

Facing Off On Facebook®? Trademarks and the Social Net

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The increasing prevalence and popularity of social networking and similar sites raise new issues for brand owners and celebrities. These issues have jumped to the forefront with Facebook's June 12, 2009 rollout of "vanity URLs." Previously, Facebook autogenerated the URL for a user's homepage which contained a series of letters and symbols (e.g., www.facebook.com/P=?234). Now, users can have a unique identifier (e.g., www.facebook.com/YourNameHere). The change has obvious implications for trademark owners – users could potentially select a name that is the trademark of another; brand owners themselves will want vanity URLs containing their own trademarks and/or will want to prevent others from obtaining corresponding vanity URLs.

To prevent "name squatting"— users selecting vanity usernames for the purpose of selling them or using them in violation of trademark or publicity rights – Facebook implemented the following rules and procedures:

- 1) Usernames are non-transferable. Usernames cannot be transferred from one user to another and, if a user terminates his account, the username apparently will be permanently disabled.
- 2) Facebook gave trademark owners three days, from June 9 to June 12, 2009, to attempt to block vanity URLs containing their trademarks by filling out and submitting a simple on-line form. Those names would be unavailable to users and, at a later date, the trademark owners would be given the option of registering for and using the names themselves.
- 3) Generic terms are not available as usernames. Presumably, this is to prevent users from monopolizing a commercially desirable term (e.g., computer).
- 4) In addition to the preventative measures above, Facebook posted a form for handling trademark infringement. The form enables trademark owners to request that any infringing content be removed and/or that a username be disabled.

Facebook's approach is doubtlessly of some reassurance to brand owners, though it presents a host of unanswered questions. The posted forms were not accompanied by a policy, which prompts speculation on how Facebook will handle certain issues, including the following:

- Registered rights only? The preventative form required a trademark registration number, which implies Facebook would only honor registered trademarks in blocking corresponding usernames. By contrast, the infringement form simply asks what rights are infringed. It is unclear whether pending trademark applications and/or common law rights will be sufficient for a challenge.
- Foreign registrations? The preventative form did not indicate whether all registration numbers would be considered, or just those for US trademark registrations. Similarly, the infringement form does not address foreign trademark rights. However, Facebook's form for trademark owners to request a username for their blocked trademark(s) has a "country of registration" field; it is conceivable, therefore that Facebook will honor requests based on foreign registrations.
- Multiple claims for the same mark? There likely will be numerous instances where multiple parties claim rights in the same mark. It is unclear how Facebook will handle these situations. The simplest approach would be to award the username to the applicant whose request was first in time, or Facebook might choose to refuse use of that particular username by any party. Alternatively, Facebook may allow the parties to determine among themselves who will get to use the mark as a username.
- Counter notification? In instances where a trademark owner submits an infringement form, it is unclear whether the allegedly infringing user will have any defenses available. Theoretically, as sometimes is found in the UDRP process involving a domain name, a user could have a name or nickname that is the same as a registered trademark. Will Facebook take the stance that there are an infinite number of unique usernames that its users can adopt to represent themselves, so there is no need for a counter notification procedure? Will the burden be on users to just choose another username that is not also a trademark?

- Trademarks plus a generic term? There are limitless possibilities for selecting a username that is a trademark plus a generic term (e.g., “dellhardware”). Will trademark owners be able to stop these uses using the infringement form? Facebook could take the stance that it will only stop uses of an exact trademark. Alternatively, Facebook might choose to act only in situations where there is infringing content on the Facebook page itself (as opposed to only a matching username), or where there is “commercial” content on site (i.e., a page marketing competitive products or services). Any of these approaches, or evaluating each challenge on a case by case basis, would require that Facebook devote significant resources to handle the likely high volume of claims.

To what extent does any of this matter? How can brand owners keep this and similar on-line developments in perspective?

As Facebook has morphed from a pure social networking play to a hybrid patchwork of social networking and commercial marketing and promotion, brand owners are wise to stay tuned to this development.

Facebook, Myspace and similar sites originally attracted individuals seeking a means for social interaction (non-commercial speech). As they’ve gained popularity, they’ve caught the interest of corporate America. Not only are potential consumers seeking out information on companies via these social sites, the corporate versions of these sites are turning up in search engine results. For example, an internet search for “Jamba Juice” reveals www.facebook.com/jambajuice in the top ten results. Continuing the example, potential consumers can also find Jamba Juice’s Facebook pages by searching “Jamba Juice” in the Facebook search box or going directly to www.facebook.com/jambajuice. Companies can use these pages to post updates on their businesses, announce new products, run promotions and otherwise communicate with consumers. Individual users can comment on any of the content and/or become a “fan” of the page. Everyone in those users’ networks in turn gets a notification that directly links to the relevant page. The promotional and marketing possibilities here are endless.

What ultimately will happen with trademarks and vanity URLs on Facebook remains to be seen, but as we have seen with domain name and keyword disputes, these issues won’t go away overnight. Various social networking sites have implemented different approaches to the problem. Please see the examples below.

EXAMPLES OF TRADEMARK RELATED TERMS OF SERVICE

MYSPACE

(<http://www.myspace.com/index.cfm?fuseaction=misc.terms>)

“5. Use by Members. The MySpace Services are for the personal use of Members and may be used for promotional purposes as well, but direct commercial endeavors may only be used if they are specifically endorsed or authorized by MySpace. MySpace reserves the right to remove commercial content in its sole discretion. Illegal and/or unauthorized use of the MySpace Services, including collecting usernames, user id numbers, and/or email addresses of Members by electronic or other means for the purpose of sending unsolicited email or unauthorized framing of or linking to the MySpace Website, or employing third party promotional sites or software to promote profiles for money, is prohibited. Commercial advertisements, affiliate links, and other forms of unauthorized solicitation may be removed from Member profiles without notice or explanation and may result in termination of Membership privileges. MySpace reserves the right to take appropriate legal action for any illegal or unauthorized use of the MySpace Services.

8. Content/Activity Prohibited. The following are examples of the kind of Content that is illegal or prohibited to post on, through or in connection with the MySpace Services. MySpace reserves the right to investigate and take appropriate legal action against anyone who, in MySpace’s sole discretion, violates this provision, including, without limitation, removing the offending Content from the MySpace Services, terminating the Membership of such violators and/or reporting such Content or activities to law enforcement authorities. Prohibited Content includes, but is not limited to, Content that, in the sole discretion of MySpace:

- 8.13 involves commercial activities and/or sales without prior written consent from MySpace such as contests, sweepstakes, barter, advertising, or pyramid schemes; . . .
- 8.16 violates the privacy rights, publicity rights, copyrights, trademark rights, contract rights or any other rights of any person; . . .
- 8.29 displaying an unauthorized commercial advertisement on your profile, or accepting payment or anything of value from a third person in exchange for your performing any

commercial activity through the unauthorized or impermissible use of the MySpace Services on behalf of that person, such as placing commercial content on your profile, posting blogs or bulletins with a commercial purpose, selecting a profile with a commercial purpose as one of your “Top 8” friends, or sending private messages with a commercial purpose;
...

9. Protecting Copyrights and Other Intellectual Property. MySpace respects the intellectual property of others, and requires that our users do the same. You may not upload, embed, post, email, transmit or otherwise make available any material that infringes any copyright, patent, trademark, trade secret or other proprietary rights of any person or entity. MySpace has the right to terminate the Membership of infringers. (goes on to give DMCA copyright notice info; nothing trademark specific in that vein).”

TWITTER

(<http://twitter.com/tos>)

“6. We reserve the right to reclaim usernames on behalf of businesses or individuals that hold legal claim or trademark on those usernames.”

SECOND LIFE

(<http://secondlife.com/corporate/tos.php>)

“2.3 You need to use an account name in Second Life which is not misleading, offensive or infringing. You must select and keep secure your account password.

You must choose an account name to identify yourself to Linden Lab staff (your “Account Name”), which will also serve as the name for the graphical representation of your body in the Service (such representation, an “Avatar”). **You may not select as your Account Name the name of another person to the extent that could cause deception or confusion; a name which violates any trademark right, copyright, or other proprietary right;** a name which may mislead other users to believe you to be an employee of Linden Lab; or a name which Linden Lab deems in its discretion to be vulgar or otherwise offensive. **Linden Lab reserves the right to delete or change any Account Name for any reason or no reason.** You are fully responsible for all activities conducted through your Account or under your Account Name.

2.4 Account registrations are limited per unique person. Transfers of accounts are generally not permitted.

Linden Lab may require you to submit an indication of unique identity in the account registration process; e.g. credit card or other payment information, or SMS message code or other information requested by Linden Lab. When an account is created, the information given for the account must match the address, phone number, and/or other unique identifier information associated with the identification method. You may register multiple accounts per identification method only at Linden Lab’s sole discretion. A single account may be used by a single legal entity at Linden Lab’s sole discretion and subject to Linden Lab’s requirements. Additional accounts beyond the first account per unique user may be subject to fees upon account creation. **You may not transfer your Account to any third party without the prior written consent** of Linden Lab; notwithstanding the foregoing, Linden Lab will not unreasonably withhold consent to the transfer of an Account in good standing by operation of valid written will to a single natural person, provided that proper notice and documentation are delivered as requested by Linden Lab.

4.1 You agree to abide by certain rules of conduct, including the Community Standards and other rules prohibiting illegal and other practices that Linden Lab deems harmful.

You agree to read and comply with the Community Standards posted on the Websites, (for users 18 years of age and older, at <http://secondlife.com/corporate/cs.php>; and for users of the Teen Area, at <http://teen.secondlife.com/footer/cs>

In addition to abiding at all times by the Community Standards, you agree that you shall not: (i) take any action or upload, post, e-mail or otherwise transmit Content that infringes or violates any third party rights; (ii) impersonate any person or entity without their consent, including, but not limited to, a Linden Lab employee, or falsely state or otherwise misrepresent your affiliation with a person or entity; (iii) take any action or upload, post, e-mail or otherwise transmit Content that violates any law or regulation; (iv) take any action or upload, post, e-mail or otherwise transmit Content as determined by Linden Lab at its sole discretion that is harmful, threatening, abusive, harassing, causes tort, defamatory, vulgar, obscene, libelous, invasive of another’s privacy, hateful, or racially, ethnically or otherwise objectionable; (v) take any actions or upload, post, e-mail or otherwise transmit Content that contains any viruses, Trojan horses, worms, spyware, time bombs, cancelbots or other computer programming

routines that are intended to damage, detrimentally interfere with, surreptitiously intercept or expropriate any system, data or personal information; (vi) take any action or upload, post, email or otherwise transmit any Content that would violate any right or duty under any law or under contractual or fiduciary relationships (such as inside information, proprietary and confidential information learned or disclosed as part of employment relationships or under nondisclosure agreements); (vii) upload, post, email or otherwise transmit any unsolicited or unauthorized advertising, or promotional materials, that are in the nature of “junk mail,” “spam,” “chain letters,” “pyramid schemes,” or any other form of solicitation that Linden Lab considers in its sole discretion to be of such nature; (viii) interfere with or disrupt the Service or servers or networks connected to the Service, or disobey any requirements, procedures, policies or regulations of networks connected to the Service; (ix) attempt to gain access to any other user’s Account or password; or (x) “stalk”, abuse or attempt to abuse, or otherwise harass another user. Any violation by you of the terms of the foregoing sentence may result in immediate and permanent suspension or cancellation of your Account. You agree that Linden Lab may take whatever steps it deems necessary to abridge, or prevent behavior of any sort on the Service in its sole discretion, without notice to you.

Trademarked and Celebrity Material

Linden Lab generally removes content that uses trademarked or celebrity material without apparent authorization, with or without giving notice to the object owner. This generally includes trademarked logos, trademarked brand names, and trade dress, which is the distinctive visual appearance of a product or its packaging.

It is often difficult to tell what may or may not be trademarked or protected as trade dress. However, use of designer logos and brand names without permission, such as Gucci, Nike, Louis Vuiton, etc., are usually not acceptable. If you don’t have permission, please don’t just use a misspelling of the brand name, for example, “Njke” instead of “Nike” – instead, create your own original brand name that’s associated uniquely with you!

If you’re creating objects inspired by real world objects, take care that your objects have an original appearance and shape. That’s the best way to avoid trade dress issues. Be wary of imitating distinctive and recognizable product appearances. For example, the well-known appearance of the Eames lounge chair and ottoman from Herman Miller is protected under trade dress law.

Please also be aware that celebrities have a “right of publicity,” which means that they have a right to control commercial uses of their name, image, likeness, and other aspects of their identity. Although you may be a fan, you risk infringing celebrity rights if you use a celebrity name or likeness in connection with in-world objects you trade, and you don’t have the celebrity’s permission.

If you are a trademark owner or a celebrity and you believe your rights have been infringed in Second Life, please submit a notification of infringement in writing to:

Linden Research, Inc.
Attn: Legal Department
945 Battery Street
San Francisco, CA 94111
Alternatively, fax the document to (415) 520-9660.

When submitting a notification of trademark or trade dress infringement, provide a copy of the relevant trademark or trade dress registration(s) from the U.S. Patent and Trademark Office. Please also provide the location in Second Life (the region name and coordinates or, if on a website, the URL) where you believe the infringement is occurring and the name of the Second Life Resident whom you claim is infringing.”

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