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ORDERLY EXPANSION OF THE INTERNATIONAL TOP-LEVEL DOMAINS: CONCURRENT TRADEMARK USERS NEED A WAY OUT OF THE INTERNET TRADEMARK QUAGMIRE

I. INTRODUCTION

"If you want to attach your network to the Internet, but you don't like NSI's policies, for whatever reason, you quickly learn that NSI is the only game in town." Any organization that wants a domain name in an international top-level domain ("iTLD") has to register with the InterNIC domain name registry which is administered by Network Serv-

1. The United States District Court for the Eastern District of Pennsylvania has given us the first judicial definition of the Internet:

   The Internet is not a physical or tangible entity, but rather a giant network which interconnects innumerable smaller groups of linked computer networks. It is thus a network of networks. This is best understood if one considers what a linked group of computers—referred to here as a "network"—is, and what it does. . . . Some networks are "closed" networks, not linked to other computers or networks. Many networks, however are connected to other networks, which are in turn connected to other networks in a manner which permits each computer in any network to communicate with computers on any other network in the system. This global Web of linked networks and computers is referred to as the Internet.

   ACLU v. Reno, 929 F. Supp. 824, 830-31 (E.D. Pa. 1996). See generally John S. Quarterman and Smoot Carl-Mitchell, What is the Internet, Anyway? (last modified Aug. 1994) <http://www.mids.org/what.html> [hereinafter Quarterman & Carl-Mitchell]. The authors distinguish between three areas of the Internet: the core Internet, those computers that are capable of providing information; the consumer Internet, those computers that are incapable of providing information because they are behind a firewall; and the Matrix, those computers that can exchange electronic mail. Id.

2. See infra part II.A.2 (discussing Network Services, Inc.).


This situation has caused many of the trademark disputes on the Internet.

Commerce on the Internet depends upon the ease with which consumers can find commercial interests. The way that consumers find commercial interests on the Internet is through the use of domain names, also known as "cybermarks." Unfortunately, many commercial organizations are unable to use their trademark for a domain name because someone else has registered their mark. This can cause much confusion.

There are cases of "domain name grabbing," where someone other
than an organization has registered that organization's trademark as a domain name to be held for a ransom. There are also cases of "not quite domain name grabbing," where someone registers an organization's trademark as a domain name for their own use. Organizations who have put the time and effort into creating a mark and earning public good will should have that mark protected from theft. These trademark owners can use the theory of likelihood of confusion or the new Federal Trademark Dilution Act of 1995 to protect their mark.

Organizations who are concurrent users of a mark, should both be able to register the "logical choice" for their domain name. However, under the current registration scheme, they cannot. Neither organization has a better legal claim to the cybermark than the other. No public policy exists that favors one organization over the other. The only current solution available is for one organization to settle for a less

involve domain name grabbing and providing references for more information). But cf. James W. Morando & Christian H. Nadan, Can Trademark Law Regulate the Race to Claim Internet Domain Names, 13 No. 2 COMPUTER LAW. 10, 11-12 (1996) (offering a different labeling system). "The Domain Name Pirate" is one who registers a company's trademark to either sell it to the company or prevent the company from using it. Id. "The Good Faith Other User" is one who registers a company's trademark because it happens to be the other user's logical domain name. Id.

11. Similar, but not the same as domain name grabbing, is a scenario where "someone register[s] a domain name knowing it is someone else's trademark, company name or slogan. However, unlike a domain name grabber, the registering party does not intend to hold the name for hostage, but intends to use the domain name." Agmor et al., Introduction, supra note 10. See also Jonathan Agmor et al., Not Quite Domain Name Grabbing (visited Nov. 16, 1996) <http://www.ll.georgetown.edu/lc/internic/recent/rec3.html> (summarizing cases that do not quite fit in the domain name grabbing category and providing references for more information).

12. See infra notes 139-62 and accompanying text (discussing the problems of domain name grabbing and situations similar to domain name grabbing).

13. See discussion infra part II.B.2.a, for a discussion on trademark infringement based on a likelihood of confusion defense.

14. See discussion infra part II.B.2.b, for a discussion on trademark infringement based on a dilution defense.

15. "Concurrent users" are two organizations who use the same mark. 15 U.S.C. § 1052 (1994). They are not likely to cause confusion in consumers as to the source of the goods or service because they are in different areas of trade or they trade in geographically distinct areas. Id. The users do not infringe each others mark by dilution because neither mark is famous. 15 U.S.C.A. § 1125(c) (West 1996).

16. Innocent registration of a logical choice occurs when there are "registrations and uses of domain names which are logical and accurate choices for the companies, organizations or services. However, coincidentally, the domain name is also someone else's trademark . . . ." Agmor et al., Introduction, supra note 10. See also Jonathan Agmor et al., Logical Choices? Part I—Someone Else's Trademark (last modified May 13, 1996) <http://www.ll.georgetown.edu/lc/internic/recent/rec4.html> (summarizing cases that involve innocent registrations and providing references for more information).
favorable domain name.17 This creates trademark disputes.

To remedy the problem of "innocent registrations"18 causing trademark disputes over cybermarks, more iTLDs should be created by a governmental body such as the Federal Communications Corporation ("F.C.C.") which can decide where new applicants can register their domain name.19 This solution would allow two organizations with the same logical choice for a domain name, to both use that domain name under a different iTLD.

Part II of this Comment explores the roots of the present trademark problems in the technical and administrative details of the Internet. In addition, trademark law that is applicable to Internet conflicts is discussed. Part III analyzes the trademark conflicts that occur and examines the solutions that have been proposed and why they are flawed. Part III proposes that more iTLDs should be created under the watchful eye of the ("FCC").

II. BACKGROUND

A. THE INTERNET

If an organization or individual wants to have a presence on the Internet, they must set up a site. A site is a network of computers which provides access to the Internet.20 The user must get all the required hardware,21 purchase a "feed" from an Internet Service Provider,22 and register the chosen domain name with NSI.23

17. See infra notes 166-75 and accompanying text (discussing the problem of innocent registrations of logical domain names and illustrating the current lack of an effective solution).

18. Agmor et al., Introduction, supra note 10 (defining "innocent registrations").

19. See infra part III (analyzing proposals to expand the number of iTLDs).

20. See MTV Networks v. Curry, 867 F. Supp 202, 203 (S.D.N.Y. 1994) (defining a site as a "host computer providing Internet services"); Howe, On-Line Dictionary, supra note 4 (defining host as a "computer connected to a network").


22. Many different ways exist in which one can connect to the Internet, including the use of a leased line, a dial up connection, or a dial-on-demand setup. See David H. Dennis, Hooking Up to the Internet (last modified Aug. 18, 1996) <http://www.amazing.com/internet/faq-7.0.html> (evaluating types of Internet connections that a potential Internet service provider should consider). See generally Dennis, Inet-Access, supra note 21; Quarterman & Carl- Mitchell, supra note 1.

23. See infra part III.B (discussing NSI’s domain name registration policy).
1. *Technical Details and History of the Internet*

The domain name system ("DNS") is one method of hiding the Internet's complexities. The Internet moves information to its destination by using the Internet Protocol ("IP") number, which is a string of *numbers* separated by periods. The domain name system allows users to access a site by using a string of *words* separated by periods. Thus, users do not have to remember a long string of numbers, but rather need only to remember a single word or phrase. The DNS automatically converts a domain name to an IP number.

When a user types in a domain name of the requested host computer, the program first asks the local DNS server for the IP number of the requested host. The local DNS server resides at the user's Internet service provider. If the local DNS server does not have the requested information, the local DNS server contacts a "root server." The root server has the IP address of the computer responsible for the requested information.

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25. The Internet Assigned Numbers Authority (IANA) assigns IP numbers. *See* Jon Postel, *Domain name Structure and Delegation* (visited Nov. 16, 1996) <ftp://rs.internic.net/rfc/rfc1591.txt>. "The Internet Assigned Numbers Authority (IANA) is the overall authority for the IP addresses." *Id.* An IP number "consists of four separate groups of not more than three integers each separated by a period, e.g. 190.5.23.0." Maher, *supra* note 9, at para. 16.

26. Domain names are read from right to left. A typical domain name like "www.jmls.edu" has three parts. The first, "edu," is the top-level domain name and describes the purpose of the organization that registered the name. In this case, the purpose is education, and thus, "edu." The second, "jmls," is the second-level domain name and identifies the organization's site as a whole. This part of the domain name causes the trademark disputes. Here, "jmls" denotes The John Marshall Law School. The third, "www," is the host name of a specific computer at the "jmls" site. In this case, the host name refers to the World Wide Web server. *See InterNIC Registration Services: DNS Background Materials* (last modified April 4, 1996) <http://rs0.internic.net/help/domain/dns.html>. *See also* Ed Krol, *THE WHOLE INTERNET USER’S GUIDE & CATALOG* 25-30 (1993) (outlining how to read an Internet domain name and determine what information it contains).

27. Remembering "microsoft.com" to access the Microsoft Corporate Internet site is easier than the corresponding IP number: 207.68.137.43. *See Who is Results (microsoft.com) (visited Nov. 16, 1996) <http://ds.internic.net/cgi-bin/whois.pl?engine=rs&search=microsoft.com>.*


29. *See* Randall, *supra* note 24, at 217 (describing and diagramming the flow of information resulting from a domain name request).


host's top-level domain. The root server contacts the top-level DNS server and gets the IP address of the second-level DNS server. The computer then contacts the second-level DNS server to get the host's precise IP number attached to the requested domain name.

The domain name does not tell the user where the computer is located. The computer can be moved from one place to another, but a user can still access the system by using the same domain name. The IP number that represents the physical address has changed, but the domain name has not changed. This shows that the domain name is not an address like an IP number, but a mark that identifies a particular organization on the Internet. In addition, a particular computer can have more than one domain name.

The Internet began as the Advanced Research Project Agency Network ("ARPANET"), a network designed by the Defense Department to test a fail safe network. If a node of the network was destroyed, the network would automatically re-route the information and the rest of the network would continue to function. The National Science Foundation ("NSF") used the idea to create the National Science Foundation Network ("NSFNET"), a network that connected five supercomputing centers through the ARPANET. Bureaucratic incompatibilities between the two departments lead the NSF to link the supercomputing systems with their own high speed network. By 1987, the volume of traffic on the network caused so many delays that the NSF contracted with IBM and MCI to manage and upgrade the network. The effect of this expansion was to expand Internet access to most public colleges. However, the NSF had an "acceptable use" policy that banned commercial use of the network.

The domain name system fulfilled a need to make the Internet easy

32. See Randall, supra note 24, at 218.
33. See KROL, supra note 26, at 29.
34. See KROL, supra note 26, at 29.
35. See KROL, supra note 26, at 29.
36. See KROL, supra note 26, at 29.
37. See KROL, supra note 26, at 29.
39. See id.
41. See KROL, supra note 26, at 12.
42. See KROL, supra note 26, at 12.
43. See KROL, supra note 26, at 12.
44. See KROL, supra note 26, at 12.
45. See Burk, supra note 8, at paras. 7-8.
to use.46 Before implementing the domain name system, the local network administrators had to manually update a list of names and IP numbers called a host table.47 Network administrators carefully chose domain names so that people could find their site easily.48 Trademark conflicts did not occur since the sites were governmental or educational.49

The original domain name policy set out by InterNIC continued the informality by assigning domain names on a first-come, first-serve basis.50 InterNIC did not require any proof of affiliation with the name.51

The World Wide Web ("Web") was the first service that caught the eye of commercial interests. The Web is a resource discovery communications service52 that is available over the Internet and transfers text and binary information. The Web was originally created at CERN, the European Laboratory for Particle Physics.53 The Web allows a business to set up a virtual storefront on the Internet to advertise and sell products. However, the NSF acceptable use policy that forbids commercial use was an obstacle.54 Private companies installed lines that allowed companies to route their commercial traffic around the NSF sections of the Internet.55

These newcomers to the Internet decided that a "snappy" domain name would be desirable.56 This is because no comprehensive directory of companies exists on the Internet. A perceptive user can guess a company's domain name by using several variations of the company's name.

47. See Randall, supra note 24, at 217. "Before DNS servers came along, domain name translation depended entirely on the host table . . . ." (emphasis in the original). Randall, supra.
48. See Mokapetris RFC1034, supra note 46.
49. "There is, after all, one University of Chicago, and there are not likely to be trademark issues arising from its domain name: 'uchicago.edu.'" Maher, supra note 9, at para. 16.
50. See infra part III.B (discussing InterNIC's domain name policies).
51. See infra part III.B (discussing InterNIC's domain name policies).
52. See Quarterman & Carl-Mitchell, supra note 1.
53. See T. Berners-Lee & R. Cailliau, World Wide Web: Proposal for a Hyper Text Project (visited Nov. 16, 1996) <http//www.w3.org/pubWWW/proposal> (describing the Web as a "way to link and access information of various kinds as a web of nodes in which the user can browse at will").
54. See Burk, supra note 8, at paras. 7-8.
55. See Burk, supra note 8, at paras. 7-8.
or trademark.  

2. Administrative Details

"The Internet has no president, chief operating officer, or Pope." However, some committees do exist to guide its growth. The Internet Society ("ISOC") is non-governmental, and incorporates such groups as the Internet Architecture Board ("IAB"). However, the InterNIC and the Internet Assigned Numbers Authority ("IANA") are chartered by the United States federal government to help organize the Internet.

NSI received a contract from the NSF in order to assign domain names in the international top-level domains for the Internet. Cur-

57. See id.
59. The On-Line Dictionary defines the Internet Society as a "non-profit, professional membership organization which facilitates and supports the technical evolution of the Internet . . . ." Howe, On-Line Dictionary, supra note 4. "The Internet Society does not operate any of the thousands of networks that make up the Internet, but it assists service providers by offering information to prospective users and involves product developers and researchers in the evolution of Internet technical standards." Written Testimony of Dr. Vinton G. Cerf, President Internet Society and Senior Vice President Data Services Division, MCI Telecommunications Corp., Before the US House of Representatives Comm. on Science, Space and Technology, Subcomm. on Science, Hon. Rick Boucher - Chairman, Mar. 22, 1994 103rd Cong. (1994) [hereinafter Cerf, Testimony], available in LEXIS, News Library, Arcnew File. The Internet Society was founded in early 1992. Id. See also Internet Society Home Page (visited Feb. 27, 1997) <http://www.isoc.org>.
60. See Maher, supra note 9, at para. 19.
61. The Internet Society "incorporates the IAB and all its functions into its operation." An NREN Alphabet, Data COMM., Sept. 1992, at 48.
62. The IAB is the "standard-making arm of the Internet Society. Cerf, Testimony, supra note 59, at *9. It was formerly known as the Internet Activities Board. An NREN Alphabet, supra note 61, at 48. "It has two task forces: the Internet Engineering Task Force and the Internet Research Task Force." Howe, On-Line Dictionary, supra note 4. Their job is to "consider long-term Internet issues from a theoretical point of view . . . and to resolve short and mid-range protocol and architectural issues." An NREN Alphabet, supra.
63. The IANA "was created to assign unique addresses" to each network attached to the Internet. Kenneth Sutherlin Dueker, Trademark Law Lost in Cyberspace: Trademark Protection for Internet Addresses, 9 HARV. J.L. & TECH. 483, 497 (1996).
64. The InterNIC was given authority to register domain names from the NSF. See NSF Cooperative Agreement Table of Contents (visited Feb. 10, 1997) <http://rs.internic.net/nsf/agreement/>. "The IANA is chartered by the Internet Society (ISOC) and the Federal Networking Council (FNC)." IANA Overview (visited Feb. 21, 1997) <http://www.isi.edu/iana/overview.html>.
65. NSI is one of a trio of companies that the NSF used to help privatize the Internet. About the InterNIC (last modified April 1, 1996) <http://rs.internic.net/internic/>. In January of 1993 the InterNIC was established as a collaborative project between AT&T, General Atomic and Network Solutions, Inc. and supported by three five-year cooperative agreements with the National Science Foundation. Id. AT&T was to manage the InterNIC Directory and Database Services project; NSI was to manage the Registration Services pro-
Currently, only five international top-level domains exist: .COM for commercial organizations, .EDU for colleges and universities, .NET for Internet providers, .ORG for miscellaneous and non-profit organizations, and .INT for international treaty organizations. The InterNIC is the registration organization for all but .INT. Within each top-level domain, there can only be one site with a second-level domain name. In addition, until recently, NSI allowed anyone to register for any name that was not already taken.

These top-level domain names are called international top-level domain names because no distinction exists for the country in which the registrant resides. Several of the national top-level domains create second level domains that provide groupings similar to the international top-level domains. Any organization from any country can register in

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66. See NSF Cooperative Agreement, supra note 64.
67. See Postel, supra note 25, at 2.
68. See Postel, supra note 25, at 2.
69. See Postel, supra note 25, at 2.
70. See Postel, supra note 25, at 2.
71. See Postel, supra note 25, at 2.
72. See Postel, supra note 25, at 2.
73. See Other Registries (visited Nov. 16, 1996) <http://rs.internic.net/help/other-reg.html>. "The InterNIC provides registration services for these top-level domains: .COM, .EDU, .NET, .ORG, and .GOV. Other registration requests should be directed to the appropriate organization." Id.
74. See infra part III.B (discussing NSI's domain name registration policy).
75. See infra part III.B (discussing NSI's domain name registration policy).
76. Top-level domains do exist for each country. Maher, supra note 9, at para. 22. Each country's top-level domain is determined by the two letter code assigned by the International Organization for Standardization standard ISO-3166. Olivier M.J. Crepin-Leblond, International E-mail Accessibility; Based on International Standard ISO 3166 Codes (visited Nov. 16, 1996) <http://www.ee.ic.ac.uk/misc/country-codes.html> (listing each code and the country or region to which it corresponds).
77. "In England and some other countries, there are also second-level domains that roughly parallel the [TLDs], e.g. ‘co’ in England corresponds to ‘com’. Thus, in England, the Jones Company Limited might be assigned the domain name ‘jones.co.uk’ and in Australia, Smith (Pty), Ltd. would get ‘smith.com.au.’" Maher, supra note 9, at para. 23.
an international top-level domain.\textsuperscript{78}

\section*{B. TRADEMARK INFRINGEMENT}

\subsection*{1. Registration and Concurrent Use of Marks}

Federal trademark law in the United States is governed by the Lanham Act.\textsuperscript{79} The act establishes two different registries, the Principal Register\textsuperscript{80} and the Supplemental Register.\textsuperscript{81} Trademarks,\textsuperscript{82} service marks,\textsuperscript{83} collective marks,\textsuperscript{84} and certification marks\textsuperscript{85} are allowed on the Principal Register.\textsuperscript{86} Principal Register registration is "prima facie evidence of the validity of the registered mark . . . [and] of the registrant's ownership of the mark . . ."\textsuperscript{87} In addition, a Principal Register registration "has been held to be prima facie evidence that the mark is not confusingly similar to other registered marks."\textsuperscript{88} The Supplemental Register is for all marks other than those allowed on the Principal Register.\textsuperscript{89}

The Lanham Act allows the same mark to be registered on the Principal Register more than once if confusion is not likely to occur.\textsuperscript{90} The

\textsuperscript{78} See Maher, supra note 9, at para. 22.
\textsuperscript{85} Id.
\textsuperscript{86} J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS § 19.06 (4th ed. 1996).
\textsuperscript{87} Id. at § 19.05; see also 15 U.S.C. § 1057(b), which states:
A certificate of registration of a mark upon the principal register provided by this chapter shall be prima facie evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the specified mark in commerce on or in conjunction with the goods or services specified in the certificate subject to any conditions or limitations stated in the certificate.
\textsuperscript{88} Id.
\textsuperscript{89} McCarthy, supra note 86, § 19.05 (citing Liberty Mut. Ins. Co. v. Liberty Ins. Co., 185 F. Supp 895 (E.D. Ark. 1960)). But cf. McCarthy, supra note 86, § 19.09[1][c]. "[T]he fact that a term is registered on the Supplemental Register does not entitle it to any statutory presumption" about its status other than the term has been registered. Id.; see 15 U.S.C. § 1094 (stating the sections providing that Principal Register registration is prima facie evidence in certain situations is not applicable to marks registered on the Supplemental Register).
\textsuperscript{90} "All marks capable of distinguishing applicant's goods or services and not registrable on the principal register . . . may by registered on the supplemental register." 15 U.S.C. § 1091.
\textsuperscript{91} The determination of likelihood of confusion is made when the mark is registered. See 15 U.S.C. § 1052(d), stating:
[If the Commissioner determines that confusion, mistake, or deception is not likely to result from the continued use by more than one person of the same or
Lanham Act allows concurrent registration in two cases. In the first case, the Act allows concurrent registration if the goods or services are different. In the second case, the Act allows concurrent registration when the goods or services are the same, but with limitations "as to the mode or place of use." Concurrent registration can be common.

2. Legal Theories

The two major legal theories offered in Internet domain name trademark disputes are: (1) trademark infringement because a likelihood of confusion exists; and (2) trademark dilution under state and federal law.

a. Likelihood of Confusion.

Federal trademark infringement statutes exist to protect the trademark owner's "fundamental right to control the consistency and quality of product thought to emanate from it and ... the consumer's ability to buy or not to buy free from confusion." Trademark infringement claims under a theory of likelihood of confusion are almost exclusively brought under federal law.

To decide if a defendant's use of a mark creates a likelihood of confusion, the federal circuits consider a variety of factors. Each of the factors are very similar to the ones suggested by the Restatement of Unfair Competition, Third:

(a) the degree of similarity between the respective designations . . . ;
(b) the degree of similarity of the marketing methods and channels of distribution used for the respective goods or services;
tors does not have to be shown for a finding of likelihood of confusion.\textsuperscript{100} Nor must an accused infringer refute every factor.\textsuperscript{101}

An Internet domain name trademark infringement case relying on the likelihood of confusion theory is \textit{Comp Examiner Agency v. Juris, Inc.}\textsuperscript{102} This court gave Juris, Inc. a preliminary injunction to prevent the Comp Examiner Agency from using "juris" as a second-level domain name.\textsuperscript{103} Juris, Inc. has a Principal Register registration for JURIS.\textsuperscript{104} The injunction prevents the Comp Examiner Agency from using the name "juris" under any top-level domain.\textsuperscript{105}

\subsection*{b. Trademark Dilution.}

Trademark dilution statutes exist to protect famous trademark owners.\textsuperscript{106} A likelihood of confusion does not have to exist.\textsuperscript{107} The trademark owner only has to show dilution by blurring,\textsuperscript{108} by tarnishment, by disparagement,\textsuperscript{109} or by diminishment.\textsuperscript{110} Until Congress passed the

\begin{itemize}
\item[(c)] the characteristics of the prospective purchasers of the goods or services and the degree of care they are likely to exercise in making purchasing decisions;
\item[(d)] the degree of distinctiveness of the other's designation;
\item[(e)] when the goods, services, or business of the actor differ in kind from those of the other, the likelihood that the actor's prospective purchasers would expect a party in the position of the other to expand its marketing or sponsorship of the product, service or business market of the actor;
\item[(f)] when the actor and the other sell the goods or services in different geographic markets, the extent to which the other's designation is identified with the other in the actor's geographic market.
\end{itemize}

\textsc{Restatement (Third) of Unfair Competition} § 21 (1995).

\textsuperscript{100} See Kirkpatrick, \textit{supra} note 97, § 2.5.

\textsuperscript{101} See Kirkpatrick, \textit{supra} note 97, § 2.5.


\textsuperscript{103} \textit{Id.} at *1 (holding that The Comp Examiner Agency's "use of the 'juris' mark is likely to cause confusion as to the source or sponsorship" of the web page).

\textsuperscript{104} \textit{Id.}

\textsuperscript{105} Sally M. Abel, \textit{Trademark Issues in Cyberspace: The Brave New Frontier}, 451 PL/ Pat 151, 165-66 (1996). The author suggests that Juris, Inc. would be still be concerned with confusion over its trademark "whether there is one [domain name] registry in the U.S. or 35." \textit{Id.}

\textsuperscript{106} Francis G. Smith, \textit{The Federal Trademark Dilution Act of 1995}, 78 J. Pat. \& Trademark Off. Soc'y 420 (1995) (stating that it is public policy to protect those who have expended "considerable expense, time and effort in familiarizing the public with their marks").

\textsuperscript{107} "The term 'dilution' means the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of (1) competition between the owner of the famous mark and other parties, or (2) likelihood of confusion, mistake, or deception." 15 U.S.C. § 1127.


\textsuperscript{109} See \textit{id.}

\textsuperscript{110} See \textit{id.}
Federal Trademark Dilution Act of 1995,\textsuperscript{111} trademark dilution claims were only based on state statutes.\textsuperscript{112} Since the Federal Trademark Dilution Act of 1995 does not preempt state dilution claims unless the defendant owns a Principal Register federal registration for the mark in question,\textsuperscript{113} and "[s]tate laws could continue to be applied in cases involving locally famous or distinctive marks,"\textsuperscript{114} both federal and state trademark dilution claims will be made. State dilution statutes use "likelihood" of dilution,\textsuperscript{115} while the Federal Trademark Dilution Act of 1995 requires the infringing mark to "cause"\textsuperscript{116} dilution.\textsuperscript{117}

A party accused of infringement under the Federal Trademark Dilution Act of 1995 has two available defenses: (1) the plaintiff's mark is not famous,\textsuperscript{118} and (2) the defendant's use was not actionable because the Act protects the use.\textsuperscript{119}

The Federal Trademark Dilution Act of 1995 only protects "famous" marks from dilution.\textsuperscript{120} Unfortunately, the act does not define "famous."\textsuperscript{121} Instead, a series of factors is suggested in determining whether a mark is "famous."\textsuperscript{122} These factors are very similar to the factors for determining if a likelihood of confusion exists.\textsuperscript{123}

\begin{itemize}
\item \textsuperscript{111} See 15 U.S.C. § 1125(c) (1996). "Remedies for dilution of famous marks." Id.
\item \textsuperscript{112} See, e.g., CAL. BUS. & PROF. CODE § 14330 (West 1996); ILL. COMP. STAT. 1035/15 (West 1996); N.Y. GEN. BUS. LAW § 638-d (Mckinney 1996) (each of these statutes provide for injunctive relief to prevent trademark dilution).
\item \textsuperscript{113} See 15 U.S.C. § 1125(c)(3) (1996) (stating, in part, "[t]he ownership by a person of a valid registration . . . on the principal register shall be a complete bar to an action against that person under the common law or a statute of a State . . .").
\item \textsuperscript{115} Injunctive relief is available under each of the state statutes if there exists a "likelihood of injury to business reputation or of dilution of the distinctive quality" of a mark. See supra note 112.
\item \textsuperscript{116} 15 U.S.C. § 1125(c) (1996).
\item \textsuperscript{117} See Kirkpatrick & Klein, supra note 98, at 61.
\item \textsuperscript{118} See 15 U.S.C. § 1125(c)(1) (1996) (stating, in part, "[t]he owner of a famous mark shall be entitled . . ." (emphasis added)).
\item \textsuperscript{119} See 15 U.S.C. § 1125(c)(4) (1996) (listing items which "shall not be actionable under this section").
\item \textsuperscript{120} See 15 U.S.C. § 1125(c) (1996).
\item \textsuperscript{121} See Kirkpatrick & Klein, supra note 98, at 60.
\item \textsuperscript{122} See 15 U.S.C. § 1125(c)(1)(A)-(H) (1996). These factors have been summarized as:
\begin{itemize}
\item A mark is famous if it possesses a high degree of inherent or acquired distinctiveness, has been used and advertised for a long time and to a deep extent throughout a wide geographic trading area and within many channels of trade, such that prospective customers, within the trading areas and channels of trade used by both the mark's owner and the person against whom the injunction is sought, have a high degree of recognition of the mark. The nature and extent of use of the same or similar marks by third parties, and whether the owner of the famous mark holds a registration therefor, are also factors a court may consider in determining whether the plaintiff's mark is famous.
\end{itemize}
\item Smith, supra note 106, at 420.
\item \textsuperscript{123} See Kirkpatrick & Klein, supra note 98, at 60.
\end{itemize}
The use of a "famous" mark is not actionable under the first provision of the Federal Trademark Dilution Act of 1995 if the use was in comparative commercial advertising to identify a competitor, if the use was noncommercial or if the use was in news reporting or news commentary. The Act's history, listing comparative commercial advertising as an "example," suggests that when a court finds a "fair use," the use will qualify as nonactionable, constitutionally protected speech. The second provision recognizes the "commercial speech" doctrine. The third provision clarifies that news reporting is a "fair use.

An Internet domain name trademark infringement case relying on the trademark dilution theory is Hasbro, Inc. v. Internet Entertainment Group, Ltd. The court gave Hasbro a preliminary injunction to prevent the Internet Entertainment Group ("IEG") from using the name "candyland.com" or any similar name. The IEG had been using the name for a sexually explicit Web page. Hasbro has a Principal Register registration for CANDYLAND. There was "evidence that 94% of U.S. mothers are familiar with Hasbro's popular 47 year old CANDYLAND game."

III. ANALYSIS

A. ANALYSIS OF THE PROBLEMS

The current registration system causes three general types of problems. The first general problem is called "domain name grabbing." The second general problem is called "not quite domain name grabbing."
The third general problem is called "innocent registrations of a logical choice." These problems are caused by the fact that only one company can register for a particular desired domain name in the "COM" international top-level domain.138

The first general problem is domain name grabbing.139 This occurs when a corporation has a trademark that has already been registered as a domain name by someone else who is holding it for ransom.140 This problem is exemplified by the problems that McDonald's and Kaplan had registering the names "mcdonalds.com"141 and "kaplan.com,"142 respectively.

Journalist Joshua Quittner, in his now infamous Wired article,143 "took it upon himself to teach McDonald's Corp. about trademarks on the Internet."144 McDonald's marketing department had registered the domain name "mcd.com."145 Quittner registered "mcdonalds.com" and also took the e-mail address "ronald@mcdonalds.com."146 In a settlement agreement, McDonald's gave a New York elementary school $3,500 worth of computer equipment for the name.147 McDonald's can now be found at <http://www.mcdonalds.com>.148

The Princeton Review, a test preparation company, registered "kaplan.com," the name of its largest competitor, Stanley H. Kaplan, as a "joke."149 The Web page listed complaints about Kaplan and advertise-

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136. See infra notes 155-62 and accompanying text.
137. See infra notes 163-75 and accompanying text.
138. See supra part II.A.1 (discussing the domain name system).
139. See Agmor et al., Introduction, supra note 10 (discussing domain name grabbing).
140. See id.
141. See infra notes 143-48 and accompanying text.
142. See infra notes 149-54 and accompanying text.
143. Joshua Quinter, Billions Registered: Right Now, There Are No Rules to Keep You From Owning a Bitchin' Corporate Name as Your Own Internet Address, Wired, Oct. 1994, at 50.
145. Barger, supra note 8, at 632. (noting that marketing had advised keeping "a small footprint for domain names").
146. See Quinter, supra note 143, at 50.
148. Many articles have chronicled this conflict. E.g., Barger, supra note 8, at 632; Brunel, supra note 144, at 2; Dueker, supra note 63, at 502; Gary W. Hamilton, The Emerging Law of Computer Networks: Trademarks on the Internet: Confusion, Collusion or Dilution?, 4 Tex. Intell. Prop. L.J. 1, 7 (1995); James West Marcovitz, ronald@mcdonalds.com - "Owning a bitchin' Corporate Trademark as an Internet Address - Infringement?, 17 Cardozo L. Rev. 85, 88 n.16 (1995); Robert J. Raskopf, Trademarks and the Internet, 416 PLI/Pat 1047, 1055 (1995).
149. Hamilton, supra note 148, at 6-7.
ments for Princeton. In fact, the page was established to collect the complaints. Princeton offered to give up the name for a case of beer. Kaplan was awarded the name in arbitration. Kaplan can now be found at <http://www.kaplan.com>.

The second general problem is referred to as "not quite domain name grabbing." This occurs when a corporation has a trademark that has already been registered as a domain name by someone else who intends to use the name. This is exemplified by the problems Viacom had registering the name "mtv.com." Video jockey Adam Curry developed a Web site at "mtv.com" at his own expense to promote both Music Television ("MTV") and himself. MTV was aware of the site, but did not object. When Curry left the network, he refused to transfer the name to MTV. The case was settled and MTV received the name. MTV can now be found at <http://www.mtv.com>.

The third general problem is innocent registration of a logical choice. This occurs when there is concurrent use of the same mark by two companies. This is exemplified by the fight over "frys.com." Things got so out of hand during arbitration that The Princeton Review considered registering "kraplan.com" [sic] to continue the Web page containing complaints about Kaplan. Hamilton, supra note 148, at 6-7.

150. Things got so out of hand during arbitration that The Princeton Review considered registering "kraplan.com" [sic] to continue the Web page containing complaints about Kaplan. Hamilton, supra note 148, at 6-7.

151. See Raskopf, supra note 148, at 1056.

152. See Dueker, supra note 63, at 502 (noting that Princeton was not awarded the beer in the arbitration).

153. See Raskopf, supra note 148, at 1057. "[T]he arbitrator ordered [the Princeton Review] to (1) notify the InterNIC that it was relinquishing all rights to the kaplan.com domain name; (2) cause the cancellation or revocation of its prior registration of the name; and (3) request InterNIC to transfer the name to Kaplan." Id.

154. Many articles have chronicled this conflict. E.g., Barger, supra note 8, at 632; Brunel, supra note 144, at 4; Dueker, supra note 63, at 501-02; Hamilton, supra note 148, at 6-7; Marcovitz, supra note 148, at 86 n.9; Raskopf, supra note 148, at 1056.

155. See Agmor et al., Introduction, supra note 10 (discussing innocent registrations of an organization's logical choice of a domain name as infringement).
Frenchy Frys is a company that sells vending machine service routes. Fry's Electronics is a consumer electronics store in California. Fry's Electronics did not have a registered trademark when the suit was filed so under the current policy, the NSI will do nothing until the court makes a ruling. Frenchy Frys will likely retain the domain name as there is no basis for likelihood of confusion; therefore, Fry's Electronics' only recourse will be to register a different domain name. If each of the companies had a federal registration for their mark, the outcome under the present policy would be the same. On the other hand, if Fry's Electronics had a federal registration for their mark and Frenchy Frys did not, the NSI would not allow the domain name to be used until the court ruled. Frenchy Frys' Web page keeps track of the ongoing litigation.

B. ANALYSIS OF THE NSI POLICY CHANGES

Part of the attempted solutions to the Internet domain name trade-

main name “pabst.com.” Sanford Nowlin, Bizzes’ home pages step on others’ toes, TRIANGLE BUS. J.-RALEIGH N.C., July 12, 1996, at 45. Pabst Brewing Co. of San Antonio, Texas, has contacted them over the use of the name. Id. The case has not gone to trial but no precedent is likely be set because the case will probably be settled out of court. Id.


167. See Zaitlen & Victor, supra note 166, at 16. Fry's is based in Palo Alto, California. Id. 168. See Barger, supra note 8, at 633. Fry's Electronics asserted six causes of action in its complaint:

(1) unfair competition under section 43(a) of the Lanham Act; (2) racketeering, including mail and wire fraud under the Racketeer Influenced and Corrupt Organizations Act of 1970 (RICO); (3) unfair competition under the common law; (4) trade name infringement under California state law; (5) injury to business reputation; and (6) usurpation of property, business and opportunity.

Id. Fry's "seeks infringement damages for each transmission of the URL 'frys.com' on the Internet.” Id at 634. There could be “hundreds of thousands” of such transmissions. Id.

169. See Mark V. Boennighausen, Spud Vendor's E-Mail Address Prompts RICO Suit, RECORDER, Aug. 1, 1995, at 3. A search of the United States registered trademark database on DIALOG on November 16, 1996 shows that Fry's filed for a trademark on December 11, 1995 but it is still pending approval.


171. See Boennighausen, supra note 169, at 3.

172. See Zaitlen & Victor, supra note 166, at 16.


175. See WWW.FRYS.COM Frenchy Frys(tm) homepage v3.5, (last modified Feb. 14, 1997) <http://www.frys.com>. The web page has a list of links to “press releases, court filings and court dockets” where the owner has posted information relating to the case. Id.
mark conflicts\textsuperscript{176} include the many changes that NSI has made to the Domain Name Registration Policy.\textsuperscript{177} The multitude of problems caused by NSI's registration policy has prompted NSI to change that policy four times in thirteen months.\textsuperscript{178}

Under the current domain name registration policy, effective in September 1996, to have NSI place a domain name on hold, the trademark owner must send a warning letter to the domain name owner,\textsuperscript{179} send a copy of the letter to NSI,\textsuperscript{180} and send NSI a certified copy of the trademark owner's trademark registration.\textsuperscript{181} In addition, the trademark owner must have either registered or used the mark before the domain name was registered.\textsuperscript{182}

On the other hand, for a domain name owner to use the NSI registration as a defense, the domain name owner must have registered the mark before receiving a warning letter.\textsuperscript{183} This prevents the "Tunisian

\footnotesize{176. There are several other proposed solutions to solve the trademark conflicts. Some have suggested a technical solution like using only the IP number for addresses. See Copyright Protection on the Internet, supra note 3, at 7. This would eliminate any trademark infringement problem by not allowing anyone to use a recognizable word as a domain name. Id. This suggestion eliminates any intuitive guessing of domain names to find sites, but more robust search engines or "white pages" could alleviate any difficulties. See Cyberfeiting Crackdown, INFO. L. ALERT, May 12, 1995. A task force put together by the International Anti-Counterfeiting Coalition states:

Among the solutions that the task force has considered are:—expanding domain names to include geographic or line of business terms, such as photos.northwest.com;—creating an opposition or prepublication proceeding allowing the public to protest the issuance of a domain name;—levying annual maintenance fees to discourage the warehousing and pirating of names; and—sponsoring legislation to move control over name assignment to governmental control.

Id.

177. Until August 1995, registration of domain names was conducted on a first-come, first-serve basis. The policy has experienced major changes in an effort to accommodate both the domain name holder and the trademark holder. The current domain name registration policy can be found at: Domain Name Dispute Policy (last modified Sept. 9, 1996) <http://rs.internic.net/domain-info/internic-domain-6.html>.


179. See 1996 Dispute Policy, supra note 178.

180. See 1996 Dispute Policy, supra note 178.

181. See 1996 Dispute Policy, supra note 178.

182. See 1996 Dispute Policy, supra note 178.

183. See 1996 Dispute Policy, supra note 178.
Maneuver" in which a domain name owner who had their registration challenged would register in Tunisia. 184 Tunisia allows applicants to register their trademark in one day. 185 Under the previous registration policy 186 this action created an "instant defense" for the domain name holder. 187

Another problem is that "InterNIC has no known legal authority." 188 InterNIC was created by the NSF and the IANA "to coordinate how domain names are linked to the physical locations of computers on the global network." 189 NSI has a contract to administer the InterNIC. 190 Without legal authority, InterNIC's domain name registration policy is subject to being overruled by legislation or court decision. In addition, InterNIC has shown a proclivity to change the policy at will. 191 The present system lacks legitimacy since InterNIC is not accountable to the users of the Internet. 192

C. ANALYSIS OF CHANGES BY MARKET FORCES

Another proposed solution to Internet domain name conflicts involves market forces or administrative proposals to increase the availability of the iTLDs. Two companies, MCS 193 and Alternic, 194 are examples of companies offering to register applicants in several new iTLDs. No law or rule exists that requires NSI be the only provider of

185. See id.
186. See NSI Domain Name Dispute Policy Statement, supra note 178.
187. However, this will not work anymore. See The Tunisian Maneuver, supra note 118, at F19. "Network solutions said last week 'a last minute, instant trademark' would no longer do the job." Id.
188. Denise Caruso, Technology, N.Y. TIMES, July 1, 1996, at D5.
189. Id.
190. See Farber, supra note 28, at 135.
191. See supra note 178 (listing several policies InterNIC has used in the last several years).
192. See supra part II.A.2 (discussing the NSI).
193. See MCSNet DNS Registration (last visited Nov. 16, 1996) <http://www.mcs.net/nic/domain-register.html>. MCS is providing four new top-level domains: .CORP - For Corporations (Commercial), .NPO - Not-for-Profit Organizations, .K12 - For people under the age of 18, and .BIZ - General Business Use. Id.
194. See ALTERNIC.NET - New Top Level Domain Names (visited Nov. 16, 1996) <http://www.alternic.net/TLDS.html>. This page lists potential alternate TLDs to be registered with Alternic. Id. Forty are listed at present. Id. Alternic is providing six alternate top-level domains that are available now: "EXP" (experimental), "LNX" (Linux systems), "LTD" (competition for .COM), "MED" (medical related), "NIC" (network information centers), and "XXX" (pornographic). ALTERNIC.NET (visited Nov. 20, 1996) <http://www.alternic.net/regform.html> (describing the registration procedures for the alternate top-level domains).
domain name services. Unfortunately, market forces appear to only create TLDs that are synonyms of "com." The synonymous TLDs aggravate the problems of likelihood of confusion and dilution. The domain name "company.com" is too similar to "company.biz." In addition, there is no central authority that can assure famous marks will not be registered in them.

D. Analysis of Changes Suggested by Draft Proposals

The Internet community has exchanged several drafts to remedy the current problems. The drafts fall into two categories. The first, in-

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195. See MCSNet NIC/DNS Services (last visited Oct. 20, 1996) <http://www.mcs.net/nic/> (providing instructions on how to use the alternate domain name server).
196. See supra notes 193-94.
   The original name owner could probably block others from registering it in other TLDs if it can show likelihood of confusion, or possibly if it can show dilution (of a famous mark). One or both of these might depend in part on what the TLD is - IBM might not be able to block 'ibm.sex' or 'ibm.shoes,' but could probably block 'ibm.corp.'
   Id.
198. See id.
199. Many proposals have been circulated in the Internet community. Some were proposed prior to the drafts discussed here. See ALTERNIC.NET (visited Feb. 20, 1997) <http://www.alternic.net/info/drafts> (providing a listing of drafts on many subjects, including iTLDs). One of the most recent proposals is by the International Ad Hoc Committee (IAHC). See IAHC (visited Feb. 20, 1997) <http://www.iahc.org>. The IAHC was created with members of the IAB, IANA, ISOC, International Telecommunication Union ("ITU"), International Trademark Association ("INTA"), and the World Intellectual Property Organization ("WIPO"). Id. The IAHC proposal suggests seven new top level domains: "firm," "store," "web," "arts," "rec," "info," and "nom." International Ad Hoc Committee, Final Report of the International Ad Hoc Committee: Recommendations for Administration and Management of gTLDs (last modified Feb. 4, 1997) <http://www.iahc.org/draft-iahc-recommend-00.html>. The proposal is to be implemented by a contract between the IAHC and potential registries. See International Ad Hoc Committee, Proposed gTLD-MoU: Establishment of a Memorandum of Understanding on the Generic Top Level Domain Name Space of the Internet Domain Name System (gTLD-MoU) (last modified Feb. 28, 1997) <http://www.iahc.org/gTLD-MoU.html>.
   IAHC's plan has been heavily criticized. One company, Image Online Design, who has already claimed "web" and has been selling second level domain names has threatened to file suit against IAHC. See John Gilles, Opponents Strike Back at Domain-Name Change (visited Feb. 24, 1997) <http://www.wired.com/news/politics/story/2210.html>; Welcome to Image Online Design (visited Feb. 24, 1997) <http://www.iodesign.com>. Several organizations note the lack of government participation in IAHC and question IAHC's authority and ability to implement the proposal. See Domain Name Rights Coalition, DNRC Comments to IAHC Draft (visited Feb. 26, 1997) <http://www.domain-name.org/dnrc-comments.html> ("The IAHC has no authority to advance, implement, or enforce its decisions."); Network Solutions, Inc., NSI Response to IAHC Draft Proposal (visited Feb.
cluding drafts by K. Denninger\textsuperscript{200} and Jon Postel,\textsuperscript{201} suggest that any qualified registry be allowed to create a new TLD.\textsuperscript{202} The second, including drafts by D. Collier-Brown\textsuperscript{203} and Simon Higgs,\textsuperscript{204} would propose new TLDs, then let potential registries apply to administer them.\textsuperscript{205}

Denninger’s draft has private organizations proposing the new TLDs.\textsuperscript{206} Each organization only gets to operate one TLD,\textsuperscript{207} but the IANA must approve the domain once “the technical and administrative requirements are met.”\textsuperscript{208} The problems with this draft are similar to the market forces and there is no appeals process provided for domain name conflicts.\textsuperscript{209}

Postel’s draft is a more sophisticated version of Denninger’s draft.\textsuperscript{210} Unfortunately, Postel insists that domain names are not intended to be trademarks.\textsuperscript{211} An ad hoc working group decides which new iTLDs will be created,\textsuperscript{212} with up to 150 created in the first year of implementation.\textsuperscript{213} The proposed names can be three, four, or five characters

\begin{itemize}
\item \textsuperscript{200} See infra notes 206-09 and accompanying text.
\item \textsuperscript{201} See infra notes 210-18 and accompanying text.
\item \textsuperscript{202} See infra notes 206-18 and accompanying text.
\item \textsuperscript{203} See infra notes 219-21 and accompanying text.
\item \textsuperscript{204} See infra notes 222-26 and accompanying text.
\item \textsuperscript{205} See infra notes 219-26 and accompanying text.
\item \textsuperscript{206} In this respect, it is not much different than would occur by market forces alone. See supra notes 193-98 and accompanying text. To apply, the potential registry must provide IANA with “[t]he three or four character TLD proposed, along with an indemnity statement indemnifying the IANA for” trademark infringement. K. Denninger, \textit{Top Level Domain Delegation Draft} (last modified Jan. 25, 1996) <http://www.alternic.net/denninger.html> [hereinafter \textit{Delegation Draft}] (proposing that free competition and “positive market forces” be used to create “diversity in the top-level domain space”).
\item \textsuperscript{207} “Only one TLD may be operated by any single organization, with the exception of existing TLD names which are currently assigned. These will be grandfathered into the execution of this procedure.” \textit{Delegation Draft}, supra note 206, at para. 32.
\item \textsuperscript{208} \textit{Delegation Draft}, supra note 206, at paras. 32.
\item \textsuperscript{209} IANA only approves or rejects the applications. \textit{Delegation Draft}, supra note 206, at para. 37.
\item \textsuperscript{210} See Jon Postel, \textit{New Registries and the Delegation of International Top Level Domains} (last modified Aug. 1996) <http://www.alternic.net/draft_postel.html> (describing the director of the Internet Assigned Numbers Authority’s draft proposal to open up the top level domain names).
\item \textsuperscript{211} “Domain names are intended to be an addressing mechanism and are not intended to reflect trademarks.” Postel, \textit{supra} note 210, § 1.7.
\item \textsuperscript{212} See Postel, \textit{supra} note 210, § 5.4.
\item \textsuperscript{213} The draft specifies that “thirty (30) new iTLDs will be allocated to approximately ten (10) new registries per year.” Postel, \textit{supra} note 210, § 5.6. “In this first year of this plan significantly more new iTLDs and registries may be chartered, perhaps up to one-
long, and must be a generic name. In fact, the proposal might require that the name have never been trademarked anywhere in the world. Unfortunately, the enforcement of this provision is left to the honor system with the IANA and ISOC refusing to take responsibility.

Collier-Brown's draft does not make any concrete proposals, rather it discusses ten different courses of action that the Internet community could take. The most interesting of these are to take names for new iTLDs from a controlled word list or to use the World Intellectual Property Organization's classification numbers as iTLD names.

Higgs's draft is very similar to Collier-Brown's, but makes a concrete proposal. The draft recognizes the importance of commercial interests to the Internet's future and the emphasis "placed on the identity of the source of goods or services on the Internet." It proposes forty-five new iTLDs. Unfortunately, the draft proposes that registries continue avoiding the question of whether a second-level domain name infringes upon a trademark.

hundred-fifty (150) iTLDs allocated to up to fifty (50) registries." Postel, supra note 210, § 5.6.

214. See Postel, supra note 210, § 6.1.1.

215. "These names must be generic, i.e., not well known company identifiers or trademarks." Postel, supra note 210, § 6.1.1.

216. This would be determined by looking up the proposed name on "an international list of trademarks maintained by the WIPO." Postel, supra note 210, § 6.1.1.

217. "The applicants to operate registries and manage iTLDs are on their honor not to select iTLD names" that violate trademark laws. Postel, supra note 210, § 6.1.1.

218. The applicant must agree to indemnify the ISOC, IANA, IETF, and the ad hoc committee. See Postel, supra note 210, § 6.5.3.


220. The "controlled vocabulary [would be similar to the one] commonly used in library searching and categorization (e.g., the U.S. Library of Congress system)." Id. at 9.

221. See id. at 10; see also id. at 14-52 (listing of WIPO classification system and the types of products and services covered).


223. "[T]he Internet's future is going to be driven by commercial forces." Id. § 1.

224. Id. § 4.3.1.

225. See id. § 7.4. The new iTLDs are "loosely based upon the International Trademark Schedule of Goods and Services." Id.

226. "It is up to the [second-level domain name] requester to be sure he is not violating anyone else's trademark. The [registry] must include a statement to this effect in any registration template." Higgs, supra note 222, § 4.3.1.
E. THE FCC SHOULD TAKE CHARGE

The increase in the number of iTLDs can come from the Internet community, or from competitive pressures. However, if it does not come soon, the FCC should step in to correct the current situation. This is possible because 1) the United States federal government owns both the number space and name space of the Internet; and 2) the FCC has jurisdiction over communications resources.

The FNC claim to ownership of the Internet number space and name space is based on a delegation of those resources from the United States Department of Defense ("DOD"). The DOD claims ultimate ownership of the name space and number space because the original ARPANET was funded by the DOD. These claims have been very controversial.

To regulate the Internet, the FCC needs jurisdiction. The Communications Act can be read to include the Internet. The FCC's jurisdiction

227. See supra notes 200-226 and accompanying text (discussing the Denninger, Postel, Collier-Brown, and Higgs draft proposals).
228. See supra notes 193-98 and accompanying text (discussing attempts by two private companies to unilaterally create new iTLDs).
230. The Internet number space consists of all of the possible IP numbers that are assigned by IANA.
231. The Internet name space consists of all of the possible domain names on the Internet.
232. See Mike St. Johns, FNC's Role in the DNS Issue (visited Feb. 26, 1997) <http://ksgwww.harvard.edu/iip/fnc.html>. "DOD basically delegated "ownership" of the [number space] to the FNC, with the understanding that DOD would continue to have first call on the number space if they needed it." Id. In addition, the FNC is the "root authority" meaning that the FNC has control over all of the top-level domains. Id. But see Meeting Summary Report: The National Science Foundation Workshop on Name Registration for the ."COM" Domain (visited Feb. 10, 1997) <gopher://ds.internic.net:70/00/nsf/cise/workshop.asc> (noting that "when the DOD withdrew its support from the non-military portions of the Internet... although the responsibility for funding passed to the NSF, no authority transferred to the NSF.").
233. See St. Johns, supra note 232. See supra notes 38-45 and accompanying text for a discussion of the ARPANET.
234. See Robert Shaw, Internet Domain Names: Whose Domain Is This? (visited Feb. 24, 1997) <http://www.itu.int/intreg/dns.html> (declaring that the FNC's claim to authority over the name space and number space is "obviously controversial" and determining that who has ultimate authority over the Internet is very unclear).
235. Sections 1 and 2 of the Communications Act of 1934 provides the possible jurisdiction. See Maher, supra note 9, at para. 44; 47 U.S.C. § 151, 152 (1994). The F.C.C. is created "[f]or the purpose of regulating interstate and foreign commerce in communication by wire and radio..." (emphasis added). 47 U.S.C. § 151. "The provisions of this Act shall apply to all interstate and foreign communication by wire or radio... which originates and/or is received in the United States..." 47 U.S.C. § 152. (emphasis added). See also
tion is based on a scarcity of communication resources, and in many ways, the scarcity of domain names is analogous to the scarcity of channels available for television broadcasting. In addition, jurisdiction is being asked for in other contexts. However, jurisdiction would be clearest with congressional authorization.

The FCC should take control of either InterNIC as a whole or just the domain name registry. This can be done immediately or when NSI's contract expires. New iTLDs can then be created in an orderly manner. These new iTLDs can then be auctioned to prospective registries like other communication resources have been sold. Once the new iTLDs have been created, the "com" and "org" registries can be closed to new applicants.

Expanding the iTLDs is not a perfect solution to the trademark problem. Famous users, like Kodak, may still be concerned about trade-
Trademark dilution already exist with the multiple registries, but a firm control of the registries by the FCC can prevent such problems from expanding. Also troubling is the fact that the proposal will make it harder for users to find the company for whom they are looking.

V. CONCLUSION

The current legal solutions to the issues of the Internet create more problems than they solve. This comment calls for a recognition of the unique circumstances that trademarks on the Internet present. Increasing the number of iTLDs will allow the fair application of trademark law to the Internet. The proposal provides a way for the consumer to discern what type of product or service is being offered at the requested domain name. In this way, likelihood of confusion will be markedly reduced.

Given the several proposals to increase the iTLDs that are circulating, some increase in their number will occur soon.

David B. Nash


245. Maher, supra note 9, at para. 24. One result of this global structure is that it is perfectly possible for a United States company to have the domain name "jones.com," while there is also a separate and unrelated U.K. user with "jones.co.uk" and yet another user in Japan with "jones.jp" and so on in every country around the world (of course, each user is accessible anywhere in the world). Id.

246. Like Postel's proposal, this proposal will "make it harder to guess the actual domain name for a company, but probably no harder than it will become if all companies must find unique names in the .COM domain." Postel, supra note 210, § A.1.3.