

*IP Risks and Marketing Content:  
A Primer on Reviewing and Clearing Marketing Content*

Barry Benjamin

Kilpatrick Townsend

Michael W. O'Neill

Mainstream Engineering Corporation

Victoria Ellis

Nestlé Health Science U.S.

John Renaud

Warner Bros. Discovery

## Disclaimer:

The views expressed during this program do not constitute legal advice, belong solely to the panelists, and do not reflect the views of the Association of Corporate Counsel or the entities for whom the panelists are employed.

What you'll hear:



**BREAKING NEWS**



*So it's*  
**FREE?**



# IP Clearance Risks

***“What’s the worst that can happen?”***

- 1. Sued by original creator***
- 2. Competitor sues for infringement***
- 3. Individual sues for publicity / privacy rights infringement***
- 4. Sued by a regulator – FTC, State AG, local official***
- 5. Consumer class action***
- 6. Bad Publicity (not a legal risk, but definitely a consideration)***
- 7. All of the above***

# Social Media Engagement

## The First Amendment

- Free speech v. consumer protection
- Personal Speech versus Commercial Speech
- Personal speech – highest level of First Amendment protection; **defeats celebrity right of publicity claims**
- Commercial speech – lower level of First Amendment protection; **DOES NOT** defeat celebrity right of publicity claims



# Personal Speech versus Commercial Speech

## Celebrities / Everyone:

- **The Right of Publicity:** a state-law based claim that concerns a person's right to control the commercial use of his or her name, voice, signature, photograph, or likeness

# Personal Speech versus Commercial Speech

## The Right of Publicity:

### TV Commercial

Lindsay Lohan sues E-trade because  
“baby” TV commercial referenced  
“that milkaholic Lindsay.”

Sued for \$100 Million

Case settled confidentially

(Lohan v. E\*Trade Securities LLC et al, New  
York State Supreme Court, New York  
County, No. 601016/2010.)



# Personal Speech versus Commercial Speech

- Press Release: Chuck Yeager case
  - **AT&T (Cingular)**: *Nearly 60 years ago, the legendary test pilot Chuck Yeager broke the sound barrier and achieved Mach 1. Today, Cingular is breaking another kind of barrier with our MACH 1 and MACH 2 mobile command centers, which will enable us to respond rapidly to hurricanes and minimize their impact on our customers.*
- Filed in 2006, litigated through 2013 (Gen. Charles E. "Chuck" Yeager v. AT&T Mobility, LLC, Case No.: 2:07-cv-02517-KJM-GGH (E.D. Cal. Jun. 4, 2012))
  - **Initially won a \$12 million judgment, vacated on appeal**
  - **Trial Judge: “[T]he context of the communication and the nature of the information conveyed demonstrate that plaintiff *Yeager’s* name and accomplishments were used to attract attention to defendant’s unrelated wireless services.”**





# Personal Speech versus Commercial Speech

- **Should we ask for permission?**

## Yes

- Eliminates risk
- Eliminates risk
- Eliminates risk
- Eliminates risk
- Eliminates risk

## No

- Takes too long
- \$\$\$
- Will you do it anyway if “no”?
- If “no” and do it anyway = punitive damages?

# Commercial Speech (definitely not personal)



**Chevrolet**   
@chevrolet

  Follow

Baby, that was much too fast.  
1958 - 2016

RETWEETS 12,924 LIKES 14,162

6:07 PM - 21 Apr 2016

   

Nobody puts your old 401k in a corner.  
Take that baby & roll it over to an IRA. Do a  
#retirement happy dance.



RETWEETS 11 FAVORITES 17



11:45 AM - 13 Oct 2014

## *JUNE 29, 2015: (DJ Action)* ***Lionsgate Sued for "Nobody Puts Your Old 401(K) in the Corner" Advertisement***

- *Trademark infringement claims tossed, other claims continued*
- *False Endorsement*
- *Case settled in 2017.*

# What do you do if....?

- Celebrity is wearing / using our product!!
- We must capitalize on this!
- Tweet the picture / Post to Instagram!
  
- Not recommended – celebs are people too
  - (“they’re just like us!”)
- Celebs are allowed to walk outside in jeans, drive a car, shop at stores, wear a hat, W/O BRAND ENDORSING
- False Endorsement?
- **BUT: “We are surprised and delighted that....”**

# Engaging with Influencers

1. Do the Due Diligence.
  - A. Are they who you thought they were?
  - B. Do they fit the brand?
  - C. Have they been associated with a competitor?
  - D. Skeletons in closet / past offensive behavior/comments?
2. Influencer Honesty
  - A. Are they saying things that can't be substantiated?
  - B. Actually use the product?
  - C. Results portraying – typical?
3. Contracts and Tools for contracting and compliance
4. Performing their contractual obligations
  - A. Frequency and number of posts?
  - B. Agreed-upon hashtags/tagging?

# Influencer and Endorser Content Watchouts

- Disclose sponsorship/endorsement
- Regulatory
- FTC Guidelines
- Third Party IP
- Disparaging Statements

# Social Media Engagement Risk Spectrum



## ***Cold***

- *Tweeting back to a celeb who tweeted/tagged you*
- *Tweeting/posting back to celeb who positively mentioned brand in social media*
- *Following/liking a celeb's page*
- *Re-tweeting a celeb's tweet (without suggesting relationship)*
- *Linking to an article without mentioning name*

## ***Warm***

- *Tweeting/posting the celeb's name in a "newsy" context*
- *Congratulating a celeb for an actual accomplishment through a tweet/post*

## ***Hot***

- *Tweeting/posting image or video of celeb*
- *Controversial products*
- *Multiple tweets/posts to or about celeb*
- *Facebook poll or other content about celeb*
- *Linking a celeb to your brand/product when celeb did not expressly engage*
- *Using celeb's social media posts outside of social media*
- *Posting articles from publications about celebs using your products/brand*

# Memes

- What is it? An amusing or interesting item (such as a captioned picture or video) or genre of items that is spread widely online especially through social media.
  - Crying Jordan
  - Mannequin Challenge
  - Harlem Shake
  - “Happy” videos





# Memes

How to deal with memes:

- Don't be early (your clients will HATE this)
- “Everybody’s doing it” limits, does not eliminate, risk
- Don't jump the matrix (to offline advertising)
- Take down if requested (limits damages)



## MUSIC RIGHTS CLEARANCE

1. Holy smokes, it's complicated.
2. Don't assume!
3. Review the license, even if "open source" or "creative commons" – those still have unique restrictions!
4. Social Media platforms (Insta, TikTok e.g.):
  - The platform has T&Cs. Read and follow them.
  - Music within platforms – they have cleared libraries.
  - And – are those libraries cleared for commercial use?
5. Copyright – consider BOTH:
  - A. the work in its entirety; and
  - B. Each copyrightable elements.
6. There is no such thing as a "30 second rule"



## IMAGE RIGHTS CLEARANCE

1. Marketers love to copy and paste. Train them not to!
  - “If it’s on the internet, it’s free, right?”
  - It’s a meme, everyone is doing it!
2. What does the license say?
3. Never assume fair use – go through the analysis.
4. Stock photo houses – pay for the license.
  - Note, people IN the image may not be cleared for the proposed use.



RIGHTS &  
CLEARANCE

## IMAGE RIGHTS CLEARANCE

1. ID all third party materials.
2. ID TMs, brands, artwork, locations, buildings, identifiable people, 3<sup>rd</sup> party elements.
3. ID Owner and consider need for license.
  - A. License could be published – review it!

RIGHTS &  
**CLEARANCE**

## TRADEMARK RIGHTS CLEARANCE

1. Identify all third party trademarks in the proposed work/use.
  - A. taglines; slogans; logos; product images; architectural works
2. Evaluate whether a license is needed.
  - A. Nominative use
  - B. Descriptive use
  - C. Comparative use
3. Ensure comparative uses are proper.
4. Beware of false association or false sponsorship claim
5. Use proper TM attribution disclaimers.
6. Use names / TM in catalogs.
7. Have a good relationship with competitor/industry legal departments.



## FAIR USE

1. Trademark fair use
2. Copyright fair use
  - (Yes, they're different!)
3. Remember, Fair Use is a DEFENSE – the use is infringing!
4. All companies should decide their own risk tolerance level; what is their fair use level?
5. Elements and analysis:



## TIPS – THE THOUGHT PROCESS

1. Risk analysis - always ask two distinct questions:
  - A. Will they sue?
  - B. Will they win?
2. If they sue, what is the legal claim upon which their claim is based? What are the defenses?



# Questions?

