Insights: Alerts

Maintaining Brand Value During This Time of Crisis

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Please note: The below information may require updating, including additional clarification, as the COVID-19 pandemic continues to develop. Please monitor our main COVID-19 Task Force page and/or your email for updates.

Needless to say, the priority for all retail brand owners should be the safety and health of their workers. Beyond that immediate priority, the Retail & Consumer Goods Industry Team here at Kilpatrick Townsend thought we should share our collective observations about how retail and consumer brands are conducting themselves during this COVID-19 crisis while still maintaining brand value and recognition in the marketplace.

1. From all accounts, brands are still connecting with existing and new licensees/distributors for new product extensions, or expanded channels. Other brands are considering additional ways to be proactive. See 3 Strategies for Strengthening Brands Amid Coronavirus Uncertainty (sourced from Licensing International - info@licensing.org).

2. Many brands are also transitioning into new areas to assist with the fight against COVID-19 (see Practical Considerations for Manufacturers Pivoting to PPE Production to Combat COVID-19 Pandemic), and the government has extended legal immunity to encourage such innovation. See Legal Immunity: A Reward for Innovators Combatting COVID-19. Indeed, many retail and consumer goods brands are donating or otherwise reconfiguring their manufacturing/supply chains to make and provide medical supplies, scrubs, and masks to the medical community around the world. See COVID-19: These Fashion and Beauty Brands are Mobilizing to Solve Shortages. Others in the media are working with the Ad Council to create PSAs about COVID-19 to their respective online communities.

3. Many brands have not slowed down with their trademark and patent filing programs for new product launches. These brands are planning now for later in the year and beyond when hopefully the COVID-19 virus will no longer be a crisis.

4. Unfortunately, despite the crisis, brands have increasingly been dealing with data security issues. We've read about an increase in data breach activity at all levels in the supply chain during the COVID-19 crisis. Consequently, brands have had to test and re-inforce their data security vulnerabilities in order to maintain customer loyalty and trust in the security of their online marketplace presence. Although monitoring privacy developments may not be at the forefront at this moment, protecting customer data, maintaining

customer loyalty, and securing the brand's online marketplace presence is an ever present concern.

5. Now is the time to build goodwill. Traditional marketing activities may be on hold, and the imagery and messaging of pre-pandemic marketing materials out of step with these extraordinary times. In light of this, brands have been modifying their marks and media messaging to be sensitive to the current crisis and to send the right messages to the marketplaces.

We applaud our many clients who have stepped up to the plate during the pandemic. And we know your immediate business priorities may have nothing to do with the recent retail and consumer brand trends discussed above. For that reason, we have numerous resources, including a COVID-19 Task Force available for a variety of other legal needs. You can visit our COVID-19 Task Force page if you require immediate assistance.

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