

Trademark Advisory: What's in a Domain Name? Maybe "Green," "Clean" Or "Eco"?

10/7/2009

Everything is going green these days—even domain names. With the explosion of filings of trademark applications with the United States Patent and Trademark Office in the past several years for proposed marks including the terms “green,” “clean” or “eco,” domain name registrations have also seen a boom in use of these terms. Some have described the phenomenon as a “green gridlock”: companies are clamoring to convey a “green” or environmentally friendly message to potential consumers. Burgeoning brands—and trademarks—are getting lost in all the clutter. Similarly, companies seeking to adopt such trademarks are finding it difficult to secure domain names containing these terms, or they are finding that competitors offering similar services are using similar domain names, confusing potential consumers and weakening their brands. For example, a quick check of the WHOIS domain name database, which provides information regarding ownership of domain names, reveals that three separate and apparently unrelated entities own the domain names **cleanenergy.com**, **cleanenergy.org**, and **cleanenergy.net**.

General Guidelines For Domain Name Usage

The number of domain name registrations on the whole is once again on the rise, with one domain name registrar reporting a 12% increase in domain name registrations so far over last year.

Most businesses consider their domain name one of their most valuable assets. A domain name, which typically includes a business' trade name or trademark, enables consumers to quickly find that business on the Internet. A good domain name helps to establish a company's business by allowing potential consumer to easily locate the company and access (and hopefully buy) its goods or services.

Domain names are available on a first-come, first-served basis. Today, you can register a domain name under a variety of generic top level domains (gTLDs), such as **.com**, **.net**, or **.info**, and country code top level domains (ccTLDs), such as **.us** or **.uk**. Registering a domain name is cheap, typically costing less than \$10 per year. Often, if you simultaneously register multiple domain names, the cost can be even lower. It is wise, therefore, to register domain names simultaneously not only for your business name, but also for the trademarks used on and for your significant products and services.

It is important to remember that registration of a domain name does not, in and of itself, bestow the rights that inure with use of a trademark in commerce. Rather, the domain name itself must be used as a trademark or service mark in order for the domain name to have trademark

significance. Trademarks used in a domain name should be registered in order to maximize your ability to protect those assets.

Before registering a domain name containing a trademark for a business, product or service, it is important to conduct a trademark search in order to ensure that adoption and use of the trademark does not infringe another's trademark rights. This is particularly important given the ballooning number of domain names including "clean," "green" and "eco" (to name a few). The sheer volume of such trademarks (and corresponding domain names) suggest that the rights therein may be weak, but this is not to suggest that you can skip the important step of trademark searching. Indeed, the failure to conduct such a search could, in the event that you are found to have infringed another trademark, expose you to additional monetary damages and fees.

In order to avoid future domain name disputes, you should **not** register any variation or misspelling of another's trademark or domain name, particularly of a competitor's trademark or domain name, for any purpose. Such conduct would expose you to allegations that you registered the domain name in bad faith.

"Cybersquatters"—the name given to the registrants of domain names who attempt to profit from the Internet by reserving and using domain names that include another's trademark—have taken advantage of the cheap and easy domain name registration process to occupy desirable domain names. Such domain names often host click-through advertising on the website associated with the domain name to generate advertising revenue for the domain name registrant. The registrant may also attempt to profit from registration of the domain name by selling it to a third party or to the trademark owner itself. If the registrant is a competitor, it may use the domain name to redirect potential consumer traffic directly to its competitive business site. All such uses may harm your business by diverting potential consumer traffic to your competitors and serve to weaken the strength of your brand equity and trademark rights.

How To Prevent Domain Name Abuse

In order to prevent domain names that include your business' name or product trademark from being scooped up by unrelated third parties, it is helpful to register not only the domain names that include your business' name and trademark, but also domain names that include variations of your business' name and trademarks. For example, in addition to registering the domain name **companyname.com**, you may also register **companyname.net**, **companyname.biz**, **companyname.org**, etc. Not only will such an approach reduce the overall fee per domain name (as mentioned above), but it will also prevent unrelated third parties from using **companyname** in a domain with a different gTLD ending. Domain names are most effective in promoting your business if they allow consumers to find **your** business (and not someone else's) by directly navigating to what the consumer thinks will be your company's website. Therefore, you want to register the possible variations of your primary domain name to increase the chances that consumers will find you.

You may also register common misspellings of the primary domain name, such as **kompanyname.com** or **compnyname.com**. Doing so will prevent a cybersquatter from

registering these domain names, posting advertisements from your competitors on those sites, and potentially directing traffic away from your business.

In order to maximize the ownership benefit of these ancillary domain names, you may automatically redirect consumer traffic to your primary business domain name. Such proactive registration of additional domain name extensions and common misspellings will effectively create a zone of protection around your primary domain name, thereby inoculating it from misuse by competitors and cybersquatters.

Options For Handling Domain Name Disputes

If you discover that an unrelated third party owns a domain name that includes your business name, trademark, or a misspelling thereof, you have several options:

- You may be able to successfully avoid a domain name dispute simply by sending the domain name registrant a carefully worded letter. Often, a cybersquatter will voluntarily relinquish the disputed domain name rather than spend time and money to retain it.
- You can initiate a mandatory arbitration seeking transfer of the domain name under the Uniform Domain Name Dispute Resolution Policy (UDRP). The domain name will be transferred or cancelled upon a showing that: (1) the domain name is identical or confusingly similar to your trademark; (2) the registrant has no “legitimate rights” in the domain name; and (3) the domain name was registered and is being used in “bad faith.” UDRP proceedings are a quick and relatively inexpensive way to wrestle domain names away from cybersquatters and other unauthorized third parties. There is no discovery or oral hearing and a decision is typically issued within 45-60 days.
- You can initiate a court action for trademark infringement, trademark dilution, and/or cybersquatting under federal statutes such as the Lanham Act, the Trademark Dilution Revision Act, and the Anticybersquatting Consumer Protection Act. While typically more time-consuming and expensive than UDRP proceedings, litigation offers potential relief beyond transfer or cancellation of the domain name. Actual and/or statutory damages, injunctive relief, and attorneys’ fees may be available. Depending upon the particular facts and circumstances, damages may be significant. In one recent action, Verizon was able to secure a \$33 million statutory damages award against a serial cybersquatter that registered over 660 domain names that included variations of the Verizon trademark.

Deciding to invoke one of the dispute resolution methods above depends on an evaluation of the facts relating to each particular adverse domain name or domain name registrant. It also requires a balancing of the desired remedies with the importance of a quick resolution to the dispute. The range of options, however, provides flexibility in handling domain name disputes.

Conclusion

A domain name incorporating your business name or trademark is a critical component of promoting your business online. It allows potential consumers to find your goods and services easily. Given its importance, steps should be taken to ensure broad and effective protection of

this asset. Certain low-cost and simple measures, such as registering domain names including your business name, trademark and/or variations thereof with multiple gTLDs and/or ccTLDs, can provide your business with a zone of protection from lurking cybersquatters. If, despite such measures, you encounter third parties who have registered and are using a domain name that includes your business name, trademark, or a variation thereof, it is important to analyze the situation promptly and determine which course of action is appropriate to remedy the problem.

For more information on or assistance with this or any other trademark matter, please contact one of the trademark attorneys listed below or the Mintz Levin attorney who ordinarily handles your legal affairs.

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