



WEBSITES, TRADEMARK INFRINGEMENT AND PERSONAL JURISDICTION

Welcome to another edition of Protecting Your Creativity by The Livingston Firm. Each edition of Protecting Your Creativity will discuss various aspects of intellectual property law and related business matters. This edition discusses the issue of jurisdiction over website owners in trademark/servicemark infringement cases.

The internet has created many challenging legal issues for the courts, not the least of which is the question of jurisdiction with respect to trademark/servicemark infringement. The internet allows computer users anywhere in the world to search and retrieve information from publicly available websites which may be operated from anywhere else in the world. Although this potential global audience can mean great exposure for businesses, it can also result in greater potential liability throughout the world.

Although the law is still evolving in this area, previous cases involving jurisdiction in which courts have determined that access to a defendant's website is sufficient contact to invoke the court's jurisdiction have generally involved websites that are interactive rather than only informational. For example, courts have more readily asserted jurisdiction over defendants whose websites enable visitors to purchase merchandise rather than websites that merely provide information or advertise goods or services. However, courts have recently begun to move away from this view and are now asserting jurisdiction over the owners of purely informational websites.

In a recent decision, the Eleventh Circuit reversed a district court's dismissal of a trademark infringement case for lack of personal jurisdiction. In Licciardello v. Lovelady, Case No. 6:07-cv-137-Orl-28 KRS (M.D. Fla. October 10, 2008), the district court held that the allegedly infringing conduct, operating a website, was insufficient to warrant jurisdiction in the plaintiff's home state of Florida.

In Lovelady, the Plaintiff, Carman Licciardello ("Licciardello"), a nationally known Christian musician and entertainer, filed a lawsuit in the Middle District of Florida against his former personal manager, Rendy Lovelady ("Lovelady"), under the Lanham Act for "trademark infringement and related claims arising out of Lovelady's allegedly unauthorized use of Licciardello's name, photograph, and apparent endorsement of Lovelady on a

website.” Lovelady, a resident of Tennessee, filed a motion to dismiss for lack of personal jurisdiction, which the district court granted.

On appeal, the Eleventh Circuit reversed the district court’s ruling, finding that Lovelady’s creation of a website in Tennessee containing an allegedly infringing, deceptive use of Licciardello’s trademark was a tortious act within Florida as contemplated by Florida’s long-arm statute because the injury from the trademark infringement occurs where the holder of the trademark resides. Having found that Lovelady’s actions fell within Florida’s long-arm statute, the Eleventh Circuit next explained that the exercise of jurisdiction did not violate due process because Lovelady purposefully established significant contacts with the state of Florida such that he could have reasonably anticipated being sued in Florida in connection with those activities.

In so finding, the Eleventh Circuit explained that “[t]he Constitution is not offended by the exercise of Florida’s long-arm statute to effect personal jurisdiction over Lovelady because his intentional conduct in his state of residence was calculated to cause injury to [Licciardello] in Florida.” Finally, the Eleventh Circuit found that the exercise of jurisdiction over Lovelady comported with traditional notions of fair play and substantial justice because Florida’s interest in the dispute and Licciardello’s interest in obtaining relief were not outweighed by the burden on the defendant of having to defend himself in a Florida court.

CONCLUSION

This recent decision means that by merely maintaining a non-interactive website, a website owner can be subject to the jurisdiction of another state or even another country. In other words, distant states and foreign countries may now have the power to enter judgments against website owners that have had no contact with the state or country, other than through the website. Although past cases and the Lovelady case deal with the infringement of federally registered trademarks, these changes in the law may also expose website owners to liability for infringing state registered trademark/servicemarks, another’s common law rights to a trademark/servicemark, and related claims.

Therefore website owners must be vigilant and ensure that nothing is posted on their websites which may infringe upon another’s trademark/servicemark rights. To avoid infringing the trademark/servicemark rights of another, a trademark/servicemark search should be performed. At the very least, by having a trademark/servicemark search performed, a website owner can avoid a charge of willful infringement and the excessive damages which accompany such a charge. Such a search should be performed before expending time and money on the creation and maintenance of a website.

Performing trademark/servicemark searches to determine the availability of a trademark/servicemark for use is a service that should be performed by attorneys who specialize in intellectual property law.

The Livingston Firm specializes in all areas of intellectual property law including patents, trademarks, copyrights, trade secrets, franchising, litigation and business law. As the largest full-service intellectual property law firm in Southwest Florida with over forty years of combined experience, The Livingston Firm can be there to assist you from beginning to end with protecting your ideas and inventions and getting those ideas and inventions to market.

Thank you for taking the time to read this edition of Protecting Your Creativity. If you are in need of our services then please contact us to schedule an appointment.

Edward M. Livingston, Esq., U.S. Registered Patent Attorney, Board Certified in Intellectual Property Law
Erica L. Loeffler, Esq.
Bryan L. Loeffler, Esq., U.S. Registered Patent Attorney

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The Livingston Firm
963 Trail Terrace Drive
Naples, FL 34103
239-262-8502
www.thelivingstonfirm.com
tlf@thelivingstonfirm.com

With offices in Fort Myers