
Free Speech and Fair Use in Domain Name Disputes

2001-07-30

In recent domain name disputes before the Internet Corporation for Assigned Names and Numbers (ICANN), arbitrators have demonstrated a new willingness to weigh the public interest in free speech and fair use against the rights of trademark holders.

As discussed in our [February 15, 2000 Internet Alert](#), arbitrators hear domain name disputes under ICANN's Uniform Dispute Resolution Policy (UDRP) and have the power to transfer domain names from the current registrant to trademark holders. In the past, arbitrators have tended to rule in favor of trademark holders, have avoided free speech issues and have developed a narrow understanding of fair use. However, recent decisions suggest that some arbitrators are reconsidering their approach to free speech and fair use, particularly in disputes concerning celebrity domain names and sucks.com sites.

Sucks.com Sites

In an early ruling, an ICANN arbitration panel ordered a number of "sucks.com" domain names critical of Wal-Mart Stores (including [walmartcanadasucks.com](#)) to be transferred from the registrant to Wal-Mart. This decision was discussed in our [September 13, 2000 Internet Alert](#).

Last November, however, an arbitrator refused to transfer a nearly identical domain name, [walmartcanadasucks.com](#), to Wal-Mart Stores. The decision explicitly rejected the earlier ruling on the grounds that it failed to respect the importance of parody and critical commentary. The arbitrator held that Wal-Mart had to prove the usual three elements to prevail under UDRP:

1. That walmartcanadasucks.com was identical or confusingly similar to a trademark or service mark in which Wal-Mart Stores has rights;
2. That the registrant of walmartcanadasucks.com had no rights or legitimate interests in the domain name; and
3. That the domain name was registered and used in bad faith.

However, in direct contradiction with the earlier Wal-Mart "sucks" decision, the arbitrator found that Wal-Mart proved none of these elements. On the first element, the arbitrator found no likelihood of confusion. Citing comments by U.S. federal district courts in disputes over ballysucks.com and lucentucks.com, the arbitrator held that most users would recognize walmartcanadasucks.com as

a site for critical commentary, not an official Wal-Mart site. He conceded the possibility, suggested in the earlier panel's ruling, that "users will choose to visit [sucks.com] sites, if only to satisfy their curiosity," and will thereby be diverted from trademark holders' sites. However, he concluded that the "slim" likelihood of confusion was "outweighed by the public interest in parodic expression." On the second and third elements, the arbitrator again relied on free speech arguments, finding that critical commentary in "sucks.com" sites should be regarded as a legitimate fair use and not in bad faith.

The decision in [wallmartcanadasucks.com](#), which has been followed by other panels in recent disputes over [lockheedsucks.com](#) and [mclanenortheastsucks.com](#), may signal a move away from UDRP arbitrators' prior unwillingness to consider the free speech implications of their decisions in sucks.com disputes. In early decisions, arbitrators routinely ordered registrants of "sucks.com" sites, such as [guinness-sucks.com](#), [dixonsucks.com](#), and [natwestsucks.com](#), to transfer their domain names to trademark holders. Arbitrators avoided the free speech issue by arguing that domain names were registered to "extort" money from trademark holders, not to voice genuine critical commentary. By contrast, in the recent Wal-Mart decision, the arbitrator chided earlier panels for their failure to "consider more broadly the law relating to critical and parodic uses of domain names and trademarks." He declined to judge the quality of the "sucks.com" site's criticism, arguing that protection is afforded to all commentary, not just effective or tasteful criticism.

The ruling in [wallmartcanadasucks.com](#) appears to represent a new willingness by UDRP arbitrators to address directly the conflict between trademark rights and free speech in these disputes – and to resolve that conflict in favor of free speech interests.

Celebrity Domain Names

A similar change has occurred in arbitrators' treatment of celebrity domain names. In January, a panel denied Bruce Springsteen's request to transfer [bruce.springsteen.com](#). The arbitrators found that the registrant, who used [bruce.springsteen.com](#) to redirect users to another site that the registrant owns ([celebrity1000.com](#)), had made legitimate, non-commercial fair use of the domain name and had not acted in bad faith. They concluded that users who search for "Bruce Springsteen" online will find thousands of web sites and will not expect most hits to be "official" sites. Because users fully expect domain names incorporating celebrity names to exist independently of the celebrities themselves, the panel held that the registrant made fair use of Springsteen's name and did not misleadingly divert customers for commercial gain. The panel stressed the public interest in the broad interpretation of fair use, stating that "the Internet is an instrument for purveying information, comment, and opinion ... and any attempt to curtail its use should be strongly discouraged."

The Bruce Springsteen decision – along with a similar ruling against [Edward Van Halen](#) in December – represents a stark change from a long line of prior UDRP decisions. Celebrities such as [Julia Roberts](#), [Madonna](#), [Dan Marino](#) and [Mick Jagger](#) have all successfully brought UDRP proceedings against those who registered their names as domains. Indeed, before the Springsteen and Van Halen decisions, the only other celebrity to lose a domain name dispute was Sting, whose case raised unique issues because of his name's generic meanings. In these earlier disputes over celebrity domain names, most panels adopted a strict understanding of fair use,

which assumed that the incorporation of a celebrity's name gives rise to the impression of association and thus does not constitute a justifiable use. By contrast, the Springsteen decision indicates a move toward a much more expansive view of fair use, which recognizes that users expect these sites to be offered by admirers or critics as well as celebrities themselves.

Although the Springsteen decision has sparked great controversy and another panel has declined to follow its lead in a dispute over celinedion.com, the Springsteen ruling may point the way to a new trend in the attitudes of ICANN arbitration panels and a more prominent role for fair use in UDRP disputes.

Lessons for Trademark Holders

At a minimum, these recent decisions reflect a growing uncertainty in the attitude of UDRP arbitrators toward free speech and fair use claims. As discussed in our [September 13, 2000](#) and [June 2, 2000](#) Internet Alerts, trademark holders must make a tactical decision about whether to bring their claims through arbitration before ICANN-sponsored panels or litigation in federal court. Although arbitration has historically favored trademark holders by limiting the scope of inquiry into free speech and fair use concerns, new trends in UDRP decisions may limit or erase those advantages.

Mark Matuschak
mark.matuschak@haledorr.com

Johanna Toth

Summer associate Rita Lin contributed to this Alert.

Authors



**Mark G.
Matuschak**

PARTNER

✉ mark.matuschak@wilmerhale.com

☎ +1 617 526 6559