Working Through the Internet: Intellectual Property, Privacy, and Other Issues for Non-Profits

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Presenters

- **David L. Cavanaugh** is co-vice chair of WilmerHale’s Intellectual Property Department.

- **Michael H. Smith** is an associate in WilmerHale’s Intellectual Property Department.
Topics

1. IP Issues Raised by the Internet
   - Cybersquatting
   - Metatags and Keyword Advertising
   - Fan Sites and Gripe Sites
   - Linking and Embedding
   - Hosting Third Party Content

2. The CAN-SPAM Act

3. Charity Solicitation Acts

4. Development of a Privacy Policy
Cybersquatting

- What Is Cybersquatting?
  - Cybersquatting refers to improperly registering domain names that are similar or identical to another's trademark.

- Examples
  - Registration of madonna.com by a party without a legitimate interest in the domain name
  - Registration of goole.co and yuube.com by typosquatters
  - Registration of peta.org by founder of fictitious “People Eating Tasty Animals”
Protection Against Cybersquatting

- Federal Protection
  - Anticybersquatting Consumer Protection Act (ACPA) of 1999 – protects distinctive and/or famous trademarks from cybersquatting
  - Trademark infringement and dilution claims remain

- State Protection
  - California, Hawaii and Louisiana provide additional protection from cybersquatting for personal names
  - State trademark statutes also prohibit infringement and dilution
Protection Against Cybersquatting

- Other Sources of Protection

  - The Internet Corporation for Assigned Names and Numbers’ (ICANN) Uniform Domain-Name Dispute-Resolution Policy (UDRP) -

    - UDRP is an administrative proceeding before an approved dispute resolution provider such as the World Intellectual Property Organization (WIPO).

    - Visit [http://www.icann.org/](http://www.icann.org/) for more information

  - Many sites such as [Facebook](http://www.facebook.com) and [Twitter](http://www.twitter.com) provide their own dispute resolution mechanisms
Anticybersquatting Consumer Protection Act (ACPA)

ACPA Claim Requirements

1. One must have a valid trademark that was distinctive or famous at the time the domain name was registered.
2. The registrant must have acted with a bad faith intent to profit from one’s trademark.
3. The domain name must be identical or confusingly similar to one’s trademark; for a famous mark, claims can also be based on dilution.
ACPA Remedies

- Forfeiture, cancellation, or transfer of the domain name
- Monetary damages against cybersquatters
  - Actual Damages or
  - Statutory Damages of $1000 to $100,000 per domain name as the court considers just
- Damages can be quite large for egregious conduct
  - E.g. $33 million in damages for registering at least 663 domain names that were identical or confusingly similar to Verizon's marks, like “mobileverizon.net,” “myprepaidverizon.com,” “verizon-cell-phones.com,” and “verizoncellularphone.com”
What to Do and What to Avoid

- Preventing and Responding to Cybersquatting
  - Consider registering close variants of one’s own organization’s domain name
  - Contact the web host to request an infringing site be taken down
  - Pursue one of the remedies discussed

- How to Avoid Accusations of Cybersquatting
  - Choose domain names that use one’s own organization’s name or trademark
  - Avoid URLs that are similar or identical to other’s famous or distinctive trademarks
Metatags

- **What Are Metatags?**
  - Metatags are codewords embedded in websites that are not normally visible to website visitors that help search engines identify relevant content.

- **E.g. Make-A-Wish Foundation’s** [www.wish.org](http://www.wish.org)
  - Keywords tags include: Wish, Wishes, Wishing, children's wishes, Make-A-Wish, MakeAWish, Make A Wish, charity, life-affirming, life-threatening, life-threatening illness

- **What Metatags Does My Site Use?**
  - Speak with your website administrator
Metatags – Trademark Issues

- Metatags can constitute trademark infringement, dilution, and false advertising when
  - they include unrelated trademarks that improperly divert internet users searching for the trademark
- Fair Use may apply when
  - a defendant uses a third party’s trademark fairly and accurately in metatags to describe the content of the website
Metatags - Fair Use Examples

- **Brooksfield Communications v. West Coast Entertainment**
  
  Use of the metatag “Movie Buff” by a video store chain’s website would have been a fair use of the MovieBuff trademark because it would have fairly and accurately described the site’s content. By contrast, the metatag “MovieBuff” (no space) was improper because it referred only to the plaintiff’s trademark.

- **Playboy Enterprises v. Welles**
  
  Use of the terms “Playmate” and “Playboy” as metatags by a former Playmate was a fair use because the terms were not used as trademarks, but rather as descriptive terms that fairly and accurately described the content of her site.
Keyword Advertising

- Search Engine Keyword Advertising

- Search engines sell advertising rights to specific search terms, which may cause a user to visit an advertiser’s site, rather than the site for which they searched.
Trademark Protection

- The law remains unsettled as to whether purchasing keywords that include trademarks violates trademark rights.
- As a practical measure, trademark owners can also obtain keyword advertising for their own trademarks.
Fan Sites and Gripe Sites

- Fan Sites
  - Websites, Facebook Groups, and Facebook Like Pages where fans can express admiration
  - May cause concern because they can create confusion about an organization’s message, activities, mission, etc
Fan Sites and Gripe Sites

- Gripe Sites
  - Websites, Facebook Groups, and Facebook Like Pages devoted to criticism and parody
  - Often contain words like “sucks” or “stinks” in the URL or name
Trademark Issues

- Fan Sites and Grip Sites may infringe or dilute a trademark
  - Sites should avoid implying they are endorsed by or affiliated with the trademark owner
  - Sites should avoid blurring or tarnishing trademarks for commercial purposes
- Fair use and non-commercial use may provide defenses
- Effective parody and critical commentary may be protected by the First Amendment
Linking and Embedding

- **Linking**
  - Providing a webpage reference that the user can follow

- **Embedding**
  - Linking to a video hosted elsewhere that displays on your webpage, blog, presentation, etc. For example,

  ![How To...Embed a YouTube Video into PowerPoint](http://www.youtube.com/watch?v=W_ImoTHURZg)
Trademark Infringement and Dilution

- Linking and embedding should not imply sponsorship or approval by the trademark owner or affiliation with the trademark owner.

- Linking and embedding for commercial purposes should avoid blurring or tarnishing a trademark.

- Defenses such as fair use and First Amendment speech protections apply.
Linking and Embedding – Copyright

Copyright Liability

- Direct Infringement – Linking and embedding is unlikely to constitute direct infringement

- Secondary Liability
  - Contributory Liability – requires actual knowledge and substantial assistance
  - Vicarious Liability – requires control and financial benefit
  - Intentional Inducement – requires affirmatively and actively promoting or encouraging users to visit linked pages or watch embedded videos to view infringing material

- E.g. *Perfect 10, Inc. v. Amazon.com, Inc.*
Linking and Embedding – Copyright

Fair Use

1. Purpose and character of the use
   - Nonprofit educational use vs. commercial use

2. Nature of the copyrighted work

3. Amount and substantiality of the portion used

4. Effect of the use on the market for the copyrighted work

Example

   - *Perfect 10, Inc. v. Amazon.com, Inc.*
Hosting Third Party Content - Copyright

- Hosting third party content on one’s website can constitute direct copyright infringement
  - Unlike linking and embedding, hosting content, including user uploads, requires making and storing copies
  - Higher risk than linking and embedding, which do not require copying the third party content
- Fair use defenses apply
- E.g. Perfect 10, Inc. v. Amazon.com, Inc.
Digital Millenium Copyright Act (DMCA) Safe Harbor Provisions

- The DMCA provides additional protection to “service providers” for linking to third party content and hosting user uploads.
  - Service providers include websites that provide services such as email, news, movies, music, search, etc.
- Service providers must comply with safe harbor requirements, such as having no actual knowledge the material or activity is infringing.
The Controlling the Assault of Non-Solicited Pornography And Marketing (CAN-SPAM) Act of 2003

- The CAN-SPAM Act does not prohibit unsolicited or mass email
- Rather, it establishes national standards for sending “commercial” email
- “Commercial” email may include messages from non-profits that promote the goods or services of the non-profit
  - E.g. advertising a seminar or selling tickets to a charity gala might be considered commercial because it promotes the services of the non-profit
  - Does not apply to “transactional or relationship” messages, for example, a donation confirmation
The Controlling the Assault of Non-Solicited Pornography And Marketing (CAN-SPAM) Act of 2003

The CAN-SPAM Act’s Main Requirements

– No false or misleading header information - i.e. use accurate “To,” “From,” “Reply-To,” and routing information
– No deceptive subject lines
– Tell recipients how to unsubscribe
– Honor unsubscribe requests promptly
– Include a valid physical postal address of the sender
– Tell recipients the message is an ad
Charity Solicitation Acts

- Charity solicitation acts in many states require registration to solicit donations
- Merely operating a website where users can donate does not generally require registration
- By contrast, emailing potential donors generally requires registration
Development of a Privacy Policy

- General Principals
  - No secret data collection
  - Provide notice of what information has been collected and how it’s used
  - Allow correction of identifiable personal information
  - Individuals must be able to prevent information collected for one purpose from being used for another without their consent
  - Ensure the accuracy of information collected and prevent its misuse
Contents of a Privacy Policy

- **Contents**
  - What information is collected and how it’s collected
  - For what purpose information is collected
  - Who will have access to information that has been collected
  - Who to contact with privacy concerns
  - How to determine what has been collected
  - How to opt out or request that information be removed

- **Example**
  - [Habitat for Humanity Privacy Policy](#)
Disclosure and Change Notices

- Publicity and Disclosure of Your Privacy Policy
  - Your organization’s privacy policy should be publicized and disclosed to members and those who visit your website

- Privacy Policy Changes
  - Visitors and members should be notified of privacy policy changes
Questions?