

Mythic Books would not be able to enjoin the sausage company or the ten-year-old boy, and they probably would not want to either.\textsuperscript{305} With the new regulation in place, a consumer would be better able to search for Mythic Books and locate it on the index. Additionally, Mythic Books could enter into cross-link agreements with other web sites, such as the sausage company or the ten-year-old boy, which may validly use the trademark Mythic.

\textit{Scott Shipman}

\textsuperscript{304} See supra Part II.B.4.

\textsuperscript{305} Often the Internet can create more bad press than the problem is worth. See Domain Name Dispute With a Twist: Pokey.org, available at <http://www.callaw.com/stories/edt0330b.html>.
