

In 1999, plaintiff Christopher Lamparello posted a web site critical of Jerry Falwell, using the parodic domain name www.fallwell.com. The web site is non-commercial, and is addressed solely to a discussion of Falwell's religious views, not his business activities. This case requires the Court to revisit legal issues addressed in *PETA v. Doughney*, 113 F. Supp. 915 (E.D. Va. 2000), *aff'd*, 263 F.3d 359 (4th Cir. 2001). Plaintiff argues that *PETA* is factually distinguishable, but equally important, he contends that major developments in the law governing the use of trademarks in domain names for gripe sites, based largely on arguments that were not put forward in *PETA*, coupled with judicial recognition of several significant developments concerning search technology and common public practices concerning the Internet, require that plaintiff Lamparello be allowed to keep his anti-Falwell web site at the domain name that he has chosen.

STATEMENT OF UNDISPUTED FACTS

1. Plaintiff and counterclaim defendant Christopher Lamparello, a resident of New York, created a web site at www.fallwell.com ("Lamparello's web site"). Cpt ¶ 5; LampAf ¶ 2.

2. The defendants and counterclaimants are Jerry Falwell, a nationally known religious figure, and Jerry Falwell Ministries, one of entities through which Falwell conducts business. This brief refers to defendants jointly as "Falwell" unless otherwise specified. Cpt ¶ 6; Countercl ¶ 44.

3. Falwell maintains his web site at www.falwell.com, and has done so since he registered that domain name in 1998. Stip. ¶ 12.

4. At the time Falwell registered www.falwell.com, the name www.fallwell.com was also available to be registered. LampAf ¶ 3

5. Lamparello registered the domain name www.fallwell.com for the purpose of creating a web site about Falwell individually and about Falwell's views about homosexuality. *Id.* ¶¶ 2-3.

6. Lamparello registered that name shortly before he posted the site on February 19, 1999. *Id.* ¶ 4.

7. Lamparello has never registered a domain name for the purpose of selling it, and in fact he has never sold a domain name or tried to sell a domain name. *Id.* ¶ 7.

8. Lamparello has never knowingly registered a domain name that contains or is similar to some other person's trademark, except for fallwell.com. *Id.*

9. Lamparello has never offered to sell the fallwell.com domain name, and he did not register or use it with the intention of deriving tangible benefits. *Id.*

10. Lamparello registered the name fallwell.com because he believed that it accurately depicted the subject of his web site, and because he believed that one purpose for a domain name was to identify the subject of the web site. *Id.* ¶ 3.

11. The contents of Lamparello's web site are shown on the CD that is submitted with this motion. *Id.* ¶ 12.

12. The sole purpose of Lamparello's web site is to express non-commercial opinions about Falwell and his religious and political views. *Id.* ¶ 6, and CD.

13. Lamparello's web site does not sell goods or service, and has never sold goods and services. *Id.* ¶ 6 and Stip ¶ 1.

14. Lamparello's web site is not related to any of Falwell's business or trade or commercial activities. FalAdm. No. 4.

15. Lamparello's web site does not mention any of Falwell's business, trade or commercial activities. LampAf ¶ 12, and CD attached.

16. Lamparello has never received any payment or any other form of revenue for the content that he placed on his web site. Lamp Af. ¶ 6.

17. Lamparello pays for his web space and so "loses" money on the site. *Id.*

18. At the top of Lamparello's home page is a prominent statement that the site is not

affiliated with Falwell and an explanation that the reader can get to Falwell's web site, by clicking on a hyperlink to that site. The same disclaimer also appears at the bottom of the home page. *Id.* ¶¶ 11, 12 and CD attached.

19. Falwell has a common law trademark in his full name and in his surname, and he has a registered trademark in "Listen America with Jerry Falwell." Falwell has applied to register a trademark in "Jerry Falwell," but registration has not yet been granted. Stip. ¶¶ 7-10; Cpt ¶ 25; Levy Affidavit, ¶ 2 and Exhibit A.

20. There are more than one thousand persons living in the United States whose surname is Falwell or Fallwell, including hundreds with each name. Stip. ¶¶ 2, 32.

21. Many of those persons use their surnames in connection with their commercial activities, and hence have trademark rights in their names in connection with their own separate spheres of commercial activity. Among many other examples are a well-driller (Falwell Corporation), a children's book author (Cathryn Falwell), a photographer (Tony Falwell), an appraiser (Marshall Fallwell), musicians (Adrian Fallwell and the Fallwells), the operator of an Internet service (Tom Fallwell), and even the director of a pornographic movie (Terrence Fallwell). Stip ¶¶ 4-6; FalAdm. Nos. 6-9; LevyAf Exhibit C.

22. Falwell's web site receives an average of 9000 page requests per day. Stip. ¶ 11.

23. Lamparello's web site receives an average of about 200 page requests per day. Stip ¶ 11.

24. Falwell does not claim any actual damages from sales or donations lost from his web site as a result of the creation or existence of Lamparello's web site. FalInterrog No. 6.

25. No evidence has been produced showing that the quantity of sales from Falwell's web site was changed or affected in any way by the creation or existence of Lamparello's web site.

Review of Record; FalDoc. Nos. 6-9.

26. No evidence has been produced showing whether the number of actual visitors to Falwell's web site changed or was affected in any way by the creation or existence of Lamparello's web site. Record generally; StelAf ¶¶ 6-8.

27. Both the commercial ISP that hosted Falwell's web site from the time of its creation until August 2002, and Falwell's church, the Thomas Road Baptist Church ("TRBC"), which has hosted his web site since August 2002, had data from which could be determined the daily number of visitors to his web site, the pattern of their visits, how they reached his web site and other information. Stip. ¶¶ 12-16, 20; StelAf ¶¶ 3-4.

28. The commercial ISP destroyed its data about Falwell's web site after Falwell took his business elsewhere. Falwell made no effort to preserve that data, or to notify Lamparello that the data would be destroyed, even though Falwell had already threatened Lamparello with trademark litigation over his web site. Stip. ¶¶ 15-16; LampAf ¶ 15.

29. The TRBC also destroyed its data. Falwell made no effort to preserve that data, or to notify Lamparello that the data would be destroyed, even though Falwell had already threatened Lamparello with trademark litigation over his web site. Stip ¶¶ 24, 26; LampAf ¶ 15.

30. TRBC's data destruction continued after this case was filed. It continued after March 3, when Falwell received written discovery requests for data concerning visits to Falwell's web site, and after April 2, when Falwell responded that such data "can be retrieved." Falwell made no effort to preserve that data, or to notify Lamparello that the data would be destroyed. Stip ¶¶ 18, 23-26; LampAf ¶ 15.

31. The last data destruction occurred on April 13. Some but not all of the data destroyed on that date was retrieved. Stip. ¶¶ 25, 27; StelAf ¶¶ 7.

32. Lamparello's web site did not affect the quantity of visits received at Falwell's web site. (finding proposed to be adopted pursuant to spoliation motion that is being filed).

33. Data collected by Lamparello's ISP show that thousands of the visitors who reach his web site every month arrive through search engines. StelAf ¶ 18 and Exh. A.

34. Data collected by Lamparello's ISP show that nearly half of the visits to his web site begin with a page other than his home page. StelAf ¶ 19 and Exh. A.

SUMMARY OF ARGUMENT

Summary judgment should be granted for Lamparello on four separate grounds. First, Falwell's trademark claims run afoul of Lamparello's right of free speech, which entitles him to use Falwell's name to describe the subject of his criticism. Second, the trademark laws create an essentially commercial tort. Standards such as "likelihood of confusion" cannot constitutionally be applied to bar wholly non-commercial speech, and the trademark laws, including each of the statutory provisions that Falwell invokes, are replete with provisions limiting their application to commercial uses. Lamparello's web site is so plainly noncommercial that it is, as a matter of law, beyond the scope of the trademark laws. Third, the domain name considered in conjunction with the web site itself is nonconfusing, parodies Falwell's name, and is fair use, as a matter of law. The law permits trademarks to be used in domain names for nonconfusing web sites that are about the trademarked goods or services. Finally, Falwell tarried so long in enforcing his claims that they are barred both by the statute of limitations and by the equitable doctrine of laches.

ARGUMENT

Summary judgment is appropriate when there are no genuine issues about any facts that are material to a party's right to prevail as a matter of law. *Celotex Corp. v. Catrett*, 477 U.S. 322. (1986). "Summary judgment is appropriate when the material, undisputed facts disclose a likelihood

of confusion,” *Resorts of Pinehurst v. Pinehurst Nat. Corp.*, 148 F.3d 417 (4th Cir. 1998), and trademark cases are commonly decided on summary judgment. *E.g.*, *Sweetwater Brewing Co. v. Great American Restaurants*, 266 F.Supp.2d 457 (E.D. Va. 2003). The parties have agreed to ask the Court to decide this case on summary judgment based on their stipulations and on evidence that the Court deems properly part of the record. *See International Bancorp v. Societe des Bains de Mer*, 329 F.3d 359, 362 (4th Cir. 2003).

A. The Trademark Claims Infringe Lamparello’s Free Speech Right to Describe the Subject of His Criticism.

Ordinarily, a court should consider statutory issues first in order to avoid the adjudication of constitutional issues. Here, however, the trademark statutes are customarily construed in light of First Amendment concerns, particularly insofar as they distinguish between commercial and non-commercial speech. Accordingly, we begin our analysis with the First Amendment.

Because the trademark laws represent legislative commands and are enforced by judges, they are government action, subject to scrutiny under the First Amendment. *Shelley v. Kraemer*, 334 U.S. 1, 14-15 (1948); *Organization for a Better Austin v. Keefe*, 402 U.S. 415, 418 (1971). In trademark cases, unlike copyright cases where fair use is co-extensive with the First Amendment, *e.g.*, *Harper & Row v. Nation Enterprises*, 471 U.S. 539, 560 (1985), First Amendment considerations routinely receive separate discussion, although they also inform statutory interpretation. Where, as here, the defendant is engaged in non-commercial speech, the mere application of trademark law may violate the First Amendment. *L.L. Bean v. Drake Publishers*, 811 F.2d 26, 32-33 (1st Cir. 1987). Even if a trademark has been used in a commercial context, courts are required to construe the trademark laws narrowly to avoid impingement on First Amendment rights. *E.g.*, *Cliffs Notes v. Bantam Doubleday*, 886 F.2d 490, 494 (2d Cir. 1989). First Amendment interests are weighed as a factor in deciding whether a trademark violation should be found. *E.g.*, *Anheuser-Busch v. Balducci*

Publications, 28 F.3d 769, 776 (8th Cir. 1994). And injunctions must be narrowly crafted to comply with the rule against prior restraints on speech. *Id.* at 778; *Better Business Bureau v. Medical Directors*, 681 F.2d 397, 404-405 (5th Cir. 1982).

Lamparello's web site is indisputably protected by the First Amendment. His web site discusses Falwell's religious and social views about homosexuality, which is core speech protected by the First Amendment.

Lamparello's use of the domain name "fallwell.com" for his web site is just the sort of commentary that courts assiduously protect. Lamparello's criticisms would be pointless if he had to omit the name of the person he is criticizing. Furthermore, not just the web site generally, but Lamparello's use of Falwell's trademark in his domain name, constitutes protected speech. Courts have repeatedly held that the use of trademarks constitutes speech within the protection of the First Amendment. *E.g.*, *Bad Frog Brewery v. New York State Liquor Authority*, 134 F.3d 87, 94-97 (2d Cir. 1998); *ACLU of Georgia v. Miller*, 977 F. Supp. 1228, 1233 (N.D. Ga. 1997). Use of a trademark in a domain name is analogous to the use of a trademark in the title of a creative work, to which the courts give First Amendment protection because it is part of the author's expression, calling readers' attention to the fact that the work in question contains content that may interest them. *E.g.*, *Twin Peaks Production v. Publications Int'l*, 996 F.2d 1366, 1379 (2d Cir. 1993); *Rogers v. Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989). By the same token, the play on Falwell's name in Lamparello's domain name serves to communicate to web users that his site contains information about Falwell, and hence implicates First Amendment concerns.

In many cases, courts have struggled to decide whether a particular use of trademarks constitutes commercial or non-commercial speech. This question is significant not only because, as discussed below, Congress has limited the application of the Lanham Act to commercial speech,

but also because commercial speech receives less protection under the First Amendment. *Dun & Bradstreet v. Greenmoss Bldrs.*, 472 U.S. 749, 762-763 (1985). Indeed, recognition that the First Amendment would bar claims for false statements in non-commercial speech underlay Congress' establishment of the "commercial" requirement in section 43. *Semco v. Amcast*, 52 F.3d 108, 111-112 (6th Cir. 1995) (quoting extensively from the legislative history).

Thus, when as in *Semco*, a company makes statements about a competitor's products, courts hammer out a multi-factor test to determine when the statements are non-commercial, and thus entitled to full First Amendment protection, or commercial, and thus entitled only to have their First Amendment interests weighed as part of a fair use or fair commentary defense. Similarly, when a seller of T-shirts or some other commercial product spoofs a trademark or uses a trademark to denounce a political position, the courts have had to decide whether the alleged infringer or diluter is predominantly engaged in commentary, thus obtaining greater protection under the First Amendment, or mainly making use of a trademark to sell its own product. *E.g.*, *Cardtoons v. Major League Baseball Players Ass'n*, 95 F.3d 959, 968-970 (10th Cir. 1996); *Rogers v. Grimaldi*, 875 F.2d 994, 997-999 (2d Cir. 1989); *Mutual of Omaha Ins. Co. v. Novak*, 836 F.2d 397, 402-403 (8th Cir. 1987). However, when suit is brought against a plainly non-commercial use of a trademark, the courts do not hesitate to afford full First Amendment protection against the trademark holder's claim, either by holding that First Amendment principles bar application of the federal statute, or by holding that the state law in question is unconstitutional on its face or as applied to the particular case.^{1/}

^{1/} *L.L. Bean v. Drake Publishers*, 811 F.2d 26, 33 (1st Cir. 1987); *ACLU of Georgia v. Miller*, 977 F. Supp. 1228, 1233 (N.D. Ga. 1997); *Bally Total Fitness Holding Corp. v. Faber*, 29 F. Supp.2d 1161, 1167 (C.D. Cal. 1998); *Lighthawk v. Robertson*, 812 F. Supp. 1095, 1097-1101 (W.D. Wash. 1993); *Stop the Olympic Prison v. United States Olympic Comm.*, 489 F. Supp. 1112, 1124-1125 (S.D.N.Y. 1980); *see also Lucasfilm v. High Frontier*, 622 F. Supp. 931

Review of Lamparello's web site shows his site's non-commercial character. The web site is dedicated to the communication of opinions and information about Falwell. The web site contains no advertisements (which is how many web sites produce revenues for their operators). Indeed, although Falwell engages in commercial activity, Lamparello's web site does not even mention Falwell's commercial activities. In short, because it is non-commercial, Lamparello's speech is entitled to full constitutional protection.

B. The Trademark Laws Apply Only to Commercial Uses of Trademarks.

Trademark law states an essentially commercial tort. The limitation of trademark law to commercial uses appears in the statutory language and caselaw, and the existence of the limitation follows from the First Amendment's limits on the exercise of government authority restricting free speech. *Taubman v. WebFeats*, 319 F.3d 770, 774 (6th Cir. 2003).^{2/}

The Lanham Act creates a cause of action for trademark infringement, Lanham Act Section 32, 15 U.S.C. §§ 1114(1)(a) and (b), and for false representation of origin, Lanham Act Section 43(a), 29 U.S.C. § 1125(a)(1), only when the defendant "uses [or used] in commerce" the trademark of the plaintiff. Statutory terms that include the word "commerce" do not necessarily reach to the full breadth of the commerce power, but must be construed as commanded by each particular statute.

(D.D.C. 1985) (ruling on nonconstitutional grounds).

²Although Falwell alleges state law unfair competition, that claim also falls because the web site is noncommercial. Virginia courts treat unfair competition as "unfair trading": "Virginia continues to adhere to a narrow, sharply defined common law definition of unfair competition, *i.e.*, deception by means of which goods of one dealer are palmed off as those of another." *Monoflo Int'l v. Sahm*, 726 F. Supp. 121, 127 (E.D. Va. 1989). "The essential element of unfair trading is deception, by means of which goods of one dealer are palmed off as those of another, whereby the buyer is deceived, and the seller receives the profit which, but for such deception, he would not have received." *Rosso & Mastracco, Inc. v. Giant Food*, 104 S.E.2d 776, 781, 200 Va. 159, 166 (1958). Lamparello does not appeal to buyers or sellers, only to public perception of a major religious figure.

Circuit City Stores v. Adams, 532 U.S. 105, 113-119 (2001) (unlike term “involving commerce,” term “engaged in commerce” does not reach to full extent of commerce clause, but covers only workers in transportation industries). “Use in commerce” is expressly defined by Section 45 of the Lanham Act, 15 U.S.C. § 1127, as meaning “bona fide use of a mark in the ordinary course of trade” Without “use in commerce,” there is no violation of sections 32 and 43(a). *International Bancorp v. Societe Des Bains*, 329 F.3d 359, 364 (4th Cir. 2003); *Endoscopy-America v. Fiber Tech Medical*, 4 Fed. Appx. 128, 2001 WL 94739 (4th Cir. 2001). “The act’s purpose, as defined in Section 45, is exclusively to protect the interests of a purely commercial class against unscrupulous commercial conduct.” *Made in the USA Foundation v. Phillips Foods*, — F.3d —, 2004 WL 829627 (4th Cir. April 19, 2004), quoting *Colligan v. Activities Club of New York, Ltd.*, 442 F.2d 686, 692 (2d Cir. 1971); accord *Chance v. Pac-Tel Teletrac*, 242 F.3d 1151, 1157 (9th Cir. 2001). See also S. Rep. 100-515, 100th Cong., 2d Sess. 44 (1988), reprinted in 1988 U.S.C.C.A.N. 5577, 5607 (“Amendment of the definition of ‘use in commerce’ [in section 45 of the Lanham Act] is one of the most far-reaching changes the legislation contains. . . . The committee intends that the revised definition of ‘use in commerce’ be interpreted to mean **commercial use** which is typical in a particular industry.”) (emphasis added). Lamparello’s web site is not in “the ordinary course of trade,” and it does not represent “commercial conduct.”

The remaining Lanham Act causes of action also apply only to “commercial” speech. Thus, Section 43(c)(4), of the Lanham Act, 29 U.S.C. § 1125(c)(4), contains the following proviso: “The following shall not be actionable under **this section**: . . . (B) Noncommercial use of the mark (C) All forms of news reporting and news commentary.” (emphasis added). Falwell’s claim under section 43, subsection (a) is subject to this proviso. Indeed, when subsection 43(a) was amended in 1989, even before subsection (c)(4)(B) was added, the House Judiciary Committee explained that

its purpose was to ensure that non-commercial speech would not be affected:

[T]he proposed change in Section 43(a) should not be read in any way to limit political speech, **consumer** or editorial **comment**, parodies, satires, or other constitutionally protected material. . . . The section is narrowly drafted to encompass only clearly false and misleading commercial speech.

135 Cong. Rec. H1207, H1217 (daily ed., April 13, 1989) (emphasis added).

The purpose of the statute’s noncommercial use exception was to protect ““parody, satire, editorial and other forms of expression that are not part of a commercial transaction.”” *Dr. Seuss Enterprises v. Penguin Books USA*, 924 F. Supp. 1559, 1574 (S.D. Cal. 1996), *aff’d*, 109 F.3d 1394 (9th Cir. 1997) (quoting Senator Hatch).

Similarly, because the Anticybersquatting Consumer Protection Act (“ACPA”) was enacted as Lanham Act subsection 43(d), 15 U.S.C. § 1125(d), it is covered by the exclusion of noncommercial and consumer commentary, which applies to everything in “this section.” Indeed, Congress added a savings clause that explicitly disclaimed any intent that the cybersquatting law override either the First Amendment or section 43(c)(4) of the Lanham Act. Public Law 106-113, Section 3008, 113 Stat. 1501A-551. The sponsors of the ACPA specifically disclaimed any intention to provide a cause of action against persons who registered domain names for the purpose of delivering comment or criticisms of trademark owners by identifying the owners with their marks. *See* House Report 106-412, 106th Cong. 1st Sess. (1999), at 10.

The limitation of trademark law to commercial situations follows from the distinctions that First Amendment law draws between commercial and non-commercial speech. The fundamental precept of trademark law is that it prevents uses of trademarks that are misleading, in that they are “likely” to be “confusing” to consumers. The use of the trademark need not be deliberately confusing, and it need not actually constitute a “false” statement of origin.

However, First Amendment law does not authorize the regulation of non-commercial speech

simply because it is misleading. A political flyer or a newspaper article about a public figure cannot be enjoined, nor damages awarded, simply because some readers would be likely to find it confusing. The concept of regulating speech that is potentially misleading, even though it is not strictly speaking false, has developed since the Supreme Court first extended First Amendment protection to commercial speech. *Thompson v. Western States Medical Center*, 535 U.S. 357, 367 (2002); *Lorillard Tobacco Co. v. Reilly*, 533 U.S. 525, 554 (2001). Unlike non-commercial speech, commercial speech can be regulated even if it is “not provably false, or even wholly false, but only deceptive or misleading,” *Friedman v. Rogers*, 440 U.S. 1, 9 (1979). Thus, although “[a] company has the full panoply of protections available to its direct comments on public issues, . . . there is no reason for providing similar constitutional protection when such statements are made in the context of commercial transactions.” *Bolger v. Youngs Drug Products Corp.*, 463 U.S. 60 (1983). *Accord Bates v. State Bar of Arizona*, 433 U.S. 350, 383 (1977) (“the leeway for untruthful or misleading expression that has been allowed in other contexts has little force in the commercial arena.”); *Smith v. United States*, 431 U.S. 291, 318 (1977) (“Although . . . misleading statements in a political oration cannot be censored, . . . misleading representations in a securities prospectus may surely be regulated.”); *Young v. American Mini Theatres*, 427 U.S. 50, 68 and n.31 (1976) (regulatory commissions may prohibit businessmen from making statements which, though literally true, are potentially deceptive”).^{3/}

Thus, for example, in the area of lawyer solicitation, the Supreme Court has held that

³ See also *Rubin v. Coors Brewing Co.*, 514 U.S. 476, 495 (1995) (“Although some false and misleading statements are entitled to First Amendment protection in the political realm, the special character of commercial expression justifies restrictions on misleading speech that would not be tolerated elsewhere.”) (Stevens, J., dissenting); *Virginia Board of Pharmacy v. Virginia Citizens’ Consumer Council*, 425 U.S. 748, 777 (1976) (“government may take broader action to protect the public from injury produced by false or deceptive price or product advertising than from the harm caused by defamation.”) (Stewart, J., concurring).

regulations may extend more broadly to solicitation of cases for which the lawyer is advancing his own commercial interest than when the lawyer engaged in associational activity for the advancement of beliefs and ideas. *In re Primus*, 436 U.S. 412, 437 n.32 (1978). The Court has also construed the securities law narrowly not to apply to newsletters to avoid the constitutional question of whether the normal standards for securities regulation could be applied to them. *SEC v. Lowe*, 472 U.S. 181 (1985). The California Supreme Court summarized the differing First Amendment treatment of consumer criticism and commercial promotion in *Kasky v. Nike*, 27 Cal.4th 939, 967, 45 P.3d 243, 261, 119 Cal.Rptr.2d 296, 317 (2002), *cert. dismissed as improvident*, 123 S. Ct. 2527 (2003):

A noncommercial speaker's statements criticizing a product are generally noncommercial speech, for which damages may be awarded only upon proof of both falsehood and actual malice. (See, e.g., *Bose Corp. v. Consumers Union of U.S., Inc.*, supra, 466 U.S. at p. 513, 104 S.Ct. 1949 [so treating unflattering statements in a consumer magazine's review of high fidelity speakers].) A commercial speaker's statements in praise or support of the same product, by comparison, are commercial speech that may be prohibited entirely to the extent the statements are either false or actually or inherently misleading. (*In re R.M.J.*, supra, 455 U.S. at p. 203, 102 S.Ct. 929.)

Here, of course, Lamparello is not even criticizing Falwell's "products"; he comments on Falwell's religious views. *Cf. Ficker v. Tuohy*, 305 F.Supp.2d 569, 572 (D. Md. 2004) (although plaintiff used his name commercially as a lawyer, defendant's web site was about plaintiff's political candidacy and hence was core political speech).

For similar reasons, courts treat the trademark laws as limited to commercial activities. For example, in *San Francisco Arts & Athletics v. U.S. Olympic Committee*, 483 U.S. 522 (1987), in the course of upholding an injunction under the Amateur Sports Act against the use of the term "Gay Olympics" for an event for which the SFAA was selling T-shirts and other paraphernalia to cover its costs, the Court stated, "To the extent that § 110 regulates confusing uses, it is within normal trademark bounds. The Government constitutionally may regulate 'deceptive or misleading'

commercial speech.” *Id.* at 535 n.12. Similarly, in *Mattel v. MCA Records*, 296 F.3d 894 (9th Cir. 2002), in affirming summary judgment against a claim that a musical group infringed or diluted the Barbie trademark by titling a song, “Barbie Girl,” the Ninth Circuit reconciled trademark law with the First Amendment because the “consumer protection rationale [for trademark relief] averting what is essentially a fraud on the consuming public – is wholly consistent with the theory of the First Amendment, which does not protect commercial fraud.” *Id.* at 905. The Court went on to suggest that the statutory limitation of dilution law to allow non-commercial speech even when used to sell goods and services was needed to avoid running afoul of the First Amendment, and held that because the use of the Barbie name in the song title was “not purely commercial speech,” it was fully protected under the First Amendment and beyond the reach of the trademark laws. *Id.* at 906-907. Moreover, trademark injunctions are typically limited to future use for commercial purposes, *Elvis Presley Enterprises v. Elvisly Yours*, 936 F.2d 889, 897 (6th Cir. 1991), and attempts to expand the scope of an injunction beyond such uses will be rejected to avoid conflict with the First Amendment. *CPC Int’l v. Skippy Inc.*, 214 F.3d 456, 462 (4th Cir. 2000).

Several courts have recently refused to apply trademark law to Internet domain names for wholly noncommercial web sites that comment on the trademark holder or its goods or services. For example, *TMI v. Maxwell*, — F.3d —, 2004 WL 848271 (5th Cir.), involved a web site created by a dissatisfied consumer about a home builder whose line of housing was called Trendmaker Homes; the web site was www.trendmakerhome.com. The Court rejected claims under the federal and state trademark statutes and the ACPA because the site was non-commercial. In *Taubman v. WebFeats*, 319 F.3d 770 (6th Cir. 2003), the court held that a noncommercial web site about a shopping mall could not be enjoined under the trademark laws because it contained no advertising and was not promoting any competing malls. Similarly, in *Bosley Medical Institute v. Kremer*, 2004

WL 964163 (S.D. Cal.), a consumer web site that discussed a history of actions by state medical boards against the plaintiff, using the domain name www.bosleymedical.com, was held to be immune from scrutiny under the trademark laws because of the non-commercial character of the web site. In *Northland Ins. Co. v. Blaylock*, 115 F. Supp.2d 1108 (D. Minn. 2000), a web site that complained about the inadequate sum paid on an insurance claim, and sought to force the payment of more money through adverse publicity, was held outside the reach of the trademark laws because it was noncommercial. In *Ficker v. Tuohy*, 305 F.Supp.2d 569 (D. Md. 2004), trademark claims were brought under section 43 of the Lanham Act and state law by a candidate for Congress named Robin Ficker against a consultant for his opponent in the then-imminent Republican primary who had created a non-commercial web site at www.robinficker.com to highlight stories about Ficker's colorful behavior. Although Ficker used his name commercially in his law practice, the First Amendment trumped Ficker's trademark claims, particularly because the web site was entirely noncommercial. And *Crown Pontiac v. Ballock*, 287 F. Supp.2d 1256 (ND Ala 2003), overturned a preliminary injunction against a consumer who created "crownpontiacnissan.com" to complain about plaintiff's botched repair of his sunroof, in part because the site was entirely noncommercial.

Falwell may argue that the temporary presence, several years ago, of a page that recommended a particular book about the proper interpretation of biblical verses bearing on attitudes toward gays makes Lamparello's use of the domain name commercial. That argument would not be well taken. The recommendation of the book is comparable to the "Treasure Chest" on Maxwell's web site in *TMI v. Maxwell*, 2004 WL 848271 (5th Cir. 2004), or to the link to web sites about the hair industry which were themselves commercial in *Bosley Medical Institute v. Kremer*, 2004 WL 964163. In both cases, the courts deemed the gripe site to be non-commercial because the commercial references were not paid advertising and were not central to the purpose of the web site,

and because the gripe site operator had not accepted any payments for the links or for sales that resulted from the links. Moreover, the commercial activity on the linked pages did not make the defendants' own web sites commercial. Indeed, the *New York Times* accepts advertising, but that does not make the speech on the news pages of the *Times* commercial speech, or deprive the *Times* of the full protection that the First Amendment gives to non-commercial speech. See *New York Times v. Sullivan*, 376 U.S. 254 (1964) (giving full First Amendment protection even for statements in a paid advertisement).

In a few cases, courts have suggested that certain web sites and domain names were rendered "commercial" by dint of their potential for adverse impact on those plaintiffs' commercial activities. E.g., *People for Ethical Treatment of Animals v. Doughney*, 113 F. Supp. 2d 915 (E.D. Va. 2000), *aff'd on other grounds*, 263 F.3d 359, 363, 368 (4th Cir. 2001 ("PETA")); *Trade Media Holdings v. Huang & Assoc.*, 123 F. Supp.2d. 233, 242 (D.N.J. 2000); *Christian Science Bd. v. Robinson*, 123 F. Supp.2d 965, 971 (W.D.N.C. 2000), *aff'd*, 259 F.3d 209 (4th Cir. 2001); *Bihari v. Gross*, 119 F. Supp.2d 309, 317 (S.D.N.Y. 2000). However, in every one of these cases, the opinion either upholds the defendant's use of the mark, or finds that the defendant was in fact using the mark to raise money or sell its own goods or services or to help a friendly person or group sell its goods. Consequently, the proposition that impact on the trademark holder's business is sufficiently "commercial" to permit trademark liability is plainly dicta in each such case.

In *PETA*, for example, the defendant had registered many domain names, some using marks owned by others, and made statements to the press suggesting that the domain name www.peta.org was for sale and urging that PETA "make me an offer." 263 F.3d at 363. Moreover, defendant had linked from the home page to a large number of commercial operations that dealt in animal products, not only in an effort to encourage commercial dealings in such products, but to increase the pressure

on PETA to buy his domain name because the links were to businesses that were anathema to PETA.

Id. Equally important, the court did not hold that the requirements of “use in commerce” or commercial use were met, because the defendant conceded that his use was “in commerce” and argued only that his use was not “in connection with . . . goods or services.”*Id.* at 365.

Moreover, the dicta in such cases, finding commercial use from adverse impact, are not persuasive. See *Ford Motor Co. v. Greatdomains.com*, 177 F. Supp.2d 635, 655 (E.D. Mich. 2001); *Bosley v. Kremer*, 2004 WL 964163. None of the cases discusses the statutory term “use in commerce” and explains how the dicta are consistent with the statutory definition of that term and with Congress’ evident intent to confine the meaning of that term. Nor do the cases discuss such Supreme Court cases as *Organization for a Better Austin v. Keefe*, 402 U.S. 415, 418 (1971), or *NAACP v. Claiborne Hardware*, 458 U.S. 886 (1982), which apply the full First Amendment protections accorded to non-commercial speech to activity directed toward boycotts of business. And the dicta are inconsistent with the Fourth Circuit’s decision in *CPC Int’l v. Skippy Inc.*, 214 F.3d 456, 462 (4th Cir. 2000), which held that criticism of the maker of Skippy peanut butter was non-commercial, despite its obvious potential for adverse impact on the plaintiff’s business. Moreover, if use of a trademark becomes “commercial” simply because it has an adverse impact on markholder’s commercial activities, then all consumer commentary and all news reporting would automatically be commercial, nullifying Congress’ 1996 amendment of section 43, its 1999 proviso to the cybersquatting statute that explicitly preserves the protections of that 1996 amendment for the registrants and users of domain names, and its strict definition of the term “use in commerce.” Accordingly, the Court should not follow these dicta, but should grant summary judgment.

C. Lamparello’s Web Site Is Not Likely to Confuse Viewers About Whether Falwell Sponsors It, and Lamparello’s Use of the Name “Fallwell” Is Fair Use as a Matter of Law.

Summary judgment should also be granted because no reasonable person could possibly be confused about whether Falwell is the sponsor of Lamparello's web site. Likelihood of confusion with respect to the source, sponsorship or affiliation of the goods or services that are being labeled is a key element of both an infringement cause of action under section 32 of the Lanham Act and a false description of origin claim under section 43 of the Lanham Act.^{4/}

“[T]he general concept underlying likelihood of confusion is that the public believe the ‘the mark’s owner sponsored or otherwise approved of the use of the trademark.’” *Wynn Oil Co. v. Thomas*, 839 F.2d 1183, 1186 (6th Cir. 1988). Thus, trademark law does not protect against just any kind of confusion, only confusion about source. The courts have long followed this principle: “the imitated feature must be regarded by prospective purchasers as identifying the source of the product. . . . It is **only when the feature in fact identifies source and the imitation is likely to deceive prospective purchasers who care about source** that the imitator is subject to liability.” *West Point Mfg. Co. v. Detroit Stamping Co.*, 222 F.2d 581, 590 (6th Cir. 1955) (emphasis added). Other courts agree: “All of the[] legitimate trademark purposes derive ultimately from the mark’s representation of a single fact: the product’s source. It is the source denoting function which trademark laws protect, and nothing more.” *Anti-Monopoly v. General Mills Fun Group*, 611 F.2d 296, 301 (9th Cir, 1979); *Smith v. Chanel*, 402 F.2d 562, 566-569 (9th Cir. 1968) (explaining how confining trademark law to this function best serves consumers’ and companies’ interests). “The limited purpose of trademark protections set forth in the [Lanham Act] is to avoid confusion in the marketplace by allowing a trademark owner to prevent others from duping consumers into buying a product they

^{4/}Because “likelihood of confusion is the basic test for both common law trademark infringement and federal statutory trademark infringement,” *Dr. Seuss Enterprises v. Penguin Books*, 109 F.3d 1394, 1403 (9th Cir. 1997); *Lone Star Steakhouse v. Alpha of Va.*, 43 F.3d 922, 930 n.10 (4th Cir. 1995), we do not analyze the federal and state trademark claims separately.

mistakenly believe is sponsored by the trademark owner. Trademark law aims to protect trademark owners from a false perception that they are associated with or endorse a product.” (internal quotes and citations omitted). *Mattel v. Walking Mt. Prod.*, 353 F.3d 792, 806 (9th Cir. 2003). “The trademark laws exist not to ‘protect’ trademarks, but . . . to protect the consuming public from confusion, concomitantly protecting the trademark owner’s right to a non-confused public.” *James Burrough Ltd. v. Sign of Beefeater*, 540 F.2d 266, 276 (7th Cir. 1976). *Accord Communications Sat. Corp. v. Comcet*, 429 F.2d 1245, 1252 (4th Cir. 1970).

No reasonable person could be confused about whether Lamparello’s web is sponsored by Falwell. To be sure, the courts have held that a company’s use of a business **competitor’s** trademark in its domain name may be a basis for finding a likelihood of confusion about the source of the web site, because of the danger of “initial interest confusion.” *Brookfield Communications v. West Coast Video*, 174 F.3d 1036, 1053-1065 (9th Cir. 1999). However, the courts have developed the concept of “nominative fair use,” where the speaker uses the trademark to speak about the trademark holder or its goods and services. *Brookfield Communications v. West Coast Video*, 174 F.3d 1036, 1065-66 (9th Cir. 1999); *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 546 (5th Cir. 1998); *New Kids on the Block v. New America Pub.*, 971 F.2d 302, 306-309 (9th Cir. 1992); *see also* McCarthy on Trademarks § 23.11. This concept reflects the principle that the owner of a trademark cannot use his control over that mark to prevent others from expressing their constitutionally protected opinions.

Thus, for example, the courts uniformly hold that the concept of fair use, as construed consistently with the First Amendment, allows the publisher or author of a book about a famous person to use that person’s name in the title of the book. *Twin Peaks Production v. Publications Int’l*, 996 F.2d 1366, 1379 (2d Cir. 1993); *Rogers v. Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989);

Mattel v. MCA Records, 296 F.3d 894, 902 (9th Cir. 2002). Domain names can play the same role as a book title in denominating the subject of the underlying web site. For example, “apples.com” is the domain name of a web site about apples, even though “Apple” is also the trademark of a well-known computer company.

Many of the cases in the foregoing discussion on non-commercial speech, *supra* pages 14-15, upheld the rights of consumers to use domain names based on trademarks where the underlying web sites were **about** the trademarked item. The leading case involved a consumer who established a web site at *shopsatwillowbend.com* about a neighboring shopping mall, and placed a clear and unequivocal disclaimer of affiliation along with a hyperlink to the official site established by the mall’s developer. The court held that this name and site did not violate the trademark laws. *Taubman v. WebFeats*, 319 F.3d 770, 776-777 (6th Cir. 2003).

The Seventh Circuit reached a similar result in the commercial context in *Ty v. Prettyman*, 306 F.3d 509 (7th Cir. 2002). The decision overturned an injunction against an unauthorized reseller of Beanie Babies who used the name “bargainbeanies.com” for a website that marketed Beanie Baby products. Because Prettyman was entitled under trademark law to tell the consuming public that her website was one to which they could come to find Beanie Babies, Judge Posner held that trademark law could not deprive Prettyman of the right to truthfully identify the content of her website by placing the trademark “Beanie” in her domain name. *Id.* at 514-515. Just as Prettyman’s interest in identifying the products she was selling through her web site gave her the right to use the trademarked name for that product in her domain name, Lamparello’s interest in identifying the subject of his criticisms entitles him to use a parody of Falwell’s name as his domain name.

The Sixth Circuit reached the same result in a case brought exclusively under the ACPA. *Lucas Nursery and Landscaping v. Grosse*, 359 F.3d 806 (6th Cir. 2004). The plaintiff there sued

Michigan consumer Michelle Grosse for setting up a purely non-commercial web site at www.lucasnursery.com that criticized work done by a local company of that name. The Court discussed a variety of factors, noting that a number of them cut against Grosse, but stressed that the central goal of the ACPA was to attack a particular evil – registering numerous trademarks as domain names for the purpose of selling them to the trademark owners – that simply was not present in that case. The Court concluded as follows:

Although Grosse’s actions would arguably satisfy three of the four aforementioned factors, she does not fall within the factor that we consider central to a finding of bad faith. She did not register multiple web sites; she only registered one. Further, it is not clear to this Court that the presence of simply one factor that indicates a bad faith intent to profit, without more, can satisfy an imposition of liability within the meaning of the ACPA. The role of the reviewing court is not simply to add factors and place them in particular categories, without making some sense of what motivates the conduct at issue. The factors are given to courts as a guide, not as a substitute for careful thinking about whether the conduct at issue is motivated by a bad faith intent to profit. Perhaps most important to our conclusion are, Grosse’s actions, which seem to have been undertaken in the spirit of informing fellow consumers about the practices of a landscaping company that she believed had performed inferior work on her yard. One of the ACPA’s main objectives is the protection of consumers from slick internet peddlers who trade on the names and reputations of established brands. The practice of informing fellow consumers of one’s experience with a particular service provider is surely not inconsistent with this ideal.

Id. at 811.^{5/}

Several district courts have recently reached similar conclusions. In *Bosley Medical Institute v. Kremer*, 2004 WL 964163 (S.D. Cal.), the web site was erected by a dissatisfied customer of a “hair restoration company” at www.bosleymedical.com and www.bosleymedicalviolations.com. As in this case, the web site included a disclaimer along with

⁵In the Fourth Circuit’s *Skippy* case, although the discussion focussed on the content of the web site rather than its domain name, the court reversed an injunction against criticism of the maker of Skippy Peanut Butter on a web site located at the domain name “skippy.com.” 214 F.3d at 458.

a hyperlink to the official bosley.com web site. The district court granted summary judgment, finding no likelihood that Internet visitors would be confused about the sponsorship of the web site. *Id.* at *10. Likewise, when an auto dealership sued a customer who created “crownpontiacnissan.com” to complain about the plaintiff’s botched repair of his sunroof, the court not only held that no injunction should be granted, but awarded damages against the dealership for wrongful issuance of a preliminary injunction. *Crown Pontiac v. Ballock*, 287 F. Supp.2d 1256 (N.D. Ala. 2003). And, when a dissatisfied customer created northlandinsurance.com to publicize his grievances about the small amount that Northland Insurance Company had paid on a claim that he had submitted, the court held that the consumer had made a legitimate use of the domain name for the purpose of expressing his opinions about the complaining company. *Northland Ins. Co. v. Blaylock*, 115 F. Supp.2d 1108 (D. Minn. 2000). The web site was critical of the plaintiff on its face, and there was no possibility that any member of the public could have been confused about whether Northland was the sponsor of the web site. The district court refused to find likelihood of confusion because, even if someone visited the web site accidentally, on the assumption that it was the insurance company’s own, any initial confusion would be immediately dispelled by the obviously critical nature of the site, and such temporary confusion does not amount to likelihood of confusion in the context of a gripe site. *Id.* at 1120-1122.

Indeed, in several recent cases involving purely commercial enterprises, judges have rejected the idea that the mere fact that a domain name uses the trademark of another person presents a sufficient likelihood of confusion to warrant a finding of infringement under the Lanham Act. *Chatam Int’l v. Bodum, Inc.*, 157 F. Supp. 549 (E.D. Pa. 2001), *aff’d mem.*, 40 Fed.Appx. 685 (3d Cir. 2002); *Strick Corp. v. Strickland*, 162 F.Supp.2d 372 (E.D.Pa. 2001). These courts have noted that the claim of infringement rests on the doctrine of “initial interest confusion” – that is, a claim

that a site unfairly lures customers by causing confusion about who is the source of the product or service even if the customers would eventually learn, before the time of actual purchase, that they are dealing with a different company. However, “there is a difference between inadvertently landing on a web site and being confused,” *The Network Network v. CBS*, 54 U.S.P.Q.2d 1150, 1155 (C.D. Cal. 2000), and Internet users “are inured to the false starts and excursions awaiting them in this evolving medium.” *Chatam, supra*, at 558-559. If they do not find what they are seeking with their first guess about how to find it, they will try another approach. *Id.* For example, if name-guessing does not take an Internet user to the defendants’ page, and that is where the person wants to go, he may turn to a search engine to find Falwell’s own page. But the trademark laws do not protect against this sort of momentary confusion when the site does not promote a competing product. *Strick Corp., supra*, 162 F. Supp.2d at 277. *See also* Maynard, *The Initial Interest Confusion Doctrine and Trademark Infringement on the Internet*, 57 Wash. & Lee L. Rev. 1303 (2000) (warning that expansive application of the doctrine to the Internet threatens the core values of trademark law as well as of the First Amendment).

The attached affidavit from Professor Milton Mueller, one of the nation’s preeminent experts on the domain name system, explains the technological and social developments that support these courts’ analyses. Professor Mueller explains that, in the very early days of the web, members of the public sometimes used name guessing to locate the official web sites of companies and other entities by typing their names plus the “dot-com” top level domain into a browser window. However, for a variety of reasons, including the huge increase in the total number of domain names, the increased use and advertising of abbreviated domain names, the proliferation of top-level domains other than .com, the increasing effectiveness of search engines, and public recognition of the inadequacies of name guessing, name guessing has declined as a way for the public to find web sites in which they

are interested. Mueller Aff, at 4-7.^{6/}

Here, Lamparello is using Falwell's name on his web site and in his domain name solely for the purpose of describing the subject matter of his site and the target of his criticisms. As such, Lamparello fits comfortably within the fair use and nominative use defense recognized in *New Kids on the Block v. News America Pub.*, 971 F.2d 302 (9th Cir. 1992), and in *Playboy Enterprises v. Welles*, 78 F. Supp.2d 1066, 1073-1075 (S.D. Cal. 1999), *aff'd*, 279 F.3d 796 (9th Cir. 2002). *Welles* made clear that nominative fair use applies to criticisms as well as favorable references. 279 F.3d 796 at 804.

For all of these reasons, the Court should not follow all of the reasoning that was used in such early cases as *PETA v. Doughney*, which found that the trademark laws were violated by the creation of a web site that parodied People for the Ethical Treatment of Animals at a domain name that precisely mimicked PETA's own mark. However, the differences between this case and that one warrant a different result here.

First, in *PETA* the court rejected the parody defense on the ground that the parody was not reflected in the domain name itself. 113 F. Supp.2d at 921, *aff'd*, 263 F.3d at 366-367. In this case, however, the domain name fallwell.com is a parody on the Falwell surname, playing on the pronunciation of the name "fall - well," and expressing the wish that Falwell should "fall."

Second, unlike arbitrary marks People for the Ethical Treatment of Animals or its acronym, PETA, Falwell and Fallwell are surnames shared by more than one thousand living individuals. Many of those individuals use their surnames commercially, and hence each of them has at least a common law trademark in the surname. And, whether or not each person with that last name uses

⁶Professor Mueller also points out that as a religious figure, Falwell's natural top level domain, and thus the address at which a name-guesser might have thought to find his web site, would have been falwell.org rather than falwell.com. Aff. at 4.

their name commercially, each has a plausible interest in having a domain name that incorporates their last name, just as any person who wants to say something about them has an interest in such a domain name. Trademark law provides no reason why any one Falwell or Fallwell should have a pre-eminent interest in obtaining the domain name fallwell.com. Moreover, trademark law has long been cautious about extending exclusive rights to personal names, precisely because the result would be to prevent legitimate uses of that name by the many persons who were not granted trademark rights. *Peaceable Planet. v. Ty, Inc.*, 362 F.3d 986 (7th Cir. 2004). To be sure, Falwell has used his name enough that it has acquired secondary meaning within the religious world, but that does not mean that Jerry Falwell should be given a supervening right to use the domain name “fallwell.com” over children’s book author Cathryn Falwell, fashion photographer Tony Falwell, appraiser and family genealogist Marshall Fallwell, or pornographic film-maker Terrence Fallwell, not to speak of members of the public who might want to use the name to discuss any of those individuals.

D. The Cybersquatting Claim Should Be Dismissed Because Lamparello Did Not Have a Bad Faith Intent to Profit and Because He Is Protected by the Safe Harbor Provision.

Two additional grounds provide bases for granting summary judgment against the ACPA claim: Lamparello did not have “a bad faith intent to profit,” and he is protected by the ACPA’s safe harbor provision.

First, to establish a violation of the ACPA, Falwell must show **both** that Lamparello registered the name for the bad faith purpose of profiting from the mark, section 1125(d)(1)(A)(i), **and** that Lamparello’s domain name is “identical or confusingly similar” to Falwell’s mark. Section 1125(d)(1)(A)(ii). Although the domain name is admittedly similar to Falwell’s surname under prong (ii), there is no “bad faith intent to profit” as required by prong (i). The existence of a bad

faith intent to profit is adjudged by the consideration of nine separate factors; the presence of one of more of the first four factors tends to suggest the absence of bad faith, while presence of one of more of the remaining five factors tends to suggest the presence of bad faith. In Lamparello's case, he has none of the "negative" factors (such as registering many trademarks as domain names, 15 U.S.C. § 1125(d)(1)(B)(i)(VIII) or offering domain names for sale at exorbitant prices, 15 U.S.C. § 1125(d)(1)(B)(i)(VI), and he fits squarely within "positive" factor (iv), 15 U.S.C. § 1125(d)(1)(B)(i)(IV), because he has made a bona fide non-commercial and fair use of the mark. Moreover, as the Sixth Circuit explained in *Lucas Nursery*, this is a factor whose presence tends to override all the other factors, because the registration and use of a domain name for a web site that comments on a trademark holder is just the kind of use that Congress meant to protect when it enacted the ACPA. 359 F.3d at 811.

Finally, the undisputed evidence is that Lamparello registered the domain name because he considered that the name of the site should identify its subject. Lamparello Affidavit ¶¶ 2-3. 15 U.S.C. § 1125(d)(B)(ii) provides that "Bad faith intent . . . shall not be found in any case in which the court determines that the person believed and had reasonable grounds to believe that the use of the domain name was a fair use or otherwise lawful." Given the extensive use of domain names in the same format as Lamparello's and given the case law on the subject, the Court should find an absence of bad faith intent to profit under this provision alone.

E. Falwell's Trademark Claims Should Be Dismissed as Untimely.

Finally, summary judgment should be granted because that Falwell's claims are barred by the statute of limitations and by the doctrine of laches. Lamparello registered his domain name and posted his web site in February, 1999, nearly five years before Falwell filed his trademark counterclaim against Lamparello. This belated filing violates the statute of limitations and the

doctrine of laches.

Neither the Lanham Act generally nor the ACPA contains an express limitations provision. Because the ACPA created a new cause of action, and was enacted after December 1, 1990, its statute of limitations is four years. 28 U.S.C. § 1658; *Jones v. R.R. Donnelley & Sons*, 124 S.Ct. 1836 (2004). Falwell's counterclaim, brought more than four years after Lamparello registered the domain name and created his web site, is plainly untimely.⁷

The other Lanham Act causes of action were created before 1990, and so it is necessary to borrow a limitations period from state law. We have found no cases from the Virginia courts establishing a limitations period for trademark claims, but there are two conflicting decisions from this District – *Unlimited Screw Products v. Malm*, 781 F. Supp. 1121, 1125-1126 (E.D. Va. 1991), holding that the limitations period for personal injury claims applies (two years pursuant to the 1987 amendment to Va.Code § 8.01-243(A), and *Hoey v. Dixel Sys. Corp.*, 716 F. Supp. 222, 224 (E.D. Va. 1989), holding that the five year period of injury to property applies. Although we recognize that *Hoey* was decided by this Court, we believe that *Unlimited Screw* was correct to point out that *Hoey* simply announced the limitations period rather than explaining it, and that the Virginia courts have construed very strictly the requirement of a direct injury to property, rather than simply to personal interests in reputation or a stronger business, which makes the “property” period inapplicable to Lanham Act claims. 781 F. Supp. at 1126 n.5, 1127, citing *Brown v. ABC*, 704 F.2d 1296 (4th Cir. 1983), and *Pigott v. Moran*, 231 Va. 76, 341 S.E.2d 179 (1986).

Falwell will argue that his action is timely because Lamparello's web site remains on the web, and that the trademark is infringed anew each time the site is accessed. However, the courts

⁷To avoid the need for discovery into defendants' trademark enforcement efforts, defendants agreed not to argue that they did not discover Lamparello's alleged violation at around the time it first occurred. LevyAf. ¶ 2 and Exhibit B.

have applied the single publication rule to allegedly tortious Internet speech, holding that the time to sue accrues when the web site is first published, not each time the site is seen. *Traditional Cat Ass'n v. Gilbreath*, 2004 WL 964751 (Cal. App. May 6, 2004); *McCandliss v. Cox Enterprises*, 593 S.E.2d 856 (Ga.App.2004); *Firth v. State*, 98 N.Y.2d 365, 747 N.Y.S.2d 69, 71-72, 775 N.E.2d 463 (2002). See also *Cuccioli v. Jekyll & Hyde Neue Metropol Bremen Theater Produktion*, 150 F.Supp.2d 566 (S.D.N.Y. 2001) (applying single publication rule to web site that sold goods allegedly invading privacy). Virginia recognizes the single publication rule when a mass publication is alleged to be tortious. *Myska v. RMS Technologies*, 25 Va. Cir. 344, 1991 WL 835248.

Even if the Court did not apply the single publication rule to bar Falwell's claims here, the selection of the proper limitations period is also relevant to Lamparello's laches defense. When the delay in filing suit extends longer than the applicable limitations period, the plaintiff has a heavy burden of proving the absence of prejudice to the defendant; if the delay is shorter than the limitations period, the defendant has the burden of showing prejudice. *Connor v. Teamsters Local 107*, 378 F. Supp. 1069, 1072 (E.D. Pa. 1974). Here, there is undisputed evidence of prejudice in the two forms that the courts have recognized – loss of evidence that Lamparello might have used to support his case, and actions that Lamparello might have undertaken differently had he not acted in reliance on Falwell's inaction. See *Odetics, Inc. v. Storage Technology Corp.*, 919 F. Supp. 911, 918-919 (E.D. Va. 1996).

The loss of evidence consists of Falwell's allowing the destruction of evidence of the number of visits to his web site from the time he first placed that site online in 1998, using the facilities of a commercial ISP, through mid-2002 when he moved his site to servers maintained by his own Thomas Road Baptist Church, and then the continued destruction of such data through April 12, 2004. Lamparello should have been able to use the data to show that when his own web site came

online in February 1999, there was no resultant decrease in the number of visits to Falwell's official site, and that over the years the continuing existence of his site and the rising number of visitors he received did not have any statistically discernible impact on traffic to Falwell's site. This evidence, which would have borne on the question of actual confusion, was lost because Lamparello could not take discovery until the trademark claims were brought to court, but Falwell took no steps to preserve the data that was made available to him by his commercial ISP through August 2002, or the data that was maintained by his own church since August 2002.

Lamparello has also suffered prejudice from his reliance on Falwell's inaction because data concerning traffic to his web site shows without question that many of his visitors come to the site either through search engines, or through links to his web site, or simply because they know the web addresses of many of the pages within his web site, and not because they are engaged in random name guessing. Lamparello Affidavit ¶¶ 16-17; Steele Affidavit ¶¶ 15-20. If Lamparello were to be deprived of his domain name, all these sources of web traffic would be lost to him. Had Falwell brought this action back in 1999, when the web site was first created, Lamparello would have had the opportunity to choose a different domain name and build up traffic to his web site at that address. Lamparello's reliance interest in the consequences of Falwell's inexcusable delay in filing suit should be protected here by the application of the doctrine of laches to dismiss this action.

Respectfully submitted,

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