

Intellectual property and sport

Section C: Ambush marketing

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Chapter 3: Protection of special symbols

The first stage in protecting sponsors of major events is to give protection to the logos, symbols and words most closely connected to the event. In some countries, this protection has existed, in relation to the Olympics at least, for many years. The insignia of an increasing number of events are now protected in countries around the world, but the protection of the Olympics insignia is the basis for other protection.

Learning outcomes

Having completed this chapter and the relevant readings you should be able to:

- ☐ discuss the Nairobi Treaty and its successes and failures
- ☐ explain the signs protected by the Olympic symbols in the United Kingdom
- ☐ explain in outline the rules of infringement for Olympic symbols
- ☐ explain in outline the exceptions to infringement
- ☐ give examples of the protection given to the symbols and indicia of sporting events in other countries.

Essential reading

- ☐ Johnson, Chapter 4.
- ☐ Jacob, R. 'Trade marks and the Olympic Games throughout the years' (2001) EIPR 1.
- ☐ Pina, C. and A. Gil-Roble 'Sponsorship of sports events and ambush marketing' (2005) EIPR 93.

3.1 The Olympic symbols

The Olympic Charter sets out what it calls the Olympic properties and states that the rights in those properties belong exclusively to the International Olympic Committee (IOC), which may licence them for profit-making, commercial and advertising purposes. These properties are:

- ☐ the Olympic symbol
- ☐ the Olympic flag
- ☐ the Olympic motto
- ☐ the Olympic emblems
- ☐ the Olympic anthem
- ☐ the Olympic flame
- ☐ the Olympic torch
- ☐ any Olympic designations.

The Charter itself does not provide any legal protection for these properties. Indeed, it could not provide such protection as that is a matter for municipal law, not the charter of an international organisation. For this reason, the IOC requires its members (and national organisation committees) to take all appropriate steps to try and obtain protection for the Olympic properties for itself.

3.2 Nairobi Treaty

The Nairobi Treaty on the Protection of the Olympic Symbol 1981 is administered by the World Intellectual Property Organisation. The purpose of the Treaty is to make the commercial use of the Olympic symbol conditional on the authorisation of the IOC. There are two obligations on contracting parties under the Treaty. The first is to refuse to register, or to invalidate the registration of, a trade mark which consists of or contains the Olympic symbol. This applies whether or not the use of the registered trade mark would be for commercial or non-commercial purposes. The second obligation is to take appropriate measures to prohibit the use of the Olympic symbol as a mark where that use is for commercial purposes.

There are two exceptions to the right. The first protects prior use of the Olympic symbol where a person has registered a mark consisting of the Olympic symbol prior to the entry into force of the Treaty (e.g. Olympic airlines) or where a person started using the symbol lawfully for commercial purposes prior to the entry into force of the Treaty. The second exception allows for states to permit the use of the Olympic symbol by the mass media for the purposes of providing information on the Olympic movement or its activities.

Activity 3.1

Explain why the Nairobi Treaty has not been widely adopted.

Feedback: p.20.

3.3 Protection of the Olympic symbols in the United Kingdom

The United Kingdom is not a party to the Nairobi Treaty. It does, however, give protection to the Olympic symbol by reason of the *sui generis* Olympics association right under the Olympic Symbol etc. (Protection) Act 1995. This has also been extended to the Paralympics by the creation of a separate Paralympics association right by the London Olympic Games and Paralympics Games Act 2006.

The Olympics association right confers exclusive rights in the Olympic symbol, the Olympic motto and the protected words; the Paralympics association right confers exclusive rights in the Paralympic symbol, the Paralympic motto and the protected words. The British Olympic Association was the sole proprietor of the Olympics association right between 18 October 1995 and 12 May 2006, but from 12 May 2006 the British Olympic Association and the London Organising Committee became joint proprietors of that right. Similarly, the British Paralympic Association and the London Organising Committee are joint proprietors of the Paralympics association right.

3.3.1 Infringement

The Olympics and Paralympics association rights are infringed where a person uses a controlled representation without the consent of the proprietor. The definition of a controlled representation is the use in the course of trade of:

- ☐ a representation of the Olympic/Paralympic symbol, the Olympic/Paralympic motto, or a protected word,

- a representation of something so similar to the Olympic/Paralympic symbol or Olympic/Paralympic motto as to create in the public an association with it, or
- a representation of a word so similar to a protected word as to be likely to create in the public mind an association with the Olympic/Paralympic Games or Movement.

The primary requirement is that a person ‘uses’ a controlled representation. Such use has to be in the course of trade to infringe. In relation to trade marks this means the sign is used in the context of a commercial activity with a view to economic advantage, and not as a private matter. This meaning is derived from decisions of the European Court of Justice,¹ which are **not** binding in relation to whether a controlled representation was used in the course of trade.

¹ C-206/01 *Arsenal Football Club Plc v Reed* [2002] ECR I-10273; [2003] 1 CMLR 12.

In relation to trade mark infringement there is a requirement that a particular use of a sign was use as a trade mark – so as to indicate origin – rather than as a badge of support, loyalty or affiliation.² It is unlikely that the courts would imply a requirement that a controlled representation be used as a trade mark (i.e. as an indication of origin) to infringe. In this regard it is important to remember that the Olympics association right was created to protect merchandising and prevent ambush marketing and to enable merchandising deals to be exclusive, and so trade mark use is probably irrelevant.

² Using the words of Laddie J in *Arsenal v Reed* (2001) ETMR 77, para. 58.

Activity 3.2

Explain why the absence of a ‘trade mark use’ requirement is suggestive of the Olympic association right being a merchandising right.

Feedback: p.20.

3.3.2 Likelihood of association

The protection of the Olympic sign and motto is different from that for the protected words. A representation which is so similar to the sign or motto is infringing if it creates an association with the **sign or motto**, whereas a representation using a word which is so similar to a protected word infringes if it creates an association with the **Olympic Games or Olympic Movement** (and not the protected word). It is not clear what ‘likelihood of association’ with the Olympic symbol, motto, Games or Movement would mean. But the protection of controlled representations is not intended to protect the origin function of the symbol, but to protect broader merchandising rights, and so the likelihood of association must extend to non-origin association.

Challenges by the British Olympic Association

The London Organising Committee of the Olympic Games (LOCOG) has provided examples of where the British Olympic Association has previously relied on the Olympics association right successfully. These include:

- adverts for an ‘Olympic Sale’
- clothing with ‘Olympic Athletic Dept’, ‘Official Olympic’, ‘Olympia’ on them
- gyms advertising ‘Olympic Try-Out’ promotions
- the promotion of an ‘Olympic Bonus Mortgage’
- company logos which use the Olympic symbol
- promotional competitions to win ‘Olympic tickets’.

3.3.3 Defences

There are a number of defences to infringement of the Olympics association right. The most significant of these will now be explored. It should be remembered, however, that there are other defences available.

Reporting of, and information about, the Olympic Games

It is not an infringement of the Olympics association right to publish or broadcast a report of a sporting event forming part of the Olympic Games or information about the Games. This extends to advertisements about such publications or broadcasts. It does not allow advertisements which are broadcast at the same time or in connection with a report or such information to use such a representation. For example, advertisements being run during commercial breaks in the Olympics cannot include a representation based on this defence. The purpose of this exception is to allow journalistic use during news reports or current affairs programmes, and because the use of the controlled representation does not have to be necessary, editorial freedom is protected.

Activity 3.3

Consider whether the following fall within the scope of this reporting exception:

- ☐ a commentator for the 100 metres final indicating that a particular athlete has become the 'Olympic champion'
- ☐ a book about the history of the Olympics and a publisher's flyer for such a book
- ☐ the showing of the film *Chariots of Fire*.

Feedback: p.20.

Incidental inclusion

The incidental inclusion of a controlled representation in a copyright work is not an infringement of Olympics association right. The meaning of incidental inclusion is specifically based on the equivalent exception to copyright. In that context, the leading case is *FA v Panini* [2004] FSR 1. The word incidental, the court said, has its ordinary meaning and was deliberately left undefined, but it is clear that there is no requirement that the inclusion of the representation was unintentional. The proper question to ask is: why, having regard to the circumstances in which the work was created, has the representation been included in that work? In deciding this matter consideration can be given to both the commercial reasons for inclusion and aesthetic reasons. In relation to ambush marketing, it is suggested that whether the purpose of the inclusion was commercial is of paramount importance due to the nature of such practices.

No association

It is not an infringement of the right to use a controlled representation in a context which is not likely to suggest an association between a person, product or service and the Olympic Games or Movement. An association with the Games or Movement includes any kind of contractual, commercial, corporate or structural connection or a suggestion that the person is making financial or other support for or in connection with the Olympic Games or Movement. But no association is suggested where a statement is made in accordance with honest practices in industrial and commercial matters and does not make promotional or other commercial use of a protected word by incorporating it in a context in which the Olympic Games and Olympic movement are substantially irrelevant.

The second requirement for infringement of the right is that the statement makes promotional or other commercial use of a protected word by incorporating it in a context to which the London Olympics are

substantially irrelevant. This requirement is very difficult to follow. But it appears that it should be broken down into two parts. The first is that the use made of the protected word is not commercial or promotional. It would include non-commercial use where it is promotional (i.e. the 'or' is disjunctive rather than conjunctive). An example would be a charity suggesting an unjustified association with the Olympics. But the first part is **not** suggesting the statement can never be made in a commercial context. Instead, all it means is that where a protected word is used in neither a promotional nor commercial context, it does not matter that an association with the Olympics is relevant.

The second part requires the context in which the protected words are used must be one in which the Olympics are 'substantially' irrelevant. The meaning of substantially is something which is the same in all essential characteristics or features; in regard to everything material; in essentials; to all intents and purposes; in the main. The purpose of this exception, it is suggested, is to allow references to the Olympics where it is a convenient shorthand for something.

Activity 3.4

Consider whether the following fall within the scope of this reporting exception:

- ☐ 'COME AND TRY OUT OUR OLYMPIC-SIZED SWIMMING POOL'
- ☐ 'GET THE BEST DEALS WITH OLYMPIC AIRLINES'
- ☐ 'USE BLUE TOUR COACHES FOR SERVICES TO THE OLYMPIC STADIUM'.

Feedback: p.20.

3.4 The protection of symbols in other countries

The protection of the Olympic symbol in other countries ranges from very simple laws to the incredibly complex. This section will look at some of the regimes in place to protect the symbols and words associated with the Olympics or associated with some other event.

3.4.1 United States

The United States Olympic Committee (USOC) has the exclusive right to use the Olympic emblem and the Paralympic emblem as well as its own emblem and that of the Pan-American Sports Organisation in accordance with the Ted Stevens Amateur Sports Act. It also has the exclusive right to use the following words: 'United States Olympic Committee', 'Olympic', 'Olympiad', '*Citius Altius Fortius*', 'Paralympic', 'Paralympiad', 'Pan-American', 'America Espirito Sport Fraternite', and it may give authorisation to others who have provided it with goods or services (which includes money) to use these symbols.

The United States Olympic Committee can bring an action for infringement where a person uses, without its consent, one of the protected signs for the purposes of trade, to induce the sale of any goods or service, or to promote any theatrical exhibition, athletic performance or competition. In relation to the protected words, the protection extends to any use which tends to cause confusion or mistake, to deceive, or to falsely suggest a connection with the Olympics, Paralympics or Pan-American Games. Similarly, protection extends to prevent the use of any trade mark or other sign which falsely represents an association with, or authorisation by, the International Olympic Committee, the International Paralympic Committee, the Pan-American Sports Organization or the United States Olympic Committee.

The primary purpose of the protection is to secure the USOC the commercial and promotional rights to all then-unencumbered uses of Olympic symbol and other specified words, marks and symbols, but subject to the commercial rights that existed at the time the rights came into being.³ It is not permissible, however, to rely on prior use of a mark to obtain a subsequent registration of the prior-used mark.⁴ Notwithstanding that the legislation appears to impose a requirement that there is confusion, there is no such requirement.⁵

3.4.2 China

The Olympic symbols are protected in China against commercial exploitation.⁶ The protection extends to the Olympic rings, flag, motto, emblem and, unusually, the anthem as well as the protected words 'Olympic', 'Olympiad' and 'Olympic Games' and emblems of the Chinese Olympic Committee and the Beijing Games 2008. The rights in these emblems belong jointly to the International Olympic Committee, the Chinese Olympic Committee and the Beijing Organising Committee in accordance with the Host contract. Those rights prohibit the use of the Olympic symbols on packaging, in services, advertising and profit-making performances and other activities which suggest sponsorship or a supporting relationship with the Olympics.

3.4.3 Greece

The Olympic symbol is protected in Greece in accordance with the Nairobi Treaty.⁷ In addition, in the lead-up to the 2004 Athens Games, the words 'Olympic', 'Olympic Games' and the Olympic motto (in any language)⁸ and various marks relating to the Athens Games as well as marks relating to the Paralympic Games were protected, perpetually, as trade marks in all classes, but without registration. This means that the exceptions available under trade mark law would also be available.

3.4.4 Australia

The Australian governments, both federal and state, have created *sui generis* rights to protect sports events. These have included provisions relating to the Sydney Olympic Games,⁹ the Melbourne Commonwealth Games¹⁰ and the Australian Grand Prix.¹¹ In addition to the straightforward protection of certain symbols or words, specific legislation has been introduced to address other aspects of ambush marketing. These will be outlined in the next chapter.

The Olympics

The protection of the Olympic symbol in Australia is incredibly broad. As well as creating a *sui generis* right, the Olympic emblems are protected under copyright and design law. The Olympic symbol is protected indefinitely by copyright as an artistic work. In addition a special regime exists for the registration of protected Olympic designs. This enables the Australian Olympic Committee to apply to the registrar of designs to protect certain symbols under designs law (up to a maximum of 10 designs at any one time), including the full opposition and publication procedure.

There is also special protection given to certain Olympic-related words by permitting only the Australian Olympic Committee to use those words for commercial purposes. This protection covers most uses of the words when they are applied to goods or any representation suggesting that there is sponsorship-like support. The exceptions to the right relate to uses of the words in relation to endorsements and connections to future (existing) or past Olympic athletes. The Commonwealth also provided federal protection to certain signs and phrases associated with the 2000 Sydney

³ *United States Olympic Committee v Intelicense Corp.*, 737 F.2d 263, 266 (2nd Cir. 1984).

⁴ *O-M Bread v United States Olympic Committee*, 65 F.3d 933 (Fed. Cir. 1995).

⁵ *San Francisco Arts & Athletics v USOC*, 483 US 522, 530 (1987). This is also the case in relation to the Pan American marks: see *Olympic Committee v Toy Truck Line*, 237 F.3d 1331 (Fed. Cir. 2001).

⁶ Regulations on the Protection of Olympic Symbols (Decree No. 345 of 4 February 2002).

⁷ Law 1347/1983 Ratification of the Nairobi Treaty on the Protection of the Olympic Symbol.

⁸ Law 2598/1998 Organisation of the Olympic Games – Athens 2004 (as amended by Law 2819/2000 Company formation 'Olympic Village 2004 SA', protection of the Olympic emblem and the Olympic symbols and other provisions).

⁹ Olympic Insignia Protection Act 1987 (Cmth) (No. 27 of 1987); Sydney 2000 Games (Indicia and Images) Protection Act 1996 (No. 22) (SGPA) (now repealed by the Statute Law Revision Act 2007 (No. 8)).

¹⁰ Melbourne 2006 Commonwealth Games (Indicia and Images) Protection Act 2005 (Cmth) (No. 68 of 2005). The Act ceased to have effect on 30 June 2006.

¹¹ Australian Grands Prix Act 1994 (Vic) (No. 68 of 1994) (AGPA); South Australian Motor Sport Act 1984 (SA) (1984 No. 97) (SAMS) (formerly the Australian Formula One Grand Prix Act 1984).

Olympics. In particular, phrases such as ‘Games City’, ‘Sydney Games’ and ‘Sydney 2000’ were protected, as were the words ‘Olympiad’ and ‘Olympic’ and various other combinations.

The Commonwealth Games

Melbourne hosted the 2006 Commonwealth Games and once more federal law was enacted to protect the indicia and images related to the games. The protection granted extended to ‘Commonwealth Games’, ‘Melbourne Games’, ‘Melbourne 2006 Games’, ‘M2006’ and similar phrases. The prohibition precludes any unauthorised person from using the protected indicia or images for commercial purposes, subject to the same remedies as they would have been for infringing the rights relating to the Sydney Olympic indicia.

The Grand Prix

The insignia relating to the Australian Grand Prix are also granted special protection. When the Grand Prix was held in Adelaide provision was made by the South Australian government¹² and when it moved to Albert Park, Melbourne, new provision was made by the State of Victoria.¹³ The legislation in Adelaide, however, remains in force, and the South Australian Motor Sport Board retains rights in the official insignia relating to it and the Adelaide track. The legislation itself no longer provides exceptions, but originally the assumption of a name, which included the official insignia, before the coming into force of the Act was not an infringement; however, using that name in trade was infringing. In Victoria, the Australian Grand Prix Corporation is granted proprietary rights in the so called grand prix insignia by the legislation.

¹² The South Australian Motor Sport Act 1984 (SA) (1984 No. 97) (formerly the Australian Formula One Grand Prix Act 1984).

¹³ Australian Grands Prix Act 1994 (Vict). There are Regulations made under this Act – the Australian Grands Prix (Formula One) Regulations 2006 (SR No. 157/2006) – but they do not relate to the insignia.

¹⁴ Law Decree 86/2004 of 17 April 2004 (on the protection of the insignia of EURO 2004).

¹⁵ Law Decree 84-A/2006 of 19 May 2006 (on the protection of the insignia of European Championship Under-21s).

¹⁶ See Major Events Management Act 2007 (No. 35) (MEMA).

¹⁷ MEMA, s.28(1)(a) and (b).

3.4.5 Portugal

Almost immediately before EURO 2004 started, a Portuguese law was passed which gave protection to the insignia and emblems of that tournament.¹⁴ The law gave protection to the emblems of EURO 2004 so that they could be used by the event organisers and sponsors. The protection of the emblems extended to all spheres of activity and also to uses which would be confusing or would associate with those emblems. Similar protection has now been afforded to the UEFA European Under-21s tournament.¹⁵

3.4.6 New Zealand

The emblems of the Olympic Games and Commonwealth Games and various words connected with those Games as well as words connected with Turin 2006, Melbourne 2006 and Beijing 2008 are protected in New Zealand.¹⁶ These insignia or anything closely resembling them may not be used as a business name¹⁷ or other used business, trade or occupation without the authorisation of the New Zealand Olympic Committee.

Activity 3.5

Make a list of the events that have symbols or logos protected under the laws of Australia, Portugal and the United States.

Feedback: p.20.

Reminder of learning outcomes

By this stage you should be able to:

- ☐ discuss the Nairobi Treaty and its successes and failures
- ☐ explain the signs protected by the Olympic symbol in the United Kingdom
- ☐ explain in outline the rules of infringement for Olympic symbols
- ☐ explain in outline the exceptions to infringement
- ☐ give examples of the protection given to the symbols and indicia of sporting events in other countries.

Feedback to activities

Activity 3.1

Your should have mentioned that the Treaty requires the exclusive rights in the symbol to be given to the International Olympic Committee (IOC), rather than National Olympic Committees. Most countries want the money from exploiting the Olympic symbol to promote and fund sport within their own country rather than going to an international body.

Activity 3.2

Trade mark use, or the requirement for a mark to indicate origin, would significantly hinder the merchandising of Olympic-branded goods as it is unlikely that consumers view these goods as coming from the IOC (or the national Olympic Committees).

Activity 3.3

A commentator for the 100 metres final indicating that a particular athlete has become the 'Olympic champion' – This would clearly be reporting on current events as it occurs when the event is happening.

A book about the history of the Olympics and a publisher's flyer for such a book – This would probably fall within the exception of publishing information about the Olympics and the flyer would fall within the exception for advertising such products.

The showing of the film Chariots of Fire – This is neither reporting on or providing information about the Olympic Games and so would not fall within this exception (but would fall within one of the other exceptions).

Activity 3.4

'COME AND TRY OUT OUR OLYMPIC-SIZED SWIMMING POOL' – This probably does not draw associations with the Olympics as it relates to the word being used to describe the size of the pool.

'GET THE BEST DEALS WITH OLYMPIC AIRLINES' – This relates to the airline, rather than the Games and therefore does not draw an association.

'USE BLUE TOUR COACHES FOR SERVICES TO THE OLYMPIC STADIUM' – Although this draws an association with the Games, it is something which was suggested in Parliament to fall within this exception.

Activity 3.5

Australia – Olympics, Commonwealth Games, FINA Swimming World Championship, Grand Prix.

Portugal – EURO 2004.

United States – Olympics, Paralympics, Pan-American Games.
