

Business Bullet ~
Legal Rights to Your Business Domain Name

If you don't have a website yet, you MUST get one. But, with it are challenges from the domain name to colors, to website design, etc. Here are some legal advice answers to questions on registering your site and getting your domain name.

Q: I own a domain name that someone is claiming I have to give up because they have a business with the same name. Do they have legal rights to my domain?

A: Business names are not necessarily the same as Trademarks. Generally, domain name rights follow trademark rights under the UDRP. Simply registering a domain name gives you no rights of any kind by itself. Furthermore, a business may or may not have a registered trademark in its company name. Generally, a business by the same name as your domain name by itself is not enough to force you to give up a domain. But there is much more to the analysis. In part, the analysis includes some consideration of how the domain name is used. Under the UDRP, in order to prevail, the complainant must establish that you have registered or used the domain name in 'good faith'. For example:

- Registering or acquiring a domain name for the purpose of selling, renting or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name, or
- Attempting to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that you have engaged in a pattern of such conduct, or
- Registering the domain name for the primary purpose of disrupting the business of a competitor, or
- Intentionally attempting to attract, for commercial gain, Internet users to your website or other online location by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your website or of a product or service on your website.

The analysis is not always straightforward. In the face of a claim consultation with legal counsel familiar with the UDRP and the Internet is strongly recommended.

Q: I have formed a company (LLC or corporation) but someone else owns the domain of the same name. Do I have any legal rights to the name?

A: It depends. If the domain owner has used the name in commerce and registered the name (Mark) with the United States Patent and Trademark Office (USPTO), your coming along and forming a company with the same name will not be sufficient. Furthermore, by doing that without checking first, you are likely in violation of the rights of the Trademark owner and may likely receive a letter along the way demanding that you stop using the name.

Q: Is it always important to consider intellectual property rights before selecting a domain name or a company name?

A: Once you have registered a trademark with the USPTO, whether it is your domain name, your company name or both, you have two ways to protect your mark if someone comes along and registers a domain name that is identical or confusingly similar:

- Proceed into Federal Court by filing a complaint alleging the appropriate violations of Federal law to recover the domain name and monetary or other damages.
- File a UDRP claim to recover the domain name only.

Depending upon the exact circumstances either option may be more appropriate than the other.

Q: What is Cybersquatting and how do I know I am not in violation of any laws when I purchase a domain?

A: The Anticybersquatting Consumer Protection Act (ACPA), provides against Registering or Using an "Internet domain name or other identifier of an online location that is...

- The trademark of a person or entity other than the person or entity registering or using the identifier, or
- Sufficiently similar to a trademark of a person or entity other than the person or entity registering or using the identifier as to be likely to: cause confusion or mistake; deceive ; or cause dilution of the distinctive quality of a famous trademark.

Keep in mind that the ACPA is only one Federal Act out of numerous State and Federal Laws that prevent various actions with respect to the registration and use of domain names in conjunction with U.S. Trademark law. Before making a substantial investment into any domain name or, for that matter any business name, a thorough search of the prior use of that name or mark should be conducted.

Q: I own mysite.com, but someone else owns mysite.net. What are my options?

A: Most domain names are registered and quite a few co-exist with one company owning one top-level domain (TLD) and another company owning another without difficulty. Where the two companies are competitors, this can be problematic and can lead to confusion or dilution of the mark. Registering a domain name in and of itself will not necessarily be sufficient to establish any trademark right. However, when you offer products or services and use a mark to distinguish your products or services from those of your competitors, then you may likely be entitled to secure registration in the U.S. Once registered you should be able to prevent someone else from using the mark for the sale of similar goods or services and may well be entitled to force them to turn over the domain name, either via Federal Court action or UDRP action. Absent some right, your efforts could be considered to be nothing more than reverse domain name hijacking.

Q: What steps can be taken to prevent others from squatting on variations, misspellings, etc.?

A: Follow these steps:

- Register your Trademarks.
- Register any obvious typo names to avoid any disputes.
- Consider various trademark watch agencies to protect valuable trademarks. (They notify you upon the registration of any similar names.)
- Enforce your Trademarks on and off line.
- Retain the services of Internet Savvy Trademark Counsel to recover any domain name registrations in violation of your rights. Act quickly upon discovery of any such violations.

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