

# Trademarks and Domain Names: Issues and Recent Court Decisions in Italy



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## INTRODUCTION

This paper will limit its analysis to one aspect of the complex issues surrounding the Internet and its functioning, namely to the use of, and proprietary rights over, domain names and their relation to trademark law and, more generally, industrial property rights, and the names of persons.

A second limitation will be that we are only concerned with the way the Italian judiciary system has dealt with the problem, leaving aside all out-of-court settlement procedures or voluntary jurisdiction and arbitration [including Internet Corporation for Assigned Names and Numbers (ICANN), Uniform Dispute Resolution Policy (UDR) and other national arbitration systems].

Italy has a tradition of being particularly slow at implementing new legislation, namely when new phenomena are concerned; however, it also has a positive capacity to include, or at least to assimilate, most of these situations into known categories, thus avoiding long periods during which an unregulated phenomenon is simply ignored. This capacity to deal with novelty in a practical way is, in my opinion, a specific and major credit to the Italian judicial system.

Domain names have been regulated basically by jurisprudence Court decisions, since no specific law has been implemented in Italy concerning the Internet, while administrative registration rules and regulations for domain names do

not guarantee any legal rights, leaving the solution of any conflicts that may arise to the judiciary system.

This approach has caused a basic misunderstanding, resulting in an attempt by a certain number of people to take advantage of a general lack of readiness by individuals and corporations to grasp the implications of domain name registration. These people appropriate large numbers of domain names simply by registering famous trademarks and the names of well-known persons, hoping to resell them for as large a profit as possible. An analysis of the phenomenon of "cybersquatting" and "domain grabbing" is not, however, of central interest for this paper, and will only be treated marginally.

The second and more relevant consequence of the lack of ad hoc legislation concerning domain names was the difficulty of dealing with the rights acquired by legitimate users of domain names that are in conflict with the legitimate owners of identical or similar trademarks.

It is important to approach the problem systematically, because in order to appreciate the solutions that have been provided by the judiciary system, it is necessary to understand the different situations

1 Court of Turin, preliminary injunction 21.12.2000 *Alessia Merz vs. Le mie favole*, unpublished; see also Court of Salerno, preliminary Injunction 9.06.2000 *Giuseppe Daniele vs. Utopia Networking*, unpublished, concerning the registration of the domain name *pinodaniele.com*, where Pino Daniele is the name under which the claimant, a famous singer, is known.

and conflicts that may arise.

A first differentiation must be made between the conflicts caused by the use of the names of famous people and the use thereof as domain names by non-authorized people, and the conflict between trademarks and domain names.

## NAMES OF FAMOUS (AND NOT SO FAMOUS) PEOPLE

The solution adopted by Italian case law is to consider the unauthorized use of the names of famous people as domain names as a violation of individual personality rights, namely the exclusive right to use one's own name, recognized by the Italian Civil Code (this use includes the right to exploit the notoriety acquired by the name; therefore, in this particular case, the violation lies in the registration and use of the domain name itself independent of the interest of the famous person to register and/or use his/her name as a domain name).

Recent decisions have confirmed that the right to use and exploit one's own name is unlimited, and there is no room for any appropriation by a third party for any use whatsoever, including use as a domain name.<sup>1</sup> These decisions

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show that it is not possible to make a legal claim to any right deriving from the Naming Rules and the granting of registration of a domain name by the Naming Authority, since these rules do not come from are not issued by any legislative body and, therefore have no legal value, being construed only as a contractual relation between the parties (the Naming Authority and the registration applicant). Therefore, they can have no value for for third parties and cannot interfere with third parties' rights.

However, in order to implement the provision of Art. 7 of the Italian Civil Code, which recognizes the exclusive right of any person to use and exploit his/her own name, whoever claims that this right has been violated must also prove that the violation has caused moral or economic damage. The Courts have, however, considered that any limitation on a person's right to use his/her own name as a domain name is sufficient to recognize the existence of such a prejudice and that the right must, therefore, be restored.

It is important to note that the Court of Turin, in granting the preliminary injunction of December 21, 2000, stated that although a person can still obtain a registration for his/her name by slightly modifying it (i.e. Ms. Alessia Merz registered merzalessia.it, since alessiamerz.it had already been registered there was not an insufficient reason for the usurper to claim that there was no prejudice; the claim should be rejected. This is true because the right to use one's own name is exclusive and thus also implies the possibility to use it in any way the rightful owner decides to use it, without being limited by any unlawful use made by a third party.

It appears difficult to challenge these decisions, although it must be pointed out that they all regard well-known people. The real question becomes, therefore, what level

of notoriety, if any, is necessary in order to obtain protection for a person's name. If Although Art. 7 of the Italian Civil Code does not differentiate between well-known and unknown names, and therefore applies to everybody, it may very well be that if somebody registers the domain name of an unknown person, there is no prejudice for the the latter, unless he/she proves his/her intention to use the name to register it as a domain name and, therefore, there is not necessarily a violation of his/her right.

A well-known Italian entrepreneur, Mr. Grauso, has registered several thousand names at the end of 1999, taking them from those of people who are in positions of power (members of boards of administration, wealthy people, and so forth) but who are not actually "famous" or "well known" to the general public.

It is rather unclear what Mr. Grauso may be able to achieve through these registrations, provided that he does not use them, and, that what is more, anybody can request that the Naming Authority to cancel a domain name if it is not used for any period of three months. Nor it is is it likely that most of the people whose names were registered by Mr. Grauso will make much effort to recover their names unless they have a serious intention to use them.

Thus, unless there is a specific intention to use the name as a domain name by the person whose name has been registered, it appears that Mr. Grauso did not violate any law by registering these names since there is no real prejudice for the people involved. However, it must be considered that, at the moment whenever any of the people, whose name has been registered without permission, should decide to register his/her name as a domain name, there will be prejudice, even if only due to the expenses and delay in

time required in order to obtain registration. The legitimate owner of the name would be able to recover the right to use the name if he/she takes Mr. Grauso before the Italian Courts.

Considering the practical impossibility of using all the domain names registered by Mr. Grauso, this case should be considered as a simple case of cybersquatting. Unfortunately Italy does not have any specific law against cybersquatting (a proposal was made by the Government in April 2000, known as Project Passigli, but never became effective) nor are there provisions in other Italian laws (as is the case in the United States, where the Lanham Act was amended in 1999 [Anticybersquatting Consumer Protection Act] to provide specific penalties in case of cybersquatting and in case of trademark violations due to the registration of domain names identical to registered trademarks). It is, however, reasonable to assume that this specific case will have no practical importance due to the unambiguous position taken by the Italian Courts; when Mr. Grauso's registrations are due for renewal (two years after registration) which will be by at the end of this year, it is very unlikely that he will renew his registrations, and the names will once again be available to their legitimate owners.

A final note, as far as the names of persons are concerned, is that I am not aware of any case involving people with identical names. Probably if a case should arise between two persons who are not well known, the "first-come, first-served" rule would apply. If, however, the "first served" is an unknown person registering his/her own name, which is also the name of a famous person, we must ask ourselves whether or not the situation would be different if the "well known" person also tried to register his/her name.

I believe that the general principles of law apply, and the first-come, first-served principle should still apply, because the right to one's name is absolute and does not depend on the notoriety of the person. As long as the first registrant has a *genuine* interest in using his/her name on the Internet as a domain name (and is not simply trying to take advantage of his/her name, because it is identical to that of a famous person), he/she should have the right to do so irrespective of the existence of other peoples' rights, which cannot be considered to have stronger or special protection. Eventually, the lack of use, or the use in a way which damages the rights of the famous person, by the first registrant will make it possible for the famous person, a diligent person in such a situation, to recover his/her right to obtain the registration of his/her name.

I can see only one exception to this reasoning, which would be in the case if the name is also registered, or applied for, by a legitimate registrant as a trademark. In this case, and if the trademark owner is a famous, well-known person, the rules concerning conflicts between domain names and well-known trademarks could also apply, thus making it easier for the well-known person to demonstrate the existence of prejudice; in any other situation, the scheme which will be presented in this paper regarding conflicts between domain names and "normal" trademarks should apply.

#### DOMAIN NAMES, TRADEMARKS AND WELL-KNOWN TRADEMARKS

Trademark owners, specifically corporations, have an interest in using their own trademarks as second level domain names for at least two compelling reasons:

- to make it easier for the consumer to find the website on the net

- to reinforce the consumer's identification of the brand with and the goods or services produced through the use of the same word, both as a trademark and as a domain name.

Both legal literature and Court decisions consider the second-level domain name as an atypical distinctive sign, including it in the protection granted to Intellectual Property Rights, with specific reference to the discipline of trademarks.

If the reference to the trademark law is, in my opinion, justified, it must also be pointed out that there is a major characteristic which differentiates second-level domain names from trademarks, a difference which makes it impossible to simply apply the provision of the trademark law, without any adjustment, to the conflicts between trademarks and domain names.

This difference lies in the principle of *speciality*, which is of the utmost importance with reference to trademarks; this principle cannot be applied to domain names, and thus is less relevant when considering conflicts involving domain names. Two identical trademarks (if not particularly well-known) may coexist if they are used for goods or services that are not identical or similar, while, for insuperable technical reasons, two identical domain names cannot coexist, regardless of the goods or services they identify. This major difference must be taken into consideration when a domain name comes in conflict with an identical trademark that is registered for very different goods or services.

Art. 1 of the Italian Trademark Law guarantees the unlimited right of the trademark owner to use his/her trademark in his/her commercial activity. It must, therefore, be asked whether the fact that a trademark owner is prevented from using his/her trademark as a domain name because of its previous registration of the same name

as a domain name by a third party—for in connection with goods and services—whether they are identical or similar—is compatible with the rights acquired through the prior trademark registration or application.

It is clear that the solution to that question is easier if the trademark is very well known and if it was registered prior to the domain name. However, even when these conditions are met, the solution to the question is not necessarily easy, also because, among other reasons, there is not simply a category of well-known trademarks and one of not well-known trademarks; rather, the notoriety of trademarks varies very much, ranging from worldwide notoriety extended to all sectors of the population, all the way down to local notoriety, limited to very specialized sectors of the population. It is, therefore, necessary to be able to "vary" the protection granted to the trademark to how well-known it really is.

Decisions by Italian judges have protected, almost without exception, prior well-known trademarks against successive registration of an identical name as a domain name by third parties, even if for goods or services that were not identical or similar<sup>2</sup>

By contrast, different decisions have been made when the trade-

<sup>2</sup> Among the most important decisions, the following must be cited: i) Tribunale di Valdagno, 27 May 1998 concerning a conflict between the trademark PEUGEOT and an identical domain name, published in *Giurisprudenza Italiana*, 1999, pag. 1875: "The right of any company to use its own trademark also as a 'domain name' may and must be recognized. Every company has the insuppressable right to present itself on the market and to the public using any existing model of communication, thus using also its own name and trademarks as a domain name. From this point of view, the Internet is only another model of communication among companies ..."; ii) Tribunale di Napoli, 14.01.1998 (PLAYBOY) commented on at the following Internet address [www.sib.it/itasib/novita/tm/050899.htm](http://www.sib.it/itasib/novita/tm/050899.htm); iii) Tribunale di Viterbo, 24.01.2000 (TOURINGCLUB); Tribunale di Genova, 13.10.1999 (ALTAVISTA); both published in *Il Foro Italiano*, 2000, I, pag. 2333.

marks involved are not very well-known in Italy. The Courts of Rome, Pistoia, and Vicenza have not granted protection to trademarks which have not been considered well-known in Italy, or at least not well-known for the goods and services for which they are being used as domain names by third parties.<sup>3</sup>

Particularly important is the reasoning followed by the Vicenza judge who, while recognizing that AltaVista is a well-known trademark, nevertheless refused to grant an injunction against (among other claims) the use of alta-vista.it on the grounds that

AltaVista's notoriety was limited to a very specific sector (Internet search engines) which is very specialized and very different from the domain of activity of the defendant

<sup>3</sup> Tribunale di Roma, 9.03.2000 (CARP-POINT) in *Il Foro Italiano*, 2000, I, pag. 2333: "The use, in the address of a website in Internet, of a name identical to a registered trademark, registered by another party and used on the net as a domain name, does not imply a risk of confusion for the public, when, keeping into account considering the circumstances and the average discerning capacity of the consumers, it is not possible that the final consumer of the services offered may be misled ..."; Tribunale di Pistoia, Sezione Distaccata di Pescia, 6 November 2000, Procter & Gamble S.p.A. vs. Future Time s.a.s. (concerning the use of the domain name winnerland.it by Future Time, while there were prior trademarks' rights on WINNERLAND and on the domain name winnerland.com in the name of Procter & Gamble), unpublished, the Judge refused to prohibit the use of winnerland.it because: "... the context of the two websites is so different as to exclude any possible confusion even for an Internet user who is surfing by trials based only on the knowledge of the second level domain name of the websites since they may immediately be distinguished because of the differences in their contents."; Tribunale di Vicenza, 9 November 2000, AltaVista Corporation vs. Alta Vista S.r.l. (concerning, among other issues, the existence of a domain name alta-vista.it in the name of the defendant), unpublished, the Judge did not grant the requested measure preliminary injunction against alta-vista.it on the grounds that: "The difference between the service (research engine in Internet) for which AltaVista is well-known and the goods produced and sold by the defendant (articles of clothing) is 'astronomical' ... it is, therefore, very difficult to consider that a consumer, even if he is a regular Internet surfer, ... may associate the search engine trademark (with the mark of the defendant) even because there is no proof that AltaVista Company tried in the past, or is now trying, to make it's trademark well known to larger sectors of the public consumers."

(the production of clothing).

AltaVista did not provide any proof of large scale advertisement (or any other proof) which could support its claim that its trademark was well-known to the general public.

Another important reason for denying the injunction, which is not mentioned in the decision, and this is the fact that the use of alta-vista.it by the defendant did not preclude the use of altavista.it by the claimant.

It is quite important to consider all three points both in relation to the trademark law (which is evidently the law of reference used by the judge in reaching his decision) and to its applicability to conflicts between trademarks and domain names, since they appear to me to be the crucial point of interference between the two situations.

In the specific case we are dealing with, a trademark was recognized by the judge as "well-known," and therefore one which falls under the provision of Art.1.c) of the trademark law (therefore having a right to enlarged protection). The judge, however, considered, in accordance with the best legal literature and prior Court cases,<sup>4</sup> that not all well-known trademarks have a right to "absolute" protection against any other good or service. Instead, the extension of the enlarged protection is directly related to the notoriety of the trademark among the general public, the extension of protection being limited to those fields where the consumers may "recognize" the trademark and make a reasonable connection with the goods or services for which it is indeed well-known.

It is also correct, in my opinion, to point out that the use of a trademark for a highly specialized good or service makes it more unlikely that the public could be confused by the use of the same trademark for completely different goods or services because the first product is

meant to be used only by people who clearly recognize it the producer and the origin of the trademark. Thus, they would not easily believe that other goods or services are related to it.<sup>5</sup>

A third element, which was not included in the decision of the Court of Vicenza, but which seems to be decisive, must then be emphasized: If the owner of the prior right is not precluded from the use of its trademark as a domain name, including all the first-level domain names (.com, .net,

<sup>4</sup> Vanzetti-Di Cataldo *Manuale di Diritto Industriale*, Giuffrè, Milan, 1996, pag. 202. The authors, with their usual conceptual clarity, point out that the extension of the enlarged protection of well-known trademarks (beyond the principle of specificity speciality of trademarks protection) is directly proportional to the extension of the notoriety (of the trademark), because not all well-known trademarks have a right to the same level of protection: "It may well be said, therefore, that overcoming the limit of the principle of relative protection is not an absolute principle, because a trace of this limitation remains, making the protection of the well-known trademarks dependent on the existence of an undue advantage or of a prejudice. In other words, the protection may be as large as the trademark is notorious, including goods totally unrelated (to the original application), if the trademark is very well-known, while, in accordance with a minor notoriety, the extension of protection will be limited to goods which are not as far away (from the original protection), which are the only ones in connection with to which it is concretely possible a prejudice or, alternatively, an undue advantage." The Court of Vicenza, 23 October 1993, published in *Giurisprudenza Annotata di Diritto Industriale (GADI)*, Giuffrè, Milano, 1994, 3076/4, had clearly expressed the same principle in a case concerning the use of the trademark DOLBY for articles of clothing in the following terms: "The renown of a trademark increases the danger of confusion if others use the same trademark, even if for goods which are not similar, because the public is induced to believe that those goods are manufactured by from the company which owns the well-known trademark, or, at least, that there are ties between the two companies. The protection of the so-called well-known trademarks is not, however, without limits; namely it does not extend so far as to cover also the case when there is a considerable difference between the goods or when one or the other (or both) of the goods is highly specialized, because in these cases it is not possible that the use of the same trademark may, in real life, create confusion between the goods of one company and those of the other." (This decision has been confirmed by several other decisions, namely Corte d'Appello Milano, 14 October 1994, in GADI, 1995, 3258/2; Cassazione Ia Sez. Civile, 21 March 1995, n. 3247, in GADI, 1995, 3197/4; Tribunale di Verona, 5 January 1995, in GADI, 1995, 3280/4; Tribunale di Bologna, 17 February 1997, in GADI, 1998, 3746/2; Cassazione, Ia sez. Civile, 25 August 1998, n. 8409, in GADI, 1978, 3733/3).

.it, and so forth), then the reasoning of the Court of Vicenza may be considered absolutely correct (in this particular case, the claimant has control over all the first-level domain names: altavista.com, .it, etc.) and the principle may be correctly tied to the provisions of Art. 1 of the Trademarks Law, which guarantee the unlimited use of the trademark in the commercial activity of its legitimate proprietor. As a matter of fact, the right of both trademark owners were, in this case, guaranteed through the use of the different domain names altavista.it and alta-vista.it. The decision on the merit of the question was, therefore, only whether or not the coexistence of the two trademarks and of the two domain names could be confusing or even create a danger of association among consumers.

The situation would however, in my opinion, have been different if

<sup>5</sup> The decision has been confirmed by the Court of Vicenza even after the appeal of AltaVista Corporation (Tribunale di Vicenza, 1 February 2001, unpublished), with a detailed motivation that is quite interesting since it points out establishes some principles that are of importance for future cases. Namely the Tribunal of Vicenza, in deciding on AltaVista's request of AltaVista that a well-known trademark has a right to total protection, independently of the goods and services protected, the court stated that: "... the interpretation of Art. 1.c) of the Trademark Law, offered by the claimant is pushed so far as to deform the letter and the spirit of the provision..." And later on "The rationality of the provision is not to grant to the trademark 'some kind of absolute and unchallengeable right so as to forbid third parties, always and in any case, the use of from using identical or similar signs' ... but to effectively and adequately protect the suggestive and evocative function of the trademark, without, at the same time, creating absolute reserves of unjustified and indiscriminate limitations of other parties' free economic and juridical initiative, arriving to the point of generating a principle (which could be defined as absolute protection) which is not contemplated by the existing legal discipline, in its formulation and ratio." The validity of the defendant's trademark ALTA VISTA for articles of clothing implies in addition according to the Tribunal of Vicenza: "... the exclusion of the requested protection, even if limited to prohibiting the use of the domain name - and related Web site - alta-vista.it (whose content and composition are not identical to those of the claimant), since it is not possible to prohibit the use of a tool of diffusion of a trademark, and of related distinctive signs, the use of which has not been proven to have violated the rights of a prior registered trademark owned by a third party."

the proprietor of the prior well-known trademark (although not endowed with very high notoriety) had been precluded from using its trademark as a domain name, as was the case for WINNERLAND (see note 3), because the preclusion is a violation of the rights on the trademark acquired with the prior registration by a legitimate owner. Simply stating that there is no danger of confusion between the goods or services in no way eliminates the violation of the prior trademark owner's right, because the registration of a domain name that is identical to the prior registered trademark by a third party makes it impossible for the trademark owner to use its trademark as a domain name in its business activity in accordance with the provisions of Article 1 of the trademark law.

Protection of well-known trademarks, in the terms of the above paragraph, has been constantly enforced in Italy, and, notwithstanding a few different decisions<sup>6</sup>, this result may, by now, be considered as acquired.

From a purely technical point of view, there is no reason, in my opinion, to limit the provision of Art. 1 trademark law, in the terms explained above, only to well-known trademarks, at least if an identical name is used as a domain name. As a matter of fact, well-known trademarks only have a right to enlarged protection for goods and services which may create confusion or association in the mind of the consumer, but the concept of "speciality" cannot be applied to domain names; therefore, the use of an identical domain name limits the use of a prior trademark, independent regardless of the extension of the degree of protection to which the latter is entitled.

Italian judges have not been consistent always agreed on this point, protecting "normal" trademarks only insofar as a danger of confu-

sion or association in relation to the goods or services has been proved. This approach is certainly "reasonable," but it is not easy to reconcile it with existing trademark law.

The only possible approach is to consider that there is no real prejudice for the prior trademark owner who did not take care to register its domain name and who must bear the consequences for this negligence. This, however, does not answer the basic question, which is why an acquired right (the right of the owner to use its registered trademark in all the commercial activities available) should not be fully protected.

As mentioned before, I do not question the fact that the solution given is practical, since it would prove very difficult to find any domain name available if all registered trademarks were a bar to registration; nevertheless, it is necessary to find a way to include this solution systematically in the existing legislation.

It is evident, as already mentioned, that we cannot apply trademark law to any conflict involving a domain name simply because a domain name is not the same thing as a trademark. This, in my opinion, is the most common mistake made by some judges in dealing with this matter, while the solution adopted by the vast majority of Italian judges

<sup>6</sup> I know of only one recent decision, in a preliminary injunction: Tribunale di Firenze 29 June 2000, unpublished, concerning the domain name SABENA. The judge considered the domain name simply as the Internet address, the telephone number, of a connected computer denying any distinctive character to the second-level domain name. The judge recognized that his decision was completely contrary to existing case law and based his reasoning on the rules concerning the registration of the domain name with the Naming Authorities. The mistake appears to be macroscopic, if nothing else because it gives an undue legal value of legal source to the rules and regulations of the Naming Authority without even considering that the same Rules and Regulations clearly state that the applicant assumes all responsibility for the possible violation of third parties' rights. The only other known decision on the same terms is Tribunale di Bari, 24 July 1996, unpublished.

has been to consider the domain name as an atypical distinctive sign, very close to a business name sign (insegna), applying the rules established by the trademark law in case of conflict between a trademark and another, although atypical, distinctive sign.

Although the business name sign is the closest known distinctive sign, it should also be pointed out that the domain name has its own peculiarities, and it is not simply a modern kind of business name sign, if for no other reason than the fact that it is impossible to define the concept of territoriality when dealing with the Internet. The possibility of coexistence between a trademark and a domain name must therefore be founded on other grounds.

Both legal literature<sup>7</sup> and case law<sup>8</sup> consider the discriminating factor to be the existence or non-existence of a prejudice which may also be the risk of association, a view that can reconcile in only one theory the use, as domain names, of well-known and not well known trademarks as well as the use of the name of famous, or not so famous, people.

The risk of association, introduced in the Italian trademark law

with the revision of 1992 (Art. 1 - DL 4 December 1992), takes into consideration the new function that a trademark plays in a modern economy, where the traditional risk of confusion is no longer sufficient to protect the economic interests embodied in a trademark. What is protected, according to this approach, is the value represented by the trademark itself, including its capacity to be remembered by the consumer; and the goodwill and positive suggestion that the consumer attaches to the trademark, independent of the goods or services protected and also independent of his/her capacity to recognize a different origin of goods and services sold under the same, or particularly similar, trademarks.<sup>9</sup>

The risk of association is, of course, higher for well-known trademarks, and in the case of extremely well-known trademarks (COCA-COLA, FERRARI, ROLLS ROYCE) it could be considered as absolute, covering any unauthorized use of the same name. In other cases, the degree of protection is directly proportional to how well-known a particular trademark is, diluting itself all the way down to protect only identical goods and

services according to the lower renown of other trademarks. It has also been said that the risk of association, when discussing the conflict between a trademark and a domain name, should not be the same as when discussing the conflict between two trademarks, since other "suggestions" are present in the Net which are not present in the traditional markets; one should, therefore, also consider the particular kind of association which derives from the specific way in which surfers use the Net, which may provide an unfair advantage for the owner of a particular domain name due to the fact that its web page can be "found" by a surfer who is looking for either a general idea or for a specific site, basing his search on keywords, or parts of keywords<sup>10</sup>.

Once again the owner of a trademark could claim that the more well-known the trademark, the more likely that the denominative part will be used as a keyword or enter into the composition of keywords used by surfers. Therefore, using a domain name which is identical to a trademark would constitute an undue advantage and should be considered as a trademark violation whenever this kind of association can be demonstrated by the trademark owner.

It is important to remember that the burden of proof lies entirely with the claimant, and that the existence of a risk of association cannot be taken for granted and it is not easy to prove; therefore, it is reasonable to assume that whenever association is proven, there is also prejudice for the prior trademark.

<sup>9</sup> Several authors have dealt with this specific matter: among them are: Manzani "La nozione di rischio di associazione fra segni nel diritto comunitario dei marchi" in *Rivista di Diritto Industriale*, 1997, I; and Galli, cited in Marasà, Masi and others *Commento Tematico della legge Marchi*, Giappichelli, Torino, 1998, pag. 19.

<sup>10</sup> Paolo Spada, see note 7.

## CONCLUSION

It seems to me that the idea of association, implying a prejudice, including the existence of mental links, should be the discriminating factor for accepting or refusing the coexistence of a domain name with other distinctive signs, thus regulating any conflict and making it possible to include the domain names in a uniform theory for the protection of Industrial Property.

It should not be forgotten that the concept of association, although formally included only in Art. 1, b) of the Trademark Law, has been applied to other conflicts, such as those regulated by Art. 2598 of the Italian Civil Law (unfair competition)<sup>11</sup>. It is also important to recall that there is a tendency to construe the discipline of all distinctive signs (and the domain name is a distinctive sign, with its own peculiarities) as a Uniform Discipline and, therefore, it is necessary to incorporate the solution of conflicts between both trademarks and personal names and domain names into a systematic approach to Industrial Property rights in general.

This approach makes it possible to use the same criteria and the same approach independently regardless of the particular distinctive sign involved in a potential conflict with a domain name (be it the name of a person or a trademark,

<sup>11</sup> The Court of Naples has pioneered the application of the concept of association to cases concerning unfair competition, namely in cases of slavish imitation, because the recent evolution of the concepts of "market" and "product" imply not only the existence of "physical" goods, but also, and what may be more important, all activities which are tied to the goods, including publicity, goodwill and all other immaterial elements. This new situation has made it necessary to modify the traditional concept of "consumer confusion." Among the most recent decisions, Tribunale di Napoli, 13 July 1998, published in *Rivista Diritto Industriale*, 1999, II, pag. 344 where it is stated: "... the evaluation of the risk of association in cases of unfair competition must be made according to the same criteria used when trademarks are concerned."

either well-known, more or less known, or "normal"), without forgetting, however, the existing natural differences among different distinctive signs and the necessity to always bear in mind the peculiarity of each single case.

The following simplified scheme summarizes the most common situations of conflict which between a domain name and a personal name or a trademark, and indicates with the indication of the solution adopted by the most recent Italian decisions:

- A prior distinctive sign (including trademarks and personal names) is, in principle, protected against the registration at a later date of an identical domain name by a third party only if there is the risk of confusion or at least of association, and hence prejudice, between them, in the larger meaning discussed in this paper;
- The "first-come, first-served" rule for the registration of the domain name should apply in cases of conflict between owners of identical registered trademarks that already coexist on the market, or between two persons having the same name, regardless of other factors;
- The owner of a prior domain name registration maintains its rights versus a later trademark registration, or other distinctive sign, and may, if the commercial use of the domain name is sufficiently extensive, challenge the application and registration of an identical trademark, or the use of other distinctive signs, for identical or similar goods and services, according to the rules which regulate the prior rights of unregistered trademarks.<sup>12</sup>

Of course, the above scheme is a simplification and the complexity of the different possible cases is so

<sup>12</sup> A similar scheme, limited to conflicts between trademarks and domain names, has been proposed in *Rossotto-Sindico Marchi e nomi di dominio: possibili rimedi contro i pirati cibernetici* published in *Il Diritto Industriale*, 2000, n° 2, pag. 132.

vast that not all of them can be included in this framework. However, the goal of this paper has been to point out some of the essential aspects of the cases which have been analyzed and to provide some indication of the general lines of interpretation being used by Italian judges in cases involving domain names, names of persons, and trademarks.