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PANEL DISCUSSION: LINK LAW ON THE INTERNET: A PANEL DISCUSSION

I. Introduction

A. Discussion Background

On October 15, 1997, Franklin Pierce Law Center hosted a panel discussion on the relatively novel legal issues which have been created by the growth of the World Wide Web. Hyperlinking, the process by which a computer user may "jump" from Web page to Web page by clicking on a highlighted word in the page, presents some of the most interesting of these issues and was the central topic of the discussion. The panelists were four attorneys from across the country with an expertise in this area of law: Mark B. Harrison, n1 Jeffrey Kueste, n2 Scott Petty n3 and Robert Woolston. n4 The discussion was moderated by Mike Godwin. n5 Generally,

[*198] the discussion focused on the three areas of the law most likely to impact the World Wide Web: (1) trademark and unfair competition; (2) copyright; and (3) defamation. Additionally, the discussion included comments on patent law and an audience question period.

B. Discussion Design

Approximately one week before the discussion, the participants were presented with a hypothetical problem that implicated issues in the above areas of law. The hypothetical problem took the form of an interoffice memorandum from a fictional law firm with a fictional client:

To: Intellectual Property Group

From: Alan J. Acme, Jr.

Subject: CyberLinks, Inc. - Planned New Web Site

Our Client, CyberLinks, Inc. has designed a new Web site called Tech Hyper Source (herein "THS"). THS will offer its visitors a convenient and organized method of linking to other Web sites containing information on various scientific and engineering topics.

The main screen of THS contains three sections, technically called "frames." The horizontal frame at the top contains the CyberLinks name and logo, the name of the site, and, most important, paid advertising. CyberLinks will sell the ad space and thus earn revenue from THS. The vertical section on the left contains a hierarchical series of topic menus, from which the user selects the desired subject and relevant third-party Web sites. The selections are made by simply clicking on the hyper text links in the menus. The third and main section is where the content of the linked Web sites appear after the user has made a selection.

Here is an example of how THS would be used: In the menu section, a user selects (clicks on) "Developments in Chemical Engineering." In the same section of the screen, sub-menus appear with the names and descriptions of relevant Web sites, and particular articles on those Web sites. Hyper text links are provided in the menus. The user clicks on the desired link, and either the home page of the selected Web site or a page "deep" within the site appears in the main section of THS.

CyberLinks has pre-sold a substantial amount of advertising and is ready to launch THS. But its CEO, B.S. Linkletter, has taken note of the recent Microsoft-Ticketmaster linking controversy. Since CyberLinks does not plan to

[*199] obtain consents, Linkletter has grown concerned about his company's potential liability from its links to the third-party sites.

Finally, to further its goal of becoming a widely-used jumping-off point to science and engineering information sources, CyberLinks inserts so-called "meta tags" in THS which contain the names and descriptions of many sites to which THS is linked.

Please advise him regarding his concerns. Please consider the following issues and any others that occur to you:

1. Liability for trademark infringement and unfair competition;
2. Liability for copyright infringement, including possible claims that THS creates and displays unauthorized derivative works; and
3. Liability arising from defamatory material contained on the linked Web sites.

An example Web page using the technology discussed in the hypothetical was projected behind the participants to allow the audience to envision the problem (See Figure 1, *infra*).

C. Panelist Introductions

MS. RITCHIE:

Welcome everybody. We are really glad to see you here. First and foremost, I want to welcome the panelists and thank them for coming. Now I will introduce them to you.

Our moderator is Mike Godwin. Mr. Godwin is staff counsel for the Electronic Frontier Foundation in San Francisco. Our panel consists of Jeff Kuester of the Thomas, Kayden firm in Atlanta, Mark Harrison of Spencer & Frank in Washington, D.C., and Rob Woolston from Seed & Berry in Seattle. Joining us later will be Scott Petty from Jones & Askew in Atlanta. Gentlemen, we are very glad to have you. Welcome.

I want to thank all of the students and other individuals who have assisted in putting this conference together. Specific assistance has been provided the Cyberlaw group, which did the publicity, and by Dan Cahoy, Editor-in-Chief of IDEA. I also want to thank

two fellow members of the FPLC faculty, Professor Chris Blank, who teaches patent law, and Professor Jeremy Williams, who teaches copyright law.

I now turn this conference over to Mike Godwin.

D.

Opening Remarks

MR. GODWIN:

I am a civil liberties attorney. I work in cyberspace law, and I have had the chance to work in just about every area of law that implicates the Internet in some way. That has been my fortune and misfortune at various times. When I was in law school at the University

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[SEE FIGURE IN ORIGINAL]

[*201] of Texas I took absolutely no courses in intellectual property. Horrifying as it may seem, I learned intellectual property law on the job. Nevertheless, I have the arrogance of an autodidact, and I fully expect the members of today's panel and everyone in the audience to shoot me down when I say something that is obviously incorrect.

You may be wondering why a civil liberties attorney is moderating an Internet law panel that has at least as one of its primary foci intellectual property law. The answer is that there is a very strong intersection between intellectual property law and civil liberties, between intellectual property law and constitutional law, and between intellectual property law and First Amendment law in particular. We will explore some of that. I first learned of this legal intersection in law school when I began to read some of the scholarship of Melville Nimmer (no relation to Raymond), who as some of you know was a scholar of both First Amendment free speech law and copyright law.

I have heard through an intermediary that one or more of today's panelists think that I am going to take a very "leftist" position of intellectual property law. That may or may not be true depending on how you interpret copyright law. But first of all I should let you know I am an intellectual property owner myself. I write books. I also like Macintosh computers, so I have a very strong opinion about look and feel. More importantly, don't assume that there are any clear divisions on the issues we will be exploring today; the areas of intellectual property law which are in flux are not yet sufficiently resolved so that we all fall into clearly defined camps.

The way we are going to structure our discussion today is by using a hypothetical n6 in conjunction with a very helpfully designed Web page. n7

Then there will be a question and answer period. But, before getting to the hypothetical, I will provide an introduction that is based to some extent on a discussion of intellectual property law in my book, *Cyber Rights, Defending Free Speech in a Digital Age*. n8

The fundamental areas of dispute, at least these days, in most of the Internet cases that you hear about that don't involve pedophiles concern copyright and trade name and the various trade identifiers. And I will say this about that, as a former president would put it. I think that the current fever in trademark and trade name litigation is driven in large part by the fact that the domain name registration authority is actually driving people towards litigation. They have structured licensing for domain names so that people will go to court against each other and not

[*202] against them. If you are interested in this particular set of issues, I urge you to read any given issue of Wired magazine or whatever legal journal you prefer.

I think that the real fundamental issues are in copyright. This is because, in copyright law, copying is the essence of infringement. You can infringe just by copying regardless of any relationship that you may have. There may be a license or other agreement that modifies the rights of the copyright owner, but copying, or the use of someone else's intellectual property, is in fact the essence of infringement. And the Internet, for those of you who are not familiar with it, is, if nothing else, a global copying machine that operates for free. After you have copied your first million, the incremental cost of copying your second million is almost zero.

The way we structure pricing for access to the Internet, once you have crossed the threshold of buying your equipment or signing a contract with an Internet service provider, makes the per-copy price very small indeed. The price of copying from the Internet makes the copying machines in law libraries look positively extortionate in comparison. This is very interesting historically because copyright law has not always been a part of the legal landscape for authors. There was a pre-copyright era. Shakespeare wrote 38 plays (up from 37 with the addition of *Two Noble Kinsmen* to the canon). Thirty-eight plays without any copyright protection whatsoever. Shakespeare was remunerated in other ways, typically through patronage or through ticket sales.

In the copyright era, the fact that underlies a focus on the right to make copies has been that the incremental costs of copies was a fixed cost. It was a non-zero cost, and it was a high cost. In other words, to produce the second volume of a bound paper book is pretty expensive. There are economies of scale, but the economies of scale that allow the millionth copy of a bound book to be produced relatively cheaply compared to the second copy, still don't bring the cost of the millionth copy so close to zero that it doesn't make sense to focus on the production process, the copying process, as a way of remunerating authors and publishers. We now live in a world, though, in which everyone is an author and everyone is a potential publisher. Just as Melville Nimmer surely knew, we all now know that the right to freedom of the press as guaranteed under the First Amendment is converging on-or even becoming-the right to freedom of speech.

We all recognize, and have recognized from a very early age, that freedom of speech belongs to all of us while freedom of the press belongs to the New York Times, to somebody else. But now it belongs to us, too, in a very personal way. Traditional institutions are rather frightened by this. By traditional institutions, I include both our governments, globally

[*203] speaking, and the media who, of course, once had a practically exclusive right to freedom of the press. These traditional institutions are nervous about the Internet-driven expansion of freedom of the press because the very things that we thought were the benefits of the Internet now may be seen as having frightening dimensions. We used to believe that the advantage of the information superhighway is that it would make everybody a publisher, that it would reach into every home, school and hospital with the equivalent of 500 channels of content. People are not horrified by the prospect of all this information. If you hear about the Internet now in a news story on the evening news, is it positive or is it negative? You don't even have to hear the story to know it is going to be negative. Some terrible Internet predator has done something else.

I take this phenomenon, which I characterize as a backlash against the Internet, as a function in part of the rapidity of change. In 1993 nobody outside of Route 128 or Silicon Valley knew what a URL was. Now URLs are on the sides of buses. They are on TV commercials. They are at the movies. They are everywhere. That is a very rapid change. By comparison, consider that the telephone was invented in 1876. In 1896 hardly anyone had them. The first Apple microcomputer was released in 1976. By 1997 look what has happened. The entire world has changed.

The following story helps to illustrate one of the things that has happened with Patent and Trade Office director Bruce Lehman's recent efforts in the World Intellectual Property Organization to take the delicate balances that we have struck in our intellectual property law and kick them around a little. This story symbolizes the panic in the intellectual property community, as well as in the larger community, about the Internet.

Just after the bombing at the 1996 Summer Olympics in Atlanta I woke up from a troubled sleep and logged on to a local conferencing system, which I do as sort of a tick when I wake up now. Somebody said, "Have you watched TV?" and I said, "Why, what's on?" The person said, "Well, there has been a bombing at the Olympics." I said, "That's terrible." Then I turned on the television and started watching the video tapes. Injured people were being carried out of public spaces. My first thought was, what a terrible event this was. My second thought was, when they find the guy who planted the bomb, I hope he doesn't have an Apple Newton electronic notepad on him because if he does, they will blame it on the Internet. I considered that to be a rather cynical thought,

[*204] but the following day when I watched the local San Francisco television news, the follow-up story on the Atlanta bombing showed someone finding bomb making information on the Internet. Does anyone know what links there are between the Atlanta bombing and the Internet? There weren't any then, and there still aren't any. But the news team knew that there must be one because the Internet is so pervasive a threat.

My thesis here is that something very analogous is happening in the intellectual property community-present company excepted, of course-for whom the Internet's potential for low-cost, widespread broadcast infringement is a new threat that requires new protective measures. Two possibilities present themselves: first, we could alter the existing balances under the Copyright Act so that we scare people out of the water before they infringe by taking a Gary Larson cartoon and copying it to a million of their closest friends or, alternatively, we could take the view that Bruce Lehman has taken, which is that we should create a whole new form of intellectual property, the data base, and then create tools for the sui generis protection of data bases. Under such a scenario, this new form of intellectual property protection could be enacted into a law in a foreign jurisdiction, laundered by the U.S. Senate, and then rammed down the throats of the American public-I have an opinion on this issue.

All of this is grounded in the fear that if we don't act soon, the Internet, which is so desperately out of control, is going to consume our livelihoods. But this is not the first time such a panic has driven changes in the law. The question is whether such a panic should drive changes in the law now. To bring this all back home, our hypothetical today deals with the World Wide Web, which is not the only use of the Internet today. The World Wide Web is instructive because it is a technology developed to share information that has created some friction with a legal regime that was created to protect the right of creators.

With that introduction, we can turn to the hypothetical. n10 What we are going to do is look at the questions at the bottom of the page, and in responding to these questions, the panelists refer to the facts in the fact pattern that support their analysis. And we will begin with the first question.

[*205]

II. Trademark and Unfair Competition

MR. GODWIN:

Number one, how would you advise this client with regard to trademark infringement and unfair competition?

MR. KUESTER:

This hypothetical contains three issues to which trademark law is relevant: framing, hyperlinking, and meta-tags. All three are technical terms that you need to be familiar with or the discussion of the applicable laws will mean nothing. The screen involved in the hypothetical n11 has been divided into three primary frames as discussed in the facts of the case. The top portion of the screen is the top frame, and it contains a couple of advertisements along with the Cyberlink's trademark at the very top. This top frame always remains the same, as does a second frame-an index of sites selection area with buttons labeled "News," "Science," "Industry," et cetera. The third frame is the primary frame, and it has articles and links to external text files as well as several other features. So we have three frames on the screen in our browser program. The browser screen is arranged so that different areas allow you to pull up different files. The areas are essentially independent of each other.

Before frames were around, hyperlinks were the images or underlined blue text that you clicked on and all of a sudden something different appeared on screen. In this case we also have hyperlinks. The buttons labeled "News," et cetera are hyperlinks, and they control what ends up in the main frame. So, hyperlinks and frames are related in that typically the frame content is controlled by hyperlinks, but hyperlinks in and of themselves are completely separate. You can have some pages with no frames. If you look at some of the other pages, they aren't so fancy; they just have one big frame and lots of blue text-those are a bunch of hyperlinks.

And then, finally, we have meta-tags. Meta-tags operate in the background, and their function is transparent to the browser user. However, meta-tags play an important role in searching the Web for content-specific sites. To view a meta-tag, the first step is to go to "View Source." With frames in the browser you have to be a little more specific; you have to do "View Frame Source" to see a particular frame's source. (It used to be simple when there was just one big frame. You got to "View Source," and there was only one source. But now there is a main

[*206] document source and a view frame source. So, you have to click somewhere in the frame and then do "View Frame Source.")

There are several types of meta-tags. One of them is called a key word meta-tag. This type of meta-tag will say "meta name=," content=." After the "content=" there can be a number of words, for example Microsoft and IBM. A search engine, such as Web Crawler or AltaVista, will communicate with a Web page, and when it is searching through and trying to figure out how to categorize a particular site, one of the things it will look at is this meta-tag field in addition to the title of the page, the text on the page, the URL, and the actual domain name of the page. The search engine will plug this information into its formula and somehow figure out which site gets the top hit and so on down from there. So, one of the primary ways to communicate with search engines is to anticipate the search terms used by the people you want to have visit your site, and then use keyword meta-tags to make sure that your target audience's search engines hit your site. That is essentially what a keyword meta-tag does, and as far as I know, that is about the only thing a meta-tag does. It is a way to communicate in hidden text. Remember, you didn't see any of that text on the pages. It is all in the background. So, from a trademark infringement standpoint, you have several issues all playing together, and we can analyze them independently as well as all together.

The first legal discussion that we should conduct regards the hyperlinking issue. There is a case right now between Microsoft and Ticketmaster. n12 The Seattle Sidewalk Web site was the reason for the lawsuit by Ticketmaster against Microsoft for using hyperlinks to create an electronic path to information on particular concerts in Seattle. Rather than having users of the Microsoft Seattle Sidewalk go through six or seven layers of information trying to search on, for example, "Tickets," "Seattle," "Rock," "Next Month," et cetera, to figure out what concert they wanted to go to, Seattle Sidewalk set up hyperlinks to the Ticketmaster pages of individual artists, Jimmy Buffett for example, who were scheduled to perform in the area. These direct links made it possible to get ticket information without clicking through the many layers of Ticketmaster's site. Ticketmaster thought that was a bad thing because it allowed ticket-buyers to bypass the advertising on the home page of Ticketmaster's site. This is an example of deep linking. Deep linking allows a user to link directly to a key page below all of the higher Web site pages that "cover" the key page. The key page is the page that lets the user do whatever he or she visited the site to do in the first place.

[*207] Microsoft was deep linking to the Ticketmaster site, and that's what Ticketmaster was so upset about. I was told that the original complaint didn't talk too much about deep linking. The fact that Ticketmaster's amended complaint talks a good bit more about deep linking suggests that Ticketmaster may have had a weaker case on the basic hyperlinking discussed in its original complaint.

There was another case on hyperlinking, *Shetland Times*, n13 in the U.K., which also involved deep linking. Lord Hamilton issued the equivalent of a preliminary injunction which suggests that the idea of bypassing potential advertising on the home page is going to cause some harm to the owner of that page and therefore deep linking might be a bad thing.

MR. GODWIN:

Mr. Kuester, I know you are doing a canvas, but let me just ask a question that may be occurring to other people, too. In the Ticketmaster case where you are deep linking to the Jimmy Buffett page to buy a Jimmy Buffett ticket, let's assume that the intellectual property arguments are decided in favor of the plaintiff on the merits. What's the measure of damages?

MR. KUESTER:

Ticketmaster may try to characterize their damages in terms of lost advertising. To quantify damages they will need to distinguish two classes of ticket buyers who came to the Ticketmaster site via Seattle Sidewalk's deep link, those who ordinarily would have entered through the Ticketmaster home page and those who ordinarily would not have entered through Ticketmaster's home page. Ticketmaster's damages can be counted only in terms of the first group of ticket buyers.

MR. GODWIN:

But it's tricky because everybody is buying tickets, right?

MR. KUESTER:

Exactly.

MR. GODWIN:

So presumably Ticketmaster gets a cut of every ticket sold no matter how the buyer got there.

MR. KUESTER:

Right. But Ticketmaster's argument will be that the Seattle Sidewalk site has become so popular that nobody wants to use the Ticketmaster site anymore, and as a consequence, fewer people are

[*208] exposed to the advertising on Ticketmaster's home page. All that ticket buyers have to do is go through Seattle Sidewalk or the other sites that might be out there.

MR. GODWIN:

So Ticketmaster had to document some loss in advertising?

MR. KUESTER:

Exactly. They would need to figure out how many people who otherwise would have seen the advertisements on their home page missed seeing those ads because they hyperlinked to Ticketmaster's deep pages from Seattle Sidewalk. And, of course, some of the users who hyperlinked to Ticketmaster from Seattle Sidewalk would never have gone to the Ticketmaster home page, and rather than representing a loss of advertising, these hits, if anything, represented ticket sales that Ticketmaster would not have made without Seattle Sidewalk.

MR. GODWIN:

Proceed with your canvas.

MR. KUESTER:

The other important issue I need to introduce is illustrated by the Total News case. While the Ticketmaster case involved hyperlinking, and primarily deep hyperlinking, the Total News case involves frames. The Total News home page has a table of contents on the right-hand side which is scrollable and has buttons. There is a main frame where all the news comes in, so if you click on CBS News, for example, you will pull CBS News' news content into Total News' main frame (if, on the other hand, you click on USA Today, things work a bit differently. Following the lead of CNN, USA Today and several other news organizations have implemented a kick-out or de-framing option whereby if somebody comes into their Web site from a framed reference page they will de-frame themselves and kick-out into a fullscreen). In addition to the main frame, there is an advertising frame on the bottom of the screen. The Total News logo appears in the bottom right corner of the screen, and the URL at the top of the screen never changes from the Total News address.

Because of the logo and the URL, CNN and several others got upset with Total News and said, "Look, users of your site think that we are somehow connected with you. There

appears to be sponsorship, authorization, or some sort of other relationship between CNN and Total News." For this reason, CNN sued Total News. The case settled, but

[*209] parties such as CBS News who did not join CNN and the other plaintiffs, continue to have their content framed on the Total News site. Of course, Total News may not think that it is doing anything wrong. Total News may have settled because it is a five-man organization, and CNN, Washington Post, and the other plaintiffs have a lot more money than Total News. Thus, the settlement may have had nothing to do with the merits of the case.

MR. GODWIN:

To come back to the merits, Mr. Kuester, for one minute. Isn't there a potential case against Netscape? Netscape's frame doesn't vary at all when I move. And Microsoft's Internet Explorer, when I use that, doesn't vary at all either. So when am I going to get to sue Netscape and Microsoft on this theory?

MR. KUESTER:

Many things on the screen don't change. You don't have to have the screen the full size that it is. It could be smaller, and you could have other things on the window. One of the causes of action that we will look at here, copyright infringement, entails the suggestion of a derivative work.

Returning to our canvas of the issues, the third area that we need to look at from a trademark infringement standpoint is the meta-tag concept that we looked at before. There are three relevant cases in this area. The Playboy case n15 provided the first judicial opinion based on actual litigation, but the impact of that opinion is a bit fuzzy because the case also dealt with domain names. Nonetheless, the case resulted in a ruling from a court granting a preliminary injunction against the owners of "playboyxxx.com" and "playmatelive.com". The defendants in Playboy, in addition to having the domain names, which of course, included registered trademarks, also included the names "Playboy" and "Playmate" in their meta-tags. And so when someone searched on "Playboy" or "Playmate," up popped "playboyxxx.com" and "playmate-live.com" as two of the search results.

The second case was the Insituform n16 case which resulted in a consent decree that has now been resolved directly on point with meta-tags. Because this case settled, the judge did not have the chance to hear the parties argue and then decide the question of whether trademark infringement takes place when, as under the facts of this case, one party

[*210] uses the trademark of a competitor in a meta-tag to "lure" potential customers of the competitor.

The third case I want to discuss has not yet reached any sort of resolution, but it is of special interest because it is thought to be the only pure meta-tag case. This case was brought by Carl Oppedahl of Oppedahl & Larson, a famous law firm in Colorado. Oppedahl & Larson is an intellectual property law firm that learned of one or more Texas Web site development firms that had the words "Oppedahl" and "Larson" in their meta-tags. Oppedahl sued the Web site developers, in Colorado, for dilution and for unfair competition, et cetera, thinking that since he was in domain name services and the Web site developers also work with domain names, maybe they were trying to trade off his law firm's name and goodwill. The case is still pending. It hasn't gone anywhere yet, but as a result of Oppedahl filing suit, the Web site developers, who said they didn't even realize the potential problem with their meta-tags, got rid of them right away, and so the problem no longer exists.

This case also has an interesting jurisdictional wrinkle. Oppedahl was eager to file suit, because he felt that this sort of thing happens all the time, and he needed a court decision to tell people to stop using his trademark in association with their domain names and meta-tags. If he had sent the Web site developers in Texas a cease and desist letter-which he didn't do-they could have filed for a declaratory judgment in Texas. But even if Oppedahl had landed in court in Texas, he would have lost ground because Texas apparently does not recognize law firm names as trademarks.

Now that I have canvassed the Internet issues and the key cases, maybe we need to dive into some of them for trademark issues.

MR. GODWIN:

I would like to ask Mr. Harrison to respond to the hypothetical from the standpoint of trademark infringement, unfair competition or any other of issues that he wants to throw out as someone counseling this particular client.

MR. HARRISON:

Well, as a basic theory, it is always risky to use anybody else's trademarks without permission. You are running the risk of trademark infringement or unfair competition. As far as I can tell, that would apply across the board, whether it's in a meta-tag or not. A trademark is a property right and only the owner of the trademark has the right to use it. Granted, there are people who have the same trademark for different

[*211] products, but that's a completely different issue. With a trademark, such as "Playboy" for example, being embedded in a meta-tag, the trademark owner should be upset because it is a play off of their trademark.

MR. GODWIN:

Let me just ask you, isn't a meta-tag just like an index to a book? If I were to write a book about soda pop, wouldn't I be able to use "Coca Cola" or "Pepsi" in my index? Would that count as an infringing use? What are the risks associated with that?

MR. HARRISON:

No, you're dealing on the one hand with what may be considered a fair use and on the other hand what may be an infringing use. In the Playboy example it is obviously a commercial use. The Playboy defendant is putting a meta-tag in there for a very commercial reason. Somebody who puts that trademark into the system and searches for it is going to be directed to a particular place for a particular reason. So, it's a commercial use. If somebody puts the same trademark in the index of a book, it's a fair use to direct you to a page in the book. That's not the same thing. You're not going to buy the book because "Pepsi" appears in the index.

MR. GODWIN:

But in a sense, the book might be a commercial product. That could certainly be a commercial use. And since the service may in fact also be a publication, that might raise the fair use defense, wouldn't it?

MR. HARRISON:

Well, no, a fair use defense in trademark law is when you have a descriptive term and you use it descriptively. If you have a totally arbitrary trademark there's no fair use defense. Basically, if you take a term like "Xerox" or "Kodak" you don't make fair use of the trademark "Kodak". You can't say, "I'm going to go Kodak something." Xerox has a big fight on its hands-but that's another story. Copyright has a fair use defense that's based on using something. But if you have a valid trademark that is a descriptive term, others are allowed to make fair descriptive use of it. Otherwise, it's your trademark. If they use it, they're infringing. I take that as a basic premise in advising this client on how to protect themselves.

Basically if you use third party trademarks in links or in meta-tags without permission you're taking a risk. There is the possibility you will get sued for trademark infringement or dilution. Under the Federal Trademark Dilution Act of 1995, n18 there is increased liability for using a

[*212] trademark on a noncompeting product or service. A lot of companies will find that the use of a name as a trademark in a linked-to site, if it is unauthorized, could lead to trademark dilution claims by the trademark owner because you are diminishing the value of the trademark. The more a trademark is used by parties other than its owner, the less the value it has.

MR. WOOLSTON:

But what about trademark infringement and the basic test for infringement, likelihood of confusion? CBS News is in the frame under the Total News Web page. The question becomes, is it likely that the consumer will believe that there is an affiliation or sponsorship between CBS News and the Total News Web page provider? Which comes back to your question, what about Netscape? Or what about Microsoft?

MR. HARRISON:

Well, there's a difference.

MR. WOOLSTON:

When you start getting into the Internet and you see trademarks such as CBS News that are used in the frame, is the Internet user going to be confused as to whose trademark that is? Or is it more likely that the Internet user will be confused as to why Total News is using the CBS News mark as a trademark for its own services?

MR. GODWIN:

I might ask this in a somewhat different way that I hope compliments yours. Aren't these arguments based on a premise of confusion that may not in fact be factually supportable in every case?

MR. WOOLSTON:

Yes. And I think in many cases confusion will not be found. The analogy is to a book or to a magazine. What we're talking about here is the same kind of thing that happens when you open a magazine and there is a reference to another book or to another magazine, even a specific magazine or a specific article in a magazine. You're being directed to the new article in another publication. That the trademark is being used to

identify not your goods but somebody else's goods properly results in the conclusion that there would not be confusion, and without confusion, there is no infringement.

MR. HARRISON:

I disagree. I think that you are looking at the wrong aspect of it. Suppose you opened up People magazine and out fell an insert entitled Sports Illustrated. You would assume that there is some connection between the two because there was a Sports Illustrated insert in a People

[*213] magazine. When, in fact, it turns out that there is no connection between the two, you're confused. That is a better analogy here. You are having somebody take something that is not a part of CBS News, Total News Network, and bringing CBS News into it as an insert.

MR. GODWIN:

So maybe the question is whether the users are first-time users or experienced users. That would make the difference between what they are experiencing on the Web page more like the Sports Illustrated flyer, or, on the other hand, more like the reference in a review or in an index. Aren't those all factual issues?

MR. HARRISON:

Yes. And the question is, is somebody likely to be confused? If you have one program running and then you click on something and you are bringing a totally different program into it and you don't know you are doing that, there is a likelihood of confusion as to source, origin or sponsorship. Granted, if you have a magazine and somebody writes an article in the magazine, it is still in the magazine itself. But if somebody then takes a supplement and puts it in the magazine, that's more analogous to what's happening in our hypothetical.

MR. GODWIN:

It has actually happened in cases, I think, where somebody has vandalized newspaper distribution points by inserting fliers of their own making.

MR. HARRISON:

I think that's more analogous to what is happening here.

MR. GODWIN:

Let me just ask-this is a totally unrepresentative poll. How many of you use the Web? Can you raise your hands?

How many of you assume, in the absence of facts to the contrary, that what you are seeing within the frame is associated in some commercial, contractual, or other association with the frame itself?

How many of you don't assume that there is any connection or assume presumptively that there is no connection?

MR. KUESTER:

And how many are confused? <Audience laughter>

MR. GODWIN:

By the way, I should point out that as a matter of law there doesn't have to be a lot of confusion. So, this is not a majority rules sort of issue.

[*214]

MR. HARRISON:

You don't need actual confusion either, just the likelihood of confusion.

MR. GODWIN:

But it doesn't have to be a fifty-one percent likelihood. It could be a twenty percent likelihood.

MR. KUESTER:

A judge makes that decision.

MR. GODWIN:

That's exactly right. The court will make that decision.

MR. KUESTER:

While we are on the topic of total confusion, isn't everybody confused on the Internet? How are we talking about likelihood of confusion here when we're all confused? <Audience laughter>

MR. GODWIN:

Well, it is interesting because one of the first things that we learn in law school is that the way the common law normally proceeds is by analogy. Because we work so deeply with analogical reasoning, there's a tendency to treat analogical reasoning as if we could just easily be conclusory with it. Often in fact, and certainly in a new area of the law such as we are discussing today, we do have to have a lot of factual determination. So, some non-zero number of people in this room may end up being expert witnesses on the issue.

MR. WOOLSTON:

Another aspect that has been mentioned is the federal anti-dilution act. n19 One thing to keep in mind with respect to anti-dilution act however is that it protects famous trademarks. So if the trademark at issue does not rise to the level of being famous, the anti-dilution act is not going to help the trademark owners. So I would counsel Mr. Linkletter in the same manner. It's an unsettled area of law. There are risks but presently it could go either way.

MR. HARRISON:

Oh, absolutely. But the question here is what advice do you give him? I think the advice you give him is that he could be subject to a claim under the anti-dilution act, and it would be up to the party bringing the claim to prove that it has a famous trademark and that it's being diluted.

[*215]

MR. GODWIN:

You may have a very risk-averse client who wants to know just that. But you may have one who for whatever reason, be it commercial or a matter of principle, is willing to take the risk.

MR. WOOLSTON:

Another piece of advice is that if you are going to be using somebody else's trademark-not as a trademark to identify the origin of his goods but on a Web page-make sure it's very clear that the mark is being used and identified as somebody else's trademark.

MR. GODWIN:

Isn't that what advertisements routinely do now?

MR. WOOLSTON:

Many of them don't do it very effectively.

MR. GODWIN:

They do it in tiny blue print at the bottom of the ad.

MR. HARRISON:

There are different levels of likelihood of confusion. The presence of a target Web site's trademarks in the linked frames would help resolve the likelihood of confusion as to source issue, but you've still got sponsorship, affiliation, and endorsement issues. Whether or not there is any real connection, from a trademark standpoint, you can have likelihood of confusion if you buy "x" product thinking it is "y" product. Or you can have likelihood of confusion if you buy "x" product thinking it is sponsored by, affiliated with, or endorsed by the company that makes "y" product.

MR. GODWIN:

Do we think that there are any presumptions on any of these issues or any kind of consensus in the industry or the market as to what the standard are? I haven't seen those emerge in any cases.

MR. HARRISON:

A standard for consumers?

MR. GODWIN:

Yes. Also the standards for publishers in terms of what associations they want you to make as a consumer.

MR. KUESTER:

There has been a decision actually, that recent Georgia case n20 that I know you were intimately involved with. There the court ruled that

[*216] hyperlinks definitely "imply"-to use the court's term-to many users that permission had been obtained for use of the trademark. Nonetheless, this case found unconstitutional a Georgia statute that many thought made Georgia look like it didn't know a gigabyte from a chigger bite.

MR. GODWIN:

Or a RAM chip from a vice grip. We've got a million of those.

MR. KUESTER:

By the way, a member of today's panel, Mr. Petty, writes a column on Internet law every month for the magazine, Intellectual Property Today, and he actually covered the Georgia case at one point. His is an excellent article, and I would encourage you to see it. n21 But in this case, the court overruled the statute as unconstitutional on First Amendment grounds because it was vague and overbroad. The statute actually made it illegal to have an e-mail address that didn't include a person's name because that would be considered a false identification. Additionally, hyperlinks that included trademarks would be considered illegal unless the user actually got permission from the person he or she was linking to. So the court had no problem ruling that the statute was unconstitutional on First Amendment grounds, and it made a comment in footnote five that the First Amendment is attached to hyperlinking, which actually gives some credence to the argument, and Microsoft has made that affirmative defense in its case with Ticketmaster. Nonetheless, on the trademark issue the court has used the words "definitely imply that permission has been obtained." And this is a federal judge talking about a hyperlink.

MR. GODWIN:

How do we explain a federal judge making a mistake like that?

MR. KUESTER:

I'm not quite sure.

MR. GODWIN:

One might almost say that there's an unfortunate footnote in almost every case in cyberspace.

MR. KUESTER:

While one hand is coloring it as a First Amendment right to link, the other hand is saying that if a person is using a trademark, he or she is implying that he or she has permission to link and is therefore creating a trademark problem for linking.

[*217]

MR. GODWIN:

I want to raise the issue of meta-tags, which really isn't addressed in this particular hypothetical, but which may be out there as it has come across my desk recently. Meta-tags talk directly to your search engine, so you may not see them, but they are words, key words or other devices that are meant to make the page pop up in certain kinds of searches. I have come across a case in which someone wanted to lure people into his online forum, which was a for-pay forum, about Claudia Schiffer. He was quite liberal in his use of meta-tags. So anyone who was interested in searching for information about her-strangely enough there is a group of people who are searching the Web for Claudia Schiffer information-would see his service pop up on his or her screen. So I think there are also some fraud issues that are lurking in there which we will probably explore in a future panel discussion.

MR. HARRISON:

Well, meta-tags are also a trademark issue because, for example, if you go into a restaurant and order a Coke and the waiter asks, "Is Pepsi okay?", he or she is telling you what you are going to get. If the waiter served you a Pepsi when you ordered a Coke, you are not getting what you ordered. If you go into a search engine and plug in "Claudia Schiffer" and you end up in this guy's data base, you are not getting what you expected unless he has pictures of Claudia Schiffer there. You are being deceived, you are being misled, and you are being misled through the use, or misuse, of somebody else's name or trademark. If I were the trademark owner, I would be upset that people plugging my trademark into the Web to look for me are in some instances being directed to a competitor or someone else.

MR. PETTY:

The meta-tag issue is an interesting one because, as I understand it, meta-tags are invisible to the casual surfer on the Internet. When I look at this Web page I'm not seeing meta-tags. Now, the browser can see meta-tags. And I understand that search engines, when they do their searches, will occasionally rank the priority of their search results based upon the meta-tags they locate on the Web pages. But when I do a search on a search engine, I always get very strange results along with perhaps the desired result. So, am I really going to be confused by pulling up Claudia Schiffer's meta-tag in an unrelated page, along with the Claudia Schiffer page? Because that is what I have come to expect when I go to a search engine, anyway. So trademark infringement is a very interesting issue to talk about when the meta-tag itself is invisible and the results that I receive from a search engine tend to be confusing to begin with.

[*218]

MR. HARRISON:

It depends on the context in which it's used. If you are operating a business and you are in business to sell products over the Internet, you want people directed to your Web site. If somebody else plugs in your name as part of their meta-tag, then that person is going to be directed to your competitor's Web site when you plug in. If I plug in "Jones & Askew" as my meta-tag and people are looking for your Web site and they end up at "Spencer & Frank," or another listing, and they click on us, and use us instead of you, you have lost business because I used your name as a meta-tag that directed people to me, and I'm a competitor. I wouldn't be happy with that. You're right, under certain circumstances it's harmless, but under other circumstances people can lose a substantial amount of business to competitors because the meta-tag is directing them not where they wanted to go, but somewhere else. It's giving them other choices.

MR. PETTY:

I'm wondering if that is placing too much emphasis on the power of meta-tags, because I am not convinced that search engines are doing that well as far as giving us the tangible results that we want to get when we go to a search engine. Now, in contrast, I understand that there is a story floating around with regard to the term "Disney." If you plug "Disney" into an AltaVista-type search engine, the first two hits that you get out of AltaVista are not Disney World sites. They are two travel agencies that are using "Disney" as a meta-tag. So there is an indication that somebody might associate Disney World with these travel agencies.

MR. HARRISON:

Right. Or if Disney ran its own travel agencies, consumers would be directed to competitors if they put "Disney" in, and the people who legitimately have the right to use the "Disney" meta-tag would be losing the business.

MR. GODWIN:

Let's talk about losing the business. How is the business lost exactly? What would that scenario be?

MR. KUESTER:

What this does is actually point out a split in the circuits regarding pre-arrival confusion. Trademark likelihood of confusion in many circuits deals with point-of-sale confusion. If there is some initial confusion that is cleared up before a consumer actually buys the goods, then there is no harm. There is no real likelihood of confusion issue. But other circuits have adopted the opposite view that if there is any confusion, even initially when the consumer gets to the store, then there

[*219] is a likelihood of confusion. The point is that even though the consumer realized that the items that originally enticed him into the store weren't the right ones and he didn't buy them, the court still determined that there was a likelihood of confusion.

This issue is similar to the meta-tag issue. From the search results you see a link, you go there, and then you realize that it is not where you intended to go. You think, "I'm not at Disney's site, I'm at a travel agency's site, and I don't want a travel agency." Then you go back and try to find the right link.

MR. GODWIN:

Let me ask another question. The reason I ask this question is that the search engine I most commonly use is AltaVista which would usually retrieve approximately ten links per page, with some description of each link. If the first two listings in my "Disney" search are not Disney, than I actually haven't linked to those pages. I've got a listing of possible links that I may want to pursue but I haven't actually linked to them. So if the third listing is the Disney Channel, or something that's a little closer, I may never actually look at the first two listings.

MR. KUESTER:

That's true, but it depends on what the title of the page is. If the title of the page is "Disney," and that is all you put in there, and it happens to be a Disney travel agency, then you may not have the opportunity. Also, depending on the search engine that you use, you may not get a description or very much of the title.

But your question was about damages. In terms of loss of sales, the back key is everyone's favorite browser key. It is very easy to get lost on the Web, so when you hit the back key and all of a sudden you are back on the search results page, then you realize that that wasn't the right page, what is the real harm? There was some confusion, but did anybody buy anything, and did anybody get damaged? Arguably not. One argument can be made that a lot of people are on a per minute type of usage account with their ISP, n22 and so all the time it takes them to finally locate the right one that they are paying for doesn't reflect on the right one very well. And the second issue, especially for technology companies, is that if they can't figure out how to get their home page up high on the search results list, then what kind of technical people are they? So, if a person is looking for a high tech company, and he or she can't find it, than what exactly is going on here? There just might be some tarnishment or other issue. It can create a great deal of frustration over

[*220] the feeling that "I just can't find them, and now I'm upset and I won't buy." So, there are all sorts of arguments as to how this could eventually be damaging.

And the other issue, while we are on the topic of search engines, is the paid advertisements on the search page.

MR. GODWIN:

We may not have brought up that particular issue yet because in the course of your canvas and Mr. Harrison's canvas we have not yet made our tent which is going to be the other two canvases here. So, let me ask you to finish your thought, Mr. Kuester. Then, Mr. Harrison, I want you to finish your thoughts, and then we will hear from the other panelists.

MR. KUESTER:

The thought is simply one of contributory liability for the search engines themselves. If they are accepting a banner ad on top of a page that will be triggered by a key word, such as "Disney," or another famous trademark, and the page is not that famous trademark owner's, then what is the potential for the search engine's liability for now having accepted money to associate Disney with a travel agency, when in fact there was no association permission from Disney? That is another issue we haven't seen in the courts yet, but that I am predicting will end up getting some attention. The search engine providers may start putting indemnity clauses in their contracts with the advertisers, if they don't already have them, which will essentially indemnify them and protect them for taking money to create an association between two trademark owners.

MR. HARRISON:

Well, I still stick by my premise that any time you use a third party's trademark on your Web site you could be asking for trouble. And the real question here is what do you do to minimize the amount of risk that is involved? Putting a disclaimer on the Web page would help. You must put it there prominently, though. You can't hide it by indicating that a user must click on a particular spot for the terms of this Web page, and the user has to go there to find it. It should be pretty prominent. If you hyper frame link, then putting the other party's trademark on there is better than not putting it on there at all. This is because if there is no trademark there, then you could be passing off their product as your own, whereas if their trademark is there, you still run the risk of likelihood of confusion as to the source. But at least you resolve the issue of trying to pass off somebody else's

content as your own. Obviously, the more prominent the disclaimer and the easier its access, the better protected you are, although there are no guarantees.

[*221]

MR. WOOLSTON:

Another issue to consider for the Web page provider is patent infringement. The area of greatest concern is design patents because you can now get design patents for icons. So, if your Web page is using somebody's icon and it is the subject of a design patent, you have liability for infringement. And another issue that comes up is that if you become aware that the icon is covered by a design patent, then you get into willful infringement, treble damages, and attorney's fees.

MR. GODWIN:

So, the idea is to notify the defendant as soon as possible so that you can make sure to get your treble damages.

MR. WOOLSTON:

Absolutely. If you see your icon out there, then you should have your cease and desist letter on the way.

III. Copyright

MR. GODWIN:

Let's start talking about the copyright issues which, as I said at the top of the first hour, I thought were actually more essential to where the ferment is going to be in Internet law.

MR. WOOLSTON:

As far as the copyright issues that are presented, I believe that Mr. Petty is actually going to be even more of an expert in light of his article on the current legislation.

MR. GODWIN:

Let's talk about copyright some because I think that we have Mr. Petty's article here.
n23

MR. PETTY:

One of the copyright issues has already been touched upon and that is a concept raised initially in the Total News n24 case. When you frame information from another's Web site, are you really creating a derivative work? That is an interesting issue, because at what point is a derivative work created as a result of linking to, in this case, the CBS News Web site and then framing the information?

[*222]

MR. GODWIN:

And what is the black letter rule on that?

MR. PETTY:

Well, right now there is not a black letter law rule on this. So, I think that the courts are going to have to analyze the technical details of whether or not a derivative work is created, and if it is, where is it created? How is it created? For example, when I bring the information into my computer, it comes into local memory and at that point it has not yet been framed. It is framed at the point of being presented to the user. So, the point of reproduction on the display screen of your computer is the point where you have the possible derivative work issue.

MR. GODWIN:

So, if you have your monitor off and you have not had a display and you turn your monitor on, is that the incident of infringement?

MR. PETTY:

Well, that is the question I am raising. At what point in browsing do you create the derivative work? Is it done in RAM? The courts have looked at the issue of whether or not copyright infringement can arise as a result of copying software and at what point it occurs. And the courts have told us that it can occur in RAM, the local memory in a computer.

But, we have got more than one court in different circuits saying that that is the case. When you use the browser, at what point does it frame the information? Is it framed in memory, so that you can say that the copying is being done there in local memory, or is it being done at the point that it is being presented to the user?

MR. GODWIN:

And what is the significance of that, or where is that line crossed? In other words, how would that impact a particular case such as potential litigation involving our client?

MR. PETTY:

Well, the question is, at what point do you end up publishing or reproducing the information and forming the derivative work?

MR. WOOLSTON:

And that goes to whether somebody is going to be liable for direct infringement, or if the liability is going to come from another liability theory such as vicarious liability or contributory infringement.

MR. GODWIN:

Can you talk a little bit about the scenarios in which you might be liable for contributory infringement? I believe our fact pattern is designed to make me ask that question. You will notice that in the fact

[*223] pattern we have a discussion of creating links and customizing the creation. There is actually a product about which I have advised a client, where they dynamically create new links. Part of their product is to create live dynamic links. And the questions are: are they facilitating other people's infringement, and what would my solution as counsel be to help them avoid the risk of being sued for contributory infringement in that context?

Let us say, for example, that you have a product that reads from a Web site that cites stock market statistics. And instead of presenting it in any form like the way it is presented on the original Web site, it is just a number that appears in the corner of the screen. Let us also say that I know that Apple stock is going up, which it never does, and I can see it in the corner as a live statistic so I know when to call my broker, but I don't want to normally see the whole Web page that the Dow Jones related Web page is monitoring. And I have a tool that allows me to very creatively glean the information and construct it, maybe even in a graph on my page. The question is not only whether I am an infringer for doing that, but also whether the people who give me the product, or who enable me to do that, which may be a Web page like this entity here, are contributory infringers.

MR. PETTY:

With regard to the contributory infringement issue for the hypothetical that you have outlined, I think the question is whether or not in this case the Web site provider-the client we are speaking about here-has control over the Web site? Or has control over the information that is being provided from the link site into the site that we are seeing here? Another issue that the courts look at with regard to the contributory and vicarious infringement issues is whether or not there is a financial incentive to actually encourage this type of infringement process to occur.

MR. GODWIN:

Isn't there also a defense where you could say, "Look, I am not taking your design, I am not taking your expression of the information, I am taking the information itself, which is not protected under copyright. It is just a number. It is just a tick on the stock market and I could have read it in the Wall Street Journal and typed it in." Maybe I have no infringement at all. What is the answer to that?

MR. PETTY:

Well, I am wondering if you fall into the hot news exception when you bring that up as an issue.

[*224]

MR. GODWIN:

Talk about hot news, please.

MR. PETTY:

The courts have told us since early on in copyright law that there is the issue of whether or not you can copyright news reports.

MR. GODWIN:

We are talking about the Associated Press v. INS n25 case, right?

MR. PETTY:

That is right.

MR. GODWIN:

That case dates from around 1920 or so.

MR. PETTY:

Late teens, that's right. The case deals with whether or not the news reports are copyrightable subject matter. And the courts end up creating an exception to the rule with regard to hot news.

MR. GODWIN:

The reason I ask this is that in the cases where this hot news has come up recently, typically in the sports reporting context, there is a question as to whether you have a license, or whether somehow the licensure contract has created some quasi property interest or some quasi intellectual property interest that needs to be protected and whether it would be protected if you bought the ticket to the stadium even if you didn't go.

MR. PETTY:

The case you are alluding to is the case involving Motorola and the NBA. n26 I believe the issue was whether or not Motorola could support the service of presenting NBA scores via pagers. The courts said yes, Motorola can do that.

MR. GODWIN:

Yes, that's right. I am pursuing this because I think it is very important. We have a presumption in our culture, I think, that information itself is not property. A property interest is created, however, in the course of some kind of context, such as the context of being part of an expression or the context as being elicited in the form of a contractual or other kind of arrangement that creates the property interest or intellectual property interest.

[*225]

Would you say that someone who is in the position of gleaning information, stock prices, or someone like our client who is taking information from different Web sites and is dynamically reconstructing it, would face strong copyright challenge as either contributors or as primary infringers?

MR. PETTY:

That person may very well face this issue. The framing issue raises this again with the concept of taking information from a site and changing its presentation to the viewer. Taking that one step further, what if you were to actually mix content from two different sites and create your own document, again, doing that without authorization from the original site owner? I do believe that you are facing some copyright infringement issues there.

MR. GODWIN:

Even in the absence of a contractual relationship with the original provider?

MR. PETTY:

I think particularly in the absence of a contract with the provider.

MR. GODWIN:

The reason I ask is because I am at least entertaining the possibility that you could take the information out of its expression and alienate it separately. Maybe you can't. That is a little too metaphysical for me to answer.

MR. KUESTER:

Before we go on I think I need to mention a late breaking case, the Annie Lee & Friends Company v. A.R.T. Company n27 case. It is a Seventh Circuit case decided less than a month ago. This case points out a distinction among the circuits-another division.

In *Annie Lee*, the issue was that there were some ceramic tiles made based on artwork from note cards. The note cards were essentially enameled onto the ceramic tiles and then sold. The owner of the original note cards said, "That is a derivative work. And even though you bought the cards, you created something new and that is derivative. That is one of my rights in 17 U.S.C.

106."

The first decisions on this issue were in the Ninth Circuit; there were two cases against the same defendant. n28 The court found that the

[*226] ceramic tiles were derivative works, and that, in fact, these pieces of artwork had been framed in a way which rendered them new original works of authorship, and therefore are prohibited.

In *Annie Lee*, however, the Seventh Circuit has gone the other way and said, "No, there is no originality in what you are doing in terms of putting them on a piece of tile." One of the quotes from the court was that if mounting was a transformation, then changing a painting's frame or a photograph's mat equally produces a derivative work. The court essentially made the continued argument that they were getting to a moral rights issue through a back door of derivative works, and the court didn't think that was right.

So, we have a little bit of a split, and now, analogizing to this situation in terms of advising a client is hard. I think the disclaimer issues are quite good with the trademark issues, but in terms of dealing with the copyright issue, you are either infringing or you are not based on what you are doing. The framing issue, obviously, is what we are talking about. As for the hyperlinking itself, I am not sure we have a copyright claim to be concerned with. But hyperlinking into a frame in a certain way that changes the intended appearance is sort of like the ceramic tile idea. You are taking the original content and putting it in a new arrangement. So, one of the questions that will come up is whether there is originality in the way the framing is happening, or whether the merger doctrine is taking over to the point that recognizes that there may be only a very limited number of ways to organize a table of contents, or a frame, on a screen. And if there really isn't much originality, or there aren't new ways of doing it, then I think we are getting to a point where that also won't be a derivative work.

MR. GODWIN:

Let me ask all of the panelists this: in the absence of contractual relationships with the reader of the material or with the linker and in the absence of any other disclaimer or limitation of license that is expressed on the page, is there an implied license to link?

MR. HARRISON:

Well, the answer is that there probably is an implied license to link. But if you do a hyper frame link where you jump right into the middle of somebody's page, is it a breach of that implied license?

MR. GODWIN:

Yes, that is correct. The threshold is that you can link, but what you do with the link affects your liability.

[*227]

MR. HARRISON:

The presumption is that by putting a Web site up on the Web you are inviting people to link to it.

MR. GODWIN:

However, you now see some discussion on the part of some Web site providers about whether they want to change the presumption. If all Web site providers follow commercial providers who routinely say, "No linking," and "You can't link to me," maybe we will create a different presumption.

MR. PETTY:

Some Web sites are going to go that route, in which you go to a certain portion of the site, and they will give you the rules for how that site is used.

MR. GODWIN:

If you had a client ask you whether they ought to do that to protect their intellectual property, what would you say?

MR. PETTY:

I would ask them first of all why they would want to prevent somebody from linking. Because one of the things that you want to happen on a Web site is to be linked. You want people to come to your site. So, from a business perspective why do you want to do this? Now, the answer may be, "Well, I am concerned about protecting my intellectual property rights, my trademark. I am concerned about somebody using my trademark as a link to my site." The issue is the apparent conflict between wanting people to visit your site and wanting to protect your trademark rights. Is there a middle ground here? Perhaps the middle ground is this: allow people to link to your site using your trademark in plain text only. But do not allow users to use your graphical logo, your very distinctive logo.

MR. HARRISON:

In that vein, I have at least one client who creates a separate logo that it then licenses to people who wish to link to its site. It encourages them to use this particular icon or logo as the click-on link.

MR. GODWIN:

This is analogous to what Intel does with its mark, "Pentium Inside".

MR. HARRISON:

That is a certification mark.

[*228]

MR. GODWIN:

That is what I am saying. It is analogous, because you see other vendors using it routinely.

MR. HARRISON:

Yes. With a certification mark though, anybody who meets the standards to be certified is allowed to use it.

MR. GODWIN:

Like "Bose". Probably like "Dolby", right?

MR. HARRISON:

Like "UL Approved" is a certification mark. But, here what they are doing is creating a whole new trademark, or logo, simply for the use of third parties who wish to use it to link to their site. This allows the trademark owner to avoid any third party use of the owner's other trademarks in violation of its trademark rights or diluting them as links.

IV. Defamation

MR. GODWIN:

Let us turn to defamation. Do any of you see defamation as an issue to raise with your client or, for that matter, any kind of primary or vicarious liability issue that you want to raise that is not an intellectual property issue?

MR. HARRISON:

The real question becomes whether you are on the hook for defamation if you are using somebody else's material in a manner to suggest that it is your own and the material is the defamatory.

MR. GODWIN:

I would say, as someone who has written about libel, that the determination would not be how it appears to the external person. Rather, it is a mental state inquiry per *Smith v. California*.²⁹ For those of you who don't know, *Smith v. California* is actually an obscenity case that was dealt with by the Supreme Court in the 1950's. But it was incorporated into our libel law jurisprudence in a case some of you have heard of, *New York Times v. Sullivan*.³⁰ So, actually we have this nifty little convergence between obscenity law and libel law. And those people

[*229] who have been libeled of course think that convergence is only natural and proper.

V. Audience Questions and Answers

AUDIENCE:

A year from now I'm going to be out there arguing these cases.

What I want to know, from a practical sense, is how do I define who the reasonable Internet user is? I am really sophisticated when it comes to the Internet, and I know how it works. I am not the reasonable person. How do I convince the jury that just because a person has worked with a browser before and has used e-mail he or she is probably not the reasonable Internet user, either?

MR. GODWIN:

You are assuming that the jury, of course, is not itself experienced with this technology.

AUDIENCE:

I don't know. You guys are in the trenches.

MR. GODWIN:

The answer is that a novice user is not the reasonable user. But they will be someday soon.

MR. HARRISON:

I would say that it depends upon the circumstances of your case. If you are dealing with a case where people are shopping for books on the Internet, then you have one set of consumers. If you are dealing with high tech people looking for companies that only sell certain microchips, then you have a different type of consumer. So, I think you really have to look at what the subject matter is and how the Internet is being used.

MR. GODWIN:

So, you might actually have a reported decision in one jurisdiction that doesn't really lead to any helpful precedent regarding what the industry standards are, or what the market standards are, because they change with the facts.

MR. HARRISON:

In standard trademark law it is the same thing. Depending on the circumstances of the products being sold that are purportedly confused, you look at the average consumer for that type of product.

[*230]

MR. GODWIN:

We prescribe a method rather than an assumption.

AUDIENCE:

With respect to Mr. Petty's comments regarding the results he received using the AltaVista search engine, he notes that probably the first or second link is really the one he wants. That seems to me to be pretty common if you have used the Internet or used search engines more than once in your life. But, I don't feel confident arguing that in front of a jury right now. I want to know, do you see it getting to that point where the jury is going to be that sophisticated in the near future, that they are going to understand that the results of a search engine?

MR. GODWIN:

Let me try and answer this myself because I have dealt with this particular issue in a number of different contexts, not all of which involve intellectual property. Most of which, in fact, don't. How do you ever persuade a jury of DNA evidence? They are not geneticists. This is not a new problem. You will often have the case where the evidence is complex and needs some explanation. And the standard fix is to present the jury with really good demonstrative evidence and really good expert witnesses.

MR. PETTY:

The level of skill for the Internet user, you may think, may be fairly low with regard to the AltaVista search that I was talking about.

MR. GODWIN:

But that level of skill is high compared to the average American.

MR. PETTY:

I was about to say, my search logic may be very poor, which is why my search is also very cluttered. My parents are in their mid-seventy's and they bought a computer a year ago. And one of the first things they did was hook up to Microsoft Network. Now they use e-mail frequently. As a result, the skill set for the average Internet surfer may be pushed way down.

MR. HARRISON:

Well, I would think that is the case, especially when you can have Internet access right on your TV without having a computer. People are just sitting there punching in things and it comes up on their TV. So, it has really lowered the skill level of the average Internet user.

MR. GODWIN:

My feeling about this is that the threshold is not whether people use computers or not, but whether people know Boolean logic or not.

[*231] And unfortunately, if you don't know what I just referred to you are part of the have-nots.

AUDIENCE:

This is a question about broadcast television. But if we assume some conversion is going to happen, maybe there is some analogy here.

What about the logos that you see now; everybody that runs a television or cable station runs a little logo down at the bottom. Is that any different from the framing issues that you were talking about, and how they are to be handled? Are there any cases where you are showing my content when you have got your little "CBS" or "NBC" down there, and can you run more than just the logo? Are we now going to see little mini-ads run off in the corner? Are we going to run into the exact same thing? Is there any analogy in the broadcast areas? Was this handled already? Are there any suits or is it only in the Internet?

MR. GODWIN:

Are you anticipating a case in which say, Seinfeld, which is known to be an NBC product, is syndicated for a CBS affiliate and CBS runs the CBS logo underneath Jerry?

AUDIENCE:

Let us say that I am the content provider and you are running a little ad in the corner of the screen. I sold the show and you bought the license for the show, but you have to talk to me about what you are going to run down in the corner. Right now it is an innocuous little logo, but what if you start running frames in place of the simple logo?

MR. GODWIN:

So, this is a moral rights argument, sort of?

AUDIENCE:

There is a little bit of that, but there is also a bit of a trademark issue.

MR. GODWIN:

Other people may have their own answers. I have worked a lot in broadcasting regulation law, if only to keep distinguishing Internet stuff from it, and I know of no case in which that issue has surfaced, as you frame it and as I understand it.

MR. KUESTER:

I agree. As far as I know there are no cases. The closest thing I can think of was in the Shetland Times n31 case. Remember, that was the

[*232] deep linking case between two competing news services, where one service took titles of articles, making it appear as though they wrote them. And when you clicked on the title, which was the same title of the article that the competing news service had written, it was a link to the competing news service's article. That was a copyright case. It was not a trademark case. And the copyright provision was a cable programming provision. The court essentially looked at online news services as though they were cable programs. The defendant argued that it was not sending any information like a cable programmer does. And the courts, as is the case in some of the personal jurisdiction cases that have been coming out recently, are not going with that argument-that people browsing around are coming to get the information from me, I am not sending it out.

MR. GODWIN:

Well, the courts should go with that argument. That is the correct answer.

MR. KUESTER:

It is the correct answer, technically.

MR. GODWIN:

The courts are just not adopting it.

MR. KUESTER:

Technically, that is what is going on, but for purposes of the cable provisions of the U.K. copyright statute, they were sending data out.

MR. GODWIN:

The context in which this may arise may be something like what I saw on CNBC the other night where Brian Williams said, "Here are tomorrow's headlines from newspapers around the country." The interesting aspect is that you have something that looks a lot like the Shetland Times case in terms of the facts. But, then there is an issue that one could raise-that the front page headline for The Washington Post is a fact. It is a determinable fact; it is not merely an expression.

It's a tough question, and there are some policy issues that need to surface. And I don't think they have adequately surfaced in the jurisprudence. You want to be able to say what the headlines are. For instance, "So-and-so From New York City Dropped Dead." The very fact that this was the exact headline is important. Or, "Dewey Defeats Truman." Now, go ahead and argue with me on that, which is what you are about to do.

MR. HARRISON:

In the U.S. you can't copyright a headline; in the U.K. you can.

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MR. KUESTER:

That is another factor in the U.K., some of these headlines are more than eight words long.

MR. GODWIN:

That's their rule. But in the U.S. you can't copyright a headline, but you can imagine something halfway between a newspaper headline case and the Nation n32 case. For those of you that don't know the Nation case, the defendant, The Nation magazine, published a chunk of Gerald Ford's autobiography that discussed the pardoning of Richard Nixon which, of course, is the only reason you would buy Gerald Ford's autobiography. So, the plaintiff had a credible argument that The Nation went beyond fair use of the pardon excerptand, as a result, deminished the autobiography's commercial value. Nation lost that case, and by the way, I think they correctly lost. I am with the intellectual property holders on this one.

AUDIENCE:

You were talking earlier about kick-out from a frame and meta-tags. Meta-tags seem to be a search engine by-product, a technical tool to help you find things, but it may turn out that it can also infringe on trademarks. A lot of these things can come out of technology and some of them, like the kick-out, seem to be able to be solved by technology. So, how do you go to a court and make argument that this isn't the right place for judicial action because technology can fix it?

MR. GODWIN:

Boy, if you have a fundamental answer to that there is a job waiting for you.

MR. KUESTER:

I would like to re-phrase the question. A lot of these issues are arising out of technology itself. And therefore if there is a technological fix for the legal issues here, then do we really want to be making legal arguments that these things are right or wrong when technology very well may handle it?

MR. HARRISON:

The short answer is that things don't fix themselves. Somebody gets sued and then it gets fixed.

MR. GODWIN:

That's one short answer.

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AUDIENCE:

The moral to that question is that you use a meta-tag that may be someone else's registered trademark, but the search engine doesn't pick it up. Then, somebody changes their search engine and the search engine, either appropriately or inappropriately, makes the match. What have you done to incur liability?

MR. HARRISON:

The answer turns on the likelihood of confusion, and the question would then become, why did you pick that meta-tag in the first place?

MR. KUESTER:

And intent is an element in likelihood of confusion in a lot of the circuits. It's like putting out a product and nobody has bought it yet, and then all of a sudden when they buy it, there's confusion. In other words, if your intent was to use the meta-tag to confuse then that's going to be part of the likelihood of confusion.

MR. GODWIN:

Which is a factual determination in a case.

MR. HARRISON:

To give you a trademark analogy, you can file a trademark application based on your intent to use a trademark, and somebody can oppose that based on their actual use of that trademark-even though you haven't used it yet. So there's no actual confusion and no likelihood of confusion. Nobody is likely to be confused because they haven't seen your trademark yet. It's based solely on the fact that you intend to use it.

AUDIENCE:

I'd like to know, in terms protecting authors of copyrights, how adequate do you think the online watermarking and copyright management systems are?

MR. GODWIN:

Do you mean in terms of protecting publishers? The authors are protected because they've got their advance. They're already paid. It's the publishers that are being protected with the watermarks. However, I am very doubtful about the ultimate efficacy of any copyright management system. You see various attempts to use them now. One of the most common attempts that I routinely run into is the use of Adobe Acrobat files to distribute text. The problem is that the greater the protection on the text that you are publishing, the less indexable and the less searchable it is. You actually do things that undercut the value of computerizing some of your intellectual property. That's the policy

[*235] issue, but the efficacy issue is addressed, I think, by the fact that even if you have something that is not indexable and not searchable, you also have a bit map. One of the very best things that computers do is translate bit mapped text images into computer readable text. And they're getting better at it all the time. I don't know if that addresses your question, but you seem to have a follow-up question.

AUDIENCE:

One of the concerns I had is that some of the new management systems will actually track what you are gaining permission to use. I wanted to know if that then brings up a privacy issue?

MR. GODWIN:

Yes, at least some of the proposed or theoretical copyright management systems will track your use. Does that raise a privacy issue? Yes. I'm inclined to think that the market won't tolerate too much tracking of people's reading or informational consumption. That's my own inclination. I think people value their privacy. But you know, markets surprise us every now and then, so I'm not going to be totally unyielding on that view.

AUDIENCE:

We were talking a lot about situations like Microsoft and Ticketmaster, scenarios involving multi-billion dollar corporations. I realize that we can't tell them to implement software that will stop this problem, but what do you think about such corporations not seeking their own solutions to this problem?

MR. PETTY:

Isn't their response based upon the response of the marketplace and the consuming public?

MR. GODWIN:

That is the classic mainstream argument. If this is really a problem, the market is going to force big business to spend the money on it. I guess you may have an argument in this case, that the dominance of the market by a company like Microsoft is so

extensive that market pressures may not be adequate to push it in the direction of a solution. That is why there are hundreds of antitrust lawyers in Washington.

MR. KUESTER:

Actually, there is a very interesting question lurking here. The question seems to become, what is the duty to mitigate damages by implementing technological solutions? However, the trademark issue of maintaining the distinctiveness and the strength of the mark is still there.

What if people are trying to link to your site and trying to use your mark

[*236] while you are trying to come up with technological solutions-like in the Ticketmaster n33 case. I believe that they just changed the addresses of the key pages that Seattle Sidewalk was going to in the deep links. This way Ticketmaster could distinguish Seattle Sidewalk users because they were still linking to the old addresses. Ticketmaster then could use the old page addresses to tell Seattle Sidewalk users how to properly access the ticket information pages through the layers of Ticketmaster's site.

The point is, though, that if there are others out there using an owner's trademark and the owner is not preventing that use, then there is dilution going on; there is weakening of the strength of the mark. So even if you are trying the technological solutions, you really want the cessation of the use if it's not permitted. Otherwise, your mark just gets weaker and weaker.

AUDIENCE:

One of the problems that I see as you're addressing these issues is the fact that there's not a lot of law being created on these issues. People are avoiding lawsuits and not a lot of people are suing each other over this.

MR. GODWIN:

That is certainly true in the domain name context.

AUDIENCE:

Do you think that, due to the costs of modern litigation, we will continue to see a lack of developed jurisprudence in a lot of these issues and that the parties will avoid litigation through insurance and settlements or through alternative dispute resolution or other methods?

MR. GODWIN:

Absolutely. The reason I say this is because that has been our experience in the domain name dispute context. If you are a little guy, you lose. You can't even afford to show up. It doesn't matter what the merits of your case are. This area is so driven by the imbalance of litigation resources and money that you're never going to see a lot of litigation. I think that is precisely why in some areas we don't have a well developed jurisprudence. But I see that Mr. Kuester disagrees with me on that.

MR. KUESTER:

My disagreement is that I believe that litigation will increase as commerce increases. The Internet has been around for a while, and now we've got businesses on there with trademarks, copyrights, and other IP

[*237] on it. As more and more people get online using, as well as trying to sell, you're going to see more and more law as a result. Personal jurisdiction cases for example- there's almost one a week coming out on various areas of jurisdiction.

MR. GODWIN:

That's just procedural law, though, not substantive law.

MR. KUESTER:

The meta-tag issues, the copyright issues, the trademark issues-I think they are going to grow. This is going to develop into a very large area of law, Internet/IP law in general. There will be a lot of cases. I think one day you will be able to point to a case and say, "Yes, framing in that case was wrong." The Total News n34 case is there, but it didn't get all the way to a court because a lot of these users are small and don't have the money to fight back. But by the same token, you're going to get the big cases, the Ticketmasters versus the Microsofts, they're going to go the distance, and they're going to create some law in this area. I think we're going to have more and more of that.

MR. GODWIN:

But we don't know that Ticketmaster and Microsoft are going to go the distance. I would take the position that there aren't many Microsoft versus Ticketmaster kinds of disputes in the world. The fact is, in terms of the large corporate IP holders, whether you're talking copyright holders or trademark holders, a lot of the issues have already shaken out. There are new trademark issues all the time, but you don't typically see them being litigated. You made the point, Mr. Kuester, that the Internet has been around a long time; there's been commerce on the Internet around for a long time. And these cases, in my view, have been fairly slow to develop. The domain name context? Throw the equities out the window. They don't matter. It's who has the bigger wallet-almost exclusively.

Whenever someone talks to me and says, "I have a domain name and I've got all the merits on my side." I say, "Well, can you show up in court? Because if you can't, then take their first offer." By the way, that is the single best advice I can give to any practitioner, advising a client in this context. If you have a small defendant and it's a domain name dispute, they are going to be inclined to say, because they will be very righteous, "I have all this prior use. I've been using this domain name for twenty years." Take their first offer.

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MR. KUESTER:

I will agree, sort of, with that part of your answer, but I've got an excellent example of a case where one would think this would have settled early on and this little guy, who had little money, would have just gone away. It's another case that points out another good piece of advice I would give this client or any client that has an Internet related issue. It relates to this idea that, "I can publish anything I want. I can put up a Web page that the world can see, and everyone will come to my rescue because I have the press on my side. After all, the Internet doesn't have any laws. I can just do what I want to; no one will be able to prevent me from doing any differently." This is the mentality of a lot of users on the Internet-they are above the law. They regulate their own.

MR. GODWIN:

It's asserted that this mentality is widespread, however, I take issue with that.

MR. KUESTER:

In the RealPages n35 case, it was fairly evident that this mentality is prevalent. As a matter of fact, attorneys from Mr. Petty's firm handled this case and did an excellent job handling it. The case dealt with the domain name, "realpages.com". BellSouth controls the trademark, "The Real Yellow Pages". The other party was using "realpages.com" to create an online directory service. The background of the page was yellow, and he also used the trademark, "Let your mouse do the walking", on his Web site.

Let me just give you another risk factor to think about when you are advising an Internet type client. Internet people, a lot of times, are just different. When you deal with them it's not the typical scenario to send them a cease and desist letter and have them look at your size and go away with your first offer.

MR. GODWIN:

Even if they have enough knowledge of the law to say that they are outside the law in some way, they often have the courage of the judgment proof, which is just as good.

MR. KUESTER:

In fact, I think that was the case here. First of all, this company was not large. This guy was sort of on his own and he just thought he could create an Internet yellow pages. He was going to go up against BellSouth. Well, of course BellSouth sued him and the first thing that he

[*239] did was scan in the complaint-all of the pleadings and everything. I've seen this in many examples. Again, the mentality often is, "If I can just tell the world about it, then they'll come to my rescue. The press will see how this big company is beating up on this little guy, and it will be alright." So he scanned everything in and put it on his Web page.

Well, at first that was no big deal, but then he registered the domain name, "bellsouthstinks.com" and put all of the pleadings and everything else on this new Web page. You would think that maybe it would stop there, that it would stay in cyberspace and never actually get into real space. However, he bought a share of BellSouth stock and went to the annual stockholders' meeting where he picketed and handed out literature.

MR. GODWIN:

But that's what stockholders' meetings are about.

MR. KUESTER:

Okay, but it doesn't stop there. It just gets worse.

MR. GODWIN:

Or better.

MR. KUESTER:

Or better. This guy put a picture of himself in a parachute outfit on his Web site and threatened to parachute onto the 18th hole of the nationally televised BellSouth Classic golf tournament.

So again, what do you do if you're advising people like this who are dealing with the Internet? My first thought would have been, "Well you need to send this guy a letter saying, 'According to FAA regulations it's against the law for you to parachute into a golf course and we'll have you put into jail.' Maybe that will discourage him." Well, first of all, BellSouth's attorneys did look into aeronautical law and made sure that he couldn't do it, but they didn't tell him anything. The point to remember is that people are often looking for press-they are thinking, "I'm stinging them and how are they reacting? Isn't that cool?"

I think that the strategy developed by the attorneys in this case was to in some ways ignore him but be prepared for anything that may happen. Because if they antagonized him with, "You can't do that," he'd just respond with, "Yes, I can," and then all those letters would go up on the Web site. Again, keep in mind there are risk factors in dealing with Internet people and companies that you wouldn't normally expect.

MR. GODWIN:

I recently dealt with a case in which a person who was unhappy with a computer that he bought from an unnamed manufacturer put up a Web page trashing that manufacturer. The in-house counsel for the

[*240] manufacturer sent a lawyer letter, which only made the guy worse. He doubled the amount of material, and he started linking to other pages. Then the company started threatening the guy with libel litigation, which really made me hit the roof because I have feelings about that kind of use of libel litigation. The guy was not actually negligent, even in what he was saying in his criticism; he was just loud. So in terms of having all the defenses that one normally has, he had them. He was not even particularly sloppy in what he was saying about them. He was just very loud. What I did was negotiate a settlement because what was really needed was someone to stop the escalation. What the in-house counsel did was react in a very traditional, conservative way by sending the lawyer letter without realizing that that would escalate the hostilities. I would advise you not to do that reflexively.

MR. KUESTER:

The "realpages.com" guy initially didn't have an attorney, and he may very well have been offered money to settle this whole thing.

MR. GODWIN:

He needed an attorney.

MR. KUESTER:

Yes. But he may have been thinking, "Oh, this is worth millions. This is worth lots and lots of money."

MR. GODWIN:

We don't know what he was thinking, actually.

MR. KUESTER:

It ended up costing the company money, but still, he ended up with nothing in the end.

MR. GODWIN:

The tendency on the part of the in-house counsel often is to say "This is a hold up. The guy has got something on us, or maybe he has something, but he's just holding us up." Many times that is not the case, but other times it is. You really have to make some discriminations there.

MR. WOOLSTON:

This area where the law is fairly unsettled, especially for the smaller clients who don't have the money to go through a big fight, is resulting in very creative solutions. One solution is to develop new technology. Another, relatively low-tech, solution has been used in the domain name area where there are two companies, one with a registered trademark and the other with common law trademark rights. The common law trademark right holder has the domain name. Under the

[*241] NSI n36 rules, the trademark registration holder can initiate the domain name dispute, get the domain name put on hold.

MR. GODWIN:

That's the "scare everybody into court except me" solution.

MR. WOOLSTON:

They protect themselves, or they try to. One of the creative solutions that was considered was to create a cover page which has two links, one to each company, essentially a directory. So if somebody comes to that Web page and is not clear where they want to go, they see this directory page and can choose between the two companies. There is no confusion. They go their own separate ways, and each company gets the people that were trying to get to them.

AUDIENCE:

But that doesn't settle the underlying trademark issues.

MR. WOOLSTON:

No, not at all. It's still going to be an amazing race to the domain name registration office; the trademark issues are still going to be the same.

MR. GODWIN:

With the new top level domain names coming soon, it's going to be a new race, yet none of the trademark issues, as Dan Burke at Seton Hall points out, will be closer to resolution. For example, once you have a ".tech" registration, McDonald's is still going to want "McDonalds.tech". That problem does not go away. It's part of the myopia of the pure technologists to think that it will.

MR. WOOLSTON:

That's going to be one of the biggest, craziest races out there when they open those up.

MR. PETTY:

And it's a real nightmare for general counsel right now, just trying to track the current domain name registrations. I was talking to somebody at a Fortune 500 corporation, and he said that he has to track something like seventy-five different domain names under the current top level domain structure.

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MR. WOOLSTON:

Plus, enforcement of that alone is an incredibly expensive process.

MR. GODWIN:

So when you think about it in terms of enforcement, whether you're acting for a law firm or acting as in-house counsel, it really is important to start looking for creative solutions, because in this area creative solutions are often the only solutions.

As I see that our time is up, we shall end our discussion. I thank everyone who attended, and I hope that everyone enjoyed this discussion as much as I did

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n5 Staff Counsel for the Electronic Frontier Foundation, San Francisco, Cal. Mr. Godwin supervised the drafting of recommendations to Governor Weld for the development of computer-crime statutes while chairing a committee of the Massachusetts Computer Crime Commission. He is a columnist for *Internet World* and has written articles about social and legal issues on the electronic frontier that have appeared in *Whole Earth Review*, *The Quill*, *Index on Censorship*, *Wired & HotWired*, and *Playboy*. Mr. Godwin was a plaintiff and served as co-counsel to the plaintiffs in the Supreme Court case of *Reno v. ACLU*, 117 S.Ct. 2329 (1997). He holds a BA from the University of Texas and a JD from the University of Texas School of Law.

n6 See Section I(B), supra.

n7 See Figure 1, *supra*.

n8 Random House Books, 1988.

n9 Uniform Resource Locator: The address of a file on the Internet consisting of the protocol, domain name and where necessary, the directory and sub-directories on the server where a specific file is located.

n10 See Section I(B), *supra*.

n11 See Figure 1, *supra*.

n12 Ticketmaster Corp. v. Microsoft Corp., No. 97-3055 DPP (C.D. Cal. complaint filed April 28, 1997).

n13 Shetland Times Ltd. v. Wills, Sess. Cas. (Oct. 24, 1996) (settled Nov. 11, 1997).

n14 Washington Post Co. v. Total News, Inc., No. 97 Civ. 1190 (PLK) (S.D.N.Y. complaint filed Feb. 20, 1997).

n15 Playboy Enters. v. Calvin Designer Label, No. C-97-3204 (N.D. Cal. Sept. 8, 1997).

n16 Insituform Technologies Inc. v. National Envirotech Group, Civ. Action No. 97-2064 (E.D. La. final consent judgment entered Aug. 27, 1997).

n17 Oppedahl & Larson v. Advanced Concepts, Civ. Action No. 97-Z-1592 (D.C. Colo. complaint filed July 23, 1997).

n18 *15 U.S.C. 1125(c)* (Supp. I 1996).

n19 *15 U.S.C. 1125(c)*.

n20 *ACLU v. Miller, 977 F. Supp. 1228 (N.D. Ga. 1997)*.

n21 W. Scott Petty, Should ISPs be Liable for a Subscriber's Infringement Act?, *Intell. Prop. Today*, Sept. 1997 at 6.

n22 Internet Service Provider: In order to connect to the Internet, it is necessary to have an account with an ISP.

n23 See *supra*, footnote 21 and accompanying text.

n24 Washington Post Co. v. Total News, Inc., No. 97 Civ. 1190 (PLK) (S.D.N.Y. complaint filed Feb. 20, 1997).

n25 *248 U.S. 215 (1918)*.

n26 *NBA v. Motorola, Inc., 105 F.3d 841, 41 U.S.P.Q.2d (BNA) 1585 (2d Cir. 1997)*.

n27 *125 F.3d 580, 44 U.S.P.Q.2d 1153 (BNA) (7th Cir. 1997)*.

n28 *Rie Munoz & Rie Munoz, Ltd. v. Albuquerque A.R.T. Co., 1994 U.S. App. LEXIS 29405 (9th Cir. Oct. 3, 1994)* (reported in table format *38 F.3d 1218*) and *Mirage Editions, Inc. v. Albuquerque A.R.T. Co., 856 F.2d 1341, 8 U.S.P.Q.2d (BNA) 1171 (9th Cir. 1988)*.

n29 *361 U.S. 147 (1959)*.

n30 376 U.S. 254 (1964).

n31 Shetland Times Ltd. v. Wills, Sess. Cas. (Oct. 24, 1996) (settled Nov. 11, 1997). See supra, footnote 13 and accompanying text.

n32 *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 225 U.S.P.Q. (BNA) 1073 (1985).

n33 Ticketmaster Corp. v. Microsoft Corp., No. 97-3055 DPP (C.D. Cal. complaint filed April 28, 1997). See supra footnote 12 and accompanying text.

n34 Washington Post Co. v. Total News, Inc., No. 97 Civ. 1190 (PLK) (S.D.N.Y. complaint filed Feb. 20, 1997). See supra, footnote 14 and accompanying text.

n35 BellSouth Corp. v. Internet Classifieds, No. 1-96-CV-769-CC, (N.D. Ga. complaint filed Apr. 5, 1996).

n36 Network Solutions, Inc.: A United States company which currently performs the registration and propagation of generic top level domain names (e.g., ".com", ".org" and ".edu").