

Don't Just Dash Off the Usual 'Nastygram'

By *Mark Sableman*

"Nastygram." "Cease-and-desist letter." "Lawyer's letter."

It goes by different names, but in the plain-English era, it should simply be called a "stop demand."

Whatever you call it, it is an essential tool for lawyers - an early, direct communication to someone who is violating your rights, demanding that he or she stop doing so.

Cease-and-desist demands are efficient and relatively inexpensive. They often stop infringement, disparagement and other wrongful conduct promptly - and in the e-mail era, sometimes within minutes. Even if the communication doesn't resolve the problem, it demonstrates that the target has been warned, and proves the deliberate nature of the target's further conduct.

I like cease-and-desist matters because they are mini-cases that move fast, and usually get resolved quickly. Federal or state litigation may take years. Arbitrations can drag on and on. Even mediations, early negotiations and other ADR techniques often take months. Cease-and-desist matters are more often resolved in weeks, and sometimes in days or hours. Where else in law can we boast of frequent prompt results?

The Standard Letter Myth

But a myth about cease-and-desist matters has impeded their full effectiveness. It is the myth that drafting a demand involves only the rote use of standard forms. How often, when an infringement of some kind has come to your client's attention, have you heard, "Send them your standard cease-and-desist letter"?

Sorry, but there is no "standard" one-size-fits-all cease-and-desist demand. Demand letters can be -

and should be - as varied as the situations they address. Think about your wardrobe and the ways you dress for different occasions. A tuxedo or evening gown may be perfect for a ball, but a swimsuit would be better attire for the beach. Claims and demands need just as wide a variety of dress and presentation. Tailoring the demand to the situation is what makes it most effective.

The Right Addressee

Let's begin with the obvious first issue - the addressee. Who you send your letter to involves matters of tone, content and strategy. Letters to expert counsel (for example, the trademark lawyer who has filed an application to register a trademark that you believe infringes your mark) can get right to the legal point. By contrast, letters to a small company's generalist counsel or the company president will need more legal background and explanation.

Who is the right addressee? It is not always obvious. When possible, I like to send to a lawyer, because I expect a lawyer to understand the seriousness of my claim and the need for action.

Too often, lay executives initially brush off "lawyer's letters" as bluster. Sometimes a letter to an executive can be bolstered with an identical letter delivered to the company's registered agent, showing that you are already thinking about official service, and suggesting that a lawsuit may be imminent if the demand is not resolved.

Relief from Intermediaries

Letters to intermediaries, like Internet service providers who facilitate infringement, can get results. Particularly where the primary wrongdoers are evasive or offshore infringers, the intermediary service provider can be your best prospect for action. Letters to the intermediaries should address their particular interests.



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For example, despite the immunities Internet service providers have from tort and copyright claims, they can be liable for contributory trademark infringement and, when presented with an explanation of their potential liability and a properly tailored demand, they will usually take down websites of their customers that infringe your trademarks.

Even where intermediaries are covered by Section 230 of the Communications Act (47 U.S.C. 230) or the Digital Millennium Copyright Act (DMCA) (17 U.S.C. 512) it may be appropriate to send them demands or notices.

Where a service provider's customer is committing a tort, the service provider, though immune under Section 230, may nonetheless be persuaded for good business reasons to take down its customer's postings. After all, Section 230 immunizes them for such "good Samaritan" screening, too.

A DMCA notice-and-takedown letter to a service provider may get the copyright infringing material taken down, and shift the burden to the infringer to get it reposted. And service providers that haven't complied with the formalities required by the DMCA can, with notice, become liable for the copyright infringement themselves.

Despite the popular term "nastygram," the tone of a cease-and-desist demand often should be anything but nasty. Often my letters take the position that I am informing the addressee about something he or she may not know or understand - the conflict with my client's trademark or the facts that make his or her past statements false and disparaging. Even with a hostile adversary, a tone of confident explanation, backed by authority and citation, may work better than any charged accusation.

The Demand

A sometimes neglected part of a demand letter is ... well, the demand. Every cease-and-desist letter should conclude with an explicit demand for specific action, and a deadline for taking the action.

I usually also seek written assurance that the requested action has been taken. Both the demand and the assurance can go beyond the known wrongful acts. If you have caught someone infringing your trademark with a domain name, it is appropriate to seek written assurances not only that he or she stopped that infringement, but also that he or she agrees not to use your mark in any website content, metatags or search engine keywords.

Do you threaten suit in your letter? I rarely do, and don't think it adds much to the letter, other than the significantly heightened risk of a declaratory judgment suit by the target of the letter, since the

letter has now created a "reasonable apprehension of suit." For the same reason, even intimations of a suit need to be carefully considered.

Suppose you send your letter, but your demand isn't satisfied. Is the letter a failure? Not necessarily, since one of your main purposes is often to establish the target's clear notice of your rights or certain facts.

An infringer with notice of the infringement becomes a willful infringer - potentially subject to treble damages under trademark law, or \$150,000 in willful infringement statutory damages under copyright law. One who defames another after having been put on notice of the truth may have acted with the crucial "knowledge of falsity" required by *New York Times Co. v. Sullivan*, 376 U.S. 254 (1964). For these reasons, your letter may become valuable evidence in later litigation.

Of course, demand letters must always be well supported factually and legally. No amount of adjectives, threats or bluster will make a weak case into a strong one. And, as some demand letter writers have learned to their chagrin, overly broad demands can even lead to sanctions. See *Online Policy Group v. Diebold Inc.*, 337 F. Supp. 2d 1195 (N.D. Cal. 2004).

One more thing. I've used the word "letter" at times in this article. But written letters are about as antiquated these days as the words "cease" and "desist." You can still send out letters, and you will need to do so when you only have a physical address. But whenever possible, send your demand by e-mail as well. You may get much faster results. And that's the whole point, isn't it?

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