

Small Businesses HIT BACK: Making Brands Pay When They Mislead Judges

Law firm sees high frequency of misleading claims by big brands to halt competition on Amazon

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/EINPresswire.com/ -- Increasingly, brands resort to dirty tactics to drive away competitors. One way they do so is to seek a Temporary Restraining Order (TRO) from a federal court that

forces Amazon to shut down their competitors' storefronts. These brands often present false or exaggerated copyright or trademark infringement complaints to convince courts to issue these orders. TROs are issued in secrecy, based on the representations of lawyers who represent these brands who submit their applications to the courts without even notifying the sellers they are trying to shut down. The courts issue these injunctions without knowing the amount of the accused sellers' sales, whether the products are genuine, or any other important details because they only hear from the lawyers for the brands before they issue the TROs.

The law requires these lawyers' brands seeking these injunctions to post money bonds to compensate sellers that are wrongfully subjected to the TRO. However, these bonds have historically been as low as \$10,000 which is often just a fraction of the actual damages caused to sellers whose accounts have been frozen. However, now that more sellers are hiring [Rosenbaum, Famularo & Segall, P.C.](#) to fight back against these wrongful injunctions there has been a steep increase in the amount these brands are being required to post. In [one recent case](#), the court ordered the brand to post a bond of a quarter of a million dollars, twenty-five times the usual amount.

The lawyers at [amazonsellerslawyer.com](#) believe that this huge increase in the size of the required bond is the direct result of decisions such as the one recently issued by the United States District Court For The Southern District Of New York in Pinkfong v. The Primrose Lane. There, the court ordered the brand to pay damages to compensate an innocent seller for lost sales, legal fees, and the work, time, and effort it took to comply with the wrongfully issued TRO.

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