

Online brand protection practices for brand owners

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Online shopping is prevalent due to the ease and convenience with which consumers can purchase goods or services. Consumer decisions to purchase branded goods or services range from the reputability of the brand and whether there is an event taking place which is endorsed by or associated with the brand for example a major sporting event, to customer reviews. Unfortunately, reputation and goodwill can easily suffer harm, and this is particularly so online, should a consumer unknowingly purchase goods or services which are either never fulfilled, or are of an inferior quality.

As regards goods, it is important to distinguish between parallel imports and counterfeit goods – parallel imports (or grey market goods) are goods bearing a trade mark which are manufactured in another country and are imported into a different country without the trade mark proprietor's consent or a licence from the trade mark proprietor. Counterfeit goods on the other hand are copies or fakes and are thereby infringing. This article concerns the sale of fake / counterfeit goods online and proactive steps brand owners can take to protect their brand online.

A safe and pleasant online shopping experience cannot be guaranteed as the internet is not policed. In addition, since domain names are registered on a first come first serve basis, requiring no proof of entitlement to register a particular domain name, infringers take advantage of this by registering domain names containing trade marks without authorisation from the brand owner. To this end, brand owners can lodge a domain name complaint with The World Intellectual Property Organisation ("WIPO") which adjudicates domain name disputes including general top-level domain names ("gTLD") for example ending in .com; or the South African Institute of Intellectual Property ("SAIIPL") which adjudicates domain name disputes concerning domain names ending in .za.

Notwithstanding the above, infringers adapt their strategies to lure consumers by impersonating the brand owner's official website, making their website look virtually identical to the brand owner's website. Strategies include using additional words or letters in combination with the trade mark in the domain name, copycat or counterfeit websites, offering for sale unauthorised and branded goods online, and relying on search engines, image searches and Search Engine Optimization ("SEO") key words to mislead consumers.

There has been a move by e-commerce platforms to protect Intellectual Property Rights. Amazon, for example, allows resellers to register their trade mark on the [Amazon Brand Registry](#) provided the trade mark is either pending or registered and specific to the country. Additionally, many social media platforms have an online complaint procedure for brand owners to follow, which includes by way of example lodging a trade mark infringement complaint, a copyright infringement complaint or a counterfeit goods complaint.

The onus however remains on brand owners to be proactive. Below are recommended practices:

Trade mark registration: Trade marks are both class and territory specific, and prior to filing a trade mark application it is important to ascertain whether the trade mark is available by conducting searches of the register in the territory/territories of interest. Once cleared, application should be made without delay since registration can take time, which time frames are dependent on the territory. Trade mark protection in the class/es relevant to the main goods and/or services is recommended, and perhaps too those classes relevant to digital and virtual goods and services. Evidence of a trade mark application and/or registration is required for brand registration on e-commerce platforms, such as Amazon. Additionally, having a trade mark registration facilitates the complaints procedure serving as *prima facie* proof of proprietorship. Brand owners might also consider trade mark watches alerting brand owners to third party marks.

Domain name registration: Since domains are registered on a first come first serve basis and require no proof of tile, it is important that brand owners secure the equivalent of their trade mark as a domain name, albeit defensively, to prevent others from doing so. A further reason is that consumers will often use a trade mark in search criteria. Therefore, it is important to ensure that search engines refer consumers to a legitimate website. On learning of a potentially infringing domain name, it is important to act promptly and obtain legal advice. Brand owners might further consider domain name watches.

Social media handles: In addition to brand owners securing the equivalent of their trade mark as a domain name, brand owners should also claim their social media handles across all social media platforms, even if not used, preventing infringers and competitors from doing so. The reason is that social media is often the point of contact between the brand and consumers.

Monitor online platforms regularly and be a difficult target: Online platforms and marketplaces, social media and search engines for unauthorised use and counterfeit products should be monitored as well as promotional activities and negative product reviews. The reason for this is that infringers will often use the same marketing techniques as authorised distributors and resellers. Where infringers see that brand owners take proactive steps to enforce their rights online lodging complaints with the relevant platforms and/or domain complaints with the relevant alternate dispute resolution authorities such as SAIPL or WIPO infringers may be less likely to target the brand in future.

Educate consumers and reputation management: Brand owners should educate consumers on what to look for when shopping online and how to verify whether a website or product being offered for sale on a website is legitimate. Brand owners should have easy procedures for consumers to lodge complaints when they have been defrauded and should keep records of complaints lodged by consumers. In our experience, good record keeping assists when online complaints are lodged against infringers and facilitates in the take-down of infringing content expeditiously.

Have clear agreements with distributors, manufacturers and resellers: Brand owners are advised to have written agreements with licensees and distributors clearly stipulating all terms, responsibilities, brand protection and ownership.

Keep active records of distributors, manufacturers and resellers: It is advisable that brand owners keep active record of authorised distributors, manufacturers and resellers. This information can be made searchable on the official website to allow consumers to verify whether a product is being sold from a legitimate source. Consider QR Codes, URL verification mechanisms or search functions on websites for consumer verification. It is also good practice to keep a visible and easy to find listing of offenders and unauthorised websites, thereby alerting consumers.

Leverage resources: Ensure clear guidelines, policies and training concerning brand usage online by employees and business partners. Informing employees and business of trends and offenders may assist in early detection of infringements.

Please contact the [Intellectual Property](#) practice area at Werksmans Attorneys for further advice.



Donvay Wegierski

Director

[View Profile](#)



Dannielle Fiff

Senior Associate

[View Profile](#)