

- Site Map
- Privacy Statement
- Mission Statement
- Copyright Notice
- Shopping Cart

PUBLISHERS & AUTHORS

BOOK PROFESSIONALS

VENDOR RESOURCES

SEARCH:

Search

Membership

Home

Join / Renew IBPA

What is IBPA?

Member Benefits

Members Area

Member Profiles

Resources

Independent Articles

Publishers Resources

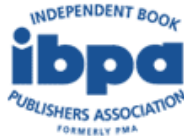
Seminars & Awards

Member Directory

Marketing Programs

Featured Titles

Vendor Resources



Three Legal Hazards to Avoid on the Web

by Glenn Dickinson
April, 2008

Three Legal Hazards to Avoid on the Web

by Glenn Dickinson

According to U.S. Commerce Department statistics, Internet retail sales amounted to \$34.7 billion in the third quarter of 2007, an increase of 27 percent from the third quarter of 2006. This surge might lead the casual observer to conclude that the Internet is a business-friendly environment. In many respects, that may be so, but it also is an environment that breeds legal problems.

Read on for information about some areas where the law is still finding its way on the World Wide Web.

Trademark Infringement Through Use of Internet Domain Names

Trademark infringers in cyberspace can capitalize on the intellectual property of others fairly easily, by using keyed-term searching (discussed later on) and by infringing on domain names.

Domain name registrations were originally handled by Network Solutions, Inc., a private company that was to domain names what Bell was to the telephone. NSI's monopoly was short-lived; in the late 1990s, the Internet Corporation for Assigned Names & Numbers (ICANN), a consortium of government and industry interests, agreed to open the registration business to all comers. Today, registration of .com, .net, and .org domain names is available through about 900 registrars worldwide.

Registrars determine only one thing: whether the domain name is unique. If the only difference between a requested domain name and a name that has already been registered is a single character, that requested name is available. So it's easy, fast, and cheap to get an infringing Web site up and running. In the brick-and-mortar environment, even a well-organized infringer needs time and resources to inflict any real damage. Cyber-infringers can get going with a lot less.

If someone is infringing on your domain name, you have a choice of remedies: (1) the Uniform Dispute Resolution Policy (UDRP), and (2) local law, such as U.S. trademark law.

The UDRP process is a private arbitration. Under ICANN rules, domain name registrars' customer agreements must include an obligation to arbitrate all disputes involving the top-level domains (TLDs) .com, .net, and .org. ICANN's Web site lists three approved arbitration providers: the National Arbitration Forum in Minneapolis, MN; the World Intellectual Property Office (WIPO) in Geneva; and the Asian Domain Name Dispute Resolution Centre, which has offices in Hong Kong, Seoul, and Beijing. The claimant is free to select any of them (icann.org/dndr/udrp/approved-providers.htm).

Domain name disputes are governed by multiple sources of law.

ICANN has two sets of rules with confusingly similar names: the Uniform Domain Name Dispute Resolution Policy and the Rules for Uniform Domain Name Dispute Resolution Policy. In a general sense, the former sets forth the substantive rights held by domain name owners, and the latter describes the procedures to be followed.

A party in arbitration must also look to the procedural rules of the UDRP arbitration provider selected. These deal with the mechanics of the provider's arbitration process, the

fees charged, and the like.

The UDRP parties should be familiar with the prior decisions of UDRP arbitration panels, which are frequently cited as authority in the decision. Each approved UDRP provider maintains a database of prior decisions and offers a somewhat limited search tool.

Finally, the parties should be prepared to discuss local trademark law.

The UDRP provides a way to grab back domain names. Trademark owners sometimes try the proactive approach of registering domain names similar to their own. But the malleability of the English language and the depths of human cunning can usually thwart this approach. As Dr. Paul Twomey, ICANN president and CEO, recently said, "It is possible that hundreds and eventually more than 1,000 new TLDs could be created." In that environment, proactive registration is not an effective option.

Trademark Infringement Through Keyword Searching

Keyed-term searching on the Internet is fertile ground for trademark infringement when search engines allow a business to purchase "keyed" terms so that its Web site will appear as a "sponsored link" in response to a user's search query.

Individual search engines have complaint procedures that allow trademark owners to request removal of a particular sponsored link, but the search engines and trademark owners are playing hot-potato with the obligation to police keyword searching. The search engines advise keyword advertisers that they bear the responsibility for respecting the trademark rights of others. Trademark owners argue that search engines must stop infringement in their own systems. These questions have been the focus of a number of court actions, including *Google Inc. v. American Blind & Wallpaper*, which ended inconclusively with a settlement in late 2007, and the recently filed case *American Airlines v. Google*.

Infringement of Web Site Content

Copyright infringement on the Internet is encouraged by the ease of electronic copying of text and images. The most common victims are purveyors of digital photographs and video, as evidenced by the pending copyright infringement class action against YouTube and Google—*The Football Association Premier League Ltd. v. YouTube, Inc.*, filed in May 2007 by an English soccer league and an independent music publisher.

The Digital Millennium Copyright Act (DMCA) provides notice and takedown procedures that are highly effective tools for protecting copyrights but only on a small scale, because these procedures take time to prepare and implement. The Football Association plaintiffs allege that copyright owners face tens or hundreds of thousands of unauthorized (and in their view unlawful) postings to free video sites; the mere task of preparing the takedown notices is enormous, and the offending sites may take weeks or months to act.

If you choose to use the DMCA, the rules are clear. You send a written notice to the Internet service provider for the offending Web site. The ISP then has a safe harbor from liability if it takes down the offending material. Given the choice between engaging in a potentially complex analysis of the challenged material and getting a free pass, ISPs invariably comply with the demand. This has led to an anti-DMCA movement that champions the cause of free speech and accuses copyright owners of using the act's takedown procedures to silence critics.

The fair-use doctrine of U.S. copyright law is getting an intense workout in the world of cyberspace.

Glenn Dickinson is an intellectual property attorney with Nordman Cormany Hair & Compton in Oxnard, CA. He can be reached at 805/485-1000 or [HYPERLINK "mailto:gdickinson@nchc.com" gdickinson@nchc.com](mailto:gdickinson@nchc.com).

[PUBLISHERS & AUTHORS](#) ▶

[BOOK PROFESSIONALS](#) ▶

[VENDOR RESOURCES](#) ▶

SEARCH:

Search

IBPA, the Independent Book Publishers Association
627 Aviation Way
Manhattan Beach, CA 90266

phone: 310-372-2732 · fax: 310-374-3342
e-mail: info@IBPA-online.org

