

An agent's guide to athlete trade marks



inbrief



Introduction

Sportsmen and women invest massive amounts of time and energy into perfecting their sporting prowess. As an agent, your role is to invest your time and energy into their well-being, to nurture their income generating potential, and protect their image and reputation.

The more famous a sports star becomes, the more vulnerable they are to the unauthorised exploitation of their name and image. The best way to prevent this, and to protect the value and goodwill which you are developing for them, is by way of registering appropriate trade marks. Generally, the sooner you do this, the better.

This note guides you through what you need to know about trade marks and provides some background to other relevant rights.

Image rights

In this country (unlike several other jurisdictions) there is no automatically arising 'image right' or 'right of personality'. Instead, a celebrity who has generated goodwill in their name and reputation may be able to prevent a third party exploiting their name, image or other identifiable attributes (eg their signature, nickname, or other distinguishing features) by relying on the common law tort of passing off. However passing off can be notoriously difficult and costly to prove and, in general, you must show that a significant proportion of the public are confused as to the relationship between the celebrity and the person using the relevant attributes. Passing off can therefore be of some use in false endorsement cases, but not necessarily in the case of celebrity merchandising.

Copyright

Copyright can be of help where a specific photographs or footage of an athlete is used without consent. Copyright will also subsist in a graphic logo or design that might be associated with a star (eg a helmet design). However, it is the owner of the copyright work has the right to prevent its use. Unless they created it themselves, the athlete featured or referred to in the work will not own it (and therefore will not be able to assert copyright infringement) unless the rights in it are subsequently assigned to him/her.

Registered Trade marks

Why register trade marks?

Given the limitation of copyright and passing off, sport stars looking to protect their image need to consider more effective and definite ways of protecting their image.

Registration of trade marks is the obvious answer.

Protecting an athlete's 'attributes' as trade marks gives them far greater control and certainty over the exploitation of their fame, and better protection against unauthorised use.

A registered trade mark essentially provides a monopoly right in relation to the territories, and the types of goods and services, a trade mark is registered for. Provided you keep using the mark as registered, you can renew it indefinitely.

As well as being a strong tool against

unauthorised exploitation, registered trade marks can become a valuable asset. We all know that an athlete's brand can become big business and sponsors, merchandising licensees and other business partners may want to see that their investment is protected through the use of trade marks. For the biggest stars with brands that extend beyond their own lifetime, trade marks are also an asset that can be passed down the generations. For example Muhammad Ali's name and autograph is registered across a range of goods and services and will no doubt retain value for many decades to come.

What to register

Any representation not already on the register and which is not descriptive (see below) will be protectable. So an athlete may register any of their "attributes". For example an athlete may register their name, an F1 driver their racing number, a rugby star their silhouette, or a football player their nickname. The possibilities are endless.

A very effective way of preventing those wishing to capitalise on a sport star's fame without paying a rights fee, is to register the attributes most likely to be used by those people. For an athlete who has developed a strong commercial identity those attributes should correspond with the 'brand' the athlete is trading under.

What goods and services to protect

The most likely goods and services for which an athlete will want to register their trade marks are items which will be sold as merchandise (ie clothing, headwear, footwear, games, bags etc) and the services that they provide directly (eg coaching, after dinner speaking). However we've seen the likes of Maria Sharapova create her sweet empire "Sugarpova", and Lewis Hamilton venture into motorbike design in partnership with MV Augusta, so requirements can be very bespoke and need to take account of an individual's particular activities.

When to register

When to register a trade mark is a balancing act. Trade marks must be put to 'genuine use' within 5 years of their registration. As such, you don't want to register a promising young athlete's attributes too long before they are going to be able to genuinely exploit their trade marks. However it is best to try to obtain registered trade mark



rights, particularly in the athlete's name, before they have significant fame. This is because trade marks are intended to act as a badge of origin for one undertaking. As the law currently stands, if a person is already well-known, third parties may well have been using their name legitimately on items of merchandise like posters and clothing, in a manner which undermines the badge of origin principle – in other words, their name or image alone doesn't tell the consumer that the item it is appearing on is produced by, or with authorisation of, the star. It could just be memorabilia.

Where to register

Trade marks have to be registered on a territorial basis, and applications should therefore be made in the countries in which the athlete is going to exploit their brand, and/or where unauthorized exploitation is most likely.

For British stars, a UK registration in the first instance is likely to be most logical. A European Union trade mark which covers the 28 member states that make up the EU (including, currently, the UK) can also be a sensible and inexpensive route to pan-European protection. Other key territories will be determined by the activities and appeal of the particular individual in different parts of the world. It is also worth noting that a "priority" claim will be available once the first application is filed. This claim provides a six month grace period, starting from the date of the first application, and allows for later applications for the same mark in other countries to be given the date of the first application.

Who should register

The delay in Manchester United's signing of Jose Mourinho in May 2016 shed light on the issues that can arise over trade mark ownership. The fact that one of his previous clubs, Chelsea, owned various trade marks in his name was blamed for the delay in Man U signing the manager. As mentioned above, trade marks can become very valuable assets and it is therefore important that the sport star retains control of them. In general, the athlete or his/her image rights company should therefore apply for and become the registered owner the trade marks. The trade marks can then be licensed to various parties, such as clubs, merchandise licensees, sponsors etc as required. It is still however important to consider the termination provisions in any such agreements – they should accommodate for changes in circumstances and give the athlete sufficient flexibility to ensure he/she can maximise revenue as they become more famous or move between clubs etc.

The trade mark registration process Searches:

Before applying for a trade mark we normally advise that a search process is undertaken to check for conflicting marks on the relevant registers. Although it's difficult to rule out all potential challengers, this will help ensure that there are no obvious issues which would make an application in the relevant territory pointless and a waste of money.

Classes:

As mentioned above, a trade mark needs to be registered in respect of specific goods and services in relation to which it will be used. A trade mark application must therefore be accompanied by the terms (ie a list of the goods and services) which will be protected by the registration. These must be given at the application stage as it's not possible to add them later save via a new/fresh application.

The trade mark registries divide goods and services into classes and fees are calculated on the basis of the number of classes for which a trade mark application is made. In order to give each mark the fullest protection (both now and to allow for growth) it normally makes sense to apply for the maximum number of classes that your budget will allow. This will save you from filing an additional application in the future (which would be more expensive that simply adding an additional class now). The caveat to this is that in some countries there must be a genuine intention to use the mark in relation to the relevant goods and services applied for. Secondly, if the mark isn't used within 5 years of the registration in relation to a particular good/service, the relevant protection can be lost if challenged by a third party.

Other services

In addition to assisting with trade mark registrations we can also assist with a range of related matters:

- registration of domain names
- 'watching' services, to monitor for registration of related trade marks which you may want to oppose
- dealing with trade mark opposition and revocation proceedings
- taking action against the sale of counterfeit goods, including 'take-down' proceedings on various e-commerce sites
- addressing unauthorised use of athlete attributes in marketing materials and cases of false endorsement (this may include issuing cease and desist letters, seeking an injunction, or making claims for damages)
- reputation management
- sponsorship and merchandising agreements
- athlete-agency agreements

We hope that the above is helpful and gives an insight as to how we can assist in protecting your client's name and image. If you would like to find out more or would like a quote, please don't hesitate to contact us.

For further information on this subject please contact:

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