

LINK LAW REVISITED: INTERNET LINKING LAW AT FIVE YEARS

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ABSTRACT

Internet links may create legal liability. Despite the Internet's initial "free linking" ethos, links can be unlawful when they are designed to confuse viewers, to evade court orders or clear statutory prohibition, or to promote illegal conduct by others. But most linking is lawful, even where the linked site claims the right to authorize and control links. Linking law, which began with the *Shetland Times* headline-linking case in Scotland in late 1996, now includes several United States precedents as well as a developing worldwide body of opinions on various subjects.

As new linking claims are asserted, and as new linking techniques are created, courts are being challenged to carefully analyze the practical, technological and business circumstances surrounding the claims, and to fashion sound legal principles. This Article comprehensively reviews linking claims and potential claims, including cases of direct linking, deep linking, metatags, keyword purchases, inlining, framing, and derivative liability. It analyzes the legal theories asserted, suggests defenses and strategies for combating linking claims, and concludes with recommendations for link-law policies.

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I. INTRODUCTION

Can Internet links ever be unlawful? After five years of cases worldwide, an answer has emerged: yes, in some relatively rare situations, one web publisher’s attempt to link to other Internet sites or content may create liability. Despite the “free linking” ethos of the founders and first users of the World Wide Web, links can be unlawful, usually when they are designed to confuse viewers, to evade court orders or clear statutory prohibition, or to promote illegal conduct by others. Most customary linking to content willingly placed on the Internet, however, is fair and lawful, even in those increasingly familiar situations where the linked site claims the right to authorize and control links.

Linking law, which began with the *Shetland Times* headline-linking case in Scotland in late 1996,¹ now includes a fair number of United States precedents and a developing worldwide “grab-bag” of opinions on subjects such as metatags, deceptive links, and the thorny issue of linking to illegal content. Still, the law is hardly settled. Indeed, the now-established principle that some links can be unlawful, together with emerging new legal doctrines that affect the copying of digital content (such as database protection and anti-circumvention laws), are likely to encourage parties

1. *Shetland Times Ltd. v. Wills*, 1997 S.L.T. 669 (Sess. Cas. 1996).

who feel aggrieved by links to assert claims. The continuing innovative efforts of software writers, web designers, and Internet businesses are bound to create new techniques of linking, which, like past situations, will demand careful analysis and wise application of old legal principles.

This Article discusses the current state of linking law, five years after *Shetland Times*. It draws from and expands upon the discussion and analysis in *Link Law: The Emerging Law of Internet Hyperlinks*, published in 1999.² It also attempts to explain linking technologies and place linking disputes in their proper technological, factual, and legal context.

A. Berners-Lee and the Ethos of Free Linking

Tim Berners-Lee, the software expert who unwrapped the promise of the Internet by developing the World Wide Web, has long understood and argued that easy, intuitive, and free linking lies at the heart of the Internet.³ Berners-Lee “invented” the World Wide Web at CERN (the European Particle Physics Laboratory) in 1990.⁴ In developing the Web and its hypertext markup language (“HTML”) backbone, Berners-Lee sought to facilitate making connections between computers and to make these connections within a computer network as intuitive as the connections within our own brain.⁵ Specifically, he sought to create “an intuitive interface” that would permit “the computers, networks, operating systems and commands . . . to become invisible” so that users could communicate and access information directly.⁶

Universal free linking of information was essential to Berners-Lee’s original dream:

The Web was designed to be a universal space of information, so when you make a bookmark or a hypertext link, you

2. Mark Sableman, *Link Law: The Emerging Law of Internet Hyperlinks*, 4 COMM. L. & POL. 557 (1999).

3. Tim Berners-Lee, *Realizing the Full Potential of the Web*, at www.w3.org/1998/02/Potential.html (Dec. 3, 1997).

4. Steve Lohr, *His Goal: Keeping the Web Worldwide*, N.Y. TIMES, Dec. 18, 1995, at D2. Berners-Lee came up with the standards for addressing, linking language, and transferring the multi-media documents on the Web: URLs (universal resource locators), HTML (hypertext mark-up language), and HTTP (hypertext transfer protocol). *Id.*

5. TIM BERNERS-LEE, *WEAVING THE WEB: THE ORIGINAL DESIGN AND ULTIMATE DESTINY OF THE WORLD WIDE WEB BY ITS INVENTOR 3* (1999). Berners-Lee traces his interest back to a conversation with his father, a mathematician, when his father sought ways “to make a computer intuitive, able to complete connections as the brain did.” *Id.*

6. Berners-Lee, *supra* note 3.

should be able to make that link to absolutely any piece of information that can be accessed using networks. The universality is essential to the Web: it loses its power if there are certain types of things to which you can't link.

There are a lot of sides to that universality. You should be able to make links to a hastily jotted crazy idea and to link to a beautifully produced work of art. You should be able to link to a very personal page and to something available to the whole planet.⁷

Now director of the World Wide Web Consortium, Berners-Lee argues for the freedom of a web publisher "to . . . link to absolutely any piece of information that can be accessed using networks" as a natural-law proposition of the computer age.⁸

Aside from experts such as Berners-Lee, many nontechnical web users also perceive hyperlinking as essential to the operation of the web, or, at least, as a mechanism so basic and essential that its use could not possibly be unlawful. Additionally, most Internet users see links as desirable on all sides and are puzzled by any legal scheme that would penalize or restrict use of such mutually beneficial indexes, roadmaps, and accolades. A terse posting on an Internet newsgroup asserts: "To ask permission to link to a page borders on the inane. Next, we will have the position that you cannot recommend a book in the local library without the author's permission."⁹ Undoubtedly, most linkers and linkees perceive established links as beneficial to them, for reasons of commerce, prestige, and ease of Internet navigation.¹⁰

B. Hyperlinks and Other Practical Internet Links

Hypertext links are the signature characteristic of the World Wide Web.¹¹ The ability to jump from one page to another through hypertext

7. *Id.*

8. *Id.*

9. Posting of Owen Cook, at <http://dgl.com/msg1/messages/7.html> (posted Sept. 14, 1997).

10. Eric Hellman, *Link Openly: Linking Dos and Dents*, at <http://www.openly.com/link.openly/etiquette.html> (last visited Nov. 25, 2001) ("In many cases, it is a good thing, even a valuable thing, to be the target of a hyperlink. Links are generally beneficial to both linker and linkee.").

11. In the words of the World Wide Web Consortium, "the link has been one of the primary forces driving the success of the Web." World Wide Web Consortium, *HTML 4.01 Specification: W3C Recommendation 24 December 1999*, Links 12.1 at <http://www.w3.org/TR/REC-html40/struct/links.html>.

links makes the web exciting and attractive to viewers. Both creation and use of hyperlinks are relatively simple tasks, which can be accomplished unilaterally by the author or reader of a webpage:

[A]dding a web link on a home page is relatively simple and requires only knowing the address of the linked page. The WWW technology . . . does not require coordination from both ends of a link to establish one [T]he simplest link acts merely as an automated directory—when the hypertext link is clicked with the mouse, the connection to the page with the link is dropped and the user’s computer then connects with the linked site, without further connection with the original page. . . . The simplicity of making web links and the lack of any centralized control are largely to credit for the enormous (and somewhat anarchic) growth of the Web.¹²

At least three kinds of technical links—or, more exactly, references—are made possible by the web’s current *lingua franca*, HTML,¹³ used on the Internet.¹⁴ The simple hyperlinks that almost all web viewers regularly use are Hypertext REference (“HREF”) links. These convenient links permit a viewer to jump from one webpage to another; clicking on the link instructs the viewer’s web browser software to go to the linked location, which is often another website and which is specified in the markup written in the HTML language.¹⁵ Framing also creates links or associations between webpages; it is a method, which web browsers introduced to

12. Subcomm. on Interactive Servs. of the Comm. on the Law of Commerce in Cyberspace, *Web-Linking Agreements: Contracting Strategies and Model Provisions*, 1997 A.B.A. SEC. BUS. L., 1-2.

13. “HTML is the *lingua franca* for publishing hypertext on the World Wide Web. It is a nonproprietary format based upon SGML, and can be created and processed by a wide range of tools, from simple plain text editors—you type it in from scratch—to sophisticated WYSIWYG authoring tools. HTML uses tags such as <h1> and </h1> to structure text into headings, paragraphs, lists, hypertext links etc.” World Wide Web Consortium, *HyperText Markup Language Home Page*, at <http://www.w3.org/MarkUp/> (last visited Nov. 25, 2001).

14. HTML permits other kinds of linking as well. Indeed, some of these links even use the HTML tag “<link>,” such as the link “<link rel=‘stylesheet’ . . . >” which is used to make a document display according to presentational suggestions written into a stylesheet on another web page. Although HREF links, framing and inlining have made appearances so far in reported or publicized linking cases, the less common links have not yet made their legal debut.

15. The linked location could also be another part of the website itself—for example, a link from a home page, an index or table of contents to another page on the website, or even another part of a document that begins on the page that contains the link.

Internet users in 1996, of arranging and viewing webpages. Framing allows the operator of a website to divide a browser window into multiple, independently scrollable frames with different layouts, and to place separate documents, from different Internet sources, into each window.¹⁶ Inlined images linking (sometimes called IMG (“ImaGe”) links) enables graphics to be visible on screen as part of a web document’s main body (i.e., not in a separate frame) even though they originate outside the document’s HTML code—that is, somewhere else on the website publisher’s server, or even at a different website.¹⁷

Because of the digital—hence easily analyzed and classified—nature of the Internet and the need for indices and search engines, some HTML and Internet techniques may be viewed as *de facto* linking tools. The use of metatags to index webpages, for example, is a kind of linking technology, and metatag disputes have emerged as a fruitful source of linking law. A metatag is essentially invisible computer code, which search engine software can read and understand as text. If an infringer’s website contains the phrase “Star Wars” in its metatag, for example, its site may rank high in response to a search seeking Star Wars-related sites. Use of a keyword or phrase in metatags will give a site a big boost from search engines that give extra weight to words that are listed in metatags. Both “keyword” and “descriptive” metatags are commonly used by website authors. Metatags are both invisible and effective. Thus, a website author may place one or more keywords in metatags, drawing significant traffic

16. The World Wide Web Consortium describes the intended purpose of framing as follows:

HTML frames allow authors to present documents in multiple views, which may be independent windows or subwindows. Multiple views offer designers a way to keep certain information visible, while other views are scrolled or replaced. For example, within the same window, one frame might display a static banner, a second a navigation menu, and a third the main document that can be scrolled through or replaced by navigating in the second frame.

World Wide Web Consortium, *HTML 4.01 Specification: W3C Recommendation 24 December 1999*, Frames 16.1, at <http://www.w3.org/TR/html401>; see also Brian D. Wassom, *Copyright Implications of ‘Unconventional Linking’ on the World Wide Web: Framing, Deep Linking and Inlining*, 49 CASE W. RES. L. REV. 181, 191 (1998) (explaining how framing works).

17. See Richard Raysman & Peter Brown, *Dangerous Liaisons: The Legal Risks of Linking Web Sites*, N.Y.L.J., Apr. 8, 1997, at Computer Law 3; Wassom, *supra* note 16, at 193.

to his site without altering the physical appearance of the site or bringing attention to the metatags.

Other keyword technologies work similarly to metatags. For example, search engines sell advertisements and featured placements based upon search words used by their users. If a user uses a search engine to search for a particular product, the search engine operator may place on its search results screen a banner advertisement for a seller of that product, or may list that seller's webpage in a featured position. As with metatags, where the keywords lure a search engine into making a link to the metatagged site, search engine keyword sales essentially beckon a searcher to the advertiser's site. In both cases, moreover, the linking is usually invisible to the user.

II. LAWS THAT MAY AFFECT LINKING USAGE

It is no surprise that the absolute "free linking" ethos of Berners-Lee and other Internet pioneers has not been adopted by the law. The real business world operates differently than the world of academics, technology enthusiasts, and information-loving individuals. Businesses care about what information is shared, with whom, and in what context—especially when the communications involved interfere with their sales or marketing. They also care about how they are portrayed in relationship to others, especially competitors. Hence, in the context of business and advertising, Internet links may raise issues of, among other things, unfair competition, trademark or copyright infringement, tarnishment, and misappropriation.

The laws of unfair competition and intellectual property provide the backdrop for most hyperlink disputes. In particular, the law of unfair competition—an umbrella term that embraces trademark infringement and dilution, passing off, and false or deceptive advertising—provides the legal context for many linking disputes. Several other legal areas—copyright, data protection, and misappropriation—have figured in several important Internet linking disputes. This section briefly describes the basic principles of the legal fields on which most unauthorized linking claims are based.

A. Trademark Infringement

A trademark or service mark is any word, name, symbol, or device or any combination thereof adopted and used by a manufacturer or merchant to identify his goods or services and distinguish them from those manufac-

tured or sold by others.¹⁸ Trademarks indicate origin—that is, they distinguish one party’s products (or services in the case of service marks) from those of competitors.¹⁹ Trademarks and service marks may also serve to guarantee the quality of the goods or services bearing the mark, and through advertising, they may help to create and maintain a demand for the product or service.²⁰

Trademark infringement occurs when one party uses a mark that is so similar to that of another that consumers are likely to be confused.²¹ Likelihood of confusion depends on many factors, including: (1) the strength of the owner’s mark; (2) the similarity between the owner’s mark and the alleged infringer’s mark; (3) the degree to which the products compete with each other; (4) the alleged infringer’s intent to “pass off” its goods as those of the trademark owner; (5) incidents of actual confusion; and (6) the type of product, its cost, and conditions of purchase.²² Strong trademarks are entitled to more protection than are weak ones.²³ Reverse trademark confusion may occur when a trademark infringer so saturates the market with promotion of his mark that consumers come to believe that the infringer, rather than the plaintiff, is the source of the trademarked product.²⁴

Not all use of another’s trademarks constitutes infringement. Words that are trademarks may also be used in their normal descriptive sense.²⁵ In many cases, trademarks may describe a person, a place, or an attribute

18. 15 U.S.C. § 1127 (Supp. V 1999).

19. *New Kids on the Block v. New Am. Pub., Inc.*, 971 F.2d 302, 305 (9th Cir. 1992) (stating that “[t]hroughout the development of trademark law, the purpose of trademarks remained constant and limited: Identification of the manufacturer or sponsor of a good or the provider of a service”).

20. *See Berner Int’l Corp. v. Mars Sales Co.*, 987 F.2d 975 (3d Cir. 1992).

21. 15 U.S.C. § 1114 (Supp. V 1999).

22. *Co-Rect Prods., Inc. v. Marvy! Adver. Photography, Inc.*, 780 F.2d 1324, 1330 (8th Cir. 1985); *see also Squirtco v. Seven-Up Co.*, 628 F.2d 1086, 1091 (8th Cir. 1980) (holding that an alleged mark had not acquired secondary meaning due to insufficient time in the marketplace and insufficient evidence establishing the effectiveness of the company’s advertising linking the mark to the mark’s source in consumers’ minds); *C. Blore & D. Richman, Inc. v. 20/20 Adver.*, 674 F. Supp. 671, 681 (D. Minn. 1987) (quoting *Co-Rect Prods.*, 780 F.2d at 1330).

23. *See McDonald’s Corp. v. Druck & Gerner*, 814 F. Supp. 1127, 1134 (E.D.N.Y. 1993).

24. *See Murray v. Cable Nat’l Broad. Co.*, 86 F.3d 858 (9th Cir. 1996).

25. RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 28 cmt. a (1995) (“Reasonable use of a descriptive term by another solely to describe the nature or characteristics of its own goods or services will not subject the user to liability for infringement.”).

of a product. For example, one may say, “Let’s take a vacation to Disney World,” or, “I have the data in Excel,” without violating the trademark rights of Walt Disney or Microsoft. Thus, trademark law recognizes a “nominative use” defense when the mark is used only “to describe the goods or services of [a] party, or their geographic origin.”²⁶

B. Trademark Dilution

Even when a trademark is not infringed—that is, when there is no likelihood of confusion—one who uses a similar mark may dilute the distinctive quality of that trademark. Dilution may occur by blurring (weakening) the trademark association or by tarnishing the trademark by giving it a bad association along with its original trademark association.²⁷ Confusion and dilution involve different states of mind. Confused consumers think there is a connection with the trademark owner. In the case of dilution, although members of the public make a mental connection between the marks, they are not actually confused. They still associate the trademark with its owner, but that association is weaker than before (in the case of blurring) or a negative connotation is added to the mark (in the case of tarnishment).²⁸ The laws of about twenty-five states prohibit trademark dilution,²⁹ and federal law prohibits dilution of “famous” marks.³⁰ Businesses often assert dilution in Internet cases to stop the use of their trademarks by other parties who are not their direct competitors.³¹

26. 15 U.S.C. § 1115(b)(4) (Supp. V 1999).

27. *Deere & Co. v. MTD Prods., Inc.*, 41 F.3d 39, 42 (2d Cir. 1994) (“Traditionally, this Court has defined dilution . . . ‘as either the blurring of a mark’s product identification or the tarnishment of the affirmative associations a mark has come to convey.’” (quoting *Mead Data Cent., Inc. v. Toyota Motor Sales, U.S.A., Inc.*, 875 F.2d 1026, 1031 (2d Cir. 1989))).

28. *See generally* RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 25 (1995).

29. *E.g.*, CAL. BUS. & PROF. CODE § 14330 (Deering Supp. 2001); FLA. STAT. ANN. § 495.151 (West Supp. 2000); 765 ILL. COMP. STAT. 1036/65 (West 2001); MO. REV. STAT. § 417.061(1) (Vernon 2001); N.Y. GEN. BUS. LAW § 368-d (McKinney 1996); 54 PA. CONS. STAT. ANN. § 1124 (Purdon Supp. 2001); TEX. BUS. & COM. CODE ANN. § 16.29 (Vernon Supp. 2001).

30. 15 U.S.C. § 1125(c) (Supp. V 1999).

31. In passing the Anti-Cybersquatting Consumer Protection Act, Congress noted that trademark dilution was frequently asserted in domain name cases. S. REP. NO. 106-140, at 7 (1999); *see Virtual Works, Inc. v. Volkswagen of Am., Inc.*, 238 F.3d 264 (4th Cir. 2001).

C. Passing Off

“Passing off” or “palming off” refers to deceptive marketing in which one party attempts to “pass off” its goods or services as those of another.³² Passing off is illegal under the Lanham Act’s prohibition against a false description or false designation of origin, since it encompasses selling one’s goods under the name of a competitor.³³ It also reaches merchandising practices that are “‘economically equivalent’ to palming off.”³⁴

D. False Advertising

Section 43(a) of the Lanham Act contains a broad prohibition against the making of false statements in connection with commercial advertising or marketing and has been characterized as creating a federal law of “false advertising,” “deceptive marketing,” or “unfair competition.”³⁵ Whatever its name, the sweep of the claim created by this section is wide: it covers any “false or misleading description of fact” made in commercial advertising or marketing activities, that relate to one’s own, or a competitor’s, goods, services, or commercial activities.³⁶ A violator may be liable in a damages action for the harmed party’s lost profits, the violator’s own profits due to its misconduct, and, in exceptional cases, for treble damages and an award of attorney’s fees.³⁷

32. See RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 4 (1995).

33. 15 U.S.C. § 1125(a)(1) (1994). See *Roho, Inc. v. Marquis*, 902 F.2d 356, 359 (5th Cir. 1990); *Lamothe v. Atl. Recording Corp.*, 847 F.2d 1403, 1406 (9th Cir. 1988).

34. *Smith v. Montoro*, 648 F.2d 602, 605 (9th Cir. 1981). The court stated: [A] section 43(a) claim may be based on economic practices or conduct “economically equivalent” to palming off. Such practices would include “reverse passing off,” which occurs when a person removes or obliterates the original trademark, without authorization, before reselling goods produced by someone else. Reverse passing off is accomplished “expressly” when the wrongdoer removes the name or trademark on another party’s product and sells that product under a name chosen by the wrongdoer. “Implied” reverse passing off occurs when the wrongdoer simply removes or otherwise obliterates the name of the manufacturer or source and sells the product in an unbranded state.

Id. (citations omitted).

35. 15 U.S.C. § 1125(a) (Supp. V 1999); see also S. REP. NO. 100-515, at 40 (1988), reprinted in U.S.C.C.A.N. 5577, 5603 (stating that § 43(a) “has been widely interpreted as creating, in essence, a federal law of unfair competition”); RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 2 (1995).

36. 15 U.S.C. § 1125(a)(1) (1994).

37. 15 U.S.C. § 1117(a) (Supp. V 1999).

E. Copyright Infringement

Under United States copyright law, copyright protection attaches to every creative work as soon as the work is created and “fixed in any tangible medium of expression.”³⁸ Copyright infringement occurs when someone with access to a copyrighted work creates a substantially similar work, and uses it in a way that violates one or more of the copyright owner’s five exclusive rights³⁹—the rights of reproduction, distribution, adaptation, performance, and public display.⁴⁰

In addition to the person who directly infringes someone’s copyright, others who assist in the infringement may face derivative liability, under two theories. First, one who induces, causes, or materially assists in the infringement may be guilty of contributory infringement.⁴¹ Courts generally require that the plaintiff prove that the contributory infringer knew or had reason to know of the direct infringer’s infringement and materially contributed to it.⁴² Additionally, the doctrine of vicarious liability, derived from the doctrine of *respondeat superior*, may create liability when one has the right and the ability to supervise the infringing activity and derives financial interest from those activities.⁴³

Not all copying or imitating of a copyrighted work constitutes infringement. Some creative expression (such as book titles and short advertising slogans) may be too short or lacking in originality to qualify for copyright protection.⁴⁴ Some copying may be permissible as personal use

38. 17 U.S.C. § 102 (1994). Copyrightable works are broadly construed to include not only books, paintings and sculptures, but also movies, plays, musical compositions, recordings, photographs, computer software code, architectural designs, and even routine business writings. *See Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53, 58 (1884) (defining “author” broadly as “he to whom anything owes its origin [sic],” and holding that the originator of a photograph may claim copyright in photographic work); *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239 (1903) (holding that circus posters are entitled to copyright protection).

39. 17 U.S.C. § 501 (Supp. V 1999); *see also Nichols v. Universal Pictures Co.*, 45 F.2d 119 (2d Cir. 1930) (stating test for infringement).

40. 17 U.S.C. § 106 (Supp. V 1999).

41. The doctrine of contributory copyright infringement originated with Justice Oliver Wendell Holmes’ decision in *Kalem Co. v. Harper Bros.*, 222 U.S. 55 (1911).

42. *Gershwin Publ’g Corp. v. Columbia Artists Mgmt., Inc.*, 443 F.2d 1159, 1162 (2d Cir. 1971).

43. *Id.*; *see Polygram Int’l Publ’g, Inc. v. Nevada/TIG, Inc.*, 855 F. Supp. 1314, 1325-26 (D. Mass. 1994).

44. 17 U.S.C. § 102(b) (1994).

or fair use, or for “transformative” uses such as parody and commentary.⁴⁵ Finally, copyright protection has a limited term, and works for which the copyright term has expired, or which never had copyright protection, are in the public domain and are free for anyone to reproduce or imitate.⁴⁶

F. Database Protection

United States copyright law does not protect database collections, as the U.S. Supreme Court held in 1991 in *Feist Publications, Inc. v. Rural Telephone Service Co.*⁴⁷ The European Union and other nations, however, do protect databases, and Congress has been considering database protection for several years.⁴⁸ Although several database protection bills have been introduced in Congress, they have not passed because of the differing interests of database owners—such as legal publishers and telephone companies—and database users—such as financial and media analysts and Internet services.⁴⁹ The increased importance and value of electronic databases and the increased clout of the database industry may put pressure on Congress to enact database protection. In addition, the European Union’s 1996 database directive⁵⁰ contains a reciprocity clause, which means that database producers in the United States will not get protection under the EU database law unless Congress enacts protection similar to the EU directive.⁵¹

G. Misappropriation

Although it is little used and narrowly confined, a common law tort theory of information misappropriation exists in United States law. This cause of action essentially prohibits the unauthorized interference by one

45. See *infra* text accompanying notes 298-300.

46. See 17 U.S.C. §§ 302-304 (Supp. V 1999) (limiting term of copyright); 17 U.S.C. § 105 (1994) (stating that federal government works are never subject to copyright).

47. 499 U.S. 340 (1991).

48. See Amy Sullivan, *When the Creative is the Enemy of the True: Database Protection in the U.S. and Abroad*, 29 AIPLA Q.J. 317, 356-68 (2001) (describing U.S. legislative attempts at database legislation since 1996).

49. E.g., The Collections of Information Antipiracy Act, H.R. 354, 106th Congress § 2 (1999); The Consumer and Investor Access to Information Act of 1999, H.R. 1858, 106th Congress §§ 101-108 (1999).

50. Council Directive 96/9/EC of 11 March 1996 on the Legal Protection of Databases, 1996 O.J. (L 77) 20, available at http://europa.eu.int/eur-lex/en/lif/dat/1996/en_396L0009.html.

51. *Id.* art. 11(3), at 27.

party with another party's valuable and time-sensitive information.⁵² In a landmark press association case, *International News Service v. Associated Press*,⁵³ the Court recognized the theory and held actionable one news service's attempt to pirate the "hot news" content of a rival news service.⁵⁴ The theory is narrow, and not nearly as pliable as some information owners would like,⁵⁵ but a recent decision makes clear that it is still viable in limited situations.⁵⁶

III. LINKING CLAIMS, REAL AND POTENTIAL

In the few years since Tim Berners-Lee invented the World Wide Web, hyperlinks and other references have proliferated on the global network. Only a few of the millions upon millions of Internet links have led to litigation. Some pathbreaking cases have identified how links can raise linking claims, which courts seriously consider and sometimes uphold. This section discusses reported linking cases, other linking claims that we may expect to see, and emerging trends in link law analysis and policies.

A. Copyright Infringement Through Direct Linking—From *Shetland Times* Headlines to Ditto.com Thumbnails

Link law began with a hyperlinked headline on an electronic newspaper in the Shetland Islands of Scotland.⁵⁷ The ensuing copyright lawsuit between rival newspapers brought little enlightenment to the concept of links as copyright infringement. A few years later, a parallel lawsuit in

52. See, e.g., *NBA v. Motorola, Inc.*, 105 F.3d 841 (2d Cir. 1997). According to this decision, misappropriation claims require the following elements: (1) the plaintiff generates or collects information at some cost or expense; (2) the value of the information is highly time-sensitive; (3) the defendant uses the information in a way that constitutes free-riding on plaintiff's efforts; (4) the defendant uses the information in a way that competes with plaintiff; and (5) the ability of others to free-ride on plaintiff's efforts would substantially reduce plaintiff's incentive to produce the product or service. *Id.* See generally Bruce P. Keller, *Condemned to Repeat the Past: The Reemergence of Misappropriation and Other Common Law Theories for Protection for Intellectual Property*, 11 HARV. J.L. & TECH. 401 (1998).

53. 248 U.S. 215 (1918).

54. *Id.* at 246.

55. See *NBA v. Sports Team Analysis & Tracking Sys., Inc.*, 931 F. Supp. 1124 (S.D.N.Y. 1996), *amended by* 939 F. Supp. 1071 (S.D.N.Y. 1996), *aff'd in part and vacated in part sub nom.*, 105 F.3d 841 (2d Cir. 1997).

56. *Motorola, Inc.*, 105 F.3d at 852.

57. *Shetland Times Ltd. v. Wills*, 1997 S.L.T. 669 (Sess. Cas. 1996).

California,⁵⁸ concerning thumbnail photographs as links, brought the copyright theory of link law into sharper focus.

The *Shetland Times* case raised the curtain on linking claims just around the time that the World Wide Web was reaching a wide audience, in late 1996. The established *Shetland Times* (“*Times*”) claimed that its rival, the upstart *Shetland News* (“*News*”), infringed the *Times*’ copyright by using the *Times*’ headlines as the text for hyperlinks to the *Times*’ stories.⁵⁹ The case focused on the dramatically divergent views of the parties concerning hyperlinks.

Dr. Jonathan Wills, editor of the *News*, obviously viewed himself and his innovative electronic newspaper as advanced trendsetters, familiar with new technology and its uses. He viewed his rival (and former employer) the *Times* as stodgy and backward (though it too issued an electronic edition in 1996).⁶⁰ The *News* offered its readers tangible evidence of its competitive preeminence—it claimed that it linked to the *Times* for any news stories missed by the *News*.⁶¹ Of course, the link not only served the *News*’ readers, but also subtly highlighted how few stories the *News* had missed.⁶² The links involved were standard HREF links.

When the *Times* protested the *News*’ periodic links to its stories, Dr. Wills expressed his disbelief that anyone would complain about hyperlinks, and published, with commentary, his personal, sarcastic reply to the *Times*’ cease-and-desist letter:

The principle of the Internet is free access. We have no turnstile where we vet or charge readers. Nor do you. What we have done, are doing and will continue to do is direct our readers to your website on those occasions when your six editorial staff [sic] manage to come up with a story which our single member of staff has either missed or not got around to writing.

. . . .

58. *Kelly v. Arriba Soft Corp.*, 77 F. Supp. 2d 1116 (C.D. Cal. 1999).

59. *Shetland Times*, 1997 S.L.T. at 669; see David H. Rothman, *Internet Links Could Take a Hit in Scottish Feud*, CHRISTIAN SCI. MONITOR, Dec. 3, 1996, at 18; Steve Outing, *War in the Shetlands!—Internet Style*, EDITOR & PUBLISHER, Oct. 30-31, 1996, available at <http://mediainfo.com/ephome/news/newshtml/stop/st103096.htm> (subscription required).

60. *Shetland Times*, 1997 S.L.T. at 669.

61. *Id.*

62. See *Shetland Times Wins Legal Ban Against the Shetland News: Statement of Shetland News Editor Dr. Jonathan Wills*, SHETLAND NEWS, Oct. 24, 1996, available at <http://www.factnet.org/shetlnd2.html>.

At no time have we infringed your undisputed copyright, nor have we made any use whatsoever of your material in our own pages. If we did, we would pay you our normal, single-use, electronic reproduction fees at NUJ rates. Where we give a free link to a *Shetland Times* story which we think would interest our readers, we send them straight to your very own page, not to one of ours. When they get there they are looking at *The Shetland Times*, not at *The Shetland News*.

. . . .

We don't need your written permission to put up links to your site, or to any other. You ought to be jolly pleased, because we are bringing you hundreds of readers a day whom you wouldn't otherwise have.⁶³

The *Times*, however, was quite serious. It sought a court order to prevent such links.⁶⁴ The next publication in the *News* on the dispute took a distinctly different tone than that of Dr. Wills' confident response letter: "We regret that part of our service to readers has been censored by unprecedented court action at the instigation of Robert Wishart, managing director of *The Shetland Times Ltd*. He can be reached by e-mail at r.wishart@shetland-times.co.uk."⁶⁵

In court, the *Times* sought to restrain the *News*' unauthorized links on the grounds that the *News*' links, which reproduced the *Times*' headlines for those rare exclusives, constituted copyright infringement.⁶⁶ The *News* argued in response that the use of the *Times*' headlines could not constitute infringement, because free access constituted the basic principle of the Internet.⁶⁷ The Court of Sessions in Edinburgh, by Lord Hamilton, disagreed. The court granted the *Times* an interim interdict (comparable to a U.S. preliminary injunction) preventing the *News* from making further hyperlinks.⁶⁸ Among other things, the court noted that the *News*' hyperlinks to some of the *Times*' stories permitted readers to get access to the *Times*' stories while "by-passing the [*Times*] front page and accordingly missing

63. *Internet Publisher Doesn't Want the Hits*, SHETLAND NEWS, Oct. 16, 1996, available at <http://www.factnet.org/shetlnd2.html>.

64. *Shetland Times*, 1997 S.L.T. at 669.

65. *The Shetland News Appeal Fund*, SHETLAND NEWS, Nov. 11, 1996, formerly at <http://www.shetland-news.co.uk/appeal.html> (on file with author).

66. *Shetland Times*, 1997 S.L.T. at 669.

67. *Internet Publisher Doesn't Want the Hits*, SHETLAND NEWS, Oct. 16, 1996, available at <http://www.factnet.org/shetlnd2.html>.

68. *Shetland Times*, 1997 S.L.T. at 671.

any advertising material which may appear on it.”⁶⁹ This potential advertising loss figured heavily in the court’s decision in favor of the interim relief.⁷⁰ This interim ruling was appealed, and although the *News* made a worldwide appeal for assistance through its website, ultimately the case settled shortly before a scheduled further hearing.⁷¹ The settlement permitted the *News* to link to the *Times*’ page, but it specified that the links would clearly identify the *Times* as the originator of the linked stories.⁷² Essentially, the parties negotiated a linking license.⁷³

For all the attention focused on the *Shetland Times* case, the resulting judicial ruling was a disappointment in terms of clarity, analysis, breadth of application, and precedent for further linking disputes. The court’s analysis—that reproduction of a few of *Times*’ web links constituted infringement—has been widely criticized and would not be accepted under United States copyright law.⁷⁴ Since the links involved were basic HREF links that were clearly explained by the *News* as links to its competitor’s

69. *Id.* at 670.

70. The court stated:

The balance of convenience clearly, in my view, favoured the grant of interim interdict It was fundamental to the setting up by the pursuers of their web site that access to their material should be gained only by accessing their web directly. While there has been no loss to date, there is a clear prospect of loss of potential advertising revenue in the foreseeable future.

Id. at 671.

71. Courtney Macavinta, *Scottish Link Suit Settled*, CNET NEWS, Nov. 11, 1997, at <http://news.cnet.com/news/0,10000,0-1005-200-323939,00.html>.

72. *Id.*

73. Other copyright claims similar to those in the *Shetland Times* case have been threatened. In New Zealand, the editor of the *7am Weekly News* web site has reported that a rival publication, the *Nando Times*—apparently basing its claim on copyright—has demanded payment for the *7am Weekly News*’ use of the *Nando Times*’ headlines and for the right to link to the *Nando Times*’ site. Similarly, News International Newspapers, the owner of *The Times* of London, has threatened an Internet news service, *News Index*, claiming that its listing of *The Times*’ headlines infringes British copyright law. Courtney Macavinta, *Is linking a Copyright Violation?*, CNET NEWS, Dec. 11, 1997, at <http://news.cnet.com/news/0-1005-202-324822.html>.

74. In a similar case in Netherlands in 2000, the court rejected the argument that use of headlines as the content for hyperlinks constituted copyright infringement. The court found no copyright violation in the use of the newspapers’ headlines in the hyperlinks, essentially because of fair use and generally accepted practices. J. Mendlik, Rb. Rotterdam 22 augustus 2000, KG ZA 00-846, No. 139609 (ann. VKJK), available at http://www.e-jus.it/db/data/Sentenza_Rotterdam_ing_22-8-00.htm (last visited Nov. 25, 2001).

content, the links seem tame, fair, and non-confusing compared to later cases. Thus, the case left more questions open than answered on the issue of copyright infringement as a theory for limiting unauthorized linking.

A much different approach and answer to a similar question came with the decision of a California federal district court in *Kelly v. Arriba Soft Corp.*⁷⁵ *Kelly* presented essentially the picture equivalent of the *Shetland Times* headline-as-hyperlink claim. The defendant, Arriba Soft, offered a specialized Internet search engine for photography on its website. On that site,⁷⁶ Arriba Soft provided a traditional search engine with a photographic twist. As the court explained, like other Internet search engines, Arriba Soft's search engine: "allows a user to obtain a list of related Web content in response to a search query Unlike other Internet search engines, Defendant's retrieves images instead of descriptive text. It produces a list of reduced, 'thumbnail' pictures related to the user's query."⁷⁷

Leslie Kelly, a professional photographer, offered his photographs for sale through an Internet website, and Arriba Soft indexed his site along with other professional photographers' sites.⁷⁸ That meant that when searchers used Arriba Soft's "visual search engine" and the search results included Kelly's photographs, the images of those photos would be made available in thumbnail form on the search results page.⁷⁹ The thumbnail images in turn linked to Kelly's own website, and hence potentially increased Kelly's business traffic.⁸⁰ Kelly claimed—much as the *Shetland Times* had claimed about use of its headlines—that use of his work in the thumbnail link constituted copyright infringement.⁸¹ The thumbnail images in question were, admittedly, copies of Kelly's photographs. The issue was thus posed: Did use of Kelly's photographs as thumbnail markers of links to Kelly's website constitute copyright infringement?

The thumbnails presented a credible case of infringement. While a few words of a headline do not qualify alone as copyrightable material in United States law, the photo thumbnails were simply reduced versions of Kelly's copyrighted photographs. As such, the thumbnails contained all (or at least most) of the creative elements of the photos, such as subject,

75. 77 F. Supp. 2d 1116 (C.D. Cal. 1999).

76. The site was originally located at www.arriba.com, but was later renamed and relocated to www.ditto.com.

77. *Kelly*, 77 F. Supp. 2d at 1117.

78. *Id.*

79. *Id.*

80. *Id.* at 1120.

81. *Id.* at 1117.

composition, lighting, and so forth.⁸² The only question was whether Arriba Soft's use of the photographs in its visual search engine constituted fair use under section 107 of the Copyright Act.⁸³ Judge Gary Taylor analyzed each of the statutory fair use factors, as well as the "transformative use" factor, and found Arriba Soft's use to be fair.⁸⁴

Initially, Judge Taylor found that while Arriba Soft's search engine was commercial, the search engine's commercial purpose was "of a somewhat more incidental and less exploitative nature" than normal.⁸⁵ Arriba Soft's website did not exist to exploit the visual impression of the indexed photographs; rather, it served a library-like function, as it "catalog[ed] and improve[d] access to images on the Internet."⁸⁶ Thus, the first fair use factor—focusing on the commercial or noncommercial use of the copyrighted work—favored Arriba Soft.⁸⁷ The second factor—the nature of the work—favored Kelly, because photographs are artistic works at the core of copyright protection.⁸⁸ On the third factor—focusing on the amount and substantiality of the copyrighted work used—the court found the use of indexing thumbnails generally fair, because thumbnails are necessary on a visual search engine, and the size reduction mitigates any damage.⁸⁹ Because Arriba Soft's search engine had also displayed a larger version of the indexed photographs (a practice it had eliminated by the time of the court's decision), however, the court found the "amount and substantiality" factor to favor Kelly somewhat.⁹⁰ Finally, in considering the fourth fair use factor—the effect on the market for plaintiff's products—the court found no evidence of harm, and a logical conclusion that the search engine would increase traffic to the websites of professional photographers such as Kelly. Thus, the court found that this factor favored fair use.⁹¹

82. *Id.* at 1120.

83. 17 U.S.C. § 107 (1994).

84. *Kelly*, 77 F. Supp. 2d at 1121.

85. *Id.* at 1119.

86. *Id.*

87. *Id.*

88. *Id.* at 1119-20.

89. *Id.* at 1120.

90. *Id.*

91. *Id.* at 1120-21.

With the fair use score a two-two tie, the Court relied on the “transformative use” analysis of *Campbell v. Acuff-Rose Music, Inc.*,⁹² to make its final conclusion that Arriba Soft’s use was fair. Essentially, the court recognized the usefulness of search engines and their contribution to users and web publishers (like Kelly) alike, and found that Arriba Soft’s “visual search engine” had transformed Kelly’s images into something new. The court held that the photo-cataloging and thumbnail-displaying functions of Arriba Soft’s visual search engine, which “swept up” plaintiff’s images along with two million other photographs in its ordinary operation, fulfilled an “inherently transformative” function.⁹³ This transformative aspect of the visual search engine—“a new use and a new technology”—weighed more heavily with the court than the fact that Arriba Soft copied the photographs.⁹⁴ In essence, the usefulness of Internet search engines was the determinative factor in the fair use analysis in *Kelly*, leading to the court’s conclusion that Arriba Soft could use thumbnail images of copyrighted works in its search results display.

Although the *Kelly* analysis could be questioned or confined to the unique facts of that case, the decision provides guidance for other copyright linking cases. The decision wisely permits use of the content indexes and links that are typically used and needed in Internet searching and navigation. This result seems consistent with fair use principles, since the indexing material does not replace the full copyrighted works and it usually facilitates navigation to the owners of those works. It also accords with precedent, such as long established acceptance of catalogs, summaries, and reviews as fair use. If *Kelly* is followed when future linking claims based on copyright are asserted, the fair use doctrine is likely to protect normal indexing and summarizing use of Internet content as hyperlinks.

92. 510 U.S. 569 (1994). In *Campbell*, a copyright parody case, the Supreme Court distinguished transformative use of copyrighted material from the typical situation where the new work merely supersedes or substitutes for the original work. A “transformative” work, like a parody, serves a different purpose—and usually a different market—than the original work, and although it employs portions of the original, it alters the original “with new expression, meaning, or message.” *Id.* at 579.

93. *Kelly*, 77 F. Supp. 2d at 1121.

94. *Id.* The court’s comment that Arriba Soft “never held out Plaintiff’s work as its own” is interesting because passing off is technically irrelevant in this copyright case. As noted in *supra* note 70 and accompanying text, however, the passing off nature of the headline links in the *Times* case may well have influenced the court there, and suggestions of passing off or other acts of unfair competition necessarily influence judges and other decision makers, particularly when new rules and policies are being established.

B. Deep Linking

Perhaps the most curious of all anti-linking theories is the one that holds “deep linking” unlawful. While this theory seems to loom large in popular discussions, it does not yet have legal support in the United States, and courts have addressed the theory with skepticism.⁹⁵

Most websites have a central “home” page to which all subsidiary pages are linked. Website publishers probably expect users to visit their site through this home page “front door,” and to move around the website using the website’s own links to subsidiary pages. With this expectation, many website publishers post introductory material—possibly including third-party paid banner advertisements, and special teasers and highlights relating to their own site—on that home page. Website publishers expect that most website visitors will encounter those advertisements or special highlights before going further into the website’s subsidiary pages.

In practice, however, anyone who reaches a subsidiary page may record the URL of that page and use it as a hyperlink, thus enabling others to bypass the website’s front door and go to the subsidiary page of interest. Such links are known as “deep linking” because they link directly to a subsidiary page “deep” within a website. Is such linking unlawful? The Ticketmaster ticket-selling agency asserted that such linking was unlawful in two highly publicized cases.

In the first case, *Ticketmaster Corp. v. Microsoft Corp.*,⁹⁶ Ticketmaster complained of a city guide’s unauthorized hyperlink to a subsidiary page that contained event and ticket information about one of the many events Ticketmaster was promoting at the time.⁹⁷ Ticketmaster alleged that by offering this bypass, Microsoft’s “Seattle Sidewalks” service was “in effect, committing electronic piracy.”⁹⁸ Ticketmaster claimed that unless it controlled “the manner in which others utilize and profit from its propriety services,” it would “face the prospect of a feeding frenzy diluting its content.”⁹⁹ It alleged that the bypass hyperlink—which allowed a web user to

95. See, e.g., *Ticketmaster Corp. v. Tickets.Com, Inc.*, CV 99-76542000, 54 U.S.P.Q.2d (BNA) 1344 (C.D. Cal. Mar. 27, 2000); *Kelly v. Arriba Soft Corp.*, 77 F. Supp. 2d 1116 (C.D. Cal. 1999).

96. Ticketmaster Corp.’s Complaint, *Ticketmaster Corp. v. Microsoft Corp.*, No. 97-3055 DDP (C.D. Cal., filed Apr. 28, 1997), available at <http://legal.web.aol.com/decisions/dlip/tickcomp.html> [hereinafter Ticketmaster’s Complaint].

97. *Id.* at ¶¶ 10, 14.

98. *Id.* at ¶¶ 6, 10.

99. *Id.* at ¶ 6.

avoid advertising on Ticketmaster's home page—constituted trademark dilution and unfair competition.¹⁰⁰ After some spirited arguments back and forth, the case settled in February 1999. Microsoft agreed not to “deep link” to Ticketmaster's webpages,¹⁰¹ but rather to link its Internet “Sidewalks” guides only to Ticketmaster's home page.¹⁰²

Ticketmaster was back in court a few years later, when it learned that a rival agency, Tickets.Com, Inc., was also linking to Ticketmaster's subsidiary pages. In *Ticketmaster Corp. v. Tickets.Com, Inc.*,¹⁰³ Ticketmaster claimed that deep linking constituted both copyright infringement (because the information derived from Ticketmaster's website) and unfair competition (because customers would associate Tickets.com with Ticketmaster).¹⁰⁴ In a preliminary decision, the court explained that Tickets.com simply linked to Ticketmaster (or some other exclusive ticket broker) for events for which Tickets.com could not itself sell tickets.¹⁰⁵ Tickets.com provided its customers with a “Buy this ticket from another online ticketing company” link, which automatically transferred the customer to the relevant interior webpage of Ticketmaster, bypassing the home page. Since this interior page contained the Ticketmaster logo, the court concluded that a customer must know he or she was dealing with Ticketmaster, not Tickets.com.¹⁰⁶ In granting, in part, Tickets.com's motion to dismiss the complaint, the court expressed strong skepticism about the deep linking theory.¹⁰⁷

First, the court expressly rejected the copyright theory. Ticketmaster alleged that Tickets.com copied facts and used a deep linking hyperlink.¹⁰⁸ Facts are not protected by copyright, and the hyperlink simply transferred the user to the plaintiff's page.¹⁰⁹ Next, although the court did not dismiss the unfair competition claims, it brushed off the possibility that merely posting a deep link could itself constitute unfair competition: “[T]he court concludes that deep linking by itself (i.e., without confusion of source)

100. *Id.* at ¶¶ 20-28.

101. Bob Tedeschi, *Ticketmaster and Microsoft Settle Suit on Internet Linking*, N.Y. TIMES, Feb. 15, 1999, at C6.

102. *Id.*

103. 54 U.S.P.Q.2d (BNA) 1344 (C.D. Cal. Mar. 27, 2000).

104. *Id.* at 1344.

105. *Id.* at 1345.

106. *Id.*

107. *Id.*

108. *Id.* at 1346.

109. *Id.*

does not necessarily involve unfair competition.”¹¹⁰ Perhaps most significantly, in dicta the court analogized hyperlinks to traditional indexing techniques, thus suggesting that they are benign and indeed helpful, and thus hardly tortious.¹¹¹ The court stated: “The customer is automatically transferred to the particular genuine webpage of the original author. There is no deception in what is happening. This is analogous to using a library’s card index to get reference to particular items, albeit faster and more efficiently.”¹¹²

Similarly, in *Kelly v. Arriba Soft Corp.*,¹¹³ the court briskly dismissed the plaintiff’s objections to the deep links from the defendant’s “visual search engine” to the pages on plaintiff’s website that featured certain photographs taken by the plaintiff.¹¹⁴ The court recognized that the search engine links allowed users to bypass the plaintiff’s “front page” and thereby made it less likely that users would see all of plaintiff’s advertisements and its “entire promotional message.”¹¹⁵ Nonetheless, the court viewed this as insufficient evidence of harm or adverse impact.¹¹⁶

Deep linking claims have encountered appropriate skepticism from courts when claimants have asserted intellectual property or tort rights to control links to their subsidiary pages. As Microsoft quite persuasively pointed out in its response in *Ticketmaster Corp. v. Microsoft Corp.*,¹¹⁷ such claims run contrary to common sense and the common workings of the web, an open network that by its nature encourages the use and sharing of shortcuts.¹¹⁸ Deep linking claims might, however, have better chances on three other theories: contract, trespass, or database protection.

Ticketmaster asserted the contract theory in its suit against Tickets.com, claiming that its terms of service barred deep linking use of information obtained by browsing the Ticketmaster site.¹¹⁹ While the court was skeptical of this claim because it was based on small-print terms and

110. *Id.*

111. *Id.* at 1345.

112. *Id.*

113. 77 F. Supp. 2d 1116 (C.D. Cal. 1999).

114. *Id.* at 1020-21.

115. *Id.*

116. *Id.* at 1021.

117. Microsoft Corp.’s Answer to First Amended Complaint, Affirmative Defenses and Counterclaims, ¶¶ at 38-50, *Ticketmaster Corp. v. Microsoft Corp.*, No. 97-3055 (C.D. Cal. May 28, 1997) [hereinafter Microsoft’s Answer].

118. *See infra* text accompanying note 312.

119. *Tickets.Com*, 54 U.S.P.Q.2d (BNA) at 1346.

conditions for which no affirmative assent was required, it nonetheless allowed the claim to proceed.¹²⁰ Obviously in proper circumstances—for example, where parties with roughly equivalent bargaining power explicitly agree to deep linking limitations—a contract *can* affect one’s ability to deep link.

A second alternative deep linking theory is trespass. Some courts have held that when web publishers permit entry to their site for limited purposes, one who violates those conditions may be prosecuted in tort for computer trespass.¹²¹ This theory did not survive the motion to dismiss in *Ticketmaster Corp. v. Tickets.com, Inc.*, because the court viewed it as preempted by the Copyright Act.¹²² In one case abroad, however, the trespass rationale received some serious consideration. In *Pacific Internet Ltd. v. Catcha.com Pte Ltd.*,¹²³ the owner of a website in Singapore sued on multiple theories, including trespass, based on a rival’s use of deep links to its site. On a motion similar to a motion to dismiss, the court refused to dismiss any of the claims, stressing the novelty of deep linking both in technology and law.¹²⁴ Specifically with respect to the trespass claims, the court indicated that it would fully entertain the theory that the plaintiff opened its site to the public for most purposes, but not for the purpose of allowing competitors to mine the site for deep links for inclusion on their sites.¹²⁵ The decision also stressed the significant and creative damage claims made based on the deep linking. Among other things, the plaintiff claimed that the deep links to its site enhanced the value of the linking site, diminished the value of the plaintiff’s site, and deprived the plaintiff of specific advertising revenue it expected because of fewer “eyeballs” being directed to its website.¹²⁶ The court also accepted as plausible the plaintiff’s theory that deep links to its site promoted customer loyalty with the defendant’s site:

The plaintiffs also complain that the defendants ‘captured’ web surfers within their web sites ‘in that the defendants’ acts of tres-

120. *Id.*

121. *eBay, Inc. v. Bidder’s Edge, Inc.*, 100 F. Supp. 2d 1058, 1069 (N.D. Cal. 2000) (issuing a preliminary injunction on trespass grounds against the Bidder’s Edge practice of recursively crawling the eBay site with robots and compiling a database of the eBay site, which it then used on its own website).

122. 54 U.S.P.Q.2d (BNA) at 1347.

123. 2000 SLR LEXIS 152, at *6 (Singapore High Court May 10, 2000).

124. *Id.* at *16.

125. *Id.* at *18.

126. *Id.* at *11.

pass by-passed the plaintiffs' home page, the plaintiffs' MOL web site and/or the plaintiffs' Tatler web site (as the case may be), thereby creating 'stickiness' within the defendants' web sites. In other words, it would be easier for web surfers to stay within the defendants' web sites, notwithstanding that the content or search engine being viewed or used belonged to the plaintiffs.¹²⁷

According to news reports, the case settled before the proceedings went much past the initial pleading stages.¹²⁸

Several European cases reveal a third possible legal hook—albeit one that would not work in the United States under current law—for the deep linking theory. For example, a German decision in January 2001 held deep linking unlawful in certain circumstances based on the European Union Database Directive.¹²⁹ Plaintiff StepStone, a Norwegian-based company engaged in online recruitment, sued OFiR.com, A.S., a smaller Danish-based competitor, in Germany.¹³⁰ StepStone protested OFiR's deep links to StepStone's site, which contained StepStone's online job advertisements.¹³¹

News accounts of the case indicated that StepStone raised a series of arguments against OFiR's deep links, many similar to arguments that have been made in deep linking cases in the United States.¹³² StepStone also claimed that OFiR passed off StepStone's advertisements as its own by including StepStone's ads in its claims about the advertisements accessible from the OFiR site.¹³³ Thus, StepStone claimed, OFiR had used StepStone's data without authorization. Since the EU Database Directive prohibits such substantial use of another's protected database, StepStone claimed that use constituted a violation of StepStone's database rights.¹³⁴ The EU Database Directive broadly defines "database" as "a collection of works, data or other independent materials arranged in a systematic or me-

127. *Id.* at *11-12.

128. Nawaz Marican, *PacNet, Catcha Legal Battle May be Settled out of Court*, CNETASIA, June 6, 2001, at <http://asia.cnet.com>.

129. Madeline Bennett, *Euro Copyright Law Used to Block Link to Web Site*, ZDNET UK, Jan. 22, 2001, at <http://news.zdnet.co.uk/story/0,,t269-s2083881,00.html>.

130. Rick Perera, *Court Blocks Company's Deep Link to Competitor's Site*, ZDNET UK, Jan. 17, 2001, at <http://news.zdnet.co.uk/story/0,,t269-s2083881,00.html>.

131. *Id.*

132. Bennett, *supra* note 129.

133. Perera, *supra* note 130.

134. *Id.*

thodical way”¹³⁵ In the StepStone case, the German court concluded that StepStone’s ads were indeed protected as a database, and granted an injunction against the OFiR hyperlinks.¹³⁶

In Holland, the District Court in Rotterdam rejected a similar database protection theory. The court upheld the right of a news headline site, Kranten.com, to list the headlines of various newspapers, and to link directly to the full-text of the articles on the newspapers’ websites.¹³⁷ The plaintiffs, a group of Dutch publishers, raised the typical arguments that deep links cost the publishers lost advertising revenue by bypassing their front doors.¹³⁸ They also raised the database argument. In response, the defendant stressed that hyperlinks are the functional core of the World Wide Web, and that deep links are common on the Internet and are often displayed in search engine results.¹³⁹

The court rejected the publishers’ claims, holding that the publishers could have prevented the deep links by technical means, that the publishers’ home pages were still accessible, and that the publishers probably suffered no real damage, given the increased traffic to the publishers’ site due to Kranten.com’s links.¹⁴⁰ In addition, the publishers had alternative methods of advertising, including placing the ads next to the news articles themselves. On the database issue, the Dutch court found that the data used by Kranten.com—a list of headlines—did not technically qualify under the database law, since the newspapers had made no “substantial investment”¹⁴¹ in money or effort in developing that list of headlines, as would typically be required to develop and arrange the contents of a data-

135. Directive 96/9/EC, *supra* note 50, art. 1(2), at 24.

136. Perera, *supra* note 130. Even before the StepStone decision, some commentators predicted that information available on a page on the World Wide Web would qualify as a protected “database.” See, e.g., L. Kaye, *The Proposed EU Directive for the Legal Protection of Databases: A Cornerstone of the Information Society?*, 17 EUR. INTELL. PROP. REV. 583, 584 (1995).

137. J. Mendlik, Rb. Rotterdam 22 augustus 2000, KG ZA 00-846, No. 139609 (ann. VKJK), available at http://www.e-jus.it/db/data/Sentenza_Rotterdam_ing_22-8-00.htm (last visited Nov. 25, 2001); see Gordon Cramb, *Dutch Papers Fail in Cyber Space*, FINANCIAL TIMES, Aug. 23, 2000, at <http://news.ft.com/>.

138. J. Mendlik, KG ZA 00-846 at § 3.2.

139. *Id.* at § 3.3.

140. *Id.* at § 4.4.

141. Under the EU directive, databases are protected only if the producer of the database made a qualitatively and/or quantitatively substantial investment in creating them. Directive 96/9/EC, *supra* note 50, art. 7(1), at 25.

base.¹⁴² The Dutch decision therefore recognized the database protection theory as a possible basis of an anti-deep linking claim, but rejected the claim solely on factual grounds.

At the five-year mark for linking litigation, deep linking remains a creative legal theory in search of viable legal support (at least in the United States), but with strong views by parties on both sides. Those who believe they should be able to control deep links to their sites apparently intend to keep asserting such claims. In order to solidify these claims, they will probably develop stronger contracts or limited-entry-consent terms, as they focus on the contract, database, and trespass theories. Those who view the web as an open network and links as mere indexes will probably keep on making deep links, and may have to fight against the imposition of invisible “limited access” barriers on that open network.

C. Inlining and Framing—Combined Content Claims from *Dilbert* to *Total News*

Inline linking and framing technologies potentially raise associational and copyright concerns. Each of these technologies permit a web publisher, to some extent, to associate itself with the content of another party and to create new adaptive web displays combining content from both sites.¹⁴³

Inlined links¹⁴⁴ allow one to essentially import a graphic from another website and incorporate it in one’s own website. The viewer will not know that the graphic comes from another site; rather, to the viewer, it appears that the inlined graphic is a seamless part of the webpage he is viewing. It is a little bit like painting a picture of a gallery at the Louvre, by simply importing onto your canvas the Louvre’s own digital reproductions of those drawings. At the very least, it *seems* sneaky.

In one situation, a fan’s use of inlined links to Dilbert comic strip images led to a copyright cease-and-desist demand by the company holding rights to the images.¹⁴⁵ The parties resolved the matter when Dan Wallach, the fan, “took the safe exit” and removed his page.¹⁴⁶ The dispute, how-

142. J. Mendlik, KG ZA 00-846 at § 4.11.

143. See Rebecca Quick, ‘Framing’ Muddies Issue of Content Ownership: Technology Lets Sites Alter Presentation of Others’ Web Pages, WALL ST. J., Jan. 30, 1997, at B8.

144. See *supra* text accompanying note 17.

145. See Dan Wallach, *Dilbert Page Hack Archives*, at <http://www.cs.rice.edu/~dwallach/dilbert/> (last visited Nov. 25, 2001).

146. *Id.*

ever, presented serious questions and showed how inline links may essentially allow a web author in one place to create a derivative work, directly incorporating another person's work located on a different website.

Because pre-existing content is an essential ingredient of derivative works—new works created as adaptations of pre-existing ones—the creator of the new work must generally obtain permission of the owner of the original work. In the “Dilbert” dispute, Wallach used inline links to comic strips owned and originally posted by United Media Services to essentially create a new and improved “Dilbert” webpage. Wallach’s page had more “Dilbert” comic strips and was arranged for easier viewing than United Media’s official “Dilbert” website. This presented an arguable infringement of the adaptation right because the copyright owner’s original work (e.g., one “Dilbert” comic strip) was displayed in a new and different context and manner, and it arguably became part of a new overall work (in this case, the collection of comic strips published on Wallach’s pages).¹⁴⁷

Many Internet works can raise derivative works issues—everything from artistic compilations to summaries of textual works found elsewhere on the network. In one situation involving a derivative work claim based on framing, the court refused to dismiss the claim, noting that the issue was novel and that the most analogous cases shed little light on the issues.¹⁴⁸ As browsing technology develops, and as users get faster web access, other webpage display and browsing technologies (particularly involving audio, music and other multimedia outputs) may also raise copyright infringement claims.

Framing, like inlining, involves combinations of materials from different sources. In a typical use, two or more webpages, all created by the same web publisher, are displayed together in separate, independently scrollable frames. A web publisher may also use framing to display one or more of his own pages together with one or more pages from other sources—including sources that may not want to be so displayed. That situation has spawned the filing of several claims.¹⁴⁹ The most widely

147. See Wassom, *supra* note 16.

148. *Futuredontics Inc. v. Applied Anagramics Inc.*, 45 U.S.P.Q.2d (BNA) 2005, 2010 (C.D. Cal. Jan. 30, 1998), *aff'd*, 152 F.3d 925 (9th Cir. 1998); see also *Web Site ‘Framing’ Not Likely to Create A Derivative Work of the Web Site, Court Says*, 3 ELEC. COMM. & L. REP. 9 (Mar. 4, 1998), at <http://pubs.bna.com/> (subscription required).

149. Other organizations have complained of framing. See *N.Y. State Soc’y of Certified Pub. Accountants v. Eric Louis Assocs.*, 79 F. Supp. 2d 331 (S.D.N.Y. 1999) (refusing to decide a framing issue that had not been briefed by defendants); M. A. Stapleton, *Playboy Settles Internet ‘Framing’ Trademark Case*, CHI. DAILY L. BULL., May 21,

publicized of these, *Washington Post Co. v. Total News, Inc.*,¹⁵⁰ arose in 1997 and involved involuntary framing by a news gateway site. Total News, Inc., a small Arizona company, operated an independent gateway to various Internet news pages, including those of the *Washington Post* and other news organizations.¹⁵¹ Among other things, the plaintiff publishers complained that when a web surfer used the Total News site to explore news sites, the news sites appeared “framed” within the index-and-advertising-filled borders of the Total News site.¹⁵² By so framing the news sites, the plaintiff publishers alleged, Total News often prevented the readers from seeing the advertisements, banners and Internet addresses of the publishers, and covered them with Total News’ banners and advertising.¹⁵³ The complaint alleged that these practices were actionable as common law misappropriation, federal and state trademark dilution, unfair competition, trademark infringement, copyright infringement, and tortious interference.¹⁵⁴

As the plaintiffs’ Complaint made clear, the hyperlinks *per se* were not the problem. Rather, plaintiffs complained of the *way* Total News orchestrated the links using frames: when a link was clicked by the user, the user would not receive the linked site in its totality but rather would see the linked site *within a Total News frame*.¹⁵⁵ This gave the user something different than he or she would encounter by seeking that site directly, or linking to it from a normal nonframed hyperlink. Most importantly to the plaintiffs, the *Total News* site potentially blocked out what was most valuable to the plaintiffs—banner advertisements on their pages.¹⁵⁶ Not sur-

1997, at 1; Martha L. Stone, *News Sites Go After Framers*, ZDNET, Dec. 20, 1997, at <http://www.zdnet.com/zdnn/content/zdnn/1220/265686.html>.

An English case filed in early 2001 reportedly raised the issue of framing as a “passing off” violation. Haymarket, a United Kingdom publisher, sued Burmah Castrol PLC, a BP Amoco subsidiary, over a website that framed two of Haymarket’s websites within a Castrol-branded border. John Leyden, *Castrol Frames Car Sites—Publisher Sues*, THE REGISTER, Jan. 10, 2001, at <http://www.theregister.co.uk/content/6/15978.html>.

150. Wash. Post Co.’s Complaint, *Wash. Post Co. v. Total News, Inc.*, No. 97 Civ. 1190 (PKL) (S.D.N.Y., filed Feb. 20, 1997), available at <http://www.courttv.com/legaldocs/cyberlaw/totalnew.html> [hereinafter Wash. Post’s Complaint].

151. *Id.* at ¶¶ 22, 30.

152. *Id.* at ¶ 30. For example, the main news page of the *Washington Post*, or news pages offered by other plaintiff publishers such as Time, Inc., CNN, and Dow Jones would appear within the frames of the Total News site. *Id.* at ¶¶ 31-34.

153. *Id.* at ¶¶ 35-36.

154. *Id.* at ¶¶ 38-76.

155. *Id.* at ¶¶ 10, 35-36.

156. *Id.* at ¶¶ 35-36.

prisingly, Total News' banner advertisement was plainly visible. Pointing to this advertising blocking, plaintiffs claimed that Total News operated a "parasite site" that "diverts" and "free-rides" on plaintiffs' good will, and that their conduct was akin to that of a counterfeiter.¹⁵⁷

The parties settled the *Total News* case only four months after it was filed, with an agreement that recognized a new Internet property right—the linking license.¹⁵⁸ In the settlement, Total News was required to obtain from the publisher plaintiffs' licenses authorizing the hyperlinks that Total News had previously set up without authorization.¹⁵⁹ Additionally, Total News was required as a condition of the license to display the linked materials only in certain ways—for example, without deleting any text, graphics or advertising, and without "framing" the linked site with Total News' logo or advertising.¹⁶⁰

Because of the economics of webpage advertising, "framing" situations like that in the *Total News* case are likely to be fought by the Internet publishers whose content is framed by another. Banner advertising is a significant source of revenue for some commercial webpages, and is expected to grow in importance as the web grows. Moreover, many banner advertising contracts are written so that costs are related to the number of "hits" on a page; to the extent other linking pages siphon hits off of a page that carries advertising, the owner of the original page is likely to seek to restrain the unauthorized linking page.¹⁶¹ Contractual strategies like the

157. *Id.* at ¶ 10. Among other things, plaintiffs stated:

Simply put, Defendants are engaged in the Internet equivalent of pirating copyrighted material from a variety of famous newspapers, magazines, or television news programs; packaging those stories to advertisers as part of a competitive publication or program produced by Defendants; and pocketing the advertising revenue generated by their unauthorized use of that material. . . . [J]ust as that conduct would not be tolerated in the world of print and broadcasting, it is equally unlawful in the world of "cyberspace."

Id.

158. Stipulation Order of Settlement and Dismissal, *Wash. Post Co. v. Total News, Inc.*, No. 97 Civ. 1190 (PKL) (S.D.N.Y., filed June 5, 1997), available at <http://www.courtvt.com/legaldocs/cyberlaw/totalnew.html> [hereinafter *Wash. Post Stipulation Order*].

159. *Id.* at ¶¶ 3-4.

160. *Id.* at ¶ 4.

161. Web publishers who sell advertisements on their pages may attempt to minimize harm from framing by negotiating advertising charges based on total number of hits, regardless of whether the hits go directly to the publisher's home page—but if unauthorized framing becomes more prevalent, advertisers may not agree to such a fee structure.

Total News settlement may well emerge as the prevailing solution to framing disputes.¹⁶² Additionally, new technologies such as “pop-up” and “pop-under” advertisements may raise new issues similar to framing, which may require new solutions.¹⁶³

D. Metatags—the Deceptive or Descriptive Use of Indexing Keywords

Metatags are optional codes embedded in a webpage’s HTML software code, which essentially act as bait for the indexes created by web search engines.¹⁶⁴ In a “hidden metatag” case, an Internet publisher who wishes to attract viewers embeds another company’s trademark in its page as a “metatag.”

The first round of metatag cases involved businesses that used their competitors’ trademarks in their metatags, apparently so that their sites would rank high in search engine reports when a user searched for their competitor using its well-known trademarks. In these cases, where bad faith seemed apparent and justification was lacking, several courts reacted quickly with strong injunctive orders for the plaintiffs, and, in one case,¹⁶⁵ severe penalties for the metatag user. In several later cases, however, courts have come to recognize that use of another’s trademarks in metatags may, in context, constitute allowable descriptive use rather than trademark infringement.¹⁶⁶

Metatag cases are usually brought under a trademark infringement theory, since the keywords used in metatags are usually the plaintiff’s trademarks or trade name. The plaintiffs assert that the use of these keywords leads to consumer confusion because the consumer erroneously be-

162. See Subcomm. on Interactive Servs. of the Comm. on the Law of Commerce in Cyberspace, *supra* note 12.

163. See Stephanie Olsen, *Software Replaces Banner Ads on Top Sites*, CNET NEWS, Aug. 17, 2001, at <http://news.cnet.com/news/0-1005-200-6897620.html>; Stephanie Olsen, *Online Ads Get in Your Face*, CNET NEWS, June 13, 2001, at <http://news.cnet.com/news/0-1005-200-6269719.html>.

164. See Danny Sullivan, *How to Use HTML Meta Tags*, at <http://searchengine.watch.com/webmasters/meta.html> (last visited Nov. 25, 2001) (describing benefits of metatags); see also *supra* text accompanying note 17.

165. *Playboy Enters., Inc. v. AsiaFocus Int’l, Inc.*, No. 97-734-A, 1998 U.S. Dist. LEXIS 10359, at *1 (E.D. Va. Feb. 2, 1998); see *infra* text accompanying notes 168-179.

166. *E.g.*, *Playboy Enters., Inc. v. Welles*, 7 F. Supp. 2d 1098 (S.D. Cal. 1998) (order denying preliminary injunction) and 78 F. Supp. 2d 1066 (S.D. Cal. 1999) (order granting summary judgment), *aff’d*, 162 F.3d 1169 (9th Cir. 1998) (unpublished table decision); see *infra* text accompanying notes 182-202.

believes that the websites on the search engine results page are connected with the trademarks used as search terms. The trademark theory fits in some ways, but is in other ways ill suited to metatag disputes. When the creator of a website intentionally uses a competitor's trademarks to attract customers to his or her site, it appears to be deliberate misuse of another's trademark. However, the consumer confusion element of a metatag case is far murkier than that of a traditional trademark infringement case because web users are not exposed directly to the trademark use in question. Rather, they encounter only a search engine results page, which displays links to webpages and descriptive—presumably non-misleading—text about those webpages. Whether the web user in these circumstances is confused—because the search results lists include a competitor to the company for which he or she was searching—is yet to be tested in any reported case. Without empirical evidence, courts appear to have presumed consumer confusion based upon the intent of the metatag user to attract business.¹⁶⁷

In one early case, a metatag abuser picked a curious target. Its hidden metatags identified an intellectual property law firm, Oppedahl & Larson, so when a user searched for that firm, the search results featured the defendant's websites instead. The Internet-savvy Oppedahl firm quickly sued in July 1997, alleging unfair competition, violation of the federal trademark dilution statute, and trademark infringement.¹⁶⁸ The court issued permanent injunctions six months later with the consent of all defendants who had appeared.¹⁶⁹

In similar (but perhaps more understandable) cases, Playboy Enterprises sued two firms that embedded the hidden words “playboy” and “playmate” on their sites. In the first case, Playboy sued in late August 1997 and obtained a preliminary injunction on September 8, 1997.¹⁷⁰ In the second case, *Playboy Enterprises, Inc. v. AsiaFocus International Inc.*,¹⁷¹ a trial judge held that defendants' metatag use of various Playboy-owned trademarks constituted “deceptive tactics” which warranted severe

167. *E.g., AsiaFocus Int'l, Inc.*, 1998 U.S. Dist. LEXIS 10359.

168. Oppedahl & Larson's Complaint, *Oppedahl & Larson v. Advanced Concepts*, No. 97-Z-1592 (D. Colo. July 23, 1997), available at <http://www.patents.com/ac/complain.htm> [hereinafter Oppedahl's Complaint].

169. *Oppedahl & Larson v. Advanced Concepts*, No. 97-Z-1592, 1998 U.S. Dist. LEXIS 18359 (D. Colo. Feb. 6, 1998).

170. *Playboy Enters., Inc. v. Calvin Designer Label*, 985 F. Supp. 1220 (N.D. Cal. 1997).

171. 1998 U.S. Dist. LEXIS 10359 at *6-7.

sanctions. Although the defendants used Playboy's trademarks in various ways, the use of the marks in hidden metatags was central to the defendants' deceptive scheme, and greatly influenced the court:

Specifically, the defendants embedded PEI's trademarks "playboy" and "playmate" within the Web sites' computer source code which is visible to "search engines" that look for Web sites containing specific words or phrases specified by computer users. Thus, a consumer conducting a search for PEI's Web site by typing in the trademark "Playboy" or "Playmate" would receive a search engine-generated list which would include the Asian-playmates Web site. Through the defendants' willful deception, consumers have been misled into believing the Asian-playmates Web site is connected with, or somehow sponsored by, PEI.¹⁷²

The court found willful infringement and imposed statutory penalties of \$3 million on the defendants.¹⁷³

Courts have also issued preliminary injunctions in other cases where there appeared to be a clear intent to lure customers to a website using the trademarks of the website's competitor in hidden metatags. *Niton Corp. v. Radiation Monitoring Devices, Inc.*,¹⁷⁴ is typical: in that case, both the plaintiff and the defendant manufactured instruments that determined whether paint contained lead.¹⁷⁵ The defendant, Radiation Monitoring Devices, placed on its websites misleading metatags that used its competitor's name—for example, it placed the phrase, "The Home Page of Niton Corp., makers of the finest lead, radon, and multi-element detectors," in its metatags.¹⁷⁶

Similarly, in *Insituform Technologies v. National Envirotech Group*,¹⁷⁷ the plaintiff complained of its competitor's use of its trademarks "Insituform" and "Insitupipe" as metatag keywords. The case settled with a prompt final judgment by consent. The consent judgment required, among other things, that the defendant formally resubmit its webpages to five major search engines after the offending metatags were deleted, to assure that

172. *Id.* at *3 (record citations omitted).

173. *Id.* at *1.

174. 27 F. Supp. 2d 102 (D. Mass. 1998).

175. *Id.* at 103.

176. *Id.* at 104.

177. Final Judgment of Consent Against Defendant National Envirotech Group, L.L.C., *Insituform Technologies v. National Envirotech Group*, Civ. No. 97-2064 (E.D. La. Aug. 26, 1997).

the misleading keywords were promptly removed from search engine databases.¹⁷⁸ Many subsequent decisions have followed *Playboy*, *Niton*, and *Asiafocus* and have found metatag use of competitors' trademarks to constitute trademark infringement.¹⁷⁹

One may, of course, exploit the quirks of search engine technology without clearly infringing another's trademark. For example, there appears to be nothing wrong with using someone else's trademark in regular (non-hidden) text, so long as it is clear that the user is not authorized by or related to the trademark owner (i.e., no trademark dilution). This was illustrated, somewhat humorously, by a web author who, as a follow-up to the *Oppedahl* case, published his own page repeatedly disavowing any connection with the firm. Because the website used the firm's name so often, it ranked high in searches for the firm—but because of the non-hidden and factual context of the use of the words, the firm did not view it as infringement.¹⁸⁰ In the same manner, a business could openly use its competitor's name on its website, perhaps in making product comparisons. In such a case, the site might attract viewers who were looking for the competitor's site but this situation would present a markedly different situation from the hidden metatag cases.¹⁸¹

Nor is use of a trademark forbidden even in hidden metatags if it is not likely to confuse a consumer as to source. Hence, Terri Welles (*Playboy* magazine's "Playmate of the Year" in 1981), successfully defended Playboy Enterprises' suit complaining of her use of "playboy," "playmate," and related terms as metatags (and as portions of the webpage title and

178. *Id.*

179. *E.g.*, *Eli Lilly & Co. v. Natural Answers, Inc.*, 233 F.3d 456, 464 (7th Cir. 2000); *Playboy Enters. Int'l., Inc. v. Global Site Designs, Inc.*, No. 99-1210-CIV-DAVIS, 1999 WL 311707 (S.D. Fla. 1999); *N.Y. State Soc'y of Certified Pub. Accountants v. Eric Louis Assocs.*, 79 F. Supp. 2d 331, 346 (S.D.N.Y. 1999); *SNA, Inc. v. Array*, 51 F. Supp. 2d 554, 576 (E.D. Pa. 1999).

180. *Oppedahl & Larson* links to that page on its webpage about the *Advanced Concepts* case, listing it as "a humorous response." See *Advanced Concepts Lawsuit*, at <http://www.patents.com/ac/> (last visited Nov. 25, 2001).

181. "If, for example, Ford Motor Company has a page on its Web site displaying the results of a comparison test between a Ford Taurus and a Pontiac Grand Am, it would be irrational to prohibit Ford from using 'Pontiac' and 'Grand Am' as metatags on that page." Robert L. Tucker, *Information Superhighway Robbery: The Tortious Misuse of Links, Frames, Metatags, and Domain Names*, 4 VA. J.L. & TECH. 8, at ¶ 82 (1999).

wallpaper).¹⁸² The district court found that because Ms. Welles was indeed named a “playmate,” and the term was not only a trademark, but also a “title bestowed upon particular models who appear in [*Playboy*] magazine,”¹⁸³ her use of the term to attract Internet viewers was not deceptive.¹⁸⁴ The court concluded based on the overall impression of the Welles website, including its disclaimers of affiliation with Playboy, that Ms. Welles “has not attempted to trick consumers into believing that they are viewing a *Playboy*-endorsed website.”¹⁸⁵

Most important, the court relied on the fair use defense of the Lanham Act¹⁸⁶ and on one of the classic statements of the right to use trademarks descriptively—the comment of Justice Oliver Wendell Holmes in *Prestonettes v. Coty*¹⁸⁷ that: “when the mark is used in a way that does not deceive the public we see no such sanctity in the word as to prevent its being used to tell the truth. It is not taboo.”¹⁸⁸ The court found that the inclusion of the “Playboy” trademark in metatags—conduct that incensed the court in the *Asiafocus* case and undoubtedly contributed to the assessment of willful infringement damages—could be justifiable and, indeed, even beneficial: “Much like the subject index of a card catalog, the metatags give the websurfer using a search engine a clearer indication of the content of a website.”¹⁸⁹ The Ninth Circuit affirmed this ruling.¹⁹⁰

The court in *Bally Total Fitness Holding Corp. v. Faber*¹⁹¹ reached a similar conclusion of allowable use and rejected trademark infringement and dilution claims based on the use of the “Bally” trademarks in the metatags of a critic’s “Bally Sucks” consumer commentary website. The court found the critic’s use of the “Bally” trademark in metatags aided Internet viewers by facilitating discovery of the commentary page:

182. *Playboy Enters., Inc. v. Welles*, 7 F. Supp. 2d 1098 (S.D. Cal. 1998) (order denying preliminary injunction) and 78 F. Supp. 2d 1066 (S.D. Cal. 1999) (order granting summary judgment), *aff’d*, 162 F.3d 1169 (9th Cir. 1998) (unpublished table decision).

183. 7 F. Supp. 2d at 1102 (quoted passage); 78 F. Supp. 2d at 1079 (holding that the use of the terms “Playmate of the Year” was descriptive of Ms. Welles).

184. 7 F. Supp. 2d at 1105; 78 F. Supp. 2d at 1090-1101.

185. 7 F. Supp. 2d at 1103-1104 ; *see also* 78 F. Supp. 2d at 1085 (holding similarly).

186. 15 U.S.C. § 1115(b)(4) (Supp. V 1999).

187. 264 U.S. 359 (1924).

188. *Id.* at 368.

189. *Welles*, 7 F. Supp. 2d at 1103.

190. *Playboy Enters., Inc. v. Welles*, 162 F.3d 1169 (9th Cir. 1998) (unpublished table decision).

191. 29 F. Supp. 2d 1161 (C.D. Cal. 1998).

[T]he average Internet user may want to receive all the information available on Bally. The user may want to access the official Internet site to see how Bally sells itself. Likewise, the user may also want to be apprised of the opinions of others about Bally. This individual will be unable to locate sites containing outside commentary unless those sites include Bally's marks in the machine readable code upon which search engines rely. Prohibiting Faber from using Bally's name in the machine readable code would effectively isolate him from all but the most savvy of Internet users.¹⁹²

Other decisions have similarly allowed use of trademarks in metatags in contexts where the marks were used as valid and non-confusing indicators of the content of a website.¹⁹³

When unique, arbitrary trademarks such as *Insituform*, *Niton*, and *Oppedahl & Larson* were used in metatags, it was clear that the words at issue were trademarks, and it was an easy jump to conclude that the defendants used the marks to lure the plaintiffs' customers to its site. When the mark is not arbitrary, but consists of words that have their own ordinary meanings, and perhaps multiple trademark meanings as well, the analysis of metatags becomes more difficult. In that situation, the words in question may have been used in metatags fairly in their dictionary or other trademark senses. Neither the infringement line of metatag cases (*Asiafocus*, *Niton*, etc.) nor the fair use line (*Welles* and *Bally's*) precisely fits this situation, which the Ninth Circuit struggled with in *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*¹⁹⁴

In that case, both parties had some rights to trademarks using the term "moviebuff," and both targeted their operations to persons interested in information about movies and entertainment. The court, however, treated the plaintiff as the senior and legitimate user of the "moviebuff" trademark.¹⁹⁵ The issues in the case were the legitimacy of the defendant's use of the moviebuff.com domain name, and the single word "moviebuff" in metatags (not the two-word phrase "movie buff," which the court ac-

192. *Id.* at 1165.

193. *E.g.*, *Trans Union L.L.C. v. Credit Research, Inc.*, 142 F. Supp. 2d 1029 (N.D. Ill. 2001) (holding that local credit bureau was entitled to use Trans Union's trade name in its metatags because the bureau offered products derived from Trans Union's database).

194. 174 F.3d 1036 (9th Cir. 1999).

195. *Id.* at 1046-50.

knowledge could be fairly and descriptively used).¹⁹⁶ With respect to the metatags, the court first noted that any confusion from the metatags would be indirect, as opposed to the direct confusion that would result from use of a competitor's trademark in one's own domain name.¹⁹⁷ The metatags are hidden, and reach the web user only indirectly, by influencing somewhat the search results that he or she obtains from a search engine.¹⁹⁸ The defendant's entry in that search results list will not itself be misleading—it will clearly identify the defendant using its own name.¹⁹⁹

The *Brookfield* court, however, found that use of “moviebuff” in metatags would nonetheless result in “initial interest confusion.”²⁰⁰ Consumers looking for the plaintiff will find the defendant. Even though they will recognize that the defendant is not the plaintiff, they may nonetheless stay with the defendant and consider purchasing from it.²⁰¹ That is, after encountering the defendant West Coast on a search result listing (in response to a search for the word “moviebuff”), “a sizeable number of consumers who were originally looking for Brookfield's product will simply decide to utilize West Coast's offerings instead.”²⁰² The court held that this kind of limited confusion is actionable under trademark law, and accordingly it held that West Coast could not use “moviebuff” in its metatags.²⁰³

The *Brookfield* decision has stimulated many academic and theoretical discussions relating to the “initial interest confusion” doctrine and its application on the Internet, and is certainly susceptible to criticism.²⁰⁴ Whatever the ultimate wisdom of its conclusion, however, the decision is noteworthy in that it began to directly tackle the issue of consumer confusion, which was assumed rather than analyzed in many of the early metatag cases. *Brookfield* recognizes, for example, that metatag use has only an *indirect* affect on the consumer, a point that prior decisions glossed over.

196. *Id.* at 1066.

197. *Id.* at 1061-62.

198. *Id.* at 1062.

199. *Id.*

200. *Id.*

201. *Id.* at 1062-65.

202. *Id.* at 1062-64.

203. *Id.* at 1066.

204. See generally Melinda S. Giftos, *Reinventing a Sensible View of Trademark Law in the Information Age*, 2 J. INTELL. PROP. 2 (2000); F. Gregory Lastowka, Note, *Search Engines, HTML, and Trademarks: What's The Meta For?*, 86 VA. L. REV. 835 (2000); Tom Monagan, *Can an Invisible Word Create Confusion? The Need for Clarity in the Law of Trademark Infringement through Internet Metatags*, 62 OHIO ST. L.J. 973 (2001).

In this regard, *Brookfield* belongs with the second wave of metatag cases, including *Welles* and *Bally's*, in which courts have looked critically at metatags with a view to whether their use is as deceptive or misleading as originally thought.²⁰⁵

These second-wave cases suggest an increasing attention on actual, not speculated, consumer conduct resulting from metatag use. This new focus could well cause a change in the direction of metatag decisions. The *Welles* decision at first blush appears limited to Welles' descriptive use of trademarks—a defense not available to defendants like Asiafocus. The court's analogy to indexing and its focus on the benefit conferred to the web surfer, however, suggest that even competitors' use of metatag trademarks could be benign. Particularly where consumers may tend to use a trademark as shorthand for a particular product, prohibition of metatag use of a competitor's trademark may frustrate the web-searching consumer. Courts that have relied on dilution theories to ban metatag use of trademarks should examine whether the practice really blurs or tarnishes the trademark—the harm dilution is meant to cover—or whether it simply helps give the web user (a person accustomed to never-ending search results) a broad array of data about the trademark owner and its industry, no more or less confusing or dilutive than many other search results.

The principles of the metatag cases may apply to other situations where keywords are used to attract search engines. For example, “invisible” webpage text has been used to attract search engines. Invisible text is text coded to appear in the same color as the background. Although the text is usually invisible to the viewer of the webpage, the words are visible to search engines, and thus are often indexed. In one reported case in Belgium, the original publisher of certain texts (a paragraph relating to horoscopes) sued an Internet site that republished that text, invisibly, on its competitive website.²⁰⁶ Similarly, repetitive use of a competitor's trade-

205. See also *Bernina of Am., Inc. v. Fashion Fabrics Int'l, Inc.*, 57 U.S.P.Q.2d (BNA) 1881 (N.D. Ill. Feb. 9, 2001) (enjoining a reseller's metatag use of plaintiff's trademarks because marks were used in a confusing manner on the visible portions of the website, but stating that if the website had not been confusing, the metatags would have been allowable as useful directions for consumers).

206. David Gallagher, *Cyber Law Journal: Invisible Publishing Sparks a Law Suit*, N.Y. TIMES, June 29, 2001, <http://www.nytimes.com/2001/06/29/technology/29/CYBERLAW.html> (free subscription required).

mark purely as bait for search engines may constitute infringement even if it is visible.²⁰⁷

E. Keyword-Based Customized Advertising

Because the Internet is a digital electronic medium, website operators can essentially customize their pages in response to viewers' needs or desires. Every Internet user is familiar with this phenomenon. Many users take advantage of customized personal pages available through commercial Internet portals and news sites—for example, the popular “My Yahoo” pages in which viewers essentially instruct the Yahoo portal as to the particular features to present and the way to display them. Viewers regularly customize webpages by selecting the language in which they wish to view a site or the particular products in which they are interested.

Some website operators customize pages even without the viewer's explicit request. The Amazon.com site, for example, will display for new customers (without prompting) lists of books similar to the ones for which they searched. It also offers regular customers (again without prompting) suggestions on books they may like, based on their past buying habits and those of like-minded readers. Essentially, the website takes data derived from viewer input—search terms used by the viewer in looking for books, for example—and based on some programmed directives it customizes its web display in a manner designed to appeal to that viewer. For example, any book buyer who searches using the word “battle” may be presented with a list of the top-selling military history books.

Customization of this nature can be seen as a kind of link—a pre-ordained software-activated link between the viewer's conduct and the material displayed in response to it. Can such links violate anyone's rights? Keyword-based advertising has led to several disputes, as search engines have sold banner advertisements and featured search engine listings based on keywords. The analysis differs based on the nature of the words at issue, and how the advertiser's sites are advertised or displayed in response to a search for those words.

Advertisements sold in response to generic keywords (such as “lawyer” or “books”) do not raise any proprietary rights issues, since no one

207. *See* SNA, Inc. v. Array, 51 F. Supp. 2d 554 (E.D. Pa. 1999); Playboy Enters., Inc. v. Universal Tel-A-Talk, Inc., No. 96-6961, 1998 U.S. Dist. LEXIS 17282 (E.D. Pa. Nov. 2, 1998).

has protectable rights to these generic words.²⁰⁸ Where, however, the keyword that is sold is a recognizable trademark, infringement claims may be asserted. The kind of display that is posted in response to a search using that keyword constitutes an important element of the case. The test for trademark infringement is consumer confusion, but consumers may well react differently to a banner advertisement than to a “featured placement” on a search results page.

The first round of keyword advertising claims arose in 1999 when Estee Lauder and Playboy Enterprises sued the Excite search engine for allowing their competitors to buy banner advertising space over or next to the search results page in response to searches using their trademarks.²⁰⁹ Specifically, when an Excite user searched that search engine for “playboy,” Excite then posted, over the search results a banner advertisement for a non-Playboy-affiliated adult site. Similarly, when a user searched for “Estee Lauder,” Excite posted a banner advertisement for Fragrance Counter, a company that is not an authorized seller of Estee Lauder fragrances. The companies contended that this practice constituted trademark infringement.

The court in the *Playboy* case described the practice of keyword sales as follows:

As with other media, advertisers seek to maximize the efficacy of their ads by targeting consumers matching a certain demographic profile. Savvy web site operators accommodate the advertisers by “keying” ads to search terms entered by users. That is, instead of posting ads in a random rotation, defendants program their servers to link a pre-selected set of banner ads to certain “key” search terms. Defendants market this context-sensitive advertising ability as a value-added service and charge a premium.²¹⁰

208. See *Park ‘N Fly v. Dollar Park and Fly, Inc.*, 469 U.S. 189, 194 (1985) (“A generic term is one that refers to the genus of which the particular product is a species. Generic terms are not registrable, and a registered mark may be canceled at any time on the grounds that it has become generic.”) (citations omitted).

209. *Estee Lauder, Inc. v. The Fragrance Counter, Inc.*, 189 F.R.D. 269 (1999); *Playboy Enters., Inc. v. Netscape Communications Corp.*, 55 F. Supp. 2d 1070 (C.D. Cal. 1999), *aff’d*, 202 F.3d 278 (9th Cir. 1999); see Carl S. Kaplan, *Cyber Law Journal: Playboy Ruling Recognizes Limits to Online Rights of Trademark Holders*, N.Y. TIMES, Sept. 15, 2000, <http://www.nytimes.com/2000/09/15/technology/15CYBERLAW.html> (free subscription required).

210. *Netscape Communications Corp.*, 55 F. Supp. 2d at 1072.

Playboy contended that such advertising used its trademarks to divert customers from its sites to the advertiser's sites.

The case Estee Lauder brought in the United States settled before the court made any substantive decision.²¹¹ Estee Lauder brought a parallel case in Germany, which resulted in a victory for Estee Lauder.²¹² In the United States case brought by Playboy Enterprises, the court entered summary judgment against Playboy, although the court avoided directly dealing with the unique issues raised by keyword sales.²¹³ The court noted that the keywords at issue, "playboy" and "playmate," were standard English words with their own non-trademark definitions, and hence the court treated the use of the words as non-trademark use.²¹⁴ Of course, sale of advertising keyed to searcher use of an ordinary English word in its dictionary sense implicates no trademark infringement issues. The problem with the court's approach, however, is that words like "playboy" and "playmate" have dual meanings—standard dictionary meanings, and trademark meanings. The court did not seriously consider whether the words in the context presented were used in their trademark sense. This apparent error was particularly serious because the words most likely were used in their trademark sense—it is likely that most Internet users who search for "playboy" and "playmate" are looking for the websites of Playboy Enterprises, not a man devoted to the pursuit of pleasure, or a companion in play.²¹⁵

The court also ruled that even if the words in question were being used in their trademark sense, there was no infringement connected with the

211. See Kaplan, *supra* note 209. According to this article, the Estee Lauder companies settled with iBeauty, a successor to The Fragrance Counter, and iBeauty agreed to refrain from using the Estee Lauder trademarks. *Id.*

212. See *Excite, iBeauty Lose Key Name Use Lawsuit*, at <http://www.newsbytes.com/news/00/145545.html> (last visited Nov. 25, 2001).

213. *Netscape Communications Corp.*, 55 F. Supp. 2d at 1076.

214. *Id.* at 1073.

215. The court stated that "whether the user is looking for goods and services covered by PEI's trademarks or something altogether unrelated to PEI is anybody's guess." *Id.* Although it is generally unwise for courts to speculate on consumer behavior, see *infra* text accompanying notes 336-341, most observers of human nature and the American male would not find this "guess" a difficult one to substantiate. Indeed, the record in the case established that "the word 'playboy' is allegedly one of the most frequently-used search terms on the Internet," *Netscape Communications Corp.*, 55 F. Supp. 2d at 1083, and it is unlikely that all of those searchers were looking merely for "a man devoted to the pursuit of pleasure."

sale of advertising space keyed to them.²¹⁶ Again, however, the court's reasoning was somewhat self-contradictory. The court stated that there would be no trademark confusion because of the existence of alternative non-trademark meanings.²¹⁷ Additionally, the court downplayed the possibility of consumer confusion by stating that the search engine defendants were in different business fields than the adult-entertainment plaintiff.²¹⁸ The court did not address the fact that the search engines' *customers* were direct competitors of Playboy. Finally, the court expressed concern that a ban on keyword advertising might allow trademark owners to censor otherwise allowable use of the words that they use in a trademark sense.²¹⁹ The district court ruling has been appealed and the International Trademark Association filed an amicus brief asserting that the case raises serious direct and contributory infringement issues.²²⁰

The trademark infringement theory asserted by Playboy and Estee Lauder in the keyword sale cases goes a step beyond the metatag cases and implicates the freedom to advertise because of the likely different effects on consumer perceptions. Trademark infringement is based on a consumer perception of affiliation between a particular trademark and a particular seller. Search engine users probably give little thought to the banner advertisements that pop up each time they do a search, and indeed most users probably have no idea whatsoever that there is any connection between the search terms they input and the advertisements that appear after the search.²²¹ To the extent viewers make the connection, they

216. *Id.* at 1074-75.

217. *Id.*

218. *Id.*

219. *Id.* at 1085.

220. *See* Brief of Amicus Curiae International Trademark Association, Playboy Enters., Inc., v. Netscape Communications Corp., 55 F. Supp. 2d 1070 (1999), *aff'd*, 202 F.3d 278 (9th Cir. 1999) (Nos. 99-56230 and 99-56231), *published at* 91 TRADEMARK RPTR. 756 (2001).

221. The plaintiffs' theory in these cases depends upon web users expecting a close connection between their search terms and the banner advertisements generated in response. This theory, however, appears contrary to the fact, recently recognized by some courts, that dead ends and false starts, not flawless connections, are what most regular users come to experience and expect. *See* Strick Corp. v. Strickland, 162 F. Supp. 2d 372, 377 (E.D. Pa. 2001) (stating that it is "clear that 'Internet surfers are inured to the false starts and excursions awaiting them' and are 'unlikely to be dissuaded, or unnerved' when, after 'tak[ing] a stab at what they think is the most likely domain name for a particular web site' guess wrong and bring up another's webpage." (quoting Chatam Int'l, Inc. v. Bodum, Inc., 157 F. Supp. 2d 549, 559 n.17 (E.D. Pa. 2001))).

probably realize what is really behind such search-term-responsive advertising: that the advertiser is someone who *wants* to attract the viewer, based on the viewer's interest in a similar or competing product. This consumer understanding would of course negate the consumer confusion necessary to prove trademark infringement.

At root the situation complained about in the search engine cases is not much different from a typical practice in the business world—the attempt to sell consumers who are interested in one product on a competing product. The “compare to” labels used on house-brand packages, a waiter's request that a customer who asked for “Coke” accept “Pepsi” instead, and even highway signs for hotels and attractions are often premised on steering a consumer from one brand-name product or service to a competing one. The advertiser, who learns of the customer's preference from his or her search of certain trademarks, seeks to divert the consumer to a rival brand, and of course the search engine seeks to make money off of such invitation-to-switch advertising. These are hardly forbidden activities in normal non-Internet commerce, and there appears to be no need to forbid them in the context of Internet keyword sales.²²²

Keyword sales that result in “featured placements” in a search engine listing may raise different issues than keyword banner advertisement sales. While banner advertisements may appear so clearly to be advertisements that consumers should not be confused, search engine featured listings may well appear to consumers as listings of Internet webpages that are highly relevant to their search. For example, a consumer who searches for “Coca-Cola” may well be confused if the “featured placement” top website on the search results page is headlined “Your Favorite Soft Drink” but turns out to be the site for Pepsi-Cola. In practice, while consumers often ignore or do not click on or pursue banner advertisements, consumers inevitably give disproportionate attention to search result listings on the first search results page, given the practical impossibility of scanning the thousands of search results obtained in typical search engine searches. Accordingly, “featured placements” succeed in obtaining special consumer attention. If after giving those featured placement displays some attention, the consumer thinks they may be related to the company for which he or she

222. See Matthew A. Kaminer, *The Limitations of Trademark Law in Addressing Trademark Keyword Banners*, 16 SANTA CLARA COMPUTER & HIGH TECH. L.J. 35 (1999).

was searching, then at least “initial interest confusion” would seem to exist.²²³

A slightly different dispute, also based on keyword-activated links based on pre-ordained judgments, relates to Netscape’s “smart browsing” function introduced in 1998 in its version 4.5 browser. This browser allowed viewers to type in only a portion of a web address destination; the browser, calling on programmed-in lists and judgments about popular websites, would automatically complete the address. All is well, of course, when the browser correctly anticipates the full address, but what about when it jumps ahead to “widgets.com” when the viewer really wanted the “widgets.org” site run by a competitor? Does this link violate the rights of the second website operator? One early complainant, the operator of the scripting.com domain, cried foul when Netscape instead directed the viewer to Netscape’s own scripting news sites.²²⁴ However, Netscape reportedly changed its practices to favor its own pages less—a possibly unnecessary change since it is commonplace for publishers of all sorts to favor their own related products when providing references for their readers.

Many new and developing web technologies and techniques based on keyword linking could also raise legal issues. Microsoft’s “Smart Tags” technology, which the company originally planned to bundle with its Windows XP operating system, could have added automatic links to any word on a web page.²²⁵ As with keyword-based banner advertisements and featured placements, use of one firm’s trademark as the keyword leading to another firm’s advertisement would raise possible trademark infringement issues.

F. Tarnishment and Disparagement Claims

Trademarks are essentially advertising, and most companies like free advertising. Thus, trademarks used as images for links to the website of

223. One consumer advocacy group has brought a complaint to the Federal Trade Commission based on keyword featured placement sales, alleging that such sales are inherently deceptive. See Commercial Action, *Commercial Action Files Complaint Against Search Engines for Deceptive Ads*, at <http://www.commercialalert.org/releases/searchenginere1.html> (July 16, 2001).

224. Chris Oakes, *The Next Net Name Battle*, WIRED NEWS, July 20, 1998, at <http://www.wired.com/news/news/technology/story/13820.html>; see also Malcolm Maclachlan, *Critics Slam Netscape’s Smart Browsing*, TECHWEB INTERNET, July 16, 1998, at <http://content.techweb.com/wire/story/TWB19980716S0009>.

225. Scott Ard & Steven Musil, *Microsoft Clips Windows XP Smart Tags*, CNET NEWS, June 27, 2001, at <http://news.cnet.com/news/0-1003-200-6399150.html>.

the trademark owner are relatively common on the Internet and rarely give rise to legal claims. In some situations, however, the trademark owner may not like the context, purpose, or manner of use of its trademark, and in some of these cases even a reference hyperlink may supply the offensive context.

In *Bally Total Fitness Holding Corp. v. Faber*,²²⁶ for example, a health club operator sued a dissatisfied customer who used the plaintiff's "Bally" trademark on its "Bally Sucks" webpage. The court granted defendant's summary judgment motion, on the grounds that the defendant's site did not infringe or dilute plaintiff's trademark, because no reasonable consumer would consider the "Bally Sucks" site to be sponsored by Bally.²²⁷ Bally found a link to a pornographic site on defendant's site particularly offensive; Bally claimed that the pornographic link, on a page that used the "Bally" trademark, tarnished (i.e., diluted) the mark.²²⁸ The court disagreed, finding that no "reasonably prudent Internet user" would associate Bally with the linked site.²²⁹

The *Bally* court did not address the situation where a more direct link existed between a trademark and an objectionable site. If the "Bally" trademark itself had been used as the link to a pornographic site, the court may well have found tarnishment. Similarly, links from pornographic or other objectionable sites directly to business sites may present tarnishment issues. Some adult sites, for example, use introductory pages that offer viewers the opportunity to "enter" or "leave" their sites; those who click on "leave" are sometimes linked directly to Disney's website or other children-oriented sites. Family-oriented website operators may feel that any such direct link with an adult site tarnishes their marks.

The tort of "passing off" played a significant role in several of the hyperlink cases to date. This tort addresses a key concern of businesses that is raised by many linking situations: the extent to which one firm's reputation is appropriated or misused by another. Links may cause "passing off" concerns if one firm uses links to suggest that its goods or products are those of a better regarded competitor. Links may also lead to the relatively unusual "reverse passing off" claim in which one firm attempts to

226. 29 F. Supp. 2d 1161 (C.D. Cal. 1998).

227. *Id.* at 1168.

228. *Id.* at 1162.

229. *Id.* at 1163-64.

suggest that another's goods are its own.²³⁰ For example, an Internet publisher might use a linkage to suggest that it was responsible for the highly regarded goods or services on a competitor's page.

We may envision many situations in which links give rise to different kinds of passing off and reverse passing off claims. The use of logos and trademark designs in webpages presents one of the obvious problems. An Internet page creator who wants to link to the Disney's official pages or fan pages,²³¹ and who creates a Mickey Mouse icon for its hyperlink, may well receive a cease-and-desist letter from Burbank, California. Owners of valuable trademarks probably view hyperlinks as more likely to create a "passing off" problem than non-hyperlink use of a trademark, particularly where famous design marks are involved. As an example of reverse passing off, a company that manufactures or distributes low-quality goods could seek to upgrade its image in the marketplace—and possibly pass its goods off as associated with better-known producers—by hyperlinking to sites for top-quality producers.

These and similar situations may also raise concerns about tarnishment or disparagement of one's business reputation because of unwelcome associations. If, for example, Joe's Internet Home Page for Junk Goods contains a hyperlink to your page, your goods may be implicitly disparaged, and your trademarks tarnished, by the association of your goods with "junk." A media company, for example, has objected to a link to its website by a protest group.²³² Similarly, the Better Business Bureau ("BBB") has attempted to prevent links to its website by individual companies, fearing that the mere existence of the link may imply that BBB supports or is associated with that website.²³³ Finally, the Office of the Comptroller of the Currency, in a somewhat overcautious directive to banks, has warned that bank customers may seek to hold their banks responsible if hyperlinks on the bank's website lead them to "disappointment, poor quality products

230. *See, e.g.*, Kelly v. Arriba Soft Corp., 77 F. Supp. 2d 1116, 1121 (C.D. Cal. 1999) (holding that Arriba Soft's use of photographer's copyrighted images in its search engine results page was fair); *see also supra* note 94.

231. Fan pages are pages established by fans of entertainers, devoted to information, tributes and discussion concerning the entertainer. *See generally* Ericka S. Koster and Jim Shatz-Akin, *Set Phasers on Stun: Handling Internet Fan Sites*, COMPUTER L.J., Jan. 1998, at 18.

232. Adam Creed, *Record Label Threatens Australian Web Site Over Song Link*, NEWSBYTES, Aug. 25, 2000, at <http://www.newsbytes.com/news/00/154197.html>.

233. *Better Business Bureau Tries to Stop Web Links*, at <http://www.siliconvalley.com/docs/news/tech/041049.htm> (Mar. 14, 2001).

or services, or loss as a result of their transactions with linked companies.”²³⁴

G. Possible Negligence Claims

Hypertext links may create problems even for Internet advertisers with the best of intentions (for example, where one party’s Internet page links to a source which was considered reliable, but which turns out to contain misleading or harmful information). Even such simple informational links—posted with no particular commercial purpose other than to help provide information to consumers—could create risks under the theory of “negligent publication.”²³⁵ The “negligent publication” theory is disfavored and usually rejected as a matter of tort and constitutional law.²³⁶ However, extensive use of links to other sites in the “chaotic” and uncontrolled Internet may raise judicial eyebrows. Prudent web publishers, moreover, confront a dilemma as to the extent of their monitoring of linked sites; if they conduct extensive checking, they may be deemed under negligence law to have assumed the obligation to verify linked sites, whereas if they do not check, they may be charged with reckless linking.²³⁷

H. Derivative Liability Based on Links (Direct and Indirect) to Prohibited or Illegal Content

Links consist of expressive conduct (“speech” in its broad meaning: words and/or images), and an action component (in the case of a standard HREF link, the mark-up code that executes the transfer of information). Legally, is a link speech or action, or both? So far courts have not directly addressed this basic issue of theory, but several decisions have treated links as embodiments of some action, not as pure speech.

234. Office of the Comptroller of the Currency, *Weblinking: Message to Bankers and Examiners*, OCC 2001-31, at <http://www.occ.treas.gov/ftp/bulletin/2001%2d31.txt> (last visited Nov. 25, 2001).

235. The “negligent publication” theory seeks to hold a publisher liable for publishing material that instructs and/or encourages readers in committing violent or other unlawful conduct. See Sandra Davidson, *Blood Money: When Media Expose Others to Risk of Bodily Harm*, 19 HASTINGS COMM. & ENT. L.J. 225, 281 (1997).

236. *Id.* at 253.

237. *Cf.* *Stratton Oakmont, Inc. v. Prodigy Servs. Co.*, No. 31063/94, 1995 WL 323710 (N.Y. Super. Ct. May 24, 1995) (holding online service that conducts some screening of content to have assumed responsibility for content).

The speech/action distinction is crucial because under the First Amendment, speech is constitutionally protected.²³⁸ Action is not. For policy reasons, classification of something as speech or action depends in part on intent and context, not simply whether words are used. Flag burning or a silent skit may constitute expression even though no words are used.²³⁹ The exhortation “Fire!” spoken in a crowded theater or “Go get ‘em!” to an attack dog, constitute action, even though no actions are used.²⁴⁰ Thus, the speech/action distinction is inherently policy-based.

Several court decisions have imposed liability for links to prohibited or illegal content, and these decisions appear to be based on the view that the links at issue constitute action (or part of a pattern of action), not protected speech. The first such United States decision was *Intellectual Reserve, Inc. v. Utah Lighthouse Ministry, Inc.*²⁴¹ The case involved a critic of the Mormon Church, that, among other things, posted on its website Mormon writings in which the church claimed a copyright.²⁴² The church sued, and the defendant consented to an injunction that enjoined it from posting certain copyrighted material.²⁴³ The injunction sparked other church critics to post similar materials (or publicize their postings), and even to encourage creation of mirror sites. While the defendant did not participate in these postings, it did enthusiastically publicize them, and even provided instructions on how to reach the other sites and browse the forbidden material.²⁴⁴ Among other things, it published hyperlinked URLs for the other sites. The plaintiff immediately sought an order enjoining the links. Notably, these links were essentially links to illegal postings: copy-

238. U.S. CONST. amend. I.

239. *Texas v. Johnson*, 491 U.S. 397, 407 (1989) (holding that the act of burning an American flag was expressive conduct within the protection of the First Amendment); *Iota Xi Chapter of Sigma Chi Fraternity v. George Mason Univ.*, 993 F.2d 386 (4th Cir. 1993) (holding “ugly woman contest” skit to be protected free speech).

240. *Schenck v. United States*, 249 U.S. 47, 52 (1919) (stating that “[t]he most stringent protection of free speech would not protect a man in falsely shouting fire in a theatre and causing a panic”); *United States v. Hoff*, 22 F.3d 222, 224 (9th Cir. 1994) (stating that defendant’s “potentially dangerous attempt to incite a dog to attack or repel the rangers on the second day, although verbal, was not spoken ‘criticism’ in even the basest sense of the word”).

241. 75 F. Supp. 2d 1290 (D. Utah 1999).

242. See *Utah Lighthouse Ministry Official Homepage*, at <http://www.utlm.org> (last visited Nov. 25, 2001).

243. *Intellectual Reserve*, 75 F. Supp. 2d at 1291.

244. *Id.* at 1292.

righted material that the defendant had been previously enjoined from posting.

The court's decision carefully addressed the defendant's potential contributory infringement or vicarious liability for providing links to the infringing material.²⁴⁵ First, the court reviewed the basic requirements for contributory infringement, including the requirement that defendant actively encourage infringement of the copyrighted material.²⁴⁶ The court found that the defendant did not actively encourage the original posting of the material by the linked-to sites, but that its link did actively encourage infringement by the users who followed those links.²⁴⁷ In this regard, the facts included more than the mere posting of links; the evidence also showed defendants provided specific instructions and encouragement for users who wished to visit the other sites. The court's order required Utah Lighthouse Ministry and the other defendants to "remove from and not post on [its] website, addresses to websites that defendants know, or have reason to know, contained the material."²⁴⁸

Although the decision has been criticized by some as chilling free use of hyperlinks on the Internet, the factual context of the holding significantly limits any broad application of the decision to customary linking. Moreover, in the context of the case, it seems clear that the court was influenced in reaching this decision by its inherent equitable power to enforce its own decisions, since the links had the practical effect of undercutting the effectiveness of the court's injunction against direct posting of the material by the defendant. The circumstances and intentions behind these links thus substantially distinguish this case from the typical posting of links. As one commentator put it: "The publishing of the URLs was one thread in a tapestry of purposefully subverting an order of court. The tapestry, not the thread, is what got Utah Lighthouse Ministry into trouble."²⁴⁹

245. *Id.* at 1292-93.

246. *Id.* at 1294-95.

247. *Id.* at 1294 (stating that web users who visited the sites that posted infringing materials were guilty of infringement by the mere visiting of those sites).

248. *Id.* at 1295.

249. T.R. Halvorson, *How to Start an Urban Legend: the Reporting of Intellectual Reserve, Inc. v. Utah Lighthouse Ministry*, at <http://www.llrx.com/features/urban.htm> (March 15, 2000).

In other cases, courts have sanctioned or enjoined hyperlinks because the links appeared to be designed to evade court orders. *See, e.g., Jeri-Jo Knitwear, Inc. v. Club Italia, Inc.*, 94 F. Supp. 2d 457 (S.D.N.Y. 2000) (ordering links to Italian website re-

Just as *Utah Lighthouse Ministry* involved links to copyright infringing material, the celebrated *Napster*²⁵⁰ case and other cases involving sharing of music files also can be seen as linking cases. The common element of these cases is that the Internet user goes to a middle party (Napster, Scour, or a similar site), which makes available a list of links to third parties who willingly make digital copies of copyrighted works available for downloading. The middle party does not itself host or transmit the copyrighted material; it merely provides (a) links to the third parties who make that material available, and (b) other facilities, such as peer-to-peer software, that assist the downloading of material from remote sources.²⁵¹

In the *Napster* case, the court initially determined that the wholesale downloading of copyrighted music files by Napster users constituted direct copyright infringement, and that activity was not protected by the fair use doctrine or the asserted defenses of sampling or space-shifting.²⁵² The court then turned to whether Napster was secondarily liable for this direct infringement through the doctrines of contributory copyright infringement or vicarious copyright infringement.²⁵³ The court quoted the classic definition of contributory infringement: “one who, with knowledge of the infringing activity, induces, causes or materially contributes to the infringing conduct of another, may be held liable as a ‘contributory’ in-

moved from U.S. website when links essentially served to evade prohibition on defendant’s use of a trademark in the United States).

250. *A&M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004 (9th Cir. 2001).

251. *Id.* at 1011-12. The court stated that:

Through a process commonly called “peer-to-peer” file sharing, Napster allows its users to: (1) make MP3 music files stored on individual computer hard drives available for copying by other Napster users; (2) search for MP3 music files stored on other users’ computers; and (3) transfer exact copies of the contents of other users’ MP3 files from one computer to another via the Internet. . . . To transfer a copy of the contents of a requested MP3 file, the Napster server software obtains the Internet address of the requesting user and the Internet address of the “host user” (the user with the available files). . . . *The Napster servers then communicate the host user’s Internet address to the requesting user.* The requesting user’s computer uses this information to establish a connection with the host user and downloads a copy of the contents of the MP3 file from one computer to the other over the Internet, “peer-to-peer.”

Id. (emphasis added).

252. *Id.* at 1013-19.

253. *Id.* at 1019-24.

fringer.”²⁵⁴ It then examined (a) whether Napster had knowledge of the direct infringement, and (b) whether it materially contributed to that infringement.

In addressing the first issue, knowledge, the court took pains to reject as insufficient mere knowledge that a computer system could be used for infringement.²⁵⁵ But the court found that Napster had knowledge far beyond that understanding of potential misuse. Napster’s own documents boasted of its use in “piracy” and the record demonstrated that “Napster has *actual* knowledge that *specific* infringing material is available using its system, that it could block access to the system by suppliers of the infringing material, and that it failed to remove the material.”²⁵⁶ Finally, the court examined whether Napster “materially contributed” to infringement, and concluded, in a two-paragraph analysis, that it did.²⁵⁷ The court did not single out Napster’s provision of links, but rather approvingly quoted the district court’s finding that “Napster is an integrated service designed to enable users to locate and download MP3 music files.”²⁵⁸ Obviously, one of those “integrated services” was the list of relevant links provided by Napster to its users.

Next, the Ninth Circuit in *Napster* considered whether the Napster service created vicarious liability. For this doctrine the court relied on the

254. *Id.* at 1019 (quoting *Gershwin Publ’g Corp. v. Columbia Artists Mgmt., Inc.*, 443 F.2d 1159, 1162 (2d Cir. 1971)).

255. *Id.* at 1021. The court stated that:

We agree that if a computer system operator learns of specific infringing material available on his system and fails to purge such material from the system, the operator knows of and contributes to direct infringement. *See Netcom*, 907 F. Supp. at 1374. Conversely, absent any specific information which identifies infringing activity, a computer system operator cannot be liable for contributory infringement merely because the structure of the system allows for the exchange of copyrighted material. *See Sony*, 464 U.S. at 436, 442-43. To enjoin simply because a computer network allows for infringing use would, in our opinion, violate *Sony* and potentially restrict activity unrelated to infringing use.

Id. The court thus reconciled two of the key contributory precedents of the electronic age—the *Sony* case, which found no contributory infringement by manufacturers of videotape recorders used by consumers for time-shifting purposes, and the *Netcom* case on Internet Service Provider liability for retransmitting infringing material. *Id.*

256. *Id.* at 1022 (emphasis in original).

257. *Id.*

258. *Id.* (quoting *A&M Records, Inc. v. Napster, Inc.*, 114 F. Supp. 2d 896, 920 (N.D. Cal. 2000)).

pathbreaking *Gershwin*²⁵⁹ case, which extended vicarious liability beyond employer/employee relationships and into cases in which a defendant “has the right and ability to supervise the infringing activity and also has a direct financial interest in such activities.”²⁶⁰ The court found that Napster derived financial benefit from its users’ infringement, because the ability to download copyrighted music acted as a draw for Napster, and Napster possessed, but deliberately did not use, the ability to police its system and prevent infringement.²⁶¹ Finally, the court rejected various defenses that Napster raised to the imposition of injunctive relief.²⁶² Accordingly, the court affirmed, in relevant part, the injunction entered in the district court, which enjoined Napster from facilitating the unauthorized downloading or distribution of copyrighted music and recordings.²⁶³

While the *Napster* decision does not discuss links, the *Napster* system was in essence a linking system, and, in overview, the *Napster* ruling is not much different from *Utah Lighthouse Ministry*. Direct infringement occurred in both cases. In both cases, the defendant not only provided links to the infringing material, but also actively encouraged or facilitated the use of those links in various ways. In *Utah Lighthouse Ministry*, the additional steps were mostly verbal—instructions on following the links, and encouragement to use them—and in *Napster*, they were mostly technological—the Napster software that facilitated downloads. However, in both cases they allowed the courts to find the key “action” element of contributory infringement: *material contribution to infringement*.²⁶⁴

Yet another celebrated digital copyright case, *Universal City Studios, Inc. v. Reimerdes*,²⁶⁵ raised an issue of derivative liability for links to illegal content. The Digital Millennium Copyright Act of 1998 made it unlawful for anyone to circumvent copy-protection measures intended to protect copyrighted material from unauthorized copying.²⁶⁶ Special en-

259. *Gershwin Publ’g Corp. v. Columbia Artists Mgmt., Inc.*, 443 F.2d 1159 (2d Cir. 1971).

260. *A&M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004, 1022 (quoting *Gershwin Publ’g Corp.*, 443 F.2d at 1162).

261. *Id.* at 1023.

262. *Id.* at 1024-28.

263. *Id.* at 1029.

264. *See supra* text accompanying notes 241-263.

265. 111 F. Supp. 2d 294 (S.D.N.Y. 2000), *aff’d sub nom.*, *Universal City Studios, Inc. v. Corley*, No. 00-9185 (2d Cir. Nov. 28, 2001).

266. 17 U.S.C. § 1201 (West Supp. 2001). In relevant part, this section provides that “(2) No person shall manufacture, import, offer to the public, provide, or otherwise traffic in any technology, product, service, device, component, or part thereof, that—(A) is

ryption used on DVDs, known as Content Scramble System (“CSS”),²⁶⁷ qualified as protected copy protection measures. In late 1999, a Norwegian teenager developed, and hundreds of computer enthusiasts posted on the Internet, a software utility that decrypted CSS; this utility became known as DeCSS.²⁶⁸ The motion picture studios that use the CSS encryption system, and the entity that owns and licenses the system, brought various actions against those who actively disseminated the DeCSS software code.

These suits implicated links in various ways. The first suit, brought by the CSS licensing agency in state court in California, actually may have created many links. The complaint itself contained long lists of URLs for sites that posted the DeCSS utility, and soon after it was filed, the complaint was posted on the Internet by DeCSS supporters, with the lists of links enabled as HREF links. Perhaps with a view to the links in the complaint, both in the courthouse file and on the Internet, the court in that case refused in its initial order to generally enjoin links to sites carrying the DeCSS utility. The court did, however, enjoin the defendants from disseminating the utility.²⁶⁹

primarily designed or produced for the purpose of circumventing a technological measure that effectively controls access to a work protected under this title” *Id.*

267. *Universal City Studios, Inc. v. Reimerdes*, 111 F. Supp. 2d 294, 308 (S.D.N.Y. 2000).

268. *Id.* (DeCSS is a software utility or computer program “that enables users to break the CSS copy protection system and hence to view DVDs on unlicensed players and make digital copies of DVD movies. The quality of motion pictures decrypted by DeCSS is virtually identical to that of encrypted movies on DVD.”).

269. *DVD Copy Control Ass’n v. McLaughlin*, No. 786804, 2000 WL 48512, at *4 (Cal. Super. Ct. Santa Clara Cty. Jan. 21, 2000). In refusing to enjoin links to sites carrying the DeCSS utility, the court stated:

[T]he Court refuses to issue an injunction against linking to other websites which contain the protected materials as such an order is overbroad and extremely burdensome. Links to other websites are the mainstay of the Internet and indispensable to its convenient access to the vast world of information. A website owner cannot be held responsible for all of the content of the sites to which it provides links. Further, an order prohibiting linking to websites with prohibited information is not necessary since the Court has enjoined the posting of the information in the first instance.

Id. The California Court of Appeal reversed the Superior Court’s injunction against posting of the DeCSS utility on the grounds that the DeCSS utility was not protected speech under the First Amendment and the plaintiff could not overcome the constitutional barriers to prior restraints. *DVD Copy Control Ass’n v. Bunner*, No. H021153, 2001 WL 1340619, at *10 (Cal. App. Nov. 1, 2001).

The right to link to sites that carried the DeCSS utility eventually matured as an issue in the federal case in New York brought by major movie studios.²⁷⁰ The plaintiffs sought to enjoin defendants both from posting DeCSS and from electronically linking their sites to others that had posted DeCSS.²⁷¹ By the time the key linking issue became ripe for decision, there were only two defendants, Eric Corley and his company, 2600 Enterprises, Inc. (which the court described as “a leader of the computer hacker community”).²⁷² Before the suit was brought, Corley had posted on his website, 2600.com, the text and object code for the DeCSS utility, as well as a list of links to other sites where the decryption utility could be found.²⁷³

After the lawsuit was filed against Corley and several other defendants, all of the defendants were enjoined from posting the DeCSS utility, but they were not enjoined from posting links to sites that carried the utility. Corley and 2600.com continued to post their links, and described their acts in doing so as “electronic civil disobedience.”²⁷⁴ They also actively encouraged copying and republication of the utility, stating at one point—somewhat reminiscent of *Utah Lighthouse Ministry*—“it’s especially important that as many of you as possible, all throughout the world, take a stand and mirror these files.”²⁷⁵ Corley and 2600.com, with support from both the hacker community and many critics of the anti-circumvention provisions of the Digital Millennium Copyright Act, challenged, unsuccessfully, the anti-circumvention provisions themselves and their application to the DeCSS utility.

The parties and the district court also focused on a key issue of linking liability: regardless of whether Corley and 2600.com could post the DeCSS utility, could they be forbidden from merely linking to those who had posted it? The defendants portrayed this as a basic free speech issue, while the plaintiffs focused on the statutory language, which prohibited

270. *Reimerdes*, 111 F. Supp. 2d at 308-09.

271. *Id.* at 312.

272. *Id.* at 308-09. The court also stated that the defendant and his company were known for publishing “articles on such topics as how to steal an Internet domain name, access other people’s e-mail, intercept cellular phone calls, and break into the computer systems at Costco stores and Federal Express.” *Id.*

273. *Id.* at 309.

274. *Id.* at 303.

275. *Id.* at 312-13.

providing or trafficking in any technology designed for the purpose of circumventing copy-prevention technology.²⁷⁶

The district court addressed both the statutory language and the defendants' defenses. The court noted that the defendants made various links, some of which actively and automatically facilitated the downloading of the decryption utility, and others of which simply transferred the web user to the sites of parties that offered DeCSS.²⁷⁷ The court found a clear statutory violation in the more active links. Specifically, since the statute made it unlawful to offer, provide or otherwise traffic in described technology, a violation occurs wherever one "presents, holds out or makes a circumvention technology or device available, knowing its nature, for the purpose of allowing others to acquire it."²⁷⁸ This, the district court held, clearly occurred when Corley "linked to sites that automatically commence the process of downloading DeCSS upon a user being transferred by defendants' hyperlinks;" such a linkage was "the functional equivalent of transferring the DeCSS code to the user themselves."²⁷⁹ The court then took the next step and found ordinary hyperlinks directed to pages that only made available the DeCSS code equally violative of the act, since the fact that the user was left with the option of downloading the illegal code was "a distinction without a difference."²⁸⁰

What, then, should be made of standard passive HREF links, particularly where they were joined together with text and commentary? The defendants argued that 2600.com was a media outlet, an electronic journal of opinion, fact, and commentary, one that had its own particular non-mainstream point of view, but one as fully deserving of constitutional protection as the opinionated journals of revolutionary times.²⁸¹ The court brushed off these arguments by focusing again on the background, prior acts, and apparent intent of the defendants and their links. The court distinguished the Corley/2600.com link with intent to promote copying of the prohibited material from a newspaper's hypothetical, purely informational link.²⁸² In addressing the defendants' free speech arguments, the court

276. *Id.* at 316-27.

277. *Id.* at 324.

278. *Id.* at 325-32.

279. *Id.* at 325.

280. *Id.*

281. *Id.*

282. *Id.* The court stated:

Defendants urged others to post DeCSS in an effort to disseminate DeCSS and to inform defendants that they were doing so. Defendants

made explicit its conclusion that the links in question, viewed in context, were actions, not speech. Therefore, the links were capable of regulation under *United States v. O'Brien*,²⁸³ which governs regulation of conduct that contains expressive elements:

Links bear a relationship to the information superhighway comparable to the relationship that roadway signs bear to roads but they are more functional. Like roadway signs, they point out the direction. Unlike roadway signs, they take one almost instantaneously to the desired destination with the mere click of an electronic mouse. Thus, like computer code in general, they have both expressive and functional elements. Also like computer code, they are within the area of First Amendment concern. Hence, the constitutionality of the DMCA as applied to defendants' linking is determined by the same *O'Brien* standard that governs trafficking in the circumvention technology generally.²⁸⁴

The Second Circuit affirmed the district court's ruling and explicitly endorsed the district court's application of the *O'Brien* test for speech that contains both action elements. The appeals court noted that a hyperlink both "conveys information, the Internet address of the linked the web pages" and in addition "has the functional capacity to bring the content of the linked web page to the user's computer screen."²⁸⁵ Because the application of the DMCA's anti-circumvention provisions provisions to linking is content-neutral, the *O'Brien* test must apply.²⁸⁶ The appeals court held that the district court had sufficiently (if not more than sufficiently) protected free speech by requiring knowledge and intent of unlawfulness before the linker would be enjoined from linking to prohibited material.²⁸⁷ Finally, the appeals court distinguished Internet hyperlinks from their non-electronic counterparts, such as printed addresses of bookstores that sell illegal materials, because a hyperlink to digital material facilitates "instan-

then linked their site to those "mirror" sites, after first checking to ensure that the mirror sites in fact were posting DeCSS or something that looked like it, and proclaimed on their own site that DeCSS could be had by clicking on the hyperlinks on defendants' site. By doing so, they offered, provided or otherwise trafficked in DeCSS, and they continue to do so to this day.

Id.

283. 391 U.S. 367 (1968).

284. *Reimerdes*, 111 F. Supp. 2d at 339.

285. *Universal City Studios, Inc. v. Corley*, No. 00-9185, at 60 (2d Cir. Nov. 28, 2001).

286. *Id.* at 62.

287. *Id.* at 63-63.

teous worldwide distribution before any preventative measures can be effectively taken.”²⁸⁸ The court acknowledged that enjoining hyperlinks could cause “some impairment of communications,” just as not disturbing them would require toleration because of the policy choice made by Congress in the DMCA.²⁸⁹ In sum, the Second Circuit approved the district court’s essential analysis that hyperlinks to illegal can be enjoined because of their action component.

Much like the courts in *Utah Lighthouse Ministry* and *Napster*, the *Reimerdes* court viewed and analyzed the links at issue as part of an overall pattern of conduct. In that context, they found that the total conduct met the standard for derivative liability (in this case, the anti-circumvention provision of the DMCA).²⁹⁰

The trio of *Utah Lighthouse Ministry*, *Napster*, and *Reimerdes/Corley* appear to establish the principle that links to illegal content, when revealed in context as having a significant action component, may be enjoined or sanctioned. Some foreign courts have made similar determinations. Decisions in Belgium and Denmark have reportedly found liability for those who provided links to illegal content such as illegal software, obscene material, or copyright-infringing works.²⁹¹ In India, a search engine operator was criminally charged with making available links to obscene material.²⁹² A Swedish decision involving links to MP3 music files recognized the possibility of hyperlink liabilities.²⁹³

Deliberate links to illegal content—as appear to have occurred in *Utah Lighthouse Ministry* and *Napster*—present strong cases for derivative liability. Links that were posted for traditional media informational purposes, as in the 2600.com links in *Reimerdes/Corley*, present closer questions. Then come links, most likely posted for purely informational pur-

288. *Id.* at 65.

289. *Id.* at 66.

290. *Reimerdes*, 111 F. Supp. 2d at 304.

291. *See* Western High Court, Denmark, Apr. 20, 2001, nn. V.L. B-1943-99, V.L. B-2089-99 (holding defendants liable for establishing direct links to music tracks on their webpages); Belgacom Skynet N.V. v. IFPI Belgium VZW, Appeal Court of Brussels, 8th Division, Feb. 13, 2001, Record No. 2095 (holding Internet service provider Belgacom Skynet liable for subscriber-created MP3 links to unlawful reproductions of musical recordings).

292. Manu Joseph, *Porn a Thorn for Indian Portal*, WIRED NEWS, Dec. 4, 2000, at <http://www.wired.com/news/business/0,1367,40432,00.html>.

293. *Linking and copyright—a summary of a recent ruling in a Swedish court of Appeal*, at <http://www.juridicum.su.se/iri/karc/linking.htm> (last visited Nov. 25, 2001).

poses, that link only to other links, and thereby only indirectly to any illegal content. To what extent, and under what circumstances do links to links ever create derivative liability, assuming that something in the end chain is indeed illegal content? In particular, are links to links inevitably expressive, and hence protected by the First Amendment, or may links to links constitute non-protected and sanctionable action even when they lead only remotely to illegal content?

The first answer is that contributory infringement, where recognized, must be subject to reasonable limits. Based on the interconnectedness of the web and the theory that no more than “six degrees of separation” stand between any two individuals on the planet, it would not take much to wrap many innocent and unknowing people into a claim for contributory infringement. This was illustrated in *Bernstein v. J.C. Penney, Inc.*,²⁹⁴ in which a photographer sued a retailer not for anything on its website, but for a link on its site to a movie database, which in turn linked to a site in Sweden that allegedly infringed the photographer’s copyright in two celebrity photographs.²⁹⁵ The case never reached final resolution, but suggests that claims of remote contributory infringement will be viewed with skepticism: the district court denied the plaintiff’s motion for a preliminary injunction, and the plaintiff dismissed his case shortly thereafter.²⁹⁶

The next answer, perhaps, is that intent and context do matter, and the *Utah Lighthouse Ministry*, *Napster*, and *Reimerdes/Corley* cases should be interpreted as “linking-plus” cases, not “linking” cases. In each of these cases, the defendant was held liable because it did more than just post Internet links. The encouragement of copying and even excitement at others’ posting of the infringing materials in *Utah Lighthouse Ministry*, the intentional encouragement of wholesale copying of copyrighted music in *Napster*, and the active encouragement of downloading and use of the DeCSS utility by Corley in *Reimerdes/Corley* make up the “plus” element. Where the context makes clear that a link is posted merely for its informational (indexing, referencing) content, and with no active encouragement

294. No. 98-2958, 1998 U.S. Dist. LEXIS 19048 (C.D. Cal. Sept. 29, 1998); see Carl S. Kaplan, *Can a Web Link Break Copyright Laws?*, N.Y. TIMES CYBER L.J., Sept. 25, 1998, at <http://www.nytimes.com/library/tech/98/09/cyber/cyberlaw/25law.html> (free subscription required).

295. *Bernstein*, 1998 U.S. Dist. LEXIS 19048, at * 1.

296. The defendants contended, among other things, that “multiple linking does not constitute substantial participation in any infringement where the linking website does not mention that Internet users could, by following the links, find infringing material on another website.” *Id.*

of use of illegal content, then “plus” factors are missing, the expressive nature of the link dominates, and courts should not impose derivative liability. Indeed, in such cases involving informational (“pure speech”) links, the traditional and necessary elements of material furtherance of infringement (contributory infringement) and financial gain from infringement (vicarious liability) are likely to be lacking or weak.

The “link-plus” derivative liability precedents should not apply to “mere link” situations; imposition of derivative liability for a mere expressive link posted solely for informational purposes would almost inevitably violate the First Amendment. Thus, for example, a libel plaintiff ought not to have a viable claim against those who merely post links to a site containing allegedly defamatory statements.²⁹⁷

IV. DEFENSES AND DEFENSIVE STRATEGIES FOR HYPERLINK CLAIMS

Link Law pioneer Dr. Wills of the *Shetland News* was incredulous at the linking claim made against him in 1996, but linking claims are no longer so novel or shocking. Increasingly, Internet publishers should understand that links on, or to, business sites might raise claims. They should be prepared with strategies for preventing or minimizing such claims, or with defenses to them. The sections below outline several possible defensive strategies.

A. Standard Defenses to Claims

When plaintiffs make claims based on hyperlinks, the defendants will find some ready-made defenses available. In copyright and trademark law, for example, parties often use the defenses of “fair use” (copyright law) and “descriptive” or “nominative” use (trademark law). Defendants find these defenses particularly useful where the defendant is not a business competitor and has a public-interest justification for using a part of another’s intellectual property.

For example, a linking page owner may defend against hyperlink copyright infringement claims on grounds of non-copyrightability or fair

297. See Brenda Sandburg, *Hyperlinked Blast Sparks a Lawsuit*, NAT’L L.J., Feb. 21, 2000, at A-4 (describing libel suit by professor Daniel Curzon Brown against a Teacher Review website containing critical student evaluations of him, and another site that linked to the Teacher Review site); see generally Lisa Fernandez, *Free-Speech Fight Over Webmaster*, SILICON VALLEY NEWS, March 6, 2000, at <http://www0.mercurycenter.com/svtech/news/indepth/docs/webwar030700.htm>.

use. If the copy used on the linking page is short enough or is a mere factual description, it may not constitute infringement even if the copy is taken from the originating page. In the *Shetland Times* case, for example, the *News* claimed that the *Times* headlines that it copied onto its page were too short to be copyrightable. Fair use is a complicated issue in United States law, but the flexible statutory fair use factors,²⁹⁸ the “transformative use” factor introduced by *Campbell v. Acuff-Rose Music Inc.*,²⁹⁹ and the Supreme Court’s approval of viewer initiated time-shifting transfers for personal use in *Sony*,³⁰⁰ may support the defense in this context.

As the *Welles* and *Bally* cases demonstrate, two similar defenses in trademark law, relating to “descriptive use” and “nominative use,” permit some use of trademarks in normal discourse. The “descriptive use” defense permits a word that is a trademark to be used in its normal dictionary non-trademark sense; it “forbids a trademark registrant to appropriate a descriptive term for his exclusive use and so prevent others from accurately describing a characteristic of their goods.”³⁰¹ A related doctrine, also often known as “descriptive use,” but sometimes distinguished as “nominative use,” allows use of the term as a trademark but in a non-confusing descriptive context.³⁰² Use of the trademark will not imply sponsorship or endorsement of the product where the mark is used only to describe the thing, rather than to identify its source, particularly where no descriptive substitute for a trademark exists. For example, even though “Boston Marathon” is a trademark, a television station could not be stopped from using the name “Boston Marathon” because those words described the event that the station broadcast.³⁰³ Whether use of a trademark on a hyperlink is justifiable as a descriptive or nominative use of the mark will often depend on whether consumers believe that a trademark hyper-

298. 17 U.S.C. § 107 (1994).

299. 510 U.S. 569 (1994).

300. *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417 (1984).

301. *Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178, 1185 (5th Cir. 1980).

302. RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 28 (1995).

303. *WCVB-TV v. Boston Athletic Ass’n*, 926 F.2d 42, 46 (1st Cir. 1991). As one court put it:

Such *nominative use* of a mark—where the only word reasonably available to describe a particular thing is pressed into service—lies outside the strictures of trademark law: Because it does not implicate the source-identification function that is the purpose of trademark, it does not constitute unfair competition; such use is fair because it does not imply sponsorship or endorsement by the trademark holder.

New Kids On the Block v. News Am. Pub., Inc., 971 F.2d 302, 306-08 (9th Cir. 1992).

link indicates some sponsorship by, or a recognized or licensed association with, the trademark owner.³⁰⁴

In a noncommercial context, there may well be a stronger First Amendment right to make a hyperlink and even to use another's trademark in a hyperlink. In *American Civil Liberties Union of Georgia v. Miller*,³⁰⁵ the court indicated that a ban on noncommercial use of trademarks would raise First Amendment problems. The court stated in dictum that use of trademarks in connection with hyperlinks was allowable.³⁰⁶

Other traditional defenses will also apply to intellectual property infringement claims based on linking. For example, *Bernstein v. J.C. Penney, Inc.*³⁰⁷ illustrated that normal legal limitations on contributory infringement claims are sufficient to bar extreme claims of remote contributory infringement based on hyperlinks.

B. Right to Link Defense

Creators and users of links can claim that web traditions and practices have given rise to an implied license to link, or, as it is sometimes characterized, an implied right of public access. For example, a British professor offered a custom-based argument in favor of the *Shetland News*' hyperlinks:

The copyright owner made a deliberate choice to place his Web site online, with full knowledge (presumably) of how the system operates. Linking of Web sites to one another is extremely common and is, arguably, both the *raison d'être* of the WWW and the reason for its success. It is custom and practice, and so if a copyright owner puts up a Web site, he MUST expect others to link into his site. Services such as Web search rights could not operate without this ability.³⁰⁸

Similarly, in its Answer to the *Ticketmaster Corp. v. Microsoft Corp.* suit, Microsoft asserted the right to hyperlink, but highlighted technology

304. See Brief of Amicus Curiae International Trademark Association, *supra* note 220 (containing an excellent discussion of the descriptive use versus nominative use distinction).

305. 977 F. Supp. 1228 (N.D. Ga. 1997).

306. *Id.* at 1233 nn.5-6.

307. See *supra* text accompanying notes 294-295.

308. Charles Oppenheim, *The Internet Copyright Case and Its Implications for Users of the WWW*, SHETLAND NEWS, Dec. 6, 1996, available at <http://www.ariadne.ac.uk/issue6/copyright>.

rather than custom as giving rise to the right.³⁰⁹ In its affirmative defenses to Ticketmaster’s claims, Microsoft first explained webpages and hyperlinks, emphasizing that webpage publishers invite the public to view their sites, and that hyperlinks merely facilitate that activity.³¹⁰ Microsoft claimed that links on its “Seattle Sidewalks” site to the Ticketmaster site were no different from footnotes or directory listings in print, which scholars and newspapers are free to publish, and which have an effect, if at all, only through the independent actions of readers.³¹¹

Based on these facts, Microsoft alleged as affirmative defenses, among others, (a) that Ticketmaster assumed the risk “when it elected to participate in the World Wide Web system” that Internet users would view its site, (b) that because Ticketmaster encouraged traffic to its site, it was estopped from making claims based on that traffic, and (c) that Microsoft’s use of Ticketmaster’s trademarks was fair noncommercial use, devoid of any suggestions of sponsorship or endorsement.³¹²

Implied rights certainly exist as to many Internet materials and practices. Under current copyright law, almost any artistic or linguistic composition that may be posted on a website is likely to be copyrighted, meaning that the copyright owner has the exclusive rights to reproduce, distribute and display the work.³¹³ Simply browsing the web would constitute copyright infringement if we did not recognize that by posting materials on an open computer network, a publisher is inviting visits and granting web viewers the implied right to view its postings. Whether based on custom or technology, “implied license” or “implied public access” theories may be dependent on the evidence regarding actual web practices. In particular, if web publishers begin incorporating in their pages prohibitions against linking, or if they begin requiring prior consent to links, those practices would seriously undercut the implied license or consent arguments. In instances where the linking site does more than just provide a neutral link—for example, where, as alleged in *Washington Post Co. v. Total News, Inc.*,

309. Microsoft’s Answer, *supra* note 117, ¶¶ at 43, 45, 47.

310. *Id.*

311. *Id.*

312. *Id.* at ¶¶ 51-62. Microsoft also claimed that its use of Ticketmaster’s trademarks and its “publication of basic information and commentary about Ticketmaster” constituted “news reporting of information” and “constitutionally protected speech” that could not constitutionally be enjoined. *Id.* at ¶¶ 61-62, 71-75.

313. 17 U.S.C. § 501 (Supp. V 1999) (listing exclusive rights of copyright owner).

the linking site frames the linked material with its own banners and advertisements—it would be harder to justify a right to link freely.³¹⁴

In situations where links are encouraged or tolerated for the most part—and as many web publishers acknowledge that one may freely link to their websites³¹⁵—courts will likely recognize the implied license theory.

C. Normal Competitive Conduct

Before a defense to linking is asserted on constitutional or intellectual property grounds, it may be wise to examine whether the conduct at issue falls within normal competitive behavior. Normal competitive behavior is traditionally considered fair and controlled by the marketplace, not the courtroom. After all, to recast Justice Holmes’s comment about trademarks in *Prestonettes*,³¹⁶ there is nothing particularly sacred about an Internet link; using or exploiting Internet linking technology for commercial advantage is not taboo. Some of the Internet community’s thought on linking, perhaps stretching back to Berners-Lee’s initial commitment to build and make available a totally open system, appears to imbue linking technology with a kind of sacredness, and take the view that linking technologies must be kept apart from the world of commerce.

Most particularly in the case of keyword-based advertising, the commercial world teaches that no cognizable confusion exists where the consumer understands that a rival of the company for whose goods he is searching is directing advertising to him. Every business seeks to place its advertising before those potential customers most interested in its goods or services. That is precisely what search engines sell in their banner advertising: an opportunity to reach those potential customers who may have an interest in particular goods or services. To analogize to institutions of eighteenth century America—as the Supreme Court likes to do³¹⁷—it is no different from the fruit-seller calling out, “Apples for sale!” when a hungry-looking fellow approaches on the street. The conduct changes charac-

314. See *supra* text accompanying notes 150-151.

315. E.g., Los Angeles Times Co. Complaint, *Los Angeles Times Co. v. Free Republic*, No. 98-7840, 2000 U.S. Dist. LEXIS 5669 (C.D. Cal. filed Sept. 28, 1998), available at <http://www.techlawjournal.com/courts/freerep/19980928.htm> (stating in plaintiff’s complaint that plaintiff publishers would have no objection to “use of plain hypertext links to plaintiffs’ websites”).

316. *Prestonettes v. Coty*, 264 U.S. 359, 368 (1924).

317. See, e.g., *Reno v. ACLU*, 521 U.S. 844 (1997) (analogizing Internet publishers with pamphleteers and participants in New England town meetings).

ter only when it deceives (for example, when the consumer is presented not with obvious advertising but with a featured listing presented as if it were the most relevant site).

Similarly, “smart browsing” may be imperfect in directing consumers to the particular places they may wish to visit, but in that regard it is no different from any other commercial directory or travel agent. To claim that Netscape should favor one site or another in its “smart browsing” service is no different from claiming that Fodors should recommend one hotel over another, or that Michelin should award a particular restaurant four stars instead of three. “Negligent advice” claims of this sort have rightly been universally rejected in the past. Indeed, if giving flawed directions were actionable, that famous seeker of a route to India, Columbus, would be a tortfeasor, not a hero.

An important premise that underlies much of our law is that competitive conduct is normal, acceptable, and even socially beneficial. Such conduct is limited only in certain situations when the need for limits is clear—for example, anti-competitive conduct, and violations of the rights of others. Just as in the First Amendment area where the remedy for speech we do not like is normally counter-speech rather than a prohibition of speech,³¹⁸ so too in the business world the remedy for unwise business practices should normally be competition, offering consumers the alternative of better practices. In the long run, Internet sellers, search engines, and browsers will not succeed over their competitors if their hyperlinks, keyword advertising, or judgments about viewer preferences misjudge, or are offensive to, the values of a large number of Internet users.

D. Disclaimers, Linking Restrictions, and other One-Party Actions

Those who make links to other Internet sites may of course include in their sites appropriate disclaimers and disavowals. Such disclaimers may cure some potential problems with links, especially in the trademark area, where the legal focus is on whether a consumer is likely to be confused as to any affiliation between the linker and the linkee. For example, one might explain the ownership of trademarks used on a webpage, and disavow any affiliation or endorsement by the trademark owners or by operators of linked sites. Some websites post no specific disclaimers for their hyperlinks, but in response to a click on a hyperlink to another website, display a notice explaining that the user will be leaving the present web-

318. See *Whitney v. California*, 274 U.S. 357, 377 (1927) (Brandeis, J., concurring).

site for another site, over which the present website owner has no control.³¹⁹ Such a warning operates as a sort of disclaimer.³²⁰

A number of trademark infringement and related cases, including some involving web linking disputes, have relied on disclaimers.³²¹ The effectiveness of disclaimers, at least in trademark law, is a factual question that depends on the overall impression created, taking into account the psychology of the consumers who are likely to be exposed to the trademark use.³²² Disclaimers relegated to fine print at the bottom of a page—which are often not visible unless the viewer scrolls down to them—may not override a misleading impression left by more prominent parts of a webpage display. Additionally, disclaimers may not work for appearances of unfair competition created by framing or misleading links. Even a well-worded disclaimer, moreover, may not avoid initial interest confusion, when a consumer is led to one website by improper techniques such as metatag use of a competitor's trademarks.³²³

Just as disclaimers represent a unilateral attempt by the *linking* party to avoid link-law liabilities, potential *linked* sites often unilaterally seek to limit or prevent links by their own announced linking restrictions. Such self-proclaimed restrictions are probably not effective or enforceable, unless the linking party takes some affirmative steps that make it contractually bound to follow the linking restrictions. Where, for example, an Internet site announces that no one may link to it without permission, it is probably safe for a linking party to ignore that announcement and link to the site in a standard, nonobjectionable manner (for example, without any attempt to suggest affiliation, framing, or commercially motivated deep linking). While arguably the placement of links in contravention of the

319. Dianne Lynch, *Without a Rulebook: Cyberspace Presents Journalists with an Entirely New Set of Ethical Dilemmas*, AM. JOURNALISM REV., Jan./Feb. 1998, at 43.

320. *Id.* (“In a way, that’s a legal disclaimer to the point where we’re telling you that you’re going somewhere that has some affinity to the story, but we don’t know what you’re going to find when you get there.” (quoting Rob Fixmer, editor of the Cyber Times section of the *New York Times*)).

321. *See, e.g.*, *Playboy Enters., Inc. v. Welles*, 7 F. Supp. 2d 1098, 1104 (S.D. Cal. 1998) (stating that the use of disclaimers “indicates good faith in the use of the trademarks and weights in favor of defendant” (citing *Consumers Union of U.S. v. Gen. Signal Corp.*, 724 F.2d 1044, 1053 (2d Cir. 1983))).

322. *See, e.g.*, *Am. Chicle Co. v. Topps Chewing Gum, Inc.*, 208 F.2d 560, 562-63 (2d Cir. 1953) (noting that in trademark law, courts consider habits of buyers including their tendency to quickly glance at package labels without carefully studying them).

323. *See, e.g.*, *N.Y. State Soc’y of Certified Pub. Accountants v. Eric Louis Assocs., Inc.*, 79 F. Supp. 2d 331, 342 (S.D.N.Y. 1999).

linked site's expressed policies could evidence bad faith, courts are unlikely to assess liability in these situations, especially where the placement of unauthorized links is commonplace and accepted in the web world, and no laws appear to have been violated.

E. Permission Agreements

The simplest and most direct way to prevent claims of unauthorized hyperlinks is to obtain authorization. Often this will be quite easy to accomplish. Some websites solicit or encourage links, and even make readily available artwork that can be downloaded to serve as the linking symbol; obviously such sites permit linking, and no further permission is required. Other sites may generally seek links, but perform some limited screening and approval process. Here, if one follows the approval process and is allowed to link, authorization is established.

Where one finds no "link freely" invitation or link approval process, the linking party can seek authorization in various ways. If a letter or e-mail to the webmaster of the prospective linkee gets an approval in response, this offer and acceptance through exchange of correspondence should evidence an enforceable linking agreement. If the linkee in response imposes limits or conditions to its linking authorization, then a response from the operator of the linking site will be needed to complete the offer-counterproposal-acceptance cycle. Given the simplicity of even the arms-length settlement agreements in the *Total News*³²⁴ and *Shetland Times*³²⁵ cases, a simple exchange of correspondence should suffice for most simple linking authorizations.

Linking licenses may well become expected where framing or inline technologies are used to specially present or aggregate content from other websites. In such situations, a prudent web publisher should at least consider obtaining such a license, due to the possible objections and claims, illustrated by the *Total News*, which may attend to unauthorized framing. The most complex linking licenses may require significant attention like any other important contract.³²⁶ Indeed, in anticipation of an increasing use of formal linking licenses in situations like this, an American Bar As-

324. Wash. Post's Complaint, *supra* note 150

325. *Shetland Times Ltd. v. Wills*, 1997 S.L.T. 669 (Sess. Cas. 1996).

326. *See, e.g.*, Mark Kaminkey, *Net License: Favored Way to Protect IP*, NAT'L L.J., Nov. 11, 1996 (describing issues which may be covered in linking licenses).

sociation subcommittee has published a guide to considerations relating to terms in linking licenses.³²⁷

Where one seeks and obtains permission to link to such a site, the linking party will probably then be contractually bound to honor the linked party's policies.³²⁸ If the linked party later revokes permission to link, the linking party is probably then contractually bound to cut the link. Some sites take pains to entice potential linkers into such contracts. For example, the eBay Internet auction site makes available, for no charge, a colorful eBay trademark button that embodies an HTML hyperlink to eBay. The twist is that in completing the form required to install the eBay button, the linking site agrees to eBay's Link License Agreement, which, among other things, gives eBay the right to revoke the license at any time in its sole discretion.³²⁹ Given the significant drawbacks of agreeing to a site's self-imposed linking restrictions, most savvy linkers will simply ignore self-proclaimed linking restrictions rather than subject themselves to contractual linking limits.

Where the kind of link created falls outside the commonplace, unilateral restrictions may carry more force. Some sites, for example, state that they permit normal hyperlinks, but that they prohibit, or require express permission for, framing or inline linking. To the extent these more intrusive linking practices are less accepted in the web world, these unilateral restrictions are likely to be taken seriously and enforced by courts.

Linking permission agreements are likely to become more and more common with respect to business sites on the web. They permit businesses to control their gateways to customers and the public, maintain quality and performance standards, and prevent misunderstandings. Eventually, linking rights may become valuable salable commodities for owners of the most desirable sites.

327. Subcomm. on Interactive Servs. of the Comm. on the Law of Commerce in Cyberspace, *supra* note 12.

328. Presumably there is an enforceable contract, because consideration was exchanged—the linking party received the assurance that its link would be permitted and it would not be subject to legal action, and the linked party received a preview and opportunity to reject a proposed link.

329. See *Link your site to eBay*, <http://pages.ebay.com/services/buyandsell/link-buttons.html>.

V. PRINCIPLES FOR LINK LAW DISPUTES

New technologies always lead to predictions of dire technological harm, and corresponding cries for new legal controls. It happened with the telegraph, the so-called “Victorian Internet” of the late nineteenth century.³³⁰ It happened with radio and television.³³¹ It happened even quite recently with such benign technologies as the telephone and the facsimile.³³²

Accordingly, a gimlet eye needs to be focused on the early Internet link law cases, especially to the extent that they appear to restrict or prohibit use of Internet linking technologies without adequate policy justification. If the history of broadcasting is any guide, a new communications technology is most likely to blossom in the absence of strict regulation. Just as hard cases make bad law,³³³ cutting-edge cases, decided when a technology appears new and mysterious, can make questionable precedents. Moreover, the truism that courts many times reach the right result for the wrong reason is often borne out in novel situations, where judges must proceed to decision points without the comforting aid of many precedential pointers, or even a firm grip on the technology and how it may develop. In developing sound link law policies, we need to heed early link law cases, without being tied to all of their narrow conclusions.

Against this background, several principles for Internet linking controversies may be suggested:

Recognize a presumptive right to make reference links. HREF links seem presumptively allowable in almost all situations. A hyperlink is, in one analyst’s words, “an automated version of a scholarly footnote or bibliographic reference; it tells the reader where to find the referenced material.”³³⁴ While such links were held actionable in the initial *Shetland Times* decision, that decision seems wrong as a matter of United States

330. See generally TOM STANDAGE, *THE VICTORIAN INTERNET: THE REMARKABLE STORY OF THE TELEGRAPH AND THE NINETEENTH CENTURY’S ON-LINE PIONEERS* (1998).

331. See generally ITHIEL DE SOLO POOL, *TECHNOLOGIES OF FREEDOM: ON FREE SPEECH IN THE ELECTRONIC AGE* (1983).

332. See, e.g., Telephone Consumer Protection Act of 1991, 47 U.S.C. § 227 (1994) (banning automated telephone calls for telemarketing purposes and unsolicited facsimile advertisements).

333. *Ex Parte Long*, 3 W.R. 19 (1854).

334. Dan C. Burk, *Proprietary Rights in Hypertext Linkages*, J. INFO. L. & TECH. (June 30, 1998) (suggesting that “providing a hyperlink should be no more objectionable than supplying someone with the call number of a book found on a physical library shelf”), available at http://elj.warwick.ac.uk/jilt/intprop/98_2burk.

copyright law.³³⁵ It also appears unnecessary to vindicate the unfair competition interests that seemed to trouble the trial court. Where there is concern that a reference link threatens to confuse consumers or appropriate business opportunities, these perils can usually be avoided by adequate disclosures and nondeceptive practices by the linking party. A fair, adequate disclosure by the *Shetland News* that its link will take the reader to the *Shetland Times* website should have been sufficient in that case.

Of course even reference hyperlinks will occasionally lead to liability. One may easily use a simple hyperlink to libel another, or to tarnish a trademark, for example, and hence there can be no immutable rule that hyperlinks are always allowable. The principle should simply be that a linkage itself is presumptively all right, and restrictions should be imposed only when the circumstances show a clear abuse that would be actionable in a non-Internet situation.

Study actual consumer understandings and recognize web user intelligence and sophistication as appropriate. Trademark and unfair competition laws focus on consumer understandings. Whether a particular use of a mark constitutes infringement depends on how consumers will react; specifically, whether they are likely to be confused. Even dilution laws, which protect trademarks beyond the area of “confusion,” focus essentially on states of mind: whether use of a mark will “blur” or “tarnish” the image of the mark in the minds of the relevant consumers. False advertising and unfair competition law also depend on how consumers understand certain information put forth by one competitor about another. In such cases, consumer surveys are often needed to determine consumer perceptions and how consumers’ overall knowledge and instincts interact with the advertising or statements at issue.

While the law’s focus should be on *actual* consumer understandings, courts have become accustomed to assume at times that, at least in the general product marketplace, consumers do not use a terrible amount of thought or intelligence. The image of unthinking and simplistic consumer

335. Copyright claims arising from pure reference hyperlinks, such as those asserted in the *Shetland Times* case, are especially weak. One who places his copyrighted material on an open network distinguished by easy reference linking can hardly complain when such links are made. As Microsoft asserted in its defenses to the *Ticketmaster* case, the linker is doing no more than facilitating the “visit me” invitation that the linked site has already made. Microsoft’s Answer, *supra* note 117, at ¶¶ 43,47. Moreover, “hyperlinking [without framing] does not itself involve a violation of the Copyright Act . . . since no copying is involved.” *Ticketmaster Corp. v. Tickets.com, Inc.*, 54 U.S.P.Q.2d (BNA) 1344, 1346 (C.D. Cal. Mar. 27, 2000).

behavior is widespread, and goes back at least to Judge Learned Hand's observation that buyers tend to quickly glance at package labels without carefully studying them.³³⁶ Some of the key link law cases can be seen as hinging on somewhat paternalistic views of Internet users. The metatag cases that found infringement, for example, are premised on Internet users as being easily confused about sponsorship and associations.³³⁷ However, the *Bally* and *Welles* decisions that permitted use of another's trademarks in metatags seemed to have assumed that users would readily understand the lack of any association.³³⁸ Several other decisions went further and suggested that Internet users were so "inured to false starts and excursions awaiting them" that they would not be confused by any site to which they were misdirected.³³⁹

Courts should not assume any particular level of naiveté or sophistication of Internet users. Rather, they need to require litigants to develop specific evidence about the understandings and behavior of Internet users. Internet users may well turn out to be far more sophisticated and capable of understanding the significance of links than many courts have thus far credited. After all, they have the ability to turn on a computer and the daring to attempt to navigate the world's largest collection of information. Actual evidence of consumer understandings may be especially important in instances, such as framing and inlined links, where at present one can only speculate as to typical user perceptions.³⁴⁰ So far, although some litigants have attempted to survey Internet users, there is a paucity of empiri-

336. *Am. Chicle Co. v. Topps Chewing Gum, Inc.*, 208 F.2d 560, 562 (2d Cir. 1953).

337. *See supra* text accompanying note 167.

338. In *Brookfield Communications v. West Coast Entertainment Corp.*, 174 F.3d 1036, 1057 (9th Cir. 1999), for example, the court of appeals readily assumed lack of sophistication in Internet users:

In the Internet context, in particular, entering a web site takes little effort—usually one click from a linked site or a search engine's list; thus, *Web surfers are more likely to be confused as to the ownership of a web site than traditional patrons of a brick-and-mortar store would be of a store's ownership.*

Id. (emphasis added). This assumption appears to be totally unsupported by evidence.

339. *E.g.*, *Strick Corp. v. Strickland*, 162 F. Supp. 2d 372 (E.D. Pa. 2001).

340. *But see* *Burk*, *supra* note 334 (explaining that "sophisticated web users undoubtedly already will know that on-line frames and framed materials are not 'bundled,' and as the level of familiarity with the technology increases, the average web user may be assumed to recognize the potential for different origins of screen display elements just as she now recognizes the potential for different origins of combined physical goods").

cal evidence regarding the psychology and understanding of Internet users.³⁴¹

Recognize the unique nature and value of information linking technologies. Lawyers and judges live by the analytical tools of precedent and analogy, and where precedents are lacking, as in the case of new technologies, they rely on analogies. The Internet, for example, has been analogized to everything from a New England town meeting to a dance hall to a dark alley. So, not surprisingly, linking technologies have been analogized to various kinds of nontechnological links and associations, including the familiar links, endorsements, and associations known to the law of unfair competition. While the term “link” suggests these analogies, they may not be the proper analogies. If indeed an Internet “link” is no more than an automated footnote or a digitized Dewey decimal reference, then the unfair competition analogy is not valid, and such an analogy inhibits sound analysis.

Internet linking technologies need to be examined afresh, without the prejudgment of forced analogies. In particular, courts need to examine the unique benefits and possibilities of these new technologies, as well as offenses alleged to have been committed with them. In such a “big picture” examination, perhaps even new terminology is needed. Professor Dan Burk has aptly characterized the issue in many link law disputes as that of “control over information referencing.”³⁴² Perhaps not surprisingly in view of this characterization of the issue, Professor Burk has suggested that “[i]ntellectual property law should optimally be interpreted so as to forestall future monopolization of information tagging systems.”³⁴³ Whatever the ultimate policy—or, more likely, policies—relating to linking disputes, we will all be better served if courts undertake to understand and consider the overall potentialities and benefits of the technology under examination.

Recognize the right to create, use and exploit electronic searching of an open electronic network. Just as telephone technology led to the telephone book, the Internet has caused the creation of search engines. As a practical matter, navigation of the web would be difficult or impossible without search engines. Yet just as telephone directories could conceiva-

341. *See, e.g.*, *Simon Prop. Group L.P. v. MySimon, Inc.*, 104 F. Supp. 2d 1033 (S.D. Ind. 2000) (discussing survey issues relating to consumer understanding of search engine listings).

342. Burk, *supra* note 334.

343. *Id.*

bly be faulted as invasions of privacy, search engines and how they are used and exploited can be, and have been, faulted on numerous grounds. As we have seen, linking claims can arise from website owners' use of metatags to attract search engines, and from search engine operators' own sale of banner advertisements.

These acts of use and exploitation of electronic searching capabilities should not be viewed in isolation. The Internet is an electronic network, where electronic searching—and hence electronic tagging—is necessary and expected. Because of the vastness of the Internet, and its decentralized openness allowing practically anyone to add new content, effective computer-based search tools are needed. No one who enters into an open computer network ought to be surprised by the existence, capabilities or use of electronic searching. Nor should anyone, even one who remains outside the network, be shocked that words of trade and commerce, including trademarks, show up in Internet communications as targets and outputs of search engines. Put simply, a web user's utilization of search technology should be no more suspicious than a sign painter's use of a paintbrush; what matters is not the technology but what is done with it. Mere search engine use of the trademarks of another—as metatag targets or banner advertisement prompts, for example—should not be verboten any more than use of trademarks in labels, coupons, or comparative print advertisements. Abuses, if they occur, can always be distinguished and dealt with appropriately.³⁴⁴

Just as media are treated more deferentially than other speakers, and just as common carriers like telephone companies are given immunity from content restrictions, courts may need to provide special protections for search engines. Certainly an automatically generated search engine list of links to illegal content should be treated differently than a list of links created by a party that deliberately seeks to direct traffic to the illegal sites. While this problem may be handled in part by the application of the traditional element of contributory infringement that requires knowledge by the alleged contributory infringer, it may be necessary to create a

344. For example, in the case of metatags, courts can readily distinguish between helpful allowable use of metatags as indexing aids, and deceptive use that confuses consumers. *E.g.*, *Bernina of Am., Inc. v. Fashion Fabrics, Int'l., Inc.*, 57 U.S.P.Q.2d (BNA) 1881 (N.D. Ill. Feb. 9, 2001) (acknowledging usefulness of metatags as indexing tools but holding them unlawful where, in context of website, the defendant attempted to confuse consumers); *SNA, Inc. v. Array*, 51 F. Supp. 2d 554 (E.D. Pa. 1999) (relying on repeated use of plaintiff's trademark in metatags and other evidence of bad faith in concluding that metatags should be enjoined).

search engine exemption or privilege in some situations. Courts already seem cognizant of the critical need for search engines, indexes, and links associated with such search tools.³⁴⁵

Use technology rather than law to close doors on any open network. Where web publishers desire to control access to their otherwise unrestricted websites—such as by prohibiting deep links—legal barriers should not be the preferred method. Rather, web publishers should be expected to utilize all practical and available technological tools to achieve their objectives before they seek innovative legal rulings, which will inevitably carry broad effects.

Deep linking, for example, can be addressed by various means, including requiring password access, blocking requests or links except from certain pre-approved sites, use of dynamic (i.e., frequently changing) URLs for subsidiary pages. If web publishers use these rather than legal methods to control or restrict deep links, they can satisfy their objectives without causing distortions to the law or hardships or restrictions on the broad Internet community. The same principles ought to apply to problems besides deep linking as well.³⁴⁶

345. *E.g.*, *Playboy Enters., Inc. v. Netscape Communications Corp.*, 55 F. Supp. 2d 1070, 1077 (C.D. Cal. 1999) (“Because the Internet contains an almost infinite number of Web pages, Internet search engines provide a critical tool for Internet users. Without search engines, Internet users would be unable to locate all but the most obvious Web sites.”).

346. As one commentator stated:

[T]here are technological solutions to most of the unauthorized linking or framing problems. These methods—which can block or redirect unauthorized links—are so simple and readily available that it is difficult to understand why anyone would want to resort to litigation rather than use the quick, certain, and comparatively inexpensive technological fix instead. In fact, this may be the very reason why there is so little law or commentary on this issue. For example, if a Web site operator does not wish to have his site “framed” by the operator of a linking site, the linked site operator need only include readily-available anti-framing programming into his Web site. Many Web site operators have already incorporated this programming that prevents others from framing their site, including *The New York Times*, *CNN*, *The Los Angeles Times*, and *USA Today*. Unauthorized linking can also be prevented by limiting access to the site to paid subscribers, or by imposing registration and password requirements that allow access to the site only to those who have previously registered. Alternatively, a Web site operator can program an automatic change of his URL address (rendering links established by other Web site operators obsolete) on a regular basis, although this obviously poses some

Study issues raised by framing or inlining, and encourage licensing where websites incorporate off-site materials. Framing and inlining technologies raise more concerns than simple reference hyperlinks. Both techniques raise serious issues of the creation of derivative works under copyright law. In image inlining, when A takes B's copyrighted image and places it on A's website—perhaps as an integrated element of a composite design such as a collage—A seems to have adapted B's work and hence violated B's exclusive right to make derivative works. When A uses framing technology to frame portions of B's web content on A's website, the derivative work issue may arise, although one does not create a derivative work by putting a frame (e.g., a picture frame) around a copyrighted work.³⁴⁷

The non-copyright issues arising from framing and inlining need more study. The *Total News* complaint artfully highlighted some serious potential legal concerns with framing, but due to the particular relative sizes of the litigants (major media companies against a small web pioneer) and the early settlement utilizing a linking license, these innovative theories never underwent real testing. In particular with respect to the unfair competition theories in such a case, the facts regarding consumer perceptions are all-important. Do consumers believe when they view a framed site that the framed site is associated with the framing site? Or do viewers see a framed site for what it is, and easily navigate directly to the framed site when they so desire? Similarly the issues of advertising expectations and losses need factual development before we settle on legal policies for these situations.

Consider Internet consequences in analyzing proposed legislation. Just as the *Shetland Times* case foreshadowed linking disputes in the United States, foreign link law disputes continue to preview the kind of disputes—and legal claims—that may develop in the United States. Several recent European cases, for example, warn that we may see future deep linking claims based on database rights if the United States enacts database protection legislation similar to that in the European Union. For that

though this obviously poses some problems (or at least annoyance) for users that have “bookmarked” the page for easy access. In short, as one author put it, “There is usually a technological solution to any linking problem that is perceived to be offensive.”

Tucker, *supra* note 181, at ¶¶ 143, 145.

347. *Lee v. A.R.T. Co.*, 125 F.3d 580 (7th Cir. 1997) (holding ceramic tiles on which copyrighted note card designs and lithographs were mounted were not derivative works). *But see Greenwich Workshop, Inc. v. Timber Creations, Inc.*, 932 F. Supp. 1210 (C.D. Cal. 1996) (holding framed and matted works made using plaintiff's copyrighted works infringed the derivative works right).

reason, our policy makers should consider Internet consequences—such as the possibility of opening up more deep linking claims—in connection with proposed legislation like database protection. As our society walks down the path of greater recognition of proprietary rights, it must take care that it does not in so doing unduly restrict useful tools and techniques like Internet linking.

Maintain flexibility to permit adaptation to technological advances. Laws must be adaptable to evolving technologies. The Internet is changing and evolving rapidly and consequently courts need to be careful not to promulgate doctrines narrowly tailored to today's technology, which may be gone tomorrow. HTML, today's "language of the web," may be replaced before long with eXtensible Markup Language ("XML"), a new computer language that could dramatically affect the way links operate, and which might empower both linker and linkee alike to deal more directly with the links of concern to them. Courts should be particularly cautious about intervening in areas where new technology may empower private problem solving.

VI. CONCLUSION

Every Internet user understands the delight that Berners-Lee and other technological pioneers must have felt with the creation of hypertext markup language, the World Wide Web, and quick and easy hyperlinks. The technology is truly revolutionary and holds great promise for increasing communication, learning, and the speed and reach of business activity.

Users of the World Wide Web, however, also understand intellectual property laws, and in particular one immutable principle that applies not only to technology but to all human affairs: *One thing leads to another*. When one thing—including an Internet link—leads to another—such as a copyright or trademark infringement, a false or misleading reference, or a misappropriation of a business opportunity—our law comes into play. Where there are legal prohibitions against certain kinds of associations, the law will examine links carefully and prohibit improper links. Put simply, the millions of links on the World Wide Web are themselves linked, inextricably, to the laws that regulate business activities.