

Address battles sometimes find a home in court

Salinas man fights for his good name on the Internet

BY SIMSON L. GARFINKEL
Special to the Mercury News

All Philip L. Giacalone wanted was a home of his own on the Internet, an e-mail address that was uniquely his, an electronic domicile he could pass down to his 3-year-old son.

So early this year, Giacalone applied for his own Internet domain name. It was granted Jan. 9 by SIAC Network Solutions, the company that administers the Internet domain system under a National Science Foundation contract.

According to court papers, Giacalone, a computer consultant and Internet expert who lives in Salinas, picked the Internet domain Ty.com, named after his 3-year-old son. He then built a modest Web site, called TechYard, which demonstrated his Web programming prowess. And that's when the problems started.

Unknown to Giacalone, there was another Ty: Ty Warner. Ten years ago, Warner started a company in Chicago that makes stuffed animals for children. The company is also named Ty.

In late January, Ty Inc. asked Network Solutions for the same domain name, Ty.com. Since the name already had been handed out to somebody else, the request was turned down. So Ty Inc. went to Giacalone and offered to buy the Ty.com domain for \$1,000.

"He told them, 'I'm not interested in selling it. It's my son's

name. Maybe someday I will give it to him when I'm through with it,'" said G. Gervaise Davis, Giacalone's attorney.

First suit in '94

This isn't the first time disputes have arisen over Internet domain names. The first was in 1994, when Knowledgenet, an Illinois corporation, sued computer programmer David L. Boone, Boone's Internet provider and Network Solutions for trademark infringement over the domain name Knowledgenet.com.

Before the lawsuit, NSI handed out domain names on a first-come, first-serve basis. As a result of that lawsuit, which was settled out of court, Network Solutions adopted a formal dispute policy, which it amended last year.

On May 6, Network Solutions sent Giacalone a letter reminding him of the rules to which he had agreed when he applied for the name. Once the InterNIC, the white pages of cyberspace, receives a complaint from a company that holds a trademark, as it did, the domain holder has three choices:

If the holder has a federally registered trademark or service mark, he or she can simply send it back to Network Solutions and continue using the domain as before.

But if the domain name holder does not have a trademark, as was the case with Giacalone, the domain holder can either immediately "relinquish the disputed name and agree to transfer it to the complainant," obtain a new name or refuse a new name.

Names in court

The six lawsuits against Network Solutions are broadly divided into two groups: trademark holders suing to take control of domain names containing their trademarks, and domain name holders suing to keep control of their domains.

Suits by trademark holders

Suit: Knowledgenet Inc. sued over NSI's refusal to assign Knowledgenet.com to Knowledgenet Inc.
Result: domain transferred to Knowledgenet Inc.

Suit: Precision Products Corp. sued NSI for precision.com
Result: domain registered to Precision Products

Suit: Panavision International
Result: NSI removed from lawsuit.

Suits by domain holders

Suit: Roadrunner Computer Systems sued to block having its domain roadrunner.com put on hold after a dispute with Warner Bros.

Status: Domain dispute appears settled, with Roadrunner keeping the domain, although the company is now suing NSI for damages resulting from the original lawsuit.

Suit: Digital Consulting Inc. sued to block having their domain DCI.COM put on hold.
Status: Domain DCI.COM now belongs to Data Concepts Inc.

Suit: Philip Giacalone sued to block having his domain TY.COM put on hold.
Status: pending

MERCURY NEWS

"In that case," said Network Solutions' letter, "the disputed name will be placed in a 'hold' status, where no one will be able to use the name until the dispute is resolved."

Giacalone chose a fourth option: He sued both Network Solutions and Ty Inc., demanding a declaration from the court that his use of Ty.com does not infringe on Ty Inc.'s trademark; an injunction against Network Solutions to prevent it from assigning the domain to Ty Inc.; an order canceling Ty Inc.'s trademark registration on the letters "Ty" as they appear in a heart on the company's logo; as well as court fees, legal fees and \$100,000 in damages. The case is pending in

U.S. District Court in San Jose.

"It seems that Mr. Davis has turned (this) into a trademark infringement case, based on the papers that he has filed," said an attorney for Ty Inc., Sidney Katz, who plans to argue that the case isn't about trademarks, but contracts. "The question is one of a contract arrangement that everybody is a party to with Network Solutions Inc."

Sixth case

The Giacalone case is the sixth such lawsuit against Network Solutions, says David Graves, NSI's Internet business manager. Nevertheless, he says, the fact that there have been only six lawsuits, when there are now more than

400,000 registered domains, and the fact that the lawsuits have been evenly split between trademark holders and domain holders "suggests that the policy that we have may be reasonable."

Marina Larson disagrees. She's the attorney for Roadrunner Computer Systems, an Internet service provider in New Mexico that sued Network Solutions after Warner Bros. claimed that Roadrunner's domain, Roadrunner.com, conflicted with the studio's trademark on the animated character.

Larson also criticized Network Solutions, saying that the company has been "secretive" and "autocratic" in how it formulates its policies.

Recently, Network Solutions asked the court to dismiss the Roadrunner lawsuit, saying Warner Bros. no longer contests Roadrunner Computer Systems' use of the domain name. But Larson is pressing on, asking for damages to pay more than \$20,000 in legal fees.

Assurances wanted

Larson also wants some assurance that her client won't be put through the same process again.

"For people to do business on the Internet, they need some level of certainty," she says. "They need to know that if they are going to make an investment of time and energy and money and corporate good will, it's just not going to get snatched away from them. . . . The current policy lets somebody just come in and take a domain. They don't get to use it, but they get to take it away from you."

Internet landlord delays evictions

BY SIMSON GARFINKEL
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The company that controls who gets what name on the Internet delayed for a week Monday its plans to delete the domains of 25,000 individuals, organizations and corporations for non-payment.

SAIC Network Solutions Inc., the government contractor that runs the InterNIC — the white pages of cyberspace — also upgraded its phone system and expanded its business hours partially to accommodate the flood of concerned customers.

The Northern Virginia company announced plans last week to pull the plug on groups that failed to pay NSI for the right to have their own address in cyberspace.

See NETWORK, Page 8E

8E

San Jose Mercury News • Business

Internet landlord delays evictions of 25,000

■ NETWORK

from Page 1E

"We appreciate the significance of domain names to people," said David Graves, NSI Internet business manager. "We thought that getting the word out in the media via our press release, saying that there was one more week to make payment, was a reasonable thing to do."

It was perhaps more reason-

able because many people trying to reach NSI on the telephone last week couldn't: the company's phone system was perpetually busy. The reason, said Graves, was that NSI had outgrown the capacity of its existing phone system and had another one that was about to be installed. The new system, installed Sunday, increased the number of phone lines reaching NSI by 50 percent from 18 to 24.

Many people had complained about difficulty in reaching NSI. "They seem to be unable to communicate via fax or regular mail, in terms of sending bills or doing anything. Their payment phone number is continuously busy," said David P. Pollak, president of Athena Design, a Boston-area software company.

Pollak also experienced problems with the security surrounding NSI's system for updating domain name records, when his company's domain, Athena.COM, "was inadvertently switched from us to another service provider, because the service provider inadvertently put in a change request for Athena.COM, rather than Athena-Group.COM," he said.

Only a quick technical fix by the other service provider prevented Pollak from losing all e-mail directed to Athena.com. "Fortunately, the service provider was kind enough to make sure that our service was not interrupted," he said.

In addition to getting new phone lines, said Graves, NSI is now offering extended business hours: from 7 a.m. to 9 p.m. (EDT), and from 8 a.m. to 5 p.m. (EDT) on Saturdays and Sundays. Having made it "as clear as we could make it to people that they have to pay for their name, and we are going to make it even easier to do that," he said.

ValuJet closed indefinitely by FAA

■ VALUJET

from Page 1E

He said the action, which halted all flights from midnight (EDT), is temporary until the Atlanta-based carrier demonstrated appropriate corrective action.

"Safety is obviously the highest priority," Hinson said.

He said the FAA, which had conducted the equivalent of four years of surveillance in four weeks, found "several serious deficiencies" in ValuJet's maintenance programs and "multiple shortcomings" in its oversight of contractors who perform some of the maintenance on the airline's fleet.

At the ValuJet reservations center in Savannah, Ga., Fred Houston, a shift supervisor, said

agents were telling passengers who had pre-paid for their flights that the airline would credit their money toward future travel for up to a year or return it either to the travel agents who booked the flights or to the passengers' credit-card accounts.

Houston said ValuJet did not have reciprocity agreements with any other airlines and so could not book passengers on those carriers instead. "Quite obviously," he said, "right now the other airlines are tickled to death, since they charge more money than we do."

The FAA's move comes as a heavy blow to an airline that in the weeks since the crash has been found fraught with management, maintenance and safety problems.