No. 19-46

IN THE

Supreme Court of the United States

UNITED STATES PATENT AND TRADEMARK OFFICE, ANDREI IANCU, UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR, UNITED STATES PATENT AND TRADEMARK OFFICE,

Petitioners,

v.

BOOKING.COM B.V.,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT

BRIEF OF *AMICUS CURIAE* ELECTRONIC FRONTIER FOUNDATION IN SUPPORT OF PETITIONERS

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TABLE OF CONTENTS

Page

TABLE OF CONTENTS. i

TABLE OF CITED AUTHORITIES iii

STATEMENT OF IDENTITY AND INTEREST OF *AMICUS CURIAE*. 1

INTRODUCTION AND SUMMARY OF ARGUMENT. 2

ARGUMENT. 3

I. The Generic Top-Level Domain ".com" Is a Generic Commercial Identifier Akin to an Entity Designation 3

A. The Generic Top-Level Domain ".com" Was Created to Identify the Genus of Web Addresses Belonging to Commercial Entities. 3

B. "Dot Com" Has Become a Generic Term for Companies with Web Addresses Ending in .com. 6

C. ".com" Is at Least As Generic a Term for Online Companies As "Co." Is for Offline Companies. 7

II. The Decision Below Conflicts with Competition-Protective Trademark Doctrines 8

Table of Contents

Page

A. The Decision Below Would Impair Businesses' Ability to Use Domain Names That Identify Their Goods and Services 9

B. Top-Level Domains Are Functional and Thus Lack Trademark Significance 13

III. The Public Interest Overwhelmingly Supports the PTO's Rule That Generic TLDs Cannot Make Generic Words Protectable 16

A. New Trademark Protection Is Unnecessary Because the DNS Already Ensures that Domain Names Reliably Identify and Distinguish Online Businesses 16

B. Extending Protection to Generic Words Combined with gTLDs Will Disrupt and Complicate Trademark Examination Procedures 17

C. The Fourth Circuit's Approach Will Disproportionately Hurt Small Businesses by Increasing the Risk of Trademark Litigation 19

CONCLUSION 21

TABLE OF CITED AUTHORITIES

Page

Cases

1-800 Contacts, Inc. v. WhenU.Com,
414 F.3d 400 (2d Cir. 2005) 1

Advertise.com, Inc. v. AOL Advert., Inc.,
616 F.3d 974 (9th Cir. 2010) 10

Anti-Monopoly, Inc. v. Gen. Mills Fun Grp.,
611 F.2d 296 (9th Cir. 1979). 9

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United States Patent & Trademark Office,
915 F.3d 171 (4th Cir. 2019) 8, 10

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531 F.3d 1 (1st Cir. 2008) 10

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Goodyear Rubber Co.,
128 U.S. 598 (1888). 3, 8

In re Hotels.com, L.P.,
573 F.3d 1300 (Fed. Cir. 2009) 12

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469 U.S. 189 (1985). 15

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514 U.S. 159 (1995) 9, 13, 14

Page

Reno v. Am. Civil Liberties Union,
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Page

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Malcolm *et al.*, Elec. Frontier Found., *Which Internet Registries Offer the Best Protection for Domain Owners?* (July 27, 2017), ...14

Martin Pramatarov, *DNS history. When and Why Was DNS Created?*, ClouDNS (Dec. 27, 2018) 4

Page

NEW gTLDs URS: Uniform Rapid Suspension System, MFSD 15

Roger Kay, *Seven Things to Think About Before You Register That New Domain*, Forbes (Jan. 30, 2014) 14

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Trademark Manual of Examining Procedure § 1207.01(b)(vi) 10

Trademark Manual of Examining Procedure § 1209.03(d) 8

Uniform Rapid Suspension (URS), ICANN 15

VARN Original Research: How Your Domain Name Could Be Damaging Your Business, VARN (Oct. 27, 2016) 15

Verisign, *The Verisign Domain Name Industry Brief* (Mar. 2019) 7

Welcome Registry Operators, ICANN. 5

STATEMENT OF IDENTITY AND INTEREST OF *AMICUS CURIAE*[1]

Amicus curiae the Electronic Frontier Foundation ("EFF") is a nonprofit civil liberties organization that has worked for more than 25 years to protect innovation, free expression, and civil liberties in the digital world. EFF and its more than 34,000 active donors have a powerful interest in ensuring that intellectual property laws serve the general public by promoting more creativity and innovation than they deter.

As this Court has recognized, "[t]he Internet is 'a unique and wholly new medium of worldwide human communication.'" *Reno v. Am. Civil Liberties Union*, 521 U.S. 844, 850 (1997). From the fledgling days of this new medium, EFF has worked to protect its ability to connect users and empower them to communicate freely with each other. Indeed, EFF was one of the plaintiffs that successfully challenged the constitutionality of the Communications Decency Act in *Reno*.

As part of its mission to protect Internet users, expression, and innovation, EFF has fought against efforts to create new forms of trademark liability online that do not exist in analogous brick-and-mortar contexts. For example, EFF weighed in as an amicus in *1-800 Contacts, Inc. v. WhenU.Com*, 414 F.3d 400 (2d Cir. 2005), arguing

1. No counsel for a party authored this brief in whole or in part, and no such counsel or party made a monetary contribution intended to fund the preparation or submission of this brief. No person other than the amicus curiae, or its counsel, made a monetary contribution intended to fund its preparation or submission. All parties have consented to the filing of this brief.

that simply using a trademark to launch an online ad could not trigger infringement liability. The Second Circuit agreed.

In light of its unique and longstanding mission, EFF has a perspective to share that the parties to this appeal do not, as neither directly represents the interests of consumers, Internet users, or the general public.

INTRODUCTION AND SUMMARY OF ARGUMENT

The Electronic Frontier Foundation ("EFF") files this brief because the Fourth Circuit's decision was incorrect as a matter of law, upends decades of settled expectations, and contravenes the purposes of trademark law to the detriment of consumer rights and competition. As consumers, speakers, and business owners, Internet users depend on a balanced trademark regime that avoids Internet exceptionalism but recognizes the practical realities of the domain name system.

The Fourth Circuit's approach fails on both counts, tilting the scales in favor of trademark owners by misapplying this Court's precedent and misconstruing both the function and communicative impact of top-level domain names. What is more, it sets a dangerous precedent that will undermine competition, impede efficient trademark review, and create new litigation risks for small businesses that can ill-afford them. A reversal is necessary to prevent these harms and protect the Internet's ability to sustain unprecedented levels of communication, creativity, and commerce.

ARGUMENT

I. The Generic Top-Level Domain ".com" Is a Generic Commercial Identifier Akin to an Entity Designation.

The Fourth Circuit's conclusion that simply adding ".com" to the end of a generic word or phrase can create a protectable mark contravenes longstanding precedent. *See* Pet'r's Br. 18–21 (discussing applicability of *Goodyear's India Rubber Glove Mfg. Co. v. Goodyear Rubber Co.*, 128 U.S. 598 (1888)). It should be overturned on this ground alone.

But the decision is also wrong on the facts. It ignores the functional role .com was designed to serve within the domain name system and the practical role it continues to play in the eyes of the public. The .com suffix was designed to be a generic identifier of commercial entities online, and that is exactly what it is.

A. The Generic Top-Level Domain ".com" Was Created to Identify the Genus of Web Addresses Belonging to Commercial Entities.

The communication protocols that computers use to connect with each other over what we call the Internet came before the domain name system ("DNS") and generic top-level domains ("gTLDs") like .com. In the 1970s, computers in the Advanced Research Projects Agency Network ("ARPANET") could connect to each other via numeric Internet protocol ("IP") addresses, but those IP addresses were not linked to textual names that humans could readily use or remember. Instead, ARPANET users

had to know the numeric IP address associated with a computer on the network in order to connect to it.

This became a problem as more and more computers joined the network. Initially, to keep track of IP addresses and their associated hosts, network users relied on a centralized text directory (named HOSTS.TXT) that matched IP addresses to human-readable host names. As the number of computers connected to the network grew, so did the number and complexity of IP addresses, and thus the size of the text directory. This meant the network's growing popularity was also a potential Achilles' heel: the bigger it grew, the less usable it would be.

By the early 1980s, Internet pioneers had come up with a more human friendly and scalable solution: the Domain Name System (DNS). Technically, the DNS is a protocol—a detailed specification of required data structures and communication exchanges—that is part of the Internet protocol suite. The DNS protocol sets out a human-friendly, flexible naming convention for domain names that DNS servers translate into machine-friendly numeric IP addresses (and back). This makes it possible for users to visit web addresses by typing in alpha-numeric domain names instead of numeric IP addresses.

The heart of the DNS is its hierarchical structure, designed to "ensure the system could accommodate diversity without unnecessary restriction."[2] Like phone numbers and postal addresses, a domain name is a combination of shared and unique information elements

2. Martin Pramatarov, *DNS history. When and Why Was DNS Created?*, ClouDNS (Dec. 27, 2018), https://www.cloudns.net/blog/dns-history-creation-first/.

that identifies a particular address. In a domain name, each "." (or "dot") separates the different levels of the information hierarchy. The top-level domain ("TLD") is the rightmost label—for example, ".org" in "eff.org"—and is shared by all members of that domain, much like an area code in a phone number.

Each gTLD is managed by a single registry operator, which is responsible for maintaining a master database of all domain name registrations in that gTLD and producing a file that maps those domain names to IP addresses.[3] The label to the immediate left of the TLD—*e.g.*, the "eff" in "eff.org"—is the second-level domain ("SLD"). The SLD is the element that distinguishes between different online "parcels," and can be analogized to the last seven digits of a phone number. Individual web hosts (such as Respondent) register domain names consisting of a unique SLD–TLD combination through official registrars that contract with the registry operators.

When the DNS was first implemented for use in January 1985, six gTLDs were introduced. Each was designed to identify a different category of web host, as follows:

- .com: commercial businesses
- .net: network service providers
- .org: not-for-profit organizations

3. *See Welcome Registry Operators*, ICANN, https://www.icann.org/resources/pages/registries/registries-en (last visited Jan. 8, 2020).

- .edu: approved post-secondary educational institutions
- .gov: U.S. government entities
- .mil: U.S. military services

Thus, the ".com" domain was created specifically to identify commercial businesses operating online and distinguish them from other types of web hosts.

B. "Dot Com" Has Become a Generic Term for Companies with Web Addresses Ending in .com.

The first .com domain name—symbolics.com—was registered on March 15, 1985, to Symbolics, a computer manufacturer. For the next thirteen years, the .com domain remained restricted to commercial entities. This period saw the explosion of online commerce that culminated in the so-called "dot-com boom" of the mid-1990s. As businesses raced to get online, they overwhelmingly selected the .com gTLD for their domain names.[4] As a result, consumers came to assume a .com domain by default for commercial entities, which further reinforced .com's desirability and dominance.[5] Over time, the widespread use of .com domain names by online

4. Comm. on Internet Navigation & the Domain Name Sys.: Tech. Alternatives & Policy Implications, Nat'l Research Council, *Signposts in Cyberspace: The Domain Name System and Internet Navigation* 58–59 (2005), https://www.nap.edu/read/11258/ [hereinafter Nat'l Research Council].

5. *Id.* at 26, 57–58.

businesses led to the adoption of the term "dot com" as a generic word for an online business.[6]

Today, .com is open to non-commercial users but remains the standard for online businesses. Every company in the Fortune 500 uses a .com domain name,[7] and .com is the most popular TLD overall. As of September 30, 2019, the .com domain name base totaled 144 million domain name registrations—40% of all registrations in the DNS.[8] By contrast, the country-code TLD ("ccTLD") .tk came in at a distant second with 25.1 million registrations.[9] The second-most popular gTLD, .net, had only 13.4 million.[10]

C. ".com" Is at Least As Generic a Term for Online Companies As "Co." Is for Offline Companies.

As this history suggests, generic top-level domains like .com are just like other generic designations for corporate entities, such as "company" and "co.," and should receive the same treatment under trademark law. *See* Pet'r's Br. 18–21. Just as those terms identify commercial

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6. *Id.* at 59.

7. Sophie Curtis, *Dot-Com at 30: Will the World's Best-Known Web Domain Soon Be Obsolete?*, The Telegraph (Mar. 15, 2015), https://www.telegraph.co.uk/technology/internet/11470195/Dot-com-at-30-will-the-worlds-best-known-web-domain-soon-be-obsolete.html

8. Verisign, *The Verisign Domain Name Industry Brief* (Mar. 2019), https://www.verisign.com/en_US/domain-names/dnib/index.xhtml.

9. *Id.*

10. *Id.*

entities offline, .com has identified commercial entities online for more than thirty years. All .com indicates is that the entity has a commercial presence at the corresponding web address; it does not help Internet users distinguish between individual dot coms.

That is why the PTO's position is correct both as a practical matter and as a matter of law. Simply put, adding a gTLD like .com to a generic term cannot transform that term into a protectible mark because .com "has no source-indicating capacity." Trademark Manual of Examining Procedure § 1209.03(d) (citing *Goodyear's Rubber*, 128 U.S. at 602).

II. The Decision Below Conflicts with Competition-Protective Trademark Doctrines.

The Fourth Circuit's decision allows website owners to exploit trademark law to obtain competitive advantages the law is not meant to provide. As the dissent observed, Respondent benefits from using the generic domain name booking.com regardless of trademark protection: it is simple and easy to remember, and it clearly identifies the services Respondent offers. *Booking.com B.V. v. United States Patent & Trademark Office*, 915 F.3d 171, 193–94 (4th Cir. 2019) (Wynn, J., concurring in part and dissenting in part). At the same time, awarding Respondent a trademark registration for the string BOOKING.COM would significantly *disadvantage* Respondents' competitors, as explained in this section.

Both the genericness and functionality doctrines are intended to limit anti-competitive misuse of trademarks—that is, uses of trademark law that would "serve[] to limit

competition in the manufacture and sales of a product." *Anti-Monopoly, Inc. v. Gen. Mills Fun Grp.*, 611 F.2d 296, 301 (9th Cir. 1979) (discussing genericness doctrine); *see also Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164–65 (1995) (discussing functionality doctrine). The Fourth Circuit's decision subverts both doctrines.

A. The Decision Below Would Impair Businesses' Ability to Use Domain Names That Identify Their Goods and Services.

Allowing a business to claim trademark rights in the combination of a generic term and a generic top-level domain would undermine the purpose of the generic names rule: to forestall the competitive harms of allowing one market participant to exclude its competitors from using a common name for their goods and services. *See* J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 12:2 (5th ed. June 2019 Update); *Anti-Monopoly*, 611 F.2d at 301 ("The genericness doctrine in trademark law is designed to prevent such anti-competitive misuse of trademarks.").

The First Circuit has explained the doctrine's rationale in terms of the basic purposes of trademark law:

> Competitors unable to use a common term that describes or designates their product are at a significant disadvantage communicating to potential customers the nature and characteristics of the product. Likewise, consumers will be forced either to pay a higher price to purchase the desired goods from the seller who owns the generic term as a trademark

> or expend additional time investigating the alternative products available. . . . **Therefore, in accord with the primary justifications for protecting trademarks—to aid competition and lower consumers' search costs—the law does not grant any party exclusive rights to use generic terms as trademarks.**

Bos. Duck Tours, LP v. Super Duck Tours, LLC, 531 F.3d 1, 14 (1st Cir. 2008) (internal citation omitted) (emphasis added).

Those principles apply squarely here. Providing trademark protection for the combination of a generic term and a given gTLD "grants the trademark holder rights over far more intellectual property than the domain name itself." *Advertise.com, Inc. v. AOL Advert., Inc.*, 616 F.3d 974, 980–81 (9th Cir. 2010); *see also Booking.com*, 915 F.3d at 196 (Wynn, J., concurring in part and dissenting in part). For example, such a mark could exclude competitors from using that same generic term as a second-level domain within *other* TLDs. For example, Respondent might seek to exclude its competitors from using booking.biz, booking.co, booking.inc, or booking.company as a domain name. It would also threaten competitors' ability to use other second-level domains that include the same generic term or a close variant thereof—*e.g.*, ebooking.com, bookings.com, or booker.com. *See infra* at 20. The doctrine of foreign equivalents could further extend the reach of this linguistic monopoly to cover words that mean "booking" in other languages. *See* Trademark Manual of Examining Procedure § 1207.01(b)(vi); McCarthy, *supra*, § 23:36.

Indeed, Respondent has made clear its intent to lay claim to the generic term "booking" more broadly. In fact, Respondent has already reserved the proposed *top*-level domain ".booking" for its own exclusive use. In 2012, Respondent submitted an application to the Internet Corporation for Assigned Names and Numbers ("ICANN") requesting the creation of a .booking gTLD and the right to control it.[11] In 2015, ICANN and Respondent executed a contract establishing Respondent as the registry operator for the .booking gTLD.[12]

Respondent's 2012 application explains:

> The main reason for which Booking.com submits this application for the .booking gTLD is that it wants to prevent third parties from securing a gTLD that is identical or confusingly similar to Booking.com's highly distinctive and reputable brand. . . . [I]t is first and foremost important for Booking.com to safeguard and protect the key element out of its BOOKING.COM trademark at the top level of the DNS' hierarchy.[13]

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11. .booking Application Details, ICANN New Generic Top-Level Domains, https://gtldresult.icann.org/applicationstatus/applicationdetails/1590 (last visited Jan. 9, 2020).

12. *.booking Registry Agreement*, ICANN, https://www.icann.org/resources/agreement/booking-2015-07-16-en (last visited Jan. 9, 2020).

13. Booking.com B.V., .booking New gTLD Application (June 13, 2012), https://gtldresult.icann.org/applicationstatus/applicationdetails/1590 (follow "download public portion of application" hyperlink). *See also id.* (describing "BOOKING" as "the most distinctive element out of Applicant's key brand").

Respondent's application further explains that "[a]t least during the initial months or even years following the delegation of the .booking gTLD to Booking.com, . . . parties who are not Booking.com will not be entitled to register domain names in the .booking gTLD." *Id.* In other words, Respondent views the generic term "booking" as the "key element" of its brand—despite arguing to the TTAB that "[t]here is no evidence whatsoever that consumers isolate and separately consider 'BOOKING' and '.COM'" in the purported mark (Pet. App'x 163a)—and is endeavoring to establish a monopoly over its use in both second-level *and* top-level domains.[14]

In the early days of the commercial Internet, users often used domain names as a way to search for content, which made domain names that corresponded to generic terms especially desirable.[15] Although many Internet users now rely on search engines to find and navigate to websites, the content of a domain name remains important to consumers. For example, a 2015 analysis conducted by Verisign, the registry operator for .com and .net, found that "Internet search users are almost twice as likely to click on a domain name that includes at least one of the

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14. Respondent has also reserved the .hotels gTLD. .hotels Application Details, ICANN New Generic Top-Level Domains, https://gtldresult.icann.org/applicationstatus/applicationdetails/1589 (last visited Jan. 9, 2020). Three years before Respondent submitted that application, the Federal Circuit upheld a genericness refusal for HOTELS.COM as a trademark for hotel reservation services. *In re Hotels.com, L.P.*, 573 F.3d 1300, 1301 (Fed. Cir. 2009).

15. Nat'l Research Council, *supra*, at 26. *See also id.* at 27 & n.12 (providing example of "business.com," which was resold for $7.5 million in 1999).

keywords in their search query."[16] This finding suggests that a business would enjoy a significant competitive advantage if it could exclude competitors from using domain names that contain a generic term for their goods and services—an obvious search keyword for consumers seeking those very goods and services.

Introducing limitations on competitors' use of generic terms is especially dangerous in the context of domain names given the technical constraints on their form and content. For example, a domain name will always include the [SLD].[TLD] convention and must contain only alphanumeric characters and hyphens, rendered in plain text.[17] These constraints reduce competitive options for crafting an effective domain name that incorporates a generic term while avoiding the scope of a "generic-plus-gTLD" mark.

B. Top-Level Domains Are Functional and Thus Lack Trademark Significance.

By ascribing trademark significance to .com, the decision below also runs afoul of functionality doctrine. Functional features are not protectable under trademark law. *Qualitex*, 514 U.S. at 164–65. "The functionality

16. *How Keyword-Rich Domain Names Positively Affect Search Click-Through Results*, Verisign Blog (May 31, 2016), https://blog.verisign.com/domain-names/how-keyword-rich-domain-names-positively-affect-search-click-through-results/.

17. Nat'l Research Council, *supra, at 87*; ICANN, *Enabling a Multilingual Internet: ICANN & IDNs*, https://www.icann.org/en/system/files/files/multilingual-internet-01nov13-en.pdf (last visited Jan. 8, 2020).

doctrine prevents trademark law, which seeks to promote competition by protecting a firm's reputation, from instead inhibiting legitimate competition by allowing a producer to control a useful product feature." *Id.* at 164.

Discussions of functionality typically arise in the context of product trade dress, but they apply to TLDs as well because different TLDs have varying functional advantages and disadvantages. Some TLDs are more stable and secure.[18] Some lesser-known TLDs may not be recognized by email address validation systems.[19] And due to variations in the contractual terms that bind registrants, a business's choice of TLD may even affect its legal rights.[20] For example, domain names in most gTLDs are subject to ICANN's Uniform Rapid Suspension

18. *See, e.g.*, Tommaso Barbugli, *Stop Using .IO Domain Names for Production Traffic*, Hackernoon (Nov. 9, 2017), https://hackernoon.com/stop-using-io-domain-names-for-production-traffic-b6aa17eeac20; Andrew Allemann, *Oops, I Entrusted My Domain Name to a Tiny Island Nation!*, Domain Name Wire (Aug. 27, 2012), https://domainnamewire.com/2012/08/27/oops-i-entrusted-my-domain-name-to-a-tiny-island-nation/; Roger Kay, *Seven Things to Think About Before You Register That New Domain*, Forbes (Jan. 30, 2014), https://www.forbes.com/sites/rogerkay/2014/01/30/seven-things-to-think-about-before-you-register-that-new-domain/.

19. Jon DeMersseman, *The Business Problems with New Generic Top Level Domains (gTLD's)*, LinkedIn (Aug. 20, 2015), https://www.linkedin.com/pulse/business-problems-new-generic-top-level-domains-gtlds-jon-demersseman.

20. *See, e.g.*, Malcolm et al., Elec. Frontier Found., *Which Internet Registries Offer the Best Protection for Domain Owners?* (July 27, 2017), https://www.eff.org/files/2017/08/02/domain_registry_whitepaper.pdf.

process, an expedited procedure that trademark owners can use to suspend allegedly infringing domain names that meet certain criteria.[21] Domain names in .com and certain other "legacy" gTLDs, however, are not subject to this process.[22]

Certain TLDs, again including .com, also confer reputation- and recognition-related advantages that have nothing to do with the domain name holder's *own* reputation and earned good will, which are the only reputational interests trademark law is meant to protect. *See Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 198 (1985) (identifying purposes of trademark protection); S. Rep. No. 1333, 79th Cong., 2d Sess., 3–6 (1946). For instance, websites that use .com and other well-established TLDs are often seen as more legitimate than others by Internet users. One 2019 study of eight popular TLDs found that .com was the most trusted.[23] The same study also found that respondents were most likely to correctly remember the TLD for .com domain names—and most likely to incorrectly guess .com when

21. *See Uniform Rapid Suspension (URS)*, ICANN, https://www.icann.org/resources/pages/urs-2014-01-09-en (last visited Jan. 9, 2020); *NEW gTLDs URS: Uniform Rapid Suspension System*, MFSD, https://urs.mfsd.it/new-gtlds-urs (last visited Jan. 9, 2020).

22. *NEW gTLDs URS*, *supra*.

23. Kyle Byers, *Domain Extensions: .com vs .org, .net, .io & 4 Other TLDs (Study)*, Growth Badger (May 21, 2019), https://growthbadger.com/top-level-domains/; *see also VARN Original Research: How Your Domain Name Could Be Damaging Your Business*, VARN (Oct. 27, 2016), https://varn.co.uk/10/27/70-of-people-dont-trust-newer-website-domains/.

misremembering others.[24] Respondent benefits from these consumer perceptions of .com domain names merely by virtue of its choice of TLD, not because of any good will it has developed in connection with the goods and services it offers.

If Respondent and others are permitted to register generic terms so long as they append a TLD, their competitors will be limited both in their ability to accurately describe their goods and services and in their ability to choose a TLD based on functional considerations rather than liability risk. Such a result cannot be squared with trademark policy and jurisprudence, which aim to promote a system in which businesses compete on their merits.

III. The Public Interest Overwhelmingly Supports the PTO's Rule That Generic TLDs Cannot Make Generic Words Protectable.

A. New Trademark Protection Is Unnecessary Because the DNS Already Ensures that Domain Names Reliably Identify and Distinguish Online Businesses.

The DNS—not trademark protection—is what ensures that online businesses can distinguish themselves using domain names and that Internet users can rely on domain names to identify and access online businesses. The reliability of the connection between machine-readable IP addresses and human-readable domain names ensures Internet users experience little confusion when trying to access the online offerings of particular businesses.

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24. Byers, *supra*.

Extending trademark protection to domain names consisting of generic terms combined with gTLDs will do nothing to facilitate distinctions among businesses or clarity in the eyes of consumers. After all, the presence or absence of a gTLD makes little difference to the likelihood of consumer confusion, the test of trademark infringement. *See* McCarthy, *supra*, § 25A:43. For example, "[t]he fact that [a] hypothetical trademark TOYOTAWHEELS.COM for tires contains a TLD does not make it any the less confusingly similar to [the mark] TOYOTA for automobiles." *Id.* Likewise, "[t]he fact that hypothetical marks ALPHA.COM and GAMMA.COM both contain the same gTLD does not make them confusingly similar" without more. *Id.*

Limiting trademark protection to domain names using non-generic SLDs comports with the structure and operation of the DNS. By design and common usage, the SLD serves as the unique element in a domain name—not the TLD, which numerous websites typically share. Trademark law should re-enforce the organizational structure of the DNS by limiting protection to domain names that combine gTLDs with non-generic SLDs that can actually serve a unique distinguishing function. Extending protection as the Fourth Circuit has done, however, will undermine that structure and encourage others to follow respondent's uncreative lead.

B. Extending Protection to Generic Words Combined with gTLDs Will Disrupt and Complicate Trademark Examination Procedures.

Authorizing trademark protection for generic words combined with gTLDs will do little to reduce confusion or

protect goodwill. It will, however, cause substantial harm to the PTO's operation, and thus to small businesses and downstream consumers.

This approach will complicate the administration of the PTO by increasing the time, effort, and analysis required to conduct a trademark examination in cases such as this. Under existing law, the PTO can reject marks consisting of generic words combined with gTLDs as a matter of law, and it is up to the applicant to show that the combination is greater than the sum of its parts and primarily signifies the source of its goods or services to consumers. The Fourth Circuit's approach flips that burden, forcing the PTO to prove that the combination—*i.e.*, booking.com—as a whole is generic.

That is not just an unduly burdensome task for the PTO; it is often an impossible one. Once you add ".com" to a word or phrase, you get a domain name associated with a particular web address. Internet users may identify "booking" and ".com" individually as generic, and still recognize the combination as associated with a specific web address, and thus a specific entity, not an entire genus. *See* Pet'r's Br. 40 ("A consumer who is familiar with . . . the domain-name system can infer that BOOKING.COM refers to *some* specific entity, even if he has no prior awareness of the particular company involved."). But that association is attributable to the design and implementation of the DNS, not the good will any particular web host has built. Requiring the PTO to find evidence that consumers consider an entire web address ending in .com generic will practically ensure marks like "booking.com" ultimately receive protection.

At the same time, the changes required by the Fourth Circuit's holding will upend settled expectations and create needless uncertainty about the application of trademark law. The PTO's treatment of .com is not *sui generis*. For example, the Trademark Manual of Examining Procedure provides that the prefix "e" (as in "email") "does not change the merely descriptive significance of a term in relation to goods or services sold or rendered electronically" because it "has become commonly recognized as a designation for goods or services sold or delivered electronically." Trademark Manual of Examining Procedure § 1209.03(d).

If the PTO can no longer disregard a functional and generic ending like ".com" based on the outcome of this case, that will cast doubt on similar administrative procedures, compounding the future uncertainty this case will create.

C. The Fourth Circuit's Approach Will Disproportionately Hurt Small Businesses by Increasing the Risk of Trademark Litigation.

Because the Fourth Circuit's approach will impose new burdens on trademark examination, raise new questions about the application of trademark law, and open the door to unprecedented extensions of protection, it will practically guarantee more frequent and expensive trademark litigation.

If anything, the likelihood of trademark litigation is especially great for marks involving generic words like "booking." And given the high costs of litigating a trademark case—even when less than $1 million is at stake, it costs upwards of $325,000 to litigate through

trial[25]—increasing the likelihood of trademark litigation disproportionately disadvantages small and fledgling businesses. Companies with the sophistication and resources to register marks ending in .com will have the power to go after smaller fish, like early-stage start-ups still operating out of home garages.

Indeed, there are already a number of other companies with domain names incorporating the same generic root as "booking.com," such as "ebooking.com," "bookit.com," and "simplybook.com." These companies would face considerably more risk of liability under the Fourth Circuit's approach. And they face this risk even though their domain names are not identical to the registered mark; for purposes of trademark liability, all that is required is a likelihood of confusion.

Respondent's position that the domain name "ebooking.com" is potentially infringing (Pet'n 16 (citing C.A. App. 207)) confirms that the Fourth Circuit's approach would put its competitors—including those using different domain names—at risk of liability. Even those with meritorious defenses have to bear the staggering costs of discovery and litigation for complaints that will ultimately fail, but nevertheless survive dismissal or summary judgment. And that will allow trademark litigation, not competition and consumer choice, to determine market outcomes for whole categories of e-commerce, like online travel booking.

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25. Am. Intell. Prop. Law. Ass'n, *Report of the Economic Survey 2015*, at 38, 62 (June 2015); *see also* Pet'r Br. at 30 ("noting that the average estimated cost of a trademark infringement suit with more than $25 million at risk has grown to more than $3.5 million") (citing Am. Intell. Prop. Law. Ass'n, *Report of the Economic Survey 2019*, at 53, 63 (Sept. 2019)).

CONCLUSION

Amicus respectfully urges the Court to confirm that gTLDs cannot make an otherwise generic term protectable. That rule aligns with this Court's conclusion in *Goodyear's* and ensures that federal trademark protection serves the purpose for which it exists: helping consumers make informed choices so that market outcomes reflect their preferences, not those of executive and judicial branch officials.

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