

Ferretting Out Fakers: How Cryptocurrency Companies Can Protect Their Brands in Cyberspace

October 12, 2022 Erin Hennessy, Annie Allison

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Haynes Boone Partner [Erin Hennessy](#) and Associate [Annie Allison](#) authored an article in *Brave New Coin*. Below is an excerpt:

Brand imitation, hijack and infringement, are key concerns for many crypto brands - especially in an ecosystem where funds can be transferred effortlessly and anonymously. This article by IP attorneys Erin Hennessy and Annie Allison highlights the various vulnerabilities faced by cryptocurrency brands and shares tips for identifying and safeguarding against infringers.

It's been said that imitation is the sincerest form of flattery. But what happens when that adulation turns from sincere to suspicious? Imitation, or, worse, infringement, is a key concern for many brands, especially those in highly competitive consumer markets where third parties may unintentionally (or purposefully) infringe competitors' trademarks and copyrights in hopes of attracting consumers.

When it comes to brand protection, cryptocurrency companies in particular often find themselves policing their brands against not only third-party competitors, but also against scammers who may seize on a brand's trademarks, branding assets, and website content in order to steal sensitive consumer information, including financial and personal data.

Why Crypto?

Crypto brands are everywhere around us – from Super Bowl ads to ATMs to sports arenas (we're looking at you Crypto.com Arena and FTX Arena!). While cryptocurrency has yet to become a mainstream payment method, the FTC reports that crypto scams are an alarmingly common method for scammers to steal consumer cash, and since the start of 2021, more than 46,000 US consumers have reported losing over \$1 billion in crypto to scams.

The FTC notes that crypto has several features that are attractive to scammers: (i) there's no bank or other centralized authority to flag suspicious transactions; (ii) crypto transfers can't be reversed; and (iii) many consumers are still unfamiliar with how crypto operates. All of this plays into the hands of scammers and helps to explain why crypto companies in particular are prime targets for brand infringement.

Excerpted from *Brave New Coin*. To read the full article, click [here](#).