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Defining the Limits of Free-Riding in Cyberspace: Trademark Liability for Metatagging

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I. INTRODUCTION

The Internet has the potential to revolutionize global communication, offering a relatively low-cost means for information exchange. Since its inception as a research network, the Internet has developed into a "a vast library including millions of readily available and indexed publications and a sprawling mall offering goods and services."[1] The World Wide Web ("Web"), a tool which helps to organize the enormous amount of information available on the Internet, has been a catalyst in the Internet's emergence as a viable commercial marketplace.

Many commercial enterprises as well as individuals now operate Web "sites." Commercial sites generally contain information about the firm and its products and directions on how to order those products or otherwise communicate with the company. As one might expect, the primary goal of commercial Web site owners is to make money, although few have yet figured

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1. Reno v. ACLU, 117 S. Ct. 2329, 2335 (1997).

out how to do so. However, for any site's revenue model to be profitable, it requires that Internet users be able to find the particular site.

One of the first problems that a commercial Web site owner faces is how to inform Internet users that the site exists and would be worth a visit. This is no small task. The sheer number of Web sites is staggering. A recent article states, "The number of Web sites is estimated to be doubling or tripling every six months, and is now somewhere between 1.5 and 2 million."[2] A key part of a Web business plan, then, is deciding how to market the site itself as opposed simply to marketing the products available at the site.

The strategy of marketing the site often focuses on working with search engines. Over the years, search engines have developed to help users find information on the Internet. Users enter keywords describing the type of information they desire into a search engine and it returns a list of sites which may contain relevant data. In seeking to have its site noticed with the ultimate goal of making money, a web site owner has the incentive to maximize the number of keyword searches that will return its site's address near the top of the list of matching sites. This increases the probability that the user will actually visit the site.

Recently, commercial sites have begun to exploit the manner in which search engines work in an attempt to make their sites more visible. In particular, a number of sites use the technique of metatagging to maximize the chance that a search will return the sites' addresses. The site owner inserts a metatag into the underlying programming code of the Web page. The metatag contains frequently searched terms including popular trademarks. While the user never sees these tags, the search engine does, and may return the address of the site despite the fact that its contents might have little or nothing to do with the information the user actually sought. This practice has led to litigation challenging the practice of metatagging as trademark infringement, dilution, and unfair competition.[3]

This Article addresses the question of whether metatagging is likely to give rise to liability under one or more of these theories. Part II of the Article describes metatagging in further detail and reviews the legal challenges to it. Part III analyzes the legal issues, ultimately concluding that metatagging alone is generally unlikely to constitute trademark infringement or unfair competition under the Lanham Act, but may, in certain circumstances, constitute trademark dilution.

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2. *Using the Internet for Tax Preparation*, ACCTG. TODAY, Aug. 11, 1997, *available in* 1997 WL 9510460; *see also Usability Testing Has Yielded Key Guidelines for Web Site Structure, Content and Design*, INTERACTIVE PR, Sept. 23, 1996, *available in* 1996 WL 16323383 (citing one commentator's estimate that there would be approximately one million web sites by year-end 1996).

3. *See infra* part II.B (describing the cases).

Part IV of the Article discusses a broader question. Although the term "free-riding" is often considered pejorative, it is generally accepted that many firms conduct their businesses by, in some measure, free-riding on the efforts of others. In fact, the Internet and the Web have historically been characterized by a significant amount of free-riding. Metatagging is simply the most recent example. The metatagger free-rides on a mark owner's investment in the mark to obtain a higher place in search results.

No one has ever suggested that all free-riding be considered common law unfair competition or otherwise illegal. Instead, commentators usually advocate that free-riding be regulated when it impairs the incentives of one party to produce a particular good, thus lowering output. Because of the low marginal costs which characterize the Internet, this traditional approach may mean that in many circumstances conduct which might be considered unfair competition in another context may not be considered illegal on the Internet.

The ultimate question then turns on defining the contours of unfair competition on the Internet. This issue requires a consideration of whether unfair competition should be used not only in cases of free-riding implicating concerns of decreased output but also in other cases. This Article suggests that unfair competition may be useful in considering social costs and benefits that statutory enactments may not fully take into account. Common law unfair competition may be appropriately used to deter inefficient conduct that would otherwise go unsanctioned. However, the same low costs on the Internet that help to enable a measure of free-riding may also serve to encourage technological and other non-legal solutions to commercial disputes. Courts should, therefore, be careful to require empirical evidence of costs and benefits before labeling otherwise lawful conduct "unfair competition."

II. METATAGGING AND THE LEGAL CHALLENGES TO IT

Understanding the legal challenges to metatagging requires first an understanding of what metatagging is. That discussion must be augmented further by a consideration of why a Web site owner may include metatags. This intent may ultimately prove relevant in the legal analysis.

A. *The "How's" and "Why's" of Metatagging*

Web sites are comprised of Web pages. A user first usually accesses the "home page" of a site then clicks on hyperlinks to travel to pages deeper within the site. In other words, the home page is like a hard copy table of contents and the internal pages are like the chapters of a hard copy book. The set of the home page and internal Web pages together constitute the site. While there are

approximately two million Web sites, there are about fifty million Web pages on the Internet.[4]

At least at a high level, the technical details of the Web are fairly easily accessible to anyone familiar with computer software. When a user clicks on the Microsoft Word icon on his or her computer, the resulting screen display is dictated by the underlying program code of Word working with the operating system installed on the computer (often Microsoft Windows). Similarly, each Web page that a user views actually results from the interaction of the page's underlying program code with the user's Web browser software (often Netscape Navigator).[5] Web pages are written in Hypertext Markup Language ("HTML") which a user's Web browser reads and interprets, leading to the actual screen display the user sees. In the same way that the underlying program code of Word is not visible to the user, the underlying HTML of a Web page is not readily visible.[6]

Historically, in writing software, programmers have included comments in the code itself. These comments are neither displayed on the user's screen nor executed when the program is run. Instead they may serve a number of purposes, including identifying the programmer and explaining to others who may review the code the approach the programmer took in solving a problem. Similarly, HTML provides for metatags which are analogous to comments.

Simply put, "Meta tags are codes contained within Web sites that provide a description (other than the actual text contained in the Web page) that can be searched. The meta tag was designed to include information about the information in an HTML page, rather than what's visible on a HTML page."[7] In other words, a metatag is HTML code that usually contains information on the

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4. *META Tagging for Search Engines* (visited Nov. 13, 1997) <http://www.stars.com/Search/Meta/Tag.html>.

5. *See* David J. Loundy, *Hidden Code Sparks High-Profile Lawsuit*, CHI. DAILY L. BULL., Sept. 11, 1997, at 6 (noting that the underlying Web page code "determines how the page is viewed or otherwise interacts with a Web browser").

6. To view the underlying program source code of a program like Microsoft Word for Windows, a user would have to engage in an expensive process called decompilation. This process is often contractually prohibited. *See* Maureen A. O'Rourke, *Drawing the Boundary Between Copyright and Contract: Copyright Preemption of Software License Terms*, 45 DUKE L.J. 479, 487-500 (1995) (describing the process of going from the publicly distributed object code to the source code and discussing generally why software providers seek to prevent purchasers from accessing source code). The HTML of a Web page is much easier to access. For example, users of Netscape's Navigator, a Web browser, need only to click on "View," and then "Document Source" to see the underlying HTML code of a particular Web page.

7. John M. Mrsich & Meeka Jun, *Terms You Need to Know: Search Engines*, 3 No. 7 MULTIMEDIA STRATEGIST, May, 1997, at 3; *see also* Loundy, *supra* note 5, at 6 ("A meta tag is one that contains information about the information on the particular Web page.").

page's contents and it is read by search engines indexing Web pages rather than by the user itself.[8]

There are various types of metatags, but the two most important from a Web marketing perspective are probably the keyword and description metatags.[9] The keyword metatag specifies a list of terms which search engines will then associate with the particular page or site.[10] For example, The Gap's Web site's keyword metatag reads: "<meta name = "keywords" content = "the Gap the gap Gap gap gap the gap the gap the gap GapKids gapkids babyGap babygap Old Navy old navy clothing retail jeans women's clothes men's clothes">."[11] When a user enters a keyword such as "The Gap" into a search engine, the search engine will return the address of the sites containing matching keyword metatags.[12]

The search engine will also return a description of the site's contents as drawn from the description metatag.[13] Description metatags vary in length and usually contain a summary of the page's or site's content.[14] For example, The

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8. *See* Randy McClain, *Snared by the Web? Even the Cyber-Savvy Will Need Patience to Snag Internet Success*, BATON ROUGE ADVOC., Sept. 20, 1997, at 1E ("Metatags are lengthy bits of coded information embedded in the bowels of a Web page. They are invisible to the reader, but can be scanned by search engines."); *see also* Tim Jackson, *The Case of the Invisible Ink*, FINANCIAL TIMES, Sept. 22, 1997, at 17 (describing metatags as embedded keywords "describing what each Web page is really about" and noting that metatags "do not show up on the screen when the page is viewed," but may be used by "search engines [ ] for indexing purposes"); Loundy, *supra* note 5, at 6 (describing metatags as "code elements" written in HTML "that when placed in a document are invisible to normal Web surfers but that can be read by Web browsers").

9. Elizabeth Cohen, *Getting Noticed: Using Metatags to Draw Potential Customers to Web Sites*, CHI. TRIB., Mar. 8, 1998, at 19 ("Of several types of metatags, the most important for search engine indexing are description and keyword tags."). Another type of metatag is the "robot" metatag. "The robots tag allows a Webmaster to specify that a particular page should not be indexed by a search engine." Mrsich & Jun, *supra* note 7, at 4.

10. *See* Mrsich & Jun, *supra* note 7, at 4 ("The keywords tag provides keywords for the engine to associate with your page."); *see also* Guy Alvarez & Peter Curran, *The Secrets of Marketing a Law Firm's Web Site*, N.Y. L.J., July 21, 1997, at S7 (noting that "most search engines will recognize up to 1,000 characters (about 25 different keywords or phrases) inserted into the keywords tag").

11. *Gap - Shop Online* (visited Jan. 20, 1998) <http://www.gap.com>. The cited metatag is accessed using the "View" followed by the "Document Source" commands from Netscape Navigator. *See supra* note 6.

12. *See* Alvarez & Curran, *supra* note 10, at S7 (stating that when a user enters a phrase into a search engine that also appears in the keyword metatag, the page containing the metatag will be returned by the search engine as a match).

13. *See id.* (stating that the description metatag "appear[s] on a user's screen after he or she queries a search engine"); *see also* Mrsich & Jun, *supra* note 7, at 3-4 ("The description tag returns a description of the Web page in place of the summary the engineer would ordinarily create.").

14. *See* Alvarez & Curran, *supra* note 10, at S7 ("The description meta tag usually contains a 200-character (approximately one- or two- sentence) overview of the Web site, organization, company or law firm.").

Gap's description metatag reads "<meta name = "description" content = "The latest information about Gap – including interactive dolls that let you mix and match clothes from Gap's current collection, a store locator, company information, and more">."[15] A search engine that uses metatags to process search results returns this description of the contents of The Gap's Web site.[16]

Metatags, while analogous to software comments, do differ in at least one important respect—the designer's purpose in including them in the underlying program code. Unlike the software comment which was often intended to be read by others reviewing the code to provide insight into its operation, the metatag is primarily intended to be read by search engines. Because of the manner in which search engines work, the metatag has emerged as a key part of Web sites' marketing strategies. In fact, many commentators and Web design services stress the importance of using metatags in designing Web pages as a way in which the Web site owner can assure its site will be noticed.[17] Some sites even offer forms to help site owners create appropriate metatags.[18]

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15. *See supra* note 11 (citing The Gap Web page and noting that the metatags are viewed through the Web browser software).

16. A search using the popular Hotbot engine returned this description. Note, however, that not all search engines use metatags. *See infra* note 32. Engines which do not rely on metatags formulate the description returned with the site's address using other sources of information, or do not give descriptions at all.

17. *See Anatomy of a Direct Response Web Site*, SOFT-LETTER, Dec. 18, 1996, at 4, *available in* 1996 WL 9301499 (discussing how it may be helpful to consider how consumers respond to direct marketing appeals in the hard copy world in formulating a strategy for direct marketing on the Web and discussing how metatags can be used to help search engines index the site); Ann Davis, *Web Weaves a Tangled Trademark Issue*, WALL ST. J., Sept. 15, 1997, at B10 (noting that metatagging "has even been promoted in Internet manuals" although some are deleting that advice in light of the recent wave of litigation involving metatags); Mike Francis, *Getting Heard on the Net*, PORTLAND OREGONIAN, Oct. 26, 1997, at E02 (discussing strategies for making a Web site noticeable and stating, "[m]ake sure your Web site has metatags hidden in the source code.... That way, some search engines that automatically troll the World Wide Web will take note and add you to their immense databases."); Shawn P. McCarthy, *Roll out the Big Guns and Pull More Users to Your Agency's Web Site*, GOV'T COMPUTER NEWS, Sept. 1, 1997, at 57, *available in* 1997 WL 11469638 (giving advice on how to get a site noticed and stating, "[i]ncidentally, the best way to improve your ranking is to use metatags to insert descriptions").

18. *See Secrets III*, PC-COMPUTING, Nov. 1, 1997, at 222, *available in* 1997 WL 2004658 (discussing how a "well-documented metatag with appropriate keywords can improve [a] site's placement in search engine results" and giving the site address of Meta Builder which contains a form "to automatically create the code for your page").

Most search engines are automated[19] and comprised of three parts. The first part of the search engine is software called a "spider." The "spider" travels the Web, visiting Web pages and following the links on those pages with the goal of creating an index into the Web's contents.[20] This index is the second part of the search engine. It is a database which contains information about the Web pages the spider has found, sometimes containing copies of Web pages in their entirety.[21] The third part of the search engine is the search and retrieval software. This part of the search engine takes a user's query, searches for matching entries in the index built by the spider, and returns a list of matches ranked according to an algorithm which the search engine employs to determine which sites are most likely to contain the information the user is seeking.[22] The effectiveness of any particular search depends on the comprehensiveness of the search engine's database, the sophistication of its search and retrieval software, and the user's skill in crafting an appropriate query.[23]

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19. While the term "search engine" is often used as a catch-all term to include both search engines and directories, "true" search engines are automated while directories are not. *See* Tim Blangger, *Starting with Right Engine Can Speed Up Net Research*, Allentown Morning Call, Apr. 22, 1997, at D01 (describing the difference between directories and search engines: "Directories are collections of Uniform Resource Locators (URLs) submitted by people . . . . Search engines . . . automatically search out the Web for new sites, and add those sites to its lists.") This Article focuses on automated search engines.

20. *See* Michael J. Schmelzer, Note, *Protecting the Sweat of the Spider's Brow: Current Vulnerabilities of Internet Search Engines*, 3 B.U.J. SCI. & TECH. L. 12, at ¶ 11 (1997) (describing the "harvesting" function of spiders in which "[s]piders search recursively, putting pages into their databases, then adding all the pages to which the first page points, and then endlessly adding all the subsequent pages"); Loundy, *supra* note 5, at 6 (stating that spiders "crawl" the Web and move from link to link, "building an index of these 'crawled pages'"); Mrsich & Jun, *supra* note 7, at 3 (explaining that "[a] spider (also known as a robot, crawler or indexer) is a program that scans the Web, crawling from link to link, visiting Web pages, recording [site addresses] and building an index for the search engine").

21. *See* Loundy, *supra* note 5, at 7 ("The database consists of a list of the words that appear on the various pages and a set of locations for the words."); Mrsich & Jun, *supra* note 7, at 3 ("The index, also known as the catalogue, is the repository or database where the spider or robot stores the HTML documents it finds. Some search engines, known as full-text search engines, index every word on a Web page. Other search engines known as abstract search engines, create a condensed copy of each Web page.").

22. *See* Schmelzer, *supra* note 20, at ¶ 12 (describing how users interact with a spider and noting that "[t]he query component [of the spider] then takes th[e user's] request and searches the harvested database for matches to its criteria. For each Web page matching the user's criteria, the query component of a typical spider returns a pointer to that Web page, known as its Uniform Resource Locator ("URL"), a brief summary of that page's contents, and a clickable link to that page").

23. *See* Mrsich & Jun, *supra* note 7, at 3 (stating that "[t]he effectiveness of a search depends not only on the search engine you choose, but also on the search terms you enter. The level of search capability exhibited by the various search engines ranges from the simple . . . to the complex," and describing the range of searches).

Practically, because search engine technology is still evolving and because users do not always narrow their searches well, search engines often return a large number of matches.[24] However, a user is unlikely to go beyond the first ten or twenty matches in the list in looking for the information he or she needs.[25] Therefore, Web site owners must solve the problem not only of making sure that their site will be returned on a search but also that it will rank near the top of the list.[26] This concern is driven by two considerations. First, if users looking for the information offered by a site do not travel to it, that site will sell fewer products and disseminate its information to fewer users. Therefore, a site wants a high ranking to ensure that users seeking the information it offers will find and access it in a search for that information.

Second, and less obviously, the concern about ranking is keyed to revenue considerations apart from sales of products actually offered at the site. To the extent that Web site owners have made money, they have primarily done so by selling advertising on their sites.[27] Advertising rates are based on the number of people who access the site.[28] Each time a user travels to a page, a "hit" is recorded.[29] The greater the number of hits, the higher the advertising rate the site owner may charge.[30] The higher the site ranks in the list returned by the search engine, the more likely that a user will travel to the site, thereby recording a hit and generating advertising dollars. Because advertising rates are based on the mere fact of the user's traveling to the site rather than the user's actual purchase of goods at the site, sites have an incentive to attract even those users who are seeking information totally unrelated to that offered at the site.

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24. *See* Alvarez & Curran, *supra* note 10, at S7 ("Type in a keyword and there is a good chance your search will return 10,000 matching entries."); *How To Make the Search Engine's Top 10 with Effective Descriptions*, HEALTHCARE PR & MKT'G. NEWS, Sept. 18, 1997, *available in* 1997 WL 8299685 [hereinafter *How To Make the Top 10*] (stating that a search on "healthcare" on the top search engines generates up to 350,811 Web pages).

25. *See* Alvarez & Curran, *supra* note 10, at S7 ("Most of us will sort through the first 20 or so [matches] and then quit in anger."); *How To Make the Top 10, supra* note 24 (citing a Web designer who notes that "surfers are not navigating through thousands of pages; more than likely they're stopping at the top 10").

26. *See* Alvarez & Curran, *supra* note 10, at S7 (stating that "a fundamental question" for "the individual in charge of marketing a firm's Web site" is "[h]ow does a particular site get itself ranked among the top 10 or so matching entries?").

27. *See* Maureen A. O'Rourke, *Fencing Cyberspace: Drawing Borders in a Virtual World*, 82 MINN. L. REV. 609, 626-27 (1998) (describing the advertising-based revenue model).

28. *See id.* at 626 & n.73.

29. *See id.*

30. *See id.*; Matthew McAllester, *Life in Cyberspace: Cheaters Connive for Pole Position on Search Engines*, NEWSDAY, Aug. 11, 1996, at A53 ("More visitors to a Web site means that the owner can charge higher advertising rates or simply feel important.").

These two considerations along with the inadequacies of searchers and search technology have driven the widespread use of metatags.[31] While not all search engines use metatags in indexing or searching, some, including the widely used AltaVista engine, do.[32] Additionally, although ranking algorithms are usually proprietary, some search engines have granted a higher listing to sites which have repeated tags matching the keyword entered by the user.[33]

Often sites will use metatagging "legitimately" by including keywords and descriptions related to the information offered at the site. Others, however, may seek to divert customers from competitors while still others simply want to attract traffic to increase advertising rates. Examples of these latter types of conduct abound. InfoSpace, a Web directory, included references to one of its competitors, WorldPages, in its metatags, although it removed the tags after an angry e-mail exchange with WorldPages.[34] Many users who were searching for information on the space station "Mir" were surprised to find pornographic sites returned as relevant in their search results.[35] Similarly, after Princess Diana's

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31. *See* Jackson, *supra* note 8, at 17 (stating that the use of metatags by search engines is a response to the fact that "most users pick their search requests carelessly [and] search technology is in its infancy.").

32. *See, e.g., The META Tag: Controlling how your Web page is indexed by AltaVista* (visited Nov. 17, 1997) <http://www.altavista.digital.com/av/content/addurl_meta.htm>. This Web site is operated by AltaVista. It explains, *inter alia*, that AltaVista will index all words in a Web page but that "[i]t is however possible [ ] to control how your page is indexed by using the META tag to specify both additional keywords to index, and a short description." *Id.* One source states that 97% of Internet searches are conducted using one or more of the following search engines: Infoseek, Webcrawler, AltaVista, Opentext, Excite, Lycos, and Hotbot. Aggi Raeder, *Promoting Your Web Site*, SEARCHER, July 17, 1997, at 63, *available in* 1997 WL 10141594. Of these, at least AltaVista (*see supra*), Infoseek (*Using META Tags to Define Index Terms for Your Page* (visited Nov. 17, 1997) <http://www.infoseek.com/Help?sv=IS&lk=noframes&pg=meta_tag. html#RESTRICTIONS>) (describing, at the Infoseek Web site, how metatags may be used by Infoseek), and Hotbot (*see* Susan Feldman, *Revolution Under Way?: Ruminations from the National Online Meeting*, SEARCHER, July 17, 1997, at 40, *available in* 1997 WL 10141591 (stating that Hotbot uses metatags to help calculate relevance ranking) use metatags. However, Excite does not honor metatags. *Understanding Meta Tags* (visited Nov. 17, 1997) <http://www.excite.com/Info/listing.html> ("Our spider doesn't honor meta tags. We believe our decision protects our users from unreliable information.").

33. *See* Feldman, *supra* note 32, at 40 (noting that "[r]anking algorithms are proprietary" but going on to set forth Hotbot's and Excite's algorithms).

34. *See* Elizabeth Gardner, *Trademark Battles Simmer Behind Sites* (last modified Aug. 25, 1997) <http://www.internetworld.com/1997/08/25/news/19970825-battles.html> (describing the dispute), *accord*, Davis, *supra* note 17, at B10.

35. *See* Jackson, *supra* note 8, at 17 ("[S]ite owners often stuff the [meta]tag with strings of words of dubious relevance which will simply attract passing traffic. One extreme example is of pornographers who have used the word 'Mir' in their meta-tags because they know that millions of Internet users have been searching for pages on the Russian space station.").

death, some unrelated sites added her name in the hopes of benefiting from the increased traffic searching for information about Diana.[36]

The search engines have begun fighting this manipulation of metatags with technological fixes ranging from the simple to the complex. Some engines, including the widely used Excite, simply do not honor metatags, considering them to be unreliable indicators of a site's contents.[37] Others such as Hotbot, do consider metatags, but only as the last metric for ranking.[38] Others will ignore repeated occurrences of the same word,[39] delete a site from their indices if its description does not accurately reflect the site's contents or it otherwise violates

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36. *See* Elizabeth Weise, *Some Web Pages Take Search Engines for a Ride*, USA TODAY, Sept. 29, 1997, at 4D ("The minute word of Princess Diana's death hit the Internet, hundreds of World Wide Web pages went up in her honor. Too bad many were for get-rich schemes and sex sites. It was yet another skirmish in the war between search sites striving for impartial fairness and unscrupulous Web designers willing to do anything to get their pages listed at the top of a search — even adding Diana's name just so they'd show up in any search for the princess.").

37. *See Understanding Meta Tags*, *supra* note 32. A search conducted under the words "the Gap" using the Excite search engine returned the address of The Gap's retail site as the second result in the list of matches. In contrast, a search under the same words using engines which take metatags into account was much less accurate. The Gap's site was sixtieth in the list of sites returned by Infoseek, ninety-second from Hotbot, and had not appeared in the first 110 sites returned by AltaVista. These searches were conducted on January 20, 1998. Of course, there may be some arrangement between Excite and The Gap which accounts for The Gap's high placement in Excite's search results.

38. *See* Feldman, *supra* note 32.

39. *See id.* (noting that "[t]echniques for eliminating [ ] misleading strateg[ies] include not counting more than three occurrences [of a word] in a row"); *see also* McClain, *supra* note 8, at 1E (interviewing Web executives who contend that most search engines "no longer recognize multiple listings of the same word"); Rebecca Quick, *Web Search Services Can Set Your Site's Visibility Higher But It's Up to You to Make the Most of Page's Listing*, WALL ST. J., Oct. 9, 1997, at B8 (stating that "[m]ost search engines now automatically look for any word repeated consecutively. . . Others run checks for illogical sentence structure, flagging strings of many different often-searched words that otherwise have nothing to do with the site").

the search engine's policies,[40] and/or limit manipulation by changing ranking criteria without notice.[41]

Despite these efforts, manipulative metatagging is continuing to create disputes, not all of which have been resolved amicably or by self-help. Rather, allegations of trademark infringement, dilution, and unfair competition based on manipulative metatagging have begun to make their way into the court system. A brief review of these cases helps further to explain metatagging, why and how it is used, and why the free-riding enabled by metatagging has given rise to legal claims.

B. *The Legal Challenges to Metatagging*

By the end of 1997, three cases involving metatags had been filed. Of the three, only one is based solely on metatagging. However, a brief review of all three is instructive in helping to inform not just the legal debate over metatagging but also to illustrate the depth of trademark concerns on the Web.

On July 1, 1997, Insituform Technologies, Inc. sued its competitor National Envirotech Group, L.L.C. for false designation of origin under section 43(a) of the Lanham Act, federal trademark infringement and unfair competition under state law.[42] Insituform's complaint was based on National Envirotech's incorporation of images and text from Insituform's marketing materials on National Envirotech's Web site and the use of Insituform's trademarks as

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40. *See* Quick, *supra* note 39, at B8 (stating that "[s]ome search engines even go so far as to remove a page from the listing completely, though that is usually reserved for extreme cases"); *see also How to Make the Top 10, supra* note 24 (noting that "[i]f there are significant discrepancies" between "what companies are saying about themselves in the brief overview statements on their home pages . . . and [ ] the document source descriptions provided . . . companies can be deleted from a search engine's category" and stating that "Infoseek is now penalizing Web pages that contain more than one occurrence of the same keyword within metatag descriptions"); McClain, *supra* note 8, at 1E (quoting a Web executive stating "[s]earch engines are getting smarter. . . They're filtering out excess words and even booting certain sites out of their indexes altogether"). Search engine Web sites often give notice that sites who attempt to manipulate search results will be sanctioned. *See, e.g., How to Improve Your Site's Relevancy* (visited Nov. 17, 1997) <http://www.infoseek.com/Help?sv=IS&lk=noframes&pg=meta_tag.html#RESTRICTIONS> ("The overuse and repetition of keywords may result in a lower relevancy score and possible omission from Infoseek's index."); *Removing Pages from the Index* (visited Nov. 17, 1997) <http://www.altavista.digital.com/av/content/addurl.htm> ("AltaVista is an index, not a repository for pages of low or misleading informational value. Attempts to fill it with misleading or promotional pages lowers the value of the index for everyone. Left unchecked, this behavior would make Web indexes worthless. We will disallow [ ] submissions from those who spam the index. In extreme cases, we will exclude all their pages from the index.").

41. *See How To Make the Top 10, supra* note 24 (citing a Web executive who claims that ranking "criteria changes weekly").

42. Insituform Tech., Inc. v. National Envirotech Group, L.L.C., Civ. Action No. 97-2064, ¶ 2 (E.D. La. filed July 1, 1997).

metatags at that site.[43] According to the complaint, National Envirotech's use of plaintiffs' trademarks "Insituform" and "Insitupipe" as metatags was "a cynical scheme to trade upon the renown and goodwill of [those] marks [as] defendants purposefully designed their Web-site in such a way that persons using search engines to look on the Internet for Web-sites referring to "Insituform" or "Insitupipe" are led to defendants' Web-site."[44] The parties settled the case, entering into an agreement that enjoined National Envirotech from using the trademarks Insituform and Insitupipe in the metatag keyword section of its Web site.[45] According to one report, National Envirotech settled the suit against its larger competitor "to avoid protracted litigation, but insists it did nothing wrong."[46]

Shortly after the Insituform case was filed, the law firm of Oppedahl & Larson sued three Web sites and a number of other defendants solely for use of the Oppedahl & Larson mark in metatags.[47] In *Oppedahl & Larson v. Advanced Concepts*, the plaintiffs alleged that the use of its name in metatags by unrelated sites constituted common law trademark infringement[48] and federal trademark dilution,[49] and violated federal and state unfair competition laws.[50]

Although none of the sites using "Oppedahl & Larson" as a metatag directly competed with the firm, Oppedahl & Larson claimed that the other sites were

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43. *See id.* at ¶¶ 11-40 (describing defendants' alleged copying of Insituform's trade dress on its Web site and the use of Insituform's marks as metatags at that same site); Davis, *supra* note 17, at B10 (stating that Insituform argued that National Envirotech falsely suggested an affiliation between the two companies and that it "further confused visitors by decorating its Web site with slogans, photographs and illustrations copied from Insituform"); *New Legal Issue: Use of Meta Tags*, COMPUTER LAW STRATEGIST, Sept., 1997 (visited Nov. 13, 1997) <http://www.ljx.com/internet/1997_09_02.html> ("The defendant's Web site contained images and text from Insituform's marketing materials, which suggested an affiliation between Insituform and the defendant.").

44. *See supra* note 42, at ¶ 32.

45. Insituform Tech., Inc. v. National Envirotech Group, L.L.C., Civ. Action No. 97-2064 (E.D. La. filed July 1, 1997) (Final Judgment on Consent Against Defendant National Envirotech Group, L.L.C. entered Aug. 27, 1997); *Id.* at ¶ 1A ("National EnviroTech shall forthwith delete plaintiffs' federally registered trademarks and service marks *Insituform* and/or *Insitupipe* from the meta-tag keyword section of the hypertext markup language corresponding to the . . . "National Liner Website."). The agreement also requires National Envirotech to resubmit the modified Website to the major search engines, notifying the search engines of the reason for resubmission. *Id.* at ¶ 1B-C.

46. Davis, *supra* note 17, at B10.

47. *See* Oppedahl & Larson v. Advanced Concepts, Civ. Action No. 97-Z-1592 (D. Colo. filed July 23, 1997). Oppedahl & Larson sued operators of the Web sites using Oppedahl & Larson as metatags including the Advanced Concepts, Codeteam, and proWebsite sites and the administrative contacts for each such site. *Id.* at ¶ 1-8. Oppedahl & Larson also sued the Internet and name service providers and the coordinator of the Internet service provider. *Id.* at ¶ 9-11.

48. *See id.* at ¶ 56.

49. *See id.* at ¶ 45.

50. *See id.* at ¶ 39, 50.

using its firm's name to obtain clients.[51] Oppedahl & Larson is an intellectual property law firm involved in domain name registration and Carl Oppedahl is a widely known critic of domain name policy.[52] The defendants were not law firms but at least one offered Web design services. "People searching for [Oppedahl's] pages about domain names are those who may have an interest in Web hosting services. In essence, the defendants are using the plaintiff's renown in one area of Internet law to draw particular people to their advertisement, just as a television advertiser would buy spots during a show intended to appeal to a particular audience."[53]

Although the sites removed the metatags referring to Oppedahl & Larson after the complaint was filed, the firm is pressing forward, stating, "Our hope is to make a public example of this case and discourage people from doing things they shouldn't."[54] In December, 1997, five of the eight defendants consented to permanent injunctions. Advanced Concepts and the administrative contact for the "advanced concepts.com" domain name, Robert Welch, agreed to a sweeping injunction "pursuant to section 43(a) of the Lanham Act" which "permanently enjoined [them] from using plaintiff's Mark 'Oppedahl & Larson' or the words 'Oppedahl' or 'Larson' in Web pages without authorization of plaintiff."[55] Defendants Professional Website Development, MSI Marketing, Inc., and Internet Business Services agreed to a permanent injunction enjoining them "from using plaintiff's Mark 'Oppedahl & Larson' or the words 'Oppedahl' or 'Larson' in any 'meta tags' appearing on or in Web pages owned and/or operated by them without authorization of plaintiff."[56]

Finally, in the third case involving metatagging, Playboy Enterprises, Inc. ("Playboy") sued the Calvin Designer Label firm and its owners for, among other things, federal trademark infringement, false designation of origin, unfair competition under section 43(a) of the Lanham Act,[57] and federal trademark dilution for the manner in which the defendants used Playboy's trademarks in

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51. *See* Jeff Pelline, *Keywords Said to Violate Trademark*, THE NET (visited Dec. 11, 1997) <http://www.news.com/News/Item/0,4,13799,00.html> (quoting one of the firm's partners as saying, "'My name is being used to bring visitors to their site[s].'").

52. Loundy, *supra* note 5, at 6 (stating that "Carl Oppedahl has been a very vocal critic of current domain-name registration and dispute-resolution policy on the Internet, and he maintains an excellent and well-recognized Web page on the subject").

53. *Id.*

54. Gardner, *supra* note 34.

55. Oppedahl & Larson v. Advanced Concepts, Civ. Action No. 97-Z-1592, at ¶ 3 (D. Colo. filed July 23, 1997) (Order, Judgment and Permanent Injunction with regard to defendants Welch and Advanced Concepts, entered Dec. 19, 1997).

56. Oppedahl & Larson v. Advanced Concepts, Civ. Action No. 97-Z-1592, at ¶ 3 (D. Colo. filed July 23, 1997) (Order, Judgment and Permanent Injunction with regard to defendants MSI Marketing, Inc., Professional Website Development, and Internet Business Services, entered Dec. 19, 1997).

57. 15 U.S.C. §§ 1051-1127 (1996).

connection with their Web site.[58] The defendants allegedly registered domain names which incorporated Playboy's trademarks.[59] Additionally, in a practice akin to metatagging, the defendants allegedly repeated Playboy's trademarks in a black background on the Web site; while the trademarks were not visible to the user, they were read by search engines, returning the defendants' Web sites when a user searched for "Playboy."[60]

The court in *Playboy* entered a far-reaching preliminary injunction.[61] The defendants were ordered to cease using the domain names incorporating Playboy's trademarks and to cancel the domain name registrations.[62] Additionally, they were enjoined from:

> [U]sing in any manner the *Playmate* or *Playboy* trademarks, and any other term or terms likely to cause confusion therewith, including *Playmatelive* or "playboyxxx.com" or "playmatelive.com," . . . in buried code or metatags on their home page or Web pages, or in connection with the retrieval of data or information or on other goods or services, or in connection with the advertising or promotion of their goods, services or Web sites.[63]

The *Oppedahl & Larson* case differs from *Playboy* and *Insituform* because the alleged wrongful conduct in *Oppedahl & Larson* was solely metatagging.

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58. Playboy Enterprises, Inc. v. Calvin Designer Label, Civ. Action No. C-97-3204 CAL, at ¶38, 44, 49 (N.D. Cal. filed Sept. 8, 1997). The defendants were the firm Calvin Designer Label and its owners, Calvin Fuller and Calvin Merit. *See id.* at ¶ 2-5.

59. *See id.* at ¶ 29 ("Defendants are using PEI's registered trademarks PLAYMATE and PLAYBOY within its domain names playboyxxx.com and playmatelive.com . . . .").

60. *Id.* at ¶ 27 ("When viewed on the computer screen, the PLAYBOY trademarks and trade names on the playmatelive.com Web page . . . and on the playboyxxx.com Web site . . . are not visible . . . but are hidden in a black background which overlays the words shown on the printout . . . . The PLAYBOY and PLAYMATE trademarks used in this way both serve to attract those users of the Internet searching for "PLAYBOY," "PLAYBOY MAGAZINE" or "PLAYMATE" using PEI's trademarks."); *see also* Meeka Jun, *Meta Tags: The Case of the Invisible Infringer*, N.Y. L.J., Oct. 24, 1997, at 5 (reviewing PEI's claims and stating, "[e]ven more interesting, Playboy also alleged that the defendants had violated its trademark rights by employing meta tags. More specifically, Playboy claimed that the defendants had repeatedly used the mark "PLAYBOY" in machine-readable code by embedding it within the defendants' Internet Web pages in a way that is invisible to the Internet user but is nevertheless detected by Internet search engines"). Note that in addition to the hidden marks and the use of the trademarks in the domain names, Playboy objected to the defendants' use of its trademarks in connection with the publication of Playmate Live Magazine and in its advertising slogans "Get it all here @ PLAYBOY" and "PLAYMATE LIVE STRIPSHOW." *Playboy Enterprises, Inc.* at ¶ 31.

61. Playboy Enterprises, Inc. v. Calvin Designer Label, Civ. Action No. C-97-3204 CAL (N.D. Cal. filed Sept. 8, 1997) (Order of Preliminary Injunction, entered Sept. 8, 1997).

62. *Id.* at ¶ 3; *see also id.* at ¶ 4 (stating that in the event that the domain name registrant "delegates complete control regarding the disposition of the registration and use of [the] domain names to [the] Court, the domain names are hereby cancelled").

63. *Id.* at ¶ 1a.

Playboy and *Insituform* involved other uses of the trademarks at issue. Additionally, Oppedahl & Larson's complaint was based on use of its mark by others who were not competitors. Both Playboy's and Insituform's complaints involved conduct by direct competitors. These differences prove instructive in the legal analysis which suggests that despite the defendants' agreements to permanent injunctions in *Oppedahl & Larson*, in the absence of any other wrongful conduct, metatagging is more likely to be actionable in cases in which the parties are direct competitors than when they offer dissimilar or complementary products.

III. METATAGGING AS A VIOLATION OF THE LANHAM ACT

All of the complaints which involve metatagging charge trademark infringement[64] and unfair competition under the Lanham Act ("Act").[65] Both

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64. The *Insituform* and *Playboy* cases allege federal trademark infringement while *Oppedahl & Larson* alleges common law trademark infringement. *See supra* notes 42, 48, 57 and accompanying text.

65. For a plaintiff to sustain an action in trademark infringement, it must show that the mark has been used in commerce. 15 U.S.C. § 1114(1)(a) (1996). Similarly, an element of an unfair competition claim under § 43(a) is "use[ ] in commerce," *Id.* § 1125(a), and a plaintiff in a dilution case is entitled "to an injunction against another person's commercial use in commerce of a mark or trade name," under certain circumstances. *Id.* § 1125(c). "Use in commerce" is statutorily defined as "the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark. For purposes of this chapter, a mark shall be deemed to be in use in commerce—(1) on goods when (A) it is placed in any manner on the goods or their containers or the displays associated therewith or on the tags or labels affixed thereto, or if the nature of the goods makes such placement impracticable, then on documents associated with the goods or their sale, and (B) the goods are sold or transported in commerce, and (2) on services when it is used or displayed in the sale or advertising of services and the services are rendered in commerce . . . ." *Id.* § 1127. The use of trademarks as metatags does not fit all that comfortably within the ordinary meaning of the words in the statutory definition because those words seem to contemplate that someone actually sees the mark. With metatagging, the mark is hidden from the user. In fact, Walt Disney Co. ostensibly indicated to one reporter that it has not sued over metatagging because it's not clear whether metatagging would be considered a "use in commerce." "A spokeswoman for Disney Online, a unit of Walt Disney Co., says Disney hasn't yet sued over the practice [of metatagging using Disney's trademarks] because it would be impossible to go after every Internet company that poaches its name. She added that because most people can't see the coding, Disney is unsure whether the practice constitutes 'a public use of a trademark.'" Davis, *supra* note 17, at B10. Thus, an initial issue for metatagging plaintiffs is whether the use of their marks by another in metatags constitutes a "use in commerce" to satisfy statutory requirements. Court decisions suggest that such use may in fact be a "use in commerce" since courts tend to read that requirement broadly: "The "use in commerce" requirement of the Lanham Act is a jurisdictional predicate to any law passed by Congress. It is well settled that the scope of "in commerce" as a jurisdictional predicate of the Lanham Act is broad and has a sweeping reach." Planned Parenthood Federation of America, Inc. v. Bucci, 1997 WL 133313, at *3 (S.D.N.Y. 1997). In the *Planned Parenthood* case, defendant Bucci operated a Web site at www.plannedparenthood.com. *Id.* at *1. The site contained information about an anti-abortion

Oppedahl & Larson and *Playboy* also involved claims of trademark dilution.[66] Some leading commentators have suggested that the type of metatagging involved in the cases runs afoul of the Act. Professor J. Thomas McCarthy, the leading expert on trademark law, has been quoted as stating, "Intercepting people on the information superhighway is like putting up a big sign on a freeway that says Exxon, but that's not what you find once you get there."[67] "Cyberlaw" expert Lance Rose has been even more explicit, stating, "It's a no-brainer. . . . If you can manipulate a search engine to pull people to the wrong Web site, that's 'false designation of origin' under the Lanham Act."[68]

However, a closer look at the actual way the Internet works and the reality of consumer expectations shows that the issue is not clear-cut. In fact, both trademark infringement actions and unfair competition claims based on a false

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book. *Id.* at *1-*2. Planned Parenthood sued for trademark infringement, unfair competition and trademark dilution. *Id.* at *3. In rejecting defendant's argument that its use of the Planned Parenthood mark as a domain name and on the site itself was not a use in commerce, the court said that at least two reasons supported an "in commerce" finding. *Id.* The court stated that "establishing a typical home page on the Internet, for access to all users, would satisfy the Lanham Act's "in commerce" requirement." *Id.* It also noted that even if defendant's activities were not carried out in interstate commerce, because those activities had an effect on plaintiff's own activities in interstate commerce, the "use in commerce" requirement was satisfied. *Id.* The court also stated that the definition of "use in commerce" in § 1127 is primarily used as the standard for registration of a mark. *Id.* at n.7. In the *Planned Parenthood* case, the defendant actually displayed the mark on the Web page for users to see. Users never see the metatags. However, the metatagger's use of the mark could have an effect on the mark owner's ability to use the mark in interstate commerce. Under this broad reading, the "use in commerce" requirement is likely to be satisfied even though the user never sees the metatag. *See also* J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION, § 25:57, at 25-96 (4th ed. 1997) ("It is difficult to conceive of an act of infringement which is not "in commerce" in the sense of the modern decisions. Thus, it may not be inaccurate to predict that the "use in commerce" requirement will not be much of an issue in future litigation, barring cases with unusual twists in the facts.") While metatagging may involve "an unusual twist in the facts," for the aforementioned reason and because the mark is actually entered by the user into the search engine, it probably would satisfy the "use in commerce" requirement. Of course, the dilution section additionally requires "commercial use." 15 U.S.C. § 1125(c) (1996). This requirement is not well-defined. In *Intermatic Inc. v. Toeppen*, the court held that the defendant's registration of the mark as a domain name with an intent thereafter to sell the domain name to the mark owner satisfied the commercial use requirement. 947 F. Supp. 1227, 1239 (N.D. Ill. 1996). *But see* Lockheed Martin Corp. v. Network Solutions, Inc. 985 F. Supp. 949, 959-60 (C.D. Cal. 1997) (distinguishing *Intermatic* and holding that Network Solutions' act of registering a domain name did not constitute a "commercial use" of the name). Where the defendant's intent is to attract traffic looking for the mark owner's site and the defendant earns advertising revenue when that traffic accesses its site, the "commercial use" requirement is probably met. Additionally, since both the *Playboy* and *Oppedahl & Larson* courts entered injunctions, it seems likely that those courts, or at least the parties to the suits, believed that the "in commerce" and "commercial use requirements" were met. *See supra* notes 55, 56, 61 and accompanying text (discussing the status of the two cases).

66. See *supra* notes 49 and 58.

67. Davis, *supra* note 17, at B10.

68. Gardner, *supra* note 34.

implication of association may be quite difficult to sustain because both generally require proof of confusion which may be difficult to establish. Similarly, a false advertising claim is likely to be unsuccessful because it requires an element of deception which simply may not be present. Trademark dilution claims, which generally do not require proof of either confusion or deception, may be more successful. Still, these claims may not encompass all uses of metatags which divert traffic from one site to another.

A. *Trademark Infringement and Unfair Competition*

Under the Lanham Act, a party may be liable for trademark infringement when it "use[s] in commerce any . . . copy of a registered mark in connection with the sale . . . or advertising of any goods or services . . . [when] such use is likely to cause confusion, or to cause mistake, or to deceive."[69] Likewise, under section 43(a) of the Act, a party may be liable for unfair competition for the use of:

> [A]ny word, term, name, symbol, or device. . .or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—
>
> (A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection or association of such person with another person . . . or
>
> (B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities.[70]

A metatagging plaintiff is likely to allege that when the user enters a mark into a search engine and a site is returned as a match, the user assumes that there is some relationship between the mark's owner and the purportedly matching site when, in fact, no such relationship exists. This false implication of association could constitute trademark infringement or unfair competition under section 43(a)(1)(A) of the Act. Additionally, the plaintiff would likely allege that the use of metatags by an unaffiliated site constitutes false advertising under section 43(a)(1)(B). However, both sets of claims are likely to fail, particularly if the sites are not competitors.

Despite the entry of a permanent injunction in the *Oppedahl & Larson* case based on section 43(a), a trademark infringement or section 43(a)(1)(A) claim

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69. 15 U.S.C. § 1114(1) (a) (1996). Section (b) prohibits the application of a reproduction of the mark to "labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce . . . [where] such use is likely to cause confusion, or to cause mistake, or to deceive." *Id.* § 1114(1)(b).

70. 15 U.S.C. § 1125(a) (1996).

is likely to founder on the key element of likelihood of confusion. The test for likelihood of confusion varies among the circuits.[71] Relevant factors often include: (i) the nature of prospective purchasers and the degree of care they are likely to use in selecting a product; (ii) the intent of the alleged infringer; (iii) the degree of similarity between the two marks; and (iv) a consideration of whether the marks are used on competitive products through similar marketing channels or, in the case of non-competitive goods, whether buyers would expect the mark owner to expand into the field occupied by the alleged infringer.[72]

Ironically, the very factual situation which enables manipulative metatagging points to a lack of confusion. It is the infancy of search engine technology and the inaccuracy of users' queries that allow metatags to manipulate search results. Nonetheless, many users are aware of these shortcomings. For example, anyone who has ever entered a search query into Lexis or Westlaw has been faced with the problem of a broad search turning up thousands of listings and a narrow search providing nothing. Users expect that many of the results that do turn up will be irrelevant. They are likely to have the same expectation in cyberspace. As one commentator has said:

> To anyone who uses search engines regularly, all these assertions [of confusion] may seem somewhat fanciful. When you type a string of words into AltaVista, Lycos, Yahoo! or Excite, you expect to see many pages listed that have no relevance to the subject that interests you. Merely appearing on a list does no more to create the impression of an association or business connection than appearing on the same page in the telephone directory.[73]

Any confusion by manipulative metatagging is more likely to be on the part of the search engine software than the user.[74] To illustrate this, one Internet wag

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71. MCCARTHY, *supra* note 65, § 23:19, at 23-43 (citing the test set forth in the 1938 Restatement of Torts as the "classic" test and stating, in reference to it, "These factors provided the basis for the various lists of factors now required to be used by the various federal circuits, each one of which has created its own list of factors.").

72. *See id.* at 23-44 (summarizing the test under the Restatement (Third) of Unfair Competition); *see, e.g.*, Planned Parenthood Federation of America, Inc. v. Bucci, 1997 WL 133313 at *7 (S.D.N.Y. 1997), citing Polaroid Corp. v. Polarad Elecs. Corp., 287 F.2d 492, 495 (2d Cir. 1961) (noting that the Second Circuit's test for likelihood of confusion includes a consideration of "the strength of plaintiff's mark, the degree of similarity between the two marks, the competitive proximity of the products or services, the likelihood that the plaintiff will bridge the gap between the two markets, the existence of actual confusion, the defendant's good faith in adopting the mark, the quality of the defendant's product, and the sophistication of the purchasers").

73. Jackson, *supra* note 8, at 17; *see also* Bart Ziegler, *On-Line: Why Search Engines Don't Turn Up Many Web Sites*, WALL ST. J., Dec. 10, 1996, at B1 (giving examples of how searches return unrelated results).

74. *See* Loundy, *supra* note 5, at 6 ("In the Oppedahl & Larson case, the defendants are trying to confuse search engines into identifying the defendants' Web pages as if they are affiliated

has posted a Web page titled the "'This Has Nothing to Do with Carl Oppedahl or Oppedahl & Larson Page' . . . [which] discusses ad nauseam how it has no connection with . . . lawyers [Oppedahl & Larson] and [their] law firm, and is likely to rate as very highly relevant in any Web search for the law firm."[75]

However, as noted above, in assessing the likelihood of confusion, courts often consider intent. While the pertinent intent is that of the user, because ascertaining that intent is so speculative, courts tend to look to the intent of the alleged wrongdoer.[76] "If there is proof of defendant's intent and purpose to trade on another's good will by using a similar mark to cause confusion, then the court will follow the alleged infringer's judgment and find a likelihood of confusion."[77] One commentator, in discussing the *Oppedahl & Larson* case, has stated that while the "suit is not an easy fit with the law . . . this case has the feel of a 'bad actor.' The defendants' actions were deliberate and intended to draw traffic to their sites that may have been originally intended for the plaintiff's sites."[78] A court might therefore be willing to infer a likelihood of confusion.

"However, it must be kept in mind that the only kind of intent that is relevant to the issue of likelihood of confusion is the intent to confuse,"[79] and the best evidence of that intent is actual confusion.[80] Given the relative novelty of commercial exploitation of the Internet as well as consumer use of that medium, it is appropriate to seek evidence of actual confusion before finding a violation of the Lanham Act.[81] That evidence may, in fact, be quite hard to come by. The best chance of success may be for the plaintiffs to argue that courts should adopt

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with the plaintiff's site in some way. Unfortunately for Oppedahl, this does not make the defendants' actions a clear violation of the Lanham Act. Although the search engines may be confused about such an affiliation, the people conducting the searches may not be.").

75. *Id.*

76. MCCARTHY, *supra* note 65, § 23:110, at 23-210.

77. *Id.* at 23-211.

78. Loundy, *supra* note 5, at 6.

79. MCCARTHY, *supra* note 65, § 23:110, at 23-212.

80. *See, e.g.*, Paramount Pictures Corp. v. Video Broadcasting Sys., Inc., 724 F. Supp. 808, 816 (D. Kan. 1989) ("[T]he best evidence of a likelihood of confusion . . . is actual confusion."). Note, however, that evidence of actual confusion is not required to maintain an action under the Lanham Act.

81. *Cf. id.* (stating, in a case involving advertising on VCR rental tapes, that it was particularly important to have evidence of actual confusion in that case "because of the largely undeveloped nature of this advertising [and] the relatively recent technological phenomenon of 'VCRs' in the home"); Joe Salkowski, *Tagging Their Prey: Sites draw fire for search engine technique*, (visited Dec. 11, 1997) <http://dispateches.azstarnet.com/features/meta/htm> (quoting scholars like Professor Mark Lemley who says, "The fundamental question in any trademark case is how will consumer (sic) react... Are consumers who type "Playboy" into a search engine going to be confused by the sites they find? If they are, then it's a perfectly good case for a trademark infringement," and Professor David Post stating "[i]f this [metatagging] is confusing consumers, trademark law could perform a good service by helping them sort through this confusion").

a minority approach that presumes confusion where it is clear that the defendant is trying to free-ride on the owner's mark.[82]

Not only can it be difficult for the mark's owner to prove confusion, it may also be difficult for him or her to show a false implication of association given the actual contents of the Web site that the user sees. Metatagging by its nature is invisible to the user. Thus, when the user travels to the site returned in the search, any implication of association with the mark's owner is unlikely since the mark is nowhere visible to the user.[83] However, the mark's owner could argue that the initial impression of association is relevant and the fact that such impression may later be dispelled if the user travels to the site is not dispositive.[84]

Generally, though, the above analysis suggests that trademark infringement and unfair competition claims based on a false implication of association generated solely by manipulative metatagging will likely be quite difficult to sustain given the realities of Internet users' expectations. The cases which offer the best chance of success under such causes of action are probably those involving facts analogous to *Playboy* or *Insituform*. Those cases involve conduct in addition to metatagging that clearly constituted conventional trademark infringement and unfair competition. However, if the only alleged wrongdoing had been metatagging, the plaintiffs in both cases might still have been successful. Where direct competitors are using their counterparts' trademarks to divert traffic, a court may be more willing to find a likelihood of confusion. It seems less likely that in cases where the parties offer complementary services as in *Oppedahl & Larson*, that confusion would exist. Finally, the chances for plaintiffs' success are quite low in cases in which a non-competitor is simply trying to attract passing traffic, such as in the "Mir" example discussed briefly above.[85]

At first glance, the more successful unfair competition claim seems to be false advertising under section 43(a)(1)(B) of the Lanham Act. By its terms, such claims do not require that the plaintiff prove a likelihood of confusion. As one writer stated, referring to the *Oppedahl & Larson* case, "The defendants'

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82. *See* O'Rourke, *supra* note 27, at 678-79 (reviewing cases and arguing that courts should not presume confusion and thereby create a federal remedy in misappropriation).

83. *See* Jackson, *supra* note 8, at 17 ("But the idea that keywords alone can create a false belief of connection, and can thus open up a claim for trademark dilution or unfair competition is arguable. The claim that it is misleading may be hard to sustain given that the casual surfer never even sees the offending words."); *see also* Salkowski, *supra* note 81 (quoting Margeurite Kingsmill, defense attorney for National Envirotech: "[National Envirotech's] Web site had no visible reference to Insituform . . . . We weren't trying to suggest any kind of affiliation").

84. *See* Mobil Oil Corp. v. Pegasus Petroleum Corp., 818 F.2d 254, 260 (2d Cir. 1987) (stating that "the probability that potential purchasers would be misled into an initial interest in [defendant constitutes] initial confusion [that] works a sufficient trademark injury.").

85. *See supra* note 35 and accompanying text.

sites are commercial advertisements for the defendants' services, and the keyword[ ] [metatags] misrepresent the nature, characteristics or qualities of the defendants' services — at least to the search engines."[86]

However, the metatags are never seen by the user, raising the issue of whether the use of the mark is "in commercial advertising or promotion" as required under section 43(a)(1)(B). In construing this requirement, the Fifth Circuit has stated:

> In order for representations to constitute "commercial advertising or promotion" . . . they must be . . . by a defendant who is in commercial competition with plaintiff . . . for the purpose of influencing consumers to buy defendant's goods or services. While the representations need not be made in a "classical advertising campaign," but may consist instead of more informal types of "promotion," the representations . . . must be disseminated sufficiently to the relevant purchasing public to constitute "advertising" or "promotion" within that industry.[87]

The purchasing public never sees the metatag. Rather, it is hidden on the product itself, a use which has been found not to constitute "commercial advertising or promotion."[88]

Yet, a court faced with manipulative metatagging does have room to find that it constitutes "commercial advertising or promotion." As the Fifth Circuit also stated, "both the required level of circulation and the relevant 'consuming'

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86. Loundy, *supra* note 5, at 6.

87. Seven-Up Co. v. Coca-Cola Co., 86 F.3d 1379, 1384-86 (5th Cir. 1996) (citation omitted) (adopting the test of *Gordon and Breach, see infra,* and holding that a Coca-Cola marketing presentation to a group of bottlers constituted commercial advertising because the presentation was intended to convince the bottlers to switch from 7-Up to Sprite); Gordon and Breach Science Publishers v. American Inst. of Physics, 859 F. Supp. 1521, 1536, 1544 (S.D.N.Y. 1994) (setting forth the cited test and holding, *inter alia,* that distribution of reprints of a misleading survey at a librarians' conference constituted "commercial advertising or promotion"); *see also* Brown v. Armstrong, 957 F. Supp. 1293, 1302 (D. Mass. 1997) (adopting the *Gordon and Breach* test). Note that in addition to the requirements stated in the text, for a representation to constitute commercial advertising or promotion, it must be "commercial speech." *Gordon and Breach,* 859 F. Supp. at 1536. Since the speech involved in metatagging is rather clearly targeted toward advancing commercial transactions, this requirement is likely to be met and therefore is not discussed in detail in this Article. *See* Cincinnati v. Discovery Network, Inc., 507 U.S. 410, 422-23 (1993) (citations omitted) (noting that commercial speech includes "speech which does no more than propose a commercial transaction and may also include "expression related solely to the economic interests of the speaker and its audience").

88. *See Brown,* 957 F. Supp. at 1302 (stating that where the "alleged false statements" only appeared on the videotape which was the product, rather than in the advertising for the videotape, no false advertising claim was stated "[s]ince the videotapes were obviously not used for the purpose of influencing consumers to buy the [product] which contained the videotapes"); Marcyan v. Nissen Corp., 578 F. Supp. 485, 507 (N.D. Ind. 1982), *aff'd on other grounds,* 725 F.2d 687 (7th Cir. 1983) (holding that a statement appearing in a manual which the customer generally did not see until after he or she purchased the product could not constitute "commercial advertising or promotion").

or 'purchasing' public addressed by the dissemination of false information will vary according to the specifics of the industry."[89] A court could therefore find that given the unique nature of marketing on the Web and the manner in which search engines work, it would be appropriate to find that metatags do constitute "commercial advertising or promotion." Metatags are adopted with the purpose of influencing consumers to travel to the site, even though the only "person" who sees the metatag is the search engine software rather than the ultimate consumer.

Even if a court were to find that a metatag is a representation in commercial advertising under the statute, the plaintiff would still have to show that the representation was false and that consumers had been or were likely to be deceived. "To prevail on a false advertising claim . . . a plaintiff must establish the following elements [among other things]: . . . defendant made false statements of fact about its own product; . . . those advertisements actually deceived or have the tendency to deceive a substantial segment of their audience; [and] such deception is material, in that it is likely to influence the purchasing decision."[90] Both the elements of falsity and deception may be difficult to prove.

"Falsity may be established by proving that (1) the advertising is literally false as a factual matter, or (2) although the advertisement is literally true, it is likely to deceive or confuse consumers."[91] An unadorned metatag, such as "Oppedahl & Larson," even if considered advertising, is not on its face false because by its terms it does not indicate an affiliation between Oppedahl & Larson and the metatagging site. Moreover, a site could insert a metatag that expressly indicated the lack of affiliation yet achieved the same desired manipulation of search engine results. For example, a clothing site may insert into its keywords metatag: "This site is not in any way affiliated with the Gap gap or Babygap babygap." The statement would be literally true but the site would be returned as matching any search for "The Gap." It would only be prohibited if although literally true, "it is likely to deceive or confuse consumers."

This second way to prove falsity overlaps with the element of deception that requires that the advertisement deceive or tend to deceive a substantial segment of the relevant market. This deception is reminiscent of the likelihood of confusion required for a trademark infringement or section 43(a)(1)(A) claim. For the same reasons that plaintiffs in those causes of action were likely unable

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89. *Seven-Up Co.*, 86 F.3d at 1385.

90. *In Re* Century-21 RE/Max Real Estate Advertising Claims Litig., 882 F. Supp. 915, 922 (C.D. Cal. 1994) (citation omitted). The plaintiff would also have to show that "defendant caused its falsely advertised goods to enter interstate commerce; and [ ] plaintiff has been or is likely to be injured as a result of the foregoing either by direct diversion of sales from itself to defendant, or by lessening of the good will which its products enjoy with the buying public." *Id.*

91. Lipton v. Nature Co., 71 F.3d 464, 474 (2d Cir. 1995) (citations omitted).

to prove a likelihood of confusion, plaintiffs under section 43(a)(1)(B) are likely unable to demonstrate deception. The search engine is deceived, not the ultimate consumer.

False advertising then is likely to be of limited usefulness to plaintiffs challenging manipulative metatagging. First, metatagging may not constitute advertising or promotion so as to fall under section 43(a)(1)(B). Second, false advertising would not address situations like Oppedahl & Larson's where the plaintiff and defendant are not in competition. Third, plaintiffs would have difficulty proving both falsity and deception given the realities of consumer expectations on the Internet.

Thus, a conventional application of trademark infringement and unfair competition law under the Lanham Act is unlikely to provide the plaintiff with a remedy in many cases. However, because there seems to be widespread agreement that manipulative metatagging is morally wrong, courts may be tempted to stretch traditional doctrines to cover such conduct or formulate a doctrine specifically to fit the new medium. For example, a court could more easily find manipulative metatagging to be trademark infringement or unfair competition under the Act if it considered the relevant consuming public to be the search engines that actually read and process the metatags. It is the search engines that are misled and confused as to an association between the user's query and the metatagging site. The question to be explored below is whether it would be appropriate as a policy matter for courts to adopt such an "adjusted" doctrine, particularly in light of the dilution remedy which may, more conventionally, offer some relief to plaintiffs.

B. *Trademark Dilution*

Trademark dilution fundamentally differs from trademark infringement and unfair competition because confusion is not an element of a dilution claim.[92] Since 1996, section 43(c) of the Lanham Act has protected "famous" marks against dilution.[93] Dilution is defined as "the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of (1) competition between the owner of the famous mark

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92. *See generally* MCCARTHY, *supra* note 65, § 24:70, at 24-117 ("[W]here the likelihood of confusion test leaves off, the dilution theory begins.").

93. 15 U.S.C. § 1125(c) (1996) ("The owner of a famous mark shall be entitled . . . to an injunction against another person's commercial use in commerce of a mark or trade name, if such use begins after the mark has become famous and causes dilution of the distinctive quality of the mark, and to obtain such other relief as is provided in this subsection.").

and other parties, or (2) likelihood of confusion, mistake, or deception."[94] Manipulative metatagging could be considered dilution by blurring or, depending on the circumstances, dilution by tarnishment.[95]

Each type of dilution is aimed at different conduct. Blurring occurs when others' use of the mark "dilutes" the ability of the mark to identify the mark owner's product. In other words, other uses of the mark, while they may not cause confusion, create "noise" around the mark so as to diminish the ability of the mark to trigger an immediate association between the mark and its owner.[96] Using another's mark in a metatag may constitute dilution by blurring insofar as it creates noise around the mark by causing search engines to return unrelated sites. The fact that the user is not confused as to origin or affiliation, while fatal to an infringement or unfair competition claim, would not affect the plaintiff's ability to recover in dilution since a likelihood of confusion is not required to sustain a dilution claim.

In cyberspace, dilution by blurring has been used to police the registration and use of domain-names which contain popular trademarks by parties who are not the mark owners.[97] As one court stated:

> If [defendant] were allowed to use [plaintiff's trademark in its domain name, plaintiff's] name and reputation would be at [defendant's] mercy and could be associated with an unimaginable amount of messages on [defendant's] Web page. "It is the same dissonance that would be produced by selling cat food under the name 'Romanoff' or baby carriages under the name 'Aston Martin.'"[98]

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94. *Id.* § 1127 (1996).

95. Blurring and tarnishment are the classic examples of dilution. *See* O'Rourke, *supra* note 27, at 672 (describing the two types of dilution and citing authorities). There is some indication that there may be a third type of dilution—dilution by diminishment—but the contours of that conduct have yet to be defined and, to the extent they have, simply represent another type of dilution by blurring. *See id.* at 673-75.

96. *See, e.g.*, MCCARTHY, *supra* note 65, § 24:68, at 24-116 (discussing how the use of the word "TIFFANY" to identify a Boston restaurant could dilute the jewelry store's mark by "introduc[ing] a dissonance and clash even though customers realize it is not licensed by or connected with the jewelry store").

97. *See, e.g.*, Intermatic, Inc. v. Toeppen, 947 F. Supp. 1227, 1240 (N.D. Ill. 1996) (holding dilution by blurring where defendant registered domain name which included the famous trademark of another); Teletech Customer Care Management (California), Inc. v. Tele-Tech Co., Inc., 977 F. Supp. 1407, 1413 (C.D. Cal. 1997) (granting preliminary injunction based, in part, on plaintiff's likelihood of proving a dilution claim where the defendant used the plaintiff's trademark in its domain name, and citing *Intermatic* with approval); *see also* Panavision Int'l, L.P. v. Toeppen, 945 F. Supp. 1296, 1304 (C.D. Cal. 1996) (holding that defendant diluted plaintiff's trademark by registering it as part of a domain name but not categorizing such conduct as dilution by blurring).

98. *Intermatic*, 947 F. Supp. at 1240 (citation omitted).

The concern is that allowing someone other than the mark's owner to incorporate the mark in its domain name would have an "adverse effect upon the distinctiveness of the plaintiff's mark . . . [such that] if allowed to spread, will inevitably destroy the advertising value of the mark."[99]

The factual situation of metatagging is somewhat different than that of conventional dilution cases. Most dilution cases involve two products that bear the same mark. In contrast, metatagging involves a Web site that does not bear the mark visibly. It does not offer its product—the site itself—under the mark imbedded in the metatag. This would seem to lessen the probability that users would associate the same mark with more than one source.

On the other hand, metatagging may create enough noise around the mark to make it very difficult for a user to enter the trademark into a search engine and find the mark owner's site. It therefore may diminish the value of the mark in advertising on the Web. Echoing the court quoted above, Professor McCarthy suggests that the real issue in dilution by blurring cases is "whether allowing many others [to engage in this conduct] will have the effect of lessening the ability and capacity of the famous mark to remain strong."[100] Widespread manipulative metatagging may have just such an effect.

Dilution through tarnishment will generally be of less use to plaintiffs in manipulative metatagging cases. Dilution by:

> [t]arnishment generally arises when 'a plaintiff's trademark is linked to products of shoddy quality, or is portrayed in an unwholesome or unsavory context likely to evoke unflattering thoughts about the owner's product' . . . . Regardless of the context, however, a finding of dilution by tarnishment must be supported by evidence that the plaintiff's mark will suffer negative associations from the defendant's use.[101]

Intuitively, dilution by tarnishment would seem to be the ideal claim if, for example, a pornographic site used Walt Disney Co.'s trademarks in its metatags. However, in the same way that a plaintiff would likely have a difficult time proving a false implication of association under section 43(a), a plaintiff may have difficulty proving the negative association required for dilution by tarnishment. Although the two requirements are different, the same facts are relevant. The user never sees the metatags and knows of the inadequacies of

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99. *Id.*

100. MCCARTHY, *supra* note 65, § 24:94, at 24-161.

101. Elvis Presley Enters., Inc. v. Capece, 950 F. Supp. 783, 799 (S.D. Tex. 1996) (citations omitted) (holding that defendants' use of Elvis Presley's name in connection with a "tacky bar" did not dilute the "Elvis" or "Elvis Presley" trademarks because "the Court [was] convinced that [such use was] not likely to prompt an unsavory or unwholesome association in consumers minds").

search engines, making it unlikely that any association is triggered between the mark and the offending site so as to tarnish the mark's or its owner's images.

Of the trademark-related claims, dilution by blurring probably offers the greatest chance of success for a plaintiff in a manipulative metatagging case. However, such a dilution claim is by no means a panacea. First, the factual situation of metatagging may differ enough from dilution to render a dilution claim unsuccessful. Second, even if metatagging implicates dilution concerns, the Lanham Act protects only "famous" marks against dilution.[102] Of course, it would only be worthwhile to use a mark in a metatag if a substantial number of queries searched for the mark. However, while this may be evidence that the mark is "famous," it would not be dispositive. The question then remains if dilution by blurring may only be available in limited circumstances, if at all, and other trademark claims do not encompass metatagging, should the law adjust these doctrines and fashion a new remedy or refuse to sanction manipulative metatagging?

IV. DEFINING THE CONTOURS OF UNFAIR COMPETITION IN CYBERSPACE: HOW MUCH FREE-RIDING IS "TOO" MUCH?

Essentially, complaints about manipulative metatagging are premised on the notion that the defendants are attempting unfairly to divert traffic intended for the plaintiffs' sites to the defendants. The defendants are thus free-riding on the goodwill the mark owner has developed over the years. Moreover, a plaintiff could argue that the defendant is usurping its revenue stream. To the extent that the Web revenue model is based on advertising, a metatagger essentially obtains the equivalent of free advertising at the intended destination site. If its metatag is effective, most users will travel to its site before they reach their intended destination. The metatagger thus obtains the benefit of a "hit" to its site, generating advertising dollars, and has no need to purchase advertising on the destination site that it might purchase if it could not divert users. Moreover, the

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102. *See* 15 U.S.C. § 1125(c) (1996). The statute sets forth eight factors which a court may consider in determining whether a particular mark is famous. *Id.* "In determining whether a mark is distinctive and famous, a court may consider factors such as, but not limited to—(A) the degree of inherent or acquired distinctiveness of the mark; (B) the duration and extent of use of the mark in connection with the goods or services with which the mark is used; (C) the duration and extent of advertising and publicity of the mark; (D) the geographical extent of the trading area in which the mark is used; (E) the channels of trade for the goods or services with which the mark is used; (F) the degree of recognition of the mark in the trading areas and channels of trade used by the marks' owner and the person against whom the injunction is sought; (G) the nature and extent of use of the same or similar marks by third parties; and (H) whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register." *Id.*

metatagging site is able to charge its advertisers a higher rate because the number of users traveling to its site is artificially inflated.

For these and other reasons, there seems to be general agreement that metatagging at best is an unfair way to compete and at worst is morally reprehensible. The question though is whether it should be legally prohibited, particularly when it does not fit comfortably within established legal doctrine and where the market may work to eliminate the problem. The following suggests that it should not be legally prohibited unless the particular conduct fits either within established legal doctrines under the Lanham Act or a nuanced tort of unfair competition.

A. *Free-Riding and Trademark Law*

The operation of the Internet has always been characterized by some measure of conduct which could be considered free-riding. For example, until recently, it was widely accepted that one site could hyperlink to another without the permission of the linked site.[103] That custom involves a measure of free-riding as the linking site derives a benefit from the ability to enable users to travel directly from its site to the linked site. The operation of Internet search engines also involves a measure of free-riding. The more comprehensive the search engine, the more valuable it is. Yet search engine databases themselves are comprised of elements taken from others' Web pages. However, because the search engines enable users to find those Web pages, Web page owners have no reason to object to such free-riding.

How then is one to distinguish between conduct that may be labeled free-riding and free-riding that implicates policy concerns? As Professor Hovenkamp notes in the context of antitrust law, "free rider concerns do not become decisive simply because they can be articulated .... [O]ften practices that are labelled as free riding are nothing more than competition."[104] He emphasizes that free-riding implicates policy concerns primarily when its effect is to reduce output but cautions against "confus[ing impermissible] free riding with simple product complementarity."[105]

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103. *See* O'Rourke, *supra* note 27, at 642-45 (explaining why this belief has been widely held and citing supporting authority). Recently, the practice of hyperlinking without permission has been challenged by Ticketmaster. Ticketmaster has sued Microsoft, objecting to Microsoft's inclusion of hyperlinks to Ticketmaster's site on a Web site owned and operated by Microsoft. *See id.* at 634-37 (describing the suit).

104. Herbert Hovenkamp, *Exclusive Joint Ventures and Antitrust Policy*, 1995 COLUM. BUS. L. REV. 1, 96-97.

105. *See id.* at 98-99 (giving the example of the dealer "who rides on the promotional or service efforts of other dealers" and the "firm that invents around" a patent, contending that both implicate policy concerns because they discourage up-front investment and, in the long term, result in decreased output, and distinguishing those situations from cases in which production of one

Commentators echo this rationale in the trademark context. As one author states:

> Trademark law seeks to rid the market of the "free rider" who attempts to benefit from the reputation of a competitor by deceiving consumers about the source and quality of the advertised product. "If such an infringer is not enjoinable, the quality encouragement function [of the trademark] is destroyed. If all may take a free ride on the successful seller's mark and reputation, there is no incentive to distinguish one's own goods and services."[106]

Thus, there would be no incentive to invest in the trademark or the products that bear it, decreasing the output of both.[107]

The question then is whether manipulative metatagging allows the metatagger to free-ride on the mark owner's goodwill to such an extent that it discourages others to invest in marks generally, and the mark owner to continue to invest in the particular mark as a distinguishing indicia of its product. In Lanham Act terms, the law attempts to make this assessment through the requirement that a plaintiff prove a likelihood of confusion to maintain a successful trademark infringement claim. It is generally only when consumers are confused that the free-riding may so decrease the ability of the mark to function as a source identifier that the policy concern of decreasing investment in marks is implicated.[108] Because, as noted above, in the context of metatagging, a plaintiff would find it difficult to prove this likelihood of confusion, the free-riding policy concern is unlikely to be implicated in most metatagging cases. To label conduct impermissible free-riding without such confusion would effectively grant the trademark owner a "right in gross" which would hinder, rather than further, competition.[109]

While empirical evidence regarding the effect manipulative metatagging has on trademark owner's incentives is not available, courts do have some basis on which to make reasonable inferences. For example, in many cases, the Web site serves as simply another marketing channel for products with established brand

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good stimulates demand for another).

106. Diane Martens Reed, *Use of "Like/Love" Slogans in Advertising: Is the Trademark Owner Protected?*, 26 SAN DIEGO L. REV. 101, 102 (1989) (citation omitted).

107. *See* Lillian R. BeVier, *Competitor Suits for False Advertising under Section 43(a) of the Lanham Act: A Puzzle in the Law of Deception*, 78 VA. L. REV. 1, 46 (1992) ("A legal rule that permits free riding on established trademarks . . . clearly makes the benefits of investments in trademarks less fully appropriable and to that extent discourages them.").

108. Trademark dilution doctrine is a notable exception to this principle because it does not require the plaintiff to prove a likelihood of confusion.

109. Courts and commentators often state that a "trademark is not a right in gross." This statement means that a trademark does not confer on its owner the right to prevent any and all uses of the mark by others. *See* MCCARTHY, *supra* note 65, § 24:11 & n.1 at 24-23 – 24-24.

identities. In such cases, the mark owner has already invested in establishing the mark in the "non-electronic" world. It seems unlikely that such mark owner would cease making investments because of the free-riding of metatagging.

However, the relevant universe in which to assess incentives may be cyberspace alone. Irrespective of whether the mark is used solely in cyberspace or both there and in conventional media, the incentive of the mark owner to invest in establishing its brand identity in cyberspace may be impeded by the mark's inability to act as an effective source identifier due to its widespread use as a metatag by others. If this were the case, it would support a holding of trademark infringement, unfair competition, or at the very least, trademark dilution. Again, though, there is a lack of empirical evidence to suggest that this adverse impact on incentives is actually occurring. Instead, what does seem to be happening is continued investment in developing marks on the Internet with some resources also spent to combat metatagging—both by mark owners and search engine providers.

There are steps available to mark owners to help blunt the effectiveness of another site's use of its mark in a metatag.

> It's fairly easy for a company to ensure that a rival's use of its name as a META tag won't boot the company's own pages out of the top slots in a 20-page list of search engine results. And since most users won't slog through more than a few pages, relegation to page 15 is almost as good as elimination. "Basically, you should ensure that your name and keywords appear in the page title, META tags, headlines if possible, and in the top portion of the page." . . . Sites should also make sure their information — especially their company name and trademarks — appears as HTML text, rather than embedded in a large, splashy graphic, which looks lovely to the visitor but is invisible to a search engine.[110]

The cost of taking these aforementioned steps are likely quite minimal. They are small parts of the much broader decision to establish and maintain a Web site. Of course, once the site is established, the owner will continue to monitor its progress, including policing manipulative metatagging. The owner will occasionally run searches on its own keywords to determine where it turns up in the results of the major search engines. It would do this even if metatagging didn't exist because placement in the search results is a key revenue concern. The relevant cost is the extra cost to uncover and combat those using manipulative metatags. This is likely to be minimal given that a complaint to the search engine usually results in some action to limit such metatagging.

In an effort to maintain their value, search engines fight manipulative metatagging regularly. In addition to refining their ranking algorithms, search engine providers continually attempt to improve their software in other ways to

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110. Gardner, *supra* note 34 (quoting Danny Sullivan, "a Web consultant who maintains Search Engine Watch, a respected guide to the practices of various search engines").

provide more accurate results. Steps range from ignoring metatags altogether to sanctioning pages that use manipulative metatags, including removing them from the index altogether.[111]

The question is whether site owners' expenditures of resources to combat metatagging represent a social waste that should be avoided or represent money that would otherwise have been spent to promote the mark. It is possible that the aggregate social gain from search engines having the incentive to improve their software and even to work for standardized formats outweighs the minimal costs of site owners to combat manipulative metatagging. This minimal cost is also likely not materially to impact the decision to invest in and promote the mark.

Of course, these contentions are also speculative, lacking any empirical support. The real point is that courts should exercise caution in assessing claims grounded solely in manipulative metatagging. The elements of trademark infringement and unfair competition claims have been carefully confined to prohibit primarily free-riding which would adversely impact incentives to invest in marks. Given the relatively low cost structure of the Internet, courts should be wary of claims that don't fall within the traditional doctrines and certainly should not presume a likelihood of confusion simply because the intent of manipulative metatagging is to free-ride on the mark. Likewise, they should take care before granting relief under a trademark dilution claim lest they grant the mark owner a property right so strong that it actually impedes competition.

However, the foregoing analysis fails to account for at least one social cost of metatagging which implicates trademark policy. One of the goals of trademark law is to reduce consumer search costs.[112] This objective may be frustrated by widespread manipulative metatagging. Searchers are unlikely to go beyond the first ten or so site addresses returned in looking for the information they sought.[113] But the manipulative metatagging of others may have relegated the desired information to a spot so low in the list that consumers are frustrated in their ability to find the desired site. While, as noted above, mark owners and search engine providers may take steps to combat this, the social cost of increasing consumer search costs should be considered in assessing liability for manipulative metatagging.

The traditional Lanham Act causes of action usually take this cost into account as part of their determination of likelihood of confusion. Generally, if consumers are confused as to source, their search costs are increased. Thus,

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111. *See supra* notes 37-41 and accompanying text (summarizing efforts by search engines to limit manipulative metatagging).

112. *See* MCCARTHY, *supra* note 65, § 2:3, at 2-3 (noting that "[m]icroeconomic theory teaches that trademarks perform at least two important market functions: (1) they encourage the production of quality products; and (2) they reduce the customer's costs of shopping and making purchasing decisions").

113. *See supra* notes 25-26 and accompanying text (describing conduct of searchers).

likelihood of confusion has effectively stood as a proxy for incorporating considerations of consumer search costs. However, the tests for likelihood of confusion usually fail explicitly to take consumer search costs into account.[114] Metatagging presents the unusual situation of a case in which despite the lack of confusion, consumer search costs may be significantly increased. Yet a traditional trademark analysis may fail to take these costs into account or do so only indirectly.

However, since these costs implicate trademark policy concerns, courts should take them into account in assessing claims based on use of a mark. Yet courts should be wary of contorting statutory language to fashion "new" causes of action or reformulating tests for "likelihood of confusion" to fit new fact situations. Their better course may be to focus on the more flexible tort of unfair competition.

B. *Common Law Unfair Competition — A Code of Commercial Ethics for the Internet?*

Although Lanham Act claims may not prove successful for metatagging plaintiffs, such complainants are likely also to bring a state law tort claim sounding in unfair competition. Through the years, unfair competition has proven to be a malleable tort, used to police "conduct which is contrary to honest practice in industrial or commercial matters."[115] In the case of metatagging, courts should be reluctant to label conduct which is not otherwise unlawful under the Lanham Act to be common law unfair competition. However, they should use this tort to access the costs and benefits of the conduct for which a Lanham Act analysis may not fully account. Unfair competition law then may be a useful "gap-filler" to deter inefficient conduct that may not be unlawful under a strict statutory analysis.

Unfair competition law has often been used to enforce amorphous norms of commercial morality. The Fifth Circuit has stated that it is "not reluctant to conclude that what is morally reprehensible is also legally impermissible."[116] At the same time though, courts have recognized that "unfortunately there is much that is unethical that is not enjoinable . . . . Courts cannot correct all unfair practices brought to their attention any more than legislators can by legislation

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114. *See supra* notes 70-71 (discussing common tests for a likelihood of confusion). Dilution, which does not require a finding of likely confusion, may indirectly take consumer search costs into account. Dilution by blurring is concerned with preventing the erosion of the distinctiveness of the mark because of its use on non-related products. The "noise" that this creates around the mark may increase consumer search costs.

115. American Heritage Life Ins. Co. v. Heritage Life Ins. Co., 494 F.2d 3, 14 (5th Cir. 1974).

116. Chemical Corp. of America v. Anheuser-Busch, Inc., 306 F.2d 433, 438 (5th Cir. 1962), *cert. denied*, 372 U.S. 965 (1963).

correct all social maladjustments."[117] The question, of course, is how to determine when the law should intervene to prohibit conduct by labeling it "unfair competition" and when it should not. Given the widespread commercial view that manipulative metatagging is unfair and morally wrong, metatagging seems like an ideal candidate for being labeled "unfair competition."

However, the same policy concerns which indicate that metatagging does not involve free-riding so as to implicate trademark policies also seem to argue against an unfair competition finding. Judge Winter's opinion in *NBA v. Motorola, Inc.*,[118] is instructive. There, the Second Circuit addressed the claim that Motorola had wrongfully misappropriated the NBA's property by transmitting real-time information about NBA basketball games via hand-held pagers.[119] In holding that the NBA's misappropriation claim was preempted by the Copyright Act, Judge Winter stated that a "broad misappropriation doctrine based on amorphous concepts such as 'commercial immorality' or society's 'ethics' is preempted."[120] In formulating a misappropriation claim that would survive preemption, he emphasized economic considerations, stating that to avoid preemption, a plaintiff would have to show that the defendant engaged in free-riding on the efforts of a plaintiff with whom it was in direct competition and that such free-riding would reduce incentives so as to threaten the existence of the product.[121]

Judge Winter's opinion focuses on output-reducing effects of free-riding. As discussed above, the Lanham Act is designed to prohibit just such free-riding. Therefore, it would seem that conduct which does not violate the Lanham Act should not constitute common law unfair competition.

But any statutory analysis is imperfect and unfair competition may provide room for a court to consider other policy concerns. Courts should use common

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117. Philadelphia Dairy Prods., Inc. v. Quaker City Ice Cream Co., 159 A. 3, 6 (Pa. 1932).

118. 105 F.3d 841 (2d Cir. 1997).

119. *See id.* at 843-45.

120. *Id.* at 851.

121. "In our view, the elements central to an INS claim are: (i) the plaintiff generates or collects information at some cost or expense, see FII, 808 F.2d at 206; INS, 248 U.S. at 240, 39 S. Ct. at 72-73; (ii) the value of the information is highly time-sensitive, see FII, 808 F.2d at 209; INS, 248 U.S. at 231, 39 S. Ct. at 69-70; Restatement (Third) Unfair Competition, § 38 cmt. c.; (iii) the defendant's use of the information constitutes free-riding on the plaintiff's costly efforts to generate or collect it, see FII, 808 F.2d at 207; INS, 248 U.S. at 239-40, 39 S. Ct. at 72-73; Restatement § 38 at cmt. c.; McCarthy, § 10:73 at 10-139; (iv) the defendant's use of the information is in direct competition with a product or service offered by the plaintiff, FII, 808 F.2d at 209, INS, 248 U.S. at 240, 39 S. Ct. at 72-73; (v) the ability of other parties to free-ride on the efforts of the plaintiff would so reduce the incentive to produce the product or service that its existence or quality would be substantially threatened, FII, 808 F.2d at 209; Restatement, § 38 at cmt. c.; INS, 248 U.S. at 241, 39 S. Ct. at 73 ("[INS's conduct] would render [AP's] publication profitless, or so little profitable as in effect to cut off the service by rendering the cost prohibitive in comparison with the return.")" *Id.* at 852.

law unfair competition to consider those social costs and benefits—including increased consumer search costs—that the more exacting statutory causes of action address only indirectly, if at all. Of course, this does not compel the conclusion that manipulative metatagging constitutes unfair competition. However, it does mean that common law unfair competition may have a role to play generally and on the Internet. It may enable courts to take social costs and benefits into account that would otherwise be absent from the analysis.

While federal and state trademark and unfair competition laws have co-existed relatively easily for many years, courts should be hesitant to label conduct which would not run afoul of the Lanham Act as common law unfair competition. Effectively, the policy reasons that support measured application of the Lanham Act to manipulative metatagging counsel for restrained application of unfair competition law as well. The primary role for common law unfair competition should be to consider social benefits and costs which a more nuanced statutory analysis may omit. Unfair competition then could help to deter inefficient conduct, a more precise niche for it to occupy than for it to style itself as a code of commercial morality. While there may be room for unfair competition law to enforce commercial morality, it seems inappropriate for it to step in and perform that function in the fast-moving world of the Internet where standardization and self-help may provide solutions.

V. CONCLUSION

Metatagging is just one example of the ways in which Web sites free-ride on one another's content. It has no obvious "hard copy" counterpart, thereby making it difficult to assess from conventional legal doctrines. However, the policies underlying those doctrines suggest what the legal response should be.

This analysis suggests that the legal response should be to adhere to traditional doctrines even though metatagging may not be prohibited under such conventional causes of action as trademark infringement and unfair competition under the Lanham Act. The question is a close one and it may be tempting for courts to expand these causes of action or fashion new ones for conduct which seems blatantly opportunistic and mercenary. However, this seems unnecessary given the availability of common law unfair competition to act as a source of liability in addition to the Lanham Act. Finally, whether accessing claims under the Lanham Act or the common law, courts should require that the parties present empirical data so that courts may more clearly understand whether the policy rationale underlying the grant of rights in a trademark is implicated.