



# How To Avoid A 'Corona Moment' For Your Brand Name

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The World Health Organization (WHO) on March 11, 2020, declared the novel Coronavirus (COVID-19) as a pandemic. This virus has affected people across 198 countries in the world, including India, and we as humankind are trying our best to contain it. But ever since the news of the deadly virus originating in Wuhan, China broke out, people seemed to confuse it with the Mexican beer, Corona.

The Google Trends Analytics shows searches for the terms "Corona beer virus", "Beer virus" and "Beer Coronavirus" in the last 30 days.

Interestingly, the Google search result for the keyword "corona" was always linked with the Mexican beer. However, ever since the news of the novel Coronavirus arrived, Google's search results have transformed significantly to showcase information related to the COVID-19.

One of the most important principles in Trademark Law is the "likelihood of confusion/association" which in simple terms means to say that the trademark is so deeply embedded in the minds of consumers or public at large that any mention of it brings to mind the Proprietor to the exclusion of all others. Such recognition could be due to factors such as extensive use, promotional and advertisement activities, quality of the product, etc.

Another important aspect considered in the likelihood of confusion is the "dominant portion of the mark" which refers to the part of the trademark which the consumer is likely to retain. In the present instance, the first part "Corona" is retained by the public and is now being used to refer to the virus/beer.

Now, while linkages such as these aren't trademark infringement, the same may have repercussions (long term or short term) to your brand. Here's how to avoid negative associations with your brand name and what to do in case you land yourself in one.

## PREVENTION IS BETTER THAN CURE

A trademark should be distinctive. It is always advisable to conduct a trademark clearance search for pre-existing trademarks on the Trademarks Register which may be in conflict, before adopting a brand name for your business.



But it is also a good idea to research on all possible meanings of the trademark, you wish to adopt, including meaning in different languages used in geographical regions, where you are or will likely expand to in the future to avoid any undesirable connotations or translations or societal sentiment. The automobile giant, Chevy Nova reportedly failed to market in Latin America as in Spanish “Nova” means “doesn’t go.”

Another way to prevent the mix-up from happening is to avoid using acronyms or short three to four letter trademarks which may be used as acronyms for various things. For example, the beverage SARS which is short for Sarsaparilla, which is the main ingredient in the drink, is also the acronym for the disease SARS (Severe Acute Respiratory Syndrome) epidemic.

### **THIS TOO SHALL PASS**

In case your brand name does become subject to the negative association, assess the situation. Is this something which will likely be retained in the minds of the people, and possibly turns them hostile to your brand or will this change? A trademark that has been around for a long time has a lot of equity in it. So, if the issue appears to be a storm that one can pass out of i.e. short-term association, stick to your name.

In the most recent instance of Coronavirus, the beer brand has decided to stay silent amidst all of the memes and discussions taking over the internet.

### **WHAT’S IN A NAME?**

When to consider rebranding

Rebranding is a costly affair, but it is better to do it timely than later. The decision whether to rebrand should depend on whether the proprietor/brand owner is commercially affected. Other factors could be, as enumerated in the point above, whether the linkage could affect the customer behavior or drastically alter their perceptions of your brand.

For example, the American Pharmaceutical company, ISIS Pharmaceuticals Inc. in 2015 changed their name to IONIS Pharmaceuticals<sup>1</sup> owing to the similarity in name with that of the Islamic Terrorist Group.

Another example of linkage with the Islamic Terrorist Group is that of the Belgium Chocolate Company.

The Belgium Chocolate Company changed its name from Italo Suisse to ISIS in 2013, but this change could not have been more ill-timed. The company quickly changed its brand name of Libeert<sup>2</sup>, after the surname of the owners.



In both instances, the impact of keeping the brand name owing to their similarity with the Terrorist group and people's sentiments after 9/11, would be longer.

In around 2016, TATA Motors after heavily promoting the launch of its car, ZICA decided to change its name owing to its similarity with the ZIKA virus, a mosquito-borne disease, and after the WHO declared it as an emergency. The new car was launched under the name TIAGO.

A diet suppressant candy, AYDS when introduced in the market in the 1930s was quite popular and endorsed and was being endorsed by movie stars. But as fate would have it, around the 1980s, the acronym for the disease Acquired Immuno Deficiency Syndrome (AIDS) came about. While the company initially resisted rebranding, but when sales significantly dropped, it rebranded to DIET AYDS distancing it from the disease. But that wasn't enough to save the brand.

Another important factor for consideration in rebranding is the industry you operate in. Some industries are more sensitive to negative associations with a disease, crisis or national sentiment, particularly sectors such as food & beverage, financial and FMCG. On the other

hand, shoes or apparel brands may be tolerant towards such a conundrum, if occurs. It could be because the average customer of the brand would not perceive any linkage which shall fuel a negative emotion about the brand.

### **Important points to note while rebranding**

Rebranding is an expensive and risky exercise as there is no guarantee that purchasers would see the new brand in the same light as the old one. Having said that, it also depends on the product under the brand name in question and the consumers. A trademark is an asset to any business and becomes more valuable, the more goodwill and equity it has in the name. Therefore, once you have decided to rebrand, these are the important points to note:

- i. Pick the right name i.e. trademark clearance searches, possible meanings, etc., as already mentioned above.
- ii. The new brand name should resonate with your customers as the old one and must be seen as a replacement and not an alternative.
- iii. Protect the new trademark by way of registrations in various jurisdictions (wherever you are/plan to expand), before it is adopted by other proprietors. Use the option of filing applications with a priority claim.
- iv. Invest heavily in PR and marketing campaigns and don't lose touch with your customers.

### **IS ANY PUBLICITY REALLY GOOD PUBLICITY?**



A negative association also means to say that people are talking about your brand and it is being retained in their minds. So, should you give yourself a pat on the back for having marketed your brand so well that it's all people can talk about or look for ways to get out of the puddle as soon as possible? The answer to the same, again depends on the gravity of the negative event that occurred. You spent years building your brand and developing a "positive" connection with your consumers. Therefore, in grave times, speak to your customers as a human and express your support as a company, so customers recognize the core values that your brand signifies.

Lastly, the negative connotations or association with your trademark can sometimes be beyond the control of the trademark owner. Therefore, be abreast of the happenings in

the world, and how it can affect your brand. It is important to have a plan of action in place before the goodwill of your brand is damaged or your trademark gets diluted.



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