

How to Protect Your Brand Without Being a Trademark Bully: Lessons from The North Face and Coke

January 25, 2012 by [Julia Huston](#)



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How can the owners of famous trademarks enforce their rights without being given the dreaded “trademark bully” label? The answer lies in knowing where to draw the line, and in exercising diplomacy in letting people know when the line has been crossed.

Many brand owners tolerate minor third party uses of their marks, including unauthorized parodies, fan clubs and the like, which are undertaken in good faith. But brand owners must act to protect their rights when third parties go too far. Potential red flags include actual confusion, complaints from customers, impact on sales, and formal trademark filings by third parties. In these circumstances, a line has been crossed and trademark owners can and should consider taking action. To protect themselves from bullying accusations, however, trademark owners would do well to emphasize in all of their communications the specific “over the line” factors that drove them to action.

North Face’s 2009 lawsuit against the “South Butt” defendants illustrates these principles. The defendants claimed that their use of THE SOUTH BUTT name and “arc” logo on clothing was a parody of THE NORTH FACE. A parody defense can put brand owners in a difficult position, because no one wants to be perceived as not getting the joke. In fact, a savvy brand owner knows that embracing those in the marketplace who are poking a little fun can often make for excellent public relations. So why was filing suit the right thing for North Face to do? Because the defendants repeatedly tried to register THE SOUTH BUTT as a trademark for clothing, which could have potentially curtailed North Face’s own rights and made future policing efforts against third parties more difficult.

In contrast, the Coca-Cola fan site on Facebook did not cross any obvious lines - it was created by two guys who just happened to love Coke. So what did Coca-Cola do about these individuals representing its brand to millions of social media subscribers? It decided to make the Facebook fan page the “real thing” and sponsor its creators, inviting them to meet with Coca-Cola executives in Atlanta and collaborate on marketing initiatives. This was a brilliant (and popular) strategy because the Facebook page posed no commercial threat, and Coca-Cola was able to support its biggest fans rather than shut down their Facebook site.

So what can you learn from these examples as a brand owner? If an infringer crosses the line and you have to enforce your rights, try to stay ahead of the spin and make sure the public knows you were left with little choice. If no line is crossed, consider whether a marketing-driven approach might be preferable to legal action. While you may not be able to escape the “trademark bully” label in all situations, careful line-drawing and tailored communications can help you manage the risks and, hopefully, portray your brand enforcement efforts in a positive light.

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