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Legally Speaking-Domain Names, Cybersquatting, and the ICANN System

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To get into this, a subscriber had to prove ownership of a particular CD through the "Beam-it Service", but from there on out, would be listening to MP3.com's CD.

Robertson's reasoning made sense. If I go over to your house and we swap the same CD, what difference does it make if I'm listening to yours and you to mine. What he refused to see, was MP3.com was buying CDs by the thousands and copying them for re-play without authorization. It was copying when it put them in MP3 format to be played over its servers.

Fair Use - Purpose and Character

Well, of course it was commercial. Subscribers didn't pay a fee, but the objective was to draw enough of them to put up advertising.

Did it transform it by giving it new meaning or understanding? See, e.g., *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994). MP3.com claimed it was transforming the music by "space shifting" — permitting the listener to hear his own music without dragging it around with him. But that's not transformation. The pirated copies were just being retransmitted in another medium. See, e.g., *Infinity Broadcast Corp. v. Kirkwood*, 150 F.3d 104, 108 (2d Cir. 1998) (service transmitted copyrighted radio broadcasts over telephone lines). MP3.com was adding no new "aesthetics, ... insights and understandings." *Castle Rock*, 150 F.3d at 142. It was repackaging to transmit the same music expression in another medium.

Nature of the Copyrighted Work

Well, we're right in there with creative stuff — the core of what copyright protection is all about. *Campbell*, 510 U.S. at 586.

Amount and Substantiality

Yep. MP3.com copied the whole thing.

Effect of the Use on the Market

Music companies have a right to license their recordings. 17 U.S.C. § 106. MP3.com fell back on the argument that what they were doing would only enhance sales since the subscriber had to buy the CD. But of course, a positive impact has nothing to do with it. You start messing around with my product, you might get a positive impact or a negative one. If I don't want to take the risk, I tell you, No, keep your hands off my product. Otherwise, I license you the right to mess around with it.

Huh?

MP3.com's final argument was if they didn't do it, "real" pirates would. In other words, there's consumer demand out there, and music companies may as well face up to it and let MP3.com take the product for semi-free.

Of course, there's a certain logic to it. MP3.com's system forced a sale of a CD with profits flowing to the music companies. Truly pirated copies bring no income flow. And yes, it's going to happen anyway. But this flies in the teeth of what everyone deep down believes about private property. If it's mine, I have a right to refuse to evolve with consumer demand and run the industry into the ground. I'm entitled to be a fool.

So How Bad Is It for MP3.com?

Rather than appeal — and what earthly basis did he have for appeal? — Robertson chose to negotiate a settlement of \$170 million, the largest copyright settlement in history. And, of course, there are many record companies not in the suit so there are still big damages lurking.

Forbes has Robertson thinking in Internet terms where six months is a long time. Beam-It is only a small part of the larger game plan. He has a car music player that holds 100 gigabytes — that's 2,200 CDs ready to serve all those techno and trance fans.

Legally Speaking — Domain Names, Cybersquatting, and the ICANN System

by **Bryan M. Carson, J.D., M.I.L.S.** (Coordinator of Reference and Instructional Services, Western Kentucky University Libraries, 1 Big Red Way, Bowling Green, Kentucky 42101; Phone: 270-745-5007, Fax: 270-745-2275) <bryan.carson@wku.edu>

*"What's in a name? That which we call a rose by any other name would smell as sweet."*¹

This column is about names, because in these days of the Internet, domain names do make a big difference. Yet how much do we really think about the names that we enter to find Websites? Without the **Domain Name System (DNS)** currently in place, we would have links such as 255.15.543.² Needless to say, this would make the Web much less use-

ful. In order to make sure that the **DNS** registry runs smoothly, all of us need to understand how it operates, and what the laws are that regulate domain name disputes. The Internet is like the Wild West—there are many disputes, but also attempts to introduce order.

Those of us who were early users of the World Wide Web remember when big corporations like **McDonald's** didn't have their

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own domain names. At that time, a big corporation might have had a URL something like: www.internetproviders.net/members/businesses/corporations/mcdonalds. This kind of domain name is also unusable for Web surfers, because of its length and complexity. Of course, now McDonald's is very easy to find at www.mcdonalds.com.

The Internet was formed in 1969 by the U.S. Defense Department as a communications system that would be able to function in the event of a nuclear attack. It was originally called ARPANET (Advanced Research Projects Agency Network).³ Around the same time, the National Science Foundation (NSF) developed the NSFnet. Eventually the two systems were merged under the control of the NSF. With the introduction of the World Wide Web in 1994, the Internet became very popular and widely used.⁴

The U.S. government developed a coalition of contractors and private companies to manage the functions of the Internet—especially the DNS registry, allocation of IP address space, management of the root server system, and coordination of protocol number assignment. The DNS registry was maintained for a number of years by a company called Network Solutions. As the Web grew, however, it became clear that another system of management needed to be developed.⁵ In 1998, the Internet Corporation for Assigned Names and Numbers (ICANN) was formed as a non-profit, private-sector corporation. "ICANN has been designated by the U.S. Government to serve as the global consensus entity to which the U.S. government is transferring the responsibility for coordinating four key functions for the Internet: the management of the domain name system, the allocation of IP address space, the assignment of protocol parameters, and the management of the root server system."⁶

There are a number of Top-Level Domain Names (TLDs). The original TLDs consisted of .com for commercial businesses, .org for non-profit organizations, .edu for educational entities, .net for network providers, .gov for the government, and .mil for the military. And, of course, most of the time we remember to look for the official White House Website by entering www.whitehouse.gov instead of www.whitehouse.com. Those who make the mistake of entering www.whitehouse.com are taken to a pornographic Website.

Soon after the establishment of the World Wide Web, TLDs were approved for geographic entities, such as .il for Israel, .cz for the Czech Republic, and .ky for the state of Kentucky. For example, the URL for legislation from the state of Minnesota is <http://www.leg.state.mn.us/leg/legis.htm>, and the

city of Fresno, California, is at <http://www.ci.fresno.ca.us>. The geographic TLDs have proved to be very popular and are helpful to those of us who work in the library profession.

In November 2000, ICANN granted approval in principle to seven new TLDs. According to ICANN, "The selected TLD proposals are of two types. Four proposals (.biz, .info, .name, and .pro) are for relatively large, un-sponsored TLDs. The other three proposals (.aero, .coop, and .museum) are for smaller 'sponsored' TLDs."⁷ The 'un-sponsored' TLDs operate under policies established directly by ICANN. "Sponsored" TLDs are operated by a sponsoring organization representing a specialized community with specialized rules.⁸ ICANN is currently in the process of negotiating the operating agreements.⁹

In the early days, people would register the domain names of companies, and then attempt to sell these names for large sums of money. This is called Cybersquatting, and is prohibited by the Anticybersquatting Consumer Protection Act of 1999,¹⁰ as well as by trademark law. It is now illegal to register a name and then attempt to sell it to the trademark holder.¹¹ ICANN has also created dispute resolution rules.¹² A challenge is afoot, however, to ICANN's system, and this challenge is not in the best interests of consumers. ICANN is an imperfect entity, but the Internet needs someone impartial to administer the system and resolve disputes.

Last fall I received notification that ICANN was considering .law as a new domain name. The organization that submitted the proposal was named Dotlaw, Inc. After a study of the issue, I sent ICANN a letter in support of the proposal.¹³ According to my comment, "Creation of a .law top-level domain would make legal research far more accessible to attorneys, librarians, and the general public. I believe that the establishment of a .law top level domain name would empower people, giving them a place to go to look for legal content. . . ."¹⁴

A few weeks ago, I received a message via a discussion list I subscribed to that a new .law domain name was available. The TLD came from a company called new.net.¹⁵ I had never heard of new.net, but I was still pleased that the .law domain name had been approved. After all, "One of the biggest barriers to the effective use of the Internet is the uncataloged nature of 'Cyberspace.' The institution of a .law scheme would in effect be a way of cataloging legal sites for easy retrieval."¹⁶ I realized that users need to download a piece of proprietary software or reconfigure their browsers in order to access

these sites, which was disconcerting. After all, not everyone will have that software, and many people don't like to download for fear of viruses. Yet without this software, .law is not available. However, it took a revelation from Michael Geist, a fellow law librarian, before I realized what was happening. He informed me that new.net is a competitor to ICANN, and that was why .law required proprietary software.¹⁷

According to Geist, "The reason you need a browser plugin is that the 'law' domain is really just a layer on top on the existing domain system — when someone types in 'bryan.law' they are actually just accessing the new.net system."¹⁸ Upon learning the truth about new.net really operates, I investigated the new.net system by registering a domain name, going all the way except for the credit card payment. It turned out that new.net is simply redirecting URLs from other sites.

I also wrote new.net a letter requesting that the .law domain contain some additional language to ensure that it is used for reliable information. After all, one of the major reasons that I supported the introduction of .law as a TLD was because "it will enable people to find reliable legal information quickly and easily. . . . This will help to protect the consumer, and will make the .law TLD a more impressive and more important domain name."¹⁹ The reply I received indicated that "We are currently not restricting registrations in any of our TLDs."²⁰

While new.net is somewhat unappetizing, it is not in any way illegal or unethical. However, there are other companies who are actively trying to mislead the public. In December 2000, the Federal Trade Commission (FTC) issued a consumer alert entitled "What's Dot and What's Not: Domain Name Registration Scams."²¹ Domain names are the newest area of opportunity for confidence games. Having once been fooled, I'm determined that—in the immortal words of The Who—"We won't get fooled again!"²²

Domain names can also become a source of conflict and litigation, even in the absence of bad intentions. One example that is currently taking place in the area of legal research involves the dispute between legal researcher T.R. Halvorson and the Lexis-Nexis Corporation. An experienced legal researcher and author of *Law of the Super Searchers: the Online Secrets of Top Legal Researchers*,²³ T.R. created a free legal research Website entitled LexNotes.²⁴ According to the Website, "LexNotes is a new online resource for legal research professionals. It provides categorized and searchable links to research sources, bibliographies, pathfinders, articles, reviews, papers, legal news, and tips."²⁵ This Website is primarily aimed at lawyers and law librarians, although it is accessible by the general public as well.

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On March 12, 2001, Lexis-Nexis informed Halvorson that they believed LexNotes was infringing on the Lexis trademark, and requested that Halvorson cease and desist using the domain name www.lexnotes.com.²⁶ According to Halvorson, "While acknowledging that LEXIS never has used the mark LexNotes, LEXIS claims that my use of it infringes on a family of marks that begin with the Latin word lex, meaning law."²⁷

One issue involved in this dispute is whether "lex" is a generic word. According to law librarian Karen Mahnk, "Lex is not a name but a generic word for 'law.' Generic words are tough cookies to trademark, i.e. Aqua/aqua/water. Note that there are numerous water companies with the name root Aqua (not to mention AquaVella). Also, 'Pizza Hut' certainly didn't have much luck keeping 'pizza' out of all the other restaurant names. So too any legal entity may include the word lex or law. So, unless 'law' can be trademarked, I doubt they have much standing."²⁸ LexNotes has compiled a partial listing of domain names beginning with "lex." The list contains over 4,000 domain names.²⁹

Another product with a similar name is the luxury automobile "LEXUS." Mead

Data Central, the previous owner of Lexis-Nexis, sued Toyota, the producer of Lexus automobiles.³⁰ The 2nd Circuit ruled in favor of Toyota. According to the opinion:

Mead introduced evidence that its president in 1972 "came up with the name LEXIS based on Lex which was Latin for law and I S for information systems." In fact, however, the word "lexis" is centuries old. It is found in the language of ancient Greece, where it had the meaning of "phrase," "word," "speaking" or "diction." Pinkerton, *Word for Word*, 179 (1982). "Lexis" subsequently appeared in the Latin where it had a substantially similar meaning, i.e., "word," "speech," or "language." *Oxford Latin Dictionary* (1983); Lewis and Short, *A Latin Dictionary* (1980); Lewis, *An Elementary Latin Dictionary* (1979).

Like many other Latin words, "lexis" has been incorporated bodily into the English. It can be found today in at least sixty general dictionaries or other English word books, including *Webster's Ninth New Collegiate Dictionary* and *Webster's New World Dictionary*. Moreover, its meaning has not changed significantly from that of its Latin and Greek predecessors; e.g., "Vocabulary, the total set of words in a language" (*American Heritage Illustrated Encyclopedic Dictionary*); "A vocabulary of a language, a particular subject, occupation, or activity" (*Funk & Wagnalls Standard Dictionary*). . . .

Moreover, the record discloses that numerous other companies had adopted "Lexis" in identifying their business or its product, e.g., Lexis Ltd., Lexis Computer Systems Ltd., Lexis Language and Export Information Service, Lexis Corp., Maxwell Labs Lexis 3. In sum, we reject Mead's argument that LEXIS is a coined mark which originated in the mind of its former president and, as such, is entitled per se to the greater protection that a unique mark such as "Kodak" would receive. [Citations omitted].³¹

The court also compared "LEXUS to NEXXUS, a nationally known shampoo, and LEXIS to NEXIS, Mead's trademark for its computerized news service. NEXXUS and NEXIS have co-existed in apparent tranquility for almost a decade."³² The 2nd Circuit concluded that LEXIS as a computer research database did not dilute Toyota's mark of LEXUS for automobiles.³³

In fact, there are 102 words in *Black's Law Dictionary* that begin with the root word "lex."³⁴ Several of these words have more combinations in which they can be used. Some of the more important ones include *lex loci delicti*, the "law of the place where the tort was committed," as well as *lex naturae*, which means "natural law," and *lex generalis*, "A law of general application, as opposed to one that affects only a particular person or small group of people."³⁵

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At this time, the dispute between Halvorson and Lexis-Nexis is still going on. Disagreements over domain names such as this occur with some regularity now that the Internet has become popular. The **Domain Name System** does provide a possibility of both abuse and unintentional conflicts. However, ICANN, trademark law, and the Anticybersquatting Consumer Protection Act of 1999 are trying to bring order to the system. The **new.net** challenge to

ICANN is a troubling prospect. Still, sometimes disputes do arise over domain names, even without any bad faith on the part of anyone. The more we know about trademark law, the easier it becomes to avoid trouble.

The Internet is still in the Wild West days of its beginning. However, ICANN and its allies are trying to bring law and order to the system without bringing control. We who work with the Internet still have a hard road to travel, but the Wild West came to order, and even the most infamous territories were tamed. So, too, can the Internet become civilized.

Questions & Answers Copyright Column

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QUESTION: *How does one deal with copyright on a photo taken prior to 1900 where the photographer is unknown and not identified in the image?*

ANSWER: In order to deal with this issue, there are several questions that need to be addressed. Has the photo ever been published? If so, the copyright is dated from that date since it was under earlier Copyright Acts rather than the date when the photograph was taken. If it was never published, the photograph is still under copyright until the end of 2002 or life of the photographer plus 70 years, whichever is greater.

Is the photograph famous? If so, then one of the stock photography companies may hold the rights. If not, and the photographer is unknown, the library may decide that the risk is small and go ahead and use the photograph.

QUESTION: *Recently the "Today Show" featured a man who buys movies on video and then edits out the sex, offensive language and violence. He then rents the edited versions to anyone interested in seeing "clean" movies. Is this copyright infringement?*

ANSWER: Yes. By editing the movies and making them available he is preparing a derivative work that can be done only with permission of the copyright holder. Then he distributes the videos. Television networks pay for this right when they broadcast movies that have been edited. One might assume that he is also making at least one copy of the work to produce the edited version. In other words, in addition to preparing an unauthorized adaptation of the work, but he is reproducing it as well as distributing copies.

QUESTION: *A faculty member has posed an interesting question. She uses photographs of houses as reference for her paintings, although she sets the houses in her paintings in a context of her own creation. Is this copyright infringement. A related question is when one appropriates an image and when its reworking is an infringement of copyright and when it become a new work of art?*

ANSWER: Reproducing a photograph is infringement if the photo is still under copyright. The house itself could be copied directly, just not the photograph. There is a famous saying in copyright law that it is permissible to copy the original but not to copy the copy. This means that the house is the original and the photograph of the house is the copy. The artist certainly can reproduce the original, i.e., the house, but not the copyrighted photograph. If the house in the paintings is just based on the house in the photograph, then it may be a new work of art.

The related question is much more difficult since by tradition many works of art are based on earlier works. Again, reproducing the original painting in any format (such as pen and ink, watercolor, etc.) is infringement. If the work is copyrighted, then reworking it creates a derivative work, and only the owner of the copyright has the right to create adaptations of the original work. When the adaptation is for display in face-to-face teaching in a nonprofit educational institution, it might, however, be fair use.

QUESTION: *One of the library's requests for an interlibrary loan photocopy of a 1999 article got referred on to an association library. That library refused to*

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Legally Speaking Endnotes

1. Shakespeare: Romeo and Juliet, Act II, Scene ii, Verse 43.
2. The domain name examples in this section are fictional. They are intended only as examples.
3. "Everything you always wanted to know about the Internet - and then some." <http://www.merinode.com/webdesigntips.htm>.
4. *id.*
5. Internet Corporation for Assigned Names and Numbers (ICANN). "ICANN Fact Sheet." <http://www.icann.org/fact-sheet.htm>.
6. *id.*
7. Internet Corporation for Assigned Names and Numbers (ICANN). "New TLD Program." <http://www.icann.org/TLDS/>.
8. *id.*
9. *id.*
10. P.L. 106-113. <http://www.mama-tech.com/antipiracy.html>.
11. *id.*
12. Uniform Domain-Name Dispute-Resolution Policy. Policy Adopted: August 26, 1999. Implementation Documents Approved: October 24, 1999. <http://www.icann.org/udrp/udrp-policy-24oct99.htm>. See also, Rules for Uniform Domain Name Dispute Resolution Policy. <http://www.icann.org/udrp/udrp-rules-24oct99.htm>.
13. Bryan M. Carson. "Support for .law proposal." Comment letter to ICANN. Fri, November 3, 2000. <http://forum.icann.org/cgi-bin/rpgmessage.cgi?tldapps;3A0346EB0000104F>.
14. *id.*
15. <http://www.new.net/>.
16. Carson, "Support for .law proposal."
17. Michael Geist. "Re: .law domain name approved (long but important)." E-mail to law-lib@ucdavis.edu. Saturday, March 31, 2001.
18. *id.*
19. Bryan M. Carson. "New .law TLD." E-mail to support@new.net. Friday, March 30, 2001.
20. Kelli Hancock. "Re: New .law TLD." E-mail to author. Thursday, April 05, 2001.
21. Federal Trade Commission. "What's Dot and What's Not: Domain Name Registration Scams." *FTC Consumer Alert*, issued December 2000. <http://www.ftc.gov/bcp/online/pubs/alerts/domainalrt.htm>.
22. Pete Townsend, "Won't Get Fooled Again." *Who's Next*. New York: Decca Records, 1971.
23. T. R. Halvorson and Reva Basch. "Law of the super searchers: the online secrets of top legal researchers." Medford, NJ: CyberAge Books, 2000.
24. T.R. Halvorson. "LexNotes." <http://www.lexnotes.com/index.shtml>.
25. <http://www.lexnotes.com/index.shtml>.
26. T. R. Halvorson. "LEXIS and LexNotes." E-mail to law-lib@ucdavis.edu. Monday, March 12, 2001.
27. *id.*
28. Karen Mahnk. "RE: LEXIS and LexNotes." E-mail to law-lib@ucdavis.edu. Tuesday, March 13, 2001.
29. T.R. Halvorson. "Lex Domains - Partial Listing." *LexNotes*. <http://www.lexnotes.com/tm/lexdomains.shtml>
30. *Mead Data Cent., Inc. v. Toyota Motor Sales, U.S.A., Inc.*, 875 F.2d 1026. (2nd Cir., 1989).
31. *id.* at 1027.
32. *id.* at 1029, footnote 2.
33. *id.* See Also, Ardena L. Walsh. "Re: Lexis and LexNotes." E-mail to law-lib@ucdavis.edu. Tuesday, March 13, 2001.
34. Black's Law Dictionary. 7th ed. pp. 920-925. See Also, Bryan M. Carson. "Re: Lexis and LexNotes." E-mail to law-lib@ucdavis.edu. Tuesday, March 13, 2001.
35. *id.*