

Trademarks vs. Domain Names, Part II: There is a BIG Difference



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Domain names that accurately reflect a company or its products and services are crucial for business success. When companies seek to secure a new domain name, they should be alarmed if evidence of cybersquatting occurs.

Cybersquatting is registering, selling or using a domain name with the intent to profit from the goodwill of someone else's trademark or name, and it can hurt a company's brand. If a potential domain name is chosen and entered in a web browser but doesn't connect to a functioning website, that is an indication that it may be owned by a cybersquatter. If you visit a site that states, "This domain name is for sale," or "Can't find server," that's another strong sign of cybersquatting.

As covered in Part I on this topic, victims can pay a cybersquatter for the domain name or file a complaint and use the arbitration system established by the Internet Corporation of Assigned Names and Numbers (ICANN) and its Uniform Domain Dispute Resolution Policy (UDRP). However, sometimes a lawsuit, though more expensive and time consuming, is needed.

The Anticybersquatting Consumer Protection Act (ACPA) (15 U.S.C. § 1125(d)) is a Federal law that became effective on November 29, 1999. Its intent was to give trademark owners and owners of famous trademarks a legal remedy against individuals who obtained a domain name "in bad faith"—that is, one identical or confusingly similar to their own trademark. For a famous mark, the law also protects against possible dilution of the mark.

To be successful in a lawsuit brought under the ACPA, the plaintiff must prove that: (1) the defendant had a "bad faith intent" to profit from the mark; (2) the defendant had registered, trafficked in or used a domain name that, in the case of a mark, was distinctive at the time of registration of the domain name, identical or confusingly similar to that mark or, in the case of a famous mark that was famous at the time of obtaining the domain name, was identical or confusingly similar to or dilutive of the mark; or (3) the trademark, word or name is protected by reason of two rather obscure Federal protection provisions. (If you want these, please e-mail me via the address at the end of this article.) The "bad faith intent" is the key element, and the ACPA provides numerous factors that will be contemplated by the court when making that determination. These include, in part:

- Does the defendant have any intellectual property rights in the domain name?
- Does the domain name consist of the legal name of the defendant, or a commonly-used name that identifies the defendant?
- Is there prior use by the defendant of the domain name in connection with a bona fide offering of any goods or services?
- Is there bona fide fair use by the defendant of the mark in a site associated with the domain name?
- Did the defendants intend to divert consumers from the trademark owner's online location to a site that is linked to the in-question domain name?
- Did the defendant offer to sell, transfer or assign the domain name to the mark owner for financial gain?

It is important to understand that "bad faith intent" will not be found if the court determines that the defendant believed or had reasonable grounds to believe that the use of the domain name was fair use or otherwise lawful.

The remedies provided under the ACPA include the court ordering forfeiture or cancellation of the domain name. The court may also order the transfer of the domain name to the trademark owner. Actual damages may also be recovered; however, the plaintiff may elect statutory damages that range from no less than \$1,000 to no more than \$100,000 per domain name. Attorneys' fees may also be sought by the plaintiff.

There are several key differences between filing a lawsuit under the ACPA versus filing a complaint under the UDRP. The UDRP is less costly and quicker, but only provides for the cancellation or transfer of the domain name. In addition, an attorney is not needed to file a complaint under the UDRP. An important tip to remember is that if the complainant suspects that the cybersquatter will appeal the results of a UDRP action, then the complainant should contemplate skipping the step of filing a UDRP complaint and just go ahead and commence a lawsuit under the ACPA. In the event the trademark owner desires money damages, in addition to the transfer of the domain name, the only option for this type of relief is with filing an action under the ACPA.

In conclusion, business owners must remember that domain names are important to the success of one's e-commerce strategy. Business owners also should regularly police the Internet to ensure that cybersquatters have not misappropriated their trademarks by purchasing confusingly similar or identical domain names.

Please remember that this article is for informational purposes only and should not be interpreted as legal advice.

For more on the differences between domain names and trademarks and avoiding infringements on another's trademark, read Part I of this article in the December 2012 issue of *BONEZONE* or at www.bonezonepub.com.

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Johns Hopkins Research Team Reports Knee Cartilage Repair Success with Biomaterial + Microfracture

Results from a 15-patient pilot study suggest that a new hydrogel and adhesive implant + microfracture procedure performed as well in humans as it did in the lab

At 6 months, MRI showed that patients receiving the implant had new cartilage filling an average 86% of defects in the knee, while those receiving microfracture only showed an average 64% tissue replaced. Implanted patients further reported a greater decrease in knee pain.

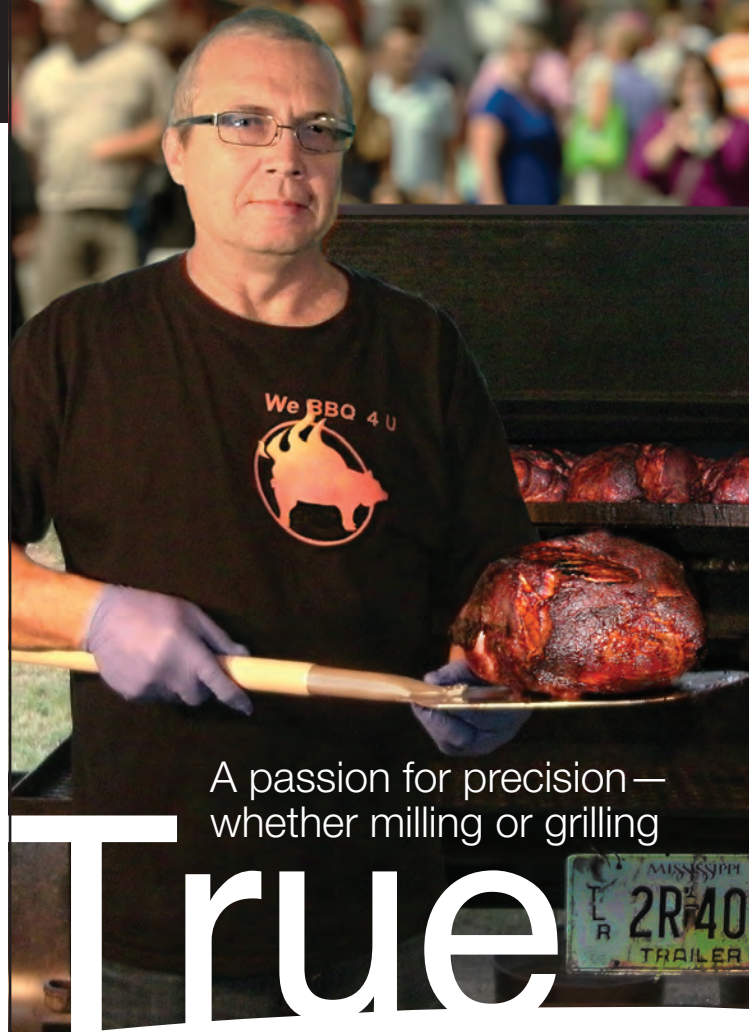
The ongoing trial has enrolled additional patients, and is slated to support regulatory clearance for the technology in Europe. Clinical studies are supported by Biomet and Cartilix.

The Johns Hopkins team is also developing a next-generation version of the implant in which hydrogel and adhesive will exist as a single material. Additionally, they are developing technologies to lubricate joints and reduce inflammation.

REFERENCES

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