

106TH CONGRESS
1ST SESSION

H. R. 3028

To amend certain trademark laws to prevent the misappropriation of marks.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 6, 1999

Mr. ROGAN (for himself, Mr. BOUCHER, Mr. COBLE, and Mr. GOODLATTE)
introduced the following bill; which was referred to the Committee on the
Judiciary

A BILL

To amend certain trademark laws to prevent the
misappropriation of marks.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; REFERENCES.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Trademark Cyberpiracy Prevention Act.”.

6 (b) **REFERENCES TO THE TRADEMARK ACT OF**
7 **1946.**—Any reference in this Act to the Trademark Act
8 of 1946 shall be a reference to the Act entitled “An Act
9 to provide for the registration and protection of trade-
10 marks used in commerce, to carry out the provisions of

1 certain international conventions, and for other purposes”,
2 approved July 5, 1946 (15 U.S.C. 1051 et seq.).

3 **SEC. 2. CYBERPIRACY PREVENTION.**

4 (a) IN GENERAL.—Section 43 of the Trademark Act
5 of 1946 (15 U.S.C. 1125) is amended by inserting at the
6 end the following:

7 “(d)(1)(A) A person shall be liable in a civil action
8 by the owner of a trademark or service mark if, without
9 regard to the goods or services of the parties, that
10 person—

11 “(i) has a bad faith intent to profit from that
12 trademark or service mark; and

13 “(ii) registers, traffics in, or uses a domain
14 name that—

15 “(I) in the case of a trademark or service
16 mark that is distinctive at the time of registra-
17 tion of the domain name, is identical or confus-
18 ingly similar to such mark;

19 “(II) in the case of a famous trademark or
20 service mark that is famous at the time of reg-
21 istration of the domain name, is dilutive of such
22 mark; or

23 “(III) is a trademark, word, or name pro-
24 tected by reason of section 706 of title 18,

1 United States Code, or section 220506 of title
2 36, United States Code.

3 “(B) In determining whether there is a bad-faith in-
4 tent described under subparagraph (A), a court may con-
5 sider factors such as, but not limited to—

6 “(i) the trademark or other intellectual property
7 rights of the person, if any, in the domain name;

8 “(ii) the extent to which the domain name con-
9 sists of the legal name of the person or a name that
10 is otherwise commonly used to identify that person;

11 “(iii) the person’s prior lawful use, if any, of
12 the domain name in connection with the bona fide
13 offering of any goods or services;

14 “(iv) the person’s lawful noncommercial or fair
15 use of the mark in a site accessible under the do-
16 main name;

17 “(v) the person’s intent to divert consumers
18 from the mark owner’s online location to a site ac-
19 cessible under the domain name that could harm the
20 goodwill represented by the mark, either for com-
21 mercial gain or with the intent to tarnish or dispar-
22 age the mark, by creating a likelihood of confusion
23 as to the source, sponsorship, affiliation, or endorse-
24 ment of the site;

1 “(vi) the person’s offer to transfer, sell, or oth-
2 erwise assign the domain name to the mark owner
3 or any third party for financial gain without having
4 used, or having an intent to use, the domain name
5 in the bona fide offering of any goods or services;

6 “(vii) the person’s provision of material and
7 misleading false contact information when applying
8 for the registration of the domain name or the per-
9 son’s intentional failure to maintain accurate contact
10 information;

11 “(viii) the person’s registration or acquisition of
12 multiple domain names which the person knows are
13 identical or confusingly similar to trademarks or
14 service marks of others that are distinctive at the
15 time of registration of such domain names, or dilu-
16 tive of famous trademarks or service marks of others
17 that are famous at the time of registration of such
18 domain names, without regard to the goods or serv-
19 ices of such persons;

20 “(ix) the person’s history of offering to trans-
21 fer, sell, or otherwise assign domain names incor-
22 porating marks of others to the mark owners or any
23 third party for consideration without having used,
24 or having an intent to use, the domain names in the
25 bona fide offering of any goods and services;

1 “(x) the person’s history of providing material
2 and misleading false contact information when ap-
3 plying for the registration of other domain names
4 which incorporate marks, or the person’s history of
5 using aliases in the registration of domain names
6 which incorporate marks of others; and

7 “(xi) the extent to which the trademark or serv-
8 ice mark incorporated in the person’s domain name
9 registration is distinctive and famous within the
10 meaning of subsection (c)(1) of section 43 of the
11 Trademark Act of 1946 (15 U.S.C. 1125).

12 “(C) In any civil action involving the registration,
13 trafficking, or use of a domain name under this para-
14 graph, a court may order the forfeiture or cancellation of
15 the domain name or the transfer of the domain name to
16 the owner of the mark.

17 “(D) A use of a domain name described under sub-
18 paragraph (A) shall be limited to a use of the domain
19 name by the domain name registrant or the domain name
20 registrant’s authorized licensee.

21 “(2)(A) The owner of a mark may file an in rem civil
22 action against a domain name in the judicial district in
23 which suit may be brought against the domain name reg-
24 istrar, domain name registry, or other domain name au-
25 thority that registered or assigned the domain name if—

1 “(i) the domain name violates any right of the
2 registrant of a mark registered in the Patent and
3 Trademark Office, or subsection (a) or (c) of this
4 section, or is a trademark, word, or name protected
5 by reason of section 706 of title 18, United States
6 Code, or section 220506 of title 36, United States
7 Code; and

8 “(ii) the court finds that—

9 “(I) the owner has demonstrated due dili-
10 gence and was not able to find or was not able
11 to serve a person who would have been a de-
12 fendant in a civil action under paragraph (1);

13 or

14 “(II) personal jurisdiction cannot be estab-
15 lished over any person who would have been a
16 defendant in a civil action under paragraph (1).

17 “(B) The remedies in an in rem action under this
18 paragraph shall be limited to a court order for the for-
19 feiture or cancellation of the domain name or the transfer
20 of the domain name to the owner of the mark.

21 “(C) The in rem action established under this para-
22 graph and any remedy available under such action shall
23 be in addition to any other civil action or remedy otherwise
24 applicable.

1 “(3) The civil action established under paragraph (1)
2 and any remedy available under such action shall be in
3 addition to any other civil action or remedy otherwise ap-
4 plicable.”.

5 **SEC. 3. DAMAGES AND REMEDIES.**

6 (a) REMEDIES IN CASES OF DOMAIN NAME PI-
7 RACY.—

8 (1) INJUNCTIONS.—Section 34(a) of the Trade-
9 mark Act of 1946 (15 U.S.C. 1116(a)) is amended
10 in the first sentence by striking “section 43(a)” and
11 inserting “section 43 (a), (c), or (d)”.

12 (2) DAMAGES.—Section 35(a) of the Trade-
13 mark Act of 1946 (15 U.S.C. 1117(a)) is amended
14 in the first sentence by inserting “, (c), or (d)” after
15 “section 43 (a)”.

16 (b) STATUTORY DAMAGES.—Section 35 of the Trade-
17 mark Act of 1946 (15 U.S.C. 1117) is amended by adding
18 at the end the following:

19 “(d) In a case involving a violation of section
20 43(d)(1), the plaintiff may elect, at any time before final
21 judgment is rendered by the trial court, to recover, instead
22 of actual damages and profits, an award of statutory dam-
23 ages in the amount of not less than \$1,000 and not more
24 than \$100,000 per domain name, as the court considers
25 just. The court may remit statutory damages in any case

1 in which the court finds that an infringer believed and had
2 reasonable grounds to believe that use of the domain name
3 by the infringer was a fair or otherwise lawful use.”.

4 **SEC. 4. LIMITATION ON LIABILITY.**

5 Section 32(2) of the Trademark Act of 1946 (15
6 U.S.C. 1114) is amended—

7 (1) in the matter preceding subparagraph (A)
8 by striking “under section 43(a)” and inserting
9 “under section 43 (a) or (d)”; and

10 (2) by redesignating subparagraph (D) as sub-
11 paragraph (E) and inserting after subparagraph (C)
12 the following:

13 “(D)(i) A domain name registrar, a domain
14 name registry, or other domain name registration
15 authority that takes any action described under
16 clause (ii) affecting a domain name shall not be lia-
17 ble for monetary relief to any person for such action,
18 regardless of whether the domain name is finally de-
19 termined to infringe or dilute the mark.

20 “(ii) An action referred to under clause (i) is
21 any action of refusing to register, removing from
22 registration, transferring, temporarily disabling, or
23 permanently canceling a domain name—

24 “(I) in compliance with a court order
25 under section 43(d); or

1 “(II) in the implementation of a reasonable
2 policy by such registrar, registry, or authority
3 prohibiting the registration of a domain name
4 that is identical to, confusingly similar to, or di-
5 lutive of another’s mark registered on the Prin-
6 cipal Register of the United States Patent and
7 Trademark Office, or of a trademark, word, or
8 name protected by reason of section 706 of title
9 18, United States Code, or section 220506 of
10 title 36, United States Code.

11 “(iii) A domain name registrar, a domain name
12 registry, or other domain name registration author-
13 ity shall not be liable for damages under this section
14 for the registration or maintenance of a domain
15 name for another absent a showing of bad faith in-
16 tent to profit from such registration or maintenance
17 of the domain name.

18 “(iv) If a registrar, registry, or other registra-
19 tion authority takes an action described under clause
20 (ii) based on a knowing and material misrepresenta-
21 tion by any person that a domain name is identical
22 to, confusingly similar to, or dilutive of a mark reg-
23 istered on the Principal Register of the United
24 States Patent and Trademark Office, or a trade-
25 mark, word, or name protected by reason of section

1 706 of title 18, United States Code, or section
2 220506 of title 36, United States Code, such person
3 shall be liable for any damages, including costs and
4 attorney's fees, incurred by the domain name reg-
5 istrant as a result of such action. The court may
6 also grant injunctive relief to the domain name reg-
7 istrant, including the reactivation of the domain
8 name or the transfer of the domain name to the do-
9 main name registrant.

10 “(v) A domain name registrant whose domain
11 name has been suspended, disabled, or transferred
12 under a policy described under clause (ii)(II) may,
13 upon notice to the mark owner, file a civil action to
14 establish that the registration or use of the domain
15 name by such registrant is not unlawful under this
16 Act. The court may grant injunctive relief to the do-
17 main name registrant, including the reactivation of
18 the domain name or transfer of the domain name to
19 the domain name registrant.”.

20 **SEC. 5. DEFINITIONS.**

21 Section 45 of the Trademark Act of 1946 (15 U.S.C.
22 1127) is amended by inserting after the undesignated
23 paragraph defining the term “counterfeit” the following:

24 “The term ‘domain name’ means any alpha-
25 numeric designation which is registered with or as-

1 signed by any domain name registrar, domain name
2 registry, or other domain name registration author-
3 ity as part of an electronic address on the Internet.

4 “The term ‘Internet’ has the meaning given
5 that term in section 230(f)(1) of the Communica-
6 tions Act of 1934 (47 U.S.C. 230(f)(1)).”.

7 **SEC. 6. SAVINGS CLAUSE.**

8 Nothing in this Act shall affect any defense available
9 to a defendant under the Trademark Act of 1946 (includ-
10 ing any defense under section 43(c)(4) of such Act or re-
11 lating to fair use) or a person’s right of free speech or
12 expression under the first amendment of the United States
13 Constitution.

14 **SEC. 7. EFFECTIVE DATE.**

15 This Act shall apply to all domain names registered
16 before, on, or after the date of enactment of this Act, ex-
17 cept that damages under subsection (a) or (d) of section
18 35 of the Trademark Act of 1946 (15 U.S.C. 1117), as
19 amended by section 3 of this Act, shall not be available
20 with respect to the registration, trafficking, or use of a
21 domain name that occurs before the date of enactment of
22 this Act.

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