



## Client Alerts

### Protect Your Amazon Business: Navigating False Trademark Infringement Claims

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**A troubling trend has emerged on Amazon Marketplace where sellers are using trademark infringement complaints to undermine their competitors on the platform. These complaints are often baseless, but Amazon takes them very seriously. When a trademark infringement complaint is made, the targeted seller's product listing may be removed, or their account deactivated entirely, before the complaint is even proven valid.**

Knowing how harshly Amazon responds to trademark infringement allegations, unscrupulous sellers are exploiting this process to take down rival accounts. Sometimes the complaining seller owns the mark and is seeking to clamp down on its use by other sellers, even if the use is otherwise legal. Other times, the complaining seller is just one of a limited number of sellers authorized to use the mark and is seeking an advantage on the platform by removing other legitimate listings. Either way, this tactic can have severe consequences for the targeted seller, including irreparable damage to their account rating. And, if left unchecked, these complaints can ultimately lead to the deactivation of an account entirely, resulting in significant revenue losses for sellers with a diverse inventory. An unfounded trademark complaint against even a single product can lead to the targeted seller's removal from the platform, akin to shutting down an entire grocery store over an allegation about one item.

When faced with such complaints, the targeted seller must act quickly. Ignoring the complaints could prove costly, as Amazon will deactivate an account if the account's rating gets too low. The best approach is to immediately contact the complaining seller and request a retraction of the complaint. If the complaining seller refuses, the targeted seller should promptly submit documentation to Amazon proving their authorized use of the mark. Amazon provides specific channels for sellers to challenge these complaints, which are detailed in the notices sellers receive when a complaint is made.

However, sellers have found Amazon's resolution process ineffective if the complaining party refuses to retract the complaint. Further, the targeted seller may need more expedient relief, especially if deactivation seems imminent. In such cases, sellers should consider legal action. Courts understand the severe impact of low account ratings and the potential for insolvency if a seller is cut off from Amazon Marketplace altogether. By acting swiftly, a seller may obtain a court order (in the form of a temporary restraining order or a preliminary injunction order) requiring the complaining party to retract the unjustified complaint, potentially saving the account rating and avoiding deactivation. This process allows for immediate relief from a court without having to litigate through trial and relieves the targeted seller from having to completely rely on Amazon's internal complaint resolution process.

In summary, sellers need to be aware of their options when facing unfounded trademark infringement complaints on Amazon Marketplace, because there are ways to fight back against sellers taking advantage of the system.

### Related People

- Tracy J. Carson