INFRINGING INFLUENCERS: HOW TO FAIRLY PROTECT BRANDS' TRADEMARKS ON SOCIAL MEDIA

INTRODUCTION

Over the past two decades, social media has increasingly become a fundamental component of Americans' lives, with more than seven out of ten adults using at least one social media site in 2021.[1] Within this digital landscape, certain people have cultivated thousands, or even millions, of followers to become "influencers" who build their careers by promoting brands' products on social media.[2] By some estimates, more than twenty-five million Americans between the ages of sixteen and thirty-four have enough social media followers to be labeled influencers.[3] Of these influencers, about 1.5 million have earned money from agreements with brands.[4]

To cynics, influencer marketing allows individuals who are "famous for nothing" to make a lot of money by publishing some words and photos on social media.[5] To others, influencer marketing is a path to putting food on the table.[6] Regardless of one's views, influencers' importance to brands' strategies is undeniable: the influencer marketing industry is expected to

1. Brooke Auxier & Monica Anderson, *Social Media Use in 2021*, at 5, PEW RSCH. CTR. (Apr.7, 2021), https://www.pewresearch.org/internet/wp-content/uploads/sites/9/2021/04/PI_2021.04.07_Social-Media-Use_FINAL.pdf [https://perma.cc/6G5D-H8FV]. Facebook and YouTube remain popular among U.S. adults. *Id.* at 3 (69% of adults use Facebook; 81% use YouTube). Adults under thirty represent the vast majority of Instagram and Snapchat users. *Id.* at 5 (71% of adults ages eighteen to twenty-nine use Instagram and 65% use Snapchat; 13% of those age sixty-five or up use Instagram, and only 2% use Snapchat).

2. Craig C. Carpenter & Mark Bonin II, *To Win Friends and Influence People: Regulation and Enforcement of Influencer Marketing After Ten Years of the Endorsement Guides*, 23 VAND. J. ENT. & TECH. L. 253, 257 (2021).

3. *Id.* at 260. One study identified as many as 37.8 million influencers around the world. *See* Jason Wise, *How Many Influencers Are There in 2023?*, EARTHWEB (July 24, 2022), https://earthweb.com/how-many-influencers-are-there [https://perma.cc/E4RT-XCHH].

4. Carpenter & Bonin, *supra* note 2, at 260; *see also infra* notes 20, 54, 56 (showing examples of individuals who were paid for making online posts). According to one study, roughly 27% of Generation Z members plan on becoming influencers, while roughly 12% said they would drop out of college to do so. Scott Langdon, *Gen Z and the Rise of Influencer Culture*, HIGHERVISIBILITY (Aug. 19, 2022), https://www.highervisibility.com/ppc/learn/gen-z-and-the-rise-of-influencer-culture/ [https://perma.cc/P9GK-DHEM].

5. Carpenter & Bonin, *supra* note 2, at 258 (citing Sheila Marikar, *Top 5 Celebrities Famous for . . . Nothing*, ABC NEWS (June 5, 2009, 6:13 AM), https://abcnews.go.com/Entertainment/CelebrityCafe/story?id=7762876&page=1 [https://perma.cc/T7Q2-QHU4]).

6. *See infra* note 158. One study estimates that 14.75% of Generation Z members believe "[b]eing a social media influencer is the only career choice for me." Langdon, *supra* note 4.

reach about $28 billion by 2026,[7] up from at least $15 billion in 2022.[8] The U.S. government has taken steps to regulate influencers; for example, the Federal Trade Commission requires influencers to "disclose to followers when they are paid to post, receive free goods or services in exchange for posting, or gain some other material benefit."[9] Nevertheless, the extent of influencers' exposure to legal consequences is murky, particularly in the area of trademark infringement.

The Lanham Act defines a trademark as "any word, name, symbol, or device, or any combination thereof," used to identify a good's source.[10] Trademark owners may sue under the Lanham Act to prevent others from engaging in conduct that "would confuse consumers as to the [good's] origin, sponsorship, or approval."[11] At its core, trademark law aims to "reduce the customer's costs of . . . making purchasing decisions" by ensuring that goods with the same mark come from a common source.[12] Trademark law also motivates producers to make quality goods, and it increases consumers' understanding of good quality, thus preventing producers of inferior goods from benefiting off consumers' confusion.[13]

Trademark owners have generally focused their infringement claims on competitors, while influencers have typically avoided liability for posting content on behalf of brands that infringed others' marks.[14] In mid-2021, however, a federal judge denied influencer Molly Sims's motion to dismiss a direct infringement claim against her, finding that she may be liable.[15]

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7. Ryan Detert, *Where Influencer Marketing and the Creator Economy Are Headed in 2022 and Beyond*, INC. (Dec. 27, 2021), https://www.inc.com/ryan-detert/where-influencer-marketing-creator-economy-are-headed-in-2022-beyond.html [https://perma.cc/R543-MS5M].

8. *See* Ismael El Qudsi, *The State of Influencer Marketing: Top Insights for 2022*, FORBES (Jan. 14, 2022, 7:30 AM), https://www.forbes.com/sites/forbesagencycouncil/2022/01/14/the-state-of-influencer-marketing-top-insights-for-2022/?sh=6ace7ec45c78 [https://perma.cc/P4TU-7WW8]; *see also* Werner Geyser, *The State of Influencer Marketing 2023: Benchmark Report*, INFLUENCER MKTG. HUB (Feb. 7, 2023), https://influencermarketinghub.com/influencer-marketing-benchmark-report/ [https://perma.cc/6QRF-CB2H] (stating that the influencer marketing industry was valued at about $16.4 billion in 2022).

9. Alexandra J. Roberts, *False Influencing*, 109 GEO. L.J. 81, 119 (2020) (citing FTC, DISCLOSURES 101 FOR SOCIAL MEDIA INFLUENCERS 2–3 (2019), https://www.ftc.gov/system/files/documents/plain-language/1001a-influencer-guide-508_1.pdf [https://perma.cc/UG5A-MEW5]).

10. 15 U.S.C. § 1127.

11. OTR Wheel Eng'g, Inc. v. West Worldwide Servs., Inc., 897 F.3d 1008, 1013 (9th Cir. 2018). Although the Lanham Act protects producers of both goods and services, *id.*, this Note focuses on goods.

12. Qualitex Co. v. Jacobson Prods. Co., 514 U.S. 159, 163–64 (1995) (quoting 1 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 2.01[2], at 2–3 (3d ed. 1994)).

13. *Id.* at 164.

14. *See* Samantha Handler, *Influencers Risk Trademark Suits After Judge Rejects Dismissal*, BLOOMBERG L. (Aug. 12, 2021, 4:04 AM), https://news.bloomberglaw.com/ip-law/influencers-risk-trademark-suits-after-judge-rejects-dismissal [https://perma.cc/4K28-3W2D].

15. Order Granting in Part and Denying in Part Defendant's Motion to Dismiss, Petunia Prods., Inc. v. Rodan & Fields, LLC, No. 8:21-CV-00630 (C.D. Cal. Aug. 6, 2021) [hereinafter Sims Order].

Sims, who rose to fame as a model,[16] runs a beauty blog.[17] She has more than 852,000 followers on Instagram,[18] and she has amassed thousands of fans on Facebook, Twitter, and YouTube.[19]

Sims partners with various brands to promote their products online.[20] One of these brands, Rodan & Fields, specializes in skincare items.[21] In April 2021, Petunia Products, a cosmetics company[22] that owns the registered mark BROW BOOST, sued Rodan & Fields and Sims for trademark infringement, among other claims.[23] Petunia named Sims as a defendant because she published a blog post that referenced Rodan & Fields's Brow Defining Boost product, encouraged readers to buy the item, and included a link to do so.[24]

Sims, who filed a motion to dismiss,[25] likely expected to avoid liability, but the court allowed Petunia to pursue its direct infringement claim against her.[26] The influencer answered that her blog posts were a fair use of

16. Sims has worked as a model for Sports Illustrated. *See* Julie Mazziotta, *Molly Sims Doesn't Understand the Criticism Towards Ashley Graham and Other Curvy Models: 'We Need to Be More Accepting'*, PEOPLE (Dec. 1, 2020, 9:57 PM), https://people.com/health/molly-sims-says-we-need-to-be-more-accepting-towards-curvy-models/ [https://perma.cc/NHS3-HKAE].

17. MOLLY SIMS, https://www.mollysims.com/ [https://perma.cc/2GP4-EPND] (last visited Apr. 11, 2023).

18. Molly Sims (@mollybsims), INSTAGRAM, https://www.instagram.com/mollybsims/ [https://perma.cc/UX7G-U73F] (last visited Apr. 11, 2023).

19. *See* Molly Sims (@MollySimsOfficial), FACEBOOK, https://www.facebook.com/MollySimsOfficial/ [https://perma.cc/R4BB-MF26] (last visited Apr. 11, 2023) (more than 172,000 likes and more than 446,000 followers); Molly Sims (@MollyBSims), TWITTER, https://twitter.com/mollybsims [https://perma.cc/UK7N-REYT] (last visited Apr. 11, 2023) (roughly 66,300 followers); Molly Sims, YOUTUBE, https://www.youtube.com/channel/UCnevsEHB13fOW6vzYU320Ew [https://perma.cc/GT23-C9ZF] (last visited Apr. 11, 2023) (roughly 80,700 subscribers).

20. Petunia Prods., Inc.'s Complaint for Damages at 8–9, Petunia Prods., Inc. v. Rodan & Fields, LLC, No. 8:21-CV-00630 (C.D. Cal. Apr. 5, 2021) [hereinafter Sims Complaint].

21. Lisette Voytko, *A Wrinkle in Time: Why Rodan + Fields' Founders Lost Their Billionaire Status*, FORBES (Oct. 13, 2020, 6:10 AM), https://www.forbes.com/sites/lisettevoytko/2020/10/13/a-wrinkle-in-time-why-rodan--fields-founders-lost-their-billionaire-status/ [https://perma.cc/68BH-AREJ]. At its peak, Rodan & Fields was valued at $4 billion. *Id.*

22. *See* Martina Barash, *Billion Dollar Brows Says Rival Infringes Product Trademark (1)*, BLOOMBERG L. (Apr. 6, 2021, 2:17 PM), https://www.bloomberglaw.com/bloomberglawnews/ip-law/X1UTGG70000000?bna_news_filter=ip-law#jcite [https://perma.cc/5NEE-XBXN]. By some estimates, Petunia's Billion Dollar Brows brand brings in roughly $3.68 million in revenue per year. *See Billion Dollars Brows*, KONA EQUITY, https://www.konaequity.com/company/billion-dollar-brows-4391242852/ [https://perma.cc/3TMF-RJTS] (last visited Apr. 11, 2023).

23. *See* Sims Complaint, *supra* note 20. Petunia alleged that Rodan & Fields's use of its Brow Defining Boost trademark infringed Petunia's mark. *Id.* at 5.

24. *Id.* at 8–9.

25. Sims Order, *supra* note 15, at 2.

26. *Id.* at 9. The district court dismissed Petunia's contributory infringement claim. *Id.* at 11. To be liable for contributory infringement, Sims would need to "have (1) 'intentionally induced'" Petunia "to infringe, or (2) continued to supply an infringing product to" Petunia "with knowledge that" Petunia "mislabel[ed] the particular product supplied." *Id.* at 9 (quoting Perfect 10, Inc. v. Visa Int'l Serv. Ass'n, 494 F.3d 788, 807 (9th Cir. 2007)). The court found no allegation in Petunia's complaint that Sims

Petunia's mark and that Petunia was estopped from pursuing the claim due to acquiescence.[27] Before the case reached trial, however, the district court dismissed Petunia's suit,[28] leaving significant uncertainty surrounding trademark liability for influencers like Sims.

Part I of this Note describes existing options for holding social media influencers accountable, along with ways influencers have avoided liability. Part II assesses the viability of applying doctrines like the likelihood of confusion to influencers' social media posts. Part III discusses how influencers can protect themselves through contracts, business relationships, and other strategies. Part IV argues that extending liability for direct infringement to influencers would be detrimental, as micro-influencers would be disproportionately harmed. Finally, Part V calls for the enactment of legislation to formalize notice and takedown procedures in trademark law, as such procedures would decrease the number of court disputes and lessen the harm to micro-influencers.

I. HOLDING INFLUENCERS ACCOUNTABLE

A. Brands' Efforts to Hold Infringers Accountable

Although trademark infringement suits against influencers are rare, companies have relied on generally applicable strategies to curb trademark abuses, thereby affecting influencers as well. Amazon, for example, has taken steps to crack down on counterfeit products sold through its third-party marketplace.[29] In 2020, it launched the Counterfeit Crimes Unit, in which former federal prosecutors and others seek to identify "bad actors" who sell knockoff products.[30]

In one case, Amazon sued influencers Kelly Fitzpatrick and Sabrina Kelly-Krejci,[31] who used Instagram and other platforms to promote

"intended to induce any infringement" through her blog post. *Id.* at 10. Petunia also did not prove that Sims knew about Rodan & Fields's alleged infringement. *Id.* at 11. In other words, the court found Sims may have infringed by posting on her blog, but nothing more.

27. Molly Sims' Answer and Defenses to Complaint for Damages at 12–13, Petunia Prods., Inc. v. Rodan & Fields, LLC, No. 8:21-CV-00630 (C.D. Cal. Sept. 7, 2021) [hereinafter Sims Answer].

28. *See* Order Granting Joint Stipulation of Dismissal with Prejudice, Petunia Prods., Inc. v. Rodan & Fields, LLC, No. 8:21-CV-00630 (C.D. Cal. July 28, 2022) [hereinafter Dismissal Order].

29. Annie Palmer, *Amazon Says a New 'Counterfeit Crimes Unit' Will Work with Law Enforcement to Take on Fraudsters*, CNBC (June 24, 2020, 3:57 PM), https://www.cnbc.com/2020/06/24/amazon-says-counterfeit-crimes-unit-to-work-with-law-enforcement.html [https://perma.cc/CP46-3REJ].

30. *Id.*

31. Amazon.com, Inc.'s Complaint for Damages and Equitable Relief, Amazon.com, Inc. v. Fitzpatrick, No. 2:20-CV-01662 (W.D. Wash. Nov. 12, 2020) [hereinafter Amazon Complaint]. Gucci and Dior own the respective trademarks to the luxury goods in question, and Amazon did not pursue direct trademark infringement claims against the influencers. *See id.* at 18, 20, 22, 24, 26, 28, 30, 32, 33, 35, 37, 39.

knockoff items that were labeled as Dior and Gucci and sold on Amazon.[32] In a settlement, the influencers agreed to stop promoting items on Amazon,[33] and the company donated the settlement payments to charities.[34] Perhaps Amazon, capable of earning more than $137 billion in quarterly revenue,[35] was less concerned about financial harm than preserving the integrity of its marketplace.[36]

Beyond Amazon's Counterfeit Crimes Unit, many technology companies fervently protect their trademarks. Apple, for instance, has not shied away from objecting to the marks of small businesses and other entities.[37] In one dispute, Apple opposed a trademark registration for the startup Prepear, which offers recipes, meal preparation resources, and other services.[38] The app's founders, a Utah-based couple,[39] had chosen a pear as their logo.[40] They called Apple out for "bullying"[41] and criticized the "onerous" costs of defending one's trademark.[42] The dispute settled after Prepear agreed to modify the logo's shape.[43] In another case, Apple objected

32. Annie Palmer, *Amazon Sues Two Influencers for Peddling Counterfeit Goods on Instagram and TikTok*, CNBC (Nov. 12, 2020, 10:03 AM), https://www.cnbc.com/2020/11/12/amazon-sues-influencers-for-allegedly-marketing-counterfeits.html [https://perma.cc/B52X-7EVK].

33. Annie Palmer, *Amazon Settles with Influencers Who Allegedly Peddled Counterfeits on Instagram and TikTok*, CNBC (Sept. 30, 2021, 12:25 PM), https://www.cnbc.com/2021/09/30/amazon-settles-with-influencers-who-allegedly-ran-counterfeit-scheme.html [https://perma.cc/A422-5SX9].

34. *Id.*

35. David Streitfeld, *Amazon Confronts Pandemic Costs and Raises the Price of Prime.*, N.Y. TIMES (Feb. 3, 2022), https://www.nytimes.com/2022/02/03/technology/amazon-stock-earnings-prime-membership.html [https://perma.cc/EU7M-RMMM].

36. *See, e.g.*, El Greco Leather Prods. Co. v. Shoe World, Inc., 806 F.2d 392, 395 (2d Cir. 1986) ("One of the most valuable and important protections afforded by the Lanham Act is the right to control the quality of the goods manufactured and sold under the holder's trademark.").

37. Apple filed 215 oppositions to others' marks between 2019 and 2021. During that time period, Google, Amazon, Facebook, and Microsoft filed a collective 136 oppositions. Ryan Mac & Kellen Browning, *Apps and Oranges: Behind Apple's 'Bullying' on Trademarks*, N.Y. TIMES (Mar. 11, 2022), https://www.nytimes.com/2022/03/11/technology/apple-trademarks.html [https://perma.cc/NTF6-AUPD].

38. Kyle Jahner, *It's Apple vs. Startup in Faceoff over Who Can Use Fruit Logos*, BLOOMBERG L. (Sept. 10, 2020, 4:30 AM), https://news.bloomberglaw.com/ip-law/apple-said-to-thwart-other-fruit-logos-even-far-from-its-tree [https://perma.cc/UNZ3-K5V2].

39. *See* Natalie Sherman, *'Bullying' Apple Fights Couple over Pear Logo*, BBC (Aug. 11, 2020), https://www.bbc.com/news/business-53740820 [https://perma.cc/RUX3-K8YQ].

40. Jahner, *supra* note 38.

41. Prepear's founders, Natalie and Russell Monson, said "no one has walked into an Apple store and asked what's for dinner, and we haven't had anyone ask us to buy a computer or phone." *Id.* They added: "We can't have them bully every small business." *Id.*

42. *Id.* According to the American Intellectual Property Law Association, the median total cost of trademark opposition is $105,000; the mean cost is $168,000. *See* AM. INTELL. PROP. L. ASS'N, REPORT OF THE ECONOMIC SURVEY 2021 75 (2021). Apple said it offered to cover Prepear's legal expenses, but the company did not elaborate. Jahner, *supra* note 38.

43. Sean Hollister, *Apple Will Let Super Healthy Kids Have a Pear (Shaped Logo) After All*, VERGE (Feb. 9, 2021, 5:47 PM), https://www.theverge.com/2021/2/9/22275395/apple-prepear-logo-super-healthy-kids-settlement [https://perma.cc/X8BW-PV5R].

when a political party in Norway sought to register a red apple as its logo.[44] Apple has also opposed the trademarks of a school district, a food blog, and the makers of a card game.[45] This willingness to litigate suggests that Apple would pursue trademark infringement claims against influencers as well.

B. Avoiding Liability

When it came to influencers Kylie and Kendall Jenner, however, Apple took a different approach. The Jenner sisters published Instagram posts in which they wore knockoff Apple AirPods and included links for followers to purchase these products.[46] Yet Apple did not seem interested in pursuing legal action against the Jenners, possibly because millions of followers were watching,[47] in contrast to Prepear, whose online presence is significantly smaller.[48]

The Jenner sisters' reach on social media is massive.[49] Kylie Jenner, the youngest of the Kardashian-Jenner siblings, launched the first product of her makeup company, Kylie Cosmetics, in November 2015.[50] Four years later, Forbes named Kylie Jenner, twenty-one at the time, the youngest self-made billionaire, largely due to the success of her makeup line.[51] Soon after, she sold most of Kylie Cosmetics to the beauty company Coty in a $1.2

44. *Application Number 201808589*, NORWEGIAN INDUS. PROP. OFF., https://search.patentstyret.no/trademark/201808589/301176?searchId=1381950&caseIndex=16 [https://perma.cc/J7RU-EB22] (last visited Apr. 11, 2023) (showing that Apple objected to the Norwegian party's logo in February 2019).

45. *See* Mac & Browning, *supra* note 37.

46. Osman Iqbal, *Kylie and Kendall Jenner Endorsed 'Knock-Off' Apple Products on Instagram*, BBC CLICK (July 31, 2020), https://www.bbc.com/news/technology-53596192 [https://perma.cc/SSS9-KA4U].

47. *Id.*

48. *See, e.g.*, Prepear (@prepearapp), FACEBOOK, https://www.facebook.com/prepearapp/ [https://perma.cc/D2AY-KDYR] (last visited Apr. 11, 2023) (roughly 4,300 followers and 4,100 likes); prepear, YOUTUBE, https://www.youtube.com/channel/UCLRDajDO-oRkOpbiR5tnpCA [https://perma.cc/PAB7-LZZ8] (last visited Apr. 11, 2023) (147 subscribers).

49. *See* Kylie Jenner (@kyliejenner), INSTAGRAM, https://www.instagram.com/kyliejenner [https://perma.cc/9C2W-GMW6] (last visited Apr. 11, 2023) (roughly 387 million followers); Kylie Jenner (@KylieJenner), TWITTER, https://twitter.com/kyliejenner [https://perma.cc/73J5-7AAC] (last visited Apr. 11, 2023) (roughly 40.3 million followers); Kendall Jenner (@kendalljenner), INSTAGRAM, https://www.instagram.com/kendalljenner [https://perma.cc/T5G2-2MGS] (last visited Apr. 11, 2023) (roughly 283 million followers); Kendall Jenner (@KendallJenner), TWITTER, https://twitter.com/KendallJenner [https://perma.cc/FK8A-V4X7] (last visited Apr. 11, 2023) (roughly 32.3 million followers).

50. Kelly-Leigh Cooper, *Kylie Jenner: How the Reality Teen Founded a Cosmetics Empire*, BBC NEWS (July 13, 2018), https://www.bbc.com/news/world-us-canada-44805888 [https://perma.cc/ND5M-Q7JZ].

51. Natalie Robehmed, *At 21, Kylie Jenner Becomes the Youngest Self-Made Billionaire Ever*, FORBES (Mar. 5, 2019, 5:00 AM), https://www.forbes.com/sites/natalierobehmed/2019/03/05/at-21-kylie-jenner-becomes-the-youngest-self-made-billionaire-ever/ [https://perma.cc/HJ3S-BMWG].

billion deal.[52] Kendall Jenner, meanwhile, works as a model and launched a tequila brand, among other endeavors.[53] As an influencer, she was paid $275,000 to promote the fraudulent Fyre Festival,[54] and she earns as much as $1.5 million per photoshoot.[55] Moreover, both sisters make millions by promoting brands' products on Instagram—Kendall earns more than $1 million per sponsored post, while Kylie earns nearly $1.5 million for the same.[56]

Given allegations that Apple relies on "bullying tactics" to protect its trademarks,[57] the motivation behind the tech giant's handling of the Jenners' Instagram posts is unclear. But Apple's decision indicates that brands may not always want to take advantage of all available legal avenues. With the Jenners, Apple was perhaps more interested in maintaining a professional relationship than litigating a particular dispute.[58] The Jenner sisters did not personally create any infringing marks, and Kylie Jenner has collaborated with Apple over the years: In 2017, for example, she became the face of $600 Beats headphones, which Apple launched with Balmain, a French

52. Chase Peterson-Withorn & Madeline Berg, *Inside Kylie Jenner's Web of Lies—And Why She's No Longer a Billionaire*, FORBES (June 1, 2020), https://www.forbes.com/sites/chasewithorn/2020/05/29/inside-kylie-jennerss-web-of-lies-and-why-shes-no-longer-a-billionaire [https://perma.cc/FV4D-SZNA]. The following year, Forbes walked back its decision to call Jenner a billionaire, alleging she spent years lying about sales. *Id.* She denied the allegations, and Forbes's new estimate put her net worth at just under $900 million. *Id.* Nevertheless, Kylie Jenner's influence in the beauty industry and her reach on Instagram and Twitter are evident. *See supra* note 49.

53. Christie D'Zurilla, *Keeping Up with the Kardashian Empire: A Brief Guide to the Family Business*, L.A. TIMES (June 3, 2021, 5:00 AM), https://www.latimes.com/entertainment-arts/tv/story/2021-06-03/kim-kardashian-kourtney-khloe-kris-jenner-kylie-kendall-family-businesses [https://perma.cc/37GN-MBLC].

54. Gwen Aviles, *Kendall Jenner to Pay $90,000 Settlement for Promoting Fyre Festival*, NBC NEWS (May 21, 2020, 10:41 AM), https://www.nbcnews.com/pop-culture/pop-culture-news/kendall-jenner-pay-90-000-settlement-promoting-fyre-festival-n1212011 [https://perma.cc/WDL8-7PXA].

55. Mia Mercado, *Kendall Jenner Is Being Sued for $1.8 Million*, CUT (Aug. 6, 2021), https://www.thecut.com/2021/08/kendall-jenner-liu-jo-lawsuit.html [https://perma.cc/6FYF-2N6A].

56. Mark Sweney, *Cristiano Ronaldo Shoots to Top of Instagram Rich List*, GUARDIAN (June 30, 2021, 11:05 AM), https://www.theguardian.com/technology/2021/jun/30/cristiano-ronaldo-shoots-to-top-of-instagram-rich-list [https://perma.cc/E25Z-YYDA].

57. *See* Mac & Browning, *supra* note 37.

58. In general, companies such as Apple, Facebook, TikTok, and YouTube focus on creating incentives for influencers to promote their content on the companies' platforms. *See, e.g.*, Abram Brown, *Facebook, Apple—And the War over Social Media Influencers*, FORBES (June 7, 2021, 3:07 PM), https://www.forbes.com/sites/abrambrown/2021/06/07/facebook-apple-and-the-war-over-social-media-influencers/ [https://perma.cc/ZMG8-3MWP] (stating "Facebook won't take a cut of any earnings that influencers earn on its platform . . . until 2023—and when it does start, its fees will be 'less than the 30% that Apple and others take'"); Amy Singer, *Introducing the YouTube Shorts Fund*, YOUTUBE (May 11, 2021), https://blog.youtube/news-and-events/introducing-youtube-shorts-fund/ [https://perma.cc/YM68-DXFN] (stating YouTube set aside $100 million to reward particularly engaging creators); *TikTok Creator Fund: Your Questions Answered*, TIKTOK (Mar. 25, 2021), https://newsroom.tiktok.com/en-gb/tiktok-creator-fund-your-questions-answered [https://perma.cc/YNS5-G98J] (stating TikTok is devoting more than 230 million pounds to reward certain creators).

design house.[59] The following year, Apple announced that Kylie Jenner and her friend would host a monthly radio show, "Pizza Boys," on Apple Music's Beats 1 station,[60] now known as Apple Music 1.[61]

Outside of the United States, several influencers also seem to have avoided liability despite being publicly called out for knowingly promoting knockoff luxury goods.[62] Whereas influencers like Sims may have been unaware that their online posts featured infringing marks,[63] others knew and even embraced it.[64] For example, the British influencer Tyne-Lexy Clarson—with roughly 401,000 followers on Instagram[65]—told the BBC she knew the jumper she promoted was not made by Gucci.[66] To Clarson, however, the promotion of counterfeit apparel did not seem problematic: "I never thought of it really," she said. "I just think it's a nice jumper."[67] Clarson said consumers who encountered these knockoff Gucci items would realize they were not purchasing the real thing because the knockoff items were much cheaper than Gucci clothes, and Gucci did not make apparel that looked like the jumper.[68]

59. Avery Hartmans, *Apple Just Launched a Pair of $600 Beats Headphones with Design House Balmain*, BUS. INSIDER (July 19, 2017, 5:31 PM), https://www.businessinsider.com/kylie-jenner-beats-balmain-collection-photos-2017-7 [https://perma.cc/N42N-X5SW].

60. Alyssa Vingan Klein, *Kendall Jenner Is an Apple Music Beats 1 Radio Host Now*, FASHIONISTA (Oct. 16, 2018), https://fashionista.com/2018/04/kendall-jenner-pizza-boys-beats-1-apple-music-radio-show [https://perma.cc/Z4XY-CU7M]. Pizzaboyzzz, an art collective, sued Apple and Jenner, alleging that the Pizza Boys radio show infringed the collective's mark. Lindsay Weinberg, *Kendall Jenner Sued over 'Pizza Boys' Radio Show*, HOLLYWOOD REP. (May 4, 2018, 1:05 PM), https://www.hollywoodreporter.com/lifestyle/style/kendall-jenner-sued-pizza-boys-radio-show-1108796/ [https://perma.cc/A4CN-XLGK]. The parties later settled. Natalie Stone, *Kendall Jenner and Apple Settle Lawsuit over Pizza Boys Radio Show*, PEOPLE (July 23, 2018, 4:08 PM), https://people.com/tv/kendall-jenner-settles-pizza-boys-lawsuit/ [https://perma.cc/386S-TCCT].

61. Press Release, Apple, Apple Announces Apple Music Radio (Aug. 18, 2020), https://www.apple.com/newsroom/2020/08/apple-announces-apple-music-radio/ [https://perma.cc/X9EZ-7WJC].

62. *See* Angus Crawford & Tony Smith, *Social Media Influencers Warned Against Promoting Fake Brands*, BBC NEWS (July 18, 2020), https://www.bbc.com/news/av/uk-53408637 [https://perma.cc/282E-YXES] (finding that multiple British influencers have promoted fake luxury items: Tyne-Lexy Clarson (Gucci), Sophie Kasaei (Prada), and Charlotte Dawson (Yves Saint Laurent)).

63. *See supra* note 26.

64. *See* Crawford & Smith, *supra* note 62.

65. Tyne-Lexy (@tyne_lexy_clarson), INSTAGRAM, https://www.instagram.com/tyne_lexy_clarson/ [https://perma.cc/9LUQ-E6PK] (last visited Apr. 11, 2023).

66. *See* Crawford & Smith, *supra* note 62.

67. *Id.*

68. *Id.* Based on these differences, Clarson would not refuse to promote items just because they were "obviously" not Gucci, though she said "[i]nfluencers do need to take a second look and make sure they're double checking everything." *Id.*

Like the Jenner sisters, Clarson seems to have avoided litigation. Although Gucci is known for taking counterfeiters to court,[69] media coverage after Clarson's BBC interview did not indicate that Gucci took any legal action against the influencer.[70] Yet in light of the lack of resolution in the *Petunia Products* case, companies like Apple and Gucci may have a stronger basis for pursuing claims against influencers who promote knockoff products or other infringing content. Still, as the Jenner and Clarson examples show, companies sometimes look the other way instead of suing all potential infringers.

II. APPLYING THE LIKELIHOOD OF CONFUSION FRAMEWORK TO INFLUENCERS

Trademark infringement analysis weighs many factors in an effort to advance particular policy goals, including lowering the likelihood of consumer confusion and ensuring that competitors do not exploit the benefits of mark owners' reputation-related advantages.[71] This fact-intensive analysis has evolved over time to protect mark owners in new ways.[72]

At the same time, trademark abuses come in various forms. Some disputes revolve around two different, yet confusingly similar, marks,[73] while other cases focus on a narrower issue: counterfeit sales of goods. In counterfeit cases, the Lanham Act provides for damages beyond those awarded in typical infringement suits.[74] When counterfeit goods are at issue, plaintiffs still lodge direct trademark infringement claims against defendants.[75]

This Part explains how courts may analyze whether an influencer's social media post constitutes a use in commerce and causes a likelihood of

69. In 2021, for instance, Gucci and Facebook jointly filed a complaint against an individual who allegedly used Facebook and Instagram to sell fake Gucci items. Silvia Aloisi, *Gucci, Facebook File Joint Lawsuit Against Alleged Counterfeiter*, REUTERS (Apr. 26, 2021, 11:06 PM), https://www.reuters.com/business/retail-consumer/gucci-facebook-file-joint-lawsuit-against-alleged-counterfeiter-2021-04-27/ [https://perma.cc/3DQD-NUVZ].

70. *See id.*

71. *See supra* notes 12–13 and accompanying text.

72. For example, the Eighth Circuit did not recognize a cause of action for initial-interest confusion in trademark infringement until 2021. *See* Select Comfort Corp. v. Baxter, 996 F.3d 925, 935 (8th Cir. 2021). Unlike the most common form of confusion, which occurs at the point of sale, initial-interest confusion "creates initial customer interest, even though no actual sale is finally completed as a result of the confusion." *Id.* at 932 (quoting 4 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 23:6 (4th ed. 2010)).

73. *See infra* Section II.B.

74. 15 U.S.C. § 1117(c).

75. *See, e.g.*, Arcona, Inc. v. Farmacy Beauty, LLC, 976 F.3d 1074, 1077 (9th Cir. 2020) (showing that a trademark owner filed both trademark counterfeiting and trademark infringement claims against another party). This Part focuses on trademark infringement claims.

confusion. The *Petunia Products* case[76] supports the notion that holding influencers liable for trademark infringement is consistent with the Lanham Act, as imposing liability would protect producers' goodwill and prevent confusion.[77] Furthermore, recent litigation in Italy suggests that U.S. courts would not be alone in allowing such claims to proceed.[78]

A. Use in Commerce

To infringe another's trademark, a party must generally use the mark in commerce.[79] Liability applies to those who "use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services."[80] At least five circuits have held that defendants cannot be liable for using marks in noncommercial ways.[81]

In the *Petunia Products* case, the district court inferred that Sims's blog post was a paid advertisement and found that the post constituted a commercial use.[82] Sims argued that such a finding would curb "legitimate

76. Sims Order, *supra* note 15, at 4–9.

77. *See, e.g.*, W.T. Rogers Co. v. Keene, 778 F.2d 334, 338 (7th Cir. 1985) (finding trademark law aims "to reduce the cost of information to consumers by making it easy for them to identify the products or producers with which they have had either good experiences, so that they want to keep buying the product (or buying from the producer), or bad experiences, so that they want to avoid the product or the producer in the future" (citing Scandia Down Corp. v. Euroquilt, Inc., 772 F.2d 1423, 1429–30 (7th Cir. 1985))); Union Nat. Bank of Texas, Laredo v. Union Nat. Bank of Texas, Austin, 909 F.2d 839, 843–44 (5th Cir. 1990) (stating that trademark law's main goals are "(1) to protect consumers against confusion and monopoly, and (2) to protect the investment of producers in their trade names to which goodwill may have accrued and which goodwill free-riders may attempt to appropriate by using the first producer's mark, or one that is deceptively similar" (footnote omitted)).

78. *See infra* note 113.

79. *See, e.g.*, Bosley Med. Inst., Inc. v. Kremer, 403 F.3d 672, 676 (9th Cir. 2005) ("Infringement claims are subject to a commercial use requirement."); Optimum Techs., Inc. v. Henkel Consumer Adhesives, Inc., 496 F.3d 1231, 1242 (11th Cir. 2007) ("The first step of a trademark infringement action is to demonstrate an unauthorized 'use' of the plaintiff's mark in commerce.").

80. 15 U.S.C. § 1114(1)(a).

81. *See* Radiance Found., Inc. v. NAACP, 786 F.3d 316, 322 (4th Cir. 2015); Utah Lighthouse Ministry v. Found. for Apologetic Info. & Rsch., 527 F.3d 1045, 1052–54 (10th Cir. 2008) (finding no commercial use largely because a website did not earn money or include links for purchasing items elsewhere); *Bosley*, 403 F.3d at 677 ("The question before us . . . boils down to whether Kremer's use of Bosley Medical as his domain name was 'in connection with a sale of goods or services.' If it was not, then Kremer's use was 'noncommercial' and did not violate the Lanham Act."); Taubman Co. v. Webfeats, 319 F.3d 770, 774 (6th Cir. 2003) ("If Mishkoff's use is commercial, then, and only then, do we analyze his use for a likelihood of confusion."); Porous Media Corp. v. Pall Corp., 173 F.3d 1109, 1120 (8th Cir. 1999) ("Three factors govern whether speech is commercial: (i) whether the communication is an advertisement, (ii) whether it refers to a specific product or service, and (iii) whether the speaker has an economic motivation for the speech.").

82. Sims Order, *supra* note 15, at 6. The court inferred that Rodan & Fields paid Sims even though Petunia did not prove the existence of a payment. *Id.* at 5. In her post, Sims thanked Rodan & Fields for "sponsoring" her, and she included a link for readers to purchase Brow Defining Boost on Rodan & Fields's website. *Id.* The court also noted that Sims provided an image of the item, stated its cost, and wrote that Rodan & Fields let her use the product prior to its official release. *Id.*

commentary," but the court noted that Sims crossed the line between commentary and commercial use when she linked directly to Rodan & Fields's website.[83] This link, which served as a nexus between the goods and Sims's use, was sufficient for Petunia to avoid "fatally collid[ing]" with the First Amendment.[84]

Similarly, in the Apple-Jenner incident, a court would likely find that the sisters' Instagram posts were paid advertisements, not mere commentary. Although the Jenners did not comment on the incident,[85] it is difficult to imagine they would promote products for free when they usually earn $1 million or more per Instagram post.[86] In their promotions, the Jenners included links to websites where consumers could purchase knockoff AirPods, which were shipped from China.[87]

B. Likelihood of Consumer Confusion

Once a plaintiff establishes a defendant's use in commerce, each court applies a multi-factor test to determine if there is a likelihood of confusion. After a fact-intensive analysis for each factor, courts balance all of the factors to determine if a likelihood of confusion exists.[88] The Ninth Circuit, for example, announced the following factors in the 1979 case *AMF Inc. v. Sleekcraft Boats*:

> 1. [S]trength of the mark; 2. proximity of the goods; 3. similarity of the marks; 4. evidence of actual confusion; 5. marketing channels used; 6. type of goods and the degree of care likely to be exercised

83. *Id.* at 5–6.

84. *Radiance*, 786 F.3d at 324. A detailed discussion of the overlap between the First Amendment and trademark law is beyond the scope of this Note. For recent examples highlighting this tension, see Adam Liptak, *May 'Bad Daniels' Mock Jack Daniel's? The Supreme Court Will Decide*, N.Y. TIMES (Dec. 5, 2022), https://www.nytimes.com/2022/12/05/us/politics/bad-spaniels-jack-daniels-dog-toy.html [https://perma.cc/7CLM-U5VA] (stating that the Supreme Court has granted certiorari in a trademark case between the whiskey giant Jack Daniel's and the dog-toy maker Bad Spaniels Silly Squeaker after the Ninth Circuit applied First Amendment principles in its analysis); Hermès Int'l v. Rothschild, No. 22-CV-384 (JSR), 2023 WL 1458126, at *1, *8 (S.D.N.Y. Feb. 2, 2023) (denying both parties' cross-motions for summary judgment in a trademark infringement case where an artist argued that the First Amendment protects non-fungible tokens depicting "MetaBirkins"); *In re* Elster, 26 F.4th 1328, 1329–30 (Fed. Cir. 2022) (reversing, on First Amendment grounds, a refusal to register the "TRUMP TOO SMALL" mark for use on t-shirts).

85. *See* Iqbal, *supra* note 46.

86. *See* Sweney, *supra* note 56. *But cf.* Crawford & Smith, *supra* note 62 (noting that Charlotte Dawson, an influencer with more than 1.3 million Instagram followers, claimed she was not paid to promote knockoff Yves Saint Laurent apparel on social media, as the items were a gift).

87. *See* Iqbal, *supra* note 46.

88. Little Caesar Enters., Inc. v. Pizza Caesar, Inc., 834 F.2d 568, 570 (6th Cir. 1987) (citing Frisch's Rests., Inc. v. Elby's Big Boy of Steubenville, Inc., 670 F.2d 642, 648 (6th Cir. 1982)).

> by the purchaser; 7. defendant's intent in selecting the mark; and 8. likelihood of expansion of the product lines.[89]

In the *Petunia Products* case, the district court found there may be a likelihood of confusion between Petunia's BROW BOOST mark and Rodan & Fields's Brow Defining Boost mark.[90] The court focused on three of the *Sleekcraft* factors: proximity of the goods, similarity of the marks, and marketing channels.[91] First, the court found that Petunia and Rodan & Fields competed directly with each other, and the parties' goods were used for similar purposes.[92] These facts increased the likelihood of confusion.[93] Second, the court found that BROW BOOST and Brow Defining Boost sounded alike and were therefore similar marks.[94] The additional word in Rodan & Fields's mark—Defining—did not erase the confusing similarity between the marks, the court noted.[95] And third, the court found that both parties used similar channels to market their goods. The pleadings did not include sufficient facts to analyze the remaining *Sleekcraft* factors. In addition to claiming that Rodan & Fields's use of Brow Defining Boost constituted infringement, Petunia alleged that Sims's blog post caused a likelihood of confusion.[96] Consumers reading Sims's blog post may have believed that Rodan & Fields's product was affiliated with Petunia, the court found.[97]

The likelihood of confusion factors for trademark infringement could apply to the Apple-Jenner scenario as well. Under the framework announced in *Abercrombie & Fitch Co. v. Hunting World, Inc.*, trademarks are categorized as generic, descriptive, suggestive, arbitrary, or fanciful, with generic marks receiving the least protection and arbitrary or fanciful

89. 599 F.2d 341, 348–49 (9th Cir. 1979), *abrogated in part on other grounds by* Mattel, Inc. v. Walking Mountain Prods., 353 F.3d 792 (9th Cir. 2003). Other circuits rely on similar factors. *See, e.g.*, Frisch's Rest., Inc. v. Shoney's Inc., 759 F.2d 1261, 1264 (6th Cir. 1985); Pizzeria Uno Corp. v. Temple, 747 F.2d 1522, 1527 (4th Cir. 1984); Polaroid Corp. v. Polarad Elecs. Corp., 287 F.2d 492, 495 (2d Cir. 1961).

90. Sims Order, *supra* note 15, at 6–7.

91. *Id.*

92. *Id.* at 7.

93. *Id.*

94. *Id.* at 6–7.

95. *Id.* at 7.

96. *Id.*

97. *Id.* ("Addition of [the defendant's name] does not save the day; a purchaser could well think plaintiff had licensed defendant as a second user and the addition is thus an aggravation, and not a justification." (quoting A.T. Cross Co. v. Jonathan Bradley Pens, Inc., 470 F.2d 689, 692 (2d Cir. 1972))); *see also* Dallas Cowboys Cheerleaders, Inc. v. Pussycat Camera, Ltd., 604 F.2d 200, 205 (2d Cir. 1979) ("The public's belief that the mark's owner sponsored or otherwise approved the use of the trademark satisfies the confusion requirement.").

marks receiving the most.[98] The AirPods trademark[99] is likely suggestive,[100] if not arbitrary,[101] because consumers need to use some imagination to associate AirPods with wireless headphones. The mark is likely not descriptive because it does not describe the product's features.[102] Furthermore, the mark is not generic because it does not describe a category of goods like the words "wireless headphones" would.[103] Thus, as a whole, the AirPods mark is strong. Additionally, the AirPods and knockoff goods are related because they look identical and serve the same purpose.[104] As for the similarity of the marks, the counterfeiters put different brand names—not Apple—on the knockoff goods' packaging, which lowers the likelihood of confusion. Additionally, news reports did not specify any instances of actual confusion.[105] Apple and the Jenners arguably used similar marketing channels,[106] as the Jenners promoted products on social media[107] and Apple did the same, albeit in a minimalist way.[108] On the other hand, it was unclear whether the Jenners intended to make consumers believe the knockoff products were real AirPods.[109] As for purchasers' degree of care, one may

98. 537 F.2d 4, 9 (2d Cir. 1976).

99. *Apple Trademark List*, APPLE (Jan. 3, 2023), https://www.apple.com/legal/intellectual-property/trademark/appletmlist.html [https://perma.cc/H7SE-Q483].

100. *See* 20th Century Wear, Inc. v. Sanmark-Stardust Inc., 747 F.2d 81, 87 (2d Cir. 1984) ("A term is suggestive if it requires imagination, thought and perception to reach a conclusion as to the nature of goods. A term is descriptive if it forthwith conveys an immediate idea of the ingredients, qualities or characteristics of the goods." (quoting Stix Prods., Inc. v. United Merchs. & Mfrs., Inc., 295 F. Supp. 479, 488 (S.D.N.Y. 1968))).

101. *See* Little Caesar Enters., Inc. v. Pizza Caesar, Inc., 834 F.2d 568, 571 (6th Cir. 1987) ("An 'arbitrary' mark has a significance recognized in everyday life, but the thing it normally signifies is unrelated to the product or service to which the mark is attached (*e.g.*, Camel cigarettes or Apple computers).").

102. *See 20th Century Wear*, 747 F.2d at 87.

103. *See Abercrombie & Fitch*, 537 F.2d at 9 ("A generic term is one that refers, or has come to be understood as referring, to the genus of which the particular product is a species.").

104. *See* Network Automation, Inc. v. Advanced Sys. Concepts, Inc., 638 F.3d 1137, 1150 (9th Cir. 2011) (finding that "[t]he proximity of goods is measured by whether the products are: (1) complementary; (2) sold to the same class of purchasers; and (3) similar in use and function" (citing AMF Inc. v. Sleekcraft Boats, 599 F.2d 341, 350 (9th Cir. 1979), *abrogated in part on other grounds by* Mattel, Inc. v. Walking Mountain Prods., 353 F.3d 792 (9th Cir. 2003))).

105. *See, e.g.*, Iqbal, *supra* note 46.

106. *See* Kibler v. Hall, 843 F.3d 1068, 1079 (6th Cir. 2016) (finding likelihood of confusion increases "[t]he more channels and buyers overlap").

107. *See* Sweney, *supra* note 56.

108. Apple does not tweet on a regular basis, and the company does not follow any accounts. Apple (@Apple), TWITTER, https://twitter.com/Apple [https://perma.cc/KK82-GBUS] (last visited Apr. 11, 2023). On Instagram, Apple generally promotes the iPhone without featuring the device in posts. *See* apple (@apple), INSTAGRAM, https://www.instagram.com/apple [https://perma.cc/4LLP-FCPK] (last visited Apr. 11, 2023).

109. *Compare* A&H Sportswear, Inc. v. Victoria's Secret Stores, Inc., 237 F.3d 198, 226 (3d Cir. 2000) (finding that a "defendant's intent will indicate a likelihood of confusion only if an intent to *confuse* consumers is demonstrated via purposeful manipulation of the junior mark to resemble the senior's"), *with* Sorensen v. WD-40 Co., 792 F.3d 712, 731 (7th Cir. 2015) ("Mere knowledge of

argue consumers would have a relatively high degree of care because AirPods are pricey.[110] And given that courts often view mark similarity as "[t]he single most important factor in determining likelihood of confusion,"[111] Apple could fail to prove infringement of the AirPods mark if it sued the Jenners.[112] But if such a suit were successful, it could deter other influencers from publishing sponsored posts that feature knockoff products.

C. Influencer Liability Outside the United States

While the *Petunia Products* case may show the beginning of an American trend toward holding influencers liable for trademark infringement, a recent case in Europe suggests that such claims could be gaining traction elsewhere. In 2019, Philipp Plein, a German fashion designer, uploaded two videos to his Instagram account.[113] One featured Plein's shoes on a Ferrari car; another featured two women washing Ferrari cars with Plein shoes on top.[114] Ferrari sued the designer in Italy.[115] The following year, an Italian court held in Ferrari's favor, deciding that a social media influencer may not use third-party trademarks without permission if

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someone else's mark is insufficient to show intent to pass off." (citing Barbecue Marx, Inc. v. 551 Ogden, Inc., 235 F.3d 1041, 1046 (7th Cir. 2000))). A likelihood of confusion is even possible without any intent to confuse consumers. Daddy's Junky Music Stores, Inc. v. Big Daddy's Fam. Music Ctr., 109 F.3d 275, 287 (6th Cir. 1997).

110. *See AirPods*, APPLE, https://www.apple.com/airpods/ [https://perma.cc/2CHP-U3DB] (last visited Apr. 11, 2023) (stating that AirPods cost anywhere from $129 for second-generation AirPods to $549 for AirPods Max). Finally, the likelihood of product line expansion would be relevant in an action against the counterfeiters but seems less relevant as applied to the Jenners.

111. *A&H Sportswear*, 237 F.3d at 216 (citing Fisons Horticulture, Inc. v. Vigoro Indus., Inc., 30 F.3d 466, 476 (3d Cir. 1994)).

112. However, Apple also trademarked the AirPods' configuration. *See* Press Release, U.S. Customs & Border Prot., Fake AirPods and Cartier Bracelets Totaling $5.3 Million Seized by Cincinnati CBP (June 9, 2021, 12:00 PM), https://www.cbp.gov/newsroom/local-media-release/fake-airpods-and-cartier-bracelets-totaling-53-million-seized [https://perma.cc/2W6Z-2R7N]. The company could likely prevail in a trade dress infringement suit. To prove infringement of trade dress, a plaintiff must show that "(1) the trade dress is primarily non-functional; (2) the trade dress is inherently distinctive or has acquired secondary meaning to customers; and (3) the alleged infringement creates a likelihood of confusion among customers as to a product's source." CTB, Inc. v. Hog Slat, Inc., 954 F.3d 647, 657 (4th Cir. 2020) (citing Tools USA & Equip. Co. v. Champ Frame Straightening Equip., Inc., 87 F.3d 654, 657 (4th Cir. 1996)).

113. Fabiana Bisceglia, *Influencers: To What Extent Are They Allowed to Lawfully Portray Third-Party Trademarks in Their Social Content Without Authorization?*, GLOB. ADVERT. LAWS. ALL. (June 18, 2020), http://blog.galalaw.com/post/102g9qo/influencers-to-what-extent-are-they-allowed-to-lawfully-portray-third-party-trad [https://perma.cc/693X-4A5N].

114. *Id.* Both videos specified how much the shoes cost. *Id.* Ferrari stated that Plein's posts, which featured "performers making sexual innuendos and using Ferrari's cars as props," were "per se distasteful." *Ferrari Doesn't Want Philipp Plein Putting His Brand's Wares Alongside Its Car (That He Owns)*, FASHION L. (July 30, 2019), https://www.thefashionlaw.com/ferrari-doesnt-want-philipp-plein-putting-his-wares-alongside-its-cars/ [https://perma.cc/8SWE-9GCM].

115. Bisceglia, *supra* note 113.

the public would perceive the influencer's posts as nothing more than a commercial or promotional use, rather than a use describing the influencer's life.[116] If the Plein and Sims lawsuits are any indication, various nations' courts may begin to more frequently rule against influencers who infringe others' marks.

III. INFLUENCERS' OPTIONS FOR PROTECTING THEMSELVES

In some ways, permitting trademark owners to sue influencers for direct infringement is consistent with the aims of the Lanham Act. As explained in Part II, influencers may plausibly use others' trademarks in ways that satisfy both the use in commerce requirement[117] and likelihood of confusion analysis.[118] If influencers were held accountable for infringing others' marks, liability would "reduce the customer's costs of . . . making purchasing decisions," as consumers could trust that products bearing the same mark have the same source.[119] Additionally, trademark owners, not their competitors, would "reap the financial, reputation-related rewards associated with a desirable product."[120]

To protect themselves, influencers with enough resources could turn to various strategies, including legal defenses, business relationships, and contractual provisions. This Part discusses each potential strategy in turn.

A. Acquiescence Arguments

Influencers who are sued for trademark infringement may rely on several defenses in court.[121] For example, in the *Petunia Products* case, Sims argued she is not liable due to Petunia's acquiescence.[122] This defense "limits a party's right to bring suit following an *affirmative* act by word or deed by the party that conveys implied consent" to use the party's mark.[123] As a policy matter, the acquiescence "defense prevents the trademark owner from impliedly permitting another's use of his mark and then attempting to

116. *Id.* The court prohibited Plein from using Ferrari cars or trademarks and ordered him to remove the Instagram posts. *Id.*

117. *See supra* Section II.A.

118. *See supra* Section II.B.

119. Qualitex Co. v. Jacobson Prods. Co., 514 U.S. 159, 163–64 (1995) (quoting 1 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 2.01[2], at 2–3 (3d ed. 1994)).

120. *Id.* at 164.

121. *See, e.g.*, Sims Answer, *supra* note 27, at 12–13.

122. *Id.* at 13.

123. Seller Agency Council, Inc. v. Kennedy Ctr. for Real Est. Educ., Inc., 621 F.3d 981, 988 (9th Cir. 2010) (citing 6 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 31:42 (4th ed. 2008)).

enjoin that use *after* the junior user has invested substantial resources to develop the mark's goodwill."[124]

Multiple circuits use a three-part test for acquiescence.[125] A defendant must show (1) that the plaintiff "actively represented that it would not assert a right or a claim," (2) that "the delay between the active representation and assertion . . . was not excusable," and (3) that "the delay caused the defendant undue prejudice."[126] Thus, acquiescence requires more than an unreasonable delay in litigation.[127] As the Fifth Circuit has stated, "acquiescence involves the plaintiff's implicit or explicit assurances to the defendant which induces reliance by the defendant."[128]

Sims alleged that since at least 2009, more than a dozen third parties used marks that are more similar to BROW BOOST than Brow Defining Boost, yet Petunia did not sue.[129] Based on the pleadings alone, Sims's acquiescence defense would likely fail because she did not show that Petunia actively consented. Still, the district court would have needed to examine "the parties' words and conduct and . . . the length of the delay and the degree of prejudice" to make a concrete finding.[130]

If Sims's allegations are true, they suggest that Petunia waited for the "right" defendant before moving to protect its mark. In Sims, Petunia found a defendant with at least 852,000 Instagram followers,[131] a production company,[132] and years of income as a model, author, and actress,[133] perhaps allowing Petunia to recover more money and to deter infringers more effectively than if it had sued someone else. Even if Petunia's acts did not constitute acquiescence, its decision to sue Sims may reflect a strategy of targeting "deep pockets."[134]

124. Hyson USA, Inc. v. Hyson 2U, Ltd., 821 F.3d 935, 940 (7th Cir. 2016).

125. *See, e.g.*, *Seller Agency Council*, 621 F.3d at 989; *Hyson*, 821 F.3d at 941; ProFitness Physical Therapy Ctr. v. Pro-Fit Orthopedic & Sports Physical Therapy P.C., 314 F.3d 62, 67 (2d Cir. 2002).

126. *Seller Agency Council*, 621 F.3d at 989 (quoting *ProFitness*, 314 F.3d at 67).

127. *See Hyson*, 821 F.3d at 940.

128. Conan Props., Inc. v. Conans Pizza, Inc., 752 F.2d 145, 153 (5th Cir. 1985).

129. Sims Answer, *supra* note 27, at 13.

130. *Hyson*, 821 F.3d at 941.

131. *See supra* note 18 and accompanying text.

132. Patrick Hipes, *Molly Sims Signs with UTA*, DEADLINE (Oct. 28, 2021, 11:12 AM), https://deadline.com/2021/10/molly-sims-hollywood-agency-uta-1234863853/ [https://perma.cc/E8DP-EJNC].

133. *Id.*

134. *See, e.g.*, Susan D. Rector, *An Idea Whose Time Has Come: Use of Takedown Notices for Trademark Infringement*, 106 TRADEMARK REP. 699, 700 (2016) ("Often the [e-commerce] platform is the deep pocket that plaintiffs seek to hold liable for the acts of those uploading infringing content.").

B. Business Relationships and Contracts

Outside court, some influencers may benefit from high-profile business relationships. For instance, when Kylie and Kendall Jenner promoted fake AirPods on social media,[135] Apple may have decided that the business relationship it built through its prior collaborations with the Jenners outweighed any benefits of litigation.[136] An injunction against the Jenners would stop them from posting about knockoff items,[137] causing fewer individuals to see the knockoffs on social media. But suits against influencers are in some ways a band-aid solution, as producers of the infringing goods may continue selling.[138]

Further, if trademark owners begin suing influencers more often, influencers could try to protect themselves through indemnification agreements.[139] Currently, however, indemnification clauses rarely protect influencers.[140] In fact, some agreements indemnify the brand for the influencer's actions, not the other way around.[141] The candy store Sugarfina, for example, states that influencers must indemnify the brand for:

> (i) Influencer's breach of any of its representations and/or warranties hereunder, (ii) the authorized use of the Sugarfina-Related Content or exercise of the rights granted hereunder, (iii) Influencer's use of third party products or content in performing the Services; and (iv) Influencer's negligence or willful misconduct.[142]

Due to these power imbalances, none of the influencers in the Petunia and Amazon scenarios could have expected to rely on indemnification agreements. Their actions, however, were not the same. Sims, who did not

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135. *See* Iqbal, *supra* note 46.

136. *See supra* notes 59–60 and accompanying text.

137. *See* 15 U.S.C. § 1116(a).

138. *See* Iqbal, *supra* note 46. In the case of Kylie and Kendall Jenner promoting fake AirPods on social media, the knockoff items were shipped from China to the customers. *Id.*

139. To indemnify is "to compensate for damage or loss sustained, expense incurred, etc.," or "to guard or secure against anticipated loss; give security against (future damage or liability)." *Indemnify*, DICTIONARY.COM, https://www.dictionary.com/browse/indemnify [https://perma.cc/DLG4-TGPG] (last visited Apr. 11, 2023). For a brief overview of indemnification, see *Indemnification Clauses in Commercial Contracts*, THOMSON REUTERS, https://legal.thomsonreuters.com/en/insights/articles/indemnification-clauses-in-commercial-contracts [https://perma.cc/E3Q5-GES3] (last visited Apr. 11, 2023).

140. Handler, *supra* note 14. Contracts indemnifying advertising agencies are more common. *Id.*

141. Megan Bannigan, David Bernstein, Jeremy Feigelson, Paul Rubin & Justin Ferrone, *Infringing Influencers? Federal Judge Says Sponsored Blogger Can Face Trademark Infringement Liability*, IPWATCHDOG (Aug. 17, 2021, 4:15 PM), https://www.ipwatchdog.com/2021/08/17/infringing-influencers-federal-judge-says-sponsored-blogger-can-face-trademark-infringement-liability/ [https://perma.cc/33Z4-MJ6C].

142. *Influencer Terms and Conditions*, SUGARFINA, https://www.sugarfina.com/influencer-terms-and-conditions [https://perma.cc/T8CP-B7VC] (last visited Apr. 11, 2023).

seem to know she was blogging about a potentially infringing mark,[143] likely deserved to be indemnified. On the other hand, influencers like Fitzpatrick and Kelly-Krejci—who posted about fake luxury goods—should not be able to avoid liability if they knew they were promoting counterfeit items.[144] At the very least, indemnification clauses should protect those influencers who engage in what they believe to be legitimate conduct.

IV. DISPROPORTIONATE HARM TO MICRO-INFLUENCERS

Yet if courts extend liability for trademark infringement to influencers, those with the fewest resources—micro-influencers—would likely suffer the most.[145] While macro-influencers typically have at least 100,000 followers,[146] micro-influencers have fewer, often in the realm of a few thousand.[147] Some prominent brands aggressively pursue trademark infringement suits against small businesses,[148] and the same scenario would likely play out against micro-influencers, even though macro-influencers' posts necessarily cause more consumer confusion because they reach more people.

Admittedly, micro-influencers are not always in the right. For example, Kelly Fitzpatrick and Sabrina Kelly-Krejci knew they were posting about fake luxury items,[149] unlike Molly Sims, who did not seem to know that Brow Defining Boost was possibly an infringing mark.[150] On the other hand, the harm to Dior and Gucci was lower than it would have been if an influencer with millions of followers had promoted the same goods.[151] Because intent is not a requirement for trademark infringement,[152] the

143. *See* Sims Order, *supra* note 15, at 11.

144. *See* Palmer, *supra* note 32 (stating that Fitzpatrick and Kelly-Krejci published side-by-side photos of counterfeit items and generic, non-infringing items, with Amazon links to the latter; they wrote that customers would receive the knockoff after placing an order for the generic good).

145. *See* Handler, *supra* note 14. In an interview, Alexandra J. Roberts, a law professor, said: "If you start letting companies go after those kinds of micro-influencers . . . to open them up to liability for using the company's own trademark is massively problematic to me." *Id.*

146. Roberts, *supra* note 9, at 90.

147. Sapna Maheshwari, *Are You Ready for the Nanoinfluencers?*, N.Y. TIMES (Nov. 11, 2018), https://www.nytimes.com/2018/11/11/business/media/nanoinfluencers-instagram-influencers.html [https://perma.cc/8CU3-KEBE]. Nano-influencers may have as few as 1,000 followers on social media. *Id.*

148. *See infra* Section IV.C.

149. *See* Palmer, *supra* note 32.

150. *See* Sims Order, *supra* note 15, at 11.

151. One of Kelly Fitzpatrick's Instagram accounts had 642 followers before Instagram took it down. Amazon Complaint, *supra* note 31, at 15. Still, Amazon stated that its "reputation for trustworthiness is at the heart of its relationship with customers. Defendants' actions in advertising and selling counterfeits in the Amazon store pose a threat to Amazon's reputation because they undermine and jeopardize customer trust in the Amazon store." *Id.* at 58.

152. *See* Romag Fasteners, Inc. v. Fossil, Inc., 140 S. Ct. 1492, 1497 (2020). A defendant's mental state, however, is nevertheless "a highly important consideration" in trademark infringement cases. *Id.*

Petunia and Amazon examples cannot be neatly separated. Nevertheless, this Part explains why holding influencers liable for trademark infringement would be harmful.

A. Micro-Influencers Lack Power

Despite the absence of a tradition of holding influencers liable for infringement,[153] trademark law has sometimes produced twisted results that illustrate the power imbalance between brands and influencers. For example, the bridal designer Hayley Paige Gutman, in an employment contract with the fashion company JLM Couture, licensed the trademark rights to her own name.[154] JLM Couture alleged it owned Gutman's @misshayleypaige accounts on Instagram, TikTok, and Pinterest, but Gutman disagreed and published personal posts.[155] JLM Couture sued Gutman, and in 2021, a district court issued an injunction ordering Gutman to surrender her accounts and stop using "Hayley Paige" trademarks.[156] Gutman changed her name altogether.[157]

Although Gutman's legal problems differ from those of influencers posting infringing content, her predicament illustrates that individuals may easily lose control over their careers. Like Gutman, micro-influencers would lose a lot if they suddenly became liable for trademark infringement, especially if they rely on sponsored content to cover basic needs.[158] Without

153. *See* Handler, *supra* note 14.

154. JLM Couture, Inc. v. Gutman, 24 F.4th 785, 790–91 (2d Cir. 2022). Gutman was twenty-five at the time and said she did not contact an attorney before executing the contract. *See* @allthatglittersonthegram, INSTAGRAM (Dec. 21, 2020) [hereinafter Gutman Post], https://www.instagram.com/p/CJD7CIbn7UN/. JLM, however, claimed Gutman worked with a lawyer. *See* Lauren Edmonds & Rachel Hosie, *Fashion Company JLM Couture Faces Backlash from Hayley Paige Fans After Sharing a Post Addressing Its Legal Battle with the Wedding-Dress Designer*, INSIDER (Dec. 24, 2020, 11:39 AM), https://www.insider.com/jlm-couture-responds-to-hayley-paige-on-instagram-2020-12 [https://perma.cc/V4LL-ZH3R].

155. *JLM Couture*, 24 F.4th at 789–90; *see also* Gutman Post, *supra* note 154.

156. *JLM Couture*, 24 F.4th at 793. The Second Circuit vacated the part of the order telling Gutman to surrender her accounts. *Id.* at 800–01. But the district court later reinstated a modified version of its injunction, ordering Gutman to "take any action necessary" to give JLM access to the Instagram and Pinterest accounts at issue. *See* Opinion and Order Modifying Preliminary Injunction, JLM Couture, Inc. v. Gutman, No. 20-CV-10575-LTS-SLC, 2022 WL 2914531, at *23 (S.D.N.Y. July 25, 2022).

157. She now goes by "Cheval," which means "horse" in French. The designer said: "My new name doesn't belong to just me, it's for the trail blazers, the offbeat-pathers, the ones who have been kicked around and not sure which way is up, the ones that have gone to h-e-double-hockey-sticks-and-back." Anna Lazarus Caplan, *Bridal Designer Hayley Paige Officially Changes Her Name to Cheval Amid Ongoing Legal Battle*, PEOPLE (Aug. 9, 2022, 3:14 PM), https://people.com/style/hayley-paige-changes-name-to-cheval-amid-ongoing-legal-battle-regarding-designs-social-media-identity/ [https://perma.cc/W2U8-HNL2].

158. *See* Beatrice Forman, *Wealth Inequality Exists Among Influencers, Too*, VOX (Sept. 1, 2021, 10:58 AM), https://www.vox.com/the-goods/22630965/influencer-pay-gaps-privilege-creator-economy [https://perma.cc/L5ZB-6AQU]. Brianne Patrice, head of the mental health nonprofit Sad Girls Club,

sufficient knowledge or resources to navigate complexities in contracts, sponsorships, and social media algorithms,[159] micro-influencers could fail to protect themselves in court or in agreements with brands, especially because clauses indemnifying influencers are uncommon in the industry.[160]

B. Black Influencers Are Particularly Vulnerable

On average, Black influencers earn significantly less than white influencers,[161] which makes them particularly vulnerable if they must defend themselves in costly trademark infringement suits.[162] For example, while Addison Rae, a white influencer, earns more than $69,000 per sponsored Instagram post, Collab Crib—a collective of Black influencers—split $50,000 among nine people after each one posted on TikTok.[163] Although Rae is much more popular online, social media sites have been criticized for allowing their algorithms to favor white influencers, thus exacerbating any gaps in pay.[164]

Black influencers have also voiced concerns about disparities in other practices within the industry, such as brands' decisions to send certain

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said: "Because I'm a Black woman specifically, you want to say, 'Well, I'm gonna pay you in exposure.' Exposure is not putting food on my table and keeping the lights on." *Id.*

159. *See id.*

160. *See* Handler, *supra* note 14. Although a micro-influencer would be vulnerable in the event of a trademark infringement suit, some brands are beginning to view partnerships with micro-influencers as more effective than deals with famous people to change consumers' minds. *See, e.g.*, Hanna Kozlowska, *Microinfluencers Power the Influencer Economy*, QUARTZ (May 28, 2019), https://qz.com/1622294/microinfluencers-power-the-influencer-economy [https://perma.cc/RHU4-NHT4] (reporting that consumers may trust micro-influencers more than celebrities and noting that some brands prioritize engagement, or the share of followers who like, comment, and share content, over an influencer's reach); Justin Kline, *The Power of Micro-Influencers*, FORBES (July 20, 2022, 7:00 AM), https://www.forbes.com/sites/forbesagencycouncil/2022/07/20/the-power-of-micro-influencers/?sh=411f43be385a [https://perma.cc/F5HT-6DYN] ("At a certain point, social media stars get so popular that they amass followers who might have little interest in what they have to do or say . . . . [Micro-influencers] have a specific niche that they operate within and their fans come back to them time and time again for their expertise, passion or skill within it.").

161. Kalhan Rosenblatt, *Racial Pay Gaps Are an Issue in Every Industry. Nowhere Is It Worse Than in Influencer Marketing, a New Study Says.*, NBC NEWS (Dec. 7, 2021, 10:11 AM), https://www.nbcnews.com/pop-culture/pop-culture-news/racial-pay-gaps-are-issue-every-industry-nowhere-worse-influencer-mark-rcna7770 [https://perma.cc/X7W8-D6SX] (stating there is a 35% margin between the pay of white and Black influencers).

162. Trademark infringement suits that advance to trial may cost anywhere from $375,000 to $2 million. *See* Larisa Ertekin, Alina Sorescu & Mark B. Houston, *Hands Off My Brand! The Financial Consequences of Protecting Brands Through Trademark Infringement Lawsuits*, AM. MKTG. ASS'N (Sept. 12, 2018), https://www.ama.org/2018/09/12/hands-off-my-brand-the-financial-consequences-of-protecting-brands-through-trademark-infringement-lawsuits/ [https://perma.cc/7VHD-YVGT].

163. Forman, *supra* note 158; *see also* Addison Rae (@addisonraee), INSTAGRAM, https://www.instagram.com/addisonraee/ [https://perma.cc/9CJK-BDGM] (last visited Apr. 11, 2023) (about 38.6 million followers); Collab Crib (@collabcrib), INSTAGRAM, https://www.instagram.com/collabcrib/ [https://perma.cc/9D3K-LH24] (last visited Apr. 11, 2023) (about 45,500 followers).

164. *See* Forman, *supra* note 158.

influencers free products for promotion on social media.[165] In one instance, two influencers—one white, one Black, the latter having more followers—reached out to the same brand for gifts. Whereas the white influencer received those gifts, the Black influencer "was told the brand was at capacity for 'gifting.'"[166] In light of such experiences, Black influencers report losing income to strengthen relationships with brands because they end up purchasing products they would otherwise receive for free.[167] Although some brands are taking steps to address these inequities,[168] the pay disparities suggest that holding influencers liable for trademark infringement would disproportionately harm Black influencers.

C. Brands Are Unlikely to Be Deterred from Suing

Some brands litigate aggressively against small businesses,[169] implying they may not hesitate to sue micro-influencers either. The fashion company Hugo Boss, for example, sued Boss Brewing, a Welsh brewery, for trademark infringement.[170] Hugo Boss objected to the brewery's use of "Boss" on some beer and merchandise.[171] The dispute gained media attention when the comedian Joe Lycett said he would change his name to Hugo Boss.[172] Lycett criticized Hugo Boss for forcing small businesses to spend "thousands in legal fees and rebranding."[173] Regarding Boss Brewing, he said: "It's sort of a massive company taking on a little company, and it's not fair. And nobody's going to confuse a beer with Hugo Boss."[174] Lycett,

165. Daysia Tolentino, *Black Creators Say They 'Have to Be Perfect' to Get Promotional Products from Brands. They Want That to Change.*, NBC NEWS (Dec. 27, 2022, 12:15 PM), https://www.nbcnews.com/news/nbcblk/black-creators-call-out-inequity-influencer-gifting-rcna61923 [https://perma.cc/LN9T-DJPR].

166. *Id.*

167. *Id.*

168. For example, the makeup brand Urban Decay said it will crowdsource names of influencers to include in future PR lists. *Id.* Malena Higuera, the company's general manager, said: "[O]ur team recently expanded our PR database upwards of 1,000+ names featuring influencers and consumers alike who have voiced that they, unfortunately, don't feel seen online." *Id.*

169. *See* Tim Lince & Jonathan Walfisz, *Comedian Legally Changes Name to Hugo Boss—Important Lessons for Brands*, WORLD TRADEMARK REV. (Mar. 2, 2020), https://www.worldtrademarkreview.com/brand-management/comedian-legally-changes-name-hugo-boss-what-brands-can-learn [https://perma.cc/3PZ2-EE88].

170. *Id.*; *see also Joe Lycett: Comedian Changes His Name to Hugo Boss*, BBC NEWS (Mar. 3, 2020) [hereinafter *Lycett Article*], https://www.bbc.com/news/entertainment-arts-51703859 [https://perma.cc/KBP2-A9XW].

171. *Lycett Article*, *supra* note 170.

172. *Id.*; *see also* Lince & Walfisz, *supra* note 169.

173. *Lycett Article*, *supra* note 170.

174. Amy Woodyatt, *Comedian Changes Name to Hugo Boss to Protest Brand's Treatment of Small Businesses*, CNN (Mar. 3, 2020, 5:42 AM), https://www.cnn.com/2020/03/02/uk/joe-lycett-hugo-boss-protest-intl-scli-gbr/index.html [https://perma.cc/Y65Z-3USZ].

who has more than one million Instagram followers,[175] thus shined a spotlight on a business with a far smaller online presence.[176]

In the end, Boss Brewing changed the names of two beers[177] and got rid of some merchandise. Instead of spending 300 pounds on a trademark registration, the brewery faced nearly 10,000 pounds in legal fees.[178] Co-owner Sarah John said: "I understand brand identity . . . [b]ut I think it's a bit unnecessary that this massive clothing company has gone after a small brewery."[179] Hugo Boss, meanwhile, said it was trying "to prevent potential misunderstanding."[180]

In another dispute, a folk artist in Vermont clashed with Chick-fil-A. In 2000, Bo Muller-Moore began making shirts with the slogan "Eat More Kale."[181] Chick-fil-A, which did not operate any stores in Vermont,[182] sent Muller-Moore a cease-and-desist letter in 2011, claiming the artist's slogan was likely to cause confusion with its own slogan, "Eat mor chikin."[183] The chain said it "must legally protect and defend" its trademarks, while Muller-Moore criticized Chick-fil-A for "corporate bullying."[184] He fought back and eventually registered the "Eat More Kale" mark after years of U.S. Patent and Trademark Office proceedings.[185] Muller-Moore later took a step

175. Joe Lycett (@joelycett), INSTAGRAM, https://www.instagram.com/joelycett [https://perma.cc/VBJ2-QFGL] (last visited Apr. 11, 2023); *see also* Joe Lycett (@joelycett), TWITTER, https://twitter.com/joelycett [https://perma.cc/JGW2-7FL8] (last visited Apr. 11, 2023) (about 1.3 million Twitter followers).

176. Boss Brewing Co. (@bossbrewingco), INSTAGRAM, https://www.instagram.com/bossbrewingco [https://perma.cc/N6ZK-VVHJ] (last visited Apr. 11, 2023) (roughly 3,600 followers).

177. The brewery changed Boss Black and Boss Boss to Boss Brewing Black and Boss Bossy, respectively. Robert Dalling, *Fashion Giant Hugo Boss Takes on Boss Brewing in Wales over Its Name*, WALESONLINE (Aug. 10, 2019, 9:42 AM), https://www.walesonline.co.uk/news/wales-news/fashion-giant-hugo-boss-takes-16726513 [https://perma.cc/K2CX-BUC7].

178. *Id.* As of April 2023, these costs are equivalent to roughly $360 and $12,100, respectively. *Currency Converter*, TRAVELEX, https://www.travelex.co.uk/currency/currency-pairs/gbp-to-usd [https://perma.cc/VQY5-JH74] (last visited Apr. 11, 2023).

179. Dalling, *supra* note 177.

180. Press Release, Hugo Boss, Hugo Boss Response to Channel 4 Show Joe Lycett's Got Your Back, https://group.hugoboss.com/en/newsroom/stories/statement [https://perma.cc/B8VE-AQAF] (last visited Apr. 11, 2023).

181. Jess Bidgood, *Chicken Chain Says Stop, but T-Shirt Maker Balks*, N.Y. TIMES (Dec. 4, 2011), https://www.nytimes.com/2011/12/05/us/eat-more-kale-t-shirts-challenged-by-chick-fil-a.html [https://perma.cc/VWW6-UY79].

182. Chick-fil-A still does not operate in Vermont. *See Locations*, CHICK-FIL-A, https://www.chick-fil-a.com/locations [https://perma.cc/NQ6P-DB8G] (last visited Apr. 11, 2023) (search "Vermont" under "find a restaurant").

183. Bidgood, *supra* note 181.

184. *Id.*

185. Brent Hallenbeck, *'Eat More Kale' Film Pits Vermont Entrepreneur vs. Chick-Fil-A, Entrepreneur vs. Director*, BURLINGTON FREE PRESS (Nov. 16, 2021, 8:41 AM), https://www.burlingtonfreepress.com/story/entertainment/2021/11/16/chick-fil-a-eat-more-kale-film-bo-muller-moore-documentary/6360175001/ [https://perma.cc/W827-SYPU].

back from direct involvement with T-shirt sales,[186] and Chick-fil-A began selling a kale crunch side.[187]

In 2021, a documentary questioned the David-and-Goliath characterization of Muller-Moore's dispute with Chick-fil-A, suggesting the artist did not rush to finalize his trademark registration because the drama helped boost T-shirt sales.[188] But regardless of Muller-Moore's intent, several facts distinguished his case from the Boss Brewing scenario: Vermont's then-governor publicly supported Muller-Moore and announced a fundraising effort for the artist's business,[189] pro bono attorneys assisted Muller-Moore,[190] more than 42,000 people signed a Change.org petition in his support,[191] and one of ex-governor Jim Douglas's former aides helped Muller-Moore with public relations.[192] The artist thus enjoyed far more public support than Boss Brewing.

Hugo Boss and Chick-fil-A had every right to protect their trademarks.[193] But in the above examples, powerful brands targeted small businesses whose marks would likely never have been confused with the brands' marks.[194] In the former case, Hugo Boss forced a local brewery to make substantial changes and pay a significant amount of money.[195] Though the story ended differently for Muller-Moore, the artist may have faced similar

186. *Id.*

187. *Kale Crunch Side*, CHICK-FIL-A, https://www.chick-fil-a.com/menu/kale-crunch-side [https://perma.cc/5LKE-JC5G] (last visited Apr. 11, 2023).

188. Hallenbeck, *supra* note 185. The documentary alleged that Chick-fil-A never sued Muller-Moore and barely communicated with the artist after sending its cease-and-desist letter. Lobbying groups were supposedly responsible for Muller-Moore's trademark registration delay. *Id.* In response, Muller-Moore reiterated that he simply fought to "maximize every chance" to sell T-shirts, noting that the business did not make him rich. *Id.*

189. *Vermont Supporting Kale Artist in Chick-Fil-A Fight*, TWINCITIES.COM (Nov. 12, 2015, 6:32 PM), https://www.twincities.com/2011/12/04/vermont-supporting-kale-artist-in-chick-fil-a-fight/ [https://perma.cc/62UQ-C4CM].

190. Wilson Ring, *Man Celebrates His New 'Eat More Kale' Trademark*, TODAY (Dec. 12, 2014, 12:22 PM), https://www.today.com/food/man-celebrates-his-new-eat-more-kale-trademark-1d80365071 [https://perma.cc/Z5QQ-LLUY].

191. Jeff Weinstein, *Chick-fil-A: Stop Bullying Small Business Owners*, CHANGE.ORG, https://www.change.org/p/chick-fil-a-stop-bullying-small-business-owners [https://perma.cc/EV2C-WAMD] (last visited Apr. 11, 2023).

192. Bidgood, *supra* note 181.

193. *See* OTR Wheel Eng'g, Inc. v. West Worldwide Servs., Inc., 897 F.3d 1008, 1013 (9th Cir. 2018).

194. *See Lycett Article*, *supra* note 170. Further, the misspellings in Chick-fil-A's mark and its focus on chicken, not kale, lowered the likelihood of confusion with Muller-Moore's mark for T-shirts, even though Chick-fil-A sold apparel. *See generally* GoTo.com, Inc. v. Walt Disney Co., 202 F.3d 1199, 1205 (9th Cir. 2000) ("The first . . . factor—the similarity of the marks—has always been considered a critical question . . . . Together with the relatedness of the services and the use of a common marketing channel, this first factor constitutes part of the controlling troika in the . . . analysis."). *See also supra* notes 181–83. Chick-fil-A's lack of presence in Vermont furthered lowered the likelihood of confusion, though Muller-Moore could reach out-of-staters online. *See generally Walt Disney*, 202 F.3d at 1205.

195. *See supra* notes 177–78 and accompanying text.

consequences without significant media attention[196] and the support of politicians and community members. In the context of trademark infringement, micro-influencers face a similar dilemma as small businesses because they do not have the resources to fight off Goliaths.[197] Without outside help, they are more likely to fall the way of Boss Brewing rather than celebrate a victory like Muller-Moore. Federal legislation would protect these micro-influencers from aggressive brands and frivolous, costly litigation.

V. ENACTING LEGISLATION TO LIMIT HARM TO MICRO-INFLUENCERS

The trademark issues surrounding Molly Sims's blog,[198] Kylie and Kendall Jenner's Instagram posts,[199] and Kelly Fitzpatrick and Sabrina Kelly-Krejci's online promotions of fake luxury goods[200] all suggest there is significant room for improvement in the current approach to policing influencers' uses of trademarks on the internet. As discussed above, disparities in resources will leave micro-influencers vulnerable if trademark owners choose to sue, presenting fairness concerns similar to those between brands and small businesses.

Unlike copyright law, where Congress enacted the Digital Millennium Copyright Act (DMCA) "to strengthen copyright protection in the digital age,"[201] trademark law has not evolved the same way[202] to address the troubling rise in online sales of counterfeit goods and other infringing content.[203] This Part urges Congress to adopt DMCA-like protections for trademark owners; doing so would both protect mark owners' goodwill and benefit micro-influencers by resolving more disputes outside of court.

In 2011, two attorneys—Frederick Mostert, former president of the International Trademark Association; and Martin Schwimmer, a partner at Leason Ellis—published a proposal for reducing online trademark abuses

196. In the Hugo Boss example, the company released a statement after the comedian Joe Lycett criticized the company for its litigation against Boss Brewing. *See supra* note 180.

197. *See supra* Section IV.A.

198. *See supra* notes 23–24 and accompanying text.

199. *See supra* Section I.B.

200. *See supra* Section I.A.

201. Universal City Studios, Inc. v. Corley, 273 F.3d 429, 435 (2d Cir. 2001).

202. *See* Jason R. Brege & Kelli A. Ovies, *Taking Down Trademark Bullying: Sketching the Contours of a Trademark Notice and Takedown Statute*, 12 WAKE FOREST J. BUS. & INTELL. PROP. L. 391, 397 (2012) (stating that "[t]here is no statutory equivalent in the Lanham Act" to the DMCA).

203. By using the internet, individuals can easily sell counterfeit goods or items that infringe others' trademarks. "High-resolution photographs, graphics, and images can be quickly and accurately digitally reproduced with no degradation in quality, and then disseminated worldwide, all with the click of a mouse." Rector, *supra* note 134, at 699.

through a notice and takedown procedure.[204] Their idea, the expedited dispute resolution proceeding (EDRP), combined elements of the DMCA,[205] eBay's VeRO program,[206] and the Uniform Domain Name Dispute Resolution Policy (UDRP).[207] Under the EDRP, trademark owners could file notices to internet service providers (ISPs), explaining why they believed their marks were infringed.[208] ISPs would then give "reasonable notice" to alleged infringers and remove the content at issue if the alleged infringers failed to respond. If an alleged infringer filed a counternotice, both parties could engage in an inter partes proceeding before going to court.[209] Online marketplaces could invoke a safe harbor provision,[210] which would shield them from liability if they quickly removed allegedly infringing content upon receipt of a notice.[211]

Mostert and Schwimmer called for the World Intellectual Property Organization (WIPO) to develop guidelines that Congress and other countries' legislatures could adopt.[212] As they noted, WIPO's guidelines have benefited trademark owners and consumers before.[213] However, neither WIPO nor Congress followed the attorneys' advice.[214] Now, the rise of influencers[215] provides another reason to revisit the EDRP and create a uniform, cost-efficient plan for handling trademark abuse claims on the

204. Frederick W. Mostert & Martin B. Schwimmer, *Notice and Takedown for Trademarks*, 101 TRADEMARK REP. 249, 280–81 (2011).

205. Under the DMCA, internet service providers (ISPs) can invoke a safe harbor provision, which protects them from secondary liability from copyright infringement as long as the ISP "expeditiously" removes content after receiving notice. Alleged infringers can submit counternotices if they disagree with the allegations. *Id.* at 257–58.

206. VeRO, unlike the DMCA, does not include a provision for alleged infringers to submit counternotices. *Id.* at 261. Additionally, VeRO is an internal policy, not a statute. *Id.*

207. *Id.* at 271–72. Under the UDRP, which governs domain names, a panel reviews a complainant's complaint and registrant's answer. The UDRP is best suited for "resolv[ing] the slam-dunk cases," leaving claimants the option to pursue remedies in court for ambiguous cases. *Id.* at 266–67.

208. *Id.* at 272.

209. *Id.* Although Mostert and Schwimmer wrote that "[d]iscussion of possible inter partes scenarios [was] beyond the scope" of their proposal, *id.*, they noted that inter partes proceedings under the UDRP are decided by a neutral panelist, *id.* at 265.

210. *Id.* at 273.

211. *Id.* at 257.

212. *Id.* at 280.

213. After WIPO created guidelines related to the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks, many countries adopted similar provisions. *Id.* at 280–81.

214. Rector, *supra* note 134, at 701. Nevertheless, some commentators continued to support the EDRP proposal. For instance, Susan Rector, a partner at Ice Miller, argued that notice and takedown procedures for trademark issues have become even more urgent in light of "the growth in the digital economy and the print-on-demand industry, expanded user-generated content, and, most recently, the widespread expansion of three-dimensional ('3D') printing by consumers as well as businesses." *Id.* at 699–701.

215. *See supra* notes 7–8 and accompanying text.

internet, especially because social media companies' current policies lack uniformity.[216]

Some companies, such as Tumblr, emphasize appeals as an option for alleged infringers to contest the removal of their content.[217] On Tumblr, trademark owners can submit claims that list their registration or application number and explain their claim's legal basis. In contrast to its copyright infringement policy, Tumblr does not specify that alleged infringers may file counternotices.[218] Twitter similarly lets users appeal if they believe the company improperly suspended their accounts for trademark policy violations.[219] Other social media companies take different approaches. LinkedIn, for instance, allows alleged infringers to submit counternotice forms.[220] This lets alleged infringers defend their content early on, unlike an appeal, which necessarily arises after someone's content has been removed.

Certain social media companies also encourage trademark owners to resolve issues directly with alleged infringers. For instance, Instagram emphasizes that it "can't adjudicate disputes between third parties."[221] In the event of disputes that "require an in-depth trademark analysis or a real-world dispute outside of Instagram," the company encourages trademark owners to contact alleged infringers or go to court.[222] YouTube, meanwhile, states:

> If you think your trademark is being infringed, keep in mind that YouTube doesn't mediate trademark disputes between creators and trademark owners. As a result, we strongly encourage trademark owners to speak directly with the creator who posted the content in question. Contacting the uploader may fix the problem faster in a way

216. The "uncertainty and lack of uniformity" stemming from a lack of DMCA-like protections against trademark abuses "encourages trademark bullying and other sub-optimal results because [online intermediaries] receiving takedown notices regarding infringing content are inclined simply to protect themselves by removing the content indefinitely and leaving the involved parties to resolve their dispute." Brege & Ovies, *supra* note 202, at 397.

217. *Community Guidelines*, TUMBLR (Nov. 1, 2022), https://www.tumblr.com/abuse/trademark [https://perma.cc/L4A9-C2T8].

218. *Id.*

219. *Trademark Policy*, TWITTER (Mar. 2019), https://help.twitter.com/en/rules-and-policies/twitter-trademark-policy [https://perma.cc/2NCW-JVM7].

220. *LinkedIn's Trademark Policy*, LINKEDIN (Dec. 2022), https://www.linkedin.com/help/linkedin/answer/30365/linkedin-s-trademark-policy [https://perma.cc/G5FM-V3CV].

221. *Trademark*, INSTAGRAM HELP CTR., https://help.instagram.com/222826637847963 [https://perma.cc/9TXB-8797] (last visited Apr. 11, 2023) (click on "How do I report trademark infringement on Instagram?" below the "Reporting Trademark Infringement on Instagram" subheading).

222. *Id.*

> that benefits everyone. Some creators list ways they can be contacted in their channel.[223]

Accordingly, YouTube encourages trademark owners to engage the company only after failing to reach "a resolution" with alleged infringers.[224] Thus, the approaches taken by YouTube and Instagram show a reluctance to take an active role in trademark disputes.[225]

In the absence of legislation, the lack of consistency in social media companies' approaches to trademark infringement is unsurprising. Without a uniform process, brands are left with significant discretion between demand letters—a "shot across the bow"—and litigation—the "nuclear option"—without a realistic middle ground.[226] As a result, micro-influencers can get caught in lengthy, expensive disputes,[227] regardless of the merits of a brand's infringement claim.

A process like the EDRP would provide a relatively quick and cost-effective way to handle trademark abuses by social media influencers, including promotions of counterfeit goods and other infringement.[228] The adoption of a single system for resolving disputes between trademark owners and influencers would also promote certainty,[229] which is "the cornerstone for online justice."[230] Moreover, the EDRP would strike a balance between the DMCA and the UDRP, carving out room for both a notice and comment procedure and a neutral entity to consider parties' arguments.[231] Whereas a notice and takedown procedure would give social media platforms "a legislative motivation" to remove clearly infringing posts, an inter partes proceeding would allow trademark owners and influencers to engage in discussions in thornier cases.[232] In turn, trademark owners would no longer have to only rely on demand letters and litigation,

223. *Trademark*, YOUTUBE HELP CTR., https://support.google.com/youtube/answer/6154218 [https://perma.cc/7LCX-YZ45] (last visited Apr. 11, 2023).

224. *Id.*

225. Moreover, these companies' policies paint outreach to alleged infringers as an unrealistically simple task. For example, YouTube channel owners can post content without providing an email address for any business inquiries. *Business Inquiry Emails*, YOUTUBE HELP CTR., https://support.google.com/youtube/answer/57955 [https://perma.cc/S5RR-HQPC] (last visited Apr. 11, 2023).

226. Mostert & Schwimmer, *supra* note 204, at 255.

227. *See, e.g.*, *supra* note 42.

228. Mostert & Schwimmer, *supra* note 204, at 255–57.

229. *Id.* at 281. While Mostert and Schwimmer argued for an international EDRP system, multinational issues are beyond the scope of this Note.

230. *Id.* at 255.

231. *Id.* at 271–72.

232. *Id.* at 256. Such a hybrid approach would also mitigate some of the main criticisms of the DMCA, which some view as "quell[ing] speech." *Id.* at 257.

keeping more disputes out of courtrooms and lessening the economic impact on influencers, particularly micro-influencers.[233]

CONCLUSION

On its face, the Lanham Act would likely not prevent trademark owners from suing social media influencers for direct infringement.[234] Although the dismissal of the *Petunia Products* case failed to resolve questions of influencer liability, courts may begin allowing claims against influencers whose posts promote marks that infringe others' trademarks.[235] In practice, however, extending liability for direct trademark infringement to influencers would be harmful.[236] The wealthiest influencers would likely avoid liability by relying on high-profile business relationships and other strategies.[237] Micro-influencers, meanwhile, lack the resources to protect themselves and would not have enough clout to deter brands from litigating.[238] Consequently, in today's landscape, an increase in suits against influencers may simply harm lesser-known defendants while failing to curb those infringing acts that reach the most consumers. For these reasons, a compromise is needed. A federal statute resembling the EDRP would allow trademark owners to continue defending their marks in a cost-efficient way, provide indemnity to social media companies that follow a notice and takedown procedure, and keep more disputes out of court,[239] thereby alleviating economic harm to micro-influencers when brands choose to sue.

Peter Kotecki[*]

233. Without protections against online trademark abuses, we are left with "a pro-plaintiff legal regime where the party who shoots first wins, especially in cases in which an innocent party does not have the resources to hire counsel to challenge false accusations of trademark infringement." Brege & Ovies, *supra* note 202, at 397 (footnote omitted). At the same time, a solution like the EDRP may come with its own flaws. Some commentators "believe that a 'notice and takedown' system is too blunt of an instrument, as it lacks the ability to take into account the nuanced analysis that is required of claims of trademark infringement." Sonia K. Katyal & Leah Chan Grinvald, *Platform Law and the Brand Enterprise*, 32 BERKELEY TECH. L.J. 1135, 1170 (2017). Alternatively, the United States could implement a "notice and notice" system similar to Canada's framework for copyright disputes. *Id.* Under this approach, ISPs would forward notices to alleged infringers, but they would not take down the allegedly infringing content. *Id.* at 1171. However, parties seeking to protect their trademark rights would still need to rely on courts for enforcement. *Id.*

234. *See supra* Sections II.A, II.B.

235. The lawsuit against Molly Sims, which was dismissed, did not resolve any of the questions raised about influencer liability. *See* Dismissal Order, *supra* note 28.

236. *See supra* Part IV.

237. *See supra* Section III.B.

238. *See supra* Part IV.

239. *See supra* Part V.

* J.D. Candidate (2023), Washington University School of Law; B.A. (2018), Northwestern University. I would like to thank the *Washington University Law Review* editors—especially Philip A. Eckert, Neven D. Sussman, Tiffany M. Middlemas, and Thomas R. Farrell—for their time and helpful feedback. Equally, thank you to my family and friends for their constant support throughout law school.