

THE CASE

– *Vulcan Golf et al. v. Google et al.*,
No. 07-C-3371 (N.D. Ill. Mar. 20,
2008)

Handicapping typo-squatters

Or is it par for the course

Suzanne Wilson and **Murad Hussain** of Arnold & Porter discuss the recent *Vulcan Golf v. Google* case

If you've ever mistyped a website address when surfing the Internet, you've probably been the unwitting visitor to a "parking page" filled with nothing but advertising links to other websites and a search engine inquiry box. Chances are the owner of that webpage was engaged in "typosquatting" – the intentional registration and use of Internet domain names that closely resemble another business's trademark or web address in the hopes that would-be patrons of that other business will misspell or misremember their intended destination, visit the typosquatter's site instead, and click on its advertisers' links. Those ad links may be provided through contracts with third parties like Internet search giant Google, whose "AdSense for Domains" program boasts sophisticated "semantics processing" algorithms to determine the most appropriate ads to display on a parking page for a given domain name.

When typosquatters commercially exploit the confusing similarity between their domain names and someone else's trademarks – for example, by hosting toy ads on *mattle.com* – they risk claims of trademark infringement. But what about third parties – like Google – who select the advertising links and sometimes even create the parking page itself? Could they also face liability for their services? A federal lawsuit in the Northern District of Illinois could soon answer that question.

The Lanham Act

In *Vulcan Golf et al. v. Google Inc. et al.*, several plaintiffs – including a golf equipment company and former Major League Baseball and National Football League star Vincent "Bo" Jackson – sued Google and other defendants for, among other things, direct and contributory trademark infringement under the Lanham

Act resulting from the use of typosquatting domain names. The suit was filed as a putative class action, on behalf of all owners of trademarks allegedly infringed by Google or the other defendants.¹ This article will address only the contributory infringement claim raised by plaintiffs against Google.

To state a claim for contributory infringement under the Lanham Act, one must plead that the defendant *either* intentionally induced a third party to infringe the plaintiff's mark *or* supplied a third party with products or services while knowing (or having reason to know) that this would aid infringement. The *Vulcan Golf* plaintiffs alleged that Google was liable for contributory infringement of their marks because Google supplied its advertising services to typosquatters, with actual or constructive knowledge that the misleading domain names directly infringed the plaintiffs' marks.

Google moved to dismiss the complaint, arguing that the plaintiffs failed to state any valid claims. Attacking the contributory infringement claim, Google argued that its AdSense software operates automatically to electronically publish others' advertisements, and that the plaintiffs had never notified Google of any infringement concerns prior to filing suit. Accordingly, Google argued, it had neither actual nor constructive knowledge about the allegedly infringing domain names. If Google lacked knowledge, the plaintiffs could not state a valid claim for contributory liability.

On 20 March 2008, Judge Blanche Manning denied Google's motion in part and held, among other things, that the complaint alleged facts sufficient to support the plaintiffs' contributory infringement claims.² Judge Manning found that the plaintiffs had in fact repeatedly alleged Google's knowledge of the domain names' infringing nature and how AdSense would facilitate that

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infringement, and thus defeated – for the time being – Google’s arguments to the contrary.

Grappling with Policy

As the case moves forward, the court will confront critical questions about what constitutes “knowledge” sufficient to support a claim for trademark infringement against Google. The court will also grapple with the underlying policy argument of whether trademark owners or third parties like Google can or should bear the costs of monitoring potentially infringing domain names.

The *Vulcan Golf* complaint described three domain name formats that should raise red flags and could conceivably give Google constructive knowledge that the domain name registrant is engaged in typosquatting: (1) omission of the period after “www” (e.g., *www.latimes.com*), (2) addition of an extra “com” (e.g., *microsoftcom.com*), and (3) omission of the colon and backslashes after “http” (e.g., *httpnbc.com*). Indeed, Google is aware of typosquatting generally; its own Webmaster Guidelines for search indexing warn that “misleading practices” such as “tricking users by registering misspellings of well-known websites” could lead to a website’s exclusion from Google’s index.³ The *Vulcan Golf* plaintiffs might argue that Google’s awareness of these three common typosquatting techniques could be built into a similar filter for AdSense.

But Google is likely to respond, just as it did in its motion to dismiss, that it “has no way to know . . . whether a given domain in the [AdSense] program could infringe a valid trademark. And even if Google did somehow have the ability to pluck out those domains which could infringe a valid trademark, Google has no way to know whether the domain has been registered by an infringer, a licensee of the trademark owner, or the trademark owner herself.”⁴ Indeed, some businesses may register misspellings of their own domain names in order to hold onto their visitors’ traffic. Google is one such business; visiting *gogggle.com* or *gogle.com* will redirect you to Google’s homepage. However, it is open to subsequent proof whether trademark owners would register domain name variants of their trademarks in order to create standalone parking pages that display third-party ads for *other* businesses.

Google’s view

Google’s motion to dismiss cited *Lockheed Martin Corp. v. Network Solutions, Inc.*⁵ to support its argument that it was powerless to

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determine whether any particular domain name was infringing. In *Lockheed Martin*, the U.S. Court of Appeals for the Ninth Circuit refused to hold domain name registry Network Solutions liable for letting typosquatters register Web addresses that allegedly infringed Lockheed’s service mark. What distinguishes *Lockheed Martin* from *Vulcan Golf*, however, is the point in time when each defendant encountered the questionable domain names. At registration, a domain name could be put to countless potential uses, whether commercial, educational, political, or even no use at all. In contrast, by the time Google’s AdSense comes into the picture, Google’s only job is to help monetise a domain name by finding suitable advertising. Given this context, the *Vulcan Golf* court might impute to Google greater constructive knowledge about the use of typosquatting domains than might be imputed to defendants in other situations.


Google seems likely to defend its AdSense program by presenting its Trademark Complaint Procedure as an alternative remedy for aggrieved trademark holders. This Procedure, referenced in Google’s motion to dismiss, lets trademark owners notify Google that AdSense is placing advertisements on allegedly infringing websites.⁶ Google claimed that if the plaintiffs had filed a “legitimate complaint” pursuant to the Procedure, Google would have “permanently” disqualified the allegedly infringing domain names from participating in AdSense.⁷ Essentially, Google’s position was that the Procedure is the only way it can learn enough about alleged infringement in order to act upon it.

Put differently, Google contends that its self-administered complaint procedure is a legal “safe harbor” from infringement liability. Underlying this policy argument is the presumption that businesses should be able to provide services over the Internet without needing to proactively determine whether those services facilitate trademark infringement. From Google’s perspective,

trademark holders bear the burden of locating and monitoring those websites that may be participants in Google’s AdSense program; if those websites use infringing domain names, trademark owners must use Google’s complaint procedure to bring any infringement to Google’s attention.

Counter arguments

The *Vulcan Golf* plaintiffs could counter Google with policy arguments of their own. For example, they already allege that part of the problem is that parking pages don’t always identify the providers of their advertising links. In that case, trademark holders may be left incapable of figuring out to whom they should complain. Further, plaintiffs could argue that the Internet is full of ingenious people looking to make a quick buck. For every infringing domain name that gets shut down, several others might spring up in its place, leaving trademark holders hard-pressed to predict every permutation that this infringement Hydra might devise.

In the end, determining what Google knew – or should have known – will require the *Vulcan Golf* court to undertake a highly fact-intensive analysis and balance competing economic and policy interests. The court’s challenge is to give proper protection to trademark holders’ rights without unnecessarily stifling the development of innovative content-recognition software. But Google’s even bigger challenge may be to explain why its software is sophisticated enough to know the advertising value of a domain name, yet cannot evaluate when that domain name likely rests upon the reputation of someone else’s trademarks. 

Notes

- 1 Complaint 66.
- 2 2008 WL 818346, at *11. However, the district court did dismiss the plaintiffs’ claims for civil conspiracy, unjust enrichment, and violations of the federal Racketeering Influenced Corrupt Organizations (“RICO”) Act, as well as certain trademark claims with respect to certain class representatives.
- 3 Google – Webmaster Guidelines, at <http://www.google.com/support/webmasters/bin/answer.py?hl=en&answer=35769>.
- 4 Google’s Mot. to Dismiss at 5.
- 5 See *id.* at 10 (citing 985 F. Supp. 949 (C.D. Cal. 1997), *aff’d* 194 F.3d 980 (9th Cir. 1999)).
- 6 AdSense for Domains Trademark Complaint Procedure, at http://www.google.com/tm_complaint_afd.html.
- 7 Google’s Mot. to Dismiss at 5-6.