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Twitter Me This: Are My Trademarks Still Safe Online?

Law360, New York (February 16, 2010) -- Does your current trademark monitoring strategy include social networking sites? No? Well, you may want to start. The rise of social networking sites, like Twitter and Facebook, mandates a new, specialized and deliberate approach to the enforcement of trademark rights online.

Countless articles have been written about the need to monitor usernames and URL's on popular social networking sites as a part of diligent trademark enforcement. However, other forms of illegal use of trademarks on social networking sites have largely gone unnoticed.

Trademark enforcement must go further than policing usernames on social networking sites to ensure proper protection of marks. As a diligent trademark owner, you must also monitor the content on social networking sites because they provide ample opportunities for improper suggestions of affiliation or sponsorship, blurring and tarnishment that can injure your mark's reputation and goodwill.

Social networking sites offer fast and easy access to real-time information.

Social networking sites provide a previously unseen platform for disseminating information. The lightening speed with which information is made available to millions of people is arguably the most appealing characteristic of social networking sites. Within seconds, the information posted on a social networking site is available to its subscribers.

Twitter describes itself as a "real-time short messaging service" that gives people access to information as it happens. Similarly, Facebook users get instant notices of updates on friends' or fans' pages. In this manner, these sites offer a never-ending flow of information that many trademark owners are not monitoring.

Another appealing characteristic of social networking sites is the ease of sending and receiving material. The process to create a new Twitter account or Facebook page is straightforward; and can be completed in only a matter of minutes.

Each message posted on Twitter (known as a "tweet") is sent directly to other members; and can contain shortened URL links to pictures, websites, articles and other information. Likewise, updates to Facebook pages are sent directly to other users alerting them of the changes.

Additionally, users on social networking sites can also create and participate in polls; or form discussion groups for a particular business or idea, all within a few clicks of their mouse.

Undoubtedly, the simplicity of getting and receiving information has attributed to the unprecedented numbers of people flocking to social networking sites. There are an estimated 22 million people using Twitter, an estimated 350 million subscribers to Facebook. The sheer number of people that can be reached through social networking sites is simply astounding.

Businesses have certainly recognized the impact social networking sites can have on their bottom line. Evidence of this fact is shown in the substantial, and growing, number of businesses who join social networking sites.

Social networking sites provide a unique opportunity for businesses to engage their customers. These savvy businesses can market new and existing ideas to customers, advertise promotions and gain customer feedback. Some social networking sites even allow customers to place orders with certain member businesses. Clearly, many businesses have come to value the great opportunities available to them as users of social networking sites.

Trademark owners should monitor the information on social networking sites or risk decreasing the value of their trademark or injuring its goodwill.

The same characteristics that attract millions to social networking sites should signal a warning flag to trademark owners. Harmful and damaging information about a company's goods or services can be spread within a matter of seconds.

Because of the onset of social networking sites, the methods used to protect trademarks online must change. Protecting trademark rights are undoubtedly paramount to a trademark

owner. Thus, monitoring the content of social networking sites must be a key component of any diligent trademark owner's enforcement strategy.

A prudent trademark owner will monitor the information available on the social networking sites of its competitors. Harmful and damaging information can present in several forms within the content on social networking sites. One such form is comparative advertising.

With the millions of businesses using social networking as a tool for dissemination of information regarding their products or services, there is no doubt that some businesses are engaging in comparative advertising. Comparative advertising encourages competition, innovation and fair prices. However, the advertising must be truthful and nonconfusing.

Trademark law is clear, competitors may use each others trademarks to compare products or services in an effort to divert sales from each other; but they cannot mislead the public. To that end, competitors may not draw affiliations between the products or services. Further, competitors that offer imitations of another's product or service are required to inform the public of this fact.

With the millions of tweets and updates to Facebook pages daily that include links to articles, surveys, advertisements, corporate Web sites, blogs and videos, comes the ability for one company to provide untruthful information or to improperly suggest an affiliation or sponsorship with another.

Such improper uses of a mark could lead to a diminution in the value and strength of a mark. Clearly, it is vital that trademark owners monitor their competitors' social networking sites to ensure that advertisings are truthful and nonconfusing.

The social networking sites of related, but noncompeting goods and services should be monitored as well. Many trademark owners omit monitoring related products from their enforcement strategy; however this could be a costly error in judgment.

On social networking sites, consumers may mistakenly believe that noncompeting goods are somehow affiliated or come from the same source. Trademark law protects owners from a likelihood of confusion as to the affiliation or connection with the goods and services of another. A failure to monitor against this specific breed of confusion in social networking sites could lead to a decrease in the strength or value of a mark.

For example, a wine tasting group started on a social networking suite as a marketing tool

for PORTAGE wine may discuss how well it pairs with PORTAGE cheese. Wine and cheese are complimentary and, therefore, related products even though they are not competing products. Consumers will not purchase wine when they intend to purchase cheese; thus, arguably, the wine maker has not diverted any profits from the cheese maker.

This is not the issue with respect to related goods. In this scenario, there has been confusion as to the source of the cheese. The consumer, and networking site user, has affiliated the cheese with the wine maker. The consumer may believe that the cheese is somehow endorsed or sponsored by the wine maker.

Trademark rights give the cheese maker protection from the likelihood of confusion as to the affiliation or connection of the owner's goods and services with those of another. Surely, trademark rights must be enforced in social networking sites as well.

Owners of famous marks must guard against dilution on social networking sites.

Owners of famous marks should extend their monitoring strategies to social networking sites or risk dilution of their marks. Dilution may present in two ways, by blurring or tarnishment. Blurring will occur on a social networking site when a user uses a famous mark in connection with other goods or services.

The user's goods or services need not be competitors of or related to the famous mark. Blurring is a serious offense to a famous trademark owner because it eliminates the owner's ability to clearly distinguish the one and only source of the famous mark.

For example, a social networking site user may use its postings to advertise their new luxe PORSCHE clothing line that includes tuxedos, ball gowns and expensive jewelry. Obviously the owner of the famous PORSCHE mark for automobiles cannot allow this usage of this famous mark on multiple goods. Each non-authorized use of the famous mark compromises the owner's ability to clearly distinguish itself as the only source of PORSCHE goods. The result is a decrease in the value of the famous mark.

Dilution may also present in the form of tarnishment. Tarnishment can occur on social networking sites when a user associates a famous mark with inferior goods or services. Within mere moments, a significant number of consumers could come to associate a famous mark with substandard goods.

Thus, tarnishment results in damage to the famous marks' reputation and in injury to the

marks' goodwill. Owners of famous marks must monitor the content on social networking sites or risk affiliation with inferior goods or services. Plainly stated, a failure to guard against tarnishment in social networking sites could be detrimental to a famous mark owner's bottom line.

A more obscure, but equally dangerous, form of tarnishment presents in the form of parodies. Often, competitors poke fun of one another in parodies; depicting each other in an unfavorable, yet humorous, light. However, parodies become improper when they cause consumers to attribute unfavorable characteristics to a mark.

This extreme sort of parody results in a tarnishing alteration. As a result of this type of parody, the mark has been altered, in the minds of the public; and is associated with an inferior and undesirable product.

Tarnishing alterations are rare, but they do exist. A tarnishing alteration can result in severe damage to the strength and value of the mark and a destruction of the mark's goodwill. Surely, the owner of a famous mark should monitor the information its competitor disseminates on social networking sites for tarnishing alterations of its mark.

Trademark Owners Beware — Diligence in Monitoring is Key!

Trademark owners have always been apprised of the importance of monitoring. Monitoring allows a mark's owner to guard against improper uses of its mark; and to assess the use of similar marks. Careful owners have monitored, policed and patrolled the Internet looking for anything that could harm the strength of a mark or its goodwill.

However, even the most careful owners have probably not monitored social networking pages and postings. Millions of companies employ social networking sites to advertise and promote their goods and services; and they use a plethora of methods to do so.

An effective monitoring strategy must include monitoring the content on social networking sites or a trademark owner could be risking its mark and its goodwill.

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