

Trademark Enforcement in Social Media

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- □ Social Media has truly exploded in the impact it has had across all business landscapes over the last decade
- Total number of users has grown exponentially over the past 5 10 years.
- □ For example the total number of users of some of the more popular Social Media Sites are estimated to be-
- Facebook- Approximately 1.1 billion users
- Twitter- Approximately 500 million users (200 million active)
- Instagram- Approximately 100 million uses
- Tumblr- Approximately 200 million users

Currently companies are looking for ways to expand the reach of their brand on the Internet, and as technology has changed, so has the way that such brand names have been promoted

- During the "dawn" of the Internet, which has retroactively become known as Web 1.0, perhaps the chief concern surrounded third-party usage of a brand owner's name as part of a domain name that was not owned by the brand owner.
- However, pursuant to this "Web 1.0" concern, traditional trademark laws made enforcement of a brand name in a domain name context challenging, as shown in Intermatic, Inc. v. Toeppen, 947 F. Supp. 1227 (N.D. III. 1996) where the defendant reserved a domain name with the goal of potentially selling it back to the plaintiff. While relief was granted to the plaintiff, it was granted under the federal dilution act, finding that the intent to sell the domain name back to the trademark owner alone, constituted "use in commerce". Subsequent commentators have viewed the court's decision as a bit of a stretch, where the Court clearly wanted to enjoin problematic behavior, even if such behavior was not prohibited by statute.

The Lanham Act (the U.S. Federal Trademark statute) provides relief for improper brand usage in connection with goods or services by a third-party in a variety of different contexts including causes of action for:

- Trademark Infringement (15 U.S.C. § 1114)
- Unfair Competition (15 U.S.C. § 1125(a))
- Dilution (15 U.S.C. § 1125(c))
 - However, all three of these causes of action were not necessarily helpful in allowing a brand owner to obtain relief for unauthorized use of a trademark in domain name.
 - Reason- All three causes of action required use in conjunction with goods or services, or in commerce which, typically, means the use of the mark with particular goods and services



- ☐ In order to address these concerns pursuant to Web 1.0 issues, Congress enacted the Anticybersquatting Consumer Protection Act (ACPA) in 1999.
- □ The ACPA was useful because it permitted a trademark owner to bring an action against a third-party that was using a brand name or identifier in a domain name, even if the domain name owner was not using the domain name in conjunction with particular goods and services.

- □ However, with the expanded use of trademarks in the social media arena, the "new" remedies that protected brand owners' rights in a domain name context, were once again no longer helpful
- Brand owners must now seek alternate remedies to address unauthorized trademark uses.
- With the advent of "Web 2.0", which is primarily focused on user generated/social media concerns, there are a host of additional issues that existing laws and precedent might not address
- Traditional remedies might not be considered applicable because it is unclear-
 - If there is use in commerce?
 - Does the ACPA apply to a "vanity" URL?



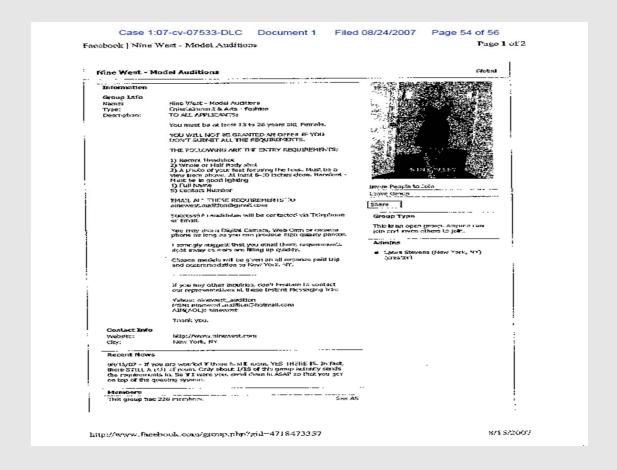
TRADEMARK INFRINGEMENT IN SOCIAL MEDIA



- □ Trademark Infringement in Social Media
- Typically speaking establishing what s considered traditional "infringement" might prove easier than some of the less common types of improper brand name uses, including "impersonation", "user name squatting" or other types of unauthorized third party brand uses.
- "Typical" trademark infringement in a social media context takes place when a user on a social media page, uses third-party brand names on the site to refer to products that are not legitimate, counterfeit, or perhaps imply a link between the products and services and the brand owner when no such approval or link exists



Example- Nine West v. Does 1 -10, (S.D.N.Y. 2007)





- Causes of Action: Trademark Infringement, False Designation of Origin and Dilution for auditions for modeling shots for Nine West
- Complained on multiple occasions to Facebook
- □ Facebook agreed to shut down the Nine West audition page twice, but refused to provide identifying information of the individuals/entity that ran the disputed Facebook page
- Relatively straight forward case- In this instance, the Facebook page clearly referenced the Nine West brand in conjunction with footwear, and models related thereto, which would meet the "use in commerce" standard in conjunction with the modeling services, creating a more typical instance of infringement
- Result- Defendant agreed to enter into a Consent Judgment canceling email addresses, and Facebook accounts/groups



- Other cases where use of the respective marks by the parties on social media sites was considered by the courts as part of an infringement analysis -
- Boathouse Group, Inc. v. Tigerlogic Corporation (D. Mass 2011)- Run of the mill trademark infringement analysis, but the Court references use by both the plaintiff and defendant to conduct searches within social media, and found that use within Twitter and Facebook by the parties constituted use within a similar channel of trade. Preliminary injunction granted.
- Martha Elizabeth, Inc. et al v. Scripps Networks Interactive, Inc. et al (W.D. Mich. 2011)- In granting a partial motion for preliminary injunction, the Court determined that the parties' use of their respective marks in the context of social networking sites such as Facebook and MySpace, demonstrated that users of each party's mark will be similar, if not the same.

- Obviously the litigation route is an option that is always available, but as demonstrated in the Nine West case, social media sites are very reluctant to disclose information regarding the people or groups that are engaging in the allegedly infringing behavior. Therefore, obtaining information about the real "wrongdoer" might prove challenging
- ☐ Further, obtaining relief against the owner of a social media site itself may prove challenging because it can be difficult to establish that the owner of the social media site is, itself, engaging in the infringing behavior

- An exemplary related case is *Tiffany v. eBay Inc.*, 600 F.3d 93 (2d. Cir. 2010)- Jewelry maker learned that most of the products sold under the brand name TIFFANY on the eBay website were deemed to be counterfeit. It sued eBay for both direct and contributory infringement.
 - In ruling in eBay's favor, the Court found that the listing of Tiffany products on the site
 <u>did not constitute direct infringement</u> because it was considered to be permissible
 nominative fair use to referencing the products on the eBay site, provided that there
 was no suggestion of sponsorship by Tiffany.
 - No contributory infringement- A generalized knowledge that there were infringers on the site did not rise to the level of proving contributory infringement. In addition, in instances where Tiffany provided eBay with specific examples of infringing use, eBay temporarily suspended them.
 - This holding is potentially instructive with respect to establishing liability on behalf of social media sites with merely generalized knowledge of infringing activities on their sites.
 - Cf. Louis Vuitton Malletier v Akanoc Solutions, Inc. (N.D. Cal. 2008)-jury verdict granting plaintiffs \$32 million in judgment against web-hosting companies because they had received multiple notices from the trademark owners regarding counterfeit products on hosted sites but failed to take action.



- Due to such potential limitations with respect to litigation against social media sites themselves, it is essential that brand owners become familiar with social media sites' trademark enforcement policies
- □ Facebook's Statement of Rights and Responsibilities indicates that "If you select a username or similar identifier for your account or Page, we reserve the right to remove or reclaim it if we believe it is inappropriate (such as when a trademark owner complains about a username that does not closely relate to a user's actual name)."
- While Facebook has this policy, it is unclear whether the policy takes only trademark infringement into account; i.e. it is not clear what Facebook would do if someone registered a user name which was a third-party's trademark, but did not offer any goods or services. Technically such a use would seem to be an infringement of Facebook's Statement of Rights and Responsibilities, but it would not appear to be trademark infringement because there is no traditional "use in commerce", as typically defined by the Lanham Act.



Twitter Trademark Policy-

- Twitter will suspend an account when "there is a clear intent to mislead others through the unauthorized use of a trademark".
- The policy further states that, if "an account appears to be confusing users, but is not purposefully passing itself off as the trademarked good or service, we give the account holder an opportunity to clear up any potential confusion. We may also release a username for the trademark holder's active use" (Note- in practice it is not clear the exact circumstances under which Twitter will release such a name).
- The policy suggests that certain things should not be done in order to ensure that the Twitter account holder is not in violation of the Twitter trademark policy including not using a third party brand name as user name or profile name, or not using a trademarked image in the background. Twitter specifically recommends including in the account holder's BIO information that the account is "unofficial". BUT But- using another's trademark in a way that has nothing to do with the product or service for which the trademark was granted does not appear to be a violation of Twitter's trademark policy.
- No magic formula exists with respect to how to craft a successful request under Twitter's trademark policy, because if the account holder indicates that it is a parody site in its BIO information, while simultaneously using the trademark name as an account name, it is unclear how Twitter would handle such complaint

■ USER NAME SQUATTING AND IMPERSONATION



- An issue that is more "grey" than the use of a trademark on a social media web page itself would be <u>User Name Squatting</u> (i.e. a user registers the user name but does not offer any sort of goods or services on the site itself, or any content on the particular social media page at all.)
- Legal options-
- A third-party user of the brand owner's mark as party of a User Name would not be considered a traditional infringer because it would not be offering any goods or services via the site in question, making it impossible to meet with the "offering for sale, distribution, or advertising of any goods or services" prong of 15 U.S.C. § 1114 establishing infringement of a brand name.
- Obtaining relief under the ACPA might prove difficult as well because it is not clear whether the use of a third party brand name as part of a user name or vanity URL would be considered part of a "domain name" as it is particularly unclear whether Facebook or Twitter would be considered a "domain name registrar, domain name registry or other domain name registration authority" as defined in 15 U.S.C. § 1127.

- Although there have been no reported cases involving a decision where a user had registered a domain name containing a brand name after a third-party domain name, (i.e. facebook.com/infringingname) the issue of what is known as "post domain path usage", as in, use of a brand name after a .com, .org, etc., has previously been addressed.
- Interactive Products Corporation v. a2z Mobile Office Solutions, 326 F.3d. 687 (6th Cir. 2003)- The Sixth Circuit found that the use of the plaintiff's mark as part of the post-domain path by the defendant was not likely to cause confusion because the "post-domain path of a URL, however, does not typically signify source. The post-domain name path merely shows how the website's data is organized with the host's computer's files."



- The *Interactive* case is potentially instructive with respect to how a Court might view an entity who attempted to register a "vanity" URL with a brand name after the name of a social media site within the body of a domain name.
- However, as people become more accustomed to brand names as parts of "vanity" URLs where the brand name is used after the domain name (e.g. facebook.com/brandname), the public might begin to grow accustomed to thinking of such use as a source identifier, moreso than they did 10 years ago at the time of the *Interactive* decision.

While there do not appear to any instances where a brand owner had a case go to final decision for an unauthorized use of a "brand name" as part of a Twitter account, there have been several instances where such "brand owners" have obtained successful results when bringing actions against Twitter for this type of action, which have amounted to "impersonation" rather than trademark infringement.



- LaRussa v. Twitter, No. CGC-09-488101, 2009 WL 1569935 (Cal Super. Ct. 2009)-
- □ Famed baseball manager, Tony LaRussa, became aware that a third-party had registered his name as a Twitter account and user name, and was sending out Tweets discussing the baseball team he managed and a DUI charge that he was facing.
- Mr. LaRussa asserted that he went through Twitter's normal dispute procedures, and Twitter refused to transfer the account to him via this process.
- The Complaint alleged, amongst other causes of action, cybersquatting, trademark infringement and false designation of origin.
- Mr. LaRussa ended up withdrawing the Complaint after the case had been removed to Federal Court, and ownership of the Twitter feed was transferred to him shortly thereafter.
- The case of Oneok v. Twitter had a similar result to the LaRussa case.



- While the outcome in the *LaRussa* case was a positive one for Mr. LaRussa, it is unclear if Mr. LaRussa would have had such a positive result in the event that he were to have taken his dispute any further, especially in light of the fact that most of the Tweets included on the disputed Twitter feed were clearly parodic in nature.
- Further, the "bio" associated with the disputed feed clearly implied that it was a parody as well.
- Twitter would have had a strong defense that no reasonable person would be confused into believing that Mr. LaRussa would be the source of the content included in the feed, which would make it difficult to support a false association claim under the Lanham Act.



- One case involving identity/ownership of Facebook/Twitter feeds is *Maremont v. Susan Fredman Design Group*, *et al*, 772 F.Supp. 2d 967 (N.D. III. 2011), where the Plaintiff filed a false endorsement claim under the Lanham Act.
- □ Plaintiff was an interior designer who created a following in the Chicago area utilizing Facebook and Twitter.
- After plaintiff suffered a personal injury, employees at the company where she worked prior to her injury began posting to the plaintiff's existing Facebook and Twitter accounts promoting the defendant's business without the plaintiff's permission, and without acknowledging that the posts were not actually being made by the plaintiff.
- □ Plaintiff survived a Motion to Dismiss/Summary Judgment because a professional interior designer, the plaintiff had become known in the community on her own personal merit. Because the the Facebook and Twitter posts potentially created the false impression that they were endorsed personally by the plaintiff, it would be possible to proceed with the "false representationt" cause of action under the Lanham Act.



PROACTIVE STEPS AND RECOMMENDATIONS FOR BRAND OWNERS



- Registration of trademark with the U.S. Patent and Trademark Office (this is always good advice for trademark owners in light of the additional remedies and damages available for owners of registered trademarks)
- It is particularly advisable in a social media context because:
 - Some prominent social media outlets, including Twitter, require trademark registration information in order to commence the process of investigating an unauthorized third-party brand name usage in a social media context
 - Under a normal litigation circumstance, when a brand owner attempts to enforce an unregistered, common law mark via the Federal Courts, it will have an opportunity, through the discovery process, to provide evidence of its ownership. However, while the YouTube and Facebook trademark policies permit users to detail common law rights based on such use, because trademark complaint submission forms used by these sites are very basic, the ability to prove such rights and submit supporting evidence will be extremely limited by comparison.

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- It is not feasible for brand owners to take action with respect to all unauthorized social media brand uses.
- However, it is important for brand owners to closely monitor what is being said about them in the relevant space, and they should give strong consideration to subscribing to any one of the many alert systems that will let brand owners know who is saying what about their brand including socialmention.com, hootsuite.com, Brand Monitor at comscore.com and the Google Alerts monitoring systems.
- KnowEM.com-checks trademark "availability" on social networking sites
- TweenBeep.com-receives alerts when people are tweeting about your company
- Adgooroo.com-provides reports about who is bidding on keywords that tie in to your trademarks



More Don'ts Than Dos

soc tha	While the manner in which trademark rights may be enforced in a cial media setting is still in flux, perhaps an even bigger question n what brand owners CAN DO to manage their rights, is what OULD they do?
	What impact might an aggressive enforcement approach have on potential customers?
	It is important to look at some examples of both positive and gative results of trademarks involving social media.



Cautionary Tales-

- □ Kenneth Cole tweets in Feb. 2011: "Millions are in uproar in #Cairo. Rumor is they heard our new spring collection is now available online at http://bit.ly/KCairo."
- ☐ The tweet caused a big headache for Kenneth Cole because people thought that the fashion magnate was making light of a developing situation in the Middle East where lives were being lost, all in an effort to promote Kenneth Cole shoes.

- hashtag/bashtag
- ☐ January 2012-McDonalds begins a social promotion with the hashtag #McDStories
- ☐ McDonalds invites the public to describe positive stories about their visits and experiences at McDonalds' restaurants.
- ☐ Rather than positive brand promotion, McDonalds instantly receives very negative discussions about experiences at their restaurants.
- McDonalds pulls the campaign within hours.
- Negative comments like this are known as "bashtags"



- □ Greenpeace, in an effort to attempt to convince Nestle to stop using palm oil, released a video on YouTube with highly inflammatory images of orangutans in danger, and replacing the Kit Kat chocolates with orangutan fingers in the ad
- Nestle's first reaction was to contact YouTube to ask that the video be taken down on the grounds of copyright infringement, presumably because the video contained images of packages and logos similar to those used by Nestle in its Kit Kat packaging.
- ☐ Greenpeace supporters posted negative comments regarding Nestle's deforestation policy on the Nestle Facebook page. Nestle responded by either responding impolitely to such posts, or deleting them altogether.
- The issue of the use of palm oil by Nestle was already controversial, and the aggressive enforcement policy further jeopardized public perception of the company.



- EAT MORE KALE
- Chik-Fil-A owned several registrations for the mark "EAT MOR CHIKN"
- Bo Muller-Moore had for many years, sold t-shirts and offered recipes utilizing the EAT MORE KALE slogan
- Chik-Fil-A was concerned that consumers would think there was a relationship between EAT MORE KALE and EAT MOR CHIKN, to no avail
- Bo Muller-Moore filed a trademark application for the EAT MORE KALE mark, to which Chick-Fil-A filed a letter of protest, resulting in the issuance, by the Trademark Office of a likelihood of confusion rejection.
- However, due to the aggressive manner in which Chick-Fil-A attacked Mr. Moore, he has used social media to expose his plight and bring supporters in to sign a petition speaking out against Chick-Fil-A, impacting its reputation in the process.



- Collaborative (positive) Approach- the Coca-Cola example
- Quite often, entities that are using brand names in connection with social media content in an unauthorized manner, such as those that create fan pages, might be the biggest supporters of a particular brand.
- □ Such fan pages might have many thousands of followers who could easily be alienated when they learn that the brand owner is taking an aggressive stance towards consumers with no ill motives.
- Perhaps the best example demonstrating a collaborative approach was the Coca-Cola Facebook fan page. This page was originally created by two people who happened to like Coke, and rather than taking the ogre approach by attempting to shut the site down, Coca-Cola formed a partnership with these fans allowing the site to operate, but under the supervision and blessing of the brand owner.