

Defamation Alternatives For Suing Hoax Social Media Users

By **Charles Schafer and Ross Kloeber** (March 23, 2023)

The proliferation of false or hoax social media content targeting public figures, corporate insiders or corporate social media accounts implicates a number of challenging issues, including First Amendment rights on the one hand and defamation, trademark, copyright and privacy issues on the other.[1]

For instance, social media users impersonating Eli Lilly & Co. made hoax announcements of free insulin on Twitter last fall, and a Twitter account posing as a reporter for the Boston Globe spuriously accused Kansas City Chiefs quarterback Patrick Mahomes of illegal performance-enhancing drug use in February.[2][3]

Often, however, the most pressing questions for individuals and businesses targeted by false or hoax content are practical in nature, involving the steps required to get the content taken down quickly and to ensure protection from similar future actions.

Among other efforts, litigation against social media users generating the offending content is worth considering as part of a coordinated response.[4] The most intuitive claims, however, such as defamation and libel, often entail prohibitive drawbacks.

Most notably, because truth is an absolute defense to both claims, filing such an action typically permits discovery by defendants into the truth of the offending content. In *Montgomery v. Risen* in 2016, for example, the U.S. District Court for the District of Columbia said,

Whether in an effort to rebut [the plaintiff's] prima facie case or to establish their own affirmative defense, Defendants must be afforded an opportunity to probe the issue of truth during discovery.

Depending on the statements at issue, that discovery may be costly and invasive.

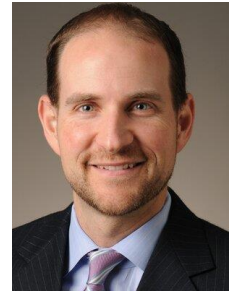
Any materials required to be produced also may be at risk of further disclosure — even when governed by confidentiality or protective orders — if the defendants are unsophisticated, vindictive or judgment-proof.

Nevertheless, as this article explores, other claims such as wrongful appropriation, trademark infringement or dilution, and copyright infringement may present viable alternatives that do not carry the same risks.

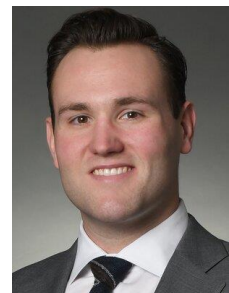
Wrongful Appropriation Claims

A claim for wrongful appropriation of name or likeness, as recognized at common law, originates from the "four branches" of the "invasion of privacy" tort expounded by Dean William Prosser over 60 years ago.[5]

As it stands, while there are variations among the states, most commonly "[t]he elements



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of an appropriation claim are 'an appropriation, without consent, of one's name or likeness for another's use or benefit,'" with courts generally recognizing that these claims are "designed to protect a person from having his name or image used for commercial purposes without consent," according to the Appellate Court of Illinois, Second District's 1998 ruling in *Ainsworth v. Century Supply Co.*

The definition of commercial use — with some jurisdictional nuance — generally leaves room for it to cover a wide range of conduct.

For example, in Illinois, which recognizes a common law cause of action for wrongful appropriation — and has codified substantially the same by statute — commercial uses are defined to include

the public use or holding out of an individual's identity (i) on or in connection with the offering for sale or sale of a product, merchandise, goods, or services; (ii) for purposes of advertising or promoting products, merchandise, goods, or services; or (iii) for the purpose of fundraising.

Similarly, in New York, commercial uses include uses for advertising purposes or for the purposes of trade, according to the New York Court of Appeals' 2000 ruling in *Messenger v. Gruner + Jahr Printing & Publishing*. Thus, where offending social media content has any nexus to commercial activity, wrongful appropriation laws may provide an avenue for relief.

By way of example, and depending on the relevant jurisdiction, false or hoax social media posts that include the name, image or likeness of others without their consent and that prompt readers to patronize a business; purchase goods or services; or donate money to a cause or organization, could support a sufficient allegation of commercial use.

Further, given that courts have recognized the commercial value of amassing large social media audiences — as the U.S. Court of Appeals for the Third Circuit did in *Hepp v. Facebook* in 2021, recognizing that a plaintiff's "sizeable social media following ... can be valuable" — an argument exists that the commercial prong could be satisfied where the content is used merely to gain or enlarge a user's social media following.

In contemplating a wrongful appropriation claim, however, there are two meaningful limitations.

First, such claims are available in most jurisdictions only to individuals, not corporations. In 2001 in *Eberhardt v. Morgan Stanley Dean Witter & Co.*, the U.S. District Court for the Northern District of Illinois said, "A corporation ... has no personal right of privacy. It has therefore no cause of action for any of the four forms of invasion of privacy."

Second, in order to limit the breadth of the wrongful appropriation tort, and avoid running afoul of the First Amendment, legislators and courts have recognized a newsworthiness exception.

For example, the claims typically do "'not apply to reports of newsworthy events or matters of public interest' even if the reports were produced with profit in mind," according to the New York Court of Appeals' 2021 decision in *Porco v. Lifetime Entertainment Services LLC*.

But the line there too can be difficult to draw, and depends on the specific circumstances. For example, as explained by the U.S. District Court for the Western District of Washington last year in *Martinez v. ZoomInfo Technologies Inc.*: "While Kareem Abdul-

Jabbar's basketball record may be said to be 'newsworthy'; its use is not automatically privileged."

Wrongful appropriation claims generally permit recovery of compensatory damages, injunctive relief and, in some jurisdictions, exemplary or punitive damages.

Because of the difficulty of establishing actual damages stemming from wrongful appropriation in most circumstances, and the risk of judgment-proof defendants, recovering compensatory damages may prove difficult.

However, the availability of injunctive relief and exemplary or punitive damages, where actual damages are difficult to prove, still may provide meaningful relief — insofar as it provides a mechanism for removing the offending content — as well as deterrent value.

Wrongful appropriation claims also present a unique discovery risk profile. Importantly, as previewed above, even where the matter published may be false, the linchpin of a wrongful appropriation claim is the commerciality, as opposed to the falsity, of the matter published.

As the New York Court of Appeals explained in *Shiles v. News Syndicate Co.* in 1970, wrongful appropriation "should have no concern with the truth or falsehood of the matters published" as "[t]he truth of the matter published does not afford a defense."

Accordingly, parties bringing claims for wrongful appropriation should have a solid basis to limit or prevent discovery from defendants into the substance of the offending content's subject matter.

Trademark or Copyright Claims

Unlike claims for wrongful appropriation, trademark and copyright claims are available to both individuals and corporate entities. While trademark and copyright claims are similar in some respects, at least one key distinction between the two categories is that trademark infringement and trademark dilution claims require a defendant's commercial use of a mark in order for it to be actionable.

Conversely, plaintiffs may bring copyright infringement claims with respect to noncommercial uses, though the commercial-versus-noncommercial nature of the use may be relevant to copyright defenses such as fair use.

Thus, in considering these theories as a response to false or hoax social media content, an effective litigation strategy requires some consideration of these differences.

Trademark Infringement

Like wrongful appropriation, trademark infringement claims require that the offending use be commercial in nature.

For illustrative purposes, in *Bosley Medical Institute Inc. v. Kremer*, the U.S. Court of Appeals for the Ninth Circuit explained that "[the defendant's] use of [plaintiff's] mark is not in connection with a sale of goods or services — it is in connection with the expression of his opinion about [the plaintiff's] goods and services" and therefore held there was no viable claim for trademark infringement.

But, also like wrongful appropriation, commercial use in this context has breadth and "does

not require any actual sale of goods and services."

Still, in order to succeed on a claim for trademark infringement, a plaintiff must be able to establish a likelihood of confusion.

Most courts, such as the U.S. Court of Appeals for the Fourth Circuit in *George & Co. LLC v. Imagination Entertainment Ltd.* in 2009, evaluate likelihood of confusion using a similar list of factors:

- The ubiquity of the plaintiff's mark;
- The similarity of the two marks;
- The similarity of the goods or services;
- The similarity of the facilities used by the markholders;
- The similarity of advertising used by the markholders;
- The defendant's intent;
- Actual confusion;
- The quality of the defendant's product; and
- The sophistication of the consumers.

But courts have found likelihood of confusion on a variety of bases.

For example, in *Hershey Co. v. Friends of Steve Hershey* in 2014, the U.S. District Court for the District of Maryland granted the Hershey Co. a preliminary injunction against then-Sen. Steve Hershey's campaign ad that included the name "Hershey" with white lettering on a brown background.

The court found that there was a likelihood of confusion because the public could be led to believe the Hershey Co. was affiliated with or supported the campaign.

Trademark Dilution

Unlike trademark infringement claims, trademark dilution claims do not require a showing that the offending use is likely to cause confusion — only that it is likely to dilute a famous trademark.

The Northern District of Illinois ruled in *Trans Union LLC v. Credit Research Inc.* in 2001 that to recover under a trademark dilution theory, a plaintiff "must establish that: (1) its logo and trade name are famous trademarks; (2) defendants' use began after the marks had become famous; (3) defendants' use 'causes dilution' of the trademarks; and (4) defendants' use is commercial and in commerce."

Thus, where the offending social media content makes use of a famous trademark, a dilution claim also may provide a viable path to relief.[6]

For example, in *National Academy of Television Arts and Sciences Inc. v. Multimedia System Design Inc.*, the U.S. District Court for the Southern District of New York found in 2021 that the Academy adequately pleaded claims for trademark dilution, as well as trademark and copyright infringement, against a social media content creator who used a subtly modified version of the Emmy statuette to "traffic in wild conspiracy theories" as "part of a video [that] honor[ed] countries that downplayed seriousness of the COVID-19 pandemic."

Copyright Infringement

The breadth of copyright protection may make it uniquely suited for addressing false or hoax social media content. "To qualify for copyright protection, a work must be original to the author," meaning "that it possesses at least some minimal degree of creativity," according to the U.S. Court of Appeals for the Second Circuit's 1998 ruling in *Acuff-Rose Music Inc. v. Jostens Inc.*

Courts have extended copyright protection to, among many other things, books, motion pictures and advertisements. Where false or hoax social media content makes references to or uses copyrighted works — like in *National Academy*, where the social media content creator paired the Emmy statuette with the creator's COVID-19 conspiracy theories — copyright infringement also may be a viable path to relief.

Fair Use and Parody

Each of the above claims — trademark infringement, trademark dilution and copyright infringement — is subject to a distinct fair use defense, which, depending on the relevant facts, may extend to parody, among other secondary uses.

The U.S. Supreme Court explained in its 1994 ruling in *Campbell v. Acuff-Rose Music* that "parody" is the "use of some elements of a [protected work or mark] to create a new [work] that, at least in part, comments on [the original]."

Secondary works may be protected from trademark or copyright infringement claims insofar as they comment on the original trademark or copyrighted work; or the author thereof.

For example, the U.S. District Court for the Northern District of California held in *Northland Family Planning Clinic Inc. v. Center for Bio-Ethical Reform* in 2012 that a video promoting an anti-abortion message, which included portions of a video from a copyrighted work showing the plaintiff extolling a pro-choice message, was parody because even though the work commented on broad social issues, it also attacked the message of the pro-choice copyrighted work.

Courts have not protected secondary works as parody, however, where they used the protected trademark or copyrighted work purely as a means for garnering attention.

To illustrate, in the *National Academy* case discussed above, the court rejected a fair use defense, finding that:

- The secondary work in question "simply appropriate[d] material from an existing work without directing its criticism at the copied work";
- The defendant's use was commercial even though the creator "may not derive direct income from its YouTube content" because the video "included links to [subscriptions] through which consumers pay for Defendant's content"; and
- The defendant could not demonstrate as a matter of law that it needed to use substantially the same statuette to convey its message.

Conclusion

These potential claims provide a range of effective tools for combating persistent or problematic hoax or false social media content that has targeted companies or public figures.

Each such avenue for relief entails a unique cost-benefit profile, and should be considered carefully given the fact-specific nature of the situation in determining which — if any — is right for the case at hand.

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[1] See e.g., D. Weiss, Would Twitter get Section 230 Immunity in lawsuits filed over fake tweets with blue checkmarks?, ABA Journal (Nov. 1, 2022) (available at: <https://www.abajournal.com/news/article/would-twitter-get-section-230-immunity-in-any-lawsuits-filed-over-fake-tweets-with-blue-checkmarks>).

[2] R. Mac, B. Mullin, K. Cogner, and M. Isaac, A Verifiable Mess: Twitter Users Create Havoc by Impersonating Brands, The New York Times (Nov. 11, 2022) (available at: <https://www.nytimes.com/2022/11/11/technology/twitter-blue-fake-accounts.html>); A. Griffin, Twitter post claiming Tesla is recalling every single car from fake Elon Musk account starts chaos, Yahoo! Finance (Dec. 22, 2022) (available at: <https://uk.finance.yahoo.com/news/twitter-post-claiming-tesla-recalling-152732135.html?guccounter=1>).

[3] B. Frank, Fact check: False claim about Patrick Mahomes drug test started with satire account, USA Today (Feb. 17, 2023) (available at: <https://www.usatoday.com/story/news/factcheck/2023/02/17/fact-check-satire-account-started-false-claim-chiefs-win-jeopardy/11274704002/>).

[4] This article does not explore the various mechanisms that many social media platforms offer for requesting the take down of content. See e.g., <https://transparency.fb.com/enforcement/taking-action/taking-down-violating-content/>. Nor does it explore litigation against social media platforms, which is subject to considerations discussed elsewhere.

[5] William L. Prosser, Privacy, 48 Calif. L. Rev. 383 (1960).

[6] In determining whether a mark is famous or not, courts are to consider the following non-exhaustive list of factors: "(A) the degree of inherent or acquired distinctiveness of the mark; (B) the duration and extent of use of the mark in connection with the goods or services with which the mark is used; (C) the duration and extent of advertising and publicity of the mark; (D) the geographical extent of the trading area in which the mark is used; (E) the channels of trade for the goods or services with which the mark is used; (F) the degree of recognition of the mark in the trading areas and channels of trade used by the

mark's owner and the person against whom the injunction is sought; (G) the nature and extent of use of the same or similar marks by third parties; and (H) whether the mark was registered." *Eli Lilly & Co. v. Nat. Answers, Inc.*, 86 F. Supp. 2d 834, 848 (S.D. Ind. 2000), *aff'd*, 233 F.3d 456 (7th Cir. 2000).