

This is a brand's world

Michael J Salvatore explains how to manage brands online in the social media age



Social media has become increasingly intertwined in the fabric of society and has become, for most of us, an integrated part of our everyday lives. According to one source, there will be 2.77bn social media users globally in 2019, up from just under 1bn in 2010.¹

While many of the world's best known brands have a presence on social media, some have truly harnessed the power of social media to great effect. In the following article, I discuss some of these successes, some pitfalls, and provide an overview of brand enforcement in the social media age.

Successes and failures

Oreo will forever be lauded for its "tweet heard round the world" – when it tweeted "You can still dunk in the dark" during the blackout that shut off power in the stadium during the Superbowl in 2013.²

Other brands have masterful social media strategies that seem fully synchronised with the very essence of their values. 'Lego Ideas' allows fans of the brand to create and share their own Lego sets, which are then voted on by other platform users.³ Winning designs have the chance to be put into production by Lego, thus leveraging the enthusiasm of builders and fans into potential new products and revenue streams, all without the need to pay for traditional advertising or market research.

As social media platforms continue to mature and monetise users, they are consistently rolling out new features to make their sites more attractive to brands. Instagram, which is primarily known as an app for sharing pretty pictures, is a prime example of this trend. The platform recently launched a feature enabling users to buy a product they see in a brand or retailer's post without leaving the Instagram app.⁴

Despite all of these successes and innovations, as many reluctant brand stewards know, social media can also be a minefield for brands that have yet to master the art of the post. For example, a well-known athletic apparel brand was criticised on social media for its 2017 email that said "Congrats, you survived the Boston Marathon!" as being insensitive in light of the tragic terror attack on the Boston Marathon four years earlier. As many brands who have made similar *faux pas* can attest, the amplification and reach of social media can easily backfire if a brand's messaging is inauthentic, poorly worded or otherwise interpreted as tone-deaf or offensive by the now very vocal and social media-empowered consuming public.⁵

Often, the difference between social media success and falling flat comes down to a brand (a) knowing its audience, (b) choosing the right platforms to use, and (c) engaging often and authentically with fans on said platforms. Many social media influencers have amassed

significant followings and engagement by internalising these principles. These influencers have built up tremendous goodwill in their personal "brands" in so doing. Indeed, many brands now regularly engage influencers to promote their products and services by amplifying brand messaging in ways that are authentic and resonate with their followers.

Brand enforcement in the social media age

For brands that have cultivated a presence on social media, a recurring concern is how to effectively manage their perception and enforce their valuable intellectual property rights online. There are a number of tools, and also a number of pitfalls and concerns for brands policing the web to ensure their goodwill remains unsullied.

For many brands, knowing where or how to begin policing the Internet is the first step. Thankfully, a number of vendors in the legal support field offer various watch services designed to monitor not only trademark registers, but business name directories, domain name databases and common law uses of brand names on the internet and social media, including the use of potentially problematic social media handles by third parties. Obviously, the cost, efficacy and value of such services are best discussed as part of a broader intellectual property enforcement strategy with counsel familiar with analysing the results of these tools.

All of the major social media platforms have third party intellectual property policies in their terms of use, and most accept takedown requests or other infringement reports on the basis of alleged trademark or copyright violations. That being said, it is a common experience that social media platforms are not inclined to take action against unauthorised uses of a brand (even when a brand might deem the use highly controversial or problematic) unless there is a very clear violation of rights – and even then, their cooperation cannot be guaranteed.

An important first step in causing third parties and social media platforms to be responsive to intellectual property complaints is to ensure that the brand owner owns a federal registration covering its mark (or copyrighted design) prior to lodging the complaint. While in the US, trademark rights are based on use, and copyright rights are immediately vested in original works of authorship fixed in a tangible medium, most arbiters of online infringement complaints will not take the time to analyse the validity of such rights. In practice, having a trademark or copyright registration will get you past the initial threshold of having your complaint summarily denied as unsupported.

Practically, even federally registered brands often find their complaints of unauthorised use of their trademarks rejected by social

media platforms. Some of these rejections are consistent with the “fair use” of trademarks as permitted under the Lanham Act, and by First Amendment free speech rights. Trademark fair use allows third parties to use trademarks descriptively (to refer to a third party’s own products or services) or nominally (to refer to the trademark owner). Most third party uses of trademarks on social media tend to fall into the latter category of what is known as “nominative” fair use.

The leading test for establishing nominative fair use was set out by the Ninth Circuit: (1) the product or service must not be “readily identifiable” without using the mark, (2) “only so much of the mark... may be used as is reasonably necessary to identify the product or service,” and (3) “the user must do nothing that would...suggest sponsorship or endorsement” by the brand owner.⁶

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Such tests, however, seem to be rarely applied in any meaningful or transparent manner by platform operators. For example, takedown requests are regularly rejected when they relate to entire social media accounts devoted to a given brand or product, such as an entire Instagram account dedicated to a given brand. The platforms’ explanation (if any is given) generally is that these are merely “fan” pages and that since the fan page does not explicitly state that it is an official online presence of the brand, it is not infringing the brand owner’s rights. In practice, it often seems the platforms simply do not want to take sides in what they view as disputes between users. After all, it is not in the platform’s interest to close accounts, since doing so reduces usership statistics and potentially incurs the wrath of scorned “fans”. Still, many brand owners would argue that an entire unauthorised account devoted to their brand can materially affect the brand owner’s ability to control its own presence online.

The good news is that some platforms appear to have brand owners’ concerns in mind. For example, Amazon recently launched its Project Zero initiative, which empowers brand owners with automated protections and self-help tools.⁷ These tools promise to make it easier for brand owners used to reporting individual offences, which often seems like a frustrating game of whack-a-mole. Project Zero has a stated goal of driving counterfeits to zero on Amazon. It stands to reason that as social media platforms continue to embrace e-commerce functionality and the revenue therefrom, they will have a greater incentive to reduce confusion on their platforms by empowering brand owners to control their own presence in the marketplace. After all, confusion as to which account on a platform is the official brand presence devalues the use of that platform for brand owners.

Should brands avoid the “trademark bully” label?

It is not uncommon for major brands to struggle with their enforcement approach in an effort to avoid being labeled as a “trademark bully”. But like all labels, this one often is a gross oversimplification. Under the Lanham Act, brand owners are vested with certain exclusive rights. If a brand owner wants to keep those rights, it is charged with enforcing them against confusing, dilutive and other unauthorised uses. No brand owner should ever pass on a given enforcement action simply out of sheepishness at being called a trademark bully.

That said, in this age of amplification and outrage, brand owners

should be judicious in enforcing their valuable rights. For example, before filing takedown requests, brand owners should engage in an internal review (preferably with the advice of counsel) as to whether a given third party use is potentially infringing or whether it is arguably a First Amendment protected fair use. In doing this analysis, it is important to remember that acceptable user-generated content is not only free promotion; it is sometimes important evidence of unsolicited publicity supporting proof of a brand’s strength or fame in a future enforcement action.

When enforcement is required, brand owners and their counsel issuing cease-and-desist letters should always consider that these communications may be made public, potentially to millions of people, by a recipient seeking to change the leverage equation. The best results for cease-and-desist letters are often achieved by being reasonable, transparent and measured – this enables the smart brand owner to harness the powers of authenticity and public opinion as opposed to being vulnerable to the negative publicity from a ham-fisted approach to enforcement. Our experience has been that using less legal, less formal and “friendlier” sounding letters has generally resulted in more compliant responses – and sometimes even a compliment.

For brand owners that hire influencers to amplify their presence on social media, care should be taken to pre-approve influencer content to ensure brand values are being honored. However, brands should be careful to let influencers speak in their authentic voices as this, after all, is what caused the brand to seek their expertise in the first place. Brands should also be familiar with and help educate influencers on the Federal Trade Commission’s (FTC) endorsement guides, which among other things require endorsements to reflect the honest opinion of the influencer and to clearly disclose the connection between brand and influencer.⁸

Hopefully, this article has left you thinking about the great potential for social media to leverage the value of your or your client’s brand, as well as some of the more important concerns that all brand stewards should be aware of and act on in the social media age.

Footnotes

1. <https://www.statista.com/statistics/278414/number-of-worldwide-social-network-users/>
2. <https://digiday.com/marketing/oral-history-oreo-tweet/>
3. <https://ideas.lego.com/howitworks>
4. <https://www.wsj.com/articles/instagram-encroaches-on-amazon-with-new-shopping-feature-11552996800>
5. <https://www.pcmag.com/feature/335422/19-massive-corporate-social-media-horror-stories/1>
6. *New Kids on the Block v News America Publishing, Inc*, 971 F.2d 302, 308 (9th Cir 1992)
7. <https://brandservices.amazon.com/projectzero>
8. <https://www.ftc.gov/sites/default/files/attachments/press-releases/ftc-publishes-final-guides-governing-endorsements-testimonials/091005revised-endorsementguides.pdf>

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