

## **The Trademark Behind The Curtain**

*The use of trademarks as metatags*

by Ted F. Gerdes

Remember the scene from *The Wizard of Oz* where Dorothy and her three friends cower before the great wizard? A curtain slips open, revealing a man manipulating the controls of the “wizard’s” special effects. The man calls out through the voice of the wizard: “Pay no attention to the man behind the curtain.” Dorothy, the Tin Man, Scarecrow and the Cowardly Lion are all devastated by the deception. This same type of charade occurs on the Internet in the form of metatags.

For the most part, metatags serve a useful and legitimate purpose, but when used deceptively by competitors, courts have begun to pull back the curtain to expose, and in appropriate instances, prohibit the misrepresentation.

### **Invisible to users, not to search engines**

Metatags are HTML code embedded in a website describing its content. Invisible to the user, these tags play an important role in how high a site places in a user search. A search engine such as Yahoo or Google scans the text, domain names, keywords and metatags on a Web site. The more often a term appears in the content of a site, the more likely it will show up in a user's search for that term.

Metatags serve a very practical function. For example, a trademark attorney building a site would want her site to be found when the phrase "trademark attorney" is entered into a Web search engine. Using this phrase in the visible content of the site more often than is necessary will annoy the typical reader. The solution: embed the term beneath the surface of the site. This will increase the frequency of the phrase on the site, and in turn, increase the likelihood that a search engine will list this site closer to the top of a user search for a trademark attorney. This type of use is not the problem.

Difficulty arises when a business like “Bob's Hardware” places the trademark of its competitor, “Super Size Hardware”, in a metatag on the “Bob’s Hardware” site, making Bob's site more likely to appear in a search for his competitor. This can cause the consumer to be misdirected—away from the Super Size site and to Bob's site. This can cause consumer confusion if not complete deception. It's the “man behind the curtain”. Litigation has been filed and court decisions have begun to appear, but the law is still struggling to catch up to and discipline the use of this technology.

The courts, in attempting to separate the legitimate uses of metatags from the wrongful ones, have resolved the following: The use of a trademark in a metatag by a competitor that is intentionally deceptive or misdirects the consumer causing "initial interest confusion" has been found to be unlawful. If the use of the mark has a legitimate purpose, either protected First Amendment speech, or is necessary to describe an individual or entity, it is allowed. The gray area in-between has yet to be filled in, as there are still only a handful of reported decisions.

Let's take a look at some of those cases:

One ruling that appears to be relied upon most often is *Brookfield Communications, Inc. v. West Coast Entertainment Corp.* 174 F. 3d 1036 (9th Cir April 1999). The Ninth Circuit ruled that use of a competitor's trademark as a metatag was trademark infringement, even though the user may not be mistaken about the source or ownership of the site they were directed to. This misdirection amounts to "initial interest confusion".

Brookfield is in the business of selling information to the entertainment industry and marketed a software product under the federally registered trademark "Moviebuff". West Coast Entertainment, one of the largest video rental chains in the United States, had used the term "Movie Buff" in advertisements and registered the phrase "The Movie Buff's Movie Store". The first part of the decision involved the validity of the competing trademarks: the court ruled that Brookfield had a protectable mark, and West Coast had infringed that mark. The court then enjoined West Coast from using the "moviebuff" mark in its metatags due to the "initial interest confusion" caused.

### **Initial Interest Confusion**

Consumers who were misdirected to West Coast's site were not likely to be confused as to the source, because of the distinct differences between the two businesses. However, West Coast would still improperly benefit from Brookfield's good will. In addition, West Coast's site contained an entertainment data base similar enough to "Movie Buff" that a sizeable number of Brookfield's customers might use West Coast's product in place of Brookfield's product.

The Court concluded: "Using another's trademark in one's metatag is much like posting a sign with another's trademark on one's front door." However, West Coast was permitted to use the descriptive term "movie buff" in its metatags, as long as the space between the words was not omitted.

In August 2002, the Seventh Circuit cited *Brookfield* in its decision in *Promatek Industries, Ltd. vs. Equitrac Corporation* No 00-4276 (7th Cir August 2002). The court ruled that defendant Equitrac may not use the trademark of its competitor in its Web site, even though the defendant services the product described by the mark.

Promatek and Equitrac are competitors in the cost recovery business. Equitrac did not use the identical mark, but the minor spelling change made little difference to the Court: "[T]he similarity of the marks, the defendant's intent and evidence of actual confusion are of particular importance." Equitrac was also directed to place language on its web page informing consumers that any link between its Web site and Copitrack was in error: "If you were directed to this site through the term "Copitrack", that is in error as there is no affiliation between Equitrac and that term. The mark "Copitrak" is a registered trademark of Promatek Industries, Ltd., which can be found at [www.promatek.com](http://www.promatek.com) or [www.copitrak.com](http://www.copitrak.com)." The Court concluded: "It is Equitrac's use of the term Copitrack in its metatag that is a prohibited practice because of its potential for consumer confusion."

On the other side of the spectrum is *Playboy Enterprises, Inc. v. Terri Wells et al* 162 F 3d 1169 (9th Cir February 2002). Defendant Terri Wells was Playboy Playmate of the Year in 1981. Imbedded in her Web site, which is not affiliated with Playboy Enterprises, are the metatags "Playboy" and "Playmate of the Year", both registered trademarks of Playboy. The Ninth Circuit

held these were permissible nominative uses necessary to allow Ms. Wells to accurately describe herself. The court, quoting from a previous decision in *New Kids On The Block v. New American Publishing, Inc.* 971 F 2d 302, 308 (9th Cir. 1992), restated the test for permissive use: "First, the product being described is not readily identifiable without the use of the trademark; second, only so much of the mark or marks may be used as is reasonably necessary to identify the product or service, and third, the user must do nothing that would, in conjunction with the mark suggest sponsorship by the trademark holder."

The use of trademarks as metatags to promote a non-commercial site critical of the owner of those trademarks was held an acceptable use in *Bally Total Fitness Holding Corporation v. Andrew S. Faber* 29 F. Supp 2d 1161 (C.D. Cal. Nov. 1998). The defendant Faber set up a Web site dedicated to airing complaints regarding Bally's health clubs. The site used the plaintiff's federally registered trademark "Bally" with the word "sucks" written across it. The site also indicated that it was "unauthorized". The court stated: "No reasonable consumer comparing Bally's official website with Faber's would assume Faber's site to come from the same source, or thought to be affiliated with, connected with or sponsored by, the trademark owner. Therefore, Bally's claim for trademark infringement fails as a matter of law."

These cases illustrate that the Courts have not been deceived by the "man behind the curtain"—they have not fallen prey to the "invisible" use of trademarks in metatags, and have begun to apply standard principles of trademark law to these disputes. Care must be taken when using a trademark as part of a Web site, whether or not the trademark is visible.