

ENTER / NO JS-6

I HEREBY CERTIFY THAT THIS DOCUMENT WAS SERVED BY  
 FIRST CLASS MAIL, POSTAGE PREPAID, TO ALL COUNSEL  
 (OR PARTIES) AT THEIR RESPECTIVE, MOST RECENT, ADDRESS OF  
 RECORD, IN THIS ACTION, ON THIS DATE.  
 DATE: DEC 21 1998  
 \_\_\_\_\_  
 DEPUTY CLERK

FILED  
 CLERK, U.S. DISTRICT COURT  
 DEC 21 1998  
 CENTRAL DISTRICT OF CALIFORNIA  
 BY \_\_\_\_\_ DEPUTY

ENTERED  
 CLERK, U.S. DISTRICT COURT  
 DEC 22 1998  
 CENTRAL DISTRICT OF CALIFORNIA  
 BY \_\_\_\_\_ DEPUTY

UNITED STATES DISTRICT COURT  
 CENTRAL DISTRICT OF CALIFORNIA

11	BALLY TOTAL FITNESS HOLDING CORPORATION,	)	Case No. CV 98-1278 DDP (MANx)
12		)	
13	Plaintiff,	)	ORDER GRANTING DEFENDANT'S MOTION FOR SUMMARY JUDGMENT
14	v.	)	
15	ANDREW S. FABER,	)	
16	Defendant.	)	

19 Andrew S. Faber's motion for summary judgment came before the  
 20 Court for oral argument on November 23, 1998. After reviewing and  
 21 considering the materials submitted by the parties and hearing oral  
 22 argument, the Court GRANTS Faber's motion for summary judgment.

23 BACKGROUND

24 Bally Total Fitness Holding Corp. ("Bally") brings this action  
 25 for trademark infringement, unfair competition, and dilution  
 26 against Andrew S. Faber ("Faber") in connection with Bally's  
 27 federally registered trademarks and service marks in the terms

4  
 28 DDP: ETEP  
 MLD COPY PYS  
 MLD NOTICE PYS  
 JS-6

DEC 22 1998  
 ENTERED ON ICMS  
 77 9

1 including the name and distinctive styles of these marks. Bally is  
2 suing Faber based on his use of Bally's marks in a web site he  
3 designed.

4 Faber calls his site "Bally sucks." The web site is dedicated  
5 to complaints about Bally's health club business. When the web  
6 site is accessed, the viewer is presented with Bally's mark with  
7 the word "sucks" printed across it. Immediately under this, the  
8 web site states "Bally Total Fitness Complaints! Un-Authorized."

9 Faber has several web sites in addition to the "Bally sucks"  
10 site. The domain<sup>1</sup> in which Faber has placed his web sites is  
11 "www.compupix.com." Faber's other web sites within  
12 "www.compupix.com" include the "Bally sucks" site (URL address  
13 "www.compupix.com/ballysucks"); "Images of Men," a web site  
14 displaying and selling photographs of nude males (URL address  
15 "www.compupix.com/index.html"); a web site containing information  
16 regarding the gay community (URL address "www.compupix.com/gay"); a  
17 web site containing photographs of flowers and landscapes (URL  
18 address "www.compupix.com/fl/index.html"); and a web site  
19 advertising "Drew Faber Web Site Services" (URL address  
20 "www.compupix.com/biz.htm").

21 On April 22, 1998, Bally applied for a temporary restraining  
22 order directing Faber to withdraw his web site from the Internet.

23  
24 <sup>1</sup> "Domains" are used to provide organization to the Internet.  
25 The domain name is a word or series of words followed by ".edu" for  
26 education; ".org" for organizations; ".gov" for government  
27 entities; ".net" for networks; and ".com" as the catchall for other  
28 Internet users. Within each of these top level domains, there are  
many different sub-domains. An example of a domain name would be  
"www.Bally.com." Domain names are licensed to individuals by  
Network Solutions, Inc. Within any domain, the domain owner may  
place additional sub-domains and multiple web pages or may merely  
have one web site.

1 Bally represents that when its application for a TRO was initially  
2 filed, the "Bally sucks" site contained a direct link to Faber's  
3 "Images of Men" site. In his opposition to the application for a  
4 TRO, Faber indicated that this link had been removed. The Court  
5 denied Bally's application on April 30, 1998.

6 Bally brought a motion for summary judgment on its claims of  
7 trademark infringement, trademark dilution, and unfair competition  
8 which the Court denied on October 20, 1998. In that order, the  
9 Court ordered Faber to bring a motion for summary judgment. This  
10 motion is now before the Court.

#### 11 DISCUSSION

#### 12 I. Faber's Motion for Summary Judgment

#### 13 A. Legal Standard

14 Summary judgment is appropriate where "there is no genuine  
15 issue as to any material fact and . . . the moving party is  
16 entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c).  
17 A genuine issue exists if "the evidence is such that a reasonable  
18 jury could return a verdict for the nonmoving party," and material  
19 facts are those "that might affect the outcome of the suit under  
20 the governing law." Anderson v. Liberty Lobby, Inc., 477 U.S. 242,  
21 248 (1986). Thus, the "mere existence of a scintilla of evidence"  
22 in support of the nonmoving party's claim is insufficient to defeat  
23 summary judgment. Id. at 252. In determining a motion for summary  
24 judgment, all reasonable inferences from the evidence must be drawn  
25 in favor of the non moving party. Id. at 242.

#### 26 B. Trademark Infringement

27 The Lanham Act provides the basic protections that a trademark  
28 owner receives. To find that Faber has infringed Bally's marks the

1 Court would have to find that Bally has valid protectable  
2 trademarks and that Faber's use creates a likelihood of confusion.  
3 15 U.S.C. § 1114(1)(a). Faber asserts that Bally cannot meet this  
4 standard as a matter of law.

5 1. Validity of Bally's marks

6 Bally has demonstrated that it has invested a substantial  
7 amount of money and effort to create valuable trademarks. Bally's  
8 marks are registered on the Principle Register of the U.S. Patent  
9 and Trademark Office. Additionally, Bally asserts that "[s]ince  
10 1990, Bally has spent over \$500,000,000.00 (one-half billion  
11 dollars) in advertising the Bally name in the health club  
12 industry." Further, "[i]n 1996, Bally spent over \$5,000,000 in  
13 external signage for its clubs nationwide." Finally, Bally argues  
14 that it is the only business in the health club industry which uses  
15 the Bally marks. These facts establish that Bally has valid  
16 protectable marks.

17 2. Likelihood of confusion

18 In determining whether a defendant's use of a plaintiff's  
19 trademarks creates a likelihood of confusion, the courts apply an  
20 eight-factor test, including:

- 21 (1) strength of the mark;
- 22 (2) proximity of the goods;
- 23 (3) similarity of the marks;
- 24 (4) evidence of actual confusion;
- 25 (5) marketing channels used;
- 26 (6) type of goods and the degree of care likely to be  
27 exercised by the purchaser;
- 28 (7) defendant's intent in selecting the mark; and

1 (8) likelihood of expansion of the product lines.

2 See AMF Inc. v. Sleekcraft Boats, 599 F.2d 341, 348-49 (9th Cir.  
3 1979).

4 The Sleekcraft factors apply to related goods. Id. at 348.  
5 Bally is involved in the health club industry. Faber is an  
6 Internet web page designer who believes that Bally engages in  
7 unsatisfactory business practices. Faber operates a web site which  
8 is critical of Bally's operations. Bally, however, states that it  
9 uses the Internet to communicate with its members and to advertise  
10 its services. Consequently, Bally asserts that the parties have  
11 related goods because both parties use the Internet to communicate  
12 with current and potential Bally members.

13 "Related goods are those goods which, though not identical,  
14 are related in the minds of consumers." Levi Strauss & Co. v. Blue  
15 Bell, Inc., 778 F.2d 1352, 1363 (9th Cir. 1985). Several courts  
16 have addressed whether goods are related. See id. (shirts and  
17 pants are related goods); Fleischmann Distilling Corp. v. Maier  
18 Brewing Co., 314 F.2d 149, 152-53 (9th Cir. 1963) (beer and whiskey  
19 are related goods); Yale Elec. Corp. v. Robertson, 26 F.2d 972 (2d  
20 Cir. 1928) (locks and flashlights are related goods). The modern  
21 rule protects marks against "any product or service which would  
22 reasonably be thought by the buying public to come from the same  
23 source, or thought to be affiliated with, connected with, or  
24 sponsored by, the trademark owner." 3 J. Thomas McCarthy, McCarthy  
25 on Trademarks and Unfair Competition § 24:6 at 24-13 (1997).

26 The Court finds that the goods here are not related. Web page  
27 design is a service based on computer literacy and design skills.  
28 This service is far removed from the business of managing health

1 clubs. The fact that the parties both advertise their respective  
2 services on the Internet may be a factor tending to show confusion,  
3 but it does not make the goods related. The Internet is a  
4 communications medium. It is not itself a product or a service.  
5 Further, Faber's site states that it is "unauthorized" and contains  
6 the words "Bally sucks." No reasonable consumer comparing Bally's  
7 official web site with Faber's site would assume Faber's site "to  
8 come from the same source, or thought to be affiliated with,  
9 connected with, or sponsored by, the trademark owner." Therefore,  
10 Bally's claim for trademark infringement fails as a matter of law.

11 However, even assuming that these goods are related, Bally's  
12 claims also fail to satisfy the Sleekcraft factors.

13 a. Strength of mark

14 This factor tips greatly toward Bally. Bally owns registered  
15 marks. Bally uses these marks extensively throughout the United  
16 States and Canada. Bally spends a significant amount of money each  
17 year to promote its marks. Finally, Bally asserts that no other  
18 company uses these marks in connection with health clubs, and that  
19 these marks are arbitrary. These facts demonstrate that Bally has  
20 strong marks.

21 b. Similarity of the marks

22 Bally argues that the marks are identical. Bally argues that  
23 the only difference between the marks is that Faber attached the  
24 word "sucks" to Bally's marks. Bally argues that this is a minor  
25 difference.

26 "Sucks" has entered the vernacular as a word loaded with  
27 criticism. Faber has superimposed this word over Bally's mark. It  
28 is impossible to see Bally's mark without seeing the word "sucks."

1 Therefore, the attachment cannot be considered a minor change. See  
2 Int'l Ass'n of Machinists & Aerospace Workers v. Winship Green  
3 Nursing Ctr., 103 F.3d 196, 202-03 (1st Cir. 1996).

4 This factor cuts against Bally.

5 c. Competitive proximity of the goods

6 Bally argues that the goods are in close proximity because  
7 both parties use the Internet. Bally uses the Internet to generate  
8 revenue and disseminate information to its customers in support of  
9 its health clubs. Faber uses his web site to criticize Bally and  
10 to provide others with a forum for expressing their opinions of  
11 Bally. Faber does not attempt to pass-off his site as Bally's  
12 site. Faber states that his site is "unauthorized." Bally asserts  
13 that its site offers similar services because it has a complaints  
14 section and it provides information about Bally's services and  
15 products.

16 The Court finds that Faber's site does not compete with  
17 Bally's site. It is true that both sites provide Internet users  
18 with the same service - information about Bally. These sites,  
19 however, have fundamentally different purposes. Bally's site is a  
20 commercial advertisement. Faber's site is a consumer commentary.  
21 Having such different purposes demonstrates that these sites are  
22 not proximately competitive.

23 Therefore, this factor cuts against Bally.

24 d. Evidence of actual confusion

25 Bally does not offer evidence of actual confusion. Instead,  
26 Bally states, "consumer confusion is patently obvious in this case  
27 because of the strength of the Bally marks, combined with the  
28

1 obvious similarities in appearance and proximity of the marks,  
2 although there is no evidence of actual confusion."

3 Faber's states that his site is "unauthorized" and he has  
4 superimposed the word "sucks" over Bally's mark. The Court finds  
5 that the reasonably prudent user would not mistake Faber's site for  
6 Bally's official site.

7 Therefore, this factor cuts against Bally.

8 e. Marketing channels used

9 Bally argues that both parties use the Internet to reach  
10 current and potential Bally members. Bally states that it uses the  
11 Internet to disseminate information and generate revenue. Bally  
12 contends that it has spent over \$500,000,000 in advertisements  
13 including the Internet, television, radio, billboards and signage  
14 since 1990. Therefore, Bally has a broad marketing strategy which  
15 includes the Internet.

16 Bally has not shown that Faber uses all of these channels for  
17 marketing. Instead, Bally has shown that Faber has one site which  
18 offers his services for web design, and this site included a  
19 reference to his "Bally sucks" site for some time. However, this  
20 site no longer includes this link.

21 Arguably, listing the "Bally sucks" site as one of many sites  
22 Faber has created in order to advertise his web design services is  
23 a form of marketing. This fact, however, does not change the  
24 primary purpose of the "Bally sucks" site which is consumer  
25 commentary. Bally's goods and Faber's goods are not related.  
26 Therefore, the fact that marketing channels overlap is irrelevant.

27 This factor is, at best, neutral, and likely cuts against  
28 Bally.



1 f. Degree of care likely to be exercised

2 Bally argues that individual users may mistakenly access  
3 Faber's site rather than the official Bally site. Bally argues  
4 that this may happen when users employ an Internet search engine to  
5 locate Bally's site. Bally argues that the search result may list  
6 Faber's site and Bally's site. The result, it argues, will be that  
7 "[p]rospective users of plaintiff's services who mistakenly access  
8 defendant's web site may fail to continue to search for plaintiff's  
9 own home page, due to anger, frustration or the belief that  
10 plaintiff's home page does not exist." (Bally's Mot. for Sum.  
11 Judg. 19:1-3, quoting Panavision Int'l, L.P. v. Toeppen, 141 F.3d  
12 1316, 1327 (9th Cir. 1998).) The Panavision case, however,  
13 concerned an individual who engaged in commercial use of  
14 plaintiff's registered mark in his Internet domain name,  
15 "Panavision.com." See Panavision, 141 F.3d at 1324.

16 Here, Faber uses the Bally mark in the context of consumer  
17 criticism. He does not use Bally in his domain name. He  
18 communicates that the site is unauthorized and that it is not  
19 Bally's official site. Moreover, Faber's use of the Bally mark  
20 does not significantly add to the large volume of information that  
21 the average user will have to sift through in performing an average  
22 Internet search. See Teletech Customer Care Mgmt., Inc. v. Tele-  
23 Tech Co., 977 F. Supp. 1407, 1410 (C.D. Cal. 1997) (noting that  
24 average search can result in 800 to 1000 "hits"). Whether the  
25 average user has to sift through 799 or 800 "hits" to find the  
26 official Bally site will not cause the frustration indicated in  
27 Teletech and Panavision because Faber is not using Bally's marks in  
28 the domain name. Moreover, even if Faber did use the mark as part

1 of a larger domain name, such as "ballysucks.com", this would not  
2 necessarily be a violation as a matter of law.<sup>2</sup>

3 Further, the average Internet user may want to receive all the  
4 information available on Bally. The user may want to access the  
5 official Internet site to see how Bally sells itself. Likewise,  
6 the user may also want to be apprised of the opinions of others  
7 about Bally. This individual will be unable to locate sites  
8 containing outside commentary unless those sites include Bally's  
9 marks in the machine readable code<sup>3</sup> upon which search engines rely.  
10 Prohibiting Faber from using Bally's name in the machine readable  
11 code would effectively isolate him from all but the most savvy of  
12 Internet users.

13 Therefore, this factor cuts against Bally.

14 g. Defendant's intent in selecting the mark

15 Here, Faber purposely chose to use Bally's mark to build a  
16 "web site that is 'dedicated to complaint, issues, problems, beefs,  
17 grievances, grumblings, accusations, and gripes with Bally Total  
18 Fitness health clubs.'" Faber, however, is exercising his right to  
19 publish critical commentary about Bally. He cannot do this without

---

20  
21 <sup>2</sup> The Court notes that there is a distinction between this  
22 example and cases like Panavision where an individual appropriates  
23 another's registered trademark as its domain name. In the  
24 "cybersquatter" cases like Panavision, there is a high likelihood  
25 of consumer confusion - reasonably prudent consumers would believe  
that the site using the appropriated name is the trademark owner's  
official site. Here, however, no reasonably prudent Internet user  
would believe that "Ballysucks.com" is the official Bally site or  
is sponsored by Bally.

26 <sup>3</sup> The machine readable code is the hidden part of the  
27 Internet upon which search engines rely to find sites that contain  
28 content which the individual user wishes to locate. The basic  
mechanics is that the web page designer places certain keywords in  
an unreadable portion of the web page that tells the search engines  
what is on a particular page.

1 making reference to Bally.<sup>4</sup> In this regard, Professor McCarthy  
2 states:

3 The main remedy of the trademark owner is not an injunction to  
4 suppress the message, but a rebuttal to the message. As  
5 Justice Brandeis long ago stated, "If there be time to expose  
6 through discussion the falsehood and fallacies, to avert the  
7 evil by the process of education, the remedy to be applied is  
8 more speech, not enforced silence."

9 5 McCarthy, § 31:148 at 31-216.

10 Applying Bally's argument would extend trademark protection to  
11 eclipse First Amendment rights. The courts, however, have rejected  
12 this approach by holding that trademark rights may be limited by  
13 First Amendment concerns. See L.L. Bean, Inc. v. Drake Publishers,  
14 Inc., 811 F.2d 26 (1st Cir.), cert denied, 483 U.S. 1013 (1987).

15 Therefore, this factor is neutral.

16 h. Likelihood of expansion of the product line

17 Bally essentially concedes that there is no likelihood that  
18 Bally will expand its product lines into the same areas in which  
19 Faber operates. However, Bally claims that Faber's intentional  
20 acts reduce the significance of this factor. Bally, though, relies  
21 on conclusions rejected by the Court. (See supra Part I-B-2-g.)

---

22 <sup>4</sup> Bally concedes that Faber has some right to use Bally's  
23 name as part of his consumer commentary. However, Bally argues  
24 that Faber uses more than is necessary when making his commentary  
25 and that he has alternative means of communication. Specifically,  
26 Bally argues that Faber could use the name "Bally" or "Bally Total  
27 Fitness" in block lettering without using Bally's stylized "B" mark  
28 or distinctive script. This argument, however, would create an  
artificial distinction that does not exist under trademark law.  
Trademarks are defined broadly to include both names and stylized  
renditions of those names or other symbols. 15 U.S.C. §§ 1051,  
1127 (1997). Furthermore, the purpose of a trademark is to  
identify the source of goods. Id. § 1127. An individual who  
wishes to engage in consumer commentary must have the full range of  
marks that the trademark owner has to identify the trademark owner  
as the object of the criticism. (See infra Part I-C.)

1 It is apparent that the parties will not expand into the  
2 other's line of business. Bally intends to use the Internet as a  
3 means of increased communication. However, Bally has not  
4 represented that it intends to enter the web design business or  
5 that it intends to operate an official anti-Bally site. Further,  
6 Faber has not indicated that he intends to operate a health club.

7 Therefore, this factor also cuts against Bally.

8 3. Conclusion

9 Bally owns valuable marks. However, Faber has established  
10 that there is no likelihood of confusion as a matter of law.  
11 Therefore, the Court grants Faber's motion for summary judgment on  
12 trademark infringement.

13 C. Trademark Dilution

14 The elements of a dilution claim are that:

- 15 (1) The plaintiff is the owner of a mark which qualifies  
16 as a "famous" mark as measured by the totality of  
17 the eight factors listed in § 43(c)(1),  
18 (2) The defendant is making commercial use,  
19 (3) In interstate commerce,  
20 (4) Of a mark or trade name,  
21 (5) And defendant's use began after the plaintiff's mark  
22 became famous,  
23 (6) And defendant's use causes dilution by lessening the  
24 capacity of the plaintiff's mark to identify and  
25 distinguish goods or services.

26 3 McCarthy, § 24:89 at 24-137-38 (footnote omitted). Dilution may  
27 be either by blurring or by tarnishment. See id. §§ 24:69, 24:68,  
28

1 at 24-116-17. Here, Bally argues that Faber has tarnished its mark  
2 by associating it with pornography.

3 Commercial use is an essential element of any dilution claim.  
4 Here, Bally argues that Faber has used Bally's mark to demonstrate  
5 his skills as a web site designer and to show current members how  
6 to effectively cancel their memberships with Bally. Bally asserts  
7 that Faber listed the "Bally sucks" web site on the "Drew Faber Web  
8 Site Services" site in an effort to advertise Faber's services.

9 Bally cites several "cybersquatting" cases in which  
10 individuals registered the trademarks of others as domain names for  
11 the purpose of selling or ransoming the domain name to the  
12 trademark owner. Bally asserts that these cases hold that using  
13 another's mark on the Internet is per se commercial use. The mere  
14 use of another's name on the Internet, however, is not per se  
15 commercial use. See 3 McCarthy, § 24:97.2 at 24-172.

16 Here, Faber used Bally's marks in connection with a site  
17 devoted to consumer product review of Bally's services. In  
18 congressional hearings, Senator Orrin Hatch stated that the  
19 dilution statute "will not prohibit or threaten noncommercial  
20 expression, such as parody, satire, editorial and other forms of  
21 expression that are not a part of a commercial transaction." 141  
22 Cong. Rec. S 19306-10 (Daily ed. Dec. 29, 1995). Therefore, this  
23 exception encompasses both parodies and consumer product reviews.  
24 See Panavision Int'l, L.P. v. Toepfen, 945 F. Supp. 1296, 1303  
25 (C.D. Cal. 1996).

26 Faber has shown that Bally cannot demonstrate that he is using  
27 Bally's mark in commerce. Bally argues that Faber's listing of the  
28 "Bally sucks" site, among others, in a site listing his available

1 services and qualifications uses the Bally mark to promote a  
2 service. This argument is unpersuasive. Faber is not using the  
3 Bally mark to sell his services. Faber is not using Bally's mark  
4 to identify his goods in commerce. Faber merely listed the "Bally  
5 sucks" site as one of several web sites that he has designed so  
6 that those who are interested in his services may view his work.  
7 This is akin to an on-line resume.

8 Further, the courts have held that trademark owners may not  
9 quash unauthorized use of the mark by a person expressing a point  
10 of view. See L.L. Bean, 811 F.2d at 29, citing Lucasfilm Ltd. v.  
11 High Frontier, 622 F. Supp. 931, 933-35 (D.D.C. 1985). This is so  
12 even if the opinion may come in the form of a commercial setting.  
13 See id. at 33 (discussing Maine's anti-dilution statute). In L.L.  
14 Bean, the First Circuit held that a sexually-oriented parody of  
15 L.L. Bean's catalog in a commercial adult-oriented magazine was  
16 non-commercial use of the trademark. See id. The court stated:

17 If the anti-dilution statute were construed as permitting a  
18 trademark owner to enjoin the use of his mark in a  
19 noncommercial context found to be negative or offensive, then  
20 a corporation could shield itself from criticism by forbidding  
21 the use of its name in commentaries critical of its conduct.  
22 The legitimate aim of the anti-dilution statute is to prohibit  
23 the unauthorized use of another's trademark in order to market  
24 incompatible products or services. The Constitution does not,  
25 however, permit the range of the anti-dilution statute to  
26 encompass the unauthorized use of a trademark in a  
27 noncommercial setting such as an editorial or artistic  
28 context.

24 Id.

25 Here, Bally wants to protect its valuable marks and ensure  
26 that they are not tarnished or otherwise diluted. This is an  
27 understandable goal. However, for the reasons set forth above,  
28 Faber's "Bally sucks" site is not a commercial use.

1 Even if Faber's use of Bally's mark is a commercial use, Bally  
2 also cannot show tarnishment. Bally cites several cases such as  
3 the "Enjoy Cocaine" and "Mutant of Omaha" cases for the proposition  
4 that this site and its relationship to other sites tarnishes their  
5 mark. See Mutual of Omaha Ins. Co. v. Novak, 648 F. Supp. 905 (D.  
6 Neb. 1986) (discussing both infringement and disparagement), aff'd  
7 836 F.2d 397 (8th Cir. 1987) (addressing infringement, but not  
8 disparagement); Coca-Cola v. Gemini Rising, Inc., 346 F. Supp. 1183  
9 (E.D.N.Y. 1972).

10 There are, however, two flaws with Bally's argument. First,  
11 none of the cases that Bally cites involve consumer commentary. In  
12 Coca-Cola, the court enjoined the defendant's publication of a  
13 poster stating "Enjoy Cocaine" in the same script as Coca-Cola's  
14 trademark. See Coca-Cola, 346 F. Supp. at 1192. Likewise, in  
15 Mutual of Omaha, the court prohibited the use of the words "Mutant  
16 of Omaha" with a picture of an emaciated human head resembling the  
17 Mutual of Omaha's logo on a variety of products as a means of  
18 protesting the arms race. See Mutual of Omaha, 836 F.2d at 398.  
19 Here, however, Faber is using Bally's mark in the context of a  
20 consumer commentary to say that Bally engages in business practices  
21 which Faber finds distasteful or unsatisfactory. This is speech  
22 protected by the First Amendment. See L.L. Bean, 811 F.2d at 29;  
23 McCarthy, § 24:105 at 24-191. As such, Faber can use Bally's mark  
24 to identify the source of the goods or services of which he is  
25 complaining. This use is necessary to maintain broad opportunities  
26 for expression. See Restatement (Third) of Unfair Competition  
27 § 25(2), cmt. i (1995) (stating "extension of the antidilution  
28 statutes to protect against damaging nontrademark uses raises

1 substantial free speech issues and duplicates other potential  
2 remedies better suited to balance the relevant interests").

3       The second problem with Bally's argument is that it is too  
4 broad in scope. Bally argues that the proximity of Faber's "Images  
5 of Men" site tarnishes the good will that Bally's mark enjoys  
6 because it improperly creates an association between Bally's mark  
7 and pornography. If the Court accepted this argument it would be  
8 an impossible task to determine dilution on the Internet. It is  
9 true that both sites are under the same domain name,  
10 "Compupix.com." Furthermore, it is also true that at a variety of  
11 times there were links between Faber's various sites. However, at  
12 no time was any pornographic material contained on Faber's "Bally  
13 sucks" site. From its inception, this site was devoted to consumer  
14 commentary. Looking beyond the "Bally sucks" site to other sites  
15 within the domain or to other linked sites would, to an extent,  
16 include the Internet in its entirety. The essence of the Internet  
17 is that sites are connected to facilitate access to information.  
18 Including linked sites as grounds for finding commercial use or  
19 dilution would extend the statute far beyond its intended purpose  
20 of protecting trademark owners from uses that have the effect of  
21 "lessening . . . the capacity of a famous mark to identify and  
22 distinguish goods or services." 15 U.S.C. § 1127. Further, it is  
23 not logical that a reasonably prudent Internet user would believe  
24 that sites which contains no reference to a trademark and which are  
25 linked to, or within the same domain as, a site that is clearly not  
26 sponsored by the trademark owner are in some way sponsored by the  
27 trademark owner.

28



1           Therefore, the Court grants Faber's motion for summary  
2 judgment on the claim of trademark dilution.

3           D.    Unfair Competition

4           Bally relies on the claims of trademark dilution and trademark  
5 infringement to establish its claim of unfair competition. Because  
6 Faber has shown that he is entitled to summary judgment on the  
7 trademark infringement and dilution claims, the Court grants  
8 Faber's motion for summary judgment on the unfair competition claim  
9 as well.

10    **II. Faber's motion for attorney's fees**


11           In Faber's reply to Bally's opposition he raises the claim  
12 that he is entitled to attorney's fees under the Lanham Act because  
13 the plaintiff's claims have no substance. Because Faber did not  
14 include this argument in his motion, the Court declines to address  
15 this issue because Bally has not had an opportunity to respond.

16    **III. Conclusion**

17           The explosion of the Internet is not without its growing  
18 pains. It is an efficient means for business to disseminate  
19 information, but it also affords critics of those businesses an  
20 equally efficient means of disseminating critical commentary.  
21 Here, trademark infringement and trademark dilution do not provide  
22 a remedy for Bally.

23           The Court GRANTS Faber's motion for summary judgment on the  
24 claims of trademark infringement, trademark dilution, and unfair  
25 competition.

26  
27 Dated: 12-21-98

  
DEAN D. PREGERSON  
United States District Judge

28