Trademark Protection of Internet Domain Names

A "trademark" is a word, phrase, symbol or design, or any combination thereof, which identifies and distinguishes the source of a good or service. The owner of an established trademark retains exclusive rights in its use and competitors are prohibited from using the same or similar mark to sell similar products or services. Trademark laws help businesses market their products and services by enabling consumers to associate the products they enjoy with a particular "mark." The trademark functions as a guarantee to consumers that they will continue to receive consistency and quality in the products they purchase.

The rapid increase in online business and advertising prompted a growing demand for domain names (internet addresses) that are linked to particular businesses, goods or services. The scramble to reserve domain names has caused several disputes regarding trademark infringement. For example, some businesses that wished to use their established trademark as a domain name discovered that it had already been taken. Once a domain name has been chosen, the holder might be able to obtain trademark protection in order to prevent others from using the name. However, trademark rights in commercial domain names are more limited than trademark rights in other areas.

Trademark Rights in a Domain Name

Since a "domain name" serves as the primary indicator of what will be found on a particular website on the Internet, a distinctive or memorable domain name is highly desirable. Further, the domain name holder may wish to trademark the domain name in order to prevent others from using it. However, the ability to trademark a domain name is limited. Two threshold requirements in determining whether a domain name should receive a trademark are as follows:

1. The domain name must be used as a trademark; and
2. The domain name must be distinctive.

If neither is true, the domain name is merely an Internet address and it will not be entitled to receive trademark protection.

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Using Domain Names as Trademarks

In order to receive a trademark for a domain name, it must be used as a trademark. In other words, the domain name itself must also function as the actual source identifier. For example, Amazon.com identifies the source as Amazon.com (or, Amazon books). In contrast, suppose a law firm is named Red, White & Blue LLP. If the firm's domain name is rwb.com, the "rwb" does not function as a source identifier. Rather, "rwb.com" is just an address on the Internet and therefore it is not entitled to receive trademark protection. Accordingly, anyone else may use the letters r, w and b, in that order, within their own domain names.

Distinctiveness of a Domain Name

Under trademark laws in general, in order to be entitled to trademark protection, any word, phrase, symbol or design or combination thereof, must be "distinctive" from any other. The same is true for domain names. There are different categories of marks for goods, services or domain names including:

1. Fanciful marks – invented terms with no dictionary meaning (e.g., chumbo.com for software)
2. Arbitrary marks – common terms used with unrelated products (e.g., apple.com for software and computers)
3. Suggestive marks – terms suggest the underlying product (e.g., salon.com for a magazine)
4. Descriptive marks – terms describe the product (e.g., healthanswers.com for health info.)
5. Generic marks – common names for an item (e.g., coffee.com)

With regard to domain names, fanciful, arbitrary and suggestive marks are typically considered to be inherently distinctive. For example, Amazon.com functions as a source identifier and is distinctive as being arbitrary. However, if a domain name uses surnames, geographic names or other common "descriptive" terms, it will unlikely be afforded trademark protection, unless the owner can show a special and unique distinction. Generic marks are never distinctive and may never receive trademark protection.

Using Registered Trademarks in Domain Names

A business that already holds a federally registered trademark might also wish to use the mark as its domain name only to discover that it is already being used as or is contained within a domain name. The business may or may not be able to reclaim the domain name from its holder, depending on the circumstances. For instance, if the domain name holder has no legitimate interest in the trademark or registered the domain name in bad faith, the trademark owner may be able to take the name back.

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From a different perspective, choosing a domain name which legally conflicts with any of the millions of commercial existing trademarks could subject the holder to an action for trademark infringement. In general, a legal conflict might exist if:

- Another website offers similar goods or services under a similar domain name
- The domain name is very similar to another domain name which would cause customer confusion, with users ending up on the wrong website by mistake
- The domain name is similar to the name of a well known trademark

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