

- The existence of actual confusion in the marketplace between the trademarks;
- Similarity of the appearance, sound and meaning of the trademarks;
- The degree of similarity between the goods and services being identified by the trademarks;
- The degree of secondary meaning acquired by the trademarks;
- The sophistication of the consumers who buy the particular products or services;
- The similarity of the channels of distribution of the products or services (that is, are they both sold in the same type of stores). Note that this factor often suggests a likelihood of confusion where both products or services are offered via the Internet;
- The degree of commercial competition between the two trademark users; and
- The distinctiveness of the trademarks.

A trademark that is “famous” may be protected against dilution from other marks or uses of the mark even if the use is on unrelated goods as long as the trademark holder can prove that the mark is being blurred or tarnished.

## **TOOLS FOR THE WEB**

### **Advertising On The Internet**

As a general rule, the test of legality for advertising on the Internet is similar to the test for advertising in general. Advertising must not be “false, deceptive or misleading” to the consumer. Generally, advertising may refer to other trademarks if it is not likely to cause confusion, if it is literally true, and if it is not implicitly misleading.

Use of the trademark of a competitor or another company can result in trademark infringement. Nonetheless, one can make fair use of a mark, such as through comparative advertising and through free speech to talk about another's product. To increase the likelihood such fair use will be considered permissible, care must be taken to (1) dispel any implicit affiliation with the famous mark, such as with a disclaimer; (2) use the trademark truthfully; (3) only use the trademark as much and as minimally necessary and (4) not use color schemes, logos, or other distinctive features of the competitor that are unnecessary to convey the truthful information. The fair use of the mark of another is generally a very fact specific inquiry and any factors that suggest improper motives or bad faith of some actions can result in negative implications for even legitimate other actions. When referring to another's trademark or advertising materials, a business must make sure that it does not infringe any intellectual property, including copyrights, owned by the other party. Finally, disclaimers may be advisable when referring to another's trademark.

Comparison shopping applications, which search vendor websites and produce information about lower priced options, are another new and relatively controversial method of web advertising. With regard to these and other types of web advertising, the advice of counsel may be useful to businesses in order to evaluate the potential risks involved.

The Federal Trade Commission released its staff paper "Dot Com Disclosures" in May, 2000 to guide parties using the Internet for advertising as to the applicability of product and business specific FTC laws to Internet advertising. The paper is available at <http://www.ftc.gov/bcp/online/pubs/buspubs/dotcom/index.html>.

### **Search Engines, Banner Ads and Sponsored Links**

Search engines offer advertising services to others. One service offered by many search engines is targeted advertising when a search term is entered into the search engine. A new, targeted method of advertising is to trigger the advertising based upon a

computer user entering a competitor's mark into a search engine. There are at least three ways search engines appear to sell this service. First, certain search terms may result in banner ads appearing on the search result screen. Second, sponsored advertisers may appear separate from the search results. Finally, the search results may be modified to allow sponsored advertisers to appear high in the search results screen.

Although showing a banner advertisement in response to a search engine query may be akin to placing a billboard that advertised a competitive store above or next to a store and was initially considered allowable, *Playboy Enterprises, Inc. v. Netscape Communications Corp.*, 52 USPQ2d 1162 (D.C.D.Cal. 1999), on appeal, the Northern Circuit has held that this practice may be an infringement of the trademark owner's rights. *Playboy Enterprises, Inc. v. Netscape Communications, Inc.*, 354 F.3d 1020 (9th Cir. 2004). However, it is improper to use a competitor's trademark or other famous trademarks not owned by the company as metatags in order to trade off the good will associated with them. *Brookfield Communications. v. West Coast Entertainment*, 174 F.3d 1036 (9th Cir. 1999). In *Brookfield*, the Court specifically found that using another's mark as a metatag is somewhat like posting a billboard with another's trademark directing traffic to one's store and found this "initial interest" confusion actionable.

Recently litigated disputes regarding the use of another company's trademark to trigger sponsored links should also be considered. In *Government Employees Ins. Co. v. Google, Inc.*, 2005 U.S. Dist. LEXIS 18642 (E.D. Va. Aug. 8, 2005), the court denied Google's motion to dismiss trademark infringement claims based on the use of sponsored links. While that case was eventually settled, the decision shows the use of a keyword to trigger an ad may create liability.

Other cases allege that third party pop-up advertisements that obscure the advertisements of the web page being viewed violate the trademark rights of others. For example, *Gator Corp.*, a pop-up advertiser, has been charged by various newspapers with trademark infringement for its pop-up ad service which is associated with

various news web pages. Seven publishers, including the Washington Post, New York Times, and Dow Jones, reached a settlement agreement with Gator Corps after a federal judge ordered Gator to stop displaying pop-up advertising on the publisher's web pages without permission on the grounds that the advertisements infringed their copyrights, trademarks and stole revenue from potential ads. In another case, the Court found that a pop-up advertising scheme did not support a claim of trademark infringement, unfair competition, trademark dilution, or copyright infringement. *U-Haul v. WhenU.com, Inc.*, 279 F. Supp.2d 723 (E.D. Va. 2003)

When can one use a competitor's mark in search engines? There are no hard and fast rules in this area. The relevant claims, primarily for trademark infringement and dilution, are fact intensive. Unaffiliated websites should ideally be distinctly presented to the user as unaffiliated with the trademark owner. One should try to separate one's trademark from the actual search engine results. In this regard, it is likely better to appear as a banner ad appearing on the search result screen or as a sponsored advertiser separate from the search results than modifying the search results so that the your web page appears in the search results or higher up in the search results. The domain name should not itself create confusion, as it is typically listed in the results. Any description that appears in the search results should also avoid language suggesting affiliation or sponsorship by the trademark owner. Content found at the website should also be truthful, unlikely to exacerbate confusion, and devoid of misappropriated photographs or images. And again, the general rules of using a competitor's mark discussed above should also be followed.

## **Metatags**

The metatag is a powerful browser tool for Internet advertising. The keyword portion of a metatag consists of hidden words that can be used to describe the contents of a web page. The metatags of a particular web site can be viewed by selecting the "view page source" or equivalent command in the web browser. The metatag is invisible to the website visitor, but is detectable by search