Here Come the Cybercops 2: Who Should Police Cybermarks

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The growth of the Internet has led to an explosion in registration of domain names. A domain name allows a web site to be accessed by entering the name (for example, "coke.com"). Without a domain name, a web site is accessed by means of its address, a series of numbers such as 123.456.789.123, which is sometimes referred to as an "ugly" domain name.

Initially, domain names were issued on a first-come, first-serve basis. Words corresponding to valuable trademarks were registered as domain names by so-called trademark "pirates" and held for ransom. Many companies which were slow to apply for domain names were surprised to find that the domain name they wanted had already been registered.

In response to the outcry from disappointed applicants, the organization responsible for registering domain names in the United States established a procedure by which a late-comer asserting trademark rights in a domain name may challenge its use by the domain name registrant and, in many cases, obtain the domain name for its own use. The courts have also rushed to the aid of trademark owners, utilizing the newly enacted Federal Trademark Dilution Act.1

Some Internet users have protested the assertion of rights to domain names based on trademarks, feeling that the two are not the same, that big business is bullying the small entrepreneur, and that governmental involvement will spoil the Internet as they know it. Some attorneys also object to the expansion of federal trademark law, by Congress and the courts, as contrary to the intended policy of the law and overly restrictive of free enterprise.

I. A BRIEF INTRODUCTION TO TRADEMARK LAW

A trademark is a symbol used to represent the source of goods.2 Under the federal statute "[t]he term ‘trademark’ includes any word, name, symbol, or device, or any combination thereof . . . used by a person . . . to identify and

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distinguish his or her goods . . . from those manufactured or sold by others and to indicate the source of the goods.\textsuperscript{3}

Trademarks are intended to protect consumers against confusion as to the source of goods or services. They also protect the goodwill of the owner of the mark in the goods or services. In the United States, a trademark cannot exist in gross; it can only exist in conjunction with the goodwill of the business.\textsuperscript{4} "An axiom of trademark law is: no trade, no trademark. The right to register a mark depends upon actual use in trade."\textsuperscript{5} It must be used on the goods, that is, "placed in any manner on the goods or their containers or the displays associated therewith or on the tags or labels affixed thereto, or if the nature of the goods makes such placement impracticable, then on documents associated with the goods or their sale."\textsuperscript{6}

A complaint for trademark infringement requires that the infringing use be a trademark type use (e.g., use in connection with goods or services) and that it gives rise to a likelihood of consumer confusion.\textsuperscript{7} Since domain names are not per se used in connection with the sale of goods and services, it is hard to see how the use, much less the mere registration, can give rise to a claim of trademark infringement.

Under traditional trademark law, a registrant was entitled to a reasonable zone of expansion, both in product line and geographical area, in which a probability of confusion might exist.\textsuperscript{8} Thus, one could not adopt "Cadillac" for automobile tires, since a reasonable consumer might assume that the car company was now making tires. On the other hand, one could adopt "Cadillac" for dog food, since a reasonable consumer would not assume that the car company was now making dog food. For non-competing goods, relief might

\textsuperscript{3} 15 U.S.C. § 1127 (1994). The Lanham Act distinguishes between trademarks used on goods and service marks used in connection with services. In this paper, "trademarks" is used generically to include both types of marks. Similarly, "goods" is used generically to include both goods and services.


\textsuperscript{5} Id. at 847.

\textsuperscript{6} 15 U.S.C. § 1127 (1994). This section of the statute also requires that the goods be sold or transported in interstate or international commerce. Id.

\textsuperscript{7} Id. § 1114 (1)(a), which provides in pertinent part:

(1) Any person who shall, without the consent of the registrant—

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

be available under the law of unfair competition. Under the new law, neither competition nor confusion is required.

II. DOMAIN NAMES

The rapid growth of the Internet has led to a proliferation of Internet web sites, which has led to an exponential increase in registration of domain names. A domain name comprises a first, top level domain name ("TLD"), such as "coke" and a second extension, such as "com." A three-letter extension refers to a United States site and reflects the origin and nature of the site, such as commercial, educational, governmental, organizational, or network. Outside the United States, two-letter extensions are used to represent the country. Such extensions generally comprise the country's internationally recognized two-letter abbreviation. Thus, one could have: 1) coke.uk; 2) coke.fr; 3) coke.de; 4) coke.ch; 5) coke.nl; etc.

Each country has appointed its own internal entity to manage addresses and register domain names. In the United States, the Internet Assigned Numbers Authority ("IANA") is the overall authority for Internet addresses. IANA has delegated authority for the issuance of domain names to the Internet Network Information Center ("InterNIC"), which is funded by the National Science Foundation ("NSF"). In April of 1993, NSF contracted with Network Solutions, Inc. ("NSF"), a private corporation, for the processing of commercial domain name applications. To help keep track of names elsewhere in the world, regional registries exist, namely RipeNCC in Europe and APNIC for the Asia-Pacific Region.

   (1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof . . . which—
      (A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person . . . shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.
10. Id. § 1127; see discussion infra pp. 19–20.
12. Registrations have increased from 100 a day in 1994 to over 1000 a day in 1996. See Greg Miller, Cyber Squatters Give Carl's Jr., Others Net Loss, L.A. TIMES, July 12, 1996, at A1.
In the United States, TLDs initially were issued on a first-come, first-serve basis. To make domain names available, to make web sites more easily accessible, and to help get businesses up and running on the Internet, expedition in the issuance of TLDs was paramount. The only fact considered was whether or not the identical word had previously been registered as a TLD. Thus, the consideration in issuing TLDs was comparable to the consideration of corporate names made by a Secretary of State when issuing a certificate of incorporation.

As a result, companies with foresight got the domain names they wanted, while late comers found that the domain names they wanted were in the hands of entrepreneurs with foresight, who acquired the names in the hope of eventually selling them. These entrepreneurs were disparaged as "pirates" seeking ransom for the captive names. Companies who reportedly paid the ransom include McDonald’s, Kentucky Fried Chicken, and Taco Bell. Some of the more interesting disputes include: MTV, which was registered by a former employee; Kaplan, which was registered by its competitor, Princeton Review; and MCI, which was registered by its competitor, Sprint. Perhaps the most notorious pirate is Toeppen, who registered over 200 domain names.

13. The initial fee for registration is $100 for two years. The annual maintenance fee thereafter is $50. A cottage industry (from Internet Consulting Corporation to Hell's Kitchen) has sprouted up to acquire and maintain domain names for companies who do not know how to, or want to, do it themselves.

14. This practice is not without precedent. For years, enterprising speculators have registered famous trademarks in countries which do not require use prior to registration in anticipation of eventually licensing or selling their rights. For example, when the American trademark the registrant’s business expanded to that foreign country. Registration and maintenance of trademarks is far more expensive than the costs incurred in registering and maintaining domain names, but the eventual payoff could be a windfall for the speculator. Many American companies had to pay the price when they expanded abroad and denounced these foreign trademark pirates. Had the roles been reversed, the practice might well have been chalked up to "Yankee ingenuity" rather than piracy.


17. Id.

18. See Fingerhut, supra note 15.

In response to the outcry from disappointed applicants, NSI changed its application and instituted dispute resolution procedures in 1995. Now, applicants must represent *inter alia* that registration of the domain name does not infringe or interfere with the rights of any third party. The current dispute resolution policy requires that the trademark owner send a notice to the domain name registrant and a copy of the notice to NSI of the dispute, together with a certified copy of a federal registration on the Principal Register (or of a foreign registration) of a mark identical to the TLD. So now NSI examines priority in addition to the identical nature of domain names. Priority is given to the holder of the trademark registration if the date of first use on the trademark registration precedes the date of registration of the TLD. This procedure relies solely on the federal registration and ignores state registrations and common law rights.

More recently, Congress has enacted the Federal Trademark Dilution Act as an amendment to the Lanham Act (Federal Trademark Statute). In the short time since it became law on January 16, 1996, courts have been liberally interpreting this new law in its application to domain names to quash the so-called piracy.

III. WHAT IS AND IS NOT A TRADEMARK

Corporate names are given out on a first-come, first-serve basis, without reference to trademark rights. Secretaries of State generally consider only the identical nature when registering a corporate name. Mere registration of a corporate name is not a trademark use.

Stock ticker symbols are assigned by the exchanges upon request and subject to availability. Some ticker symbols are, in fact, trademarks of the companies they represent, such as GE, GM, IBM, and TWA. Others may well be trademarks, but not of the companies they represent: RCA is not the

20. These documents are available from NSI Headquarters, 505 Huntmar, Herndon, Va, 22070.
21. *See id.*
22. *Id.*
23. *Id.*
24. *Id.*
27. *Id.* § 1127.
29. *Id.*
30. These are symbols that represent stocks on the market. A "ticker" is a "telegraphic receiving instrument that automatically prints stock prices." *WEBSTER'S ENCYCLOPEDIC UNABRIDGED DICTIONARY 1981* (1996).
company acquired by GE, but rather the Retirement Care Associates; GAP is not the clothing store, but rather the Great Atlantic & Pacific Tea Company; and CNBC is not the cable station that runs a ticker, but rather Center Ban-corp. Nor are ticker symbols international. Although NA on the New York Stock Exchange is Nabisco Holdings, NA on the Toronto Stock Exchange is the National Bank of Canada.31

In what may be the only case of its kind, Donna Karan (ticker symbol DK) sued Donnkenny (ticker symbol DNKY) for infringement and unfair competition based on Donna Karan’s trademark DKNY.32 The case was settled with Donnkenny keeping its DNKY ticker symbol but agreeing not to promote in its advertising, promotion, or marketing.33

Local telephone numbers are given out on an availability basis, although requesting a specific number may result in a fee. The same is true of “800” numbers.34 There are a handful of cases involving the protectability of “ci-phers,” which are telephone numbers that correspond to words.

For instance, consider the case of Dial-a-Mattress Franchise Corp. v. Page,35 involving a mattress company in the metropolitan New York City area.36 The company had acquired all of the local “MATTRES” (628-8737) numbers in the tri-state metropolitan area, named itself “Dial-A-Mattress,” and advertised for customers to “dial a mattress and leave off the last s for savings.”37 They sought to acquire the corresponding “800” number but were informed it was not available.38 Page sold sofa beds under the name “Easy Bed” and had acquired “1-800-327-9233” (“EASY BED”).39 When he expanded into the mattress business, he sought to acquire the “1-800-MATTRES” number and was told that it was unavailable.40 However, Page by a series of purchases and exchanges, eventually acquired the desired number.41 Initially, Page was allowed to keep the number, subject to certain

31. Stock ticker symbols are published in Barron’s, Wall Street Journal, Value Line Reports, and Standard and Poor’s Reports.
33. Id.
34. It seems odd, to say the least, that the companies did not learn from their experience with foreign trademarks, see 15 U.S.C. § 1114, and did not plan ahead when “800” numbers started to become popular. The introduction of “888” numbers is bound to raise a host of new conflicts.
35. 880 F.2d 675 (2d Cir. 1989).
36. Id. at 675.
37. Id.
38. Id. at 676.
39. Id. at 677.
40. Dial-a-Mattress, 880 F.2d at 677.
41. Id.
provisos reprised in the appellate decision. "The Magistrate recommended that Page be permitted to use the number ‘1-800-MATTRES(S),’ but that he be required to answer each telephone call received with the following greeting: ‘Easy Bed. We are not connected with Dial-A-Mattress which advertises on radio and television.’"

The District Judge ordered Page to notify the telephone company not to connect to Page’s telephone any call placed “to the number 1-800-MATTRES(S) that originated from area codes 201, 212, 516, 203, and 718, and to pay any charges required for that purpose.” The appellate court left unchanged the terms of the preliminary injunction, despite making broad pronouncements about the protectability of telephone numbers as trademarks.

If you can dial a mattress, why not dial a lawyer? In *Murrin v. Midco Communications, Inc.*, a Minnesota lawyer named Murrin had the local phone number for “LAWYERS” (612-529-9377). A New York lawyer named Davis had his areas local phone number for “LAWYERS” (212-529-9377), and like the Dial-A-Mattress Company, had acquired the local number in five different area codes for the New York City metropolitan area. Davis was the first to track down the “800” service provider who had been assigned the number and to reserve the “800” number. In the meantime, Murrin registered “Dial LAWYERS” as a service mark. The preliminary injunction permitted use of the number by Davis with the proviso that, outside metropolitan New York City he could not use the word “DIAL” or dots or hyphens between the letters of “LAWYERS.”

Now, take the case of a personal injury law firm in southeastern Pennsylvania with the local telephone number “INJURY-1.” Add to this a personal injury lawyer in southeastern Pennsylvania with the local telephone number “INJURY-9.” Each party had filed an application to register its

42. *Id.*
43. *Id.*
44. *Id.* The district judge’s order prevents would-be customers of Dial-A-Mattress from accidentally reaching Easy Bed. However, such a would-be customer instead of hearing Easy Bed’s disclaimer and knowing he reached the wrong number, would simply not be connected at all and likely give up on calling Dial-A-Mattress.
45. *Dial-a-Mattress,* 880 F.2d at 678. There is no final opinion in the case, however, the Dial-A-Mattress Company is now using the “1-800-MATTRES” number, which is displayed on their trucks.
47. *Id.* at 1196–97.
48. *Id.* at 1197.
49. *Id.* at 1196.
50. *Id.* at 1201.
mnemonic phone number as a service mark. The district court granted summary judgment for the INJURY-1 lawyers. The appellate court reversed and remanded on the issue of secondary meaning and likelihood of confusion of the mark as a whole. However, the appellate court found that the "INJURY" part of the mark was generic and specifically disagreed with both the DIAL-A-MATTRESS and DIAL-LAWYERS cases on the grounds that MATTRESS and LAWYERS were generic and not protectible as a matter of law.

One of the first "800" cases involved a businessman who acquired and promoted their use of "800" "ciphers," including "1-800-AMERICA" (1-800-263-7422). Some time after making a promotion to American Airlines, who was not interested, he had his "800" line installed at a travel agency and listed as "1-800-AMERICAN" (not "1-800-AMERICA") under "Airline Companies" (not "Travel Agents") in a wide range of telephone directories. He then gave interviews to the press representing that he expected to get a lot of booking calls for American. The court found that "[t]here can be no doubt it was [defendant's] intention to contrive and promote 1-800's name in a manner designed to confuse the public and to trade on American's goodwill and substantial business and advertising," and enjoined his use, inter alia, of the telephone number.

A variation on ciphers are complementary numbers, which are predictably misdialed numbers. Because of this phenomena, some long distance carriers encourage their clients to subscribe to both the vanity and complementary numbers. Many companies, including hotel chains like Marriott and Red Roof Inns, have done so. Others, like Holiday Inns, have not. In the event that these complementary numbers are not assigned or are not in active use, callers who reach them will receive a busy signal or a recorded message indicating the number is out of
service. Obviously, if the complementary number is assigned to another user and is active, then callers will reach that entity.62

Enter the defendant service bureau who, among other things, provided an answered “800” service for numerous customers.63 As a result of its own experience and investigation, it discovered the “complementary” number problem and recommended the use of complementary numbers to its customers.64 It then recognized that there could be a market for other users of “800” numbers who might be interested in paying a service bureau to answer their complementary numbers for them.65 At that time, Holiday Inn used “1-800-HOLIDAY” (1-800-405-4329) for registrations. The complementary number for “HOLIDAY” is thus 405-4329, which was purchased by the service bureau.66 Later, the service bureau created “800” Reservations to handle reservations for a number of hotel chains.67 Holiday Inns paid 800 Reservations a commission for reservations made through it, so both parties profited from the use of the complementary number.68

The message received by customers when they reached “800” Reservations started with the following disclaimer:

Hello. You have misdialed and have not reached Holiday Inns or any of its affiliates. You have called 800 Reservations, America's fastest growing independent computerized hotel reservations service. One of our highly trained hotel reservations specialists will be with you momentarily to provide the Holiday Inns number or to assist you in finding the lowest rate at over 19,000 properties worldwide, including such hotel chains as Holiday Inns, Guest Quarters, Hampton Inn, Sheraton, Comfort Inn, and many more.69

Moreover, at no time did the defendant ever advertise the complementary number or mnemonic “HOLIDAY.”70 “The court agrees with defendants that, in a traditional sense, they have made no use of a Holiday Inns’ registered mark or of any similar name or logo.”71 These two factors notwithstanding, the district court found the conduct so “nefarious,” “insidious,” and

62. Id. at 1250.
63. Id.
64. Id. at 1251.
65. Id.
67. Id.
68. Id. at 1252.
69. Id. at 1253 (emphasis added); see also Holiday Inns, Inc. v. 800 Reservation, Inc., 86 F.3d 619, 621 (6th Cir. 1996).
71. Id. (emphasis added); see also Holiday Inns, Inc., 86 F.3d at 621.
"parasitic" as to warrant relief. 72 Fortunately, the appellate court recognized the gravamen of a complaint under the Lanham Act:

Nevertheless, the defendants' use of a protected mark or their use of a misleading representation is a **prerequisite** to the finding of a Lanham Act violation. . . . Holiday Inns does not offer, and our own research has not produced, a case in which the defendant neither *used* the offending mark nor *created* the confusion and yet was deemed to have committed a trademark infringement. We believe that stretching the plain language of the Lanham Act to cover the present dispute is unjustified. As a matter of law, therefore, we hold that [defendants] did not violate §§ 32 and 43 of the Lanham Act by the use of the 405 number. 73

What one learns from this handful of cases is that courts are capable of analyzing new issues, such as mnemonic telephone numbers, under the existing law of trademarks and unfair competition, although they may not agree on what is or is not generic. And, despite the broad language in some of the opinions about the protectability of telephone numbers, the only holding which forced the defendant to give up his number was the *American Airlines* case, where the defendant's advertisements in the yellow pages amounted to infringement and unfair competition under existing law. 74 Had the defendant in *American Airlines* not actively advertised the number in a misleading and infringing fashion, he could have presumably warehoused it indefinitely in the hope of selling it to the highest bidder.

The treatment of domain names should not be sui generis. A name of a company is not a trademark unless and until it is used to identify goods. A stock ticker symbol is not a trademark unless and until it is used to identify goods. A telephone number is not a trademark unless and until it is used to identify goods. Therefore, a domain name should not be a trademark unless and until it is used to identify goods. Mere acquisition of a domain name, even if for speculative purposes, should not be condemned.

**IV. THE EARLY DOMAIN NAME CASES**

The parallel between "800" numbers and domain names was first noted by the district court in the *MTV* case:

Internet domain names are similar to telephone number mnemonics, but they are of greater importance, since there is no satisfactory Internet equivalent to a telephone company white pages or directory assistance, and domain names can often be guessed. A domain name mirroring a corporate name may be a valuable corporate asset, as it facilitates communication with a customer base.\textsuperscript{75}

This note was cited to the district court in \textit{Agema Infrared Systems AB v. Infrared Service Corp.},\textsuperscript{76} where the court went on to say:

\begin{quote}
I have previously in this case issued an injunction precluding the defendants from using an 800 number with the name Agema in it, holding that in that instance the trademark protection of the name Agema would prevail. I have the same type of situation here.

In essence, as [another court] said . . . the INTERNET system is akin to a telephone. I think it is more dramatic than a telephone. It is the way that people are going to start communicating with one another. It seems to me if trademark protection does not go to that kind of a listing, then I don’t know what it would go to.\textsuperscript{77}
\end{quote}

\section*{V. THE FEDERAL TRADEMARK DILUTION ACT}

The Federal Trademark Dilution Act, which was signed into law on January 16, 1996, to amend the Lanham Act, provides in part:

\begin{quote}
The owner of a famous mark shall be entitled, subject to the principles of equity and upon such terms as the court deems reasonable, to an injunction against another person’s commercial use in commerce of a mark or trade name, if such use begins after the mark has become famous and causes dilution of the distinctive quality of the mark, and to obtain such other relief as is provided in this subsection.\textsuperscript{78}
\end{quote}

\textsuperscript{75} MTV Networks, Div. of Viacom Int’l, Inc. v. Curry, 867 F. Supp. 202, 203–04 n.2 (S.D.N.Y. 1994). No substantive ruling was based on this factor; the case was before the court on a motion to dismiss counterclaims. \textit{Id}. The case was reportedly settled without a decision on the merits.

\textsuperscript{76} On file with Nova Law Review.

\textsuperscript{77} Transcript of Proceedings, August 21, 1995, at 28–29. By an order dated \textit{nunc pro tunc} August 21, 1995, the defendant was ordered to contact InterNIC to arrange termination of the AGEMA.COM name within seven days. A previous order dated January 27, 1995, had required termination of the “800” number.

The act makes clear that neither competition nor confusion is required: "The term 'dilution' means the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of—(1) competition between the owner of the famous mark and other parties, or (2) likelihood of confusion, mistake, or deception." 79 Nothing in the act eliminates the requirement of use in commerce.

VI. THE LATER DOMAIN NAME CASES

The first reported domain name case under the new federal statute appears to be Hasbro, Inc. v. Internet Entertainment Group, Ltd. 80 The defendant set up an internet site at candyland.com with sexually explicit material. 81 The district court entered a preliminary injunction against the use of the domain name citing federal and state antidilution statutes. 82 There was no discussion of whether a domain name identifying a web site was a trademark use within the contemplation of the federal statute, leaving one to wonder whether the court's interest was to prevent children from accidentally accessing sexually explicit material, which is not the purpose of the Act.

Once the floodgates were opened by the Hasbro case, latecomers seeking to avoid ransoming domain names flooded the courts, and the courts accommodated them under the new Act without regard to whether domain names were being used as marks or whether the marks were "famous," as required by the act. The act does not define "famous," but its common meaning is "[w]ell or widely known." 83

Is "ActMedia" "widely known?" The district court in ActMedia, Inc. v. Active Media International, Inc. 84 apparently thought so. The case presents the usual story. The plaintiff had a registered trademark and the defendant owned the domain name. 85 With little discussion, the court found the domain name registration to be a violation of the Lanham Act and state common law, and entered a final injunction against its use. 86

Is "Intermatic" Famous? The court thought so in Toeppen II: "As a matter of law the Court finds that the Intermatic mark is famous within the meaning of 15 U.S.C. § 1125(c)." 87 As earlier noted, Toeppen was a master

79. Id. § 1127 (quoting Panavision Int'l, L.P. v. Toeppen, 945 F. Supp. 1296, 1303–04 (C.D. Cal. 1996)).
81. Id. at *1.
82. Id.
85. Id. at *1–2.
86. Id. at *2.
of registering famous domain names, some of which were set forth in \textit{Toeppen II} and others in \textit{Toeppen I}.\textsuperscript{88} Among the airlines, he registered: 1) air-canada.com; 2) deltaairlines.com; 3) flydelta.com; 4) northwestairlines.com; 5) lufthansa.com;\textsuperscript{89} and 6) britishairways.com.\textsuperscript{90} In the sports arena, he registered: 1) australiaopen.com; 2) frenchopen.com; 3) anaheimstadium.com; 4) camdenyards.com; and 5) yankeeestadium.com.\textsuperscript{91} In the retail sector, he registered: 1) crateandbarrel.com, 2) eddiebauer.com, and 3) neiman-marcus.com.\textsuperscript{92} Perhaps the court thought that since Toeppen had registered the domain name, the trademark must be famous.

The next hurdle the court faced was use of the mark. Toeppen had temporarily posted a Web page with some software on which he was working and then replaced it with a map of Champaign-Urbana, Illinois.\textsuperscript{93} The court recognized that Toeppen had never used “Intermatic” in a trademark sense:

“At no time did Toeppen use intermatic.com in connection with the sale of any available goods or services. At no time has Toeppen advertised the intermatic.com domain name in association with any goods or services.”\textsuperscript{94} Thus, the court was forced to find “use in commerce” based on Toeppen’s alleged “commercial use” of the domain name:

Toeppen’s intention to arbitrage the “intermatic.com” domain name constitutes a commercial use. At oral argument Toeppen’s counsel candidly conceded that one of Toeppen’s intended uses for registering the Intermatic mark was to eventually sell it back to Intermatic or to some other party. Toeppen’s desire to resell the domain name is sufficient to meet the “commercial use” requirement of the Lanham Act.\textsuperscript{95}

A similar result was obtained in \textit{Toeppen I}, in which the court found that plaintiff’s “Panavision” and “Panaflex” were “famous.”\textsuperscript{96} The court also found that Toeppen had used the mark in commerce because “Toeppen’s ‘business’ is to register trademarks as domain names and then to sell the domain names to the trademarks’ owners.”\textsuperscript{97} Here, the court focused on the “in commerce” part of the requirement and ignored the “use” part of the requirement.\textsuperscript{98}

\textsuperscript{88.} Toeppen I, 938 F. Supp. at 616.
\textsuperscript{89.} Id. at 619.
\textsuperscript{90.} Toeppen II, 947 F. Supp. at 1230.
\textsuperscript{91.} Toeppen I, 938 F. Supp. at 619.
\textsuperscript{92.} Toeppen II, 947 F. Supp. at 1230.
\textsuperscript{93.} Id. at 1232.
\textsuperscript{94.} Id. at 1233.
\textsuperscript{95.} Id. at 1239.
\textsuperscript{96.} Toeppen I, 945 F. Supp. at 1302–03.
\textsuperscript{97.} Id. at 1303.
\textsuperscript{98.} Id. at 1303 n.5.
VI. CONCLUSION

Did we really need a Federal Trademark Dilution Statute? Protecting marks that have become icons—or taken on a life of their own—is desirable. A T-shirt with the signature Coca-Cola script or Budweiser label has a commercial value just as a T-shirt with a picture of Mickey Mouse, the Three Stooges, or The Rolling Stones. But consider this query: whether another form of protection—copyright, right of publicity, protection against unfair competition, or unjust enrichment—might not prove more suitable than trademark law when the mark is not being used as a trademark.

Under the revised Lanham Act, a presidential candidate could not say “Where’s the Beef?” without fear of being haled into court. The consumer is no longer the focus of the protection afforded by the Act rather, it is the owner of the “famous” mark—typically, big business.

Furthermore, if the intent of the revision to the Act was to protect famous marks, why has every mark considered been found to be famous? ActMedia or Intermatic are simply not in the same class as Coca-Cola or Budweiser. And why the total disregard as to whether the mark is being used on or in connection with goods or services? Under the courts’ interpretation of the new Act, mere registration of corporate names, stock ticker symbols, and telephone numbers would be subject to assertions of trademark dilution and court-enforced forfeiture of the name, symbol, or number, without compensation to the registrant.

To borrow a line from Judge Learned Hand: “[T]here is no part of the law which is more plastic than unfair competition, and what was not reckoned an actionable wrong 25 years ago may have become such today.”99 Can one hope that what is reckoned an actionable wrong today may not be so in the future?

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