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WHY DOMAIN NAMES ARE NOT GENERIC: AN ANALYSIS OF WHY DOMAIN NAMES INCORPORATING GENERIC TERMS ARE ENTITLED TO TRADEMARK PROTECTION

Sarah E. Akhtar and Robert C. Cumbow*

I. Introduction

As the Internet continues to become an everyday part of people's lives, its widespread use is giving rise to complex and novel legal issues. Particularly, trademark law is evolving to meet the rapid pace of the Internet. The legal community is currently analyzing traditional trademark legal principles to determine whether those principles sufficiently address the issues arising in today's high tech society.

In fact, Internet commerce is the driving force behind much of the evolving trademark law. Arguably, the appeal of the Internet can be attributed primarily to the prevalence of electronic commerce. Many Internet e-commerce companies primarily use their domain name as their company name, service mark, and trademark. For example, *drugstore.com* is an online pharmacy; *homegrocer.com* is an online grocery store; *vitamins.com* is an online nutritional source; and *petstore.com* is an online pet supply store.

As of the date of this paper, none of the previously listed companies has attained federal registration of their service marks. According to the results of a trademark search conducted on December 17, 1999 using Thomson & Thomson and both DRUGSTORE.COM and VITAMINS.COM are the subjects of pending applications in the USPTO. and PETSTORE.COM has not yet filed an application for registration. Under new office policies, however, the United States Patent and Trademark Office (USPTO) may refuse registration to each company's "domain name trademark" on the grounds that

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it is generic.¹

While the USPTO follows traditional trademark law for determining whether any trademark can obtain federal registration, “domain named” companies are provoking much discussion. Under traditional trademark principles, the current *227 policy of the USPTO is to deny registration to a mark consisting of a generic term followed by a top-level domain extension (TLD).²

This paper will explore the proposition that domain names consisting of arguably generic terms followed by a TLD are still distinctive; therefore, they should still obtain and enjoy some level of trademark protection.

The discussion of this controversial proposition requires an understanding of domain names, traditional trademark principles, and the USPTO’s treatment of domain names as trademarks. Section II provides background information on domain names and traditional trademark principles. Section III discusses the USPTO’s decision to disregard top-level domain extensions when considering whether trademark registration is available to a mark consisting of a domain name. Following this discussion, in Section IV contrary analysis contends that the USPTO should afford trademark protection to domain names that consist of generic terms combined with a TLD, and the levels of protection the law should afford them. Finally, Section V explores the possible alternatives.

II. Background Principles

A. Domain Names

Web sites are designated by Internet Protocol addresses that consist of a series of numbers. The numerical addresses are then linked to a domain name to make them easier to remember. Domain names are ordinary words, letters, or numbers that signify the location of a Web site on the Internet, such as *drugstore.com*. Domain names are easily recognizable and, therefore, powerful. In e-commerce, name recognition can be the difference between success and failure. Domain names are broken into two parts. A TLD is located at the end of the domain name and designates the source and/or country designation. In *drugstore.com*, “.com” is the TLD. Individual countries’ TLDs use a period and a two-character country code (e.g., “.gr” for Greece); but Web site owners

¹ United States Patent and Trademark Office Examination Guide No. 2-99, *Marks Composed, In Whole or in Part, of Domain Names* (visited Sept. 29, 1999) <<http://www.uspto.gov/web/offices/tac/notices/guide299.htm>>USPTO Examination Guide 2-99>.

² *Id*

most commonly select one of several globally available “generic TLDs” (or “gTLDs”). These extensions are short forms for the field of activity in which the particular TLD was originally intended to be used - “.com” (commercial), “.net” (Internet services), “.org” (nonprofit organizations), “.edu” (institutions of higher learning), and “.gov” (governmental agencies). In practice, registration of domain names in the “.com,” “.net” and “.org” TLDs has not been restricted to users in the appropriate fields. Thus, numerous commercial entities own “.org” domain names, many nonprofit organizations use “.com” domain names, and relatively few of the registrants of “.net” domain names are actually Internet service providers.

The other portion of the domain name is the second level domain name (SLD) consisting of the string of words that precedes the TLD. The SLD is unique *228 to, and identifies the particular Web site owner. For example, in *drugstore.com*, the SLD is “drugstore”. SLDs are assigned on a first-come-first-served basis, and, more importantly, only one person or company can have a particular SLD combined with a particular TLD.

Domain names have become hot commodities. Less than five years ago very few people were aware of the value in the registration rights to domain names. From famous people’s names and company names to generic and catchy terms, domain names have been the coveted item of the 90’s. Companies are paying thousands of dollars to purchase ownership of certain domain names. For instance, Josh Quittner, not McDonalds Corp., first registered *mcdonalds.com*.³ McDonalds Corp. now owns the domain name; however, according to a later account by Quittner, he only agreed to transfer the domain name to McDonalds in exchange for McDonalds’ contributing a certain unspecified sum of money to purchase computers for a grade school.⁴ Recently, ECompanies, a Santa Monica, Calif. Internet venture fund, shelled out \$7.5 million to acquire the domain name *business.com* from a Houston media entrepreneur who bought it for \$150,000 in 1996.⁵ It is believed to be the highest price paid to date for an Internet domain.⁶

Domain names have become part of our everyday life. It is difficult to find a person who has not “surfed the net.” It is even harder to watch television for a brief period of time without seeing a commercial for a company with a Web site, or an Internet

³ Joshua Quittner, *Billions Registered*, 2 WIRE #10, October 1994, at 50.

⁴ B.A. Nilsson, *How to Get Your Own Domain Name* (visited Dec. 15, 1999) <<http://cnet.sphere.ne.jp/Guidebook/Domain/index.html#top>>.

⁵ Peter Loftus, *Ecompanies Pays \$7.5 Million For Domain Name ‘Business.com’* (December 1, 1999) <<http://www.business.com/news.html>>.

⁶ *Id.*

company called XYZ.com. On the Internet virtually every good is for sale, and every service is available. The public knows that a “.com” TLD means an Internet business; therefore, a TLD designates a single source.

Why would a company be willing to pay such a large sum of money for a domain name that is a combination of generic terms and a non-distinctive TLD? Do they have poor trademark counsel, or do domain names create new terms that are capable of distinctiveness, thus, registrable as trademarks? These are the precise questions that the legal community is currently considering.

B. Applicable Trademark Law

The purpose of trademark law is to allow goods manufacturers and service providers exclusive rights to use marks that distinguish their goods and services from *229 others. This allows trademark owners to prevent others from using the same or similar marks that create a likelihood of confusion, mistake or deception. Trademark law’s essence is to prevent consumer confusion as to the origin or sponsorship of goods or services.⁷

Case law recognizes “four different categories of terms with respect to trademark protection: (1) generic, (2) descriptive, (3) suggestive, and (4) arbitrary or fanciful.”⁸ A generic term is one that refers, or has come to be understood as referring, to the genus of which the particular product or service is a species. It cannot become a trademark under any circumstances.⁹ As explained by one commentator, a generic term is “the name of the product or service itself--what [the product] is, and as such . . . the very antithesis of a mark.”¹⁰ Courts sometimes refer to generic terms as “common descriptive” names; the language used in the Lanham Act for terms incapable of becoming trademarks.¹¹

⁷ See *King-Seeley Thermos Co. v. Aladdin Indus.*, 321 F.2d 577 (2d Cir. 1963).

⁸ *Surgicenters of America, Inc. v. Medical Dental Surgeries Co.*, 601 F.2d 1011, 1014 (9th Cir. 1979).

⁹ *Id.* (citing *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9-10 (2d Cir. 1976)).

¹⁰ 2 J. THOMAS MCCARTHY, TRADEMARKS AND UNFAIR COMPETITION § 12:1 [1] (4th ed. 1997).

¹¹ *Park ‘N Fly, Inc., v. Dollar Park and Fly, Inc.*, 718 F.2d 327, 329 (9th Cir. 1983), *rev’d on other grounds*, 469 U.S. 189 (1985).

Genericism had been a relatively well-settled doctrine in trademark law until the explosion of the Internet. Traditionally, a term is generic in two ways. First, it is generic *ab initio*, or generic at inception, as when the ordinary meaning of the term is already the name of the goods or services. Second, the term can become generic, where it was fanciful or arbitrary at the time of adoption but becomes generic through usage.¹² This is familiar to many as the fate of such once-strong trademarks as ASPIRIN, CELLOPHANE, ESCALATOR, and THERMOS. In our own time, owners of such marks as XEROX, VELCRO, and ROLLER BLADE have had to fight constantly to prevent their strong trademarks from becoming, through popular usage, generic names for the products and services they represent.

***230** If a term is generic for particular goods and services, then it cannot receive trademark protection.¹³ Different tests are often used to determine whether or not a mark is generic. One test for making such a determination is found in *H. Marvin Ginn Corp. v. International Ass'n of Fire Chiefs, Inc.* In *H. Marvin Ginn Corp.*, the court determined that the test for genericism is twofold. First, one has to identify the genus of goods or services at issue. Second, one must determine whether the relevant consuming public understands the proposed mark primarily to refer to that genus of goods or services.¹⁴

Other courts rely upon the “who-are-you/what-are-you” test. “A mark answers the buyer’s questions ‘Who are you?’ ‘Where do you come from?’ ‘Who vouches for you?’ [b]ut the [generic] name of the product answers the question ‘What are you?’”¹⁵ Under this test, “[i]f the primary significance of the trademark is to describe the type of product rather than the producer, the trademark [is] a generic term and [cannot be] a valid trademark.”¹⁶ The *Surgicenters* court explained that the ultimate test of whether a trademark is generic is how a term is understood by the consuming public.¹⁷

¹² *Bayer Co. v. United Drug Co.*, 272 F. 505 (S.D.N.Y. 1921).

¹³ *Park ‘N Fly*, 469 U.S. at 194.

¹⁴ *H. Marvin Ginn Corp. v. International Ass'n of Fire Chiefs, Inc.*, 782 F.2d 987 (Fed. Cir. 1986).

¹⁵ *Official Airline Guides, Inc. v. Goss*, 6 F.3d 1385, 1391 (9th Cir. 1993) (quoting 1 J. THOMAS MCCARTHY, TRADEMARKS AND UNFAIR COMPETITION § 12.01 (3d ed. 1992)).

¹⁶ *Anti-Monopoly, Inc. v. General Mills Fun Group*, 611 F.2d 296, 304 (9th Cir. 1979).

¹⁷ *Surgicenters*, 601 F.2d at 1015.

Furthermore, courts have determined that when performing an analysis as to whether or not a mark is generic, it is imperative to look at the mark as a whole, rather than in parts.¹⁸ In *California Cooler, Inc. v. Loretto Winery, Ltd.*, the defendant argued that because the generic terms “California” and “Cooler” could not qualify as valid marks individually, their combination, “California Cooler,” was similarly generic.¹⁹ The court rejected the argument: “California Cooler’s mark is a composite term, and its validity is not judged by an examination of its parts.”²⁰ *231 Rather, the validity of a trademark is to be determined by viewing the trademark as a whole ... Thus, the composite may become a distinguishing mark even though its components individually cannot.”²¹

Similarly, in *Committee for Idaho’s High Desert, Inc. v. Yost*,²² the court held that an environmental organization’s name, “Committee for Idaho’s High Desert,” was not generic.²³ The appellants challenged the validity of that trade name by arguing that it was generic based on the generic nature of “Idaho’s high desert” and “committee.”²⁴ The court stated that “[t]he district court was clearly correct in evaluating the genericness of the name as a whole, rather than looking to its constituent parts individually ... The relevant question therefore is whether the entire name ‘Committee for Idaho’s High Desert’ is generic.”²⁵ Clearly then, both *California Cooler, Inc* and *H. Marvin Ginn Corp.* as well as other pre- and post- *Surgicenters* cases have announced what could be described as an “anti-dissection rule” for evaluating the trademark validity of composite terms.²⁶

¹⁸ *Filipino Yellow Pages, Inc. v. Asian Journal Publications, Inc.*, 198 F.3d 1143, 1146-52 (9th Cir. 1999).

¹⁹ *California Cooler, Inc. v. Loretto Winery, Ltd.*, 774 F.2d 1451 (9th Cir. 1985).

²⁰ *Id.*

²¹ *Id.*

²² 92 F.3d 814 (9th Cir. 1996).

²³ *Id.*

²⁴ *Committee for Idaho’s High Desert, Inc. v. Yost*, 92 F.3d 814, 821 (9th Cir. 1996).

²⁵ *Id.*

²⁶ *Official Airlines Guides, Inc.*, 6 F.3d at 1392 (noting that under this rule, “the validity and distinctiveness of a composite trademark is determined by viewing the trademark as a whole, as it appears in the marketplace”).

A descriptive term, unlike a generic term, can obtain trademark protection under certain circumstances.²⁷ Courts often refer to a descriptive term as being “merely descriptive” (as opposed to a generic or a “common descriptive” term).²⁸ In the drugstore business, for example, the terms “drugstore,” “pharmacy,” and “variety store” are generic, because they are the common names the public uses for those types of establishments. On the other hand, such terms as, for example, DISCOUNT DRUGS, SHOP AND BUY, or FULL SERVICE PHARMACY are descriptive: They describe the service, or a purpose or feature of the service, but they are not the common name the public uses to refer to services of that kind. Such “descriptive” terms may initially be perceived by consumers as merely descriptions of the services; but “secondary meaning” attaches when, through continued use, those terms come to be perceived as trademarks--that is, source indicators, or “brands,”--rather than as *232 mere descriptions. Although descriptive terms generally do not enjoy immediate trademark protection, they may be registered as trademarks upon a showing that they have acquired such a secondary meaning.²⁹ A term has acquired a secondary meaning if it has “become distinctive of the [trademark] applicant’s goods in commerce.”³⁰ Secondary meaning can be established in many ways, including (but not limited to) direct consumer testimony; survey evidence; exclusivity, manner, and length of use of a mark; amount and manner of advertising; amount of sales and number of customers; established place in the market; and proof of intentional copying by the defendant.³¹

Suggestive or arbitrary or fanciful names can obtain trademark protection without showing any of the above characteristics. These terms are “inherently distinctive”--that is, they are immediately perceived by consumers as “brands” rather than as descriptions. Suggestive terms suggest something about the product, but do not describe it--for example, NIKE (the Greek goddess of victory) for athletic equipment, or AMAZON.COM (the largest-volume river in the world) for a large-volume Internet retailer. Arbitrary terms are real words whose common meaning has nothing to do with the product or service they represent--for example, APPLE for a record label or PENGUIN for book publishing. Fanciful terms are terms that have no meaning at all

²⁷ *Park ‘N Fly*, 469 U.S. at 190.

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Abercrombie*, 537 F.2d at 10 (quoting 15 U.S.C. § 1052(f)).

³¹ *See* 2 J. THOMAS MCCARTHY, TRADEMARKS AND UNFAIR COMPETITION § 15:30 (4th ed. 1997).

apart from their use as trademarks: EXXON, XEROX, KODAK--these are the strongest trademarks.

III. The USPTO's Treatment of Domain Names as Trademarks

Trademark analysis of a domain name has become increasingly complicated due to a recent USPTO policy created exclusively for trademarks consisting of domain names. The policy begins: "A mark composed of a domain name is registrable as a trademark or service mark only if it functions as a source identifier."³² Section V of the USPTO examination guide 2-99, states "if a mark is composed of a generic term(s) for applicant's goods or services and a TLD, the examining attorney must refuse registration on the ground that the mark is generic and the TLD has no trademark significance."³³

***233** The policy further states "when a trademark, service mark, collective mark or certification mark is composed, in whole or in part, of a domain name, neither the beginning of the URL (http://www) nor the TLD have any source indicating significance.³⁴ Instead, those designations are merely devices that every Internet site provider must use as part of its address."³⁵ The USPTO justifies this by analogizing TLDs to the "1-800" prefix of a toll-free number.³⁶ The policy states that the average person familiar with the Internet recognizes the format of a domain name and understands that "http, www, and a TLD" are a part of every URL just as "1-800" is part of every toll free number.³⁷ Therefore, the USPTO believes the policy is consistent with traditional trademark law.

The policy poses a major threat to anyone whose company name, trademark, or service mark consists of a domain name containing descriptive or generic terms and a TLD. As currently stated in the USPTO policy, trademarks that are composed of a generic SLD are not eligible for registration, and trademarks composed of a descriptive SLD are only eligible if the registrant is capable of distinguishing its goods or services

³² See *supra*, note 1.

³³ *Id.*

³⁴ *Id.*

³⁵ *Id.*

³⁶ *Id.*

³⁷ *Id.*

from others with a showing of secondary meaning.³⁸ Since many domain names consist of SLDs that are generic, the policy effectively bars them from trademark protection.

IV. USPTO Should Analyze the SLD and the TLD when Determining if a Mark is Registrable

The USPTO's policy, although on its face consistent with other office policies, is actually inconsistent with traditional trademark principles and recent case law. First, the TLD should be included when analyzing the domain name for trademark registration. The addition of a TLD can turn a generic term into a source designator, and although itself non-distinctive, the TLD combines with the SLD to denote a single identifiable source to consumers. The inclusion of a TLD not only indicates that the source is on the Internet, but that it is the only online source doing business under this name. This is true because domain names are necessarily unique. Once a domain name is registered, no one else may register that identical domain name; however, domain names that differ by a single alphanumeric character remain available to others. Second, by analyzing the domain name as a whole, the domain name is no longer two separate generic, non-distinct terms, but one composite term that deserves the protection of the trademark laws. It has long been a principle of trademark law that a mark formed by combining two or more descriptive words is not itself necessarily descriptive.³⁹ The USPTO should recognize that the same is also true of a mark formed by two or more generic or nondistinctive terms, and should embody that recognition in its policy.

Under the USPTO policy, a company such as Petstore.com may not be permitted to register its company name if its SLD is determined to be generic. Under this policy, an examining attorney, when analyzing whether PETSTORE.COM is registrable, would look at the trademark as though the company were trying to register only the SLD, or "petstore." The term "petstore" is arguably generic. Of course, no consumer could possibly identify a source by looking solely at the term "petstore."

A. The USPTO Should Consider TLDs Because They are Source Identifiers

The office policy is incorrect in stating that TLDs have no source designation significance. The USPTO states that TLDs are "merely devices that every Internet site provider must use."⁴⁰ Every Internet site provider must use a TLD; however, TLDs

³⁸ *Id.*

³⁹ *California Cooler*, 774 F.2d at 1455.

⁴⁰ *Id.*

indicate a source designation of the information a person is going to receive from a Web site by specifying whether the source will be from a foreign country (.gr), a company (.com), the government (.gov), or an educational institution (.edu). The policy further states “the average person familiar with the Internet recognizes the format for a domain and understands that ... a TLD [is] ... a part of every URL.”⁴¹ If the average person recognizes that a TLD is part of every URL, then more importantly, every consumer immediately recognizes that the origin of the goods or services will be from an Internet source and not a “brick and mortar” source. Furthermore, based on the TLD, consumers will recognize the particular source as a company, non-profit, or other source.

It may be argued that the terms “Inc.,” “Corp.” and “Co.” also designate companies, yet the addition of one of those terms to a generic word does not create a protectable trademark. However, corporations are registered at the state level, and two or more corporations or other types of companies may coexist with the same name and even in the same type of business. In contrast, domain names are registered globally, and the combination of any term, generic or otherwise, with a TLD, necessarily designates a single, unique source.

***235** Moreover, the USPTO’s use of the analogy to “1-800” is misplaced. “1-800” denotes a type of phone service. It merely suggests to consumers that they can make a toll free call. Therefore, the “1-800” is not significant when determining the source of a service. Alternatively, by definition, the TLD indicates the source designation of the product or service as “online”. Although the TLD does not completely identify the source, the TLD has source-indicating significance and is a major part of a mark that consists of a domain name; therefore, it should be considered when the USPTO determines whether the trademark can be registered. The USPTO must consider the TLD *and the SLD* in its analysis.

B. The USPTO Should Consider Trademarks as Whole When Determining Registerability

The main problem with the USPTO’s office policy is its failure to perform a trademark analysis of the entire, unitary mark. The court in *California Cooler* determined that it is necessary to look at the mark as a whole, and not in its parts.⁴² By solely looking at the SLD in its trademark analysis, the USPTO’s policy is inconsistent with the precedent set by the courts. Moreover, several courts have adopted the anti-dissection rule because when determining whether a mark is generic, it should be looked at as it

⁴¹ *Id.*

⁴² *Id.* at 1456.

appears in the marketplace.⁴³ The general public perceives domain names as composite terms, not as SLDs alone. Thus, the USPTO policy is contrary to case law because it looks solely at the SLD to determine if a mark is generic.

However, when viewed as a whole, the addition of a TLD to a generic SLD transforms it from a single generic term to a composite term capable of registration. The domain name when viewed as a whole is distinctive. The name is not likely to cause confusion among consumers as to the source of a good or service.

Courts have determined that the test for genericism is how the term is understood by the consuming public.⁴⁴ The consuming public, for example, views the domain name *petstore.com* as one composite term, not as the word “petstore” followed by a TLD. While they understand the term “petstore” to refer generically to any store selling pets or pet supplies, they understand the domain name *petstore.com* to designate one specific online pet supply retailer. Therefore, the domain name is not generic. Contrary to USPTO policy, it should be entitled to trademark protection.

***236** Furthermore, when domain names are looked at as a whole, they cannot be deemed to be the “genus or class of which the individual product or service is a member.”⁴⁵ The addition of a TLD transforms the generic SLD into a distinctive name signifying an Internet as a source of goods and services.⁴⁶ Genericism is founded on the principle that no one should have a monopoly on a term that everyone uses to describe certain goods or services.⁴⁷ Moreover, granting trademark protection to such a term would effectively remove it from the English language.⁴⁸ However, if “petstore.com” were entitled to trademark registration, it would not prevent others from using the word “petstore,” but would remove only the term “petstore.com” from the use of competitors. However, that term is already unavailable to anyone else’s use, due to the technical reality of the Internet.

⁴³ *Official Airlines Guides, Inc.*, 6 F.3d at 1392 (noting that under this rule, “the validity and distinctiveness of a composite trademark is determined by viewing the trademark as a whole, as it appears in the marketplace”).

⁴⁴ *Surgicenters*, 601 F.2d at 1015.

⁴⁵ *California Coolers*, 774 F.2d at 1455.

⁴⁶ *Park ‘N Fly*, 469 U.S. at 194.

⁴⁷ See *CES Publishing Corp. v. St. Regis Publications, Inc.*, 531 F.2d 11 (2d Cir. 1975).

⁴⁸ *Id.*

Each domain name can have only a single registrant, who thus acquires, by registration, a de facto monopoly over that specific domain name. By definition, a domain name cannot be generic because there could never be another competitor who would need to or--would be technically able to--call its goods and services by the same combination of SLD and TLD. There will never be a concern that another person will ever try to use the domain name when only one person or entity can have the domain name rights to it.

A simple example demonstrates this important point. "Vitamins" is a generic word. It is commonly used to describe nutritional pills. However, Vitamins.com is the name of an online company that sells nutritional products. Traditionally, terms that are able to function as source identifiers can gain some level of trademark protection if they are used as trademarks. Furthermore, no one other than that company can use that domain name. Thus, the term VITAMINS.COM can be a distinctive mark that customers identify as a single, unique Internet source for nutritional needs, and it does not violate the policy behind non-registration of generic terms. The trademark VITAMINS.COM denotes an Internet source of nutritional needs recognized by the general public. The courts have stated that the ultimate test of whether a trademark is generic is how a term is understood by the public;⁴⁹ therefore, such a domain name should be able to enjoy some level of trademark protection.

The USPTO policy is inconsistent with traditional trademark principles. Under the current policy, the USPTO would most likely find VITAMINS.COM to be ***237** generic. A generic term, however, is incapable of indicating a source. VITAMINS.COM does, in fact, uniquely distinguish a single source. Therefore, VITAMINS.COM should not be considered generic, and the USPTO policy should be revised to reflect this.

The trademark rights of, for example, DELTA AIRLINES and DELTA DENTAL are perfectly secure, notwithstanding the fact that most members of the public would not know which--if either--of them could be reached through the domain name *delta.com*. On the other hand, the public at large readily recognizes the trademark PETSTORE.COM as identifying one and only one specific source--exactly what a trademark is supposed to do--yet this name is unprotectable as a trademark under the current USPTO policy.

C. Possible Levels of Protection for Domain Names

If domain names containing SLDs with generic terms are registrable as trademarks, they may not enjoy the highest levels of protection. All registered trademarks should be afforded equal protection to assert claims against trademark infringers.

⁴⁹ *Surgicenters*, 601 F.2d at 1015.

However, domain names that incorporate generic or merely descriptive SLDs may not be able to enforce protections under Section 42(c) of the Lanham Act, the Federal Dilution Act, regardless of famousness.⁵⁰

Dilution can occur by the blurring or tarnishment of a trademark.⁵¹ Injunctive relief is available to a trademark owner under the Federal Trademark Dilution Act if one can establish that 1) its mark is famous, 2) the defendant is making commercial use of the mark in commerce, 3) the defendant's use occurred after the mark became famous, and 4) the defendant's use presents a likelihood of dilution of the distinctive value of the mark.⁵² It is impossible for companies such as Amazon.com to register all of the possible similar domain names or domain names that incorporate part of its trademark. Therefore, it is possible for many people to have similar derivatives of the AMAZON.COM trademark such as *myamazon.com*, *gotoamazon.com*, *booksatamazon.com* etc. Since the SLD "Amazon" is arbitrary or fanciful, the distinctiveness of the SLD "Amazon" is capable of being blurred and should be afforded greater dilution protection.

A generic SLD such as "petstore" however, is not unique, and may be more difficult to protect from dilution. The SLD "petstore" is a descriptive or generic term that is associated with the sales of pets and pet supplies. The mark only acquires distinctiveness upon the addition of ".com." Since the SLD is generic and not unique or distinctive, the possibility of blurring does not exist. *Joespetstore.com* and ***238** *petsatpetstore.com* may not blur the distinctiveness of "petstore" because "petstore" itself is a common term and not distinctive. Therefore, less protection from dilution should be afforded to a domain name consisting of a generic SLD.

The Dilution Statute favors uniqueness, and if a trademarked domain name incorporates generic terms, it cannot expect high levels of dilution protection.⁵³ It would be against the public policy embodied by the Dilution Statute to allow trademark owners to enforce trademark blurring of generic terms. Since blurring is the diminution of the ability of the mark to uniquely identify its source in commerce, the generic term may already be blurred through its use by a multiplicity of sources of varying goods and services. As a result, variations of a generic SLD probably cannot be blurred because the generic term is already incapable of distinguishing a single unique source. In other words, registration of the trademark PETSTORE.COM would not entitle its owners to prevent

⁵⁰ Lanham Act § 42(a), 15 U.S.C. § 1124(a) (2000).

⁵¹ See *Avery Dennison v. Sumpton*, 189 F.3d 868 (9th Cir. 1999).

⁵² Lanham Act § 43(c), 15 U.S.C. § 1125(c) (2000).

⁵³ *Id.*

all other uses of the term “petstore” as either infringing or diluting. Because the public perceives “petstore” as a generic term, other uses of the term “petstore” would not be likely to confuse consumers, and would therefore not be infringing. Similarly, because the term “petstore” is already used by multiple sources, and thus does not have a unique source-identifying capacity that could be diluted or “blurred,” no action for dilution would lie. While the trademark PETSTORE.COM refers to a single source, and is readily perceived as indicating that source, the term “petstore” alone does not, and is therefore already diluted.

Owners of “generic domain name trademarks” should receive the benefits of federal trademark registration and the protections that accompany it; but their protection should be narrowly limited to only identical or very closely similar marks--not, of course, to all uses of the generic portion of the mark in its generic sense. The USPTO could clarify the scope of protection as it customarily does with generic or merely descriptive terms, by requiring the owner to disclaim rights in the generic term alone. For this purpose, the classic disclaimer language is perfectly clear: “No claim is made to the exclusive right to use the term ‘petstore’ apart from its use in the mark as shown.”

There are adverse consequences of the USPTO’s existing policy. Federal trademark law protects companies from unfair competition due to the likelihood of confusion or deception in the marketplace.⁵⁴ The USPTO’s policy contradicts this protection. Domain name registration ensures only that a combination of an SLD and a TLD will be unique. It does not protect against the use of a confusingly similar domain name. By not providing trademark protections to companies such as Vitamins.com because it would be generic under the policy, the law allows a competitor to adopt the confusingly similar name Vitamin.com. Without a change to the USPTO’s policy, Vitamins.com has no recourse against this unfair business *239 practice. Such a result is directly contradictory to the purported goals of federal trademark law.

V. The Need for an Alternative

It is obvious that the application of traditional trademark principles to the registration of domain names poses many difficulties. The drafters of the Lanham Act never envisioned the explosion of the Internet and the complicated analysis that would follow. Due to the non-traditional construction of domain names, and their inherent distinctiveness, there is a need to address the issue of using domain names as trademarks.

An alternative solution may be the formation of a new body of law governing Internet domain names. These laws may simply be an extension of the laws governing

⁵⁴ 15 U.S.C. § 1125(a).

domain name registration, or a new section could be added to the Lanham Act. The use of a domain name as a company name or service mark deserves some protection. If the bending of traditional principles cannot afford these protections, new laws that address these issues should be enacted to protect trademark laws from distortion.

The creation of new law allowing federal registration of domain names as trademarks that are capable of distinguishing one's goods and services from another's would have many advantages. If the domain name is registered as a trademark, the USPTO will protect the mark by refusing to register any other mark that the Trademark Examiner considers likely to cause consumer confusion.⁵⁵

Furthermore, a registered mark provides notice. The registered mark will be easily found in trademark searches, which will make it less likely that third parties will use a similar mark for similar goods or services. Finally, a registered trademark becomes incontestable after five years of continuous use, which provides prima facie evidence of the validity of the registered mark. It also confirms the registrant's ownership of the mark, protects against counterfeiting, and allows for treble damages in cases of deliberate infringement - all advantages to which the owner of a "generic domain name trademark" ought to be entitled, since such marks necessarily point to single sources.⁵⁶

Federal registration of distinguishing marks also benefits the marketplace without harm to competitors. If the mark is left unregistered, common law protection may be limited to those areas in which the mark had actually been in use or become known. This protection may not be sufficient to protect the marketplace - especially since trademark law so far provides no means of measuring the extent of common law rights in a mark that has been used on the global Internet. A later party may innocently adopt a trademark identical or similar to that of another because it lacked *240 knowledge of the first party's prior use. Registration may eliminate this situation by providing clear notice in the marketplace of the use of a trademark to distinguish that party's goods. It therefore minimizes the economic risk of choosing a domain name as a trademark, expending large sums of money to promote it, and the high costs of litigation to defend it.

Although the trademark protection afforded to domain names may be narrower than that of other marks, the advantages that registration provides are more valuable than no protection at all. These advantages should not be withheld from those companies whose domain names, albeit generic, do in fact function as trademarks in the marketplace.

⁵⁵ *Id.*

⁵⁶ 15 U.S.C. §§ 1051 et seq.

VI. Conclusion

The law should, as it purports to, afford trademark protection to trademarks that are capable of distinguishing their owners' goods and services from those of others. Therefore, the law should entitle owners of trademarks that consist of domain names federal trademark protection even if part of the domain name consists of generic terms. Domain names cannot be generic; they serve as source indicators because the public understands that the TLD and SLD indicate the source and the origin of the goods or services. Since domain names give an indication of origin to consumers, they lessen the likelihood of confusion, mistake or deception, and promote the basic premise of trademark law.

The USPTO's analysis of trademarks should be governed by precedent set by case law.⁵⁷ Presently, the USPTO performs a trademark analysis only on the SLD.⁵⁸ Therefore, if the SLD is a generic term, the USPTO refuses registration on the basis that a generic term is not registrable.⁵⁹ This analysis is flawed because case law mandates that trademarks be looked at as a whole, and not in parts.⁶⁰ Furthermore, case law requires that a trademark analysis be performed on the mark that consumers view in the marketplace. In the marketplace, consumers look at domain names as a whole. Since consumers recognize domain names as source indicators, under traditional trademark principles, domain names should always be entitled to ***241** trademark protection. It is illogical to conclude that a recognizable domain name that is distinctive should not be considered for trademark registration.

Further, when looked at as a whole, domain names cannot be generic under the traditional trademark principals even if the SLD is a generic term. Because domain names can be inherently distinctive and capable of serving as source identifiers, domain names are entitled to federal registration.

⁵⁷ See *California Cooler*, 774 F.2d 1451; *Union Carbide Corp. v. Ever-Ready Inc.*, 531 F.2d 366, 379 (7th Cir. 1976), *cert denied*, 429 U.S. 830 (1976) (holding that words which could not individually become a trademark may become a trademark when taken together); *Estate of P.D. Beckwith, Inc. v. Commissioner of Patents*, 252 U.S. 538, 545-46 (1920) (stating that "[t]he commercial impression of a trademark is derived from it as a whole, not from its elements separated and considered in detail."); *H. Marvin Ginn*, 782 F.2d 987.

⁵⁸ See *supra*, note 1.

⁵⁹ *Id.*

⁶⁰ See *supra* cases and text accompanying note 57.

Although domain names consisting of generic terms should be entitled to federal registration, some federal protections will be lessened. It would be against public policy to allow a trademark owner to assert dilution claims against every domain name registrant whose domain name comprised part of a trademark that consisted of a generic SLD. If, however, the claim were for tarnishment because inferior goods or services were associated with the trademark, protection should still be available.

When Congress adopted the Lanham Act, it certainly did not envision the issues accompanying the Internet and domain names. Domain names are distinctive; when used in commerce as trademarks, they deserve some protection. New laws are necessary to address these new issues so that traditional trademark principles are not distorted and the spirit of the laws is not minimized.