

Trademark Advisory: Promoting Your Brand - and Protecting It - on Social Networking Sites

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Everyone is using social media these days, even President Barack Obama. On January 18, 2010, President Obama became the first U.S. President to “tweet” when he sent a message on Twitter announcing his arrival at the American Red Cross headquarters in Washington, D.C. Politicians, celebrities, and businesses are increasingly recognizing that social networking sites, like Facebook and Twitter, provide effective forums to engage existing and potential voters, fans, and consumers.

Recent studies confirm what many businesses have long suspected: potential consumers are wary of paid advertisements and are more likely to trust the opinions of consumers who have previously purchased the product or service advertised. Therefore, conversations among consumers directly affect consumer perception about the quality and performance of a brand. Thus, many businesses have opted to be a part of the conversation by participating directly in blogs and various social media outlets. Starbucks, Target, Whole Foods, Zappos, Coca-Cola, and Ford are just a few of the companies that have seized the opportunity to interact directly with consumers (or fans) through social media outlets. This trend is not surprising given the dramatic surge in use of social media among teens and adults alike. For example, Facebook reports that it has more than 300 million active users, with the fastest growing demographic being those 35 years old or older. The *Wall Street Journal* reported in May 2009 that Twitter had 32.1 million users, up from 1.6 million a year ago. It is estimated that approximately 17% of all time spent on the Internet is spent on social networking sites. There is no question that social networking sites provide new opportunities for businesses to promote their brands online. They also provide new challenges to businesses seeking to protect those brands—and their trademarks—from infringement by unauthorized and unrelated users.

Trademark misuse in the forms of infringement, sale of counterfeit goods, dilution, disparagement, and diversion through the use of metatags and keyword advertising is a pervasive problem for brand owners on the Internet. Social networking sites are no exception. These outlets provide would-be infringers with new outlets through which to, for example, trade off the goodwill of a well-known brand or sell counterfeit goods. For example, Twitter has been used to promote the sale of potentially infringing goods on auction sites. Celebrities, such as baseball manager Tony La Russa and singer Kanye West, and businesses, such as Exxon Mobil and the oil and gas producer Oneok, Inc., have become the targets of fake Twitter profiles. In one example of “Twitterjacking,” a D.C. area restaurant chain, Elevation Burger, discovered that an unauthorized Twitter profile had been set up under its ELEVATION BURGER trademark by its rival, Z Burger. Z Burger used the Elevation Burger account to issue tweets promoting Z Burger. Once alerted to this misuse by the trademark owner, Twitter suspended the imposter profile.

Since June 2009, when Facebook began to offer users the opportunity to register personalized user names (*i.e.*, facebook.com/[your name or trademark]), businesses have had to police trademark misuse and ensure compliance with Facebook's trademark policy. All in all, litigation involving allegations of infringement on social networking sites has been short-lived. For example, Tony LaRussa voluntarily dismissed his complaint against Twitter—which alleged trademark infringement, false designation of origin, trademark dilution, cybersquatting, misappropriation of name, and misappropriation of likeness—with prejudice shortly after filing. Similarly, Oneok dismissed its trademark infringement suit against Twitter one day after filing. Many clients, courts, and lawyers are left questioning whether the traditional framework of trademark law—namely, the Lanham Act and the Anti-Cybersquatting Consumer Protection Act—apply to the misuse of trademarks in social network user names. Nonetheless, it is important that trademark owners monitor social networking sites to determine if their trademarks are being used without permission. If infringement is uncovered, the trademark owner should report alleged infringement to the social networking site. While each social networking site has its own terms of service (see [Twitter](#), [Facebook](#), and [MySpace](#)), most contain provisions that prohibit trademark infringement. Both [Twitter](#) and [Facebook](#), for example, allow trademark owners to report trademark violations through their websites. As in the domain name context, trademark owners should consider registering each trademark as a user name and create their own pages on social networks. Another important step in protecting your trademarks is to revise current and future license agreements to include restrictions that limit use of trademarks online, particularly in the social networking context.

Enforcing one's trademark on social media outlets presents unique challenges for brand owners. Often, the party misusing the trademark is a fan or follower of the company whose mark is being infringed. Under U.S. law, a trademark owner is required to enforce its rights against infringers or risk the loss of those rights. With this principle in mind, trademark owners have opted to soften their enforcement strategies with many well-intentioned infringers. After all, fans and followers are helping to spread your message and promote your brand. Responding to this adoration with a typical cease and desist letter and/or legal action may only serve to alienate consumers. For example, Hasbro and Mattel experienced a consumer backlash when they took legal action against the creators of "Scrabulous," an online version of the SCRABBLE board game with more than 500,000 players per day and approximately three million registered users. When the game was removed from Facebook, fans threatened to boycott Hasbro and message boards were filled with negative comments about the company. Coca-Cola took a different approach when it discovered a Coca-Cola page on Facebook that was started by two fans. According to media reports, Coca-Cola contacted the two fans and asked them to partner with the company to manage the Facebook page. The page is now one of the most popular on Facebook, and the fans/creators are a prominent feature of the page. Social media is forcing brand owners to think outside the box of traditional intellectual property laws. Practical considerations are important. Many "innocent" infringers who are simply trying to spread the word about your business will remove infringing or diluting content when asked (even when asked nicely). Many companies who typically would not consider rewarding infringers have opted, in the social media context, to show their appreciation to such fans and followers for their cooperation with take-down requests by providing them with product samples or promotional items.

Social networking sites provide new opportunities and new challenges to brand owners. These sites force businesses, and intellectual property lawyers, to think creatively about promotion and protection of trademarks and copyrights.

For more information on or assistance with this or any other trademark matter, please contact one of the trademark attorneys listed below or the Mintz Levin attorney who ordinarily handles your legal affairs.

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