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'OMG! Ur TM, © Being Infringed @Twitter!'

by David Jacoby and Judith S. Roth

Law360, New York (July 22, 2009) -- First there was MySpace and Facebook. Then there was YouTube. Now there's Twitter, the fast-growing social medium distinguished by its brevity — each message or “tweet” can contain no more than 140 characters.

Everybody knows about the extensive copyright disputes YouTube has sparked. But how much harm to intellectual property rights can you do with 140 characters? Quite a lot, as it turns out. This article will provide a brief factual overview of Twitter and look at some legal issues it presents.

Twittermania

For those of you not regularly receiving tweets from Oprah, not reading reports about Iranian students using Twitter to organize protests and not following Roland Hedley's tweets in *Doonesbury*, Twitter is the hottest new thing in online social networks.

Initially the concept was microblogging by short answers to the question: What are you doing now? Twitter technology provides subscribers with the ability not only to search the site for key words but also the opportunity to elect to “follow” other users and receive tweets from them automatically. This creates groups of like-minded users following specific posters.

When you sign up for a Twitter account, you select a user name, automatically incorporated into an address. Sign up as “Leopard Spots” and your address will be www.twitter.com/leopardspots.

Moreover, Twitter automatically will display a headline, “Hey there! Leopard Spots is using Twitter.” People who sign up to “follow you” receive your messages automatically. Unless you take steps to restrict them, your “tweets” also are available publicly to anyone who searches for them or terms they contain.

You don't have to be a member of Twitter to run such searches. Even if you restrict your tweets, however, anyone receiving them can disseminate them further ("retweet"), just like e-mail. Tweets can be sent or read from a variety of devices, including e-mail, mobile phones and Blackberries.

By the start of this summer, Twitter had over 22 million monthly users in the United States,[1] and perhaps half as many again abroad, according to ComScore.[2] The most-followed Twitterer on July 2 was Ashton Kutscher, with over 2.5 million followers. Some 23 accounts had over a million followers.[3]

Commercial users have adopted Twitter as a way to promote their brands and trademarks. Use of Twitter to foster customer awareness and identification seems to have been especially effective in areas like fashion and cosmetics. Women's Wear Daily, which only opened a Twitter account in May, already is followed by nearly 740,000 users.

As recent WWD articles have reported, numerous fashion-related firms, from designers to local boutiques to national firms like Victoria's Secret, are using Twitter to build brand recognition, gauge consumer reactions and flag new products or sales. For example, Prabal Gurung, a young designer, got a huge boost from a photo tweeted by Demi Moore, showing her wearing one of his creations.

In just a one-month period, two million people in a dozen countries read MAC Cosmetics' tweets collected on Facebook. Cosmetic brand Benefit rolled out three new fragrances under the Crescent Row brand in June and set up unique Twitter profiles for each.[4] Which brings us to the potential abuse.

Tweet, Tweet — Who's There? — Identify Theft

Twitter shares many of the characteristics and potential problems of blogging. Like blogging, Twitter lends itself to abuse because statements can be posted by imposters. Twitterers, like bloggers, can camouflage their real identities by posting through Internet cafes or third-party sites. That can make it hard to sort out where to sue.

The answer to jurisdictional questions may await the outcome of discovery from the host, in this case Twitter in San Francisco, and/or from an Internet service provider. Ancillary proceedings and naming John Doe defendants may be necessary.

Turning to substance, an imposter, once found, may assert a parody defense. Twitter does allow parody impersonation but it must be clear "that the profile is a fake." Reports say that musician Kanye West, quarterback Peyton Manning and the Dalai Lama also have had impostors masquerading as them. Others have said that Twitter failed to respond to complaints about harassment.[5]

The parody issue arose in the first reported lawsuit over a Twitter impostor.[6] St. Louis Cardinals manager Tony La Russa sued Twitter for having opened an account for the name Tony La Russa — only it wasn't the baseball manager who'd set it up.

La Russa's complaint alleged Lanham Act violations (trademark infringement, false designation of origin, dilution of a famous trademark), invasion of privacy under California Civil Code §3344, cybersquatting, and misappropriation of name and likeness.

The case was discontinued by plaintiff without any payment by Twitter.[7] It is not known exactly how the claim was resolved and whether there was an agreement to take down the account and/or identify the actual poster. In any event, the account is closed now; La Russa's lawyer said presuit complaints had gotten no response.

Just days after word of the La Russa suit trickled out, Facebook announced it would allow the use of "vanity" URLs, and gave trademark registrants a short window of time in which to preempt "name squatting." [8]

Twitter said it would experiment with a "verified account system" for public officials, public agencies, famous artists, athletes and other well-known folks "at risk of impersonation." [9] Earlier, Twitter CEO Evan Williams had speculated about charging brand owners a fee to authenticate their sites. [10]

Bad Tweets and Legal Claims

What relief can be sought for the bane of blogs, the anonymous but nasty screed? Twitter likely enjoys immunity for third-party content to the extent permitted under Communications Decency Act Section 230; posters, however, do not.

Twitter's privacy policy states: "We may disclose any information about you to government or law enforcement officials or private parties as we, in our sole discretion, believe necessary or appropriate to respond to claims, legal process (including subpoenas), to protect the property and rights of Twitter or a third party, the safety of the public or any person, to prevent or stop any illegal, unethical or legally actionable activity, or to comply with the law."

A would-be anonymous poster would appear to have little reasonable expectation of privacy in light of that statement, even if no U.S. court is willing to take the position, as the English High Court recently did, that "blogging is an essentially public rather than a private activity." [11]

CDA immunity does not cover violations of state criminal law. It remains to be seen whether solicitations like those from Craigslist, responses to which apparently lured victims in two alleged murders in New England, will proliferate on Twitter. Tweets linking to Craigslist entries, sexually oriented dating services and a brand-new "erotic ad list" already are on Twitter.

No, Really the Real Thing: Brand Hijacking

Search “vuitton” on Twitter and you’ll find it being used as someone’s nickname. Type in “twitter.com/louisvuitton” and you are taken to an account — but it’s not the official Louis Vuitton one, which is twitter.com/louisvuitton_us. Coca-Cola also seems to have encountered similar problems.

Graphics, company names, marks and logos are being offered to Twitter users, presumably without permission or compensation to the copyright and trademark owners. Twitpaper will let you design “wallpaper” for your tweets or download ready-made ones.

The catalogue includes four versions of the trademarked Louis Vuitton interlocking “LV” logo, Dolce & Gabbana clothing, what appear to be screen shots from copyrighted television shows and movies, and images of famous performers, such as the late Michael Jackson, sports stars and other celebrities.

The Twitter basic terms of service provide it with authority to take down unauthorized uses of intellectual property. Twitter states: “Accounts with clear INTENT to mislead others will be immediately suspended; even if there is no trademark infringement, attempts to mislead others is tantamount to business impersonation.”

Twitter reserves the right, in its sole discretion, to pull content which violates anyone’s intellectual property rights (which presumably also includes state law publicity rights) and to reclaim user names where someone else holds a trademark or has a legal claim to the user name.

Twitter Squatting?

Is cybersquatting a viable claim, if someone has signed up for a Twitter account using someone else’s registered trademark? Recall that your user name becomes part of the Internet-searchable twitter tag.

“Domain name” is defined as “any alphanumeric designation which is registered with or assigned by any domain name registrar, domain name registry, or other domain name registration authority as part of an electronic address on the Internet.” 15 U.S.C. §1927.

Twitter at first blush does not seem like a domain registrar and one could argue it only assigns a sub-domain name to the user. But the statute does not define registrar.

Under 15 U.S.C. § 1925, the person registering the illicit name has to have a “bad faith intent” to profit from the mark and register or “traffic” in the mark if it is identical or confusingly similar to a distinctive mark or identical or confusingly similar to or dilutive of a famous mark. The statute sets out a number of factors to be considered in determining bad faith.

In addition to any claims against the registrant of the illicit domain name, the statute creates an “in rem” cause of action in some cases which can be brought against the challenged domain name at the location of the company which assigned it.

Tweet or Canal Street Canary? Sale of Counterfeit Articles

Twitter policy says nothing about counterfeits specifically. Its basic terms of service tell users they must not violate laws in the users’ jurisdictions. Social networks seem ready-made for promoting counterfeits.

Some Twitter members seem to be using their tweets to drive traffic to other sites where they are selling purported brand name items.[12] Casual searches turn up references to a “Coach purse party” and a link to a site which, if followed, displays sales and clearance of copies of a host of famous designers (“Louis Vuitton inspired,” “Versace inspired,” and so on).

Is Twitter at risk of contributory liability? EBay prevailed in an action in the United States challenging its practices with respect to posting and sale of counterfeit items (an appeal by Tiffany is pending), but has had a mixed record in cases in Europe.

One thing that counted heavily for eBay in the U.S. case was its VERO program for intellectual property owners. Could Twitter point to anything similar if sued?

Insurance Considerations

Many businesses have commercial general liability insurance which includes coverage for “advertising injury.” Generally speaking, it covers injury arising out of efforts to advertise a firm’s goods, products or services, including misappropriation of advertising ideas or style of doing business.

At least one court has held that a defense under such coverage is available to a company accused of copycatting a domain name. *CAT Internet Services Inc. v. Providence Washington Insurance Co.*, 333 F.3d 138 (3d Cir. 2003)(Pennsylvania law).

It’s easy to imagine someone sued for creating a page like that in Tony La Russa’s suit for sales purposes seeking coverage. A revision to the standard form CGL policy incorporates language making clear that “unauthorized use of another’s name or product in your e-mail address, domain name or metatag, or other similar tactic to mislead another’s potential customers” is advertising injury.

That coverage might not benefit Twitter itself, however; the revisions exclude insureds whose business is Internet service provision.

How Indistweet

Because tweets are short and often in-the-moment messages from, say, someone's handheld phone, they likely are less carefully reviewed than e-mails. While that may not alter the kinds of trouble a tweet can cause for its author, it may alter the likelihood trouble will occur from a careless tweet. The high rate of Twitter traffic raises the odds of problem tweets, triggered, at least in part, by the pressure to tweet often for followers.

A number of the public (oops) tweets so far fit this model, such as the juror who alerted followers that a big verdict was about to be returned (and thus may have afforded the basis for undoing the verdict) or the Member of Congress who tweeted about a visit to Iraq despite security concerns.[13]

Commentators have suggested that those with "inside" information could disclose it through tweets, inadvertently or otherwise. Those with knowledge of forthcoming designs and products could do the same. Someone looking for a new job might tweet their availability, and also link to work they've done for their current employer, which might be proprietary. Someone working for a government agency who thinks it is doing something wrong might tweet that view to the press.

Preservation Issues

Another area where no case law exists is what duty a Twitter user may have to preserve tweets. The tweets pretty plainly are electronically stored information within the meaning of Fed. R. Civ. P. 26.

But Twitter, not the accountholder, "has" the ESI; indeed, from information Twitter posts, it appears Twitter may contract with other entities to store the data. Are tweets within the possession, custody or control of the accountholder? If so, are they "reasonably accessible" under Rule 26(b)(2)(B)?

Ten Things To Do About Twitter

1) Decide if you may use Twitter (or other social networks) commercially. If so, sign up for accounts for the names you may want to use. Keep in mind that Twitter deactivates accounts not used for six months.

2) If you enter Twitterland, define how you will use it and toward what ends. That will help identify the kinds of problems you may face and make it easier to maximize the advantages you can gain. If you tie your Twitter strategy to your general intellectual property strategy, the two can work hand in hand — say, to help build secondary meaning for a trademark.

3) Whether you decide your answer to #1 is yes, no or maybe, periodically monitor whether anyone else is using your trademarks.

4) If you find someone using your brand, mark or name in a Twitter account name, be pro-active. Assess the tweets (if you can access them). Are they obvious parodies? Or are they trying to divert sales or denigrate your product? As noted above, Twitter at present takes the view that business impersonation is an absolute no-no.

5) If your brand attracts counterfeits, consider folding Twitter monitoring into your anti-counterfeiting program. Just imagine how helpful it would be to know who has been following the tweets of someone organizing counterfeit purse parties. Twitter's statements indicate it may be cooperative, but, just in case, keep in mind that CDA Section 230 immunity is not available for violations of state criminal law.

6) Have a corporate policy on use of Twitter by employees, just as for e-mail. If you don't want your employees tweeting off the company laptop or want to check if they do, it's only fair (and smart) to say so.

7) Think out your official use, too. No one should tweet as a representative of your brand or company without your approval and appropriate screening and safeguards. Tweets could become admissions binding the corporation.

Even if not admissions, some tweets may avoid the hearsay rule and be admissible as "excited utterances" (Fed. R. Evid. 803(2)) (think how many tweets start "OMG!") or as present sense impressions (Fed. R. Evid. 803(1)).

8) Be alert to the possibility that Twitter may require you to confront some difficult decisions about records preservation. If you promote a brand using Twitter and later there is litigation over the trademark's validity or use, does your obligation to put a discovery litigation hold in place extend to the Twitter account? How far do you have to go to fulfill the duty?

9) Twitter, like the Web, knows no borders. A commercial entity in Illinois with a passive Web site and no other contacts with, say, New York, might not have to worry about being subject to New York's laws. By its nature, Twitter is more interactive; particularly if an accountholder has regular back and forth with folks in other jurisdictions, the ordinary rule may not hold.

10) Finally, check your insurance coverage. If you will be using Twitter for commercial promotion, it's a good idea to review what coverage you have that might be available in the event litigation arises.

"O brave new world that has such Twitterers in't!"

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The opinions expressed are those of the authors and do not necessarily reflect the views of Portfolio Media, publisher of Law360.

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[2] Cited in Rupal Parekh, "Learning Twitter? Don't Take Your Cues From These Agencies," *Advertising Age*, July 6, 2009.

[3] www.twitterholic.com (last viewed on July 2, 2009).

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[5] Cheryl Wittenauer, "La Russa, Twitter settle lawsuit," *AP* (July 7, 2009, 4:57 P.M.).

[6] *La Russa v. Twitter Inc.*, Case No. CGC-09-488101, Cal. Superior Ct., San Francisco Co., complaint filed May 6, 2009; notice of removal to federal court filed June 5, 2009, CV 09-2503 (N.D. Cal.).

[7] Zusha Elinson, "Baseball Manager La Russa Pulls Twitter Suit," www.law.com, July 7, 2009.

[8] Amy E. Bivens, "Facebook Gives Trademark Owners Chance To Block Infringing Vanity Addresses," *TechLaw*, June 11, 2009 post, www.pblog.bna.com/techlaw/2009/06 (cached version at June 26, 2009).

[9] *Id.* For an extensive compilation of real and fictional characters (and even planets) being impersonated, see twitter.pbwords.com/Fakers? (last viewed on July 14, 2009).

[10] "Twitter's Evan Williams and Biz Stone on finding revenue in tweets," *The Wall Street Journal* (June 2, 2009).

[11] *Author of a Blog v. Times Newspapers Ltd.* [2009] EWHC 1358 (QB).

[12] As one how-to book about Twitter notes, "You don't want to come across like one of those spammers who misleads us in thinking we're going to see something interesting while really linking to an incomprehensible oriental web site about fake Gucci handbags." Tim Collins, *The Little Book of Twitter* (London: 2009) at p. 120.

[13] "What a Twit! Twitter-using juror may cause \$12.6 million mistrial," *AP* (March 13, 2009 12:29 P.M.); Jay Newton-Small, "Congress's New Love Affair with Twitter," *Time* (Feb. 11, 2009).