



10 Steps for Setting Up and Protecting a New Web Site

The most common question that an intellectual property attorney hears today is: “How do I set up and protect my web site?” Here are the 10 basic steps that need to be taken.

Step 1: Select a Good Name for the Site, Then Register It as a Federal Service Mark

The name that you give your web site is technically a “service mark” in International Class 38. Since the web itself is, in fact, a communication service between the web site owner and the public, the name of the site is, therefore, used to identify the service. Trademark attorneys always recommend trademarks or service marks that are arbitrary or fictitious, or, failing that, terms that are suggestive. Coined words, or the like, are usually preferred. Descriptive or generic terms should be avoided. Please see our document titled “Selecting and Protecting Your Trademark.”

After a service mark is chosen, a search should be performed to determine if it is available. There are more than 2.2 million registered U.S. trademarks, of which at least 750,000 are still active. In contrast, there are only 30,000 words in the typical English vocabulary. When we perform a trademark search, approximately 60–65 percent of the time we turn down the mark. The client can do an initial screening at the U.S. Patent Office web site at www.uspto.gov. If that result is encouraging, then a full, comprehensive search must be performed to check other federal and state registrations and applications, company names, book titles, domain names, etc. Approximately 50 percent of the trademark conflicts we deal with as attorneys come from trademarks that are not registered with the U.S. government.

If the service mark is available, then a trademark application should be filed with the U.S. Trademark Office to protect it. That can be done either based upon actual use, if the web site

is already up and running, or upon Intent-To-Use (ITU) if use of the mark on the web site is several months away.

Step 2: Select and Register Your URL with InterNIC, Then Register Your Site with the Major Search Engines

Most people prefer to obtain domain names or URLs that include the name of the web site, e.g., www.servicemark.com. There is a trend now to register the full URL as a service mark and a company name, for example, SERVICEMARK.COMSM and SERVICEMARK.COM LLC. Early in the trademark selection process, the web site entrepreneur needs to check with InterNIC to see if the web site name is available as a URL. For further information on that subject, and answers to other “Frequently Asked Questions,” see www.internic.net or www.icann.org/en/faq. To see if a domain name is available and to subsequently register it, you may also want to try a commercial site such as www.networksolutions.com. The comprehensive trademark search, previously described in step 1 above, will also identify likely URL conflicts. Obviously, if the URL is available and if it survives the comprehensive trademark search described above, then it should be registered immediately with InterNIC. Be aware of the fact, however, that there are now several million URLs registered with InterNIC and that getting the exact one you may want is becoming increasingly difficult.

Once your domain name is registered with InterNIC your web site will probably be listed as <http://www.servicemark.com> where “servicemark” is the service mark you have chosen. Without a registered domain name, your web site will be located at [http://www.\(ISP's name\).com/~\(servicemark\)/filename.html](http://www.(ISP's name).com/~(servicemark)/filename.html). There is a yearly charge for registering a domain name with the InterNIC and normally you pay for the first two years at registration.

Be sure to register your site with the major search engines. Here are the URLs for submitting your site with some of the more important search engines:

Google: <http://www.google.com/services/biz2.html>

Lycos: <http://www.domains.lycos.com/>

Yahoo: <http://search.yahoo.com/info/submit.html>

Step 3: Obtain Copyright Protection on the Graphics and Text

Each web page should include, at a minimum, a proper copyright notice on the initial home page. A typical copyright notice might read, for example, as follows:

“Copyright © 2009 XYZ Software Company, Inc.
All Rights Reserved.”

For more information, please see our document about copyrights titled “An Author’s Guide to Copyright Protection.”

Step 4: Add Warning Statements and Disclaimers Where Necessary

It is desirable for a web site, especially one that includes data or information that people might rely on, to include an appropriate warning notice and disclaimer. The notice might be in the following form, but many others are suitable:

“Warning – The information on this web site is protected by the Copyright Laws of the United States, 17 U.S.C. Section 101 et seq. Reproduction and distribution of the information on this web site without the prior written consent of the owners is strictly prohibited and may subject the infringer to civil and criminal penalties. XYZ Software Company hereby disclaims any and all liability with regard to the accuracy and completeness of the information presented on this web site including, but not limited to, direct, indirect and consequential damages.”

Step 5: Avoid Infringing the Trademark and Copyright Rights of Others

If you use text or graphic materials owned by other parties, make sure that you obtain copyright permission from those parties in advance and in writing. If you use a trademark of a third party, make sure you use it properly, including the TM or [®] symbol, as appropriate. Keep in mind that some third-party web site owners are sensitive to unauthorized “hot links,” i.e., links to their sites. It would be prudent to determine in advance if the third-party site is one that won’t object to a hot link.

Step 6: Investigate Possible Patent Protection

Patent protection might be available for web sites provided that they meet the minimum level of patentability as set forth in 35 U.S.C. §101 — 103. It may be possible to obtain design patent protection on certain sites if the layout is sufficiently original. It is unlikely that most web sites will be eligible for patent protection but, if your web site operates in a very unique way and produces a very novel and non-obvious result, you may wish to discuss the matter with a registered patent attorney competent in the field of electronics and communications. Keep in mind, however, that if your web site has been operating publicly for more than one year, you have probably lost your right to file a patent application in the United States based upon violating the statutory one year bar (35 U.S.C. 102, et seq.). For more useful information on the patent process, see our document titled “Maximizing Your Patent Protection, Controlling Your U.S. and International Costs.”

Step 7: Carefully Review Your Web Site Development Agreement

- Does your web site development agreement provide that you own all the rights, including copyright and trademark rights, to your web site?
- Are there clear and comprehensive standards, milestones and benchmarks for the developers to meet?
- How do you handle and pay for future services such as corrections, enhancements and maintenance?

Step 8: Carefully Review Your Web Hosting Agreement

- Has a competent attorney reviewed your web hosting agreement? Does it include minimum standards of performance, e.g., speed, auditing of contacts, backups, etc.?
- Can you quickly and simply get out of the contract if the web host is not performing satisfactorily?
- What modem speeds will the web host be accommodating? 14.4K? 56K? ISDN? T1?
- Will you operate through an ISP or will you set up your own equipment?
- If you set up your own web site hosting equipment, will you buy or lease? If so, who handles the hardware and software maintenance and how is it paid for?
- Generally, it is desirable not to use an out-of-state web host because it is very difficult and expensive to enforce contracts against out-of-state parties.

Step 9: Have Written Contracts with Your Employees

- Will you have employees? Will they be involved in the development of your site or in the intimate details of running your business?
- If so, you should have written agreements with all of your employees, including provisions to keep important information confidential and to avoid competing with the new employer now and for a reasonable period (typically two years or less) after employment is terminated. Also very important, your employees should agree that all materials they produce are “works made for hire” and that they agree to assign all rights, including copyright rights, to their employer.
- As an obvious corollary, you should have written agreements including similar provisions with any independent contractor or consultant that you or your company may hire.

Step 10: Incorporate

If you plan to do a significant amount of business based upon your web site, you probably should form a corporation and have your corporation sponsor and maintain the web site. That should help protect you from personal liability and may also provide some additional benefits. Probably 50 percent or more of all new corporations formed are Limited Liability Companies (LLCs) rather than traditional C-type or S-corporations. You need to speak to an attorney and a certified public accountant with corporate formation experience before you decide to proceed. Most corporations are formed in the states where the bulk of their business is transacted.

Summary

These are the 10 major areas that a new web site creator needs to consider. It is better to deal with these issues in advance than to deal with the bigger problems created by avoiding them.



Fox Rothschild LLP
ATTORNEYS AT LAW

For more information contact:

Fox Rothschild

Princeton Pike Corporate Center | 997 Lenox Drive – Building 3
Lawrenceville, New Jersey 08648
Tel: 609.896.3600 | Fax: 609.896.1469

© 2012 Fox Rothschild LLP. All rights reserved. This publication is intended for general information purposes only. It does not constitute legal advice. The reader should consult with knowledgeable legal counsel to determine how applicable laws apply to specific facts and situations. This publication is based on the most current information at the time it was written. Since it is possible that the laws or other circumstances may have changed since publication, please call us to discuss any action you may be considering as a result of reading this publication.

ATTORNEY ADVERTISEMENT

California Connecticut Delaware District of Columbia Florida Nevada New Jersey New York Pennsylvania

www.foxrothschild.com