

Wiley Rein Files Unique Domain Name Theft Lawsuit on Behalf of Client

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Wiley Rein this week filed the first federal lawsuit of its kind on behalf of an e-commerce company that had a number of Internet domain names stolen by computer hackers based in China. Wiley Rein's client, Florida-based Acme Billing Company, is seeking damages and the return of 14 domain names that it had used until August 2014, when the hackers breached the company's domain name registration account and made an unauthorized transfer of the domain names to a registrar in China. The complaint can be found [here](#).

The theft of Acme's domain names disabled many of its e-commerce websites, which offer products such as handbags, watches, and luxury accessories. This type of cyber crime is happening with greater frequency to website operators across the country. Small- and medium-sized businesses are particularly vulnerable, and many are not aware that there is legal recourse.

Greg Stranahan, a director of Acme, stated, "Domain name theft is a serious and growing form of intellectual property theft with potentially devastating consequences for American businesses. E-commerce companies like Acme can suffer serious financial consequences from domain name theft because the theft disables the company's e-commerce website and deprives the company of a significant asset."

The lawsuit alleges that Acme went to great lengths to provide its domain name registrar, GoDaddy, with documentation showing that Acme's account had been hacked and that Acme was the rightful owner of the stolen domain names. But GoDaddy has indicated that there is nothing further it can do to obtain the return of the domain names.

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Practice Areas

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The case, *Acme Billing Company v. John Doe*, was filed in the U.S. District Court for the Eastern District of Virginia by David E. Weslow, a partner in Wiley Rein's Intellectual Property Practice, and Attison L. Barnes, III, co-chair of Wiley Rein's Litigation Practice. The lawsuit includes claims under the Anticybersquatting Consumer Protection Act. It is also the first known case in which the Computer Fraud and Abuse Act is being used to attempt to regain possession of stolen domain names, and the decision could set an important legal precedent.

"Acme is, unfortunately, the latest in a growing number of American business victims of domain name theft," Mr. Weslow said. "We look forward to moving forward with the case and seeking the return of Acme's domain names."

Domain name theft is a form of intellectual property theft, which has become a significant problem for U.S. businesses. In an October 5 interview with CBS, FBI Director James Comey noted that "Chinese hackers target the intellectual property of U.S. companies on a daily basis, costing the U.S. economy billions of dollars each year." The FBI also recently issued a "flash alert" to a range of U.S. businesses about "cyber actors who routinely steal high-value information ... through cyber espionage."