The New Frontier: Social Media and Employment Law





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What is Social Media?



Social media refers to the congregation and communication of people connected through Internet communities



How Does Social Media Affect Employers?



The explosion in use of social media in our society has created exciting new opportunities and dangerous challenges for employers



Examples of Social Media





Facebook Company Statistics

- More than 500 million active users of Facebook
- 50% of active users log on in any given day
- More than 1 million websites have integrated with Facebook

(Facebook statistics webpage 10/19/10)



Facebook User Statistics, Cont'd

- Average user has 130 friends
- People spend over 700 billion minutes per month on Facebook
- There are more than 150 million active users currently accessing Facebook through their mobile devices
- People that access Facebook on their mobile devices are twice as active on Facebook than non-mobile users

(Facebook statistics web page 10/19/10)



How Are Employers Using Social Media?

- Hosting their own company sites
- Encouraging employees to use social media to:
 - 1) Actively promote the company
 - 2) Enhance business relationships
 - Foster the exchange of useful, non-confidential business information
- Recruiting
- Investigation and termination of employees



Employers are Blogging!





Employers are Facebooking!



Recruiting:



A Great Tool with Risks

53% of employers use social networking sites to research potential employees, and 2 out of 5 admit finding information that led them not to extend an offer

(January 2010 survey from CareerBuilder.co.uk)

Find out what the Applicant is really like . . .

Fabricated Credentials!

Questionable Judgment?





But at what risk?



Revoking Offers

A soon-to-be Cisco employee posted the following tweet on Twitter:

Cisco just offered me a job! Now I have to weigh the utility of a fatty paycheck against the daily commute to San Jose and hating the work.

Tim Levad at Cisco saw the tweet, and tweeted him back:

Who is the hiring manager? I'm sure they would love to know that you will hate the work. We here at Cisco are versed in the web.

This post went viral overnight and became an internet sensation. The offer was subsequently rescinded.

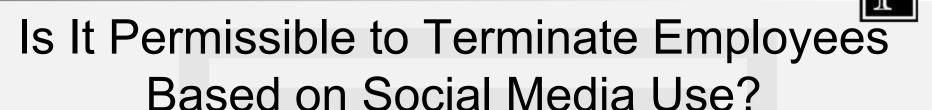


Investigations and Terminations



Social Media:

- Helps employers investigate misconduct
- May provide a basis for terminations
- Creates a potential treasure trove of evidence to support employer claims and defenses in trade secret and other employment-related cases



"Dear Abby:

My wife was hired for an administrative position. On her first day of work, they called her into the human resources director's office and told her she was being "let go" because of her website.

The site has photos of her when she worked as a model for a large department store. They are in no way provocative or overly revealing. Photos of our children are also on the site.

The HR director told her that one of the other (internal) applicants had Googled her and had seen the site. An image so upset the other applicant that she made a formal complaint, which caused my wife's dismissal!

We consulted a lawyer and contacted the local Equal Employment Opportunity Commission only to be told that North Carolina is an "at will" employment state and that the employer did nothing wrong. We feel their actions were wrong. Is there anything that can be done? – Yankee in Confederate County

"Dear Yankee:

I'm sorry, but the answer is no. In most states there is a presumption of "at will" employment unless you have a written contract to the contrary. However, the employer cannot terminate an employee for an illegal reason – such as age, religion, gender, sexual orientation or a disability. It does not appear from your letter that your wife was terminated for an illegal reason, but what happened stinks anyway."

May 3, 2010, syndicated newspapers

Examples of Permissible Terminations



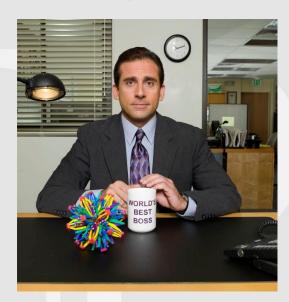


Certain courts have upheld terminations based at least in part on Internet searches of social media sites

- Marshall v. Mayor / Savannah
- Snyder v. Millersville University



Use Caution When Terminating Employees . . .



- Discrimination/Equal Enforcement
- Discovery of Protected Status (Sexual Orientation, Disabilities, Religious Affiliation, Pregnancy, etc.)



Use Caution When Terminating Employees, Cont'd

- Protection of legal off-duty activities (such as under state law – i.e., California and New York)
- National Labor Relations Act union protections
- Whistleblower protection
- Konop v. Hawaiian Airlines



Dangers of Social Media Use to Employer



Potential Legal Liabilities and Serious Business Issues for Employers



- Employees' defamation of co-workers or others
- Trade libel or harm to reputation of employers or competitors
- Postings that embarrass or harm the employee, co-workers or the employer



- Improper disclosure of trade secrets or confidential/proprietary business information
- Harassing or discriminatory communications
- Lawsuits and discoverable information
- Securities fraud
- Waste of employee work time



More Dangers to Employers: Page 1 Employers: Page 2 Employers:



- FTC Guidelines re employee endorsements or testimonials
- False advertising (Lanham Act)
- Failure to disclose material connections between advertiser and endorsed company



Employees' Right to Privacy



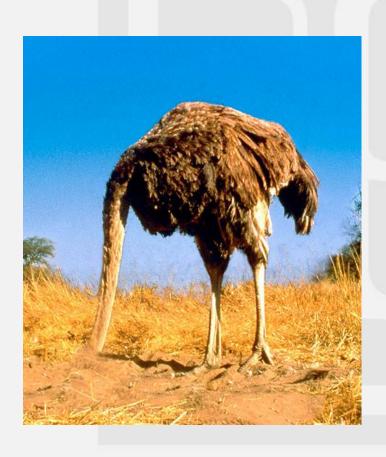
- Right of Privacy under state law (such as California constitutional right of privacy)
- Common law privacy rights
- Federal Stored Communications Act
- Computer Fraud and Abuse Act
- City of Ontario v. Quon
- Pietrylo v. Hillstone Restaurant Group



Does Your Company Want to Be...

Like This?

Or Like This?







Should Your Company Develop a Social Media Policy?

- Yes, Coordinate with other related policies such as policies on e-mail, Internet and electronic media usage, code of business conduct, and discrimination/harassment
- Address the fundamental issue of company culture and approach to social media use by employees, i.e. to embrace and encourage it or be wary of it, or some combination of the two.



Issues to Consider in Drafting a Policy

- Determine how much personal use of social media during work time, if any, is acceptable
- Require disclosure/approval of company-related content
- "Friending" of bosses, managers, subordinates, and clients, whether of the same sex or opposite sex
- Reserve the right of the company to monitor employee use of social media while at work or while using company electronic devices
- Include the right to hold employees accountable for use on their personal devices and/or while on non-work time where the company's business interests are implicated



Additional Policy Issues

- Specify uses of social media that violate company policy or legal requirements
- Emphasize the use of common sense and good judgment when using social media in a way that affects the company, its customers or its employees





Monitoring and Enforcement

- Decide what monitoring the employer will do and by whom
- Training
- Active and consistent enforcement of your policy
- Future revisions





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