

Court Ruling Lets Online Advertiser Keep Its Name

LAW: Appellate order centers around generic vs. distinct names for Internet firms.

By [Mark Madler](#)

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AOL Inc. is seeking a rehearing before a federal appeals court in its legal battle with a Sherman Oaks-based advertising website.

The online giant was rebuffed earlier this month when a three-judge panel of the 9th Circuit Court of Appeals tossed out a preliminary injunction that would have kept Advertise.com from using its name.

AOL believed that Advertise.com was too close to its own subsidiary Advertising.com and infringed on their trademark.

The Aug. 3 ruling provides guidance by the court on the use of generic words in website names and sets a precedent that a large company cannot trademark a generic name, said Andrew Selesnick, an attorney with Michelman & Robinson in Encino who was part of the legal team representing Advertise.com.

“There are companies out there willing to throw around significant resources to monopolize entire spaces on the Internet,” Selesnick said.

AOL filed a petition for the full 18-justice appellate court to hear the case

An attempt to reach Lee Eulgen, the lead trial counsel for AOL, was not successful.

Advertise.com was founded in 2001 by Daniel Yomtobian as ABCSearch.com, a privately-held pay-per-click search network.

Following the name change in 2009 is when the company’s legal problems began.

AOL filed suit in Virginia claiming a violation of its trademark and sought an injunction to keep Advertise.com from using its name. The case was moved to California after Advertise.com filed a counter-suit. A district court judge later approved the injunction against Advertise.com.

In its opinion, the appellate judges found the district court made an error of law and abused its discretion in granting an injunction.

In its opinion, the judges concluded that separately both “advertising” and “.com” were generic and rejected AOL’s contention that putting the two terms together created a distinctive mark.

Similar cases

There have been other federal cases involving websites such as Hotels.com, Mattresses.com, and Lawyers.com that reached the same conclusion, the justices wrote.

“The Federal Circuit has been explicit that adding ‘.com’ or another (top level domain) to an otherwise un-protectable term will only in rare circumstances result in a distinctive composite,” the ruling stated.

The court also concluded that Advertise.com would likely prevail in showing Advertising.com to be generic and that the district court judge did not apply the correct legal standard to the facts before it.

Attempts to reach Yomtobian were not successful.

In a prepared statement released after the appellate court decision, Yomtobian said that fighting for his company’s name was the right thing to do.

“Anyone doing business on the Internet should celebrate the Court of Appeals decision for their wisdom in delivering a just ruling,” Yomtobian said.

Advertise.com did not challenge the part of the injunction prohibiting it from using stylized marks and logos that the district court found were similar to those used by Advertising.com.