

#Trademarked: Why Hashtag Trademarks Should Stay

Social media websites have become an enormous part of our personal and professional lives because it allows an individual or company to portray, market, or advertise themselves in new and unique ways. The primary means by which this is accomplished is through the use of the hashtag symbol in social media postings.¹ The hashtag symbol has become very prevalent because it provides an organized and direct means of communication for brands and companies to consumers.² Due to their massive use in everyday contexts, it is not surprising that companies and individuals have started to seek federal trademark registrations for particular hashtags.³ Specifically, in 2015, almost 1,400 trademark applications for hashtags were filed in the world – with 1,042 of those being filed within the United States.⁴ However, the methods by which PTO examiners evaluate hashtag marks for registration and protectability and how courts have adjudicated such matters have been nothing but inconsistent.⁵

In 2013, the United States Patent and Trademark Office (USPTO) revised its Trademark Manual of Examining Procedure (TMEP) by including section 1202.18, which specifically deals with “Hashtag Marks.”⁶ Within the intellectual property world, some commentators believe that

¹ See *Using Hashtags on Twitter*, TWITTER, <https://support.twitter.com/articles/49309> (last visited Feb. 27, 2017).

² See Denise Lee Yohn, *Use Hashtags to Generate Greater Brand Engagement*, FORBES (Feb. 27, 2015, 5:10 AM), <http://www.forbes.com/sites/deniselyohn/2015/02/18/use-hashtags-to-generate-greater-brand-engagement> (last visited Feb. 27, 2017).

³ See David Allison, *Coca-Cola Seeks To Trademark Two Twitter Hashtags*, ATLANTA BUS. CHRON. (Jan. 5, 2015), <http://www.bizjournals.com/atlanta/news/2015/01/05/coca-cola-seeks-to-trademark-two-twitter-hashtags.html>; see also Emily E. Campbell, *Taco John's Claims Rights in Taco Tuesday*, PHOSITA: AN INTELLECTUAL PROPERTY BLOG (Aug. 4, 2010), <http://dunlapcoddling.com/phosita/2010/08/taco-johns-claims-rights-in-taco-tuesday.html> (“Taco John's owns U.S. Trademark Registration No. 1,572,589 for the mark Taco Tuesday.”).

⁴ Christi Schofield, *Four Factors To Consider Before Trademarking A Hashtag*, AMERICAN BAR ASSOCIATION (August 24, 2016) <http://www.americanbar.org/publications/litigation-committees/minority-trial-lawyer/articles/2016/4-factors-to-consider-before-trademarking-hashtag.html>

⁵ Roberts, Alexandra J., *Tagmarks* (July 13, 2015). California Law Review, Vol. 105, No. ____, 2017, at 52. Available at SSRN: <https://ssrn.com/abstract=2630195>.

⁶ USPTO, TMEP § 1202.18 (Jan. 2017), https://tmep.uspto.gov/RDMS/TMEP/print?version=current&href=ch1200_d1ff5e_1b5ad_3bc.html (last visited Feb. 27, 2017).

hashtags, and the accompanying text that follows them, should not be afforded trademark protection because doing so would be dangerous and unnecessary.⁷ This article will argue, however, that hashtags should be trademarked because of the critical roles they play in modern online social media advertising and marketing campaigns, and false advertising and trademark infringement cases. This comment is organized as follows: Part I will provide a background on how the USPTO revised its TMEP guidelines to specify that the inclusion of a hash symbol deserves the same legal status as any other word, term, or phrase that serves to distinguish a service or product.⁸ Part I also discusses the inconsistent approaches the USPTO has applied to its examination and registration of hashtag marks. Part II details the differing views that recent courts have taken to whether the use of a hashtag can constitute trademark use. Finally, Part III discusses the implications of these decisions and why hashtags should be registerable as trademarks.

I. Background of the USPTO’s TMEP Section 1202.18

In 2013, the USPTO amended its rules to state that a term containing the hash symbol or the term “hashtag” may be registered and protected as trademarks.⁹ The TMEP specifically defines a hashtag as being “a form of metadata comprised of a word or phrase prefixed with the symbol ‘#’” that is used to categorize the content of the accompanying text.¹⁰ The USPTO makes clear that hashtags do not generally qualify as source identifiers – and therefore as trademarks – because they “merely facilitate categorization and searching within online social media.”¹¹

⁷ See Robert T. Sherwin, # *Have We Really Thought This Through?: Why Granting Trademarks Protection To Hashtags Is Unnecessary, Duplicative And Downright Dangerous*, 29 HARV. J. LAW & TEC 455 (2016); Elizabeth A. Falconer, #*CANHASHTAGSBETRADEMARKED: Trademark Law And The Development Of Hashtags*, 17 N.C. J.L. & TECH. ON. 1. (2016).

⁸ USPTO, *supra* note 6, § 1202.18; *see also* Roberts, *supra* note 5, at 2.

⁹ USPTO, *supra* note 6, § 1202.18.

¹⁰ *Id.*

¹¹ *Id.*

Yet, a hashtag may be registrable if “it functions as an identifier of the source of the applicant’s goods or services.”¹² A hashtag mark may also be registrable if it includes a disclaimer of the “wording HASHTAG or the hash symbol in cases where they are separable from other registrable matter.”¹³ Additionally, any applicant attempting to register a hashtag mark must provide evidence to the USPTO that the mark is used in connection with the relevant good or service.¹⁴ In other words, like any other trademark, a hashtag mark must be used in commerce to be registrable.¹⁵

Some examples of hashtag registrations the USPTO has granted include:

#STEAKWORTHY for restaurant services,¹⁶ #LIKEAGIRL for providing information in the field of female empowerment, anti-gender discrimination via social media,¹⁷ and #MYCHASENATION for entertainment services, namely, conducting motorsports racing events; regulating, governing and sanctioning motorsports racing.¹⁸

The USPTO examines registration applications for hashtag marks in the same manner it does for traditional marks.¹⁹ It will permit registration if the mark contains words or phrases that function independently as a source identifier.²⁰ However, the mere addition of a hashtag symbol to an otherwise unregistrable mark will not make it registrable.²¹ Moreover, “[i]f a mark consists of the hash symbol or the term HASHTAG combined with wording that is merely descriptive or generic for the goods or services,” the entire mark will be refused as being “merely descriptive or

¹² *Id.*

¹³ See USPTO, TMEP § 1202.18(a) (Jan. 2017).

¹⁴ *Id.*

¹⁵ See USPTO, TMEP § 1202.18.

¹⁶ #STEAKWORTHY, Registration No. 4,695,901 (registered March 3, 2013).

¹⁷ #LIKEAGIRL, Registration No. 4,785,927 (registered August 4, 2015).

¹⁸ #MYCHASENATION, Registration No. 4,699,905 (registered March 10, 2015).

¹⁹ See USPTO, TMEP § 1202.18; see also Aaron Rubin and Dina Roumiantseva, *#Trademarks?: Hashtags As Trademarks Revisited*, SOCIALLY AWARE BLOG (July 18, 2016), <http://www.sociallyawareblog.com/2016/07/18/trademarks-hashtags-as-trademarks-revisited/> (last visited Feb. 27, 2017).

²⁰ See *supra* note 6.

²¹ *Id.*

generic.”²² The TMEP offers “#SKATER for skateboarding equipment” as an example of a merely descriptive mark that would not be eligible for protection.²³ Similarly, converting a phrase into hashtag form by removing punctuation and spaces will ordinarily have little to no effect on the mark’s distinctiveness.²⁴ An example of a mark the USPTO refused to grant registration on the Principal Register as merely descriptive includes #MusicVideoMonday.²⁵

While the guidelines set out in the TMEP are instructional and helpful, the USPTO has not formulated a clear policy on what constitutes an appropriate specimen for a hashtag mark.²⁶ This concern arises because hashtag marks will often appear only on social media rather than on the goods or services themselves.²⁷ TMEP states that if #SewFun were the subject of a hashtag trademark application for “instruction in the field of sewing” and it submitted a specimen that consisted of a screenshot of a social networking site that is primarily used to organize user comments about sewing classes an applicant offers, that mark would not be registrable because it failed to function as a service mark.²⁸ In light of this, the USPTO examining attorney rejected the initial specimen for #LeadershipFlow because its use did not constitute “commercial trademark use[] on the services, but rather, merely serve[d] as a topical sorting mechanism” for business topics.²⁹ Additionally, the USPTO rejected #TAKETHERIDE for beer because the mark, as displayed on the specimen, merely evidenced use as a hashtag mark for online social media.³⁰

²² *Id.*

²³ *See supra* note 13.

²⁴ *See Roberts, supra* note 4, at 29.

²⁵ Registration No. 4,718,322 (registered Apr. 7, 2015) (Supplemental Register).

²⁶ *See supra* note 19.

²⁷ *Id.*

²⁸ *See supra* note 13.

²⁹ Registration No. 46/70,399 (registered Jan. 13, 2015), first Office Action; *see also Roberts, supra* note 4, at 36.

³⁰ *See David Kohane, #Undecided: Trademark Protection For Hashtags, IPWATCHDOG* (June 24, 2016) <http://www.ipwatchdog.com/2016/06/24/undecided-trademark-protection-hashtags/id=70111/> (last visited Feb. 27, 2017).

Making clear what the nature of the services are within a particular specimen is vital to establishing legitimate use in connection with its goods or services.³¹ For example, the USPTO allowed KFC to register #HOWDOYOUKFC for restaurant services³² and S.C. Johnson to register #BESTFEELINGS for air fresheners³³ because it found the specimens submitted in support of these applications were not used as a means of merely facilitating online searching, but rather it evidenced use of the hashtag mark as a trademark.³⁴ In a non-internet context, each specimen prominently presented the hashtag mark in connection with the goods or services being offered.³⁵ The USPTO even permitted Proctor & Gamble to register #LIKEAGIRL with a screenshot of its Twitter page as a specimen for It's Always Brand.³⁶

II. Case Law Concerning Trademark Rights in Hashtag Marks

Only a handful of court decisions have dealt with the subject of trademark rights in hashtags to date, with similarly inconsistent outcomes. Although not a court decision, and thus not binding, *Coca-Cola Company v. Whois Privacy Protection Service, Inc./Thien Le Trieu, Le Trieu Thien* may potentially provide important insight and guidance on how panels and courts determine whether a hashtag mark functions as a identifier of goods or services.³⁷ Coca Cola, the complainant, commenced a Uniform Domain-Name Dispute-Resolution Policy ("UDRP") proceeding after Whois Privacy Protection Service, Inc., registered the domain *xomtu.com*.³⁸ Coca-Cola claimed that it owned the common law trademark rights in the hashtag mark

³¹ *Id.*; see also USPTO, TMEP § 1202.18, *supra* note 6.

³² #HOWDOYOUKFC, Registration No. 4,523,521 (registered Apr. 29, 2014).

³³ #BESTFEELINGS, Registration No. 4,642,340 (registered Nov. 18, 2014).

³⁴ Kohane, *supra* note 30.

³⁵ *Id.*

³⁶ U.S. Trademark Application Serial No. 86/517,834 (filed Jan. 29, 2015) (published for opposition). The specimen also displayed a single tweet, which provides a YouTube link with the comment "Send this [video] to the last person who said you do something #LikeAGirl."; see also Roberts, *supra* note 4, at 42.

³⁷ *Coca-Cola Company v. Whois Privacy Protection Service, Inc./Thien Le Trieu, Le Trieu Thien* 2016 WL 692866, Case No. D2015-2078, at *3 (WIPO Feb. 10, 2016).

³⁸ *Id.* at *1.

"#Xomtu" through its use on certain social media websites in connection with its "Share a Coke campaign".³⁹ In Vietnamese, "Xomtu" meant "gather together and have fun."⁴⁰ The Panel held that XOMTU mark could constitute a common law trademark because it functioned as an identifier of goods and services.⁴¹ In doing so, the Panel took note of Coca-Cola's position and evidence presented that there were millions of hits, likes, shares and similar consumer activities on social media that identified #XOMTU exclusively with Coca-Cola and its products and services and functioning as an identifier of source.⁴² As a result, the Panel rejected the assertion that the mark merely served as a label that facilitated searching or linking topics within social media.⁴³

The Panel also observed that the mark acquired a secondary meaning.⁴⁴ While the Panel noted that the phrase which the mark represents could be commonly used in many different contexts, it did not convey a descriptive or generic connotation of the nature of goods and services associated with the Coca-Cola's use of such mark.⁴⁵ Yet, because XOMTU was determined by the panel to be both a source identifier and have secondary meaning without the hashtag, the panel declined to address whether "#Xomtu" constituted a common-law trademark *per se*.⁴⁶

On the other hand, the first court to adjudicate whether hashtags could be trademarks took place in *Eksouzian v. Albanese*.⁴⁷ The parties involved jointly developed a compact

³⁹ *Id.* at *3.

⁴⁰ *Id.* at *7.

⁴¹ *Id.*

⁴² *Id.* at *5.

⁴³ *Id.* at *7.

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ *Id.*

⁴⁷ *Eksouzian v. Albanese*, No. CV 13-00728-PSG-MAN, 2015 WL 4720478, at *1 (C.D. Cal. Aug. 7, 2015).

vaporizer pen, but then later separated and entered into a settlement agreement.⁴⁸ According to that agreement, plaintiffs were allowed to use the terms “Cloud” or “Cloud Vapes” as trademarks, however, it prohibited the plaintiffs' use of “#cloudpen” and “cloudpenz” in association with plaintiffs' vaporizer pens as a unitary mark⁴⁹ in promotion contests on social media.⁵⁰

The California Central District Court explained its broad view that hashtags are merely functional tools, and not actual trademarks in and of themselves.⁵¹ In particular, the court found that the use of the hashtag “#cloudpen” on Instagram did not breach the parties' settlement agreement.⁵² The court reasoned that “hashtags are merely descriptive devices, not trademarks, unitary or otherwise, in and of themselves,” and that the use of the hashtag “#cloudpen” on social media was “merely a functional tool to direct the location of Plaintiffs’ promotion so that it [was] viewed by a group of consumers.”⁵³ Although the court recognized the hashtag did not constitute a contractual breach, it did note that its uses should stop “if consumer confusion is to be avoided.”⁵⁴ The court’s conclusion that hashtags are not trademarks is in direct contrast to the USPTO’s willingness to register hashtags as trademarks.⁵⁵

⁴⁸ Plaintiff and Defendant both manufactured compact vaporizers. A compact vaporizer is “a device used to vaporize the oils of commonly smoked substances, such as tobacco, to a user.” First Amended Complaint at 1, *Eksouzian v. Albanese*, No. 2:13-CV-00728-PSG, 2013 WL 6417464 at *1 (C.D. Cal.).

⁴⁹ USPTO, TMEP § 12013.05 (Jan. 2017). “Unitary Mark” is defined as a trademark in which the mark or portion of a mark creates a commercial impression separate and apart from any unregistrable component. The inquiry focuses on “how the average purchaser would encounter the mark under normal marketing of such goods and also ... what the reaction of the average purchaser would be to this display of the mark.” *Dena Corp. v. Belvedere Int’l, Inc.*, 950 F.2d 1555, 1561, 21 USPQ2d 1047, 1052 (Fed. Cir. 1991) (quoting *In re Magic Muffler Serv., Inc.*, 184 USPQ 125, 126 (TTAB 1974)).

⁵⁰ The Settlement Agreement provided: “Defendants will not use the term CLOUD standing alone in commerce as a mark.” In addition, the Settlement Agreement stated: “Plaintiffs *may* use the words CLOUD, CLOUD V, and/or CLOUD VAPES standing alone as trademarks” but “*Plaintiff may not do is create a unitary trademark* (as has been defined here) which includes CLOUD in close association with the words “pen”, “pens”, “penz”, “pad”, or “fuel.” *Eksouzian v. Albanese*, No. CV 13-00728-PSG-MAN, 2015 WL 4720478, at *1, *7 (C.D. Cal. Aug. 7, 2015).

⁵¹ *Id.* at *8.

⁵² *Id.*

⁵³ *Id.*

⁵⁴ *Id.* at n.8.

⁵⁵ *Id.* at *8.; *see supra* Part 1.

Similarly, in *AOP Ventures, Inc. v. Steam Distribution, LLC*, plaintiffs alleged that defendants infringed its federally registered DRIP CLUB trademark when they used the hashtag #DRIPCLUB in at least five online social media posts.⁵⁶ The court refused to determine whether customer confusion was caused by defendant's use of #DRIPCLUB to promote electronic cigarettes with plaintiff's DRIP CLUB mark for an identical product.⁵⁷ In declining to depart from the *Eksouzian* precedent, the court stated that plaintiff presented no adequate reasons why it should do so and then reiterated the Central District of California's position that infringement did not occur through the mere use of a trademark as a hashtag.⁵⁸

Recent court decisions, however, recognize that hashtags could play a significant role in trademark infringement and false advertising cases.⁵⁹ Over the last few months, two courts found a likelihood of confusion based on the unauthorized use of a trademark within a hashtag.⁶⁰ In *TWTB, Inc. v. Rampick*, the court found that a former licensee's use of the "Lucy's" mark within a hashtag on several social media accounts satisfied the "intent" factor for whether the use of a mark created a likelihood of confusion.⁶¹ Although the former licensee testified about the efforts it undertook to design a new logo and to avoid using the licensor's federally registered trademarks, the court held that the former licensee was "clearly holding itself out to be the same business" as the licensed "Lucy's Retired Surfer's Bar & Restaurant" through its social media accounts.⁶² The court found the evidence presented by the licensor persuasive that TWTB

⁵⁶ *AOP Ventures, Inc. v. Steam Distribution, LLC*, No. EDCV 15-1586-VAPKX, 2016 WL 7336730, at *1, *12 (C.D. Cal. Oct. 11, 2016).

⁵⁷ *Id.* at *13.

⁵⁸ *Id.*

⁵⁹ Tamany Vinson Bentz, Matthew J. Busch and Schuyler B. Sorosky, Hashtag With Caution – Or You May Get #SUED, VENABLE LLP (January 26, 2017) <https://www.venable.com/hashtag-with-caution---or-you-may-get-sued-01-26-2017/> (last visited Feb. 27, 2017).

⁶⁰ *Id.*

⁶¹ *TWTB, Inc. v. Rampick*, 152 F.Supp.3d 549, 565 (E.D. La. 2016).

⁶² *Id.*

intended to trade on the goodwill of the “Lucy’s” mark because of its continued practice of using the “#lucysnola” hashtag to advertise and promote its own restaurant.⁶³

Moreover, in *Public Impact, LLC v. Boston Consulting Group, Inc.*, the defendant used plaintiff’s federally registered trademark “PUBLIC IMPACT” in their twitter username, “@4PublicImpact,” and used the hashtag “#publicimpact” frequently.⁶⁴ The court found that defendant’s use of the username and hashtag would constitute trademark infringement due to the likelihood of confusion between the competing marks.⁶⁵ In making this finding, the court first noted that defendant failed to present sufficient evidence to show that “public impact” was generic for consulting services in light of the fact that Public Impact’s federal registration had attained incontestable status.⁶⁶ The court reasoned that “public impact” was not generic for consulting services because the two organizations provided substantially similar services.⁶⁷ The court then emphasized that the username was “almost identical to plaintiff’s mark,” and the hashtag “#publicimpact” was identical to the mark.⁶⁸ In rejecting defendant’s contention that it did not use the hashtag as a “mark,” the court recognized the heightened likelihood that a consumer, even a sophisticated one, would be confused due to the fact that the two parties competed against each other.⁶⁹ Both of these cases highlight that using of a competitor’s trademark within a hashtag may potentially create a likelihood of confusion in trademark infringement cases.⁷⁰

⁶³ *Id.*

⁶⁴ *Public Impact, LLC v. Boston Consulting Grp., Inc.*, 169 F.Supp.3d 278, 284 (D. Mass. Mar. 11. 2016).

⁶⁵ *Id.* at 290.

⁶⁶ *Id.* at 294.

⁶⁷ *Id.* at 290.

⁶⁸ *Id.*

⁶⁹ *Id.* at 294.

⁷⁰ *See TTWB*, *supra* note 64; *see Public Impact, LLC*, *supra* note 61.

At least one federal court has found that using a competitor's name or product in a hashtag on social media could deceive customers for the purposes of a false advertising claim.⁷¹ In *Fraternity Collection, LLC v. Fagnoli*, defendant, a former employee and designer, used plaintiff's registered marks "#fratcollection" and "fraternitycollection" in her social accounts to promote t-shirts that were not manufactured by plaintiff.⁷² In suing for declaratory and injunctive relief for improper use of their trademark, the United States District Court for the Southern District of Mississippi declined to dismiss plaintiff's infringement claims.⁷³ Rather, the district court found that plaintiff stated a claim for false advertising under the Lanham Act⁷⁴ and entered an order stating "hashtagging a competitor's name or product in social media posts could, in certain circumstances, deceive consumers."⁷⁵ This ruling is significant because it was the first time that a court has found that use of a competitor's mark in a hashtag, instead of being on the good or product itself, could constitute consumer deception.

III. Implications of Recent Court Decisions

A clear example of competitive use of hashtags on social media was prominently displayed in the *Fraternity Collection* case.⁷⁶ However, due to the relatively recent trend of litigation surrounding trademarks and hashtags, it is unclear how trademark law will develop or treat hashtags used for non-competitive goods and services. The traditional test for trademark

⁷¹ *Fraternity Collection, LLC v. Fagnoli*, No. 3:13-CV-664-CWR-FKB, 2015 WL 1486375 (S.D. Miss. Mar. 31, 2015).

⁷² *Id.* at *1—2.

⁷³ *Id.* at *3—4.

⁷⁴ Defendant argued that plaintiff failed to state a claim for common law trademark infringement under either Mississippi or federal law. *Fraternity Collection, LLC v. Fagnoli*, No. 3:13-CV-664-CWR-FKB, 2015 WL 1486375, at *4 (S.D. Miss. Mar. 31, 2015) ("The court agrees that Fraternity Collection may attempt to prove trademark infringement under Mississippi common law and, for the reasons already stated regarding the Lanham Act, finds that Fraternity Collection's complaint sufficiently states such a claim.").

⁷⁵ *Id.* at *4 (internal quotation marks omitted) (internal citation omitted).

⁷⁶ See *supra* note 71.

infringement is the likelihood of consumer confusion.⁷⁷ A likelihood of confusion exists when the marks of parties are similar and the goods and services of the parties are “related in such a way that the consumer is likely to believe they came from the same source.”⁷⁸ This inquiry weighs a number of factors, including the strength of the mark, similarity of the respective goods or services, similarity of respective marks, and the advertising channels used by the parties.⁷⁹ Thus, consumer confusion is unlikely to be found by courts when similar or identical marks are used for unrelated goods or services that tend to be advertised in different channels.⁸⁰ However, the use of identical hashtags, regardless of how different the promoted goods or services may be, creates a single feed of all posts under same tag.⁸¹ Unlike in the physical world, where businesses can carve out non-overlapping niches for goods or services that are unrelated, the hashtag itself operates as an advertising channel on various social media platforms.⁸² It remains to be seen how this functional aspect of hashtags will be weighed by the courts in the consumer confusion analysis.

As competition for attention among social media users increases, companies may view trending tags as becoming an increasingly prized commodity.⁸³ On the other hand, given the

⁷⁷ Overview of Trademark Law, HARVARD LAW, <https://cyber.harvard.edu/metaschool/fisher/domain/tm.htm> (last visited Mar. 21, 2017).

⁷⁸ Basic Facts: Trademarks, Patents, and Copyrights, UNITED STATE PATENT AND TRADEMARK OFFICE, <https://www.uspto.gov/trademarks-getting-started/trademark-basics/basic-facts-about-trademarks-videos> (last visited Mar. 21, 2017).

⁷⁹ These factors are often referred to as the “Polaroid Factors” because they originate from *Polaroid Corp. v. Polaroid Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961). All of the factors include: (1) the strength or distinctiveness of the plaintiff’s mark as actually used in the marketplace, (2) the similarity of the two marks to consumers, (3) the similarity of the goods or services that the marks identify, (4) the similarity of the facilities used by the markholders, (5) the similarity of advertising used by the markholders, (6) the defendant’s intent, (7) actual confusion, (8) the quality of the defendant’s product, and (9) the sophistication of the consuming public. However, while *Polaroid* is not binding on other circuits, other circuit courts use similar factors.

⁸⁰ See Dina Roumiantseva and Aaron Rubin, *#TRADEMARKS: Hashtags As Trademarks*, SOCIALLY AWARE BLOG (May 13, 2015) <http://www.sociallyawareblog.com/2015/05/13/trademarks-hashtags-as-trademarks/> (last visited Feb. 27, 2017).

⁸¹ *Id.*; see also Paul Chaney, *Using Hashtags For Ecommerce*, PRACTICAL ECOMMERCE (Oct. 8, 2013), <http://www.practicalecommerce.com/articles/59511-Using-Hashtags-for-Ecommerce> (last visited Feb. 27, 2017).

⁸² *Id.*

⁸³ See Roumiantseva and Rubin, *supra* note 80.

short-lived nature of some hashtags and the fleeting popularity of social media fads, companies would be wise to consider the long-term viability of a particular hashtag before possibly expending significant time and resources to protect it.⁸⁴ In any event, it is critical to research and discover potential conflicts before endorsing hashtags for campaigns on social media, as they may include trademark clearance searches to identify conflicting uses.⁸⁵ It may well be worth considering registering a hashtag as a trademark if it has proved to be an effective marketing tool.⁸⁶

With those considerations in mind, however, the decision in *Eksouzian* presents a delicate situation for the owners of hashtag trademark registrations.⁸⁷ If the analysis in *Eksouzian* were to be interpreted broadly by other courts, the decision could potentially invalidate trademark all protections for hashtag marks on social media.⁸⁸ For example, a restaurant would not have a claim for trademark infringement if one of its competitors used the #STEAKWORTHY mark on Twitter.⁸⁹ In a more concerning scenario, if hashtags cannot function as source identifiers, a competitor may be able to use a company's name as a hashtag—such as #PizzaHut or #Dominos—in connection with the promotion of competing goods or services without being liable for trademark infringement.⁹⁰

Since the *Eksouzian* decision was not subjected to appellate review, trademark owners could potentially be vulnerable to damage to their goodwill, and ultimately discouraged from

⁸⁴ *Id.*

⁸⁵ *Id.*

⁸⁶ *Id.*

⁸⁷ See Carrie L. Kiedroski and Charlotte K. Murphy, *Are Hashtags Capable Of Trademark Protection Under U.S. Law?*, INTERNATIONAL TRADEMARK ASSOCIATION, Vol. 71, No. 2 (Feb. 1, 2016) <http://www.inta.org/INTABulletin/Pages/AreHashtagsCapableofTMProtectionunderUSLaw-.aspx> (last visited Feb. 27, 2017).

⁸⁸ *Id.*

⁸⁹ *Id.*

⁹⁰ *Id.*

promoting, advertising, or marketing their goods and services on social media.⁹¹ Moreover, while *Eksouzian* may provide the guidance for trademark owners and legal practitioners, it is encouraged for other courts to follow the USPTO and enforce against the use of hashtag marks by third parties as long as they function as source identifiers.⁹²

The court's decision has faced heavy criticism from several commentators because it failed to consider whether the term "cloudpen" could function as a source identifier under the standard set forth by the USPTO.⁹³ While they concede that the term "pen" is considered to be descriptive of compact vaporizers, their strongest critique surrounds the lack of any analysis conducted by the court as to whether the term "cloud" could also be descriptive of such devices.⁹⁴ Another aspect which the court failed to address was whether the plaintiffs' use of #cloudpenz was also descriptive, especially in light of the defendants' federal registrations for the mark "CLOUD PENZ" for electronic cigarettes and vaporizers.⁹⁵

Due to the *Eksouzian* decision, businesses should take appropriate measures to protect their brands on social media.⁹⁶ First, in determining whether to register a hashtag as a trademark, brand owners should make all attempts to make clear that the underlying word, phrase or slogan functions as a source identifier.⁹⁷ The best means to go about accomplishing this task is to consider only registering the particular words or set of words without the hash symbol or the term "hashtag."⁹⁸ For example, had the defendant in *Eksouzian* owned a trademark registration

⁹¹ *Id.*

⁹² *Id.*

⁹³ See Alexandra J. Roberts, *Hashtags Are Not Trademarks—Eksouzian v. Albanese (Guest Blog Post)*, Tech. & Marketing L. Blog (Aug. 26, 2015), <http://blog.ericgoldman.org/archives/2015/08/hashtags-are-not-trademarks-eksouzian-v-albanese-guest-blog-post-2.htm>; *Hashtags in Trademark Law*, Cislo & Thomas LLP (Oct. 7, 2015), <http://cisloandthomas.com/hashtags-in-trademark-law>.

⁹⁴ See *id.*

⁹⁵ See *id.*

⁹⁶ See Kiedroski and Murphy, *supra* note 87.

⁹⁷ *Id.*

⁹⁸ *Id.*

for CLOUDPEN without the hashtag symbol accompanying it, the court could have potentially found that #cloudpen functioned as a source identifier.⁹⁹ Moreover, the scope of protection for the mark CLOUDPEN is broader than #CLOUDPEN, as it would unquestionably allow enforcement against use of the mark without the hash symbol.¹⁰⁰

Additionally, businesses should engage in the development and use of hashtags that do not include the company's trade name or primary brand.¹⁰¹ Should other courts ultimately decide to follow *Eksouzian*, using hashtags that avoid the use trade names or other key trademarks will help limit the infringing use of such marks by third parties in a manner that companies cannot enforce against.¹⁰² Any companies that are determined to continue using their trade name or primary trademark on social media with a hashtag should closely monitor future cases addressing this issue.¹⁰³

Finally, due to hashtags becoming enormous and valuable assets in advertising and social media campaigns, companies should contemplate incorporating language that addresses the issue of hashtags in settlement or coexistence agreements.¹⁰⁴ Doing so will likely curb costly future litigation.¹⁰⁵ For example, trademark owners seeking to prevent another party from using a hashtag similar to their trademark could include language in the agreement stating: “[COMPANY] agrees not to use or seek to register the term “[TRADEMARK]” as a trademark, domain name, social media username, or hashtag in connection with [PRODUCTS OR SERVICES].”¹⁰⁶ Likewise, a license agreement could allow or restrict the use of a term as a

⁹⁹ *Id.*

¹⁰⁰ *Id.*

¹⁰¹ *Id.*

¹⁰² *Id.*

¹⁰³ *Id.*

¹⁰⁴ *Id.*

¹⁰⁵ *Id.*

¹⁰⁶ *Id.*

hashtag to provide broader protection for trademark owners in the event that hashtags are not protected by trademark law.¹⁰⁷

IV. Conclusion

One of the main issues surrounding the TMEP's guidelines about registering hashtags as trademarks is the consistency by which they are applied to different cases.¹⁰⁸ As outlined above, the reliability by which an applicant can predict whether their hashtag mark will be approved cannot be quantified in a precise manner.¹⁰⁹ However, the lack of any clear policy can be attributed to the fact that the guidelines have not been in place for very long and that a more definite and coherent standard will be developed over time. While that may not be easy for some to hear, it is the reality of the situation.

While the future state of trademark law with regard to hashtags is far from certain, it is quite clear the USPTO intends for hashtags to be trademarked.¹¹⁰ As the USPTO properly holds, although hashtags generally do not act as source indicators,¹¹¹ they are registrable if they can function as the identifier of the source of the applicant's goods or services.¹¹² The absolute "never say never" philosophy as some commentator's advocate would be premature as to whether consumers never afford hashtags any source-identifying significance.¹¹³ The USPTO correctly stakes out the position that some situations may exist where hashtags could function as trademarks.¹¹⁴ Despite their endorsement of such a policy in Section 1208.18 of the TMEP, the court in *Eksouzian* blatantly disregarded such and determined that hashtags are merely

¹⁰⁷ *Id.*

¹⁰⁸ *See infra*, Part I.

¹⁰⁹ *Id.*

¹¹⁰ *See* USPTO, TMEP § 1202.18.

¹¹¹ *Id.*

¹¹² *Id.*

¹¹³ *See* Kohane, *supra* note 30.

¹¹⁴ USPTO, *supra* note 6, § 1202.18.

descriptive devices that do not function as a trademark.¹¹⁵ While the court's premise, that hashtags are descriptive devices may generally be correct,¹¹⁶ the decision goes too far to declare that hashtags can never function as a trademark.¹¹⁷

As *Coca-Cola*¹¹⁸, *Public Impact, LLC*¹¹⁹, *TWTB, Inc.*¹²⁰, and *Fraternity Collection*¹²¹ all demonstrate, precluding the ability for companies to protect their brands by ruling, like *Eksouzian*¹²², that hashtags cannot be trademarked would be devastating. Not only would trademarked owners be discouraged from engaging on social media all together, but competitors could potentially use a company's name in a hashtag to promote competing goods and services without any repercussions for trademark infringement.¹²³ While companies can take steps to protect themselves from future liability¹²⁴, courts should not follow the overly restrictive view taken by *Eksouzian*. If trademark law is to ever develop, it should be able to react to the changes in technology that occur naturally over time.¹²⁵ Depriving the law of responding to technological advancements not only hurts the brands associated certain companies, but more importantly it removes the primary reason for its implementation in the first place: to protect the consumer.¹²⁶

¹¹⁵ *Eksouzian v. Albanese*, No. CV 13-00728-PSG-MAN, 2015 WL 4720478, at *8 (C.D. Cal. Aug. 7, 2015).

¹¹⁶ *Id.*; see USPTO, *supra* note 6, § 1202.18.

¹¹⁷ *Id.*

¹¹⁸ *Coca-Cola Company v. Whois Privacy Protection Service, Inc./Thien Le Trieu, Le Trieu Thien* 2016 WL 692866, Case No. D2015-2078, at *3 (WIPO Feb. 10, 2016).

¹¹⁹ *Public Impact, LLC v. Boston Consulting Grp., Inc.*, 169 F.Supp.3d 278, 284 (D. Mass. Mar. 11, 2016).

¹²⁰ *TWTB, Inc. v. Rampick*, 152 F.Supp.3d 549, 565 (E.D. La. 2016).

¹²¹ *Fraternity Collection, LLC v. Fagnoli*, No. 3:13-CV-664-CWR-FKB, 2015 WL 1486375 (S.D. Miss. Mar. 31, 2015).

¹²² *Eksouzian v. Albanese*, No. CV 13-00728-PSG-MAN, 2015 WL 4720478, at *8 (C.D. Cal. Aug. 7, 2015).

¹²³ See *Kiedroski and Murphy*, *supra* note 87.

¹²⁴ See *supra*, Part III.

¹²⁵ See *Falconer*, *supra* note 7, at 41.

¹²⁶ *Id.*