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POP-UP ADS DO NOT VIOLATE TRADEMARK AND COPYRIGHT INTERESTS OF WEB SITE OWNER

U-Haul brought an action against WhenU.com for copyright infringement, misappropriation, interference with prospective business advantage, unjust enrichment, violation of the Virginia Conspiracy Act, and various violations under the Lanham Act. [U-Haul International, Inc. v. Whenu.com, Inc., 2003 U.S. Dist. LEXIS 15710 (E.D. Va. 2003)] The court acknowledged that the case was brought as an attempt to limit annoying pop-up advertising from blotting out U-Haul's Web site when an individual user attempted to access the site.

#### Trademark Related Claims

The court concluded that WhenU was entitled to summary judgment on the trademark-related claims because U-Haul could not establish how the ads "used" U'Haul's trademarks. In order for U-Haul to prevail, it would have to show "(1) that it possesses a mark, (2) that the defendant used the mark, (3) that the defendant's use of the mark occurred 'in commerce,' (4) that the defendant used the mark 'in connection with the sale, offering for sale, distribution, or advertising' of goods or services and (5) that the defendant used the mark in a manner likely to confuse consumers." The court concluded that "use" is not established by virtue of the trademark's being simultaneously visible to a consumer in a separate browser window, even if that advertisement were to make use of the mark. For example, use of a rival's mark that does not create confusion, such as a comparison, is permissible.

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WhenU had included U-Haul's information and URL in its directory, which was incorporated into the SaveNow program downloaded by consumers, albeit most likely unwittingly. WhenU does not sell U-Haul's information to its customers, nor does it display U-Haul to the computer user when its sponsored ad appears. WhenU's use of the URL in its program is not trademark use because it is used for machine linking functions.

The court further noted that the pop-up scheme employed by WhenU did not interfere with the use of the U-Haul Web site by customers. The fact that WhenU's SaveNow program did not interact with U-Haul's computer services and the fact that SaveNow is installed by the user worked in its favor to establish non-interference.

The court also determined that WhenU was not cybersquatting on U-Haul's trademark.

#### Copyright Infringement

To establish copyright infringement, U-Haul would need to establish "(1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original." In this case, the WhenU pop-up advertising did not copy U-Haul's work. It also did not display the work or a copy of the work. Therefore, the court granted summary judgment to defendant.

U-Haul attempted to argue that *NY Times v. Tasini* supported the argument that U-Haul's copyrighted work was displayed to the user in a manner different than it intended. The court was unpersuaded by this argument. "In *Tasini*, the Supreme Court held that the reproduction of articles from newspapers in electronic databases, such as LEXIS/NEXIS, violated the rights of the authors. In *Tasini* the owners of the electronic databases actually reproduced the authors' works; however, in this case, WhenU does not reproduce any of U-Haul's copyrighted materials in its pop-up ads. Thus, *Tasini* is irrelevant to the facts at issue in this case."

U-Haul also attempted to argue the pop-up ads modified its Web site, thus creating a derivative work. In order to be a derivative work, the work in question must incorporate some of the protected work in a concrete or



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permanent form. The WhenU ad window was a separate window from U-Haul's Web page. For this reason, it appears that the court concluded that WhenU's advertising did not create a derivative work incorporating part of U-Haul's copyrighted material. Reaching a different conclusion would be "untenable in light of the fact that the user is the one who controls how items are displayed on the computer, and computer users would infringe copyrighted works any time they opened a window in front of a copyrighted webpage."