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USA

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## Interpretation of ACPA's area of control is on level ground

In *Lucas Nursery and Landscaping Inc v Grosse*, the US Court of Appeals for the Sixth Circuit has confirmed that, in the absence of a bad faith intent to profit from the use of another's mark in a domain name, a use solely to criticize the mark owner cannot be enjoined under the [Anti-cybersquatting Consumer Protection Act](#) (ACPA).

Michelle Grosse hired Lucas Nursery and Landscaping Inc to correct a dip in the soil that ran through the centre of her garden. She was not satisfied with Lucas Nursery's work, but despite numerous oral and written complaints, she could not persuade it to complete the job to her satisfaction. She subsequently registered the domain name 'lucasnursery.com' to post a page relaying her experiences to the public, including the fact that she had to pay another landscaper \$5,400 to fix the hollow in her garden.

Lucas Nursery sent a cease and desist letter and Grosse took her website down. However, after learning that Lucas Nursery had not registered its service mark with either the [Michigan Bureau of Commercial Services Licensing Division](#) or the US [Patent and Trademark Office](#), she concluded that she could retain her website. She posted a new page under 'lucasnursery.com' detailing her experience. Lucas Nursery filed a suit for breach of the ACPA and both parties moved for summary judgment.

Under the ACPA, a cybersquatter is potentially liable to the owner of a protected mark if that person: has a bad faith intent to profit from the mark, and registers, traffics in, or uses a domain name that (i) is identical or confusingly similar to a distinctive mark, and (ii) is identical or confusingly similar to or dilutes a famous mark. The Senate Judiciary Committee's [report](#) on the ACPA distilled the crucial elements of bad faith to mean an intent to trade on the goodwill of another's mark.

The US District Court for the Eastern District of Michigan ruled in Grosse's favour. It found that Grosse never offered to sell the site to Lucas Nursery nor did she provide misleading contact information when she registered the domain name. She had not acquired any additional domain names, which would be indicative of either her intent to sell such names or exploit them for other uses. Accordingly, the district court denied Lucas Nursery's motion and granted Grosse's motion for summary judgment. Lucas Nursery appealed.

In affirming the district court's decision, the Sixth Circuit agreed that there was no evidence that Grosse intended to trade on Lucas Nursery's goodwill when she registered 'lucasnursery.com'. Protecting consumers from slick internet peddlers who trade on the names and reputations of established brands was one of the objectives of the ACPA. The court said that informing other consumers of one's experiences with a particular service provider does not conflict with this objective. In the court's view, it would stretch the ACPA beyond the letter of the law and Congress's intention to declare anything to the contrary.

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