Use and Abuse of Trademarks on the Internet: Social and Professional Networking Services

John W. Crittenden

IPO Annual Meeting
Atlanta, Georgia
September 13, 2010
Three Leading Social Networking Services…

facebook

twitter

yelp
And One Professional Networking Service

facebook

twitter

yelp

LinkedIn
Facts About Social/Professional Networking

- Americans spent 22.7% of online time on social networking sites in June 2010, up from 15.8% a year earlier, more than for online games, e-mail, portals, or any other category*
- Facebook had 500 million users as of July 21, 2010 – up from 300 million as of Sept. 15, 2009
- Twitter had 190 million users as of June 2010, up from 44.5 million a year earlier, tweeting 65 million times a day
- Yelp! has 33 million monthly unique visitors as of August 2010, up from 20 million in March 2009; now in Canada, UK, France, Germany
- LinkedIn had 70 million registered users as of June 2010, up from 50 million in Oct. 2009; now in 200 countries – India is fastest growing with 3 million

Brand Owners and Social Networking

- Sites used to promote products, services, or the company itself
  - Corporate pages on Facebook
  - Company announcements made via Twitter
  - “Unlocked” business pages on Yelp
  - Company profiles, job postings on LinkedIn
Trademark Issues in Social Networking

- Classic trademark infringement
- Deceptive advertising
- Impersonation/violations of right of publicity
- Homages/parodies – infringement or fair use?
- Cross-border claims to the same mark
- Copycat applications (e.g. social games)
- Lots of small developers of mobile and social networking applications – and inadequate trademark clearance
- Social networking sites seeking to avoid liability for infringement by users
Contributory Liability for User Infringement

- Contributory liability exists when defendant:
  - Intentionally induces another to infringe on a trademark, or
  - Continues to supply a product knowing, or with reason to know, the recipient is using it to infringe (includes “willful blindness”), or
  - Where no “product” is supplied, provides “direct control or monitoring” of the instrumentality used to infringe, with reason to know of infringement

- Key cases:
  - *Fonovisa, Inc. v. Cherry Auction, Inc.*, 76 F.3d 259 (9th Cir. 1996)
  - *Lockheed Martin Corp. v. Network Solutions, Inc.*, 194 F.3d 980 (9th Cir. 1999)
  - *Tiffany (NJ) Inc. v. eBay Inc.*, 600 F. 3d 93 (2d. Cir. 2010)
Avoiding Contributory Infringement Liability

- Compare copyright – Digital Millennium Copyright Act (17 U.S.C. § 512) protects a complying provider from liability
  - Provider must have and follow a DMCA policy
  - Copyright owner submits notice of infringement per statute
  - If notice complies with statute, provider disables content, notifies user
  - If user submits counter-notification in accordance with statute (identifies self and where it can be sued), provider can restore content
  - Dispute placed with copyright owner and user

- There is no DMCA protection against trademark claims

- Social networking sites have developed their own trademark policies – some modeled on DMCA, and some unique ones
Louis Vuitton v. Akanoc Solutions

- Defendant ISPs’ customers operated websites (hosted on defendants’ servers) selling counterfeit LV goods
- LV asserted contributory copyright and trademark infringement
- At trial, defendants’ found liable for willful contributory copyright and trademark infringement
- Defendants filed post-trial motion for judgment
- On contributory trademark infringement argued:
  - Insufficient evidence of defendants’ knowledge of direct infringement
  - Insufficient evidence that they were in a position to “control and monitor” the infringing activity
    - Jury instructions failed to permit jury to consider exculpatory evidence
- Court upheld jury’s findings as to most defendants
- Plaintiff moved for permanent injunction
Louis Vuitton v. Akanoc Solutions - Injunction

- Defendant ISPs deemed to be acting “knowingly” if:
  - Served with Notice of Infringement with screen shots
  - Infringement still up after 72 hours

- Defendants deemed not to be acting “knowingly” if:
  - They advise customers that use of ISP services is subject to termination on receipt of a Notice of Infringement from Louis Vuitton
  - They publish contact information for receipt of Notices of Infringement
  - On receipt of a Notice, they send LV acknowledgement of receipt
  - They assign a tracking number to correspondence re the Notice
  - Within 24 hours of receipt of Notice, they notify customer to cease and desist or face termination
  - They investigate whether activity ceases, and if not, terminate customer’s services
Facebook Trademark Policy

- Submit Notice of Intellectual Property Infringement (Non-Copyright Claim) online via Facebook
  - Full contact information
  - Identification of rights infringed
  - Location of infringing content
  - Statement of how content infringes
  - Declaration under penalty of perjury
- Facebook will review report, remove or disable access to content, notify user.
- Applies only to Facebook content, not third-party apps available to Facebook users (e.g., games); complainant must contact developer
- If problem with an app persists, Facebook will try to assist “as a courtesy”
- Report imposters by “report this person” button on the profile
Facebook “Official” and “Community” Pages

Create a Page

Official Page
Communicate with your customers and fans by creating and maintaining an official Facebook Page.

Create a Page for a:
- Local business
- Brand, product, or organization
- Artist, band, or public figure

Page name:
(examples: Summer Sky Cafe, Springfield Jazz Trio)

Community Page
Generate support for your favorite cause or topic by creating a Community Page. If it becomes very popular (attracting thousands of fans), it will be adopted and maintained by the Facebook community.

Page name:
(examples: Elect Jane Smith, Recycling)

Create Community Page

Create a group instead?
Communicate directly with other Facebook members who share a professional interest or hobby. Create a Facebook group

Create Official Page

Chat (8)
Our goal is to make this Community Page the best collection of shared knowledge on this topic. If you have a passion for Cooley LLP, sign up and we’ll let you know when we’re ready for your help. You can also get us started by suggesting a relevant Wikipedia article or the Official Site.
Our goal is to make this Community Page the best collection of shared knowledge on this topic. If you have a passion for Trademark Infringement, sign up and we'll let you know when we're ready for your help. You can also get us started by suggesting the Official Facebook Page.

Description

From Wikipedia, the free encyclopedia.

Trademark infringement is a violation of the exclusive rights attaching to a trademark without the authorization of the trademark owner or any licensee (provided that such authorization was within the scope of the license). Infringement may occur when, for example, the 'infringer' uses a trademark which is identical or confusingly similar to a trademark owned by another party, in relation to products or services which are identical or similar to the products or services which the registration covers. An owner of a trademark may commence legal proceedings against a party which infringes its registration.

In many countries, but not in the United States, which recognizes common law trademark rights, a trademark which is not registered cannot be "infringed" as such, and the trademark owner cannot bring infringement proceedings. Instead, the owner may be able to commence proceedings under the common law for passing off or misrepresentation, or under legislation which prohibits unfair competition practices. In some jurisdictions, infringement of trade dress may also be actionable.

Where the respective marks or products or services are not identical or confusingly similar, generally will be assessed by reference to whether there is a likelihood of confusion that consumers will believe the products or services originated from the trademark owner.

Likelihood of confusion is not necessarily measured by actual consumer confusion, though normally one of the elements. But by a series of criteria Courts have established. A prime example is the test announced by the Ninth Circuit Court of Appeals in Am. Int'l Steeplechase Ass'n v. Steeplechase, Inc., 500 F.2d 242 (9th Cir.) 1976. The Court then announced eight specific elements to measure likelihood of confusion:

1. Strength of the mark
2. Similarity of the goods
3. Similarity of the marks
4. Evidence of actual confusion
5. Marketing channels used
6. Type of goods and the degree of care likely to be exercised by the purchaser
7. Defendant's intent in selecting the mark
8. Likelihood of expansion of the product lines

Other Courts have fashioned their own tests for likelihood of confusion — like those announced in In re E.I. du Pont de Nemours & Co., 378 F.2d 1357, 177 USPQ 363 (CCPA 1973), known collectively as the DuPont factors.

Read More →

Related Global Posts
Our goal is to make this Community Page the best collection of shared knowledge on this topic. If you have a passion for Trademark infringement, sign up and we'll let you know when we're ready for your help. You can also get us started by suggesting the Official Facebook Page.

Trademark infringement  

Our goal is to make this Community Page the best collection of shared knowledge on this topic. If you have a passion for Trademark infringement, sign up and we'll let you know when we're ready for your help. You can also get us started by suggesting the Official Facebook Page.

Trademark infringement  

Our goal is to make this Community Page the best collection of shared knowledge on this topic. If you have a passion for Trademark infringement, sign up and we'll let you know when we're ready for your help. You can also get us started by suggesting the Official Facebook Page.

Trademark infringement  

Our goal is to make this Community Page the best collection of shared knowledge on this topic. If you have a passion for Trademark infringement, sign up and we'll let you know when we're ready for your help. You can also get us started by suggesting the Official Facebook Page.
Can I edit the content on a Community Page?

No. When available, we update the information and profile picture based on the article for that topic in Wikipedia. At this time, there is no way for people who choose to connect with a Community Page to add their own pictures or edit the information.
Twitter Policies

- Trademark Policy
- Impersonation Policy
- Inactive Usernames Policy
- Name Squatter Policy
- Parody, Commentary, and Fan Accounts Policy
- Verified Accounts
Twitter Trademark Policy

- Initiated by “ticket request” (less formal than Facebook DMCA-analogue)

- If a “clear intent to mislead others,” Twitter will suspend the account and notify the account holder

- If account “appears to be confusing users” but is not “purposefully passing itself off,” account holder will be notified and given a chance to clear up confusion, per Twitter guidelines

- Examples of guidelines for news feed/commentary/fan accounts:
  - Username should not be the trademarked name of the subject
  - Profile name should not be or include the trademark name
  - Bio should state “unofficial account,” “fan account,” “not affiliated,” etc.
  - Background image/avatar should not use another’s trademark or logo
Sharing is caring! *

Fill in the details of your request here: Include user names, links to relevant tweets or screenshots, and steps.

For security reasons, we do not accept attachments.

Check the Known Issues pages, @twitter, or the Status Blog for updates on problems.

Love, (Enter your Twitter user name here) *

Tell us more

Using your phone with Twitter? Enter the number here:

I feel:
Twitter Verified Accounts Policy

- Only for a “handful of accounts” – well-known accounts at risk of impersonation, proven impersonation, and government agencies
- In alpha testing for businesses
- Approved accounts receive “Verified Account” badge
LinkedIn Trademark Policy

- Submit Notice of Content and Intellectual Property Violations Form to LinkedIn’s Content Complaint Manager by e-mail or mail
  - Declaration under penalty of perjury
  - Identification of rights infringed
  - Identification of infringing content
  - Location of infringing content
  - Information sufficient to permit LinkedIn to notify the user or administrator of the objected-to content

- “Additional Information for Claims Relating to Groups”
  - Advises about fair use
  - Cautions against objecting without first considering whether use is fair or causes “clear confusion”
Yelp Trademark Policy

- Included in copyright policy – follows DMCA procedure
  - Notice of infringement with identification of infringed mark, infringing content, statement of good faith belief of infringement, declaration under penalty of perjury
  - Counter-notification with identification of removed content, statement under penalty of perjury explaining why not infringing, and consent to jurisdiction of the federal district court in which user resides or where Yelp is located, if user outside the U.S.
Yelp Business Pages

- Pages exist for most businesses, as users review them
- Yelp permits a business owner to “unlock” its page and use “Yelp for Business Owners”
- Service allows business owner to update information on its page, notify users of special offers, communicate with reviewers
Advice for Brand Owners

- Register your house mark or trade name as a user name
- Monitor networking sites for infringement; follow procedures
- Provide DMCA-type detail in notices of infringement
- If username unavailable, and improperly taken, pursue provider’s takedown remedies
- Monitor your Wikipedia entry
- Take advantage of services for business (e.g. Yelp business pages)
Advice for Brand Owners

- Establish procedures for own social networking page
  - Determine who is authorized to post official company content
  - Have content guidelines, to ensure message comports with company’s marketing and values; compliance with securities and other laws
  - Ensure that “official” company statements are identified as such
  - Set policies for postings by employees in their official capacities
  - Update content as appropriate
  - Prepare in advance for how to respond to a crisis
Questions?
Contributory Liability for User Infringement

  - Generic drug makers supplied drug “equivalent” to plaintiff’s in same-colored capsules; no showing of inducement to infringe or continuing to supply with reason to know of infringement

- *Fonovisa, Inc. v. Cherry Auction, Inc.*, 76 F.3d 259 (9th Cir. 1996)
  - “Continuing to supply” requirement met by swap meet operator’s “direct control or monitoring” of vendors’ activity and knowledge of infringement (or willful blindness)

- *Lockheed Martin Corp. v. Network Solutions, Inc.*, 194 F.3d 980 (9th Cir. 1999)
  - Domain name registrar did not have “direct control or monitoring” of customers’ websites – its involvement ended at registration

- *Tiffany (NJ) Inc. v. eBay Inc.*, 600 F. 3d 93 (2d. Cir. 2010)
  - Generalized knowledge of user infringement is insufficient – knowledge or reason to know of a specific user’s infringement is required