

Internet Enforcement: A Collaborative Approach

By Dianna Lyons and Elisabeth Langworthy

As the opportunities for global business growth increased with the commercialization of the Internet beginning in the 1990s, the potential for consumer deception spiraled. For an international consumer financial services business like The Western Union Company, the Internet has provided a powerful engine for new business expansion. But, the Internet also has created a host of legal challenges, evolving in remarkable ways as Internet “pirates” create new methods to deceive consumers for financial gain.



Western Union has marshaled its various internal legal, security and compliance forces, and collaborated with outside counsel and technology service providers, to tackle the challenge of Internet enforcement. The company’s tactics would serve equally well for other brand owners who experience Internet-based trademark infringement or other forms of consumer deception or fraud and need to develop a cost-effective plan for dealing with the damage to the business.

The Common Denominator

Unauthorized use of Western Union’s famous brand, is the common denominator for the illegal or deceptive activity that Western Union combats over the Internet. For example, offshore betting and gambling sites may make unauthorized display of the WESTERN UNION logo to direct U.S.-based customers to use WESTERN UNION MONEY TRANSFER® services. Similarly, Web sites promoting sales of prescription or other (e.g., steroid) drugs, child pornography and various scams may direct purchasers to use WESTERN UNION MONEY TRANSFER® services as a payment method to receive the goods or services.¹ The association created by this unauthorized use of the WESTERN UNION logo tarnishes Western Union’s valuable brand.



Initial Methods

Before the development of more sophisticated Web tracking tools, Western Union would address unauthorized uses of its brand and services on a case-by-case basis as it became aware of specific problem sites. At that time, Western Union would typically engage outside counsel to investigate the claim, draft demand letters and communicate directly with the site owners and Internet Service Providers (ISPs). Outside counsel would compel the removal of references to WESTERN UNION or the denial of hosting services to the unlawful Web site if compliance was not attained directly.

Advances in Technology Tools

Since the 1990s, instances of deceptive or illegal activity over the Internet have increased. Fortunately, there also have

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Uniform Domain Name Dispute Resolution Procedure

In 1999, the establishment of the Uniform Domain Name Dispute Resolution Procedure made the retrieval of offending Web sites with domain names featuring WESTERN UNION trademarks available on a relatively cost-effective basis. If activity on a Web site was particularly egregious (for example, phishing or child pornography), the Western Union Security Group would work directly with law enforcement to take appropriate action.

been significant technological advances in Web crawling and sorting tools that enable brand owners like Western Union to be both proactive in finding objectionable Web sites and more cost effective in stopping them. Companies such as Mark Monitor and Cyveillance provide sophisticated Web

crawling services that methodically sort through the Internet noise to target objectionable Web sites and allow prompt legal action. These technology tools enable companies to conduct investigative work efficiently before involving legal counsel to resolve the problem.

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Using sophisticated Web crawling services, Western Union's Intellectual Property Group is now able to conduct much of the work in-house. The group obtains sufficient information through the Web crawling tool to determine whether action is appropriate and what initial steps to take if action is required. An integrated workflow system allows in-house personnel to automatically generate demand letters to send to owners of offending Web sites and, if necessary, to ISPs. Additionally, these systems can automate other aspects of the process, including the maintenance of segregated electronic files for all correspondence and captured screenshots relating to the offending use as well as the tracking for follow up and continued compliance monitoring as needed.



Involving Outside Counsel

Western Union involves outside counsel for relatively routine matters when initial efforts fail to bring the offending Web sites into compliance. Consequently, Western Union is able to reserve its outside counsel legal spend for special matters, such as:

- Particularly difficult legal issues, for example, those involving potential First Amendment claims or those asserting contributory infringement liability;
- Situations involving recidivist offenders; and
- Especially egregious activity (e.g., child exploitation) or novel infringing uses such as Web sites posting company press releases featuring pop-up triggers purchased by competitors.

What was once a program administered by outside counsel working closely with in-house counsel has become a program administered almost exclusively by in-house counsel supported by nonlegal staff and sophisticated technology tools.

Endnote

1. Regarding the sale of possible counterfeit goods of a third party over a Web site, it should be noted that a payment service such as Western Union cannot be considered "the instrumentality of infringement" and thus cannot be held liable for the allegedly infringing acts of the third-party Web site in selling the counterfeit goods. See *Perfect 10, Inc. v. Visa International Serv. Assoc.*, 494 F.3d 788, 807 (9th Cir. 2007), cert. denied 128 S. Ct. 2871 (2008).

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