

## **Protecting Online Image in a Digital Age: How Trademark Issues Affect PR Practice**

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**Abstract**

This paper examines trademark and parody issues in public relations practice. Examining recent trends in trademark and parody law shows that public relations practitioners have an important role to play in managing online image and establishing trademark strength. Normative suggestions for PR practitioners are discussed.

**Executive Summary**

Trademark law directly affects the level of control a public relations practitioner can have over a client's image. Although U.S. trademark law has retained its core tenets since 1946 (the year the Lanham Trademark Act was passed), social media platforms have presented new challenges for regulating, protecting and controlling the (mis)use of trademark property. Social media presents two distinct challenges to image management. First, social media and the internet are a forum in which infringement is easy to commit and difficult to catch. Second, infringement, especially in the form of parody accounts, can have a lasting impact on public opinion. Because of this, practitioners need to know how their work affects the strength of trademarks, and how their use of trademarks impacts infringement lawsuits.

Trademark is one of the most powerful forms of intellectual property because it protects an organization's image (e.g. logo, trade name, packaging, color scheme) and can potentially last forever. Public relations plays an important role both in the creation and maintenance of trademark. This is partially because a trademark's strength is directly related to its use. Communication strategies constitute a trademark's use, and the greater the amount of use the more powerful a trademark can become. In fact, non-use of a trademark can signal that a trademark has been abandoned and is therefore in public domain (meaning anyone is free to use the mark). This presents a challenge for public relations practitioners who may represent a client who has an old image that they still want to control. Public relations practitioners should note that use of a trademark means actual use under the law. Merely holding on to a trademark for royalties or challenging infringers does not necessarily mean use.

Another area that public relations communications can affect trademark is genericity. Generic names do not receive trademark protection under U.S. law. However, genericity is a process by which protected trademarks lose their legal protection. This happens when overuse of the trademark causes the trademark to cease having specific meaning to a particular brand. For instance, aspirin, cellophane, thermos, escalator and zipper are all trademarked names that became genericized. When a trademarked name becomes synonymous with a general product and not a specific brand, the trademark potentially can end. Public relations practitioners can avoid this genericide by carefully scanning external uses of trademarks, particularly media use. Additionally, public relations practitioners should take care to only use trademark names in particular contexts that relate only to their clients.

Strengthening a trademark by careful management and avoiding the pitfalls of genericity are two areas of trademark law that a practitioner can proactively manage through their own communications. However, infringement, or the unauthorized use of trademarks, and dilution, unauthorized trademark use that causes reputational damage to the trademark, is something that sometimes requires lawsuits to force infringers to stop. This is not as easy as it may seem, and,

given the increased amount of infringement, online detecting and reducing infringement can be a difficult task.

One form of trademark infringement is cybersquatting, or the illegal use of a trademark name on a website's domain name. This is accomplished by using a trademark name as a domain name, or by using a misspelling of a trademarked name on an IP address. Frequently cybersquatting is difficult to detect because domain name registration may be done under false names or by third parties that are part of larger cybersquatting schemes. The purpose behind cybersquatting is to siphon off users from legitimate websites and taking them to these unauthorized accounts. Sometimes these accounts redirect users to different websites, provide links to merchandise from competitors, and even sell third parties advertising space. This type of trademark infringement is potentially very costly to the actual owner of the mark. It affects online reputation because it gives the appearance of a legitimate site, and it also attempts to take business from the rightful trademark owner. Domain name registrars frequently have a difficult time locating the identities of the infringing parties, and registrars in some jurisdictions (such as the Ninth Circuit) are immune from liability (*Academy of Motion Pictures Arts and Sciences v. GoDaddy.com, Inc.*, 2015).

The second issue arising from online trademark infringement is parody accounts. These accounts can erode the online image of an organization, especially when they have a large following. Although parody accounts often hold themselves out to not be "real" person or organization, their criticism of their subjects can be detrimental. However, it is important for public relations practitioners to note that different laws govern parody accounts for organizations and individuals.

In the past, organizations had great ability to suppress parody, and frequently parody lawsuits favored the trademark owner. However, after the U.S. Supreme Court's decision in *Campbell v. Acuff-Rose* (1994) there is an increasing number of parody lawsuits in which the trademark owner lost. This has even been true in cases where the parody was highly critical of the trademark, and even in cases where the parody make money from the use of the trademark (*Louis Vuitton Malletier v. My Other Bag, Inc.*, 2016; *Radiance Foundation Inc. v. NAACP*, 2015).

Parody of individuals presents a different issue because parody, especially of well-known people, has protection under the First Amendment. If a person is a public official, public figure, or limited purpose public figure, a lawsuit for emotional distress caused from a parody requires the plaintiff to show actual malice, a very high legal standard (*Hustler Magazine v. Falwell*, 1988). Parodies of private individuals do not require this rigorous standard, and typically private individuals have an easier time bringing a lawsuit over a parody account. Because well-known individuals have a more difficult time successfully suing over parodies, some public relations practitioners have used various communication strategies to combat negative portrayals found in parody accounts. One of the most popular strategies is engagement with the parody account. This can both diminish the negative impact of the account as well as bring attention to the "real" account.

All of the trends in trademark law show that public relations practitioners are essential to the protection of this form of intellectual property. Given the complexities of online image management it is important for public relations practitioners to know that their strategies directly influence both the strength and durability of a trademark. Because courts have become more receptive to parodies practitioners now more than ever can use their communication strategies to create solutions to legal issues.

## **Introduction**

Imitation is often thought of as the highest form of flattery, but for PR practitioners handling online image management it can also be a source of frustration. In the twenty-first century trademark law has evolved to keep up with the challenges of the digital world. Because communication strategy is extremely important to the creation, maintenance, and defense of trademark, PR practitioners frequently play an important and essential role. Because practitioners, not lawyers, usually handle the day-to-day media communication, online presence, and social media accounts of clients, they are typically the people managing the use of trademarks. Equally challenging for practitioners is the role of parody, which is governed by both trademark and First Amendment law. Practitioners frequently view parody as a source of consternation because of the untrue and frequently critical comments parody accounts publish.

This paper seeks to address the PR issues surrounding trademark and parody by offering an overview of trademark law and infringement, an analysis of cybersquatting, an evaluation of recent trends in trademark parody cases, and an account of First Amendment limitations to parody lawsuits concerning individuals. Finally, this paper concludes with four major suggestions for PR practitioners on how to manage and control clients' online image in the digital age.

### ***Trademark Law***

Trademark is a valuable and durable form of intellectual property. Unlike copyrights or patents it potentially lasts forever so long as the owner of the trademark protects the mark. A trademark is protected by both federal and some state laws in the U.S., and increasingly has protection under international law, such as the TRIPS agreement<sup>1</sup> However, most trademark disputes involve federal law, which has protected trademarks under the Lanham Act passed in 1946. Trademarks are created by either holding out the trademark in commerce (i.e. using the trademark) or by registering the trademark with the U.S. Patents and Trademark Office (USPTO) (Lanham Trademark Act, 2016). Although formal registration is not required, it does provide greater protection for the trademark itself because it clearly establishes ownership (Lanham Trademark Act, 2016). Practitioners should take note that if an organization has a trademark the best protection is to file registration with the USPTO.

Public relations practitioners should note that frequently in discussions of trademark law the terms trademark, trade name, and trade dress are used. Although each has a distinct meaning

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<sup>1</sup> Similar to copyright, trademark laws were first introduced at the state level. Later federal laws were created to provide greater protection for trademarks. Because lawsuits arising from state trademark laws are uncommon this paper only federal trademark law. The TRIPS agreement stands for the Agreement on Trade-Related Aspects of Intellectual Property Rights that provides international recognition and protection for intellectual property.

they are all are protected under the Lanham Act. According to federal law a trademark is any “word, symbol, name or device” that is used for identification (Lanham Trademark Act, 2016). The underlying principle of trademark law is that trademarks are used to distinguish organizations, goods, or services that are introduced in the marketplace. A *trade name*, frequently referred to as a DBA in the U.S. (doing business as), is also a type of trademark. It is a name that is used to identify an organization in lieu of its official legal name. *Trade dress* is the distinctive characteristics of an organization, such as color scheme or physical appearance of an organization’s packaging, stores, or uniforms (*Millennium Laboratories Inc. v. Ameritox Ltd.*, 2016; *Disc Golf Association v. Champion Discs, Inc.*, 1998; *Qualitex Co. v. Jacobson Products, Inc.*, 1995; *Two Pesos, Inc. v. Taco Cabana*, 1992). All of these examples of trademarks are protected under the Lanham Act, but it is important to note that trademark protection does not have a clear-cut protected/unprotected status. The strength of the trademark directly affects the owner’s ability to win infringement suits. For example, a mark that is extremely unique has more trademark strength than a mark that is more generic.

The analysis of strength of trademark directly relates to the four types of trademarks: arbitrary/fanciful, suggestive, descriptive, and generic. Each of these types of trademark has a different level of strength with arbitrary marks having the greatest strength and generic marks having the weakest. Arbitrary or fanciful marks are the strongest trademarks because they are the most creative having logical association with what they represent. Examples of these arbitrary marks include McDonald’s golden arches or the Nike swoosh and trade names such as Apple computer or Kodak cameras.<sup>2</sup> Another type of trademark that has strength is a suggestive mark. These marks identify an item using a characteristic of that item. For example, the term Jet Blue or Burger King provides some suggestion of what the organizations does, but they still include a level of originality.

Unlike arbitrary and suggestive marks, a weaker type of trademark is a descriptive mark. These trademarks merely describe an item in common terms. Because of this, descriptive marks usually do not receive trademark protection. Words such as best, great, number one, excellent, or world famous are typical suggestive marks that do not provide enough originality to clearly identify one item over others in commerce. Similarly, a suggestive mark frequently will not receive trademark protection because the description directly describes the item. For instance, a bookstore called Book Land would most likely not receive trademark protection because it is too descriptive. However, descriptive marks can evolve into terms with secondary meaning, which qualifies them for trademark protection (*Zatarain’s, Inc. v. Oak Grove Smokehouse, Inc.*, 1983). Examples of descriptive marks that have secondary meaning include Windows software and International Business Machines (IBM). Determining when a descriptive mark achieves secondary meaning is one for courts to decide. The Court of Appeals for the Fifth Circuit developed seven criteria to determine if a descriptive mark has acquired secondary meaning:

- 1) Length and manner of use of the mark or trade dress;
- 2) Volume of sales;
- 3) Amount and manner of advertising;

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<sup>2</sup> Sometimes arbitrary marks are referred to as fanciful marks, and sometimes arbitrary and fanciful marks are listed as separate categories for purposes of discussion. However, their strength and definition are nearly identical because neither has a logical relationship with what they represent. The difference between them is a fanciful mark is something that exists in reality such as apples for Apple computer. An arbitrary mark is something entirely created such as the Nike swoosh or the word Exxon, which has no meaning outside of the context of what they represent.

- 4) Nature of the use of the mark or trade dress in newspapers or magazines;
  - 5) Consumer-survey evidence;
  - 6) Direct consumer testimony, and
  - 7) The defendant's intent on copying the trade dress [or mark]
- (*Nola Spice Designs L.L.C. v. Haydel Enterprises, Inc.*, 2015, p. 544).<sup>3</sup>

None of these factors is dispositive of secondary meaning. However, this list shows that communication, specifically public relations and advertising, has a major role to play in the creation of secondary meaning. Using the descriptive mark and using careful brand identifying communication can create value not only in terms of organizational identity, but also in monetary worth for the trademark itself.

The weakest, and always unprotected, mark is the generic mark. These marks merely identify the item by a common name. For instance, a company that makes Pencil brand pencils has a generic mark that would not receive any legal protection. While this may seem like an easy to define category it sparks some of the most expensive and high profile lawsuits. As with all words, definitions change over time. The genericity of once fanciful or arbitrary trademarks is a fear of trademark holders. Once a protected trademark becomes generic it is free for anyone to use, and the once valuable trademark ceases to be property.

The analysis of strength and weakness of marks has a practical application for creative departments. If an organization is in need of new branding there is an inherent reward in having a unique image. Not only will this help the organization get recognition from publics, it will also allow the organization to have a stronger and more protected trademark. Practitioners should take note that promotion plays a huge role in the success of trademark strength, particularly for descriptive marks needing secondary meaning. When fashioning a new organizational image, public relations practitioners would do well to work with legal and creative departments to fashion a strategic image.

### ***How to Lose Trademark Protection***

Just as practitioners can play a role in strengthening a trademark they can also play a role in losing a trademark. This loss of trademark typically stems from under-utilization of the mark, or from sloppy enforcement of third party use of the mark. The creation and registration of a trademark is just the beginning of trademark protection. Trademark holders have to be careful about how their trademarks are used. Genericity is perhaps the biggest threat to losing a trademark. The idea of genericide may seem counterintuitive for communication professionals who may think that having a brand name become synonymous with a product is a great thing for brand identity. However, that type of association ultimately leads valuable trademark property to be cancelled by the USPTO (Lanham Trademark Act, 2016). A trademark becomes genericized when it ceases to have meaning for a specific item, and instead becomes a universal term used to identify a large type of item. This occurs when trademark owners do not pursue claims of trademark infringement. Once famous brand names such as aspirin, cornflakes, zipper, linoleum, flip phone, and thermos are now all generic because their trademarks became genericized. Other brands, such as Xerox, Coca-Cola (Coke), and Kleenex vigorously defend their trademarks from

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<sup>3</sup> In this case was an infringement suit where the owner of a descriptive trademark was arguing infringement. At issue was whether the mark had acquired secondary meaning. If the mark had no secondary meaning then infringement could not have occurred because there was no valid, i.e. legally protected, trademark to imitate.

become generic. In fact, as Moore, Maye and Collins (2011) point out, trademark owners look at media use of their trademarks to make sure the context they are used in does not genericize them.

However, lawsuits over genericity do not always occur because a trademark is lost. Sometimes organizations claim ownership of certain trademarks that are later determined to be generic. For example, the U.S. Supreme Court held that the term “Shredded Wheat” was a generic term that merely described a type of wheat biscuit. It held that the National Biscuit Company had no trademark on the term, and could not prevent Kellogg from selling its own biscuit called shredded wheat (*Kellogg Co. v. National Biscuit Co.*, 1938). Similarly, the U.S. Court of Appeals for the Second Circuit held that the term “Honey Brown” was a generic term when used in association with ale beer (*Genessee Brewing Co., Inc. v. Stroh Brewing Co.*, 1997).

Control over a trademark is required to prevent genericity. However, trademark can also be lost by abandonment and poor regulation of licensing. Abandoning a trademark is closely associated with genericity because both stem from the practice of non-enforcement of trademark rights. Abandonment occurs when two things happen: 1) the trademark’s “use has been discontinued with intent not to resume such use,” or 2) if the owner of the trademark allows the mark to become generic (Lanham Trademark Act, 2016). The U.S. Code also states that non-use for three years is enough to establish a prima facie case for abandonment. The statute goes on further to state that use means actual use; a trademark holder who holds on to a trademark for royalties is not practicing use under federal law. It would be a mistake to think abandonment happened only for unprofitable marks. For instance, the federal trial court for the Southern District of New York held that the Los Angeles Dodgers abandoned the trademark for the Brooklyn Dodgers because they irregularly used the name Brooklyn Dodgers when the team was moved to Los Angeles at the end of the 1957 season. (*Major League Baseball Properties, Inc. v. Sed Non Olet Denarius, Ltd.*, 1993).

The use requirement of trademark has particular importance to practitioners. One particularly complex issue is what does a practitioner do when the organization wants to move its image in a different direction? In doing this these organizations run the risk of losing trademarked items because of non-use, similar to the LA Dodgers. One way to protect against this is registration, continual use of the older trademark for certain things, and aggressive monitoring and legal pursuit of infringement.

### ***Protecting Trademark Against Infringers***

Going to court is usually an unpleasant experience, sometimes even to lawyers. However, litigation is a key tool in protecting trademarks. Practitioners can play an essential role in this part of trademark protection. In addition to effectively managing trademarks, practitioners can use their skills as environmental scanners to identify when a trademark is being improperly used. Speed is the key in trademark infringement. An organization runs the risk of abandoning its trademarks if they do not assert their legal rights in a timely manner.

To protect a trademark, owners frequently have to bring lawsuits in federal or state courts. The most common type of trademark lawsuit involves infringement, which is the unauthorized use of a trademark. The U.S. Code details the required elements of an infringement suit. At the core of trademark infringement is whether the infringement causes economic confusion among consumers. For instance, the selling of knockoff brand name clothing is a classic trademark infringement because the knockoff clothing could be mistaken for the actual brand named items. The market confusion at the heart of every infringement case is analyzed on

a case-by-case basis. The U.S. Court of Appeals for the Second Circuit has an eight-part test to determine when consumer confusion exists between a valid trademark and potential infringing mark:

- 1) strength of the trademark;
- 2) similarity of the marks;
- 3) proximity of the products and their competitiveness with one another;
- 4) evidence that the senior user may “bridge the gap” by developing a product for sale in the market of the alleged infringer's product
- 5) evidence of actual consumer confusion;
- 6) respective quality of the products; and
- 7) sophistication of consumers in the relevant market.

(*International Information Systems Security Certification Consortium, Inc. v. Security University, L.L.C.*, 2016, p.161).

However, none of the factors listed are dispositive of infringement, or even evidence of competing market interests. For example, in 2009 the Second Circuit held that Black Bear, a local coffee shop in New Hampshire, did not infringe on Starbucks’ trademark when it used the name Charbucks for one of its coffees. In that case the local coffee shop sold its own pre-packaged dark roast coffee named Charbucks Blend, which featured a man walking in front of a large black bear on the front of the packaging. Starbucks sent the owners of Black Bear a cease-and-desist letter, which the owners challenged in court. The federal trial court for the Southern District of New York and the Second Circuit ultimately sided with Black Bear citing that actual market confusion between Charbucks and Starbucks did not exist despite Starbucks presenting evidence that respondents in a survey thought Starbucks could have been the manufacturer of Charbucks coffee (*Starbucks Corp. v. Wolfe’s Borough Coffee, Inc.*, 2009).

Similar to infringement is the concept of trademark dilution, which is when a famous trademark is either blurred or tarnished by unauthorized use. Unlike infringement, dilution does not require the trademark owner to show that the improper mark caused consumer confusion or any monetary loss to the trademark owner. Additionally, dilution only requires that there be likelihood of dilution as opposed to actual dilution. The U.S. Code states that courts should look to the following to determine if a trademark is well-known enough to qualify for dilution protection:

- 1) The duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties.
- 2) The amount, volume, and geographic extent of sales of goods or services offered under the mark.
- 3) The extent of actual recognition of the mark.
- 4) Whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register.

(Lanham Trademark Act, 2016).

In other words, the more famous and publicized a mark the more likely it is to be covered under dilution protection. Under this analysis most corporate trademarks would qualify.

However, just because a trademark is famous does not mean its owner will automatically win on a dilution claim. In the Charbucks Coffee case Starbucks also claimed Black Bear Coffee diluted

the Starbucks trademark because the two brands looked as if they were the same company. On remand from the Second Circuit, the federal trial court in the Southern District of New York held that dilution by blurring did not occur in this case because Charbucks was exclusively associated with a small coffee shop and that Starbucks's own survey of association was flawed because it did not present Charbucks coffee in a realistic commercial environment (*Starbucks Corp. v. Wolfe's Borough Coffee*, 2011).

Related to dilution, trademark tarnishment involves the use of a protected trademark in a way that harms the reputation of the trademark itself. A classic example of tarnishment is found the 1996 case involving Toys "R" Us and the pornographic website adultsrus.com. In that case the federal trial court for the Northern District of California held that adultsrus.com was a tarnishment of Toys "R" Us' trademark. Examining the adultsrus.com name, the court found that the "r us" component of the name was similar enough to the Toys "R" Us' trademark (*Toys "R" Us, Inc. v. Akkaoui*, 1996).

Infringement and dilution show two important points for practitioners involved with trademark protection. First, public relations and communication practitioners are well advised to promote and continually use organizations' trademarked property. It not only strengthens claims against abandonment of the mark, but it also positions the mark to enjoy more robust protection under dilution claims. Second, trademark lawsuits illustrate that aggressive protection of a mark is necessary to control intellectual property. Part of the reason Starbucks sued a small independent coffee shop in New Hampshire was to establish their aggressiveness in protecting their own marks. While they ultimately lost the case, they legally established that Starbucks' trademark infringement would not be taken lightly. As was the case with the L.A. Dodgers' ownership of the Brooklyn Dodgers trademark, had Starbucks continued to allow unauthorized use of their trademarks without repercussions there could have been an eventual claim made for abandonment or genericide of certain marks.

### **Managing Online Image in a Digital Age: Current Trends in Trademark Laws**

Knowing the foundational laws of trademark highlight the importance and uniqueness of current legal issues. As many observers of law have noted, courts seem to take a long time catching up with current trends. Part of the reason for this is the glacial pace of litigation. However, another reason for this is the law prefers predictability to unpredictability. Unlike some professions, the law does not typically seek out a new solution for a new problem. Rather, the law attempts to take a new problem and analyze it using the core tenets of existing law. While some may see this as an obtuse and reactionary approach, it actually is designed to benefit the law, lawyers, and litigants. Using well-established legal principles allows for some semblance of predictability, even in novel circumstances.

However, practitioners should be aware that this use of older approaches is not without issue. As the discussion of cybersquatting and parody illustrate, the use of older legal principles sometimes make for unusual outcomes. It is incumbent for all professionals, both public relations and legal, to remain aware that courts sometimes do not yet have an answer to how to address novel issues in trademark.

### ***Cybersquatting, Typosquatting, and Maintaining Online Image Control***

Trademark in cyberspace presents a host of new opportunities for infringement. Perhaps one of the most lucrative and potentially damaging forms of infringement is cybersquatting. This type of trademark infringement utilizes the goodwill of an already established trademark to gain larger amount of internet user traffic. The cybersquatter achieves this by using a pre-existing trademarked domain name on a new IP address. By posing as the legitimate holder of the trademark unwitting users go to these sites and access content, buy products, and even advertising space. An even newer phenomenon of typosquatting is now occurring online. This involves the registration of a domain name that is a slight misspelling of a trademarked name. For example, in a cybersquatting case in the Northern District of Illinois a cybersquatter registered the name [www.VulcanGolf.com](http://www.VulcanGolf.com) (no period after [www](http://www)), which is a slight derivation of [www.VulcanGolf.com](http://www.VulcanGolf.com). The infringing site then sold advertising space to Vulcan Golf's competitors and provided links to the competitors' legitimate websites (*Vulcan Golf, LLC v. Google Inc.*, 2010). Yet another example of this occurred in the Eastern District of Pennsylvania where a cybersquatter registered five variations on the preexisting name [joecartoon.com](http://joecartoon.com). These infringing sites also sold advertising that required users to close several pop-up advertisements before being able to exit the site (*Shields v. Zuccari*, 2001). All of this is made possible by the large and unwieldy nature of IP addresses and servers. As Barbantonis (2015-2016) points out, large organizations register several IP addresses with multiple servers and using the same domain name. However, the allocation of domain names is frequently done by third parties, sometimes anonymously, making it difficult to locate the actual cybersquatter. Compounding this issue is the fact that cybersquatting is not necessarily a solitary activity.

Despite the difficulty in locating those who cybersquat, there are specific federal statutes in the Lanham Act that directly address the issue. The Anticybersquatting Consumer Protection Act (ACPA) specifically states the cybersquatting is a violation of trademark and subject to a lawsuit under trademark dilution, not infringement. This is significant because dilution claims on cybersquatting merely require the plaintiff to show that the defendant cybersquatter acted in bad faith and that the two marks are either "identical or confusingly similar" (Lanham Trademark Act, 2016).

Reading the law involved with cybersquatting may lead some to believe that this area is well established and fairly predictable. It is not. Public relations practitioners need to be aware that two big areas of controversy exist in cybersquatting laws. First, cybersquatting cases frequently involve unknown or anonymous individuals. Even if identity is established, they frequently are hackers or simply individuals who are not able to pay for damages caused by their actions. Barbantonis (2015-2016) found that in a register of domain names, frequently called WHOIS records, the information is frequently "masked," which is when a person registers a domain name on behalf of another person (p. 88). He also found that certain registrars, such as *GoDaddy.com*, require accurate information from third party registrars. However, given the nature of registration, inaccurate information is rarely caught because there are few mechanisms at work to verify registrants' true identity (Barbantonis 2015-2016).

Second, some victims of cybersquatting have wanted to hold domain name providers liable under the idea of contributory liability. Under this philosophy the domain provider would be liable for providing the cybersquatter with the domain names in the first place. Traditionally contributory trademark liability is granted when the contributor either "induces" or knowingly works with an infringer (*Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 1982, p. 854). The benefit of contributory liability is that providers are usually better prepared to pay judgments for

actual damages cause by the infringing sites. In a survey of cases, Barbantonis (2015-2016) found federal trial courts, particularly those in California, were at first receptive to this type of liability for providers if the provider engaged in behavior in which it should have known of the cybersquatting (*Solid Host v. Namecheap, Inc.*, 2009; *Verizon California, Inc. v. Above.com*, 2011). In 2013, however, the Court of Appeals for the Ninth Circuit held that domain name registrars could not be held contributory liability under the ACPA. The court held that “subjective bad faith” was required by the ACPA, which resulted in no liability for “neutral third party service providers” such as domain name registrars (*Petrolia Nasional Berhad v. GoDaddy.com, Inc.*, 2013, p. 554). Although this case law is controlling in the Ninth Circuit, it is persuasive authority in other federal circuits. This holding effectively banned plaintiffs from suing domain name registrars for all cybersquatting cases (*Academy of Motion Pictures Arts and Sciences v. GoDaddy.com, Inc.*, 2015).

So what if someone else already legally has a domain name you want? What if you file for a domain name not knowing it is already trademarked? Of course, the first problem does not involve infringement, but an issue of being first to register. A party can always buy a domain name from another holder. Sometimes these names can be expensive, but if an organization is committed to creating a strong online identity this type of expense is justified. The second problem is infringement, although unintentional, and will most likely be followed by a prompt cease-and-desist letter from the legitimate trademark holder. Upon receipt of such a letter, practitioners should investigate the merits of the claim. However, large companies frequently have employees who search for any potential infringement. If the domain name is the well-established trademark of another organization it is best to comply with their demand.

### ***Suing to Protect the “Real” You: The Mixed Success of Parody Litigation***

Protecting a trademark does not just involve defending the mark from those who try to steal them, but also keeping the mark’s image intact. From the beginning of trademark use in the U.S. there have always been those who parody them. The motivation behind most parodies is not to siphon off users, confuse consumers, or obtain illegal profits. Instead many parodies are designed to provide some form of commentary on the trademark holder. The problem with parody is it erodes one of the primary motivations for obtaining a trademark—controlling one’s image.

While parody has legal strength it is not a defense to infringement. Instead, parody is a classification that weighs in favor of defendants in infringement suits (*Elvis Presley Enterprises v. Capese*, 1998). This is because courts view parody as having some value in society (*Hustler Magazine v. Falwell*, 1988). However, sometimes parody cases do not reach courts because cease-and-desist letters are effective. McGevran (2015) points out this tactic is most likely effective because the trademark holder is more committed than the parodist in protecting his or her intellectual property. When parody issues do reach courts there is no bright-line rule determining what is parody and what is not. Compounding this issue of parody is the proliferation of parody accounts on social media. These accounts bother trademark holders and communication professionals alike because they frequently represent an image of an organization or person that is not in sync with what the “real” entity wants.

*Parody or Infringement? Walking a Fine Line*

The core tenet in trademark parody cases is economic impact. This makes sense because trademark parody is associated with infringement. Recall that infringement is rooted in consumer confusion; similarly, parody is present when there is no consumer confusion. In short, a parody is less about consumers and more about a larger non-economically motivated commentary. Courts typically evaluate parody using this economic analysis. For instance, the U.S. Court of Appeals for the First Circuit found that a satirized advertisement of L.L. Bean that featured pornographic themes was parody and not trademark infringement (*L.L. Bean v. Drake Publishers, Inc.*, 1987). Other circuits have come to similar conclusions when the alleged infringement did not have economic impact: Muppet character Spam was a valid parody of Hormel meat products, pet perfume Timmy Holedigger was a valid parody of Tommy Hilfiger cologne, and an espresso machine wholesaler named Federal Expresso was a valid parody of Federal Express (*Hormel Foods v. Jim Henson Productions Inc.*, 1996; *Federal Express Corporation v. Federal Expresso, Inc.*, 1998; *Tommy Hilfiger Licensing Inc. v. Nature Labs LLC*, 2002).

The similarity between these cases is the fact that none of these parodies economically damaged the owners of the parodied trademarks. Instead, these parodies were viewed as unrelated to the trademark owners' marketplace. This philosophy of protecting trademark holders' marketplace is present in other cases where infringement was found. For instance, a satirical advertisement for Michelob Oily in a humor magazine and a nightclub's use of the name Velvet Elvis was not considered parody but actual infringement of protected trademarks (*Anheuser-Busch, Inc. v. Balducci Publications*, 1994; *Elvis Presley Enterprises v. Capece*, 1998).

Since the mid-1990s, however, parody has received stronger protection under the law. One of the main reasons for this is the U.S. Supreme Court's decision in *Campbell v. Acuff-Rose Music, Inc.* (1994). In that case, the court analyzed the use of parody in a copyright case. Although not directly concerning trademark, *Campbell v. Acuff-Rose Music, Inc.* (1994) held that parody does qualify as fair use under copyright law. As a result, courts began applying this rationale to trademark arguing that even some economically motivated parodies were not infringement. In his analysis of trademark parody cases post-*Campbell v. Acuff-Rose Music, Inc.* (1994), McGeran (2015) found that trademark parodies "now almost always win in court" (p. 715). This bears out in recent trademark parody cases. In January 2016, designer Louis Vuitton lost an infringement case against a handbag company that used their trademarked "LV" in a humorous manner on an inexpensive bag (*Louis Vuitton Malletier v. My Other Bag, Inc.*, 2016). This type of outcome is also seen in non-profit organizations. In 2014, the U.S. Court of Appeals for the Fourth Circuit held that Radiance Foundations' use of the NAACP's name was not trademark infringement because it rose to the level of parody (*Radiance Foundation Inc. v. NAACP*, 2015). Because of this trend in protecting parody, practitioners should take note that parody of trademark, even in an economic context, is a difficult case to win. Other strategies such as strengthening an organization's online image, providing clear delineation between parody and "real" accounts, or even engagement with some parody accounts may be the only options to minimize the effect of parody on social media.

#### *What About Parody Accounts of Individuals?*

Parodies of individuals are different than those of trademarks. Instead, these claims are controlled by privacy and the First Amendment. Creators of parody accounts may be sued for a

variety of thing such as: appropriation (improper use of a person's image for monetary gain), false light (portraying a person in a manner that may cause emotional distress), defamation (publication of untruthful information that damages individual's reputation), or intentional affliction of emotional distress (purposefully harming a person's mental or emotional well-being). All of these types of claim stem from state, not federal laws, and the success of these lawsuits hinges upon the plaintiff being able to prove the parody caused an actual harm that resulted in money damages. In some respects, this may seem like an easier type of case than a trademark infringement suit. Unlike trademark laws, these personal torts are not based on highly technical federal statutes. Additionally, these types of lawsuits provide a lot of protection for non-public figures, i.e. ordinary, non-famous people.

However, these types of parody suits are not foolproof. For example, in 2015 a Michigan trial court dismissed a lawsuit concerning a parody account. In that case an attorney's marketing strategy was parodied in a Twitter account. The trial court held that under the First Amendment parody was protected, and that because no user would mistake the parody account for a "real" account there was no basis for a lawsuit (*Levitt v. Felton*, 2015). However, despite reluctance from some courts to hear suits on parody, other consequences have emerged. In 2014 a parody account of the Mayor of Peoria prompted police to raid the home of the parody account holder. This approach resulted in no charges against the parodist, and ultimately caused an increase in parody accounts of the mayor ("Raunchy Fake Twitter Account Ignites Debate," 2014).

Parody accounts do have legal consequences, however. Lawyer Steven Bader (2015) noted that homeowner insurance claims were increasingly being filed over emotional distress caused by parody accounts. Of course, claims like these involve private individuals and not public figures. For organizations that have high profile figures as CEOs or presidents, fighting a parody account may not be so easy. Part of the reason for this is the U.S. Supreme Court has held that well-known individuals must accept that they may experience a certain degree of criticism or even untruthful statements about them because of their fame. In the landmark case *Hustler Magazine v. Falwell* (1988), the U.S. Supreme Court unanimously held that Jerry Falwell, a televangelist preacher, could not successfully recover damages for emotional distress over a parodied Campari advertisement featured in *Hustler* magazine. The court held that a public figure could not recover for an emotional distress claim without first proving actual malice of the statements. This meant that for a public figure to successfully sue a parody account he or she had to prove that the statements made were false, and that the speaker made the statements either knowing they were false or with "reckless disregard" for the truth (*New York Times v. Sullivan*, 1964, p. 280). Although this case was decided nearly 30 years ago and concerned print media, this holding is still controlling law today over social media parodies.

Public officials, such as the Mayor of Peoria, sometimes struggle with unflattering parody accounts. However, other figures have embraced them, ultimately diffusing the frequently outlandish comments made on parody accounts. For instance, Rahm Emanuel, Mayor of Chicago and former White House Chief of Staff, actively engaged with a parody account of him @MayorEmanuel. The account, which includes profanity and other satirical portrayals of Emanuel, prompted the *Chicago Tribune* to praise the site. Emanuel even offered \$5,000 to a charity of the parody creator's choice if he or she would reveal himself (the creator Dan Sinker eventually did in 2011) (Madrigal, 2011).

What parody litigation shows, however, is that for the private individual the parody account can be controlled by a lawsuit. However, for public figures and officials there are more

obstacles. Of course, the question that naturally follows is, “when does a person cease being private and start being public?” Courts have attempted to show when this status attaches to an individual, but there is no bright line test. The U.S. Supreme Court held that a public figure is someone “by reason of the notoriety of their achievements or the vigor and success with which they seek the public's attention” (*Gertz v. Welch*, 1974, p. 343.). However, further complicating the classification of public figures is the fact that there is also a legal category of limited purpose public figures. These figures are people who “thrust themselves to the forefront of particular public controversies in order to influence the resolution of the issues involved” (*Gertz v. Welch*, 1974, p. 345).

This category of limited purpose public figures is controversial principally because it can include so many different types of people who otherwise would not be considered public figures. A practical implication for public relations is that CEOs and other organizational leaders could be considered limited purpose public figures. Because of that, parody accounts of these individuals would be more difficult to legally challenge based on the actual malice standard required in such cases. For practitioners perhaps the best suggestion for parody accounts is to monitor them, and, similar to the @MayorEmanuel account, engage with them to diffuse any negativity. It is important to note that under the law politicians (public officials), well known celebrities (public figures), and even people well known in one particular area (limited purpose public figures) all have to prove actual malice in defamation and emotional distress claims stemming from parody. This is not to say that there are no legal remedies in place to effectively challenge online parody of individuals. However, the reality for PR practitioners is that online parody is a phenomenon that is going to stay, partially because of the robust constitutional protection it receives.

### **Suggestions for PR Practitioners Managing Online Identity**

Law and public relations have always affected (and sometimes frustrated) each other. However, perhaps nowhere in American jurisprudence is public relations and communication more influential than in trademark law. Public relations frequently impacts and determines the outcome of trademark litigation. This presents a unique situation. The practice of communication and the strategy of using creative work not only affect a potential lawsuit, but it creates actual property that has monetary value. However, the maintenance of trademarks, the protection against cybersquatters, and the challenges of parody present public relations practitioners with a complex task. Given the fast paced development of cyber issues, particularly those involving intellectual property, practitioners should do four things:

#### **1) Keep current on legal updates and know where to find them.**

One of the most important things PR practitioners should know is where the law that governs social media and online content comes from. Of course, to some this may seem like an obvious answer, but because social media and other online sites are truly international there is frequently no clear-cut answer to what laws govern the internet's content. Because of that, attorneys, legal scholars, and organizations that regularly engage with internet issues must look to several, both governmental and non-governmental, sources to find out the actual laws governing the digital age.

Terms of service and user guidelines work together with case law and statutes to form the

rules of the Internet. However, because the internet is an international sphere these guidelines may embrace policies or ideas that go further than what is enshrined in U.S. law. One of the biggest misperceptions of social media is that the U.S. Constitution and U.S. Supreme Court are the ultimate deciders of what is legal and what is not. As Ammori (2014) correctly points out, in the internet, that the First Amendment and the Supreme Court of the United States are local, not international, forces. This means that their influence is circumscribed to the U.S., and because of this it is common for other nations' laws reflect values antithetical to the First Amendment laws developed over the past century. This paper spoke exclusively about trademark and parody laws focusing on U.S. law. Internationally, the approach to speech and intellectual property may be different, sometimes very different, depending on the country. Because of this, practitioners need to recognize that the laws and user policies affecting their work may embrace a certain philosophies antithetical to the U.S. Constitution. Practitioners would be well advised to examine the terms of service and policies of various sites to ensure what law or policy is governing their work.

## **2) Strategically use and develop trademarks in anticipation of future litigation.**

The success or failure of trademark litigation hinges on how the mark is used. Interestingly, even though this is a legal issue, it is public relations practitioners and communication professionals, not lawyers, that have the biggest impact in this area. Trademark law is set up to benefit those who maintain, promote, monitor, and defend their mark. In many respects it embraces the old adage "if you don't use it, you lose it." Practitioners need to be aware of their power in maintaining these marks, and embrace the important role they play in intellectual property law.

Perhaps the most important aspect of trademark law that affects practitioners is the strength of the mark. Not only does trademark strength equate to higher levels of protection, it also directly affects how successful infringement claims can be. For those professionals engaged in the creative process of developing organizational identity, this issue of strength presents an area of opportunity for public relations and legal departments to work together. Similarly, promotional use and fame of trademarks gives extra legal advantages under dilution laws. Because dilution suits can only be successful if the mark is well known, practitioners must recognize that their skills are essential for giving a mark this extra protection.

## **3) Online environmental scanning is essential.**

Practitioners know the importance of monitoring reputation. However, this monitoring is also essential for protecting trademarks. Trademark law is written in such a way that it rewards those who aggressively protect their intellectual property. The biggest challenge in this is knowing when and where to look. Legal teams frequently monitor the use of all forms of IP, but because social media is a major conduit for infringement, practitioners may be better equipped to monitor use. Compounding the issue of scanning is the importance of bringing a timely lawsuit. Unlike most areas of law, trademark infringement does not have a set statute of limitations. Instead, the U.S. Code uses the legal concept of laches to determine when an infringement claim has been timely filed. Laches is a defense that infringers can use arguing that the trademark owner knew of the infringement and essentially took too long to bring suit. The concept of laches is rooted in the idea that the owner of a trademark must take steps to protect his or her property

in a timely manner. Good scanning is the most effective tool to preventing a successful laches argument.

**4) Recognize and accept what you cannot change.**

Perhaps one of the most frustrating things about the digital age is uncontrollable content. Public relations practitioners know this probably more than most because of their experience with issues of online rumors, crises stemming from disinformation or outright lies, and combatting inaccurate media narratives. Parody accounts present yet another category of uncontrollability. The trend in parody cases seems to embrace parody as opposed to the trademark or “real” individual behind the joke. U.S. Supreme Court cases have supported the idea that parody plays a powerful role in society, and social media outlets seem to have accepted that parody accounts exist. Except in cases where the parody creates market confusion, the parody account usually can remain.

Despite this frustration these issues of parody actually present the most promising area for public relations practitioners. Lawsuits and cease-and-desist letters can only do so much. As practitioners know communication problems sometimes can only be solved by communication strategy. Developing an online image requires practitioners to maintain control. Parody complicates this, but it does not completely prevent it. In fact, parody sometimes can be used as a mechanism to increase awareness of the “real” person or organization. However, practitioners should seize this opportunity to show that communication tactics are the best, and perhaps only, true remedy for online parody.

Of course, the area of trademark law will continue to develop in the 21st century. One issue on the horizon will be the clash of laws that occur on an international platform like social media. The protection of parody will continue to affect organizations, and the law, as it has been known to do, may change on that issue. Other issues such as jurisdictional disputes, conflict of laws, laches, freedom of speech, infringement, dilution, and privacy will continue to be analyzed by courts creating new interpretations of longstanding legal principles. However, one major trend in trademark and online image is the importance of the role of the public relations practitioner. This individual must be positioned to have a major influence on the application trademark law, and may increasingly find his or herself in the position of providing communications solutions to legal problems.

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