

# Leaving Your Mark® on Social Media?

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# Our Roadmap

## Overview of Trademark law

- What is a trademark?
- When is use of another's trademark permitted?

## Introduction to Social Media Networks (SMNs)

- What are they?
- Why do they matter?
- How are brands used and protected on SMNs?

## Trademark Infringement on SMNs

- Types of claims that can brought
- Recent case examples

## Strategies for Protecting Your Brand on SMNs

# Types of Intellectual Property

- Patents
  - Utility = inventions
  - Design = ornamental industrial designs
- Copyrights = original expression
- Trade secrets = confidential information
- Right of publicity = personal identity
- Trademarks = business good will

# Functions of Trademarks

- Indicate source or origin of goods of services
- Guarantee level of quality
- Foster consumer demand

# Acquiring Trademark Rights

- USA = use
  - Exceptions:
    - Intent to use applications
    - Foreign home country registration
- Foreign = varies, mostly first to register

# Protection of Trademarks

## Claims:

- Infringement or unfair competition
  - Likelihood of confusion, mistake, or deception as to source, affiliation, or sponsorship
  
- Dilution - for famous marks only
  - Whittling away
  - Tarnishment
  
- Direct, vicarious or contributory liability

# Defenses

- Traditional fair use
- Nominative fair use
- Not use of mark in commerce
- First amendment

# Traditional Fair Use

- Use of a descriptive term in good faith in its primary, descriptive sense other than as a trademark



# Nominative Fair Use

- Plaintiff's product or service must be not readily identifiable without use of the mark
- Only so much of the mark may be used as is reasonably necessary to identify plaintiff's product or service; and
- User must do nothing to suggest sponsorship or endorsement

# Nominative Fair Use Examples

- [www.buyorleaselexus.com](http://www.buyorleaselexus.com)

*Toyota Motor Sales, U.S.A., Inc. v. Tabari*, (9th Cir. July 8, 2010)

# Nominative Fair Use Examples

(continued)

**The Unauthorized  
Bally Total  
Fitness  
Complaints  
Website**



Post Office Box 14883  
Long Beach, CA 90803  
<http://www.compupix.com/ballysucks/>

## **NEWS**

**For immediate release January 4, 1999**

**Legal Questions Contact [Kirk Sullivan](#) (818) 240-2600**  
**Content Questions Contact [Drew Faber](#)**

## **Bally Loses Its Lawsuit**

## More Examples



# Social Media Networks... The New Frontier?

# Social Media Networking = #1 Online Activity

**20%**

of users **purchase products from favorite brands** within SMNs (as opposed to normal websites)

**36%**

of users post **brand-related content**

**43%**

of all online consumers follow or are a fan of a brand on an SMN

**50%**

of web **sales will be through SMNs** and mobile platforms by 2015

**66%**

of adults internet users are connected to **one or more SMNs**

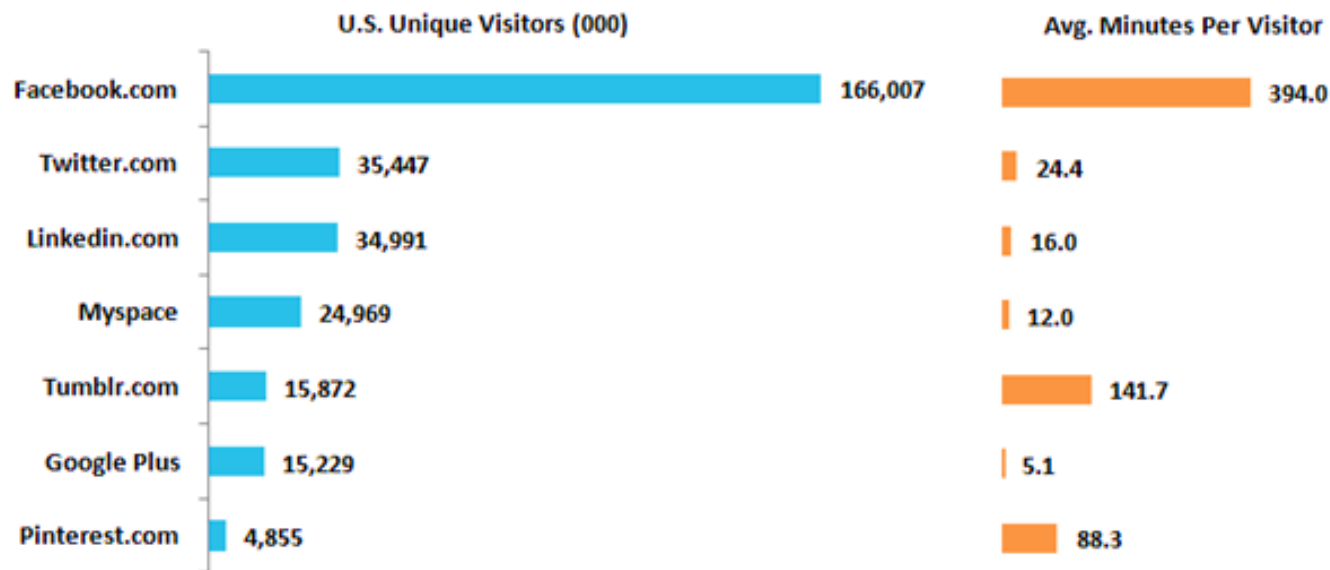
# Battle of the Platforms



# Battle of the Platforms

(continued)

## ■ SMN User Statistics



Graphic courtesy of comScore.



- **30 billion** pieces of content shared per month
- **\$5 billion** projected ad revenue for 2012
- **850 million** registered users (Feb 2012); **11%** of world population
- **700 minutes** per month spent on site by average user
- **31%** of users check in more than once daily
- **26%** of referral traffic; most visited website on the internet

## twitter At A Glance

- **1.6 billion** queries per day
- **500 million** registered users (Feb 2012)
- **\$259 million** projected ad revenue for 2012
- **175 million** tweets daily
- **1 million** accounts added daily; 11 accounts per second
- **3.61%** of referral traffic

# At A Glance

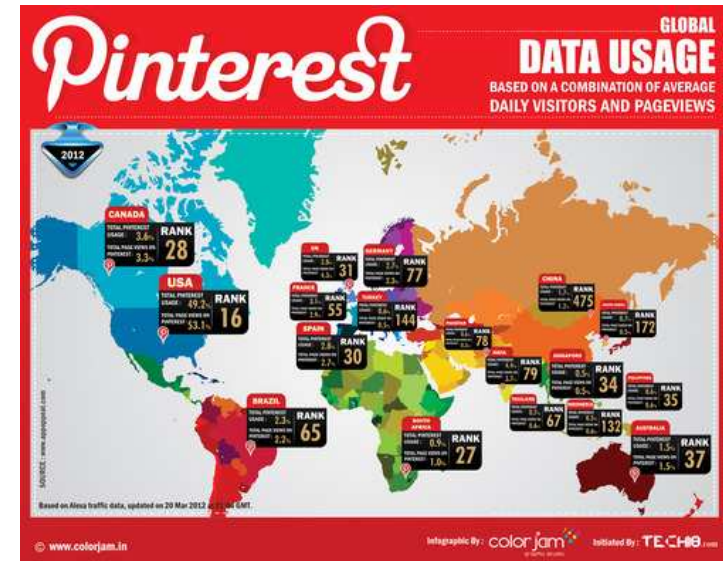
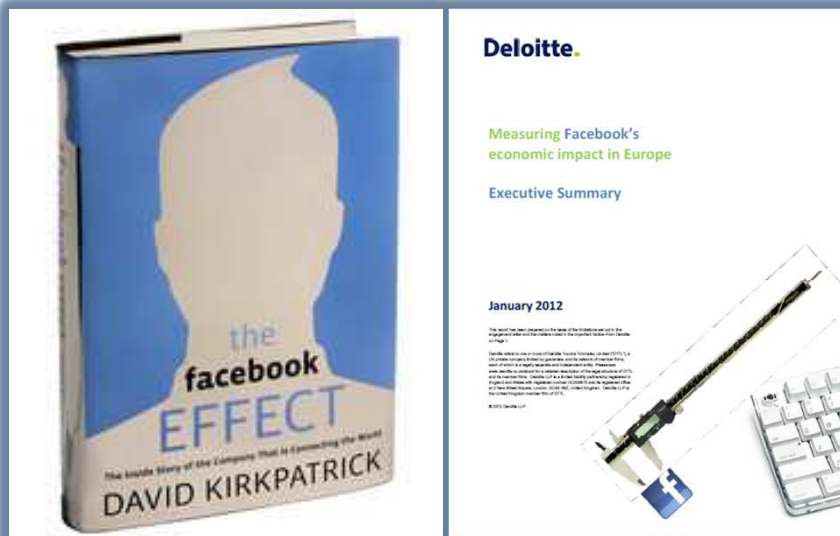
- **10.4 million** registered users (Feb 2012)
- **1.3 million** visits per day
- **1 hour 17 min** per day spent on site by average U.S. user
- **80%** of pins are 'repins' (content already posted by someone else)
- **17.4%** of SMN revenue; more revenue per click than Twitter or Facebook
- **3.6%** of referral traffic

# Social Media Networks Have Global Impact



Twitter first caught the 2010 cholera outbreak in Haiti, breaking the epidemic two weeks before official channels. (*American Journal of Tropical Medicine and Hygiene*)

- 65,728 tweets with the word “cholera” from Oct. 20 through Nov. 3, 2010



# Social Media Networks Impact Brands

**Rapid growth and increasing interactivity of SMNs means:**

- Consumers are directly engaged with brands

**AND**

- Brandowners lose some control over the dialogue

**BUT**

- The exchange/interactions between users of a brand within an SMN has value (“social brand value”)

# Social Media Networks Impact Brands

*(continued)*

## Your Social Brand Value

- How to quantify it?
- How to maximize it?
- How to protect the brand from dilution, tarnishment, infringement in the process?

# Social Media Networks Impact Brands

*(continued)*

## Increased competition among SMNs means

- Greater leverage for brandowners
  - better rights
  - better platforms
  - better deals on advertising
  
- Increasing # of platforms = increasing # of policies
  - Understanding and managing potentially conflicting guidelines
  - Navigating interaction between platforms

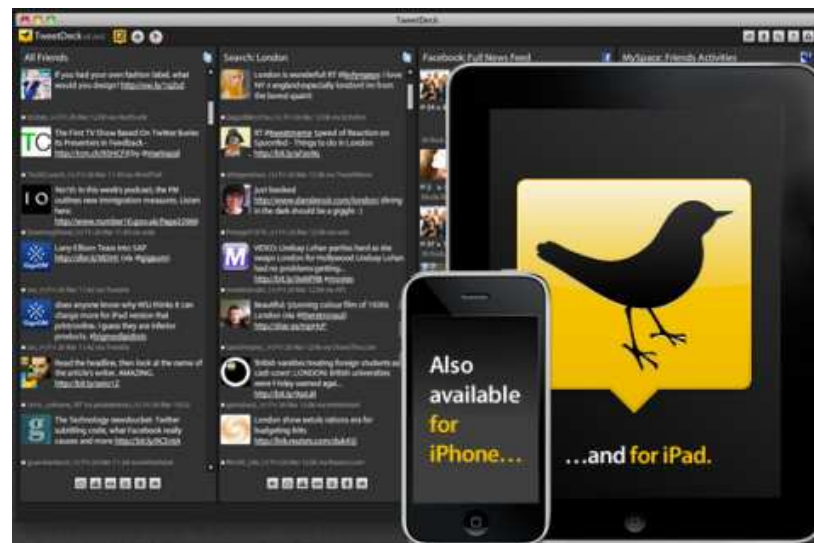
# The Rules Of Engagement

## Terms Common to Many SMNs

- You accept liability for all content
- You rep and warrant that content does not violate third party rights (including ©, TM, right of publicity, privacy, defamation, etc.)
- You indemnify the SMN against all claims relating to content
- You grant the SMN a license to use content (including ©, TMs)
  - Scope of license varies widely
  - Can include: right to edit content, right to create derivative works, right to permit other SMN users' to use/distribute content, right to use content for marketing/promotional activity of SMN, even the right to sell content



# Game-Changers



# User Generated Content = Visibility



*The Coca-Cola Company*

**Microsoft**

Google

IBM



**P&G**

 **PEPSICO**



*Johnson & Johnson*



Walmart



**LVMH**  
MOÏSE HENNESSY LOUIS VUITTON



**verizon**

kraft foods

**ABInBev**



**25%** of internet search results  
for the Top 20 largest brands  
are links to user-generated content.

# UGC = Liability

**User-generated content (UGC) creates potential liability:**

- Brandowners can be liable for content provided by SMN users

# UGC = Liability

*(continued)*

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- Risks include © and TM infringement, defamation, right of publicity

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*(continued)*

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- Brandowners can be liable for content provided by SMN users
- Risks include © and TM infringement, defamation, right of publicity
- TOS for SMNs can narrow or broaden scope of liability

# UGC = Liability

(continued)

Existing laws ineffective at protecting brandowners and brands in social media space

## Lanham Act

- Requires use of TM in commerce
- No cases yet addressing “use” in social media context
- Concept of use murky in light of adwords cases
  - *Rescuecom v. Google*
  - *Rosetta Stone v. Google*

# UGC = Liability

*(continued)*

Existing laws ineffective at protecting brandowners and brands in social media space

## Anti-Cybersquatting Piracy Act (ACPA)

- Only applies to domain names
- Query whether should apply to subdomains (e.g. [www.facebook.com/brand](http://www.facebook.com/brand))

# UGC = Liability

(continued)

Existing laws ineffective at protecting brandowners and brands in social media space

## Communications Decency Act (CDA)

- Immunity from defamation claims for content publishers
- UGC should be screened for others' trademarks
  - BUT editing content of may result in loss of “publisher” status
- **No immunity for IP infringement**



# UGC = Liability

*(continued)*

**Existing laws ineffective at protecting brandowners and brands in social media space**

## Digital Millennium Copyright Act (DMCA)

- Safe harbor from claims of © infringement for content publishers
- Requires take-down policy, repeat offender policy, designating an agent with U.S. © Office
- **No corresponding procedure for TM infringement**

# Navigating TM Issues On SMNs

## Policies adopted by SMNs ≠ IP protections under U.S. law

- Some sites “opt out” of IP enforcement
- Others purport to extend protection to intangible property not protected under U.S. IP laws
  - E.g. MyHeureka’s protection of “ideas”
- Yet, failure to abide by SMN posted policies can lead to significant liability
  - E.g., content of tweets may implicate licenses and permissions in Twitter’s TOS **and** third party content sites’ TOS (e.g., Yfrog, YouTube, Plixi, TwitPic)

# TM Infringement Reporting on SMNs

Procedures for reporting TM infringement on SMNs vary widely:

- **Pinterest:** Form to address infringing usernames
  - **But not** TM infringement within content of pins/boards

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- **Foursquare:** No formal policy at all

# Protecting Your Brand On Social Media Networks



# Trademark Protection on SMNs

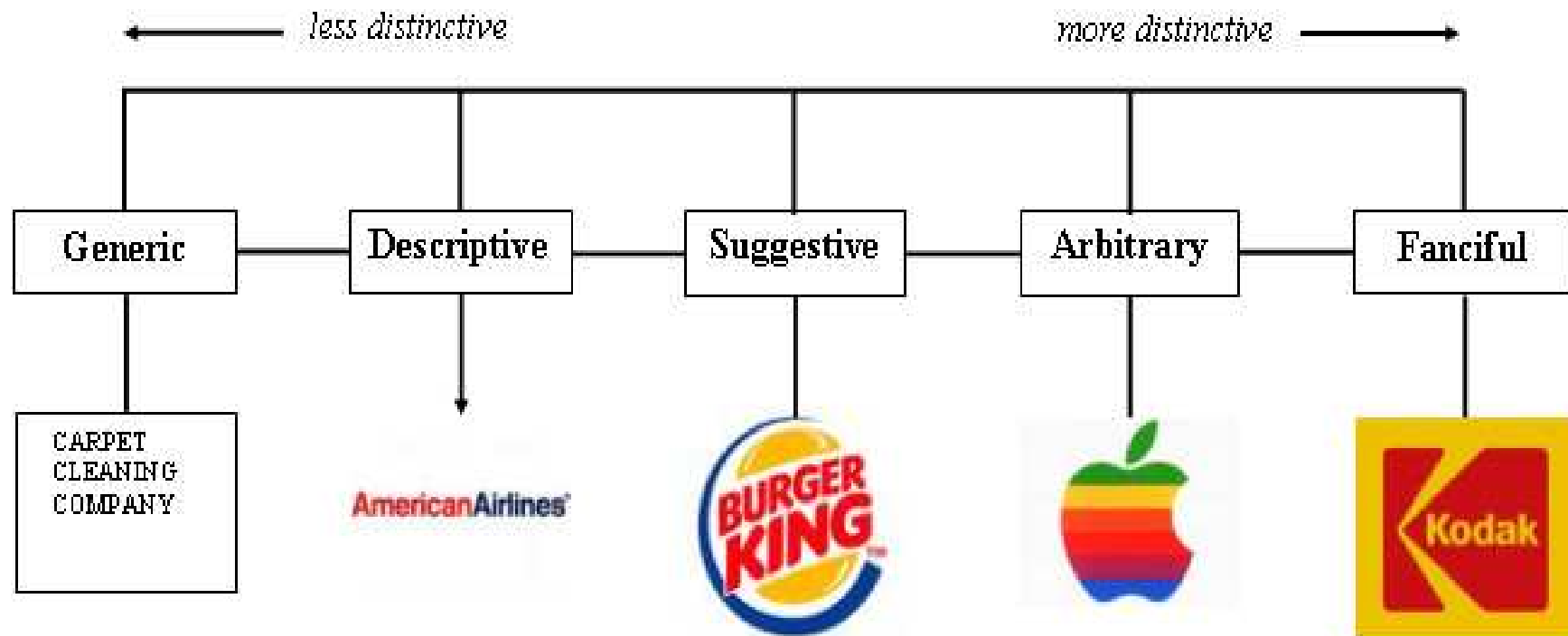
- Trademark selection, use and registration
- Creating a strong presence on SMNs
- Monitoring
- Enforcement

# Pick a Strong Mark

## Consumer Appeal

- Easy to say and spell
- Memorable
- No adverse slang or foreign meaning

# Distinctiveness Spectrum

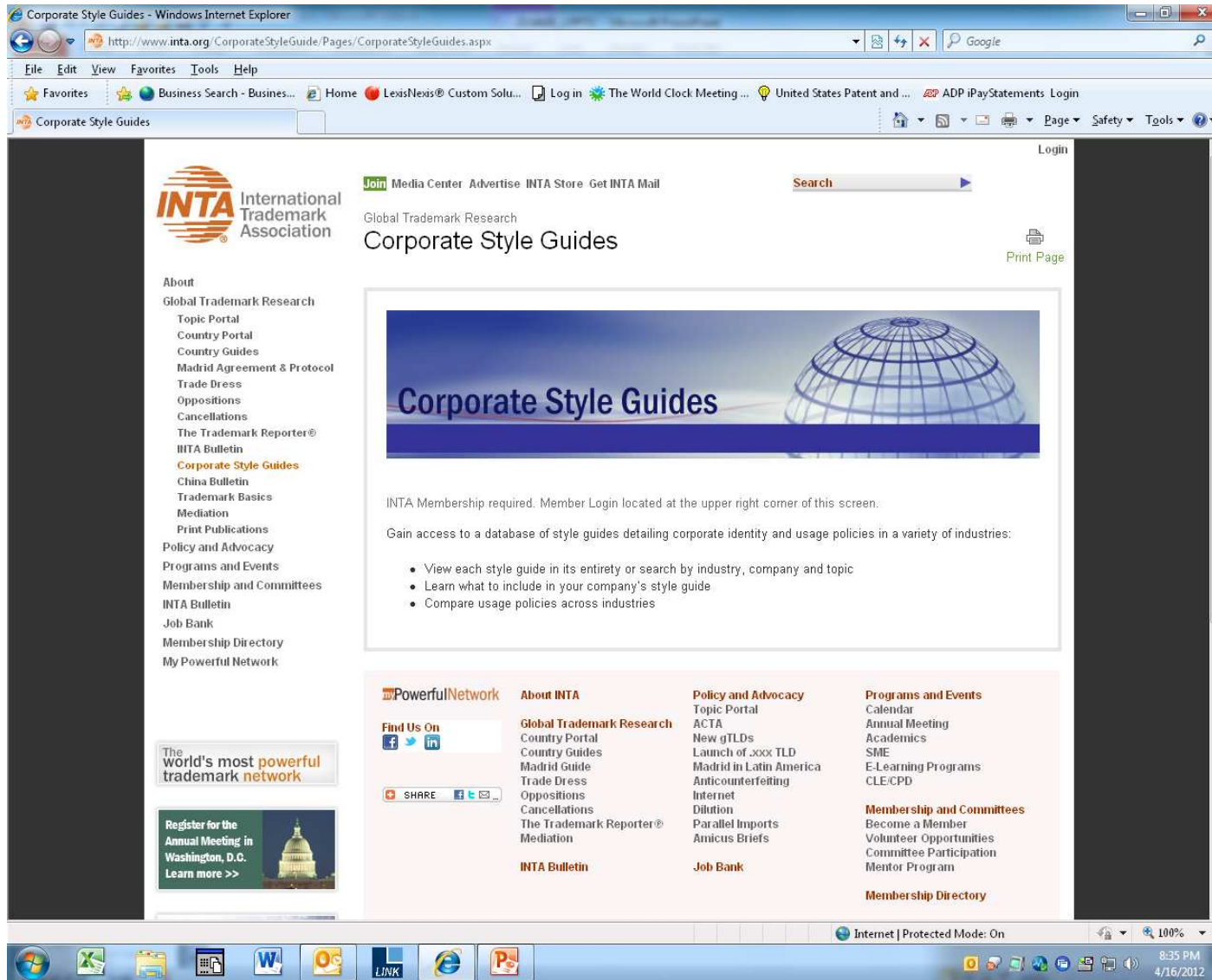


# Distinctiveness on the Web = Uniqueness

# Use Your Mark Properly

- Use as a proper adjective
- Include generic noun (e.g. Kleenex tissues)
- Distinguish the *trademark*
- Display precisely and consistently
- Use trademark notices

# Style Guide



# Register Your Mark

- 200+ countries
  - European union = 27 countries
  - Madrid protocol
- Trademark laws vary
  - First to register most prevalent
  - Registration of users
  - Marking laws

# International Filing Factors

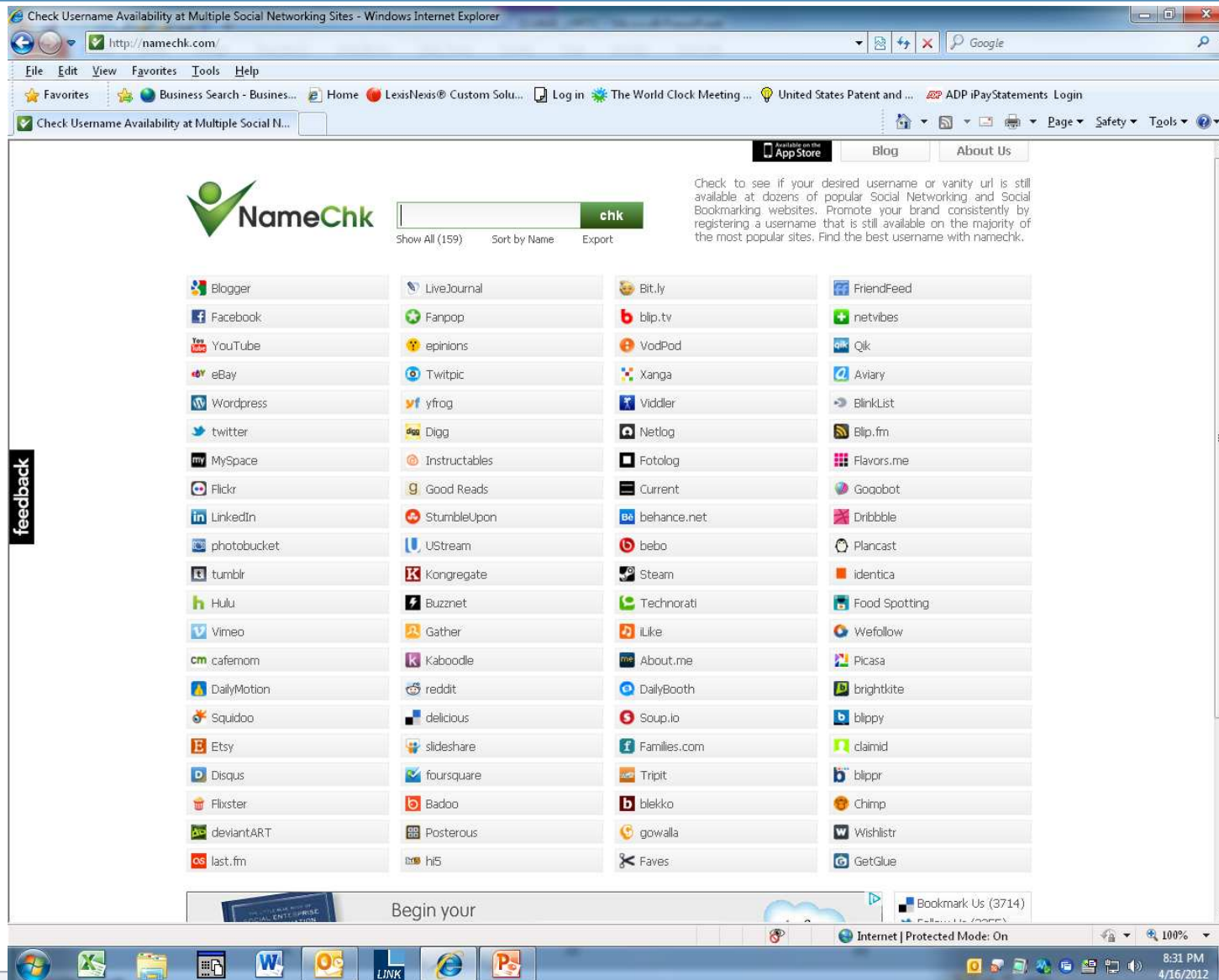
- Market size
- Presence and potential (sales and/or sourcing)
- Likelihood of piracy
- Filing costs
- Social network users



# Create A Strong Online Presence With Your Mark

- Social network user names
- Domain names
- Web sites

# Social Network User Name



# Social Network User Name

(continued)

# Control Your Corporate Accounts



# Monitor

- [Google.com/alerts](https://www.google.com/alerts)
- [Icerocket.com](https://icerocket.com)
- [Technorati.com](https://technorati.com)

# Enforcement

- Think twice
- Common sense

# Final Thoughts

- Strong branding
- Strong online presence
- Control your corporate accounts
- Stay current on terms of service
- The paradox of user generated content
- Monitor continuously
- Enforce wisely

## Leaving Your Mark® On Social Media?

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# Q&A

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