



Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect



Protecting Your Corporate Identity On-Line: It's More Than Just Infringement

Organizer:

Michael Wu

General Counsel and Corporate Secretary
Rosetta Stone, Inc.

Panelists:

T.J. Angioletti

Vice President and Associate General Counsel
Oracle Corporation

Dean Manson

Senior Vice President, General Counsel & Secretary
Hughes Communications, Inc.

Andrea Anderson

Partner, Holland & Hart LLP



Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect



Rogue Websites



Rogue Websites

- Typically operated from a foreign jurisdiction
- May use a brand owner's trademark in the domain name
- Sometimes copies the brand owner's "official" website
- Usually operated by "ghosts" & difficult to stop
- A risk to brand owners & consumers: counterfeit, theft, malware, phishing, viruses, & scams
- May sell counterfeit products



Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect

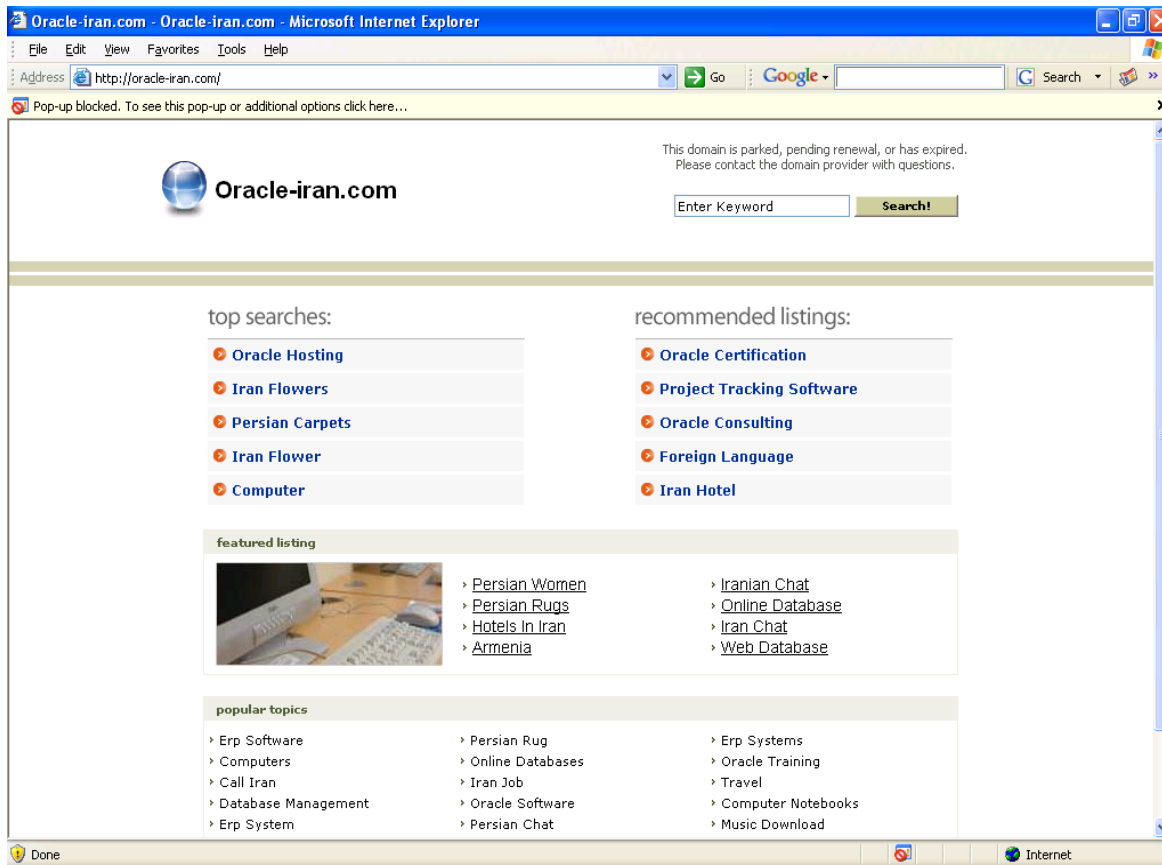
ACC Association of
Corporate Counsel

Oracle-iran.com

The screenshot shows the Oracle Iran website in a Microsoft Internet Explorer browser window. The address bar displays "http://oracle-iran.com/". The website layout includes a navigation menu with links for Home, News, Contact Us, and Links. A search bar is located in the top right corner. The main content area features a large banner image of the Oracle building and a clock. Below the banner, there is a "MAIN MENU" section with links for Home, About Oracle Iran, Blog, Links, Contact Us, Search, News Feeds, FAQ's, Oracle Wrapper, Hami Pardaz Co., Vira Universal Co., and Administrator. A "LOGIN FORM" section is also present with fields for Username, Password, and a "Remember me" checkbox. The central content area displays "LATEST NEWS" and "POPULAR" sections, both featuring the headline "Oracle Iran Web Site Was Borne" and a "Read more..." link. A "NEWSFLASH" section in the top right corner also reports on the website being born. The bottom of the page shows the status bar with "Done" and "Internet" indicators.



Oracle-iran.com





Enforcement Against Rogue Websites

- UDRP Actions

- File UDRP Actions
- Trademark must be used in the domain name (i.e. www.monsterheadphones.com)
- Transfer of domain names, no damages
- Disruptive, but does not stop the operators from creating new sites

- Civil Suits

- ACPA – Anticybersquatting Consumer Protection Act
- In rem jurisdiction for domain names
- Statutory damages available



Enforcement Against Rogue Websites

- **Law Enforcement**
 - Work with law enforcement
 - DOJ Recently seized 82 domain names
 - Not always feasible (cost, timing, resources)
- **Consumer Awareness**
 - Inform your customers of the danger of “rogue” websites
 - Utilize marketing campaigns to raise awareness



Counterfeit Sales through Rogue Websites - Remedies

- DMCA Notices
 - Technically only for copyright infringement
 - If there is a copyright hook, use it
 - But usually works for trademark counterfeiting
 - Send to ISP (not Registrar)
 - Opportunity for counternotice from infringer
 - ISP will disable access to site
 - Infringer will likely migrate to new ISP with same domain name



- DMCA Notices
 - Pros
 - Cost effective
 - Immediate removal of website
 - Increases counterfeiter's cost of doing business
 - Cons
 - Doesn't necessarily work for foreign ISPs
 - Website will likely reappear with new hosting service
 - Treats symptoms only



Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect



Counterfeit Sales – Online Marketplaces



File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites

Address http://clothing.search.ebay.com/kate-spade_Clothing-Shoes-Accessories_W0QQbsZSearchQQcatrefZC6QQcoactionZcompareQQcoentrypageZsearchQQcopag Go Links

ebay home pay register site map Start new search Search

Buy Sell My eBay Community Help Advanced Search

Hello! Sign in or register. Java™ POWERED BY Sun

\$145,000 Mortgage for Under \$484/Month! LowerMyBills.com™ Click Your State & Refi

Alabama Alaska Arizona

GORGEOUS!! NEW Spring Designer Fashions for Less! cottage-wa (11205★)

kate spade Acne -Wrinkles GONE only \$12.95 good_lookin (8527★)

Home > Buy > Clothing, Shoes & Accessories > Search Results for 'kate spade'

All Items Auctions Buy It Now Sign in to see your customized search options

kate spade Clothing, Shoes & Accessories Search Advanced Search

Search title and description

Related Searches: kate spade purse, coach, burberry, prada, or browse this category

Matching Categories

Clothing, Shoes & Accessories




- Women's Accessories
 - Handbags (1309)
 - Women's Shoes (483)
 - Men's Accessories (5)
 - Women's Clothing (5)
 - Infants & Toddlers (3)
 - Vintage (2)

Related Guides

- Jeans Style Guide
- How to Find Your Size
- Sunglasses
- Clothing, Shoes & Accessories

1810 items found for kate spade in Clothing, Shoes & Accessories Add to Favorite Searches

List View | Picture Gallery Sort by: Time: ending soonest Customize Display

Compare	Item Title	PayPal	Bids	Price*	Shipping to USA (edit)	Time Left
<input type="checkbox"/>	 KATE SPADE BRAND NEW BLACK DRESS PUMPS SHOES 5.5 B		-	\$79.95	\$8.50	17m
<input type="checkbox"/>	 Silver Baja Bucket Straw Tote Bag Purse KATE SPADE New		26	\$177.50	\$14.95	21m
<input type="checkbox"/>	 Beautiful Kate Spade Sandals		-	\$100.00 Buy It Now \$120.00	\$9.00	23m

Done Internet



Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect

ACC Association of
Corporate Counsel

Liability for Online Sales Venues?



Tiffany v. Ebay, 600 F.3d 93 (2d. Cir. 2010)



Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect



Liability for Online Sales Venues?



L'Oreal SA v. eBay International AG, EU Court of Justice Case C-324/09



Strategies

- Monitor auction sites and “trade” sites
 - Shut down auctions of fakes – VeRO program
 - Collect data to trace fakes to source
 - Outside services are available





Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect



Keyword Advertising



Keyword Advertising – Search for “Rosetta Stone”

Google search results for 'rosetta stone'. Includes search bar, filters (Everything, News, Videos, More), location (Arlington, VA), time filters (Any time, Latest, Past 2 days), and search tools. Results include: Official Rosetta Stone (www.RosettaStone.com), Amazon.com/Rosetta-Stone, Rosetta Stone - Learn Spanish - Learn Italian - Learn French - Learn German, Rosetta Stone - Wikipedia, the free encyclopedia, Rosetta Stone - Story, Rosetta Stone - Crystalinks, Rosetta Stone for Unix, and The Rosetta Stone > The British Museum. Ads on the right include \$118 Stone & Spanish+Gift, \$148GET—R Stone sale, Language Software Sale, \$139 Buy Language Soft, and Amazing Deals.



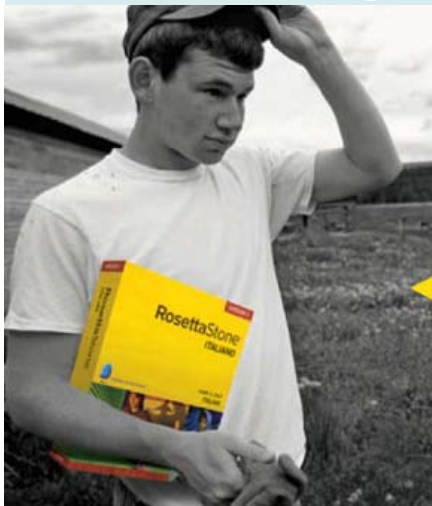
How does keyword advertising negatively impact brand owners?

- Brand owners invest heavily in their brands to foster consumer trust, affinity, reinforce promise of quality and increase brand recognition
- Trademark owners are forced to bid on their own trademarks and “bid up” for their own marks against third parties in keyword auction processes
- Trademark owners must proactively police search results of search engines
 - Policing very difficult: Search results are different based on location of search and time of day
 - Search engines conduct very little filtering up front to determine whether advertisers are violating search engine ad policies
 - Search engines conduct a manual review process upon trademark owner complaint of disparaging, competitive and counterfeit ads
 - The harm is already done: Ads selling counterfeit products and other third party competitive or disparaging brands and raising trademark owners cost per click for bidding on their own trademarks
 - Consumers are confused by counterfeiters and other third parties. Confusion can result in frustration and a loss of brand loyalty.



Real World Example: Rosetta Stone Heavy Investments Built Brand Awareness

Strong Identity



He was a
hardworking farm boy.

She was an
Italian supermodel.

He knew he would
have just one chance
to impress her.

Introducing
Rosetta Stone® Version 3.
The fastest and easiest way
to learn *ITALIAN*.

Outstanding Reviews

“Gold standard.” *“Next best thing to
living in a country.”*



THE WALL STREET JOURNAL.

*“A thousand times
more engaging than
audio tapes.”*



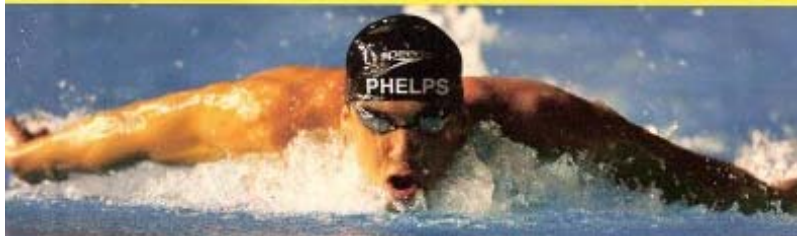
“Unrivaled.”
TechCrunch

Trade Recognitions

“I discovered a way to learn Chinese in record time!”

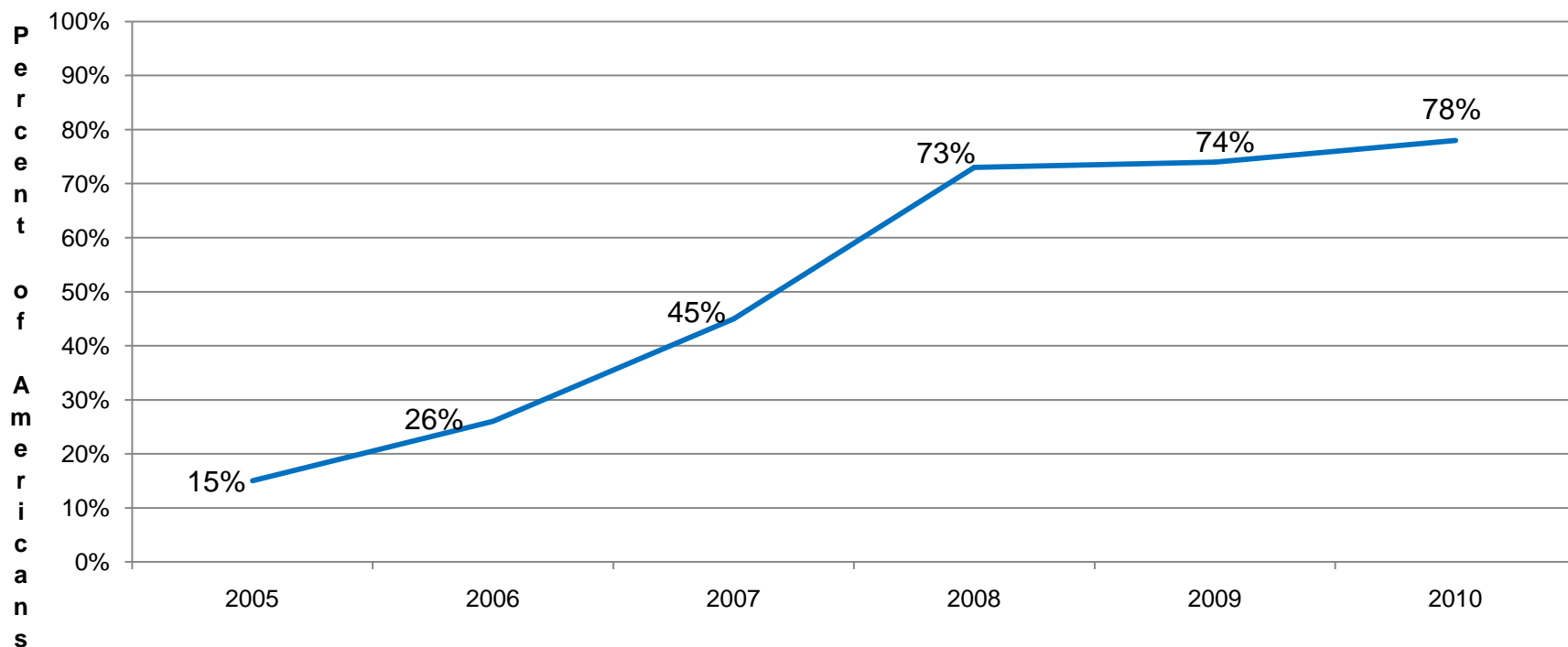
“...Thanks to Rosetta Stone.®”

- Michael Phelps, World Champion Gold Medalist, Swimming





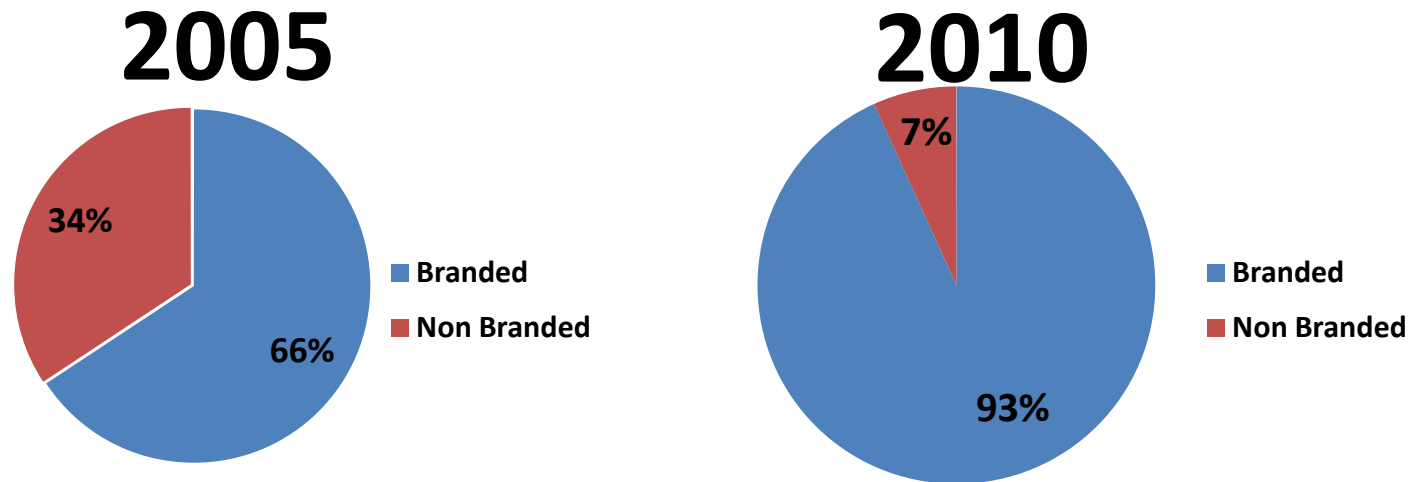
Rosetta Stone – Brand Recognition Surveys





Rosetta Stone Keyword Advertising Spend

Estimated breakdown % of Rosetta Stone Keyword Advertising Spend Branded (purchasing Rosetta Stone trademarks) vs. Non-Branded Keywords (e.g., language learning, Spanish, French, etc.)



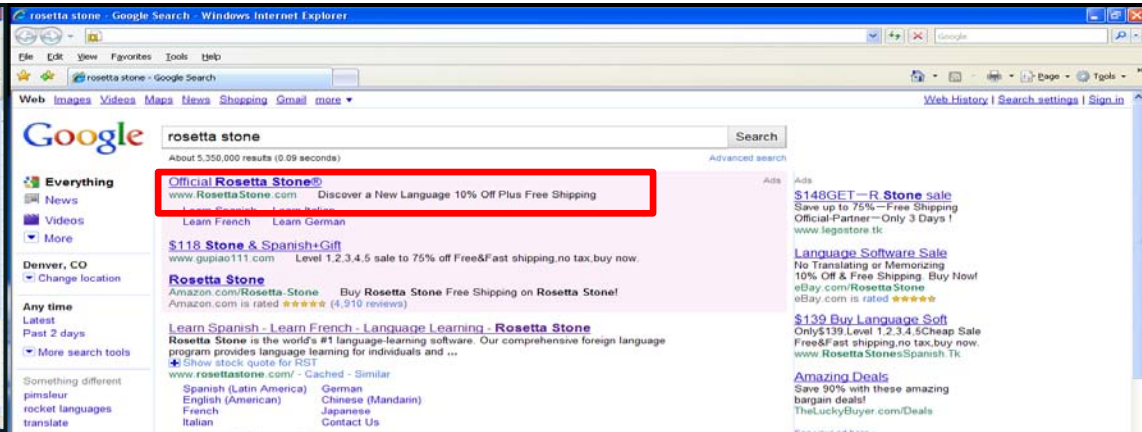
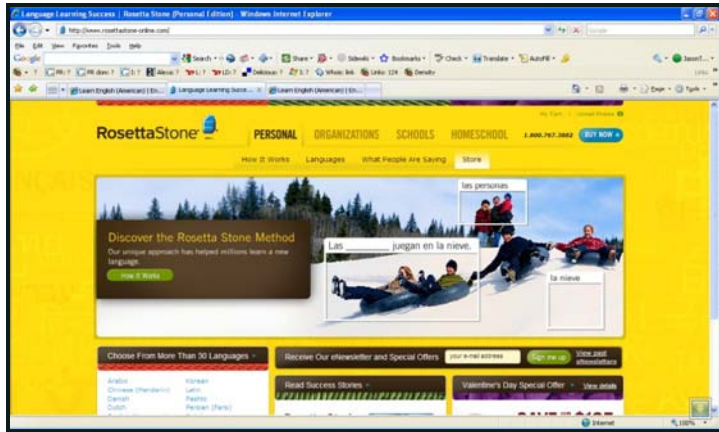
Cost per conversion increased between Q4-2006 to Q4-2010 approximately 300%



Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect



Search Engines – Gateway to Rogue Websites



RosettaStone News New Products Specials Register Contact Us [BUY NOW](#)

New year. New language. New you.

NEW YEAR'S SPECIAL OFFER
10% OFF plus free shipping

Spanish (Latin American dialect)
Level 1,2 & 3 Set with Audio

us\$168.00

[Buy Now](#)

PROMOTION UNTIL 31 TH Jan.

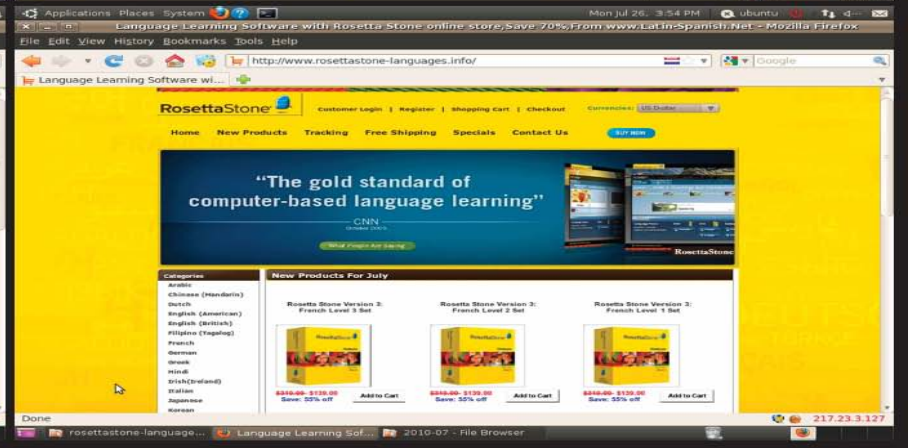
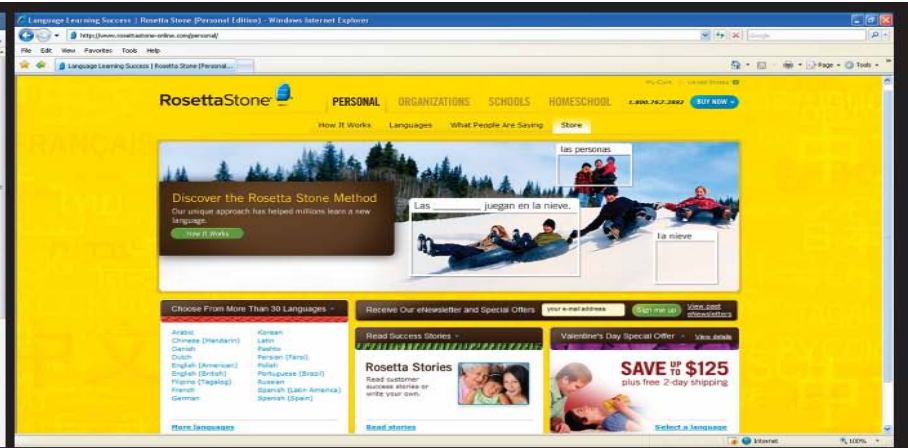




Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect



Rogue Websites Copy Rosetta Stone Webpages



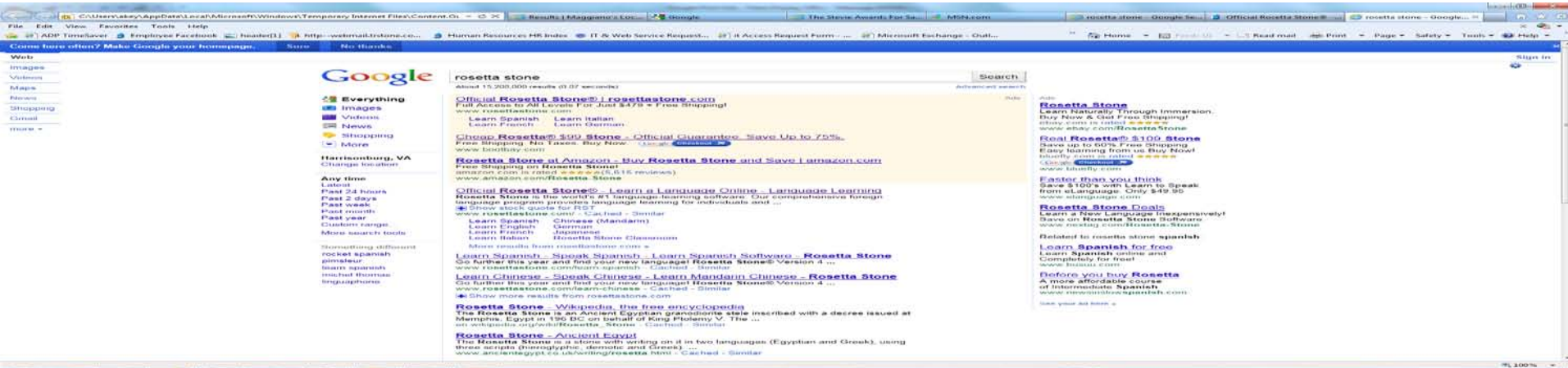


Annual Meeting 2011

DENVER OCT 23-26
Where In-house Counsel Connect



Spoofs of Other Brands' sites





Keyword Advertising – How do you defend your marks online?



- Register trademarks with USPTO and overseas
- Register copyrightable works (some designs may be protected under copyright laws)
- Inventory and audit trademarks and brands
- Prioritize trademarks and brands
- Create a plan to defend trademarks and identify resources to execute plan
- Communicate plan to organization
- Review search engines' trademark policies and complaint processes and continue to monitor for changes
- Know your supply, distribution and retail channels
- Create standard provision in contract with partners and advertising affiliates that precludes them from bidding on your trademarks and negative matches



Keyword Advertising – How do you defend your marks online?



- Police brand uncover infringement
 - Conduct daily scans of search results using your own trademarks as keyword triggers through third party scanning tools (e.g., MarkMonitor, Cyveillance and MiMTiD) or build your own tools with IT department
 - Preserve/gather evidence – e.g., screen shots, historical copies (archive.org)
 - Send cease and desist notices to third party
 - Send take down notices to ISPs hosting websites selling counterfeit products
 - Register complaints with search engines and registrars
- Be diligent with follow up
- Consider legal action (criminal or civil)
- Support needed legislation



Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect



.Brand - New gTLDs



Generic Top Level Domains

- ICANN, the Internet Corporation for Assigned Names and Numbers, will soon allow corporations to register new generic top level domain names (“gTLDs”)
- What is a generic top level domain?
 - The very last portion of an email address or web page: employee@hughes.com or www.hughes.com
 - Other examples include .edu, .gov, etc.



Brief Summary of New gTLD Process

- Applications – January 12 – April 12, 2012
 - \$185,000 application fee
 - Preparation of 100+ page application – detailed technical/financial data
 - Letter of credit/escrow covering 3 years' operation costs
 - Possible objection proceedings
- Operation of registry
 - \$25,000 annual fee
 - Set up and ongoing management costs



Does Your Organization Need a gTLD?

- Forget about cybersquatting
 - Application barriers and cost are too high
 - Conflicts will be between entities using same name, or competing claims to generic words
- Type of organization
 - Community
 - Network of authorized affiliates/distributors
 - Cutting edge industry/image
 - Adequate resources
- Projected use
 - More than a redirect
 - Innovative business purpose



Pros and Cons of Operating a gTLD

- Benefits
 - Personal connection with customers – customername.brand
 - Indicator of authenticity – distributor.brand
 - Potential enhanced security
 - Marketing – consumer expectations
- Risks
 - Complex, untested application process
 - Expenditure of resources on unproven asset
 - Next application window may not be for years
 - Unknown effect on search engine rankings
 - Potential impact on stability of Internet
 - New gTLDs could end up like .biz, .mobi, .asia, .tel, etc.



Internal Evaluation Process

- Identify the stakeholders
 - Marketing
 - IT/Network Infrastructure
 - Legal
- Figure out who pays
- Get executive-level final decision
- Legal and technical vendors for application
- Set up and maintenance of registry
 - In-house or vendor
 - Open or closed registry



Potential Hurdles

- Objections
 - Preference for communities (e.g. Apple Inc. v. Apple Growers)
 - Trademark owners – agreement/auction (e.g. Ford Motor v. Ford Models)
 - Governmental Advisory Committee (GAC)
- Rejection of application
 - Loss of 20-80% of application fee and other costs
- Difficulty with community processes/governance
 - Defining user community – e.g. .dog
 - Issues with business competitors – e.g. .soda



Protecting Your Brand - Challenges

- Challenges to control branding at second level – “X”.gTLD
 - Your trademark may be registered wholesale in newly available domains: “Brand”.gTLD
 - Very convincing fraudulent domain names may be registered from holders of innocuous gTLDs. Imagine receiving email from the following domains:
 - @Monster.Cable
 - @Nike.Sports
 - @American.Express



Protecting Your Brand - Strategies

- Attempt to register your brand as a gTLD
- Register your trademarks in the ICANN trademark clearinghouse
 - Receive notice of gTLD applications identical to the trademark
 - Clearinghouse has not yet been created
- Monitor gTLD applications and your brand's usage online



ICANN Dispute Resolution

- There is a process for objecting to gTLD applications before they are granted
 - For gTLDs that are identical or confusingly similar to an objector's trademark
- A mechanism will also be put in place to report gTLD operators who allow others to register infringing second-level domain names
- In each case, the burden is on the rights holder to object, making regular monitoring important



Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect



LET'S BE ADULT ABOUT IT





Launch Plan for .xxx domain names

- Sunrise A - Adult Sponsored Community with trademark rights
September 7 – October 28, 2011
- Sunrise B - Blocking for non-adult IP trademark owners
September 7 – October 28, 2011
- Landrush - November 8 – 25, 2011
- General Availability - December 6, 2011



Sunrise B – Blocking for .xxx Domains

- Domain names that are identical to a federally registered trademark
 - not common law marks
 - not misspellings
 - no Supplemental Register marks
- AND
- Have not been registered by a member of the adult community during Sunrise A
- 10 year block



Social Media and Community Content Sites



WIKIPEDIA
The Free Encyclopedia





Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect



Social Media Brand Protection Strategies

- Proactive or Reactive?
- Coordinating with a company's different teams
- Selecting which sites to monitor, if any



Facebook

- **Fake Fan Sites**

- 10,000 fans and FB will migrate
- IP@facebook.com

- **Wall Attacks**

- You can freeze your wall
- FB will block users from posting to your wall in some circumstances

- **Scraping Photos**

- Online complaint form
- FB will remove user from platform in some circumstances

- **Misuse of Trademarks**

- Online complaint form





Reporting Infringement to Facebook

Facebook navigation bar with 'facebook' logo, 'Sign Up' button, and login fields for Email, Password, and 'Keep me logged in' checkbox.

DMCA Notice of Copyright Infringement

Name: [input]
Mailing Address: [input]
Telephone: [input]
Email: [input]

(Note that we routinely provide your contact information to the user that posted the content you are reporting.)

Identify the copyrighted work that you claim has been infringed.

Identify the content on our site that you claim infringes your copy...

Where does the infringing content appear on our site? Please provide URLs to help us locate the content you are reporting.

Notice of Intellectual Property Infringement (Non-Copyright Claim)

Name: [input]
Mailing Address: [input]
Telephone: [input]
Email: [input]

(Note that we routinely provide your contact information to the user that posted the content you are reporting.)

What are the rights infringed?

Are you the owner of such rights or a person legally authorized to act on behalf of the owner?
Yes No

Where does the infringing content appear on the Facebook site? Please include the URLs.

How does the content infringe your rights?



Twitter

- Impersonation
 - Twitter will transfer the handle
- Trademark Misuse
 - Twitter won't transfer handle unless it's a commercial use





Reporting Infringement to Twitter

The image shows two screenshots of the Twitter help center interface. The top screenshot is for reporting a trademark issue, and the bottom screenshot is for reporting copyright infringement. Both forms include a search bar, language selection, and sign-in options. The forms are titled "Dear Twitter, I'm reporting a trademark issue." and "Dear Twitter, I am reporting copyright infringement." respectively, and both ask the user to fill out fields to review their report.

twitter help center [Search] English [v] Sign in Check your tickets

Dear Twitter, I'm reporting a trademark issue.
Please fill out all the fields below so we can review your report.

Tell us about yourself

- I am the trademark holder or authorized representative.
- I am the trademark holder or authorized representative AND I want the username.

twitter help center [Search] English [v] Sign in Check your tickets

Dear Twitter, I am reporting copyright infringement.
Please fill out **all the fields below** so we can review your report.

Tell us about yourself

- I am the copyright owner.
- I am an authorized representative of the copyright owner.
- None of the above.



LinkedIn



- Impersonation
 - LinkedIn will disable account in response to complaint
 - LinkedIn may provide IP address of imposter in compelling cases



Blogs

- Impersonation
- Improper Trademark Use





Blogger Content Policy



Push-Button Publishing

Blogger Content Policy

Blogger is a free service for communication, self-expression and freedom of speech. We believe Blogger increases the availability of information, encourages healthy debate, and makes possible new connections between people.

We respect our users' ownership of and responsibility for the content they choose to share. It is our belief that censoring this content is contrary to a service that bases itself on freedom of expression.

In order to uphold these values, we need to curb abuses that threaten our ability to provide this service and the freedom of expression it encourages. As a result, there are some boundaries on the type of content that can be hosted with Blogger. The boundaries we've defined are those that both comply with legal requirements and that serve to enhance the service as a whole.

Content Boundaries

Our content policies play an important role in maintaining a positive experience for you, the users. Please respect these guidelines. From time to time, we may change our content policies so please check back here. Also, please note that when applying the policies below, we may make exceptions based on artistic, educational, documentary, or scientific considerations or where there are other substantial benefits to the public from not taking action on the content.

Adult Content: We do allow adult content on Blogger, including images or videos that contain nudity or sexual activity. But, please mark your blog as 'adult' in your Blogger settings. Otherwise, we may put it behind a 'mature content' interstitial.

There are some exceptions to our adult content policy:

- Do not use Blogger as a way to make money on adult content. For example, don't create blogs where a significant percentage of the content is ads or links to commercial porn sites.
- No incest or bestiality content: We do not allow image, video or text content that depicts or encourages incest or bestiality.

Child safety: We have a zero tolerance policy towards content that exploits children. Some examples of this



Annual Meeting 2011
DENVER OCT 23-26
Where In-house Counsel Connect



THANK YOU!