Comments

Domain Names Triggering Internet Pop-Up Advertisements: A “Use in Commerce” Under the Lanham Act

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"The Internet, virtually unheard of just over a decade ago, is today a vital daily part of most American's [sic] lives."1 The number of internet users has grown from sixteen million to nine-hundred million over the last decade.2 With this surge of internet usage, internet advertisers have spent billions of dollars to reel in those users, especially since customers use the Internet to comparison-shop and to read product reviews before making their purchases.3 With its many forms of marketing and advertising,4 the Internet has "excited . . . mainstream marketers in ways that traditional advertising has not seen the likes of since the early days of color television."5

Internet advertising, however, is prone to very specific problems for both consumers and trademark owners. Consumers have cried out to Congress to pass policies restricting these advertisers’ use of intru-

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4. For example, permission e-mail, keyword-targeted search engine advertising, streaming audio and video. Bruner, supra note 1, at 2.

5. Id.
sive internet marketing practices, such as e-mail spam and spyware. With the Internet's introduction of new technologies, such as domain names, metatags, pop-up advertisements, keywords, and sponsored links, trademark owners faced new battles over potential trademark infringements.

The most recent of these battles was whether pop-up ads infringed these trademark owners' trademarks. "Almost everyone who has surfed the Internet on his or her computer has encountered advertisements that pop-up from time to time. While the average internet user may find the advertisements annoying, the question before the [courts] is whether they violate trademark ... law." Trademarks are source identifiers. That is, trademarks identify goods and services and therefore help consumers find the good or service they are looking for. If two products bear a similar mark on their respective labels, the consumer is likely to be confused. As a result, this confused customer might buy the wrong product. Two injuries result. The customer buys a good or service that he or she does not want, diverting sales away from the intended producer, and the goodwill of the desired supplier is damaged because the customer associates the similarly marked product, which may be of poorer quality, with the desired supplier.

Like all other advertisers, internet advertisers are subject to liability for trademark infringement under the Lanham Act. The purpose of the Lanham Act is "to secure to the owner of the mark the goodwill of his business and to protect the ability of consumers to distinguish among competing producers." Under the Lanham Act, to prevail on a valid trademark infringement claim, a plaintiff must prove: (1) it possessed a mark, (2) the defendant used the mark in commerce, and (3) a likelihood of confu-

6. Id. at 18.
8. Wells Fargo, 293 F. Supp. 2d at 736.
10. Id. § 3:1.
12. See id. § 25:68.
Absence any one of these elements, the plaintiff does not have a valid trademark infringement claim. This Comment will focus on the second prong and show that pop-up ads constitute a “use in commerce” under the Lanham Act.

In a string of recent decisions, courts have held that the mechanism that triggers pop-up ads on the Internet does not amount to use of another’s trademark in commerce under the second prong of the Lanham Act and therefore is not an actionable trademark infringement. Although the conclusion may have been the same, courts have differed in the way they reached that conclusion. One federal district court found that WhenU.com, Inc.’s (“WhenU”) Uniform Resource Locators (“URLs”), which trigger pop-up ads, served as a “pure machine-linking function” rather than an identifier of the source of goods or services as required by the Lanham Act. A circuit court held that WhenU’s domain names did not constitute a “use in commerce” because WhenU used the domain name as a website address, i.e., a public key to access a website, and not as the source of the products and services the website advertised.

However, a closer examination of these decisions reveals weaknesses in the courts’ analysis that raise a doubt as to whether these decisions are correct. The courts overlooked how the underlying mechanism triggering pop-up ads, the URLs, constitute a “use in commerce” by identifying goods and services that the user might be interested in. Contrary to these recent decisions, this Comment proposes that URLs used to trigger pop-up ads constitute a “use in com-

19. 1-800 Contacts, 414 F.3d at 402.
20. A URL “is the location for a specific web page, such that if the URL were entered into a [web] browser, the webpage would appear.” 1-800 Contacts, Inc v. WhenU.com, Inc., 309 F. Supp. 2d 467, 475 (S.D.N.Y 2003), rev’d, 414 F.3d 400 (2d Cir. 2005). See discussion infra Part I.A.
merce” because they are used more than as a “pure machine-linking function”\textsuperscript{21} and are more than public keys to access websites.\textsuperscript{22}

As a result of these internet pop-up ad cases, the courts have now created a narrow definition of “use in commerce” as applied to internet advertising. This definition could have a detrimental impact on the rights of trademark holders to protect their trademarks from infringement. The implication of these holdings is that internet advertising developers can now design technology to avoid the narrow definition of “use in commerce” and thereby avoid liability for trademark infringement.

Part I of this Comment provides some background on URLs that trigger pop-up ads, introduces the internet marketing company, WhenU, presents the elements for trademark infringement under the Lanham Act, and analyzes the courts’ treatment of “use in commerce” in other internet advertising technologies. Part II analyzes the line of WhenU decisions that held that WhenU’s URLs used to trigger pop-up ads do not constitute an actionable “use in commerce.” Part III discusses the reasons why these courts failed to recognize that WhenU’s URLs amounted to “use in commerce” and explains that this misinterpretation created a loophole that provides a safe harbor to potential trademark infringers. Finally, this Comment concludes that if courts had a better understanding of the underlying technology of URLs that trigger pop-up ads, they would see that this technology still satisfies the traditional “use in commerce” prong of the Lanham Act.

I. Background

A. Domain Names and URLs

Websites consist of at least one, and often many, interconnected, web pages.\textsuperscript{23} Each website has a corresponding domain name, which identifies the source or sponsor of that website\textsuperscript{24} (for example, “www.bankofamerica.com”). “Because of the importance of a domain name in identifying the source [or sponsor] of a website, many courts have held that the use of another’s trademark within the domain

\begin{itemize}
  \item \textsuperscript{21} See discussion \textit{infra} Part III.A.
  \item \textsuperscript{22} See discussion \textit{infra} Part III.C.
  \item \textsuperscript{23} Interactive Prods. Corp. v. A2Z Mobile Office Solutions, Inc., 326 F.3d 687, 690–91 (6th Cir. 2003).
  \item \textsuperscript{24} \textit{Id.} at 691. See also \textit{Paccar, Inc. v. Telescan Technologies, LLC}, 319 F.3d 243, 250 (6th Cir. 2003) (stating that “words in many domain names can and do communicate information as to the source or sponsor of the web site”).
\end{itemize}
name . . . can constitute a trademark violation." For example, when Richard Bucci registered the domain name "www.plannedparenthood.com," the court granted Planned Parenthood's preliminary injunction against Bucci since he was infringing on Planned Parenthood's trademarked name by using it as his domain name.

Domain names and URLs are two closely related, yet distinct, concepts. A URL "is the location for a specific webpage, such that if [a] URL were entered into a [web] browser, the webpage would appear." A URL may consist of both a domain name and a post-domain path. For example, the URL, "www.bankofamerica.com/index.cfm?page=smbiz" contains both a domain name and post-domain path that would take the user to Bank of America's small business webpage within its website. "A post-domain path (like, '/index.cfm?page=smbiz') merely shows how a website's data is organized within the host computer's files." In addition, a URL can consist of just a domain name when it refers to the "front" or "homepage." For example, "www.bankofamerica.com" is both a URL for the website's homepage and is also the domain name of Bank of America's website.

In the WhenU cases discussed below, both the parties and the courts refer to both URLs and domain names as URLs. This loose use of language is significant, however, because WhenU's technology does not utilize URLs that contain both the domain name and post-domain path. Rather, WhenU's technology uses the domain name exclu-

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25.  *Interactive Prods.*, 326 F.3d at 691. See, e.g.,  *Paccar*, 319 F.3d at 247–49, 255 (holding that defendant's use of domain names such as "peterbilttrucks.com" and "kenworthnewtrucks.com" violated plaintiff's trademark rights in the marks "Peterbilt" and "Kenworth");  *Brookfield Commc'ns, Inc. v. West Coast Entm't Corp.*, 174 F.3d 1036, 1061 (9th Cir. 1999) (holding that the defendant's use of the domain name "moviebuff.com" violated plaintiff's trademark rights in the mark "MovieBuff" under the Lanham Act).


28.  *Interactive Prods.*, 326 F.3d at 691.

29.  Id.

This distinction is critical in determining how WhenU uses a trademark.

B. The WhenU Company

WhenU is an internet marketing company that offers proprietary software to provide internet pop-up ads to computer users. It sells internet advertising to hundreds of advertisers, such as Bank of America, Citibank, Verizon, JP Morgan, Chase, Panasonic, Cingular Wireless, Merck, and ING Bank. WhenU sells advertising to these advertisers on the basis of sales categories, which are grouped into certain products and services and guarantees that pop-up ads for these advertisers will be shown to users "who appear interested in a particular product or service sales category."

The three critical components of WhenU’s technology relevant to this Comment’s discussion are: (1) WhenU’s proprietary software “SaveNow”; (2) the domain names in WhenU’s Directory; and (3) WhenU’s pop-up ads.

WhenU’s SaveNow software must be installed on a computer to allow WhenU to deliver pop-up ads at the moment the computer user demonstrates an interest in a particular category of products or services. Users either intentionally download the SaveNow software on their computers, or they unknowingly download it as part of bundled software. The primary function of the SaveNow software is to monitor a computer user’s internet browsing activity such as monitoring what domain names the user types into a browser and what search...
terms the user enters into a search engine. This SaveNow software enables WhenU to identify what products and services the user is interested in. Then WhenU references the product or service against its Directory of domain names and corresponding pop-up ads.

WhenU’s Directory is saved on a user’s computer at the same time the user installs the SaveNow software. The Directory contains approximately 32,000 domain names and 29,000 search terms. It is precisely the inclusion of these domain names in WhenU’s Directory that has caused the holders of these trademarks to bring suit against WhenU for “use in commerce” of their mark.

WhenU optimizes and updates its Directory daily. The Directory categorizes the domain names and search terms into various product and service categories (such as “Air Travel”) “in much the same way as a local Yellow Pages indexes businesses into categories.” When a user enters a domain name or search term into a search engine for a product or service that falls within a category in the Directory, WhenU’s SaveNow software identifies the advertisers grouped under that same category and prompts a pop-up ad from that category to appear on the user’s screen.

At the time of the WhenU decisions, WhenU had “delivered online marketing for more than four hundred advertisers.” WhenU receives creative pop-up ads from the advertisers and places the pop-up ads on a WhenU server. WhenU then “maps” the pop-up ads by assigning the ads to various categories in the Directory that will trigger the appearance of the ads. This data is automatically recorded into the Directory before a user downloads and installs the SaveNow software onto his or her computer.

41. Id.
42. See discussion infra Part II.
43. See discussion infra Part II.
44. Wells Fargo, 293 F. Supp. 2d at 743.
46. Wells Fargo, 293 F. Supp. 2d at 738.
47. Id. at 743. “With a computer that is connected to the Internet, a computer user can access computer code and information that is stored on the Internet in repositories called ‘servers.’” 1-800 Contacts, 309 F. Supp. 2d at 474.
49. Id.
“Once installed, the SaveNow software requires no action by the [computer user] to activate its operations . . . .” As a user browses the Internet, SaveNow monitors the user’s browsing activity and compares it against the categories in the Directory. When SaveNow detects that the user has entered a domain name or search term included in a category in the Directory, it prompts a pop-up ad from the same category to appear on the user’s screen.

For example, when a user types the domain name “www.unitedairlines.com” into a web browser, or the words “United Airlines” into a search engine, WhenU’s SaveNow software detects this activity and correlates the domain name and words to its Directory. SaveNow then recognizes that the domain name “www.unitedairlines.com” and the search term “United Airlines” are associated with the category “Air Travel” in the Directory. SaveNow then determines that the “Air Travel” category is associated with pop-up ads from one of United Airlines’ competitors, such as American Airlines. Based on priority rules, SaveNow then retrieves the American Airlines pop-up ad from WhenU’s server over the Internet and displays that pop-up ad in a new window on the computer user’s screen. The user thus sees multiple computer windows: either the window with the search results page from searching the terms “United Airlines” or the United Airlines homepage and a second window—a pop-up ad for American Airlines.

C. Trademark Infringement and the “Use in Commerce” Prong of the Lanham Act

1. Trademark Infringement Requirements

According to Judge Posner, “[t]he fundamental purpose of a trademark is to reduce consumer search costs by providing a concise and unequivocal identifier of the particular source of particular goods.” A trademark is a symbol that allows a purchaser to easily and quickly identify goods or services that have been satisfactory in the past and reject goods or services that have been unsatisfactory.
trademark infringement can occur when two companies display similar trademarks. The similar trademarks cause a customer to be confused because the infringer's goods have been “passed off” as the goods of another.  

A plaintiff alleging a cause of action for trademark infringement must show (1) it possessed a mark, (2) the defendant used the mark in commerce, and (3) a likelihood of confusion existed. The plaintiff has the burden to prove all three elements in order to be successful in his or her claim. Since the WhenU cases all dealt with the second prong, “use in commerce,” this prong will be the focus of this Comment.

2. The “Use in Commerce” Requirement

By statute, a mark is used in commerce in connection with goods when the mark is “placed in any manner on the goods or their containers or the displays associated therewith or on the tags or labels affixed thereto, or . . . on documents associated with the goods or their sale . . . .” Likewise, a mark is used in commerce in connection with services “when [the mark] is used or displayed in the sale or advertising of services and the services are rendered in commerce . . . .”

The term “use” serves as a threshold requirement in evaluating this prong of the test. While any number of activities may be “in commerce,” no such activity is actionable under the Lanham Act absent the “use” of a trademark.

Some commentators have criticized courts for misinterpreting the “use in commerce” requirement by not reading into the requirement a “trademark use” component. The commentators explain

59. Id. § 3:6.
63. Id.
64. 15 U.S.C. § 1114 (2000); see People for the Ethical Treatment of Animals v. Doughney, 263 F.3d 359, 364 (4th Cir. 2001). In 1-800 Contacts, plaintiff 1-800 Contacts argued that WhenU’s conduct was “use” because it was likely to confuse Internet users as to the source of the pop-up ad. 1-800 Contacts, Inc. v. WhenU.com, Inc., 509 F. Supp. 2d 467, 479 (S.D.N.Y 2003), rev’d, 414 F.3d 400 (2d Cir. 2005). The Second Circuit stated that “this rationale puts the cart before the horse.” 1-800 Contacts, 414 F.3d at 412.
that "the use of a trademark as a keyword may well be a use in inter-
state commerce sufficient to invoke the jurisdiction of the federal
courts, [but] satisfying this minimal requirement is not the same as
proving that the defendants have made trademark use of the plaintiff's
brand."

Thus, an analysis of trademark use is warranted. Regardless
of whether courts have understood the distinction between "use in
commerce" and "trademark use," the courts have consistently reached
the wrong conclusion that domain names used to trigger pop-up ads
do not satisfy the second element of the Lanham Act.

Once the use element is met, the court can proceed to perhaps
the most decisive element, whether a likelihood of confusion exists.\textsuperscript{67}
Indeed, some courts have noted that the "core element of trademark
infringement" is the last element, the likelihood of confusion.\textsuperscript{68}

\textbf{D. “Use in Commerce” on the Internet}

The question of “use in commerce” in internet advertising is not
a new issue before the courts.\textsuperscript{69} In the last decade, courts have re-
viewed cases involving domain names and some courts have found
them all to constitute a “use in commerce.”\textsuperscript{70} It is instructive to ex-
amine how these courts analyzed the “use” prong to better understand

\textsuperscript{66} Id. (emphasis added).

\textsuperscript{67} In \textit{1-800 Contacts}, the Second Circuit agreed with defendant WhenU that it did
not "use" 1-800 Contacts' trademarks, and thus, the court did not need to address the issue
of likelihood of confusion. \textit{1-800 Contacts}, 414 F.3d at 406. \textit{See also} Lockheed Martin Corp.
likelihood of confusion . . . the Court must determine whether [a defendant] . . . has used
[a plaintiff's trademark] in connection with the sale, distribution or advertising of goods or
services."). Dogan \& Lemley, \textit{supra} note 65, at 805 ("The trademark use requirement serves
a gatekeeper function, limiting the reach of trademark law without regard to a factual
inquiry into consumer confusion.").

\textsuperscript{68} Playboy Enters., Inc. v. Netscape Commc'ns Corp., 354 F.3d 1020, 1024 (9th Cir.
2004).

\textsuperscript{69} \textit{See}, e.g., \textit{Playboy}, 354 F.3d at 1024 (finding no dispute existed regarding the other
requirements set forth by the statute, more specifically, that Playboy clearly held the
"marks in question and defendants used the marks in commerce without [Playboy's] per-
mission"); Brookfield Commc'ns, Inc. v. West Coast Entm't Corp., 174 F.3d 1036, 1062
(9th Cir. 1999) ("West Coast's use of 'moviebuff.com' in metatags will still result in what is
known as initial interest confusion.") (emphasis added); Hard Rock Cafe Int'l (USA) Inc.
v. Morton, 1999 U.S. Dist. LEXIS 8340, at *76 (S.D.N.Y. 1999) ("In light of this seamless
presentation of the Tunes web page within the Hard Rock Hotel web site, the only possible
conclusion is that the Hard Rock Hotel Mark is used or exploited to advertise and sell
CDs."); Planned Parenthood Fed'n of Am., Inc. v. Bucci, 42 U.S.P.Q. 2d 1430, 1441
(S.D.N.Y. 1997) (deciding the question of whether defendant's use of plaintiff's mark is
properly viewed in connection with the distribution or advertising of goods or services).

\textsuperscript{70} \textit{See} cases cited \textit{supra} note 69.
how WhenU’s Directory of domain names should similarly be considered a “use in commerce.”

1. Domain Names: A “Use in Commerce” When Used as a Trademark

Courts have held that the use of another’s trademark in a domain name to sell goods or services constitutes trademark infringement. In Planned Parenthood v. Bucci, the district court specifically addressed the “use in commerce” requirement. The issue was whether Defendant Bucci, the host of “Catholic Radio,” used Plaintiff Planned Parenthood’s mark, “Planned Parenthood,” in connection with the distribution or advertisement of goods or services by registering the domain name “www.plannedparenthood.com.” The court found that Bucci did use Planned Parenthood’s trademark in connection with the distribution or advertisement of goods and services because Bucci wanted to “plug” a book on the website and offered his own set of services on the website. In addition, Bucci’s use of the trademark was likely to prevent some internet users from reaching the Planned Parenthood website. Since Bucci used Planned Parenthood’s domain name to sell goods or services on his website, “www.plannedparenthood.com,” and likely hindered users from accessing Planned Parenthood’s website, he used the mark in commerce. Since the plaintiff was able to prove the other two elements of the Lanham Act, Bucci was held to have infringed on Planned Parenthood’s trademark.

2. Domain Names: Not a “Use in Commerce” When Used as a “Pure Machine-Linking Function”

In contrast, other courts have found that the use of another’s trademark in a domain name when used as a “pure machine-linking function” does not constitute a “use in commerce” in violation of the Lanham Act because it is not a trademark use. An example of a “pure machine-linking function” is when domain names are used to

72. Id. at 1432, 1435.
73. Id. at 1435.
74. Id.
75. Id. at 1441.
link Internet Protocol numbers ("IP numbers") to domain name servers.\textsuperscript{77}

Two cases illustrate how a trademark is used as a "pure machine-linking function" with no trademark use. \textit{Lockheed Martin Corp. v. Network Solutions, Inc.}\textsuperscript{78} illustrates how a domain name was used merely "to designate host computers on the Internet . . . ."\textsuperscript{79} \textit{Interactive Products Corporation v. A2Z Mobile Office Solutions, Inc.}\textsuperscript{80} illustrates how a trademark in a URL post-domain path merely showed "how the website's data [was] organized within the host computer's files."\textsuperscript{81}

In \textit{Lockheed}, Defendant Network Solutions, Inc. ("NSI") managed domain name registrations.\textsuperscript{82} Plaintiff Lockheed Martin Corporation ("Lockheed") owned the trademark SKUNKWORKS. Third parties, however, continually registered the domain name "skunkworks.com" with NSI.\textsuperscript{83} Lockheed filed a claim for trademark infringement against NSI alleging that NSI infringed its trademark by accepting the registrations.\textsuperscript{84}

Websites are addressed using the Internet "domain name system," a system that gives each individual computer a unique numerical address on the Internet ("IP number"),\textsuperscript{85} such as "209.87.112.93," the IP number for the United Airlines website. Thus, an internet user can enter "209.87.112.93" into a web browser's address bar and the United Airlines website would appear. Internet users, however, are not familiar with IP numbers of websites; thus, IP numbers are also linked to domain names for the user's convenience.\textsuperscript{86} The linking of domain names to IP numbers is made by specialized computers known as "domain name servers."\textsuperscript{87} These domain names servers connect domain names with websites.\textsuperscript{88} When an internet user wants to access the United Airlines' website, he or she is more likely to remember and type in the domain name "www.unitedairlines.com" rather than the IP number "209.87.112.93."

\textsuperscript{77} See \textit{id.} at 952–53, 957.
\textsuperscript{78} 985 F. Supp. 949 (C.D. Cal. 1997).
\textsuperscript{79} \textit{id.} at 957.
\textsuperscript{80} Interactive Prods. Corp. v. A2Z Mobile Office Solutions, Inc., 326 F.3d 687 (6th Cir. 2003).
\textsuperscript{81} \textit{id.} at 696–97.
\textsuperscript{82} \textit{Lockheed}, 985 F. Supp. at 951, 953.
\textsuperscript{83} \textit{id.} at 954.
\textsuperscript{84} \textit{id.} at 950.
\textsuperscript{85} \textit{id.} at 952.
\textsuperscript{86} See \textit{id.}
\textsuperscript{87} \textit{id.}
\textsuperscript{88} \textit{id.} at 953.
When an individual or company wishes to own a particular domain name, the individual or company applies to NSI for ownership of that domain name. NSI manages and administers the domain name registrations and maintains a directory that links domain names with the IP numbers. NSI ensures that the domain name is available and not already registered by screening the desired domain name against its registry of domain names. If the applicant’s domain name is available, NSI grants the application and links the domain name with the IP number of the domain name servers. In summary, NSI “merely uses domain names to designate host computers on the Internet.”

The court held that NSI merely used domain names in a pure machine-linking technical function “to designate host computers on the Internet, which] is the type of purely ‘nominative’ function that is not prohibited by trademark law.” By accepting domain name registrations, NSI was not using trademarks in connection with the sale, distribution, or advertising of goods and services. The Lockheed court opined that “registration of a domain name, without more, does not constitute use of the name as a trademark.”

In Interactive Products, Plaintiff Interactive Products Corporation (“IPC”) developed and sold a portable computer stand called the Lap Traveler. IPC also owned the “Lap Traveler” trademark. Defendant a2z Mobile Office Solutions, Inc. (“a2z”) sold mobile computer accessories through its internet website and was authorized to sell the Lap Traveler from 1996 to 1998 on its website at the URL, “a2zsolutions.com/desk/floor/laptraveler/dkfl-lt.htm.” Thereafter, a2z was not authorized to sell the Lap Traveler. A2z replaced the Lap Traveler on its website with a competing product, the Mobile Desk. The URL for this web page, however, remained “a2zsolutions.com/desk/
Plaintiff IPC challenged the presence of its trademark, “laptraveler,” in the URL post-domain path of the web page from which defendants were selling the Mobile Desk product.102

IPC’s claims arose primarily out of the fact that Defendant a2z maintained an internet web page that contained IPC’s trademark in its URL.103 The issue was whether a2z was using the challenged mark in a way that identified the source of their goods.104 The court held, “words in many domain names can and do communicate information as to the source or sponsor of the web site.”105 The post-domain path of a URL, however, did not typically signify the source of a product.106 The post-domain path merely showed how the website’s data was organized within the host computer’s files.107 A “website’s domain name signifies its source of origin,” but the post-domain path “serves a different function” and does not signify source of origin.108 The Sixth Circuit affirmed the summary judgment in favor of a2z because there was not any evidence that the post-domain path of a2z’s portable computer stand web page signified the source of the product.109 Therefore, whether a domain name serves a trademark use, i.e., identify the source of goods or services rather than serve as solely a “pure machine-linking function,” is critical in determining whether the domain name is “use in commerce” under the Lanham Act.

As demonstrated by the WhenU decisions, discussed below, an unclear understanding of how pop-up advertising technology operates has caused courts to continually reach incorrect holdings.

II. The WhenU Decisions

In the fall of 2003, several trademark owners, U-Haul International, Inc. (“U-Haul”), Wells Fargo & Co. (“Wells Fargo”), and 1-800 Contacts, Inc. (“1-800 Contacts”), sued WhenU for trademark in-
fringement. In these cases, each plaintiff made similar allegations against WhenU. Each trademark owner attacked two components of WhenU's advertising technology: (1) WhenU's pop-up ads and (2) WhenU's inclusion of plaintiffs' domain name in its Directory that triggers pop-up ads. They each claimed that these two components of WhenU's technology constituted a "use in commerce" of their trademarks in violation of the Lanham Act. Each court came to the same conclusion regarding the pop-up ads. Since this issue was correctly decided by each court, this Comment will focus solely on the courts' incorrect analysis of the second issue: whether the domain names that trigger pop-up ads constituted a "use in commerce."

All of the plaintiffs argued that the inclusion of their domain names in WhenU's Directory, triggering pop-up ads, amounted to a "use in commerce." In response to each trademark owners' allegations, the court held that Defendant WhenU was not using any of the plaintiffs' trademarks for purposes of the Lanham Act. One court held that the domain names in its directory were not used for a trademark purpose, but rather, they were used as a "pure machine-linking function." In each of the following cases, the court erroneously found that WhenU's domain names that triggered pop-up ads were not a "use in commerce," and therefore, opened up a dangerous loophole for future internet advertisers to infringe on another's trademark.

A. U-Haul v. WhenU


112. Each court reached the same conclusion that the pop-up ads themselves were not in commerce in violation of the Lanham Act. 1-800 Contacts, 414 F.3d at 409–11; Wells Fargo, 293 F. Supp. 2d at 761 ("[T]he fact that WhenU advertisements appear on a computer screen at the same time plaintiffs' webpages . . . does not constitute a use in commerce."); U-Haul, 279 F. Supp. 2d at 728 (holding that "the appearance of WhenU's ads on a user's computer screen at the same time as the U-Haul web page . . . [is not] 'use' pursuant to the Lanham Act") (emphasis added).
114. See, e.g., id.
court granted WhenU’s summary judgment motion.116 The court held that WhenU’s use of U-Haul’s domain name and the word “U-Haul” in its Directory was not a “use in commerce” under the Lanham Act because WhenU was using the trademarks as a “pure machine-linking function.”117 To reach this decision, the court relied on the rationale of Lockheed Martin Corp. v. Network Solutions, Inc. to find that WhenU did not use the U-Haul trademarks under the Lanham Act.118 In Lockheed, the court held that domain names do not act as trademarks when they are used to identify a business entity.119 A domain name must be used to identify the source of goods or services in order to constitute trademark infringement.120 Applying the rationale of Lockheed, the U-Haul court found that WhenU’s incorporation of U-Haul’s domain name and term “U-Haul” in its Directory was not a trademark violation because “WhenU merely use[d] the marks for the ‘pure machine-linking function’ and in no way advertise[d] or promote[d] U-Haul’s web address or any other U-Haul trademark.”121 The decision stands since U-Haul did not make an appeal.

B. Wells Fargo v. WhenU

Shortly after U-Haul, in November of 2003, the District Court for the Eastern District of Michigan similarly decided Wells Fargo & Co. v. WhenU.com, Inc.122 The court denied Wells Fargo’s preliminary injunction finding that the inclusion of Wells Fargo’s trademarks in WhenU’s Directory did not constitute a “use in commerce.”123 Wells Fargo argued that WhenU used its trademarks by using Wells Fargo’s domain name, “www.wellsfargo.com,” in their Directory to trigger the delivery of banking-related pop-up ads.124 Wells Fargo claimed that WhenU’s inclusion of their domain name that included the Wells Fargo trademark in its Directory was a “use in commerce.”125 The court, however, turned to the domain name case Bird v. Parsons126 for the principle that when a domain name is not used to iden-

116. Id. at 731.
120. Id.
123. Id. at 736-37.
124. See id. at 758.
125. Id. at 762.
126. Bird v. Parsons, 289 F.3d 865, 877-78 (6th Cir. 2002).
tify the source of goods and services, but rather to indicate an address on the Internet, it is not functioning as a trademark.\textsuperscript{127} The court reasoned that since WhenU did not use any of Wells Fargo’s trademarks to indicate anything about the source of the products and services it advertised, WhenU only used Wells Fargo’s domain name to identify the Wells Fargo website itself, just like one would have to use the word “Macy’s” to describe the Macy’s department store.\textsuperscript{128} Wells Fargo did not appeal the court’s decision.

C. 1-800 Contacts v. WhenU

In contrast to the \textit{U-Haul} and \textit{Wells Fargo} decisions, in December 2003, the United States District Court for the Southern District of New York in \textit{1-800 Contacts, Inc. v. WhenU.com, Inc.}\textsuperscript{129} found that WhenU’s inclusion of domain names in its Directory to trigger its pop-up ads did constitute a “use in commerce.”\textsuperscript{130}

The plaintiff, 1-800 Contacts, sells and markets replacement contact lenses through its website, “www.1800contacts.com.”\textsuperscript{131} At the time of the case, 1-800 Contacts had filed for registration of the trademark “1-800 CONTACTS.”\textsuperscript{132} The plaintiff brought suit against WhenU because, when an internet user entered 1-800 Contacts’s domain name into a browser, WhenU’s software triggered a pop-up ad of one of 1-800 Contacts’s competitors.\textsuperscript{133} The district court held that it was the use of 1-800 Contacts’s domain name, “www.1800contacts.com,” in WhenU’s Directory that constituted “use” within the meaning of the Lanham Act.\textsuperscript{134}

Citing domain name cases, \textit{Planned Parenthood} and \textit{OBH}, the court explained that WhenU used 1-800 Contacts’s trademark by including a version of the plaintiff’s “1-800 Contacts” trademark to advertise and publicize companies in direct competition with 1-800 Contacts.\textsuperscript{135} The district court rejected the \textit{U-Haul} and \textit{Wells Fargo} decisions\textsuperscript{136} and found that the differences between 1-800 Contacts’s precise trademark and the website address utilized by WhenU were

\textsuperscript{127} Wells Fargo, 293 F. Supp. 2d at 762.
\textsuperscript{128} Id.
\textsuperscript{129} 309 F. Supp. 2d 467 (S.D.N.Y. 2003), rev’d, 414 F.3d 400 (2d Cir. 2005).
\textsuperscript{130} Id. at 489.
\textsuperscript{131} Id. at 473.
\textsuperscript{132} Id.
\textsuperscript{133} See 1-800 Contacts, 309 F. Supp. 2d at 479.
\textsuperscript{134} Id. at 489.
\textsuperscript{135} Id.
\textsuperscript{136} Id. at 490 n.43.
insignificant because they were limited to the addition of the “www.” and “.com” and the omission of a hyphen and space.\textsuperscript{137} The district court reasoned that WhenU’s use of the domain name, “www.1800contacts.com,” in its Directory of terms, incorporated completely the plaintiff’s trademark “1-800 Contacts” and thus amounted to a “use in commerce.”\textsuperscript{138} In reaching this conclusion, the court relied on several domain name authorities.\textsuperscript{139}

Defendant WhenU appealed \textit{1-800 Contacts} to the Second Circuit. In June of 2005, the appellate court reversed the lower court’s decision holding that, as a matter of law, WhenU did not use 1-800 Contacts’s trademarks within the meaning of the Lanham Act.\textsuperscript{140} Similar to \textit{U-Haul}, the Second Circuit perceived WhenU’s use of the domain name in its Directory as a “pure machine-linking function.”\textsuperscript{141} The court viewed WhenU’s use of the domain name as a way to access 1-800 Contacts’s website.\textsuperscript{142} Thus, the Second Circuit’s decision established the third decision holding that WhenU’s domain names in its Directory do not constitute a “use in commerce” under the Lanham Act.\textsuperscript{143}

Adopting the rationale in \textit{Wells Fargo} and \textit{U-Haul}, the Second Circuit held that the domain name “www.1800contacts.com” was a public key to the website and not a protected trademark.\textsuperscript{144} Disagreeing with the lower court, the Second Circuit concluded the differences be-

\textsuperscript{137} See id. at 497.
\textsuperscript{138} Id.
\textsuperscript{139} Id. The court cited \textit{TCPIP Holding Co., Inc. v. Haar Commc’ns, Inc.}, 244 F.3d 88 (2d Cir. 2001), which held that the omission of spaces and addition of domain identifier “.com” or “.net” are of little or no significance. Id. at 101. The \textit{TCPIP} court noted that “[i]t is necessary in the registration of an internet address to eliminate spaces and possessive punctuation.” Id. The \textit{1-800} Contacts court also considered \textit{OBH, Inc. v. Spotlight Magazine, Inc.}, 86 F. Supp. 2d 176 (W.D.N.Y. 2000), which noted that “‘The Buffalo News’ and ‘thebuffalonews.com,’ are, for all intents and purposes, identical [since] the only distinctions are the latter’s lack of initial capitalization, the lack of spaces between the words, and the ‘.com’ that is necessary to designate a domain name.” Id. at 188. Further, the \textit{1-800 Contacts} court cited \textit{New York State Society of Certified Public Accountants v. Eric Louis Associates, Inc.}, 79 F. Supp. 2d 331 (S.D.N.Y. 1999), where “nyss CPA.com” was found to be nearly identical to “NYSSCPA.” Id. at 341. Lastly, the \textit{1-800} Contacts court cited \textit{Planned Parenthood Federation of America, Inc. v. Bucci}, 42 U.S.P.Q. 2d 1430 (S.D.N.Y. 1997), where “Planned Parenthood” and “plannedparenthood.com” were found to be nearly identical. Id. at 1437.
\textsuperscript{140} 1-800 Contacts, Inc. v. WhenU.com, Inc., 414 F.3d 400, 405 (2d Cir. 2005).
\textsuperscript{141} Id. at 409 (“WhenU is using 1-800’s website address precisely because it is a website address, rather than because it bears any resemblance to 1-800’s trademark . . . .”).
\textsuperscript{142} Id. at 408–09.
\textsuperscript{143} Id. at 403.
\textsuperscript{144} Id. at 408–09. The court’s description of the domain name as a public key refers to the user using the domain name to access the website like a key would allow access to a locked room.
tween the trademark and the domain name were significant and the addition of “www.” and “.com” transformed 1-800 Contacts’s domain name into a public key to its website.145

The Second Circuit found that WhenU incorporated 1-800 Contacts’s domain name in its Directory, not because it resembled 1-800 Contacts’s trademark, but for a purely technical function.146 Since the only place WhenU reproduced the address was in its Directory, which was inaccessible to the public,147 it was plain to the court that WhenU used 1-800 Contacts’s website address precisely because it was a website address and not because it bore any resemblance to the “1-800 Contacts” trademark.148 Plaintiff 1-800 Contacts appealed the Second Circuit’s decision to the United States Supreme Court. The Court, however, denied the petition for writ of certiorari.149

The U-Haul, Wells Fargo, and 1-800 Contacts appellate courts reasoned their respective decisions differently, but reached the same result—that WhenU’s inclusion of domain names in its Directory to trigger pop-up ads was not a “use in commerce.” Each of these decisions has weaknesses, however, indicating that they are incorrect. The U-Haul opinion, stating that WhenU’s use of domain names was a “pure machine-linking function,” and the Second Circuit’s 1-800 Contacts opinion, stating that WhenU’s use of domain names was a public key to a website, demonstrate that these courts did not fully comprehend WhenU’s underlying technology in triggering the pop-up ads. These courts erred in their analyses because they failed to consider the fact that WhenU mapped the domain names in connection with goods and services. A deeper look into the courts’ rationale reveals that each court reached the wrong conclusion and that WhenU’s inclusion of domain names in its Directory does amount to a trademark use and, thus, a “use in commerce” under the Lanham Act.

III. Domain Names that Trigger Pop-up Ads Are a Trademark Use and Thus a “Use in Commerce”

Contrary to these decisions, this Comment proposes that WhenU’s inclusion of domain names in its Directory to trigger pop-up ads constitutes a “use in commerce” because (1) the domain names were used in more than in a “pure machine-linking function” way and

145. See id.
146. See id. at 409.
147. Id.
148. Id.
(2) the domain names were used as more than public keys to access websites. Moreover, denying that WhenU’s inclusion of domain names in its Directory amounts to a “use in commerce” creates a loophole for future technologies.

A. WhenU Used Domain Names More than as a “Pure Machine-Linking Function”; They Were Used to Identify the Source of Goods or Services

Domain names do not act as trademarks when they are used merely to identify a business entity. To satisfy trademark infringement under the Lanham Act, domain names must be used to identify the source of goods or services.

In its analysis, the U-Haul court correctly questioned whether the function of a domain name in WhenU’s Directory was a “pure machine-linking function” (i.e., whether it designated a set of computers on the Internet) or whether its function was for a trademark purpose (i.e., whether it was used in connection with the sale, distribution, or advertising of goods and services). The U-Haul court, however, did not reach the correct result. A more thorough investigation into the court’s reasoning reveals that the court’s reliance on Lockheed is misplaced because the facts in Lockheed are distinguishable from those in U-Haul.

In Lockheed, Defendant NSI did nothing more than use domain names to designate host computers on the Internet. It performed two functions in the domain name system; (1) it screened domain name applications against its registry to prevent repeated registrations of the same domain name, and (2) it maintained a directory linking domain names with the IP numbers of domain name servers. NSI merely linked domain names to IP numbers, e.g., linking “www.united

151. Id. at 956.
152. The court in Lockheed said:

Web sites, like other information resources on the Internet, are currently addressed using the Internet “domain name system.” A numbering system called the “Internet Protocol” gives each individual computer or network a unique numerical address on the Internet. The “Internet Protocol number,” also known as an “IP number,” consists of four groups of digits separated by periods, such as “192.215.247.50.” For the convenience of users, individual resources on the Internet are also given names. Specialized computers known as “domain name servers” maintain tables linking domain names to IP numbers.

Id. at 952.
airlines.com" to “209.87.112.93.”\textsuperscript{153} NSI did not use the domain names to identify any source of goods or services; thus, NSI’s use of the domain names was not a trademark use. Most notably, NSI had a neutral role because NSI did not make an independent determination of an applicant’s right to use a domain name.\textsuperscript{154}

In contrast, WhenU did not have a neutral mechanical role. WhenU utilized U-Haul’s domain name in a trademark manner by actively mapping it to, and identifying it with, associated products and services.\textsuperscript{155} Certainly this use is “in connection with the sale, offering for sale, distribution, or advertising of any goods or services . . . .”\textsuperscript{156} WhenU included the domain names in its Directory because “domain names can and do communicate information as to the source or sponsor of the web site.”\textsuperscript{157} WhenU’s use of domain names is not a case where a defendant is using the domain names to link computers to one another.\textsuperscript{158} Nor does it merely show how the website’s data was organized within the host computer’s files.\textsuperscript{159} WhenU was, and continues to be, in the business of selling advertising to advertisers.\textsuperscript{160} WhenU themselves admitted that internet users type in domain names because they are interested in particular goods and services.\textsuperscript{161} In response to a user’s actions, the SaveNow program determined whether any of the domain names or search terms matched the information in WhenU’s Directory.\textsuperscript{162} When the SaveNow program found a match, it identified an associated product or service category before

\begin{itemize}
  \item \textsuperscript{153} See discussion supra Part I.D.2.
  \item \textsuperscript{154} See Lockheed, 985 F. Supp. at 953.
  \item \textsuperscript{155} See discussion supra Part I.B.
  \item \textsuperscript{156} 15 U.S.C. § 1114(1)(a) (2000).
  \item \textsuperscript{157} Paccar, Inc. v. Telescan Technologies, LLC, 319 F.3d 243, 250 (6th Cir. 2003).
  \item \textsuperscript{158} Lockheed, 985 F. Supp. at 953, 957.
  \item \textsuperscript{159} See discussion supra Part I.D.2.; Interactive Prods. Corp. v. A2Z Mobile Office Solutions, Inc., 326 F.3d 687, 696–97 (6th Cir. 2003).
  \item \textsuperscript{160} See discussion supra Part I.B.
  \item Web addresses and search terms are included in the WhenU Directory solely as an indicator of a consumer’s interest. . . . For example, the www.wellsfargo.com web address is included in the “finance.mortgage” category of the WhenU Directory in order to identify consumers who are potentially interested in mortgages. Thus, if a consumer were to enter into the address box in an open browser window or conduct a search using a search engine by typing in the words “Wells Fargo,” SaveNow would detect that activity and scan the proprietary directory for a match to a WhenU category such as “finance.mortgage.”
\end{itemize}
it delivered a pop-up ad.\textsuperscript{163} It is WhenU’s mapping of a domain name or search term to products and services that made, and continues to make, WhenU’s domain names in their Directory more than a “pure machine-linking” process. WhenU’s SaveNow software performed, as it does now, a process that actually reaches out and connects consumers with the advertising of goods and services. In this way, the courts should have held WhenU’s use of domain names, in actively seeking out and triggering pop-up ads, as a “use in commerce” in violation of the Lanham Act.\textsuperscript{164}

Even if WhenU tried to avoid meeting the “use in commerce” threshold by changing the domain name into a computer numeric IP address, its actions still would have constituted a trademark use and, thus, a “use in commerce.” The critical component of WhenU’s technology is the mapping of the domain names to products and services, no matter how many intermediate translations occur. It is the act of using a domain name and mapping it to products and services that makes WhenU’s domain names in their Directory more than a “pure machine-linking” process; it is a use “in connection with the sale, offering for sale, distribution or advertising of any goods or services.”\textsuperscript{165}

B. WhenU Used Domain Names More than to Identify Websites; They Were Used to Identify the Source of Goods or Services

The Wells Fargo court found that WhenU did not use Wells Fargo’s trademark because WhenU’s Directory only used the Wells Fargo domain name to identify the Wells Fargo’s website itself—just like one would have to use the word “Macy’s” to describe the Macy’s department store.\textsuperscript{166} Citing U-Haul, the Wells Fargo court explained that since WhenU did not use any of Wells Fargo’s trademarks to indicate anything about the source of the products and services it adver-

\textsuperscript{163} Id. at 726.

\textsuperscript{164} Once the use in commerce requirement is met, the trademark infringement issue turns on the question of whether a likelihood of confusion exists. 15 U.S.C. §§ 1114(1)(a), 1127 (2000). The sophistication of an internet user varies, thus, with multiple windows open, a consumer may be confused by clicking on a competitor’s pop-up ad thinking it is sponsored by the company he or she was originally seeking. Plaintiffs may establish that a likelihood of confusion exists, thus, holding WhenU liable for trademark infringement. See, e.g., 1-800 Contacts, Inc. v. WhenU.com, Inc. 309 F. Supp. 2d 467, 494–504 (S.D.N.Y. 2003) (finding a likelihood of both source confusion and initial interest confusion), rev’d, 414 F.3d 400 (2d Cir. 2005).


\textsuperscript{166} Wells Fargo, 293 F. Supp. 2d at 762.
tised, it did not unlawfully use Wells Fargo’s trademark under the Lanham Act. The court, however, erred in its holding.

The court’s department store analogy is incomplete. When a person uses the word “Macy’s” to express they are going to, or shopping at, a Macy’s store, it is simply a statement of that person’s interest in the Macy’s department store. WhenU, however, did more than use Wells Fargo’s domain names to identify that an internet user was accessing or searching for the Wells Fargo website. WhenU took the process a step further. WhenU used the knowledge that the user is interested in Wells Fargo to cross reference similar goods and services and trigger pop-up ads for those competing goods and services. If consumers are faced with ads of competitors, the trademark holder incurs the very injury that trademark law seeks to avoid. The Wells Fargo court recognized this extra step, yet failed to make the connection that this identification of products and services is, in fact, a “use in commerce” in connection with the advertising of goods and services.

C. WhenU’s Domain Names Are Not Merely a Public Key to Websites Because the Differences Between the Trademarks and Domain Names Are Insignificant

Although the 1-800 Contacts district court held that WhenU’s inclusion of 1-800 Contacts’s domain name in its Directory constituted a prohibited use of 1-800 Contacts’s trademark under the Lanham Act, the Second Circuit disagreed and found that WhenU’s use of the domain name was not a trademark use. The Second Circuit explained that the differences between 1-800 Contacts’s trademark and the domain name were “quite significant because they transform[ed] 1-800’s trademark . . . into a word combination that function[ed] more or less like a public key to 1-800’s website.” The court reasoned that since the only place WhenU reproduced 1-800 Contacts’s domain name was in its private Directory, it was plain to see that WhenU used the domain name precisely because it was a website address and not because it bore any resemblance to 1-800 Contacts’s trademark. The court analogized WhenU’s internal utilization of a

167. Id. at 762.
168. 1-800 Contacts, 309 F. Supp. 2d at 488–90.
169. 1-800 Contacts, 414 F.3d at 408 (noting that “WhenU does not ‘use’ 1-800’s trademark in the manner ordinarily at issue in an infringement claim”).
170. Id. at 408–09.
171. Id. at 409.
172. Id.
trademark to an individual’s private thoughts about a trademark and did not find such conduct in violation of the Lanham Act because the Lanham Act “is concerned with the use of trademarks in connection with the sale of goods or services in a manner likely to lead to consumer confusion as to the source of such goods or services.”\textsuperscript{173} The Second Circuit, however, failed to connect that WhenU’s use of domain names to map to particular product and services was in fact a use of trademarks “in connection with the sale . . . of goods or services.”\textsuperscript{174}

In contrast, the district court, in its \textit{1-800 Contacts} opinion, cited abundant case law supporting its finding that the differences between 1-800 Contacts’s trademark and the domain name were insignificant.\textsuperscript{175} WhenU completely incorporated 1-800 Contacts’s trademark “1-800 Contacts” into its Directory by including the domain name “www.1800contacts.com.”\textsuperscript{176} WhenU’s inclusion was not used solely as a public key identifying when an internet user wanted to access the 1-800 Contacts website. On the contrary, WhenU did more with the knowledge that a user typed in “www.1800contacts.com” into a browser.\textsuperscript{177}

WhenU used 1-800 Contacts’s domain name as a means to identify goods and services. WhenU mapped 1-800 Contacts’s domain name to products and services,\textsuperscript{178} a use most arguably “in connection with the sale, offering for sale, distribution, or advertising of any goods or services . . . .”\textsuperscript{179} The district court in \textit{1-800 Contacts} agreed. The \textit{1-800 Contacts} district court perceived that WhenU’s inclusion of 1-800 Contacts’s domain name was in connection with the sale of goods or services,\textsuperscript{180} noting that WhenU used the address “www.1800contacts.com” in the advertising of 1-800 Contacts’s competitor, Vision Direct, when an internet user typed the domain name into a browser.\textsuperscript{181}

The Second Circuit in \textit{1-800 Contacts} was too persuaded by the \textit{U-Haul} and \textit{Wells Fargo} decisions and overlooked the logic and strength in the district court’s analysis.

\textsuperscript{173} \textit{Id.}
\textsuperscript{175} \textit{See supra} text accompanying note 168.
\textsuperscript{176} 1-800 Contacts, Inc. v. WhenU.com, Inc., 309 F. Supp. 2d 467, 497 (S.D.N.Y 2003), rev’d, 414 F.3d 400 (2d Cir. 2005).
\textsuperscript{177} \textit{See} discussion \textit{supra} Part III.A.
\textsuperscript{180} \textit{See} 1-800 Contacts, 309 F. Supp. 2d at 467, 489.
\textsuperscript{181} \textit{See id.} at 497.
D. Denying that Domain Names Triggering Pop-up Ads Amount to a “Use in Commerce” Creates a Loophole for Future Technologies

Both the *U-Haul* district court and the Second Circuit in *1-800 Contacts* noted that WhenU did not sell specific domain names to its clients. The *U-Haul* court found it relevant that WhenU did not sell the U-Haul domain name to its customers and therefore did not place the U-Haul trademark in commerce.\(^1\)\(^8\)\(^2\) Thus, the *U-Haul* court approved WhenU’s business model in selling broad categories of goods and services finding it did not amount to a “use in commerce.”

In holding that WhenU’s inclusion of domain names in its Directory to trigger pop-up ads do not amount to a “use in commerce,” the *U-Haul* court inadvertently created a loophole and safe harbor for future technology designers.

For example, the *U-Haul* decision provides future internet advertising innovators, such as Google, Inc. (“Google”), with a recipe in how to adapt its business model in order to avoid liability for trademark infringement by bypassing the “use in commerce” threshold requirement. Under *U-Haul*, selling broad categories of terms does not meet the “use in commerce” threshold.

In Government Employees Insurance Co. (“Geico”) v. Google, Inc.,\(^1\)\(^8\)\(^3\) the court applied and further affirmed the *U-Haul* decision by finding that Google’s sponsored links did amount to a “use in commerce.”\(^1\)\(^8\)\(^4\) Citing *U-Haul*, the *Geico* court distinguished Google’s sponsored links from WhenU’s inclusion of domain names by pointing out that, unlike Google, WhenU did not market the protected marks themselves to which advertisers could directly purchase rights.\(^1\)\(^8\)\(^5\) Instead, WhenU allowed advertisers to bid on broad categories of terms that included the trademarks.\(^1\)\(^8\)\(^6\) Thus, the *Geico* court found Google liable since it did not sell broad categories of search terms. Nonetheless, Google could interpret the *Geico* decision as permission to change its business model, i.e., to sell broad categories of search terms and thus not use trademarks in commerce.

The Second Circuit in *1-800 Contacts* further strengthened the evolution of the *U-Haul* decision by applying *Geico* in its analysis. In *1-800 Contacts*, the Second Circuit distinguished *Geico* and found that

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184. *Id.* at 703–04.
185. *Id.* at 704.
186. *Id.*
WhenU’s inclusion of domain names in its Directory was not a “use in commerce” because WhenU did not sell trademarks to its customers or otherwise consciously determine which category-related advertisement would pop up in response to any particular term on the WhenU Directory. 187 In other words, the court found that WhenU’s use of domain names did not amount to a “use in commerce” because WhenU did not link trademarks to a specific competitor’s ads, and a customer could not pay to have its pop-up ad appear on any specific website or in connection with any particular trademark. 188 The 1-800 Contacts decision now places a circuit court’s stamp of approval on WhenU’s business model of selling broad categories of goods and services.

Unfortunately, with these holdings, courts are leading technology designers down a path of adopting the basic notions of WhenU’s business model. Courts are encouraging internet advertisers to sell broad categories of search terms in order to avoid trademark infringement. Courts, however, have turned the other cheek to WhenU’s underlying process of internally mapping specific domain names to goods and services.

V. Conclusion

Pop-up advertising decisions adversely affect trademark law by precluding trademark owners from protecting their marks. 189 There can be no liability for trademark infringement absent the use of a trademark. 190 Yet, with more knowledgeable courts, trademark owners may someday convince courts that domain names used to trigger pop-up ads meet the Lanham Act’s “use in commerce” threshold requirement because they are used more than as a “pure machine-linking function” or a public key to access a website. Once the “use in commerce” requirement is met, courts can proceed to analyze whether a likelihood of confusion exists. 191 With multiple windows open, a consumer may be confused by clicking on a competitor’s pop-up ad thinking it is sponsored by the company he or she was originally seeking.

188. Id. at 412 (emphasis added).
190. Wells Fargo, 293 F. Supp. 2d at 757.
Plaintiffs may establish that a likelihood of confusion exists, thus, holding WhenU liable for trademark infringement.\textsuperscript{192} WhenU’s pop-up ad cases demonstrate that those courts lacked the technical knowledge to fully comprehend WhenU’s use of domain names in its Directory. The courts compared the domain names in WhenU’s Directory to non-trademark uses in a vacuum, failing to connect how the operation of domain names to trigger WhenU’s pop-up ads was in fact “in connection with the sale, offering for sale, distribution or advertising of any goods or services.”\textsuperscript{193} Courts knew that WhenU mapped domain names to products and services, but nonetheless held that WhenU’s use of domain names was not a “use in commerce.” The implication of the courts’ oversights is that potential trademark infringers can escape liability by designing their internet advertising schemes to work around the established law. As a result, courts inadvertently created a loophole in the law to safely harbor potential trademark infringers.

In the past, however, courts have been more open-minded in breaking new ground. In August 2001, the court in \textit{People for Ethical Treatment of Animals (PETA) v. Doughney} did not adopt a narrow approach in defining “use in commerce.”\textsuperscript{194} On the contrary, the Fourth Circuit departed from the traditional definition of “use”\textsuperscript{195} by holding that the registration of the domain name “www.peta.org” on behalf of “People Eating Tasty Animals” as a parody of PETA did in fact constitute “use in commerce.”\textsuperscript{196} In \textit{PETA}, the court did not apply a literal reading of the Lanham Act and, instead, citing \textit{Planned Parenthood}, broadened the definition of “use in commerce” in concluding that the defendant need not have actually have to sell or advertise goods or services on his “www.peta.org” website to use PETA’s mark in commerce.\textsuperscript{197} The Fourth Circuit defined a new threshold of “use in commerce” in \textit{PETA}
as the prevention of users from obtaining or using PETA's goods or services.

In summary, courts should equip themselves with a greater technical knowledge of internet advertising technologies to better understand how domain names are used to trigger pop-up ads. Courts could have realized that the domain names themselves in the WhenU Directory constitute trademark use and, thus, "use in commerce" under the Lanham Act because the domain names in the WhenU Directory identify sources of goods or services that, in turn, trigger delivery of pop-up ads. In dealing with the fast-paced developments in internet technologies, courts should be better educated in order to be flexible in its approach. This treatment is important to allow the law to adapt to and keep pace with innovations and technical advancements in internet advertising. Today, courts should expand, as PETA did, their definition of "use in commerce." Similarly, they must broaden their approach to explore whether domain names that trigger pop-up ads can nevertheless serve a trademark purpose and, thus, constitute a trademark violation.