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Internet Defamation and the Banking Industry

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With an industry-wide focus on enterprise risk management, and with the particular vulnerability of banks to the adverse impact of “reputation risk,” it is important that banks understand and take appropriate steps to mitigate risks associated with internet defamation. Online reputation attacks, including internet defamation, are affecting all industries and professionals. Banks, –including community banks,– are not immune from being attacked and disparaged online.

Generally speaking, reputation-based attacks come from many sources, including actual consumers, competitors, and disgruntled former employees, to name a few. Bad actors can seek to cause harm to businesses and associated professionals by, among other means, posting harmful online reviews – such as on scam reporting websites – and, of course, through posts on social media.

While legitimate consumer reviews are frequently less harmful than those attacks by disgruntled parties with a bad motive, it is easy to see how the former can play out online in the banking industry context: a person gets upset after being turned down for a loan and turns to the internet to post false and defamatory remarks, out of spite; or a person gets angered by various fee charges and goes online to dissuade others from using that bank.

A person seeking to damage the reputations of a bank and/or its professionals online basically just requires access to the internet. There are countless forums on which a person can defame a bank or banking professional, and damaging content can be published in a matter of seconds or minutes.

A simple post on Twitter or Facebook can do the trick, or perhaps someone might file an online complaint with the Better Business Bureau (<http://www.bbb.org>). Other common forums include online review giant Yelp and leading scam reporting websites Ripoff Report and P*ssed Consumer, the sites focused on for the remainder of the article. While internet libel can be problematic for banks and associated

professionals, there are ways of getting the content removed.

Removing Defamation from Ripoff Report

Ripoff Report is perhaps the biggest name among scam reporting websites – and likely the most notorious, too. Ripoff Report posts tend to rank highly and it is the website’s policy never to remove any content – even false and defamatory content- upon its author’s personal request.

A person angered by a bank or someone affiliated with a bank can easily submit a false Ripoff Report posting and cause major damage to the subject(s) of the post. Given the high domain authority of Ripoff Report, many posts – certainly including false and defamatory Ripoff Report reviews – can rank high atop a bank’s search results.

Given the frequency with which people turn to Google or Bing to research companies, this can easily turn away prospective customers. Therefore – although it is not presently possible to have a Ripoff Report removed altogether – there is a way to get Ripoff Report links removed from search results.

In short, this process involves obtaining a court order and submitting it to the search engines. Google has an online submission process, whereas Bing – a bit more informally – presently accepts Ripoff Report removal requests via email.

Obtaining a court order (which involves filing a lawsuit) and having Google and Bing potentially de-index the offending links is effectively as good as having the content pulled from Ripoff Report itself – at least as to the potential customer browsing online.

Removing Defamation from P*ssed Consumer

P*ssed Consumer is also a top destination for, not only upset consumers, but also other disgruntled parties, including competitors. While this website also ranks relatively highly, the website does offer means of having content removed from its actual website.

P*ssed Consumer does accept court orders, as well as notarized letters (i.e. affidavits). The letters must come from the authors of the particular posts, who must identify themselves as the authors, admit the statements are false, request removal of them, and have their letters notarized.

Of course, this process is only effective to the extent that an author is known or able to be identified and ultimately persuaded to submit such a letter (such as through a demand letter when the harmed party has a strong legal basis to pursue claims against the individual).

P*ssed Consumer also recently established an arbitration program that can be more efficient and does not require filing a lawsuit or identifying the author.

Removing Defamation from Yelp

It is no secret that Yelp reviews can be troubling to certain businesses. After all, any business with a small number of reviews is likely to suffer from a sampling bias, where reviews tend to be disproportionately negative.

To be clear, a negative review does not lend itself to any claims for defamation unless the content is actually false and causing harm. The website does offer means for business owners or managers to interact with an author of a review, so there may be an opportunity to reconcile with an unsatisfied customer.

In the banking context, it is easy to envision the aforementioned disgruntled party who was denied a loan publishing a harmful Yelp review and launching attacks on specific individuals. Yelp's Content Guidelines, however, generally prohibit posters from posting others' full names.

When this happens, such as the defamation of a bank executive, a bank's attorney or representative can contact Yelp and explain how its guidelines have been violated by the poster naming someone personally in his or her review. This action will likely result in the removal of the review (defamation against a bank itself can also result in removal).

In addition, there are statutory penalties for publishing false information concerning a banking institution that may come into play.

Conclusion

In sum, internet defamation is hurting organizations and professionals from all industries, with banking not being an exception. Defamatory content, such as high-ranking posts on Ripoff Report and P*ssed Consumer, can heighten reputation risk and can result in a loss of business.

While each situation is fact-dependent, there are ways of getting content removed from the internet, and the above text is a quick snapshot of how this process can play out.

If your bank is being harmed by online defamation, or are seeking further information about the processes outlined above, please contact your Vorys lawyer or Whitney Gibson at 513.723.4823 or wcgibson@vorys.com.