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Trademarks in Metatags: An Evolution

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Website owners often embed a competitor's trademarks in their sites to attract consumers seraching for the competitor's brand. In other cases, metatags are used by a party looking to commercially exploit the searched-for brand. This article describes how courts have addressed the use of metatags in websites in the United States, and how that analysis may now be shifting.

Metatag Basics

Metatags are words or phrases embedded into the coding of webpages. They have been defined as "a list of words hidden in a website acting as an index or reference source identifying the content of the web site for search engines." J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 25:69 (4th ed. 2003).

Metatags are placed in a webpage's header. Typically, they contain such information as a general description, author, date, keywords and other data concerning the page or document. See http://en.wikipedia.org/wiki/Meta_tags; www.sun.com/webdesign/guidelines/metatags.html. A page's metatags usually can be viewed by right-clicking on the page and clicking on "view source" in Internet Explorer or "view page info" or "view source" in Mozilla Firefox.

Metatags are invisible to users viewing the page, but they can be "seen" by Internet search engines. If a user searches for a particular term, search engines may rank webpages whose metatags include that term high in the list of relevant results.

A number of U.S. cases have found that the use of another party's protected trademark in website metatags to draw traffic to a competitor's site or increase Internet search page rankings constituted infringement, particularly under an "initial interest confusion" theory. But the courts also recognize that sometimes metatag uses can be fair. And at least one recent appellate decision has noted that changing website search technology has made questionable the utility of metatags to improve search rankings, and thus the ability of metatags to lead to any likelihood of consumer confusion.

Initial Interest Confusion Theory

In 1999, the U.S. Court of Appeals for the Ninth Circuit held that the use of another company's mark in a website's metatags constituted infringement. *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*, 174 F.3d 1036 (9th Cir. 1999). That court found that by using such metatags, the site improperly traded off the mark owner's goodwill in order to attract consumers' attention. The court equated such metatag use to "posting a sign with another's trademark in front of one's store." Such use was found to have created initial interest confusion, even though, by the time of purchase, consumers

knew the online source from which they were buying the goods and understood it was not connected to the plaintiff.

As defined by the Seventh Circuit in a 2002 case, initial interest confusion occurs "when a customer is lured to a product by the similarity of the mark, even if the customer realizes the true source of the goods before the sale is consummated." *Promatek Industries, Ltd. v. Equitrac Corp.*, 300 F.3d 808, 812 (7th Cir. 2002). That decision found that the use of a competitor's mark in a party's website metatags diverted customers to that party and was likely to cause confusion, thus infringing the mark.

A 2006 Ohio court agreed with the Ninth Circuit and found that use of another's ATP marks in metatags to draw customers to a competitor's website created a likelihood of confusion. It noted that initial interest confusion could be equated with actual confusion under Sixth Circuit law. *Tdata Inc. v. Aircraft Technical Publishers*, 411 F. Supp.2d 901 (S.D. Ohio 2006). The court also rejected a fair use defense because use of the ATP marks as metatags did not "simply and fairly" refer to the mark owner's products in a descriptive sense, but was made "in a bad faith, bait-and-switch, create-initial-confusion sense." See also *Gibson Guitar Corp. v. Paul Reed Smith Guitars, LP*, 423 F.3d 539, 544 n.4 (6th Cir. 2005) (leaving open the possibility that initial interest confusion could apply to websites).

Also in 2006, the Tenth Circuit ruled that a defendant's use of the plaintiff's trademark in metatags within a website that offered competing goods and purchase of a listing position in a search engine to achieve higher search engine rankings, was sufficient to establish initial interest confusion and trademark infringement. *Australian Gold, Inc. v. Hatfield*, 436 F.3d 1228 (10th Cir. 2006). In the Internet context, noted the court, initial interest confusion "derives from the unauthorized use of trademarks to divert internet traffic, thereby capitalizing on a trademark holder's goodwill."

In a 2008 decision, the Eleventh Circuit sided with the Seventh Circuit's earlier *Promatek* decision. The court found that use of two of a plaintiff's registered trademarks in the defendant's website metatags was intended to influence Internet search engines. *North American Medical Corp. v. Axiom Worldwide, Inc.*, 522 F.3d 1211 (11th Cir. 2008). GOOGLE searches of the trademarks resulted in the listing of defendant's site as the second relevant search result. This conclusion, however, resulted not from actual evidence of a direct causal link between the metatags and the search results, but from the district court's "implied finding of a causal relationship." 522 F.3d at 1217 n.3.

Fair Use?

Not all metatag uses of others' marks have been found to infringe. In a recent case in Wisconsin, a federal court noted that because the defendant's site sold genuine products of the plaintiff and the site owner was not a direct competitor of the plaintiff, there was no infringement. *Standard Process, Inc. v. Banks*, 554 F. Supp.2d 866 (E.D.Wis. 2008). The case looked to whether inclusion of the metatag was a fair, or descriptive, use of the plaintiff's embedded trademark STANDARD PROCESS.

An Arizona court recently found that use of the plaintiff's mark in a defendant Internet retailer's metatags and search engine keywords did not result in initial interest confusion where the marks were embedded to truthfully assist consumers in locating the plaintiff's genuine products available for sale through the site. In this instance, the defendant posted a disclaimer that it was not affiliated with or authorized by any manufacturer to sell that company's products. *Designer Skin, LLC v. S & L Vitamins, Inc.*, 560 F. Supp.2d 811 (D. Ariz. 2008).

A 2008 New Jersey decision sided with the reasoning of the Arizona case. The defendant used the plaintiff's mark only once in a metatag on its website to assist in describing capabilities of its technology

product that lawfully converted a software script marketed under the trademark. Because the technology product could not be marketed without reference to the plaintiff's branded software, the metatag use also constituted fair use. The court contrasted this to situations where a party uses another's mark repeatedly in metatags to cause its site to rank higher than the mark owner's site in search engine results. *Syncsort Inc. v. Innovative Routines International Inc.*, 2:04-cv-03623 (D.N.J. Apr. 30, 2008) (Not for Publication), also noting that the Third Circuit approved the initial interest confusion doctrine in *Checkpoint Systems, Inc. v. Check Point Software Technologies, Inc.*, 269 F.3d 270, 293-95 (3d Cir. 2001).

In August 2008, the First Circuit referred to embedded use of a plaintiff's mark in the defendant's metatags, as well as in white lettering on a white background to make it illegible, as evidence of infringement. But the defendant admitted having taken these actions to attract users to its website, which competed with the plaintiff in the same market for the same types of products. *Venture Tape Corp. v. McGills Glass Warehouse*, 540 F.3d 56 (1st Cir. 2008). The defendant argued there was "no way of knowing whether or not his use of the [plaintiff's] marks on the ... website had been successful, i.e., whether the marks actually lured any internet consumer to the website." The court rejected this, noting that the argument addressed only whether there was actual confusion, and that "proof of actual confusion is not essential to finding likelihood of confusion."

Use in Commerce?

The question of whether trademarks used in metatags constitutes use in commerce, which is required to find a likelihood of confusion, continues to divide U.S. courts.

For example, in 2007, a New York district court held that use of a mark as a keyword in metatags did not constitute "use in commerce" and thus could not be infringing. *FragranceNet.com, Inc. v. FragranceX.com, Inc.*, No. 06-CV-2225 (E.D.N.Y. June 12, 2007). No trademark usage was found where a competitor used a mark as a keyword to prompt the competitor's appearance as a sponsored link in search engine results or used the mark in the website's metatags. The link to the website appeared both within the search results screen and immediately proximate to the search results screen upon a request for the trademark owner's website; however, it did not place the mark on any goods or services.

In the 2008 Axiom case, Axiom argued the same point: its use of metatags reflecting the plaintiff's mark was not "use in commerce" because the hidden tags were never seen by a consumer. The court, however, readily found such use in commerce because Axiom used the tags for the purpose of promoting and advertising its products on the Internet and the mark was visible in search results.

The Eleventh Circuit's decision in *Axiom* distinguished, but also took issue with, the Second Circuit's decision in *1-800 Contacts, Inc. v. WhenU.com, Inc.*, where the defendant generated pop-up ads that appeared over the plaintiff's website by reproducing a website address similar to the plaintiff's mark. 414 F.3d 400 (2d Cir. 2005). That website address was stored in a directory that was inaccessible and unreadable to the public, and the pop-up ads could not be triggered by inputting just the plaintiff's mark on a webpage accessed by the user. The Second Circuit had found that under these circumstances such use did not constitute "use in commerce."

Other cases involving use of hidden links include the following:

- *Site Pro-1, Inc. v. Better Metal, LLC*, No. 06-CV-6508 (E.D.N.Y. May 9, 2007) (sponsored link containing trademark did not constitute "use" in commerce)
- *U-Haul International, Inc. v. WhenU.com, Inc.*, No. 1:02-CV-01469 (E.D. Va. Sept. 5, 2003) (pop-up ads appearing in a separate window on a user's computer, blocking a trademark holder's advertisement,

were not a "use in commerce")

Impact of New Search Methodologies

In the Standard Process case, the Wisconsin district court found that "modern search engines make little if any use of metatags" and instead primarily use algorithms that rank a website by the number of other sites that link or point to it. 554 F. Supp.2d at 871 (quoting 4 *McCarthy on Trademarks and Unfair Competition* § 25:69 (4th ed. 2003)). This change in search methodology arose precisely because website owners were manipulating keywords in metatags to facilitate higher search engine rankings.

The GOOGLE search engine, for example, ranks sites "based on how many other Web sites include hyperlinks to it, and on the worth of those other sites." See "Want top search results? Tread carefully" (Sept. 8, 2008) at http://news.cnet.com/8301-1023_3-10034107-93.html?tag=nl.e703. GOOGLE offers guidelines to developers on how to honestly maximize search results and rankings by proper use of links that point to important parts of a website. See www.google.com/support/webmasters /bin/answer.py?hl=en&answer=35769.

The *Standard Process* court questioned whether the analysis of the *Promatek* case was still valid in light of changed search engine methodologies, which might no longer support the argument that a mark used in metatags was likely to cause confusion because sites were not being included in search engine results merely because of embedded metatags.

But even if the rationale of *Promatek* was still valid, the Wisconsin court found there still would be no likelihood of confusion under the facts of that case. This was so because although entering the plaintiff's "Standard Process" mark into a search engine would divert users to the defendant's website, that site did not directly compete with the plaintiff and consumers could actually purchase the mark owner's unaltered goods on the site (similar to the "fair use" cases).

Evolving Standards

So, what guidance can be gleaned from this seemingly unsettled body of law?

In light of changing technology, the discussion in the Wisconsin *Standard Process* case comes closest, among the cases so far, to actually making a factual assessment as to whether metatags still have any technical utility in affecting search results. We are also seeing some erosion of the Ninth Circuit's *Brookfield Communications* decision respecting metatags creating initial interest confusion.

It seems that courts may increasingly require plaintiffs to make some initial showing of causation between use of marks in a metatag and any initial interest, or actual, confusion arising from the public's use of web-based search engines. Where an embedded metatag can be established as at least one precipitating cause of a site's search ranking, coupled with evidence of a defendant's intent to use a metatag for this purpose, it will serve as evidence of initial confusion and/or intent to trade on a party's goodwill, and thus, aid in a finding of infringement. But as search technology evolves away from the use of metatags to affect search rankings, the utility of the initial interest theory becomes questionable.

On the other hand, if a metatag is used in good faith for descriptive or other fair use purposes, including truthful comparative advertising and sales of an owner's unaltered goods (absent any other contractual restrictions on such sales by distributors), then initial interest confusion and infringement likely will not be found. Similarly, the concept of whether use of hidden metatags constitutes "use in commerce" should be based on practical considerations as to how a metatag is intended to be used on a given website and whether in fact it has any connection to drawing users to a site, despite the general

invisibility of the metatag to the user.

The more difficult case is where a defendant seeks to increase its page rankings using metatags containing another party's marks, but search engines no longer rank pages in that manner. Should the defendant's intent still be relevant if it turns out to be entirely misplaced? Time will tell.
