

## Domain Dispute Information

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Now more than ever, having the right domain name is seen as a “cost” of doing business. That is, obtaining a domain name that is closely associated with a business may help to identify the owner of the domain name and/or the source of goods sold through a domain name. And, sometimes, domain names often become brands themselves. Accordingly, trademark owners must be proactive in policing the misuse of their trademarks or trade names by cybersquatters.

A trademark or trade name owner has several options to consider to stop or otherwise deter an entity or person that has registered or is using a domain name with a “bad faith” intent to profit from the goodwill of a trademark or trade name belonging to another. Initially, a trademark or trade name owner may send a cease-and-desist letter demanding that the cybersquatter immediately stop using the domain name and to return the domain name. Such a cease-and-desist letter communicates that if the cybersquatter does not comply with the letter, then the owner will seek legal remedies against the cyberquatter.

If the trademark or trade name owner believes that someone has taken a domain in bad faith or if a cybersquatter does not comply with a cease-and-desist letter, then the owner has two legal remedies – (1) file a lawsuit under the provisions of the [Anticybersquatting Consumer Protection Act](#) (ACPA) and/or (2) file a complaint under the international arbitration system created by the [Internet Corporation of Assigned Names and Numbers](#) (ICANN).

The ACPA defines cybersquatting as registering, trafficking in, or using a domain name with the intent to profit in bad faith from the goodwill of a trademark belonging to someone else. The ACPA allows trademark holders to file lawsuits against cybersquatters in the United States federal courts, and allows for the recovery of up to \$100,000 per domain name in damages from the cybersquatter plus costs and attorneys’ fees. The ACPA addresses situations where the cybersquatter is located in a foreign country and even when the cybersquatter cannot be identified. In such situations, the ACPA enables the trademark or trade name owner to recover its domain name, but does not allow for the recovery of damages.

The ICANN arbitration system is considered by some trademark experts to be faster and less expensive than suing under the ACPA. ICANN, the nonprofit organization that oversees the domain name registration system, has promulgated rules governing domain name disputes. When anyone registers a domain name, that person is required to submit to binding arbitration in the event of a dispute concerning that domain name, including an allegation of cybersquatting. This binding arbitration is conducted according to ICANN’s Uniform Domain-Name Dispute Resolution Policy (“UDRP”). UDRP proceedings are intended to offer an efficient process, where the issues are decided

without a trial or oral hearing. Unlike a lawsuit brought under ACPA, however, UDRP does not allow for the recovery of damages, costs, or fees.

**About Bambi Faivre Walters, PC:** Bambi Faivre Walters, PC is dedicated to providing intellectual property, technology and Internet counseling, and other strategic legal services. Our most common Internet Law concerns include the following:

- (1) Copyright concerns;
- (2) Domain Name concerns;
- (3) Free Speech, Defamation and Privacy concerns;
- (4) Web Site Development concerns;
- (5) Linking and Liability concerns;
- (6) Contract Law, Warranties, Fraud and other Internet legal lagniappe.

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