

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

FORD MOTOR COMPANY,

Plaintiffs

v.

Case No. 01-CV-71685-DT

~~Case No. 01-CV-60084-DT~~

**2600 ENTERPRISES, and ERIC
CORLEY p/k/a EMMANUEL
GOLDSTEIN,**

Hon. Robert H. Cleland
United States District Judge

Defendants.

**(1) PREHEARING MEMORANDUM OF DEFENDANTS IN OPPOSITION
TO PLAINTIFF'S PRELIMINARY INJUNCTION MOTION,
AND (2) DEFENDANTS' RULE 12(b)(2) and 12(b)(6) MOTION
AND SUPPORTING MEMORANDUM TO DISMISS FOR LACK
OF PERSONAL JURISDICTION AND FAILURE TO STATE A CLAIM**

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2600 MAGAZINE AND ERIC
CORLEY (pseudonymously known as
EMMANUEL GOLDSTEIN).

MOTION¹

Defendants Eric Corley p/k/a Emmanuel Goldstein (“Goldstein”) and 2600

Enterprises (“2600”) respectfully move for dismissal of the Complaint for the following reasons:

- (1) **Lack of “Trademark Use:”** Even assuming that all the facts alleged in the Complaint are true, the Complaint fails to allege any use of (a) any brand, “word, term, name, symbol, or device, or any combination thereof” by the defendants either “on or in connection with any **goods or services**, or any container for goods (see 15 U.S.C. § 1125(a)), or (b) any registered mark or imitation thereof on or in connection with any “sale, offering for sale, distribution, or advertising of any **goods or services**.” See 15 U.S.C. § 1114(a). Nor are Defendants alleged to have used any word or anything else as a “designation of origin” to signify that any particular goods or services originated with either of the Defendants. Neither the Federal Trademark Dilution Act, nor sections 1114 or 1125(a) of Title 15 authorizes any cause of action to prohibit speech that involves no **trademark use** of any terms or symbols.
- (2) **No “Commercial Use:”** The terms “commercial use” and/or “in commerce,” as used in sections 1114(a) and 1125(a), and ©) of the Lanham Trademark Act, are terms of art with

¹This Motion is presented for purposes of preserving all rights and defenses that may exist, because it is unclear whether Rule 12(g) requires such defenses to be raised now or when Defendants’ Answer is due. Accordingly, because the Answer is not yet due, and subject to this abbreviated motion and supporting memorandum, Defendants respectfully reserve the right to brief or assert any defense listed in Rule 12(b), with a more thorough amended motion and supporting memorandum prior to the due date for the Answer. In anticipation of an “*in rem*” claim under 15 U.S.C. § 1125(d)(2) (even though Plaintiff has yet to assert such a claim), Defendants hereby specifically assert and do not waive the defense of lack of subject-matter jurisdiction. Defendants also hereby assert and do not waive the defense of dismissal for improper venue and the right to move to transfer venue.

a very specific meaning. This essential element of any FTDA or Lanham Act claim is **emphatically not** synonymous with the term “commerce” as that term is used in the Commerce Clause of the U.S. Constitution. Rather, the specific meaning is defined by reference to the “commercial speech” doctrine under the First Amendment, and signifies activity in the commercial marketplace, engaging in nothing more than business or consumer transactions. It does not apply to speech – the “marketplace of ideas.” Plaintiff fails to allege **commercial** activity within the Lanham Act or the FTDA.

- (3) **No Personal Jurisdiction:** Neither of the Defendants is subject to personal jurisdiction in the State of Michigan. Accordingly, this Court lacks power to impose any equitable decree and cannot grant any injunctive relief for which Plaintiff prays.

QUESTIONS PRESENTED

1. Has FORD satisfied its affirmative burden not only to plead, but also to prove with evidence, sufficient facts to satisfy the essential element of trademark use of the Domain Name at issue by either of the Defendants?
2. Has FORD satisfied its affirmative burden of pleading, and proving with affirmative evidence, commercial use (as that term of art is used in the Lanham Act) of the Domain Name at issue by either Defendant?
3. Since FORD does not own the brand GENERAL MOTORS®, does Ford have standing to sue to block the use of the Domain Name at issue?
4. Is either Defendant subject to personal jurisdiction?
5. Has FORD, by participating voluntarily in the World Wide Web – a system for representing ideas and exchanging information that reflects as its core and most

fundamental value the “linking” of ideas one to another by anyone to any Website for any reason – thereby elected to participate in a system where, customarily and for important reasons of policy, “freedom to link” is always the default rule unless an affirmative technological “opt-out” is erected, and for which there exists no legal “not to be referred to” so long as the linking party is not trying to circumvent a technological opt-out (e.g., trying to circumvent password-access)?

6. Is the trademark FORD® “famous” as that term of art is used in the Federal Trademark Dilution Act, and has FORD met its affirmative evidentiary burden of proving “famousness?”
7. Has FORD met its burden of proving trademark infringement or dilution?
8. Has FORD proven a likelihood of any concrete, non-speculative injury, sufficient to warrant imposition of the extraordinary injunctive remedy FORD seeks?
9. In order to justify a content-based regulation of defendants’ speech, has FORD made an affirmative evidentiary showing of any **compelling** governmental interest sufficient to support the imposition of the injunction Plaintiff seeks?
10. Are the extraordinary and broad terms of the injunction that Plaintiff seeks both **narrowly tailored** and absolutely **necessary**, such that they represent **the least restrictive means** out of all possibilities, for the accomplishment of any “compelling” governmental objective that Plaintiff purports to have identified?
11. Are Defendants’ actions protected by a “Fair Use” Defense, for commentary, criticism, or the **nominative** (non-trademark) use of references to trademarks?

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Defendants.

SUPPORTING MEMORANDUM

**Congress shall make no law . . . abridging the freedom of
speech, or of the press . . .**

U.S. CONST. Amend. 1. “No law” means exactly that – “no law.” It includes the Lanham Act and the Federal Trademark Dilution Act (“FTDA”). These statutes may not be invoked in a manner that infringes the freedom of speech or of the press. It is undisputed, as a matter of law, that the First Amendment (at an absolute **minimum**) requires a heightened standard of scrutiny – more searching even than intermediate scrutiny – for **any** injunction that burdens speech.

Madsen v. Women’s Health Ctr., Inc., 512 U.S. 753 (1994). Under Madsen, all injunctions (even content-neutral ones that only incidentally burden speech) must (at a minimum) “burden no more speech than necessary to serve a significant government interest.” Id. at 765. However, here, where the proposed regulation is content-based, “strict scrutiny” applies.

Moreover, the Lanham Act and the FTDA (especially the requirements of “trademark use” to signify the source of goods and services, and “commercial use”) should not be

interpreted or construed as Plaintiff proposes, because statutes should be interpreted in a manner calculated to **avoid** unnecessary constitutional problems. Fleet Boston Fin. Corp. v. FleetBostonFinancial.com, No. Civ. A. 00-10176-DPW, 2001 WL 360592, at *12 (D. Mass. Mar. 27, 2001); accord Edward J. DeBartolo Corp. v. Florida Gulf Coast Building & Constr. Trades Council, 485 U.S. 568, 575 (1988); Ashwander v. Tennessee Valley Auth., 297 U.S. 288, 341, 346 (1936) (Brandeis, J., concurring). Simply put, if 15 U.S.C. §§ 1114, 1125(a), and 1125(c) are construed as plaintiff proposes, to reach and enjoin the Defendants' expression, then these statutes are (1) unconstitutional as applied and (2) overbroad. Accordingly, the statutory interpretation proposed by the Plaintiff should be rejected.

I. **Plaintiff Asks This Court To Violate the First Amendment.**

“It is important that trademarks not be ‘transformed from rights against unfair competition to rights to control language.’” CPC Int’l, Inc. v. Skippy, Inc., 214 F.3d 456, 462 (4th Cir. 2000) (quoting Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 YALE L.J. 1687, 1710-11 (1999)); see also Northland Ins. Cos. v. Blaylock, 115 F. Supp. 2d 1108, 1119-20 (D. Minn. 2000) (“In this case, defendant does not appear to be situated to benefit financially or commercially from the existence of this web site, which appears to be solely intended to capture the attention of insurance consumers to share defendant's commercial commentary and criticism.”);² Bihari v. Gross, 119 F. Supp. 2d 309, 322-23 (S.D.N.Y. 2000);

2

“For example, plaintiff relies heavily on the Planned Parenthood [v. Bucci] case to support its argument that ‘initial interest’ confusion is sufficient to demonstrate a likelihood of confusion. While the facts in Planned Parenthood appear at first blush to be similar, the court notes that defendant [in the Bucci case] stood to benefit commercially on two bases: (1) defendant was using the ‘bogus’ web site to further **sales of a book**; and (2) defendant's nonprofit anti-abortion group stood to

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Lucent Tech., Inc. v. LucentSucks.Com, 95 F. Supp. 2d 528, 535 (E.D. Va. 2000); Bally Total Fitness Holding Corp. v. Faber, 29 F. Supp. 2d 1161, 1168 (C.D. Cal. 1998).

If the anti-dilution statute were construed as permitting a trademark owner to enjoin the use of his mark in a noncommercial context found to be negative or offensive, then a corporation could shield itself from criticism by forbidding the use of its name in commentaries critical of its conduct. The legitimate aim of the anti-dilution statute is to prohibit the unauthorized use of another's trademark in order to market incompatible products or services. The Constitution does not, however, permit the range of the anti-dilution statute to encompass the unauthorized use of a trademark in a noncommercial setting such as an editorial or artistic context.

Bally Total Fitness, 29 F. Supp. 2d at 1168. Plaintiff's distaste for Defendants' communicative message cannot justify the silencing of critical speech. Mattel, Inc. v. MCA Records, Inc., 28 F. Supp. 2d 1120, 1137 (C.D. Cal. 1998).

As explained in the Affidavit of Emmanuel Goldstein at length, the "hyperlink joke" in this case is speech. It is not only speech – it is one small but important part of a larger project of artistic and political speech. It is **core speech** entitled to the most robust protection afforded by the First Amendment. Hess v. Indiana, 414 U.S. 105 (1973); Cohen v. California, 403 U.S. 15 (1971) ("fuck the draft" is protected speech); see also Wooley v. Maynard, 430 U.S. 705 (1977) (covering "live free or die" license plate slogan is protected expression). Nevertheless, Plaintiff asks this Court to impose a forbidden prior restraint on Mr. Goldstein's speech. See Bihari, 119 F. Supp. 2d at 324 (citing Bantam Books, Inc. v. Sullivan, 372 U.S. 58, 70 (1963)). It is impossible for Mr. Goldstein to make this "hyperlink joke" without the use of the referral.

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commercially benefit through the solicitation of funds by diverting users from plaintiff's site. . . . Here, the court cannot make similar conclusions based upon the limited record. Other cases cited by plaintiff are similarly distinguishable." Northland Ins. Co., 115 F. Supp. 2d at 1120 (emphasis added).

In order to justify a content-based restriction on speech or expressive conduct, Plaintiff must make an affirmative case for surviving “strict scrutiny.” The state action that Plaintiff demands must be narrowly tailored and necessary to serve as the least restrictive means to achieve a compelling state interest. United States v. Playboy Entertainment Group, 529 U.S. 803, 120 S. Ct. 1878, 1888 (2000) (“If a statute regulates speech based on its content, it must be narrowly tailored to promote a compelling Government interest. If a less restrictive alternative would serve the Government's purpose, the legislature must use that alternative.”); Reno v. American Civil Liberties Union, 521 U.S. 844, 874 (1997); R.A.V. v. St. Paul, 505 U.S. 377, 386 (1992) (“The government may not regulate [speech] based on hostility – or favoritism – towards the underlying message expressed.”); Simon & Schuster, Inc. v. Crime Victims Bd. of N.Y., 502 U.S. 105, 115-18 (1992).

Plaintiff’s proposal does not meet any part of this test.

A. **It is Undisputed That Plaintiff Asks This Court to Impose a Content-Based Regulation on Plaintiffs’ Speech.**

Plaintiff concedes that the injunction it seeks is a regulation on speech and that Plaintiff attacks the content of Defendants’ speech. Plaintiff’s only argument involves strong adjectives: Plaintiff contends that the level of scrutiny is reduced because the Domain Name in question contains the word “fuck,” which Plaintiff subjectively seeks to characterize as “obscene and profane” or “vulgar.” On this ground, Plaintiff argues that a lesser standard of scrutiny – that found in Central Hudson Gas & Elec. Corp. v. Public Serv. Comm’n of N.Y., 447 U.S. 557 (1980) – should apply. Plaintiff’s argument is mistaken.

Central Hudson, first of all, is not an obscenity case, but a case about “commercial speech.” Speech falls in the “commercial” category only if it does “no more than propose a

commercial transaction.” Virginia State Bd. of Pharmacy v. Virginia Citizens Consumer Council, Inc., 425 U.S. 748, 762 (1976); CPC Int’l, 214 F.3d at 462. Here the situation is the **exact opposite** – the Defendants’ expression using “FUCKGENERALMOTORS.com” consists exclusively of core speech (humorous commentary and criticism) and does nothing whatsoever to propose any commercial transaction with anyone. Id.; see also Rubin v. Coors Brewing Co., 514 U.S. 476, 481-83 (1995); see also 44 Liquormart, Inc. v. Rhode Island, 517 U.S. 484, 495-98 (1996) (describing history and limited scope of “commercial speech” doctrine).

Next, plaintiff’s premise that the purported offensive effect of the speech on the hypothetical audience somehow lowers the standard of scrutiny is also in error. The Supreme Court has already squarely rejected the Plaintiff’s argument in Reno, 521 U.S. at 864-80. The Supreme Court’s rejection, as relevant to this case, was two-fold. First of all, established First Amendment jurisprudence does not permit a lowering of the standard of scrutiny because of an alleged “offensive” or upsetting impact on the audience. Reno, at 868 (citing Boos v. Berry, 485 U.S. 312, 321 (1988)); Forsyth County v. Nationalist Movement, 505 U.S. 123, 134 (1992) (rejecting “heckler’s veto” argument because “Listeners’ reaction to speech is not a content-neutral basis for regulation”). Second, the Internet medium has its own characteristics, and is not appropriate for the degree of regulation permitted in broadcasting cases such as F.C.C. v. Pacifica Found., 438 U.S. 726 (1978) (George Carlin “Filthy Words” broadcast case); and Sable Communications of Cal., Inc. v. FCC, 492 U.S. 115 (1989):

In evaluating the free speech rights of adults, we have made it perfectly clear that “[s]exual expression which is indecent but not obscene is protected by the First Amendment.” Sable, 492 U.S. at 126. See also Carey v. Population Services Int’l, 431 U.S. 678, 701 (1977) (“[W]here obscenity is not involved, we have consistently held that the fact that protected speech may be offensive to some does not justify its

suppression"). Indeed, Pacifica itself admonished that “the fact that society may find speech offensive is not a sufficient reason for suppressing it.” 438 U.S. at 745.

In short, Plaintiff’s complaint “focuses only on the content of the speech and the direct impact that speech has on its listeners.” Playboy, at 811 (citing Boos, 485 U.S. at 321 (opinion of O’CONNOR, J.)). This is the essence of content-based regulation. Playboy, at 811 (emphasis added). As such, it is clearly subject to “strict scrutiny.” Id.; Reno, at 874.

B. Plaintiff’s Proposal Fails Strict Scrutiny.

Plaintiff does not even propose to make an evidentiary showing relating to any of the “strict scrutiny” factors. All Plaintiff does is hypothesize about speculative “confusion” of the public – even though Plaintiff (in the pre-hearing conference) has already admitted there is no evidence whatsoever that anybody ever has been or ever will be “confused.” True to form, FORD just speculates wildly about the mental states and beliefs of imaginary people that have never been interviewed or made available under oath for cross-examination.

Defendants will assume for the sake of argument that the interest to be protected by the Lanham Act – namely preventing situations in which a customer thinks he or she is purchasing a “FORD” automobile, when in fact that customer is purchasing something else, see New Kids on the Block v. News Am. Publ’g, 971 F.2d 302 (9th Cir. 1992) (discussing purpose and history of trademark law)³ – constitutes at least an “important” state interest, and that Plaintiff could make

3

Since at least the middle ages, trademarks have served primarily to identify the source of goods and services, “to facilitate the tracing of ‘false’ or defective wares and the punishment of the offending craftsman.” F. Schechter, *The Historical Foundations of the Law Relating to Trade-marks* 47 (1925). The law has protected trademarks since the early seventeenth century, and the primary focus of trademark law has been misappropriation--the problem of one producer’s placing his rival’s

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a good-faith argument in favor of treating at least some specific extreme Lanham Act cases as presenting a “compelling” intrst on an as-applied basis. However, Plaintiff never even attempts to make such an argument. In **this** case it is clear enough that there cannot possibly be any as-applied “compeling” governmental interest. There is no danger in this case whatsoever of any customer buying fake or “bogus” FORD-branded automobiles, merchandise or anything else.

Instead, Plaintiff’s allegations about hypothetical “injury” (which are and at the hearing will be unsupported by any evidence whatsoever) simply are too speculative and ephemeral to justify content-based restrictions on speech.

Plaintiff’s allegations clearly do not deal with the Internet population at large, but rather with a self-selecting sub-population (namely users who type “www.fuckgeneralmotors.com,” wondering where that address will take them). How many of them mistakenly believe that FORD Motor Company actually published the Website pointer? There is no evidence on this issue. Nor is there any factual basis (and Plaintiff will present none) to infer that the number is

³(...continued)

mark on his own goods. See, e.g., Southern v. How, 79 Eng. Rep. 1243 (K.B.1618). The law of trademark infringement was imported from England into our legal system with its primary goal the prevention of unfair competition through misappropriated marks. See, e.g., Taylor v. Carpenter, 23 F. Cas. 742 (C.C. D. Mass. 1844) (Story, J.). Although an initial attempt at federal regulation was declared unconstitutional, see The Trade-Mark Cases, 100 U.S. 82, 25 L. Ed. 550 (1879), trademarks have been covered by a comprehensive federal statutory scheme since the passage of the Lanham Act in 1946. . . . Throughout the development of trademark law, the purpose of trademarks remained constant and limited: Identification of the manufacturer or sponsor of a good or the provider of a service. And the wrong protected against was traditionally equally limited: Preventing producers from free-riding on their rivals’ marks. . . . The core protection of the Lanham Act remains faithful to this conception. See 15 U.S.C. § 1114 (prohibiting unauthorized use in commerce of registered marks).

New Kids, at 305.

greater than zero. Plaintiff bears the burden of proof on this issue, and in the absence of evidence to validate Plaintiff's speculation, Plaintiff loses.

Even assuming (hypothetically) that a non-zero number of people form such a belief (as though it isn't obvious enough that the person "pointing" this Domain Name couldn't **possibly** be the Ford Motor Company),⁴ what percentage of them lack the basic skill of performing a "Whois" search and thereby determining who the **real** owner of the Domain Name is? Given that most of the people who get the idea to type the domain name do so from sources like the 2600 Website or Wired (where the story has been publicized), it is only reasonable to expect an extraordinarily tech-savvy audience that simply is not going to be fooled.

Third, even assuming there are a few really extraordinary people who just don't recognize the joke, do they take any action in **reliance** on their mistaken belief? FORD doesn't allege that they do. Nor will FORD offer any evidence of reliance. Moreover, it obviously would be impossible to say such "reliance" would be **reasonable** in any event. No reasonable person – in light of the expressive content of the Domain Name – would possibly entertain such a belief. And finally, plaintiff fails to address the issue of **scierter** – the repointing of the domain name obviously was not intended to trick people into buying any products (none are for sale, and Defendants do not even publish banner advertising using this Domain Name).

In short, this case just simply doesn't present any **likelihood** of any kind of confusion,⁵

⁴There is no dispute that General Motors is completely aware of **exactly** who owns and uses this Domain Name, and therefore GM cannot possibly develop a bad opinion about Ford in this context.

⁵The Lanham Act requires proof of a definite and concrete **likelihood** of confusion about the origin or source of particular goods or services; a remote and speculative "possibility" of
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and even if there is allegedly some remote and speculative possibility of “confusion” – it is not the **kind** of “confusion” trademark law is designed to address, or that the government has any interest in regulating. A&H Sportswear, 166 F.3d at 205-06; August Storck, 59 F.3d at 618.

There are just some kinds of silly misunderstandings that we live with as a society. The government has no interest in making sure that these hypothetical people alleged by FORD are prevented from leaping to faulty (and, frankly, stupid) conclusions that would easily be dispelled upon a reasonably diligent investigation of the facts.

Likewise, even a cursory examination of the astonishing scope of the injunction Plaintiff seeks demonstrates that it is neither “narrowly tailored” nor “necessary” under the circumstances – especially when Plaintiff has easily available technological self-help remedies at its disposal that are satisfactory enough to make it unnecessary for the Court to intervene.

The reasons for declining to impose a content-based restriction on speech are especially strong because Plaintiff is seeking a preliminary injunction. “A preliminary injunction is a very serious remedy, “never to be indulged in except in a case clearly demanding it.” Barbecue Marx, Inc. v. 511 Ogden, Inc., 235 F.3d 1041, 1043-44 (7th Cir. 2001) (quoting Roland Mach. Co. v. Dresser Indus., 749 F.2d 380, 389 (7th Cir.1984) (Posner, J.)). The Plaintiff clearly bears

⁵(...continued)
confusion will not suffice. A & H Sportswear, Inc. v. Victoria's Secret Stores, Inc., 166 F.3d 197, 205-06 (3rd Cir. 2000) (“The other circuits are unanimous in requiring the use of the likelihood of confusion standard in Lanham Act infringement cases.”); International Ass'n of Machinists and Aerospace Workers v. Winship Green Nursing Ctr., 103 F.3d 196, 200 (1st Cir.1996) (markholder “must show more than the theoretical possibility of confusion”); August Storck K.G. v. Nabisco, Inc., 59 F.3d 616, 618 (7th Cir.1995) (possibility of confusion not sufficient; if it were, “all comparative references would be forbidden, and consumers as a whole would be worse off”); Vitek Sys., Inc. v. Abbott Labs., 675 F.2d 190, 192 (8th Cir.1982) (“[A] mere possibility is not enough; there must be a substantial likelihood that the public will be confused.”).

the burden of proof of demonstrating both a likelihood of irreparable injury and a substantial likelihood of prevailing on the merits. Barbecue Marx, 235 F.3d at 1043. Here, Plaintiff has clearly failed to make the necessary factual showing – or even to introduce evidence in support of either of these required elements.

II. Plaintiff Fails To State a Viable Claim Under the Lanham Act or the FTDA.

A. FORD Is Not a “Famous” Trademark.

The Federal Trademark Dilution Act restricts non-competing uses of a small class of marks called “famous” marks – e.g., Kodak pianos or Xerox mouthwash. Not all trademarks are “famous” – even if extraordinarily well-known. Both “famousness” and “dilution” – as those terms of art are used in the FTDA – have caused the courts considerable interpretive difficulty. See Federal Exp. Corp. v. Federal Espresso, Inc., 201 F.3d 168, 177-78 (2nd Cir. 2000); Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev., 170 F.3d 449, 459 (4th Cir.) (Recognizing that the FTDA term “dilution” presents unremitting[ly] difficul[t] . . . interpretive problem[s] for all who touch it . . .”), *cert. denied*, 528 U.S. 923 (1999); I.P. Lund Trading ApS v. Kohler Co., 163 F.3d 27, 46-47 (1st Cir. 1998) (“Both the text and legislative history of the original bill in 1988 and the FTDA itself indicate a congressional intent that courts should be discriminating and selective in categorizing a mark as famous.”); HQM, Ltd. v. Hatfield, 71 F. Supp. 2d 506-09 (D. Md. 2000).

The mark “FORD” is not an arbitrary or fanciful coined term like “Kodak,” “Xerox,” “Prozac,” “Kleenex,” or (probably not famous yet) “Verizon.” Indeed, many companies other than the Ford Motor Company offer goods or services in commerce that use marks referencing the name “Ford.” See, e.g., U.S.P.T.O. Reg. No. 1939442 (Dec. 5, 1995) (“Betty Ford Center”);

U.S.P.T.O. Reg. No. 2400805 (Oct. 31, 2000) (“One Ford Road” for real estate development); U.S.P.T.O. Reg. No. 2075160 (July 1, 1997) (“Henry Ford Health System” for health care services); U.S.P.T.O. Reg. No. 2077011 (July 8, 1997) (“Henry Ford” for health care services); U.S.P.T.O. Reg No. 2064445 (May 27, 1997) (“Henry Ford Museum”); U.S.P.T.O. App. No. 76001043 (*published for opposition* Oct. 24, 2000) (“Ford’s Colony” for country club entertainment services); U.S.P.T.O. App. No. 75514241 (*published for opposition* Dec. 28, 1999) (“The Ford Plantation” for real estate development, hotel services, and golf course entertainment services).

The word “FORD” simply lacks the degree of inherent distinctiveness to associate it uniquely with a single company or a single source of goods and services. The strongest protection is reserved for fanciful marks that are purely the product of imagination and have no logical association with the product. Eli Lilly & Co. v. Natural Answers, Inc., 233 F.3d 456, 466 (7th Cir. 200) (“Prozac” case); Nabisco, Inc. v. PF Brands, Inc., 191 F.3d 208, 216 (2nd Cir.1999). Especially at the preliminary injunction phase, where FORD has offered no actual evidence on any of the elements of “famousness” or “dilution,” it would be inappropriate simply to assume that “FORD” can claim to possess a so-called “famous” mark. TCPIP Holding Co., Inc. v. Haar Communications, Inc., 244 F.3d 88, 95 (2nd Cir Feb 28, 2001) (“against a background of policies that strongly disfavor marks lacking inherent distinctiveness, according them only narrow protection, we think it highly unlikely that Congress intended to extend to such marks the expanded rights conferred by the Dilution Act”). A mark that evokes an association with a specific source only when used in connection with the particular goods or services that it identifies is ordinarily not sufficiently distinctive to be protected against dilution.

I.P. Lund, at 46-47.

B. FORD Has No Standing To Complain About “FuckGeneralMotors.com”

General Motors has threatened to sue the Defendants over this Domain Name, but has not. In Fact, the Domain Name does not infringe any right of General Motors. However, clearly enough, FORD does not own or have any right to the trademarks of its direct competitor General Motors. FORD has no standing to sue on General Motors’s behalf.

C. FORD Has Failed to State a Claim for Infringement, False Designation of Origin, or Dilution Because FORD Fails To Allege Facts Sufficient To Signify “Trademark Use” or “Commercial Use.”

The key to trademark law is the source-designating function of trademarks. Domain Names do not automatically constitute “marks” that signify the source of particular goods or services that are offered or sold in commerce. See Data Concepts, Inc. v. Digital Consulting, Inc., 150 F.3d 620, 627-27 (6th Cir. 1998) (Merritt, J., concurring) (citing Lockheed Martin Corp. v. Network Solutions, Inc., 985 F. Supp. 949, 956 (C.D.Cal.1997)); UNITED STATES PATENT AND TRADEMARK OFFICE, EXAMINATION GUIDE NO. 2-99: TRADEMARKS COMPOSED, IN WHOLE OR IN PART, OF DOMAIN NAMES (Sept. 29, 1999).

Plaintiff relies on two lines of cases that are clearly inapplicable. In one line of cases, FORD emphasizes the “Candyland” or Ford Motor Co. v. Lapertosa, 126 F. Supp. 2d 463 (E.D. Mi. 2000), scenario, in which a publisher sets up a Website offering (in exchange for an admission fee) access to pornographic content, and then draws traffic to the pornography site with a domain name such as “fordrecalls.com.” See id. at 465 (site used “to purvey pornographic or ‘adult entertainment’ materials”). These cases are now generally decided (as was the Lapertosa case) under the “Cybersquatting Act.” This case however, conspicuously does

not involve any ACPA claims – and with good reason. The Domain Name at issue here does not bear any similarity whatsoever to any FORD trademark.

The “pornography” cases are obviously inapplicable here because Defendants do not even publish any Website using the Domain Name in question, and simply do not use it to peddle any kind of goods or services whatsoever. In **this** case, the Domain Name is used purely for purposes of speech, and **not** to buy and sell anything over the Internet. Because the sale of pornography at least arguably may constitute “trademark use” and “commercial use” – **but the expressive use in this case clearly does not** – the “pornography” cases are inapplicable.

Likewise, the second line of cases relied upon by the Plaintiff – characterized by Planned Parenthood v. Bucci – is equally inapplicable. In fact, see note 2, *supra*, courts (including the Northland Insurance court) have already identified this exact ground of distinction, and have held that Planned Parenthood is inapplicable because Mr. Bucci was trying to use a very subtle disguise in order trick visitors into believing that the site was actually Planned Parenthood, and thereby to entice them into purchasing books that he was peddling. Northland Ins. Cos., 115 F. Supp. 2d at 1120 (“In this case, defendant does not appear to be situated to benefit financially or commercially from the existence of this web site, which appears to be solely intended to capture the attention of insurance consumers to share defendant's commercial commentary and criticism.”); see also Bally Total Fitness, 29 F. Supp. 2d at 1168 (“Bally argues that Faber has tarnished its mark by associating it with pornography. Commercial use is an essential element of any dilution claim. . . . The mere use of another's name on the Internet, however, is not per se commercial use.”).

The case of HQM v. Hatfield, involving dismissal of a complaint for failure to state any

infringement or dilution claim upon which relief can be granted, is directly on-point:⁶ “Plaintiffs fail to allege--even “on information and belief”-- that Defendant uses their mark in connection with any ‘goods or services,’ much less in a way that would satisfy the likelihood of confusion test. Thus, Plaintiffs' Complaint fails as a matter of statutory law.” HQM, Ltd. v. Hatfield, 71 F. Supp. 2d 500, 504-05 & n.18 (D. Md. 1999). Similarly, the Plaintiff here fails to allege or identify any goods or services or “commercial use” whatsoever:

Plaintiffs' argument on "commercial use" is simple once the waters clear. Plaintiffs first offer up a red herring: Plaintiffs state that “most courts find that simple use of the Internet is sufficient to meet the ‘in commerce’ requirement of the Dilution Act,” Plaintiffs next point to Defendant's alleged registration HATFIELD.COM under the .com designation [and] argue that the .com use . . . satisfies the "commercial use" requirement. The Court rejects this proposition for the following reasons.

First, nearly every Court to have decided whether mere registration or activation of a domain name constitutes “commercial use” has rejected such arguments, even when the domain name or names included the .com designation. See Lockheed Martin Corp. v. Network Solutions, Inc., 985 F. Supp. 949 (C.D.Cal.1997) (“[R]egistration of a domain name, without more, does not

⁶Likewise, Bihari v. Gross, 119 F. Supp. 2d at 322-23, recognizes:

The commercial use requirement in § 43(a) tracks the commercial speech doctrine as developed by the United States Supreme Court. See Central Hudson Gas & Elec. Corp. v. Public Serv. Comm. of New York, 447 U.S. 557, 561(1980). Following the Supreme Court's precedent, the Second Circuit has explained that “[t]he ‘core notion’ of commercial speech includes ‘speech which does no more than propose a commercial transaction.’” Bad Frog Brewery, Inc. v. New York State Liquor Auth., 34 F.3d 87, 97 (2d Cir.1998) (quoting Bolger v. Youngs Drug Prod. Corp., 63 U.S. 60, 66, (1983)). . . . “The mere use of another's name on the Internet . . . is not per se commercial use.” Bally Total Fitness Holding Corp. v. Faber, 29 F. Supp. 2d 1161, 1166 (C.D.Cal.1998). Nor do the Gross websites offer any "commercial transaction." Defendants are not interior designers and do not sell visitors any products or services.

Bihari, at 322-23 (emphasis added).

constitute use of the name as a trademark."), *aff'd*, 194 F.3d 980 (9th Cir. 1999); Panavision Int'l, L.P. v. Toeppen, 945 F. Supp. 1296 (C.D. Cal. 1996) ("Registration of a trade[mark] as a domain name, without more, is not a commercial use of the trademark and therefore is not within the prohibitions of the Act."), *aff'd*, Panavision International L.P. v. Toeppen, 141 F.3d 1316 (9th Cir. 1998); Academy of Motion Picture Arts & Sciences v. Network Solutions, Inc., 989 F. Supp. 1276 (C.D. Cal. 1997) (holding mere registration of a domain name does not constitute commercial use); Bally Total Fitness Holding Corp. v. Faber, 29 F. Supp. 2d 1161 (C.D. Ca. 1998) (holding mere use of another's mark on Internet is insufficient to constitute commercial use); Juno Online Services v. Juno Lighting, Inc., 979 F. Supp. 684 (N.D. Ill. 1997) (holding reservation of domain name without a website does not constitute infringement under Lanham Act § 43(a)).

In support of their argument on the .com designation, Plaintiffs rely on dicta in Avery Dennison Corp. v. Sumpton, 189 F.3d 868 (9th Cir. 1999), *rev'ing* 999 F. Supp. 1337 (C.D. Cal. 1998). In Avery, the Ninth Circuit held that the Defendants' business of registering and licensing common surnames did not constitute "commercial use." Plaintiffs, however, cite the discussion in Avery of the differences between registering under the .net and the .com designations, to argue that the latter constitutes commercial use and dilution. The Court believes that Plaintiffs read far too much into these statements. The Court also believes that better reasoning on the .com designation is found in Intermatic Inc. v. Toeppen, 947 F. Supp. 1227 (N.D. Ill. 1996). In that decision, which postdated Defendant's alleged registration by over a year, the court held:

The use of the first level domain designation ".com" does not in and of itself constitute a commercial use. The Internet is constantly changing and evolving. Currently the ".com" designation is the only one available for both commercial and private use. In the future, perhaps other first level domain designation will be available solely for private or commercial uses. However, the Court is not here to set policy guidelines for the Internet, but rather must apply the law to the Internet as it exists today. Therefore, the Court holds that the .com designation alone does not establish commercial use.

See Intermatic Inc. v. Toeppen, 947 F. Supp. at 1239. For similar reasons, the Court holds that under the facts alleged in this Complaint, the .com designation does not by itself constitute commercial use. To hold otherwise would create an immediate and indefinite monopoly to all famous marks holders on the Internet, by which they could lay claim to all .com domain names which are arguably "the same" as their mark. The Court may not create such property rights-in-gross as a matter of dilution law. See Ringling Bros.-Barnum, 170 F.3d 449 (4th Cir.1999).

Moreover, to do so would interject the Court as a policymaker for domain names and the Internet, at a time when they are rapidly evolving. Intermatic Inc., 947 F. Supp. 1227 (N.D.Ill.1996); Avery Dennison, 189 F.3d 868 (9th Cir.1999). This is a Court of limited jurisdiction. The Court must make its decision based on the federal trademark laws as they exist today; the Court may not distort the law to satisfy a mark holder's desires. *Cf.* Washington Speakers Bureau, Inc. v. Leading Authorities, Inc., 49 F. Supp. 2d 496 (1999) ("Nothing in trademark law requires that title to domain names that incorporate trademarks or portions of trademarks be provided to trademark holders.").

HQM, Ltd., at 507-08. The identical reasoning is squarely applicable here. See also The Network Network v. CBS, Inc., 2000 WL 362016 (C.D. Cal. Jan. 18, 2000).

III. Defendants are Not Subject to Personal Jurisdiction.

The existence of personal jurisdiction is a necessary prerequisite for injunctive relief. R.M.S. Titanic, Inc. v. Haver, 171 F.3d 943, 957-58 (4th Cir. 1999). And the burden is on the plaintiff to present an evidentiary foundation for personal jurisdiction. Compuserve, Inc. v. Patterson, 89 F.3d 1257, 1262 (6th Cir. 1996); Winfield Collection, Ltd. v. McCauley, 105 F. Supp. 2d 746, 748-49 (E.D. Mi. 2000); Neighbors v. Penske Leasing, Inc., 45 F. Supp. 2d 593, 597 (E.D. Mi. 1999). Plaintiff does not even propose to present any evidence on this subject. Accordingly there is no basis to find specific jurisdiction over either Defendant, or general jurisdiction over Defendant 2600. See Helicopteros Nacionales de Colombia, S.A. v. Hall, 466 U.S. 408, 414 & nn. 8-9 (1984) (discussing standards for specific and general jurisdiction, respectively).

IV. There Is No General "Right Not to Be Referred To" on the Web.

As the publications of the inventor of the World Wide Web clearly demonstrate, and as Mr. Goldstein discusses at length in his affidavit, the "freedom to link" or to make references to **anything** that is published on the 'Web is fundamental to the 'Web's very existence. Mr.

Goldstein had every right to rely on these common understandings and practices of the Internet community, and if FORD claims ignorance of these controlling norms, it is FORD's own fault.

V. Witnesses and Documents.

The ten exhibits attached to Mr. Goldstein's declaration are the only exhibits that Defendants propose to introduce at this time. Defendants' witnesses include Mr. Goldstein himself and possibly one other witness – a DNS specialist for another automobile manufacturer. We are still evaluating that witness and checking his credentials, however. Defendants have asked for one item of discovery (and would seek to introduce it if produced) – a complete list or catalog of all the “referers” making referrals to the FORD Website in the last month, and the relative volume generated by each of them. FORD has not responded to this request.

Defendants respectfully disagree with Plaintiff's characterization of the Monday “Meet and Confer” conference. Moreover, Plaintiff omits to mention that Defendants' counsel was not made privy to the Court's instructions until 4:25 in the afternoon on Friday, May 11, 2001.

We also think it is important to speak briefly to Plaintiff's representations as to what facts are disputed and what are not. Some facts in this case are undisputed. For example, it is undisputed that plaintiff seeks to regulate speech, and that the proposed regulation is content-based. Plaintiff's representations about the “referral,” however are **not** undisputed. Plaintiff's explanation and Defendants' explanation are not in any way inconsistent. Plaintiff just glosses over and fails to address a number of very important factual points.

Any statements about Plaintiff about what people believe, whether anyone is confused, or what the customs or norms on the Internet may be, are all respectfully disputed. Defendants also dispute whether Plaintiff has managed to prove the essential elements necessary to secure an

injunction based on any three causes of action alleged.

CONCLUSION

Wherefore, premises considered, Defendants respectfully pray that Plaintiff's Motion for a Preliminary Injunction be rejected and that the action be dismissed for lack of jurisdiction or failure to state a claim.

Respectfully submitted,

May 16, 2001

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