

Summary Report

Question Q210

Protection of Major Sports Events and associated commercial activities through Trademarks and other IPR

The intention with Q210 is to study whether existing national trademark law and legislation against unfair competition provide adequate protection for Major Sports Events or whether the characteristics of Major Sports Events - such as the substantive investments, the necessity of sponsorships and the long preparation period - require a protection which is more extensive than the protection offered in other situations.

In the Working Guidelines "Major Sports Events" are defined as: "*sports events to which a high level of both spectator interests and interests by all forms of media to cover the event are attached and the realisation of which is dependent on substantial contributions of official sponsors*". It follows from the Working Guidelines that unfair competition comprises so-called Ambush Marketing. "Ambush Marketing" is in this context defined broadly as comprising *all activities not authorised by the right holders in the fields of marketing, promotion and advertising in any form in connection with Major Sports Events which somehow seek to benefit from the goodwill or general interest in the Major Sports Events*.

According to the Working Guidelines, Q 210 is limited to trademark protection and unfair competition aspects. Aspects relating to copyright, broadcasting rights, public viewing and design protection will be left aside.

It emanates from the Group Reports that there is a great variety in the extent to which existing national trademark law and legislation against unfair competition provide adequate protection for Major Sports Events. Some countries have specific *sui generis* legislation governing a specific Major Sports Event, other countries rely entirely on general national trademark law and laws against unfair competition in the protection of trademarks and other designations relating to Major Sports Events and only very few countries have particular rules which govern and protect trademarks and other signs relating to Major Sports Events.

Many of the Reports have not only responded to the specific questions about the current law but have also provided useful discussion of matters of principle or policy.

The Reporter General has received 37 Reports from the following countries (in alphabetical order): Argentina, Australia, Belgium, Canada, China, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Hungary, Indonesia, Israel, Italy, Japan, Korea, Latvia, Mexico, the Netherlands, New Zealand, Panama, Paraguay, Poland, Portugal, Romania, Russia, Singapore, South Africa, Spain, Sweden, Switzerland, Thailand, Turkey, the United Kingdom, the United States. Among these Reports, the Chinese, Israel, Japanese, the Netherlands and the Brazil Group Reports unfortunately reached the General Secretariat too late to be taken into consideration for this Summary Report. They nevertheless contain valuable information as well.

I) Analysis of the current legislation and case law

1) *Does your national law provide specific protection for trademarks or other designations relating to Major Sports Events?*

New Zealand is the only country answering clearly in the affirmative to question 1 reporting that under New Zealand law the Major Events Management Act 2007 provides specific protection for trademarks used in relation to “major events”, provided the “event” is classified as a “major event” under the Act. This Act also applies in relation to Major Sports Events, if the “major event” criterion under the said Act is met.

In South Africa, the Merchandise Marks Act 17 of 1941 provides a possibility for the protection of trademarks and other designations relating to Major Sports Events, as it is possible to declare an “event” protected under this Act.

In Italy there is special protection of signs which have acquired notoriety in extra-commercial contexts, i.e. well-known signs used in the artistic, literary, scientific, political or sports field (which also comprises trademarks or other designations relating to Major Sports Events).

Argentina, Australia, Canada, Czech Republic, Germany, Hungary, Italy, Paraguay, Poland, Portugal, Romania, Russia, Turkey, the United Kingdom and the United States all report that national law, at the outset, does not provide specific protection for trademarks or other designations relating to Major Sports Events, but that special legislation in some cases has been adopted in relation to a particular Major Sports Event – *sui generis* legislation -, which either already has been hosted or is planned to be hosted and where it has been a requirement for being appointed host of the Major Sports Event that special legislation had been or would be adopted. In most of these countries, such special legislation relates to the hosting of the Olympic Games and the Paralympic Games. However, some countries also report on examples in relation to the hosting of the FIFA World Cup, UEFA Cup (European Championship and Champions League soccer games) and Formula 1 Grand Prix etc.

In the United States, some 1970s and 1980s case law exists, according to which trademarks and other designations relating to Major Sports Events have enjoyed protection not enjoyed by other trademarks. However, since the late 1980^s, the United States Courts have more or less retreated from this case law.

In Belgium, Denmark, Estonia, Finland, France, Indonesia, Korea, Latvia, Mexico , Panama, Singapore, Sweden, Swiss and Thailand no special provisions exist in national statutory law or case law.

2) *If so, please explain whether - and in the affirmative in what way - the following trademark law requirements differentiate from the corresponding requirements in general rules of trademark law:*

a) *Requirement of distinctiveness*

b) *Use requirement*

In New Zealand, words or emblems that could denote a connection with a major event (as defined in the Major Event Management Act 2007) are protected by this Act,

whether or not they are eligible for registration or registered under national trademark law (as an example, the Governor General can declare an emblem to be a major event emblem or a word or combination of words to be a major event word or major event words) and in such cases there are no requirements of distinctiveness or use.

In South Africa, there are no requirements of distinctiveness or use in relation to trademarks or other designations relating to Major Sports Events.

In Italy, well-known signs used in sports are not required to be commercially used in order to be or remain protected and, accordingly, signs relating to Major Sports Events are only required to be known by the public in order to be protected.

The Argentinian, Australian, Canadian, German, Russian, United Kingdom and United States Groups report that their special legislation adopted in relation to specific Major Sports Events, i.a. the Olympic Games, does not require distinctiveness or use, as otherwise required in national trademark law. The marks and symbols defined in such special legislation are protected *per se* and without reference to general trademark law concepts (i.e. requirements of distinctiveness and use do not apply). In the United Kingdom, this applies also in relation to marks and words not specifically defined in the London Olympic Games and Paralympic Games Act 2006 and which are not in themselves distinctive, when used in connections with words or marks protected under the said Act.

In Germany and the United States, all trademarks or other designations, whether or not they relate to Major Sports Events or other events (except trademarks or other designations included in special legislation relating to a specific Major Sports Event) must live up to requirements of distinctiveness and use.

As Belgium, Denmark, Estonia, Finland, France, Indonesia, Korea, Latvia, Mexico, Panama, Singapore, Sweden, Switzerland and Thailand do not have rules providing special protection for trademarks or other designations relation to Major Sports Events, these countries have not answered question 2.

3) *Also, please explain whether – and in the affirmative in what way - the following differentiate from the general rules of trademark law:*

a) *Is the scope of protection of trademarks which relate to Major Sports Events narrowed or extended compared to the scope of protection of other trademarks?*

The New Zealand Group reports that the protection of trademarks which relate to major events is extended compared to the scope of protection of other marks (e.g. under the Major Events Management Act 2007, the Court may presume that a representation is infringing, if it includes any of the following (i) a major event emblem, (ii) a major event word or major event words, (iii) a representation that so closely resembles a major event emblem, a major event word, or major event words as to be likely to deceive or confuse a reasonable person).

In South Africa, extension of the protection of trademarks relating to Major Sports Events is noted in the following situations: (i) protection of trademarks relating to Major Sports Events is available notwithstanding the absence of confusion (which is a general requirement for infringement), (ii) protection is provided even in the absence of registrations, (iii) protection is extended to all classes of goods and services, (iv) it is not necessary to prove that a mark has been used as a trade mark and (v) it is not

necessary to prove that the use of a mark causes detriment or takes unfair advantage of the mark.

In the United States, no special scope of protection is provided in national trademark law (except from special law relating to a specific Major Sports Event). However, some old United States case law exists providing for a broader protection of trademarks and other designations relating to Major Sports Events, as the plaintiff according to this case law did not have to prove likelihood of confusion. The United States Group, however, concludes that this legal position now has changed and that the outset of today's practice is that the plaintiffs in cases involving marks and designations relating to Major Sports Events are likely to prevail only if they put forward solid evidence supporting a finding of likelihood of consumer confusion.

Argentina, Australia, Canada, Czech Republic, Russia, Turkey, United Kingdom and the United States all report that their special laws relating to protection of trademarks and other designations relating to a specific Major Sports Event (i.a. the Olympic Games and Paralympic Games) provide a broader scope of protection than the protection provided to other trademarks protected by general national trademark law.

In Germany, there is no rule providing special protection for Major Sports Events in general (although there is specific legislation relating to the Olympic Games). However, the Group notes that trademarks relating to Major Sports Events may be given a considerable extension in their scope of protection, as they generally have a high degree of reputation. However, this is a consequence of ordinary rules applying to well-known marks and not by way of special rules relating to marks associated with Major Sports Events.

The same applies in the Czech Republic, Egypt, Hungary, Panama, Paraguay, Poland, Portugal, Romania, Spain and Turkey.

In respect of Denmark, Egypt, Estonia, Finland, Hungary, Indonesia, Korea, Latvia, Mexico, Panama, Paraguay, Poland, Romania, Singapore, Sweden, Swiss and Thailand, this question is not applicable.

b) Does use as a mark constitute a precondition for infringement of trademarks which relate to Major Sports Events or is the requirement of use as a mark not applied in relation to infringement of those trademarks?

In South Africa, use as a mark is not a precondition for infringement of trademarks which relate to Major Sports Events, cfr., Section 2 above. This also applies, where a mere association is established with the Major Sports Event without the mark being used as a mark.

In Australia, Canada, Czech Republic, Russia, Turkey, United Kingdom and the United States, special laws adopted in relation to protection of trademarks and other designations relating to, *inter alia*, the Olympic Games and Paralympic Games do not require use as a mark as a precondition for infringement. In Russia, this is also the case in relation to all other trademarks governed by national trademark law.

In the general trademark law of Argentina, use as a mark is not necessarily a requirement or a precondition for trademark infringement.

In Germany, no national law on trademarks or other designations relating to Major Sports Events exists (except from *sui generis* legislation relating to the Olympic Games), and accordingly the general national trademark principles generally apply also in relation to trademarks relating to Major Sports Events, including the requirement of use as a mark as a precondition for infringement. In relation to the special legislation adopted in Germany relating to the Olympic Games (the OlympSchG), it is also a prerequisite that a sign is used as a trademark if it is to result in an infringement. However, the requirements for such an infringement are probably less strict due to the reputation enjoyed by the Olympic signs, but this is a consequence of the general rules applying to well-known marks.

In Portugal, use as a mark is considered a condition *sine qua non* in relation to trademark infringements. However, in relation to the European Football Championships (EURO 2004) hosted in Portugal in 2004, special legislation was adopted, according to which any type of use was forbidden as long as it could be associated by the public in general with the EURO 2004.

As to Belgium, Denmark, Egypt, Estonia, Finland, Hungary, Indonesia, Korea, Latvia, Mexico, Panama, Paraguay, Poland, Romania, Singapore, Sweden, Swiss and Thailand this question is not applicable.

c) Is the protection period for trademarks which relate to Major Sports Events the same as the protection period for other trademarks?

In New Zealand and South Africa, trademarks related to Major Sports Events are only protected for a restricted and specified period of time which cannot be longer than 30 days (in South Africa one month) after the completion or termination of all major event activities.

In Germany, the protection period is the same, although in relation to trademarks and other designations protected under the German Act protecting the Olympic symbol and related designations, the protection period is unlimited as long as the law is in force.

In Argentina, Australia, Canada, Portugal, Russia, Spain, Turkey and the United Kingdom, this is also the case.

The United States Group reports that under United States trademark law, the protection of trademarks is not limited in time. The protection ends only if the mark in question is abandoned or becomes generic. This is also true for any trademarks or designations relating to Major Sports Events (except from trademarks or designations relating to specific Major Sports Events protected by special legislation, e.g. the act relating to protection of the symbols associated with the Olympic Games and Paralympic Games).

As for Belgium, Denmark, Egypt, Estonia, Finland, Hungary, Indonesia, Korea, Latvia, Mexico, Panama, Paraguay, Poland, Romania, Singapore, Sweden, Switzerland and Thailand, this question is not applicable.

d) Is the determination of third party traders' legitimate interest in fair use different for trademarks which relate to a Major Sports Event than for other trademarks?

In Argentina, Canada, Germany, New Zealand, Portugal, Russia, South Africa, Spain, Turkey, the United Kingdom and the United States, this is not the case.

However, the South African Group observes that there should be more room for third party traders' fair use defence in relation to trademarks relating to Major Sports Events, as the nature of these marks is of a more descriptive character, but the Group notes that this view is uncertain, as the legislation governing the issue is silent.

The Portuguese Group observes that it is likely that in relation to trademarks which relate to Major Sports Events, a third party trader's legitimate interest in fair use could have a wider scope.

In Argentina, Australia, Russia and the United States, the special legislation adopted in relation to the Olympic Games and Paralympic Games does not provide for a fair use defence for third party traders.

In Canada and the United Kingdom, this is not so, as the special legislation protecting trademarks and other designations relating to the Olympic Games and Paralympic Games contains fair use provisions restricting the scope of protection otherwise provided for in this legislation (e.g. prior use of a registered trademark and use of a person's own name or address etc.).

As for Belgium, Denmark, Egypt, Estonia, Finland, Hungary, Indonesia, Korea, Latvia, Mexico, Panama, Paraguay, Poland, Romania, Singapore, Sweden, Switzerland and Thailand, this question is not applicable.

4) *Does your national law provide for a specific registration procedure for trademarks relating to Major Sports Events?*

None of the Groups report on the existence of a specific registration procedure for trademarks relating to Major Sports Events.

However, the Australian Group mentions that the *Olympic Insignia Protection Act 1987* protecting the Olympic symbols provides for a specific registration procedure of designs incorporating the Olympic symbols and designs of the Olympic flame and torch.

5) *What are the possible remedies in respect of infringements of trademarks relating to Major Sports Events? Do they differ from the remedies applicable to other trademark infringements?*

In New Zealand, the Major Event Management Act 2007 provides for both civil and criminal remedies. The civil remedies include injunction, account of profits, damages, order of erasure, delivery up and corrective advertising. Criminal remedies include a summary conviction to a fine not exceeding \$ 150,000. The Group does not mention whether these remedies differ from the ones set out in general national trademark law.

Argentina, Belgium, Canada, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Hungary, Indonesia, Italy, Korea, Latvia, Mexico, Panama, Paraguay, Poland, Portugal, Romania, Russia, Singapore, South Africa, Spain, Sweden, Switzerland, Thailand, Turkey and the United States all report that the remedies are the same in relation to trademarks relating to Major Sports Events as in national trademark law in general. Some of the Groups have listed the remedies provided for in national trademark law in relation to trademark infringement in general.

In Australia the same applies, although the Australian Group mentions that under *sui generis* legislation relating to specific Major Sports Events special remedies exist (e.g. in the Aerial Advertising Act, criminal penalties are provided).

The United Kingdom Group refers to special remedies in relation to advertising and street trading provided for in The London Olympic Games and Paralympic Games Act 2006, according to which advertising and street trading within a specified vicinity of recognised Olympic venues or events are strongly regulated. For example, unauthorized resale of tickets and merchandise associated with the Olympic Games and certain commercial advertising are prohibited.

In Canada, the Olympic Marks Act includes additional provisions that expand upon the scopes of the remedies set out in general national trademark law. In relation to the upcoming Winter Olympic Games in Vancouver, the Olympic Marks Act specifically provides that until 31 December 2010, irreparable harm is not required to obtain an interim or interlocutory injunction. Also, special provisions in relation to seizure and disposition of imported goods at the Canadian border are provided for in the said Act.

- 6) *What are the possibilities under your national law of reacting against non-official sponsors' use or registration of trademarks which take place before a Major Sports Event and which relate to the Major Sports Event?*

The Groups generally explain that their national law does not provide for any special possibilities in relation to this type of behaviour and that the remedies and possibilities are the same when reacting to this behaviour as they would be in relation to any other trademark infringement or unfair competition behaviour not related to Major Sports Events (e.g. preliminary injunctions, final injunctions, filing of civil and criminal actions, seizure, withdrawal of counterfeit goods, opposition procedures and cancellation of any unauthorized registration of trademarks etc.). The Indonesian Group reports that the organizers may submit a claim to the Commission for the Supervision of Business Competition opposing to such conduct by the non-official sponsor.

The New Zealand Group reports that legislation governing non-official sponsorships, namely the Major Events Management Act 2007, does not differentiate between Major Sports Events and other major events, and as long as the event is classified as a "major event", it is afforded protection against non-official sponsors' unauthorized use or registration of trademarks relating to a Major Sports Event. The enforcement of the Major Events Management Act is carried out by enforcement officers empowered to issue warnings, inspecting and monitoring clear zones, seizing or covering goods in clear zones, and obtaining and executing search warrants.

The Turkish Group distinguish between situations where the non-official sponsors use the trademarks without registration before the Major Sports Event and where the non-official sponsors use the trademark registered in their own name before the Major Sports Event. In the first situation and where the organizers of the Major Sports Event are assumed to have registered the trademarks in question, then the event organizers have the same possibilities for reacting as in relation to any other trademark infringement or case of unfair competition (e.g. filing a lawsuit, obtaining a preliminary injunction, seizure and request for monetary sanctions). As Turkey has signed the Paris Convention for the Protection of Industrial Property the event organizers may also rely on the notoriety of their trademarks registered and used worldwide in the view of article 6bis of the said convention and accordingly pursue the same actions, as mentioned above regardless of the trademarks actually having been registered by the organizers of

the event in the country where the Major Sports Event takes place. In the second situation, where the non-official sponsors use trademarks registered in their own name, the organizers of the Major Sports Event have to file an invalidation action to obtain the cancellation of the unauthorized registration before any other actions may be initiated to end the unauthorized use of the trademarks in question. This will also be the case in relation to an action put forward based on unfair competition arguments according to the Turkish Code of Commerce.

In the United States, non-official sponsors' use or registration of trademarks which take place before a Major Sports Event and which relate to the Major Sports Event are not evaluated differently from any other potentially infringing conduct. The plaintiff must therefore prove that the mark in question is distinctive and that it is being used in commerce and also that the defendant's actions are causing likelihood of consumer confusion. However, this does not apply in relation to the symbols associated with the Olympic Games, as these marks are protected by special legislation, according to which there are no requirements on distinctiveness, use or likelihood of confusion.

The Australian Group reports that the normal remedies of trademark law as well as consumer protection based remedies also apply in a situation as described in question 6. However, the Group mentions that the remedies provided by special legislation relating to particular Major Sports Events (i.a. the Olympic Games) usually commence some time prior to the Major Sports Event to which they relate.

In Portugal, the law does not specifically address the issue of trademarks in relation to Major Sports Events and, accordingly, general national trademark law applies. The Portuguese Group explain 3 different situations where this is the case and distinguish between (i) a non-official sponsor's registration of a trademark before the Major Sports Event, thus preventing the organizers from doing so; in this case action may be taken based on unfair competition or deceptive trademark mechanisms, (ii) a non-official sponsor's registration of a trademark when trademarks relating to the Major Sports Event are already registered by the organizers; this situation would be treated as a common trademark infringement by imitation, likelihood of confusion and or risk of association, and (iii) a non-official sponsor's use of a trademark related to the Major Sports Event, but not yet registered as such; in this case unfair competition or deceptive advertising mechanisms may be of relevance.

- 7) *Does your national law provide for protection against Ambush Marketing? In the affirmative, is such protection set out in the law protecting trademark rights, in the laws against unfair competition, or both?*

In New Zealand, the Major Events Management Act 2007 protects against Ambush Marketing and deals specifically with Ambush Marketing by association and by intrusion. The Group explains that under the said act, the test for ambush marketing by association is whether the representation is likely to suggest to a reasonable person that there is an association between the major event and any product, service, or brand. This association will be presumed where any protected major event word or emblem is used.

In Australia, Canada, Czech Republic, Denmark, Egypt, Finland, Germany, Italy, Korea, Latvia, Mexico, Paraguay, Poland, Portugal, Russia, South Africa, Spain, Sweden, Switzerland, Turkey, United Kingdom and the United States, no specific legislation against Ambush Marketing exists. However, these countries report that protection

against unfair competition, dilution, misleading advertising and against actions contrary to fair marketing practice is provided in the various national laws.

Italy and Portugal mention EU Directive 2005/29 concerning unfair commercial practices and unfair business-to-consumer practices within the European Common Market.

Canada, the United Kingdom and the United States report that in *sui generis* legislation providing for protection of specific Major Sports Events, e.g. the Olympic Games and Paralympic Games, there are a number of provisions specifically aimed at countering Ambush Marketing.

In Argentina, Estonia, Hungary, Indonesia, Panama, Romania, Singapore and Thailand, there is no specific protection against Ambush Marketing.

- 8) *Does your national law provide for specific trademark protection or protection against unfair competition relating to other major events, such as film, art or music festivals, World Expos and other similar events?*

In New Zealand, the Major Events Management Act 2007 protects events of any nature against i.a. trademark infringement and unfair competition, provided that the event in question qualifies as a “major event” under the Act. Accordingly, if a film, art or music festival or similar event meets the “major event” criterion in the Act, it will be afforded the same protection.

In Italy, the law protecting signs which have acquired notoriety in extra-commercial contexts provides protection in relation to all kinds of “major events”, as long as the sign in question is well-known to the public.

In Turkey, the “Turkey Europalia Festival” is protected against trademark infringement and unfair competition by The Law Related to 1996 Turkey Europalia Festival No. 4033.

Australia and the United Kingdom report that their national law does not provide any specific protection relating to other major events in general, but that *sui generis* legislation adopted in relation to specified major events exists, providing specific trademark protection and/or protection against unfair competition, e.g. The Adelaide Festival Act (Australia) and The London Olympic Games and Paralympic Games Act 2006 (the United Kingdom).

In Argentina, Canada, Czech Republic, Denmark, Egypt, Estonia, Finland, Germany, Hungary, Indonesia, Korea, Latvia, Mexico, Panama, Paraguay, Poland, Portugal, Romania, Russia, Singapore, South Africa, Spain, Sweden, Switzerland, Thailand and the United States, national law does not provide for any such protection.

II) Proposals for substantive harmonisation

- 1) *Are particular rules on trademark protection desirable for trademarks or signs which relate to Major Sports Events? In the affirmative, why is that the case?*

Only a minority of the reporting Groups find it desirable to adopt special legislation protecting trademarks or signs relating to Major Sports Events due to their high economical potential and world wide spectator interest, giving the Major Sports Event a major impact on society, not only in the hosting country, but in all countries around the world (Estonia, Italy, Panama, South Africa, Singapore, Spain and Turkey).

The Turkish Group qualifies its support for such legislation by adding that such specific rules should be enforceable only for a limited period of time in accordance with the duration and features of the Major Sports Event.

The Spanish Group adds as a policy observation that the short duration of the event itself, compared with the large scale preparations to host a Major Sports Event and the economic investments in relation hereto, are singular features which justify protection for the assets brought together to back up the event, namely, the set of trademarks under which Major Sports Events are disseminated, promoted and advertised.

The Italian Group finds it recommendable to introduce a provision analogous to Section 8.3 in the Italian Industrial Property Code providing the owners of signs which have acquired notoriety in extra-commercial context an exclusive right to register and use such signs.

Accordingly, the vast majority of the Groups (Argentina, Australia, Czech Republic, Denmark, Egypt, Finland, Germany, Hungary, Korea, Latvia, Mexico, Paraguay, Portugal, Russia, Sweden, Switzerland, Thailand, the United Kingdom and the United States) find their existing trademark laws and laws against unfair competition and the like appropriate and sufficient to protect trademarks or signs relating to Major Sports Events and, accordingly, the Groups do not see any particular reason for adopting special legislation in this regard.

However, some of these Groups (Australia, Czech Republic, Poland, Portugal, Russia and the United Kingdom) do recognize the need for adoption of special legislation in relation to Major Sports Events, but recommend that this is done on a *sui generis* basis for each particular event, due to the sporadic and specific nature of Major Sports Events, and in order to cover the various aspects that are particular for the specific Major Sports Event.

The Polish Group observes that the nature and function of signs which relate to Major Sports Events are different from the nature and function of trademarks in general, as their main purpose is to indicate a connection (a business link) between the user (official sponsor, licensee etc.) and the Major Sports Event and its organizers, and accordingly their purpose is not to indicate a real commercial origin of the marked goods or services. Classic trademark law rules are often inadequate to sufficiently protect the legitimate interests of organizers of Major Sports Events and their official sponsors.

The Polish Group also observes that well established principles of trademark law should not be changed only for the purpose of protection of signs relating to Major Sports Events. Such signs should be treated as all other trademarks. On the other hand, specific *sui generis* protection may be introduced for signs relating to specific Major Sports Events.

The Australian Group mentions that it is undesirable to introduce special categories of protection into the general IP laws to deal with events which will often have their own peculiar location, characteristics and duration. Additionally, the Group notes that it entails constitutional problems to enact national legislation outside the parameters for the protection of IP rights provided by the Commonwealth Constitution. Further, the Group notes that this might also be a problem for other federations.

The United Kingdom Group observes that providing harmonised additional protective measures at legislative level would also interfere with organic and commercial structures which currently benefit from the levels of trademark or unfair competition type laws and other intellectual property rights protection to the same degree as any other undertaking operating in the same jurisdiction.

The United Kingdom Group adds that one of the difficulties in providing extended rights to Major Sports Events is determining what event and what organisations should receive these benefits. Classification of a Major Sports Event would be very difficult and determining what sports and what bodies should receive any extended rights may become arbitrary and potentially the source of much conflict.

The German Group states that the event organizers and sponsors of Major Sports Events are not without protection and it is in principle possible to reasonably balance the interests of the trade circles concerned already on the basis of the existing rules.

The Swedish Group observes that its main objection against particular rules on Major Sports Events is that such rules could easily lead to a conflict between the interests of the organizer and the official sponsors on one side and the interests of non-sponsoring companies not to be unduly restricted in marketing their products on the other side.

According to the Finnish Group, potential hosts are encouraged to enact far-reaching *ad hoc* legislation in order to be selected as a host. This leads to the risk that, in this kind of legislation, the interests of the organizers and official sponsors are emphasized more strongly than the fair and reasonable interests of the public and other traders. Therefore, a need for international recommendations and guidelines in order to prevent too far-reaching national *ad hoc* legislation in this regard may be needed.

- 2) *What would be desirable for trademarks and signs which relate to Major Sports Events in respect of the registration of such trademarks?*
- a. *Would it be reasonable to adopt a registration procedure which is shorter than the general registration procedure?*

Very few Groups favour this idea; only the Indonesian, Latvian, Singaporean and Turkish Groups unreservedly believe it would be a good idea.

The Portuguese and Spanish Groups believe such procedures could be applied in the light of the practical interest for harmonisation with other countries and accordingly to some extent be appropriate.

The Groups of Argentina, Czech Republic, Denmark, Finland, Germany, Hungary, Italy, Korea, Mexico, Panama, Paraguay, Poland, Russia, Sweden, Switzerland and the United States do not think this would generally be a good idea.

However, in the opinion of the Polish Group, a fast track option could be considered in countries where trademark registration procedures take more than 1-2 years.

The German Group mentions the possibility of requesting the German Patent and Trademark office to expedite the trademark registration procedure, upon which request the Trademark Division must decide on the registration of the trademark within 6 months.

The United Kingdom Group observes that the application for procedure for obtaining a trademark registration is reasonably quick and straightforward, and that given the lead time between planning a Major Sports Event and the time when it takes place is likely to be a number of years, this leaves enough time to obtain trademark protection within in that period.

b. Would it be reasonable to change the classification system in respect of registration of trademarks which relate to Major Sports Events?

Only Singapore and Sweden answer clearly in the affirmative to this suggestion.

According to the Swedish Group, it would be reasonable to amend or complement the classification systems so as to facilitate classification of trademarks for a Major Sports Event or similar non-sport related events. An adjustment of the classification system to cover not only organising sports events, but also all other activities and marketing materials which are of interest to Major Sports Events would be an appropriate measure to facilitate Major Sports Events and other events without having a negative effect on society or third parties.

In the opinion of the Portuguese and Thailand Groups, an amendment of the classification system might be a feasible solution.

The Mexican Group suggests that the classification system could be adapted to new types of commercialization, but only as an evolution of trade and not because of specific types of Major Sports Events.

The Turkish Group proposes that rather than changing the classification system, it would be reasonable to incorporate goods and services in the existing classification system which will fall within the scope of Major Sports Event.

Argentina, Czech Republic, Denmark, Finland, Germany, Hungary, Italy, Korea, Latvia, Panama, Paraguay, Poland, Russia, Spain, the United Kingdom and the United States do not favour such an idea and find it unpractical and unnecessary.

The German and Spanish Groups observe that the present classification pursuant to the Nice Agreement already sufficiently considers the goods and services that are relevant in relation to Major Sports Events.

The Swiss Group states that, if e.g. the scope of services of “organisation of sports events” in class 41 was extended to cover (merchandising) products and services related to such an event, the subject matter of trademark protection would become indefinite.

In the opinion of the Spanish Group, trademarks relating to Major Sports Events may be afforded expanded protection beyond the principle of similarity of goods and services, on the basis of repute or a likelihood of association.

c. Would it be reasonable to adopt a narrowed requirement of distinctiveness for trademarks which relate to Major Sports Events or alternatively not to require distinctiveness at all?

The Turkish Group is the only Group unreservedly supporting this proposition.

The Australian Group speaks in favour of *sui generis* legislation in relation to a system in which necessary additional rights are granted in favour of Major Sports Events' organizers for various insignia, including generic insignia, such rights being independent of concepts of distinctiveness or the acquisition of distinctiveness through use.

Other countries (Estonia and Thailand) also support the proposition, as most Major Sports Events have elements in their marks/names which may be descriptive and accordingly a narrower requirement of distinctiveness could be taken into consideration. On the other hand, this approach may prohibit other similar events from using the same wording, even when such wording is descriptive and just common words making this approach unpractical (only Thailand).

The Czech Republic and Polish Groups mention the possibility of interpreting the requirement of distinctiveness for trademarks which constitute the names of Major Sports Events as broadly as possible.

The Groups of Argentina, Australia, Denmark, Finland, Germany, Hungary, Italy, Korea, Latvia, Mexico, Panama, Paraguay, Poland, Portugal, Spain, Sweden, Switzerland, the United Kingdom and the United States do not favour a narrowed requirement of distinctiveness for trademarks which relate to Major Sports Events.

More particularly, the Portuguese Group observes that the assessment of distinctiveness is already less stringent in relation to these trademarks and signs than for other trademarks and signs.

The Spanish Group notes the European Commission's White Paper on Sport of 11 July 2007 and the European Parliament's Resolution of 8 May 2008 on the White Paper on Sport showing that the Community institutions have focus on strengthening IP rights relating to sports and in particular those relating to Major Sports Events deemed to be "of great interest to the public" and events deemed to be "of major importance for society, such as the Olympic Games, the Football World Cup and the European Football Championship".

The Latvian Group points out that Major Sports Events' trademarks do not differ from regular trademarks and that it is not necessary to apply specific requirements of distinctiveness.

In the opinion of the United Kingdom Group, requirements for registration ought to be met for marks applied for by Major Sports Events organizers in the same way as for any other undertaking.

3) *What would be desirable for trademarks and signs which relate to Major Sports Events in respect of the use requirement?*

a. *Would it be reasonable to adopt a use period of e.g. 8 or 10 years for trademarks which relate to Major Sports Events?*

Only the Groups of Panama, Singapore and Spain believe this would be desirable.

The Spanish Group believes that if this is not accepted, the protection of trademarks which relate to Major Sports Events might otherwise be illusory.

The Mexican Group considers such a proposition might be reasonable, but that it could also be provided as an exemption rule according to which lack of use could be justified and according to which the requirement of use was only to be initiated at the time of the beginning of the Major Sports Event.

The Swiss Group mentions the possibility of an extension of the use period if e.g. the rules of the governing body require a prior disclosure of the planned event logo or other sign, which would then necessitate a prior trademark application.

The Polish Group believes it might be advisable to adopt a different grace period for certain cases. However, this period would have to be defined in the legislation specifically created for each case.

The Groups of Argentina, Australia, Czech Republic, Denmark, Estonia, Finland, Germany, Hungary, Indonesia, Italy, Korea, Latvia, Paraguay, Poland, Russia, Sweden, Thailand, Turkey, the United Kingdom and the United States do not support the proposition.

A number of Groups (Czech Republic, Estonia, Latvia, Poland, Sweden, Turkey and United Kingdom) believe it should be noted that the principle that a trademark shall not be revoked due to non use, if the owner has legitimate reasons for not using the trademark, naturally applies also in relation to these types of trademarks.

The Australian Group observes that any change to adopt a use period of 8 to 10 years for marks associated with Major Sports Events would introduce an exception to existing trademark registrations and would complicate the trademark register. Furthermore, from a public interest point of view, the trademark register could become cluttered with marks which may not be used and could not be removed for a considerable period of time.

The German Group notes that existing rules are sufficient and without any corresponding entrepreneurial achievements such as by the organizer of the Major Sports Events, there will be a lack of justification to create additional privileges by adopting deviating periods for claiming protection.

b. Would it be reasonable to apply a use period of e.g. 8 or 10 years if the period from registration of the trademark to the actual event is [longer] than 8 or 10 years?

The Mexican and Singaporean Groups believe this might be reasonable.

The Groups of Argentina, Australia, Czech Republic, Denmark, Estonia, Finland, Germany, Hungary, Indonesia, Italy, Korea, Latvia, Panama, Paraguay, Poland, Russia, Spain, Sweden, Switzerland, Thailand, Turkey, the United Kingdom and the United States do not favour this idea.

The Spanish Group observes that if the time period is to be extended beyond the standard time e.g. 8 to 10 years, it would seem logical that this period is applicable in all cases, even where the Major Sports Event is to be held sooner.

The Portuguese and Spanish Groups mention that one solution covering both situations could be to allow these marks a clearly defined exemption from the use requirement (e.g. from the period of registration to the time when the Major Sports Event is being held).

The Polish Group states as an *obiter dictum* that many trademarks which relate to Major Sports Events are registered as “defensive” marks only (i.e. with no intention to use them at all) and because of this, the Polish Group preferably supports a *sui generis* legislation of signs relating to Major Sports Events not stipulating the use requirement at all.

Finally, the South African Group does not believe there should be a requirement for use at all. The relevant authority should consult the sport body to determine the correct stage from which the protection should commence. Accordingly, special legislation should be adopted and traditional requirements of trademark legislation should not apply.

- 4) *What would be desirable for trademarks and signs which relate to Major Sports Events in respect of the scope of protection? Would it be reasonable to give trademarks which relate to Major Sports Events a broader scope of protection than the scope of protection given to other trademarks, and in particular in relation to other trademarks which have a low degree of distinctiveness?*

Only the Indonesian, Spanish and Turkish Groups believe it would be reasonable to give trademarks which relate to Major Sports Events a broader scope of protection than the scope of protection given to other trademarks.

The Spanish Group observes that to keep unauthorized economic operators from using marks identical or similar to the event name to promote their goods or services, trademarks relating to Major Sports Events need to be accorded broader protection than that accorded to trademarks having a normal degree of distinctive character. In any case, expanded scope of protection should be applied proportionately, so that the economic and social benefits deriving from the event will not be prevented from also reaching other enterprises operating in the host city/country making reference to the event in good faith.

In the opinion of the South African Group, a wider protection could be justified on the basis of the considerable interests involved for society in general. In the absence of customized legislation, the sponsors of Major Sports Events would not have sufficient protection. However, legislation should be designed so as not to constitute an absolute prohibition on the use of the marks concerned and the *bona fide* use thereof should be left undisturbed.

Most Groups, however, believe that the protection of trademarks should be the same regardless of the field of business (Argentina, Australia, Czech Republic, Estonia, Finland, Germany, Hungary, Italy, Korea, Latvia, Panama, Paraguay, Poland, Portugal, Russia, Singapore, Sweden, Switzerland, Thailand, the United Kingdom and the United States).

The Danish Group suggests that the scope of protection given to specific marks should be given on a case-to-case basis by the courts and not by fixing specific criteria in the legislation relating to specific areas of the society, such as Major Sports Events.

The Swiss group believes that if special rights were given in relation to Major Sports Events there would be similar requests from other industries as well.

According to the Swedish Group, trademarks related to Major Sports Events are or will quickly become well known considering the attention such events have. Therefore, these types of trademarks will naturally have an extended scope of protection.

In the opinion of the Swedish Group, introducing rules treating trademarks relating to Major Sports Events differently would create two sets of rules resulting in legal uncertainty in designating this particular class of trademark. Additional rights are best dealt with by introducing Major Sports Events-specific legislation.

The Swiss Group believes Major Sports Events and/or the infrastructure they use are often partially financed by public funds, including taxes. Thus, the public and local enterprises should not be limited more in their business activities by trademarks relating to Major Sports Events than any other type of trademark.

5) *What would be desirable for trademarks and signs which relate to Major Sports Events in respect of infringements of those trademarks?*

a. *Should the requirement of use as a mark as a precondition for trademark infringement apply to alleged infringements of trademarks which relate to Major Sports Events or should it be possible to infringe such trademarks even when the use in question can not be characterised as use as a mark? Why is that the case?*

Only the Italian, Mexican and Thailand Groups believe that it should be possible to infringe trademarks relating to Major Sports Events without fulfilling the requirement of use as a mark. These Groups state that infringement of Major Sports Events signs should be held when third parties unduly use identical or similar signs in the course of business and such use calls to mind the signs relating to the Major Sports Events, regardless of whether such identical or similar signs are used as a mark.

In the opinion of the Spanish Group, use as a trademark should not be a precondition, or at least, not a condition *sine qua non*, for trademark infringement. Other factors should also be taken into account, e.g. the commercial or non-profit nature (e.g. as a symbol of affiliation) of use by the alleged infringer and whether or not there exists a competitive relationship between the parties.

According to the Groups of Argentina, Australia, Czech Republic, Denmark, Estonia, Finland, Germany, Hungary, Indonesia, Korea, Latvia, Panama, Poland, Portugal, Singapore, Sweden, Switzerland, Turkey, the United Kingdom and the United States, this should not be a possibility, as use in commerce should always be required as use in commerce is necessary for consumer confusion to exist.

The Turkish Group observes that the legislator may determine in advance that the use of certain combinations of non-distinctive words relating to an event should be presumed infringing in the view of the necessity to take immediate reactions during the Major Sports Event.

The Groups of Germany and Sweden believe only use as a mark, as defined by the consumers' appreciation according to the case law of the European Court of Justice, should constitute infringement also in relation to Major Sports Events.

Furthermore, the German Group observes that dispensing with the requirement of use as a mark as a precondition for trademark infringement would lead to a rigid system and

would not open up any possibilities of consideration for the judge deciding in the infringement proceedings.

b. Should the remedies available against infringements of such trademarks be different from the remedies available against infringements of other trademarks? In the affirmative: Why is that the case?

Latvia and Mexico are the only Groups believing that the remedies available against infringements of trademarks relating to Major Sports Events should be different from the remedies available against infringements of other trademarks. Considering the short and intense period of time trademarks relating to Major Sports Events have actuality, it is likely that it is quite difficult to prove the existence of damages. Therefore, it could seem convenient to reverse the burden of proof obliging the infringer to demonstrate that he did not obtain any benefit etc. (the Latvian Group only believes that remedies against infringement of *well-known* trademarks should be more significant).

A large number of Groups say remedies should not be any different (Argentina, Australia, Czech Republic, Denmark, Estonia, Finland, Hungary, Indonesia, Italy, Korea, Panama, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, Thailand, Turkey, the United Kingdom and the United States). However, the amount of damages awarded should be properly assessed bearing in mind the sizeable investment made by the sponsors (Spain and Thailand).

The Groups of Poland, Portugal and Thailand believe acceleration of enforcement procedures, including available precautionary and provisional procedures, would be favourable.

Some Groups observe that it is necessary to foresee in *sui generis* legislation relating to the Major Sports Events clear and detailed provisions which limit the discretionary power of judges and order the examination of preliminary injunction and other immediate relief remedies with priority, as this is necessary to ensure effective and prompt reaction against infringers to protect the interest of the event organizers and official sponsors (Poland and partly Portugal and Turkey).

6) *Are specific measures protecting against Ambush Marketing relating to Major Sports Events necessary or justified? In the affirmative, why is that the case and what should the contents of such measures be?*

Only a minority of the Groups are in favour of specific measures protecting against Ambush Marketing; according to the Groups of the Czech Republic, Mexico, Poland, Portugal, South Africa and Spain, wider protection could be justified on the basis of the considerable economic, commercial and social interests involved and the short period of time during which a Major Sports Event takes place.

The Paraguay Group believes such measures are appropriate within in certain limits.

According to the Spanish Group, statute law, copyright law, trademark law, image rights law, unfair competition law and advertising law will never be able to anticipate all forms of objectionable conduct and therefore, specific measure protecting against Ambush Marketing are clearly desirable. However, in order to avoid infringing other fundamental rights the specific measures should be enacted restrictively, regulating their material and temporal scope and the types of measures enacted.

The Polish Group believes that due to economic and social factors, including unquestionable benefits for the country, it is particularly justified to limit the scope of such “unauthorized” commercial activities in the countries hosting Major Sports Events.

The Majority of the Groups were not in favour of introducing specific legislation relating to Major Sports Events in general.

According to the Groups of Argentina, Denmark, Estonia, Finland, Germany, Indonesia, Italy, Korea, Latvia, Russia, Sweden, Switzerland, Thailand, Turkey, the United Kingdom and the United States, national trademark legislation and protection against unfair competition provides sufficient protection against Ambush Marketing.

However, the Argentinian and Hungarian Groups observe that provisions in which the boundaries of Ambush Marketing are clearly defined could provide legal certainty for the parties involved.

The Australian Group submits that the answer to this question depends on the extent to which adequate protection is provided by the unfair competition laws of the particular state; the situation is best dealt with by specific legislation relating to a specific Major Sports Event.

7) *Are other measures protecting against unfair competition relating to Major Sports Events necessary? In the affirmative, why is that the case?*

Generally, the Groups found that it would be almost impossible to form general applicable rules protecting against unfair competition relating to Major Sports Events, as the potential unfair competition and unlawful exploitation of a Major Sports Event could take on a multiple of different forms making it almost impossible to address by legislation.

Only Mexico and Spain answer clearly in the affirmative to the question.

The Spanish Group suggests in this connection to draw from experiences in other jurisdictions who have adopted *sui generis* legislation in relation to specific Major Sports Events, e.g. China (Olympic Games in Beijing in 2008) and United Kingdom (London Olympics in 2012) and then draw on this experience and use the most effective features while avoiding those that have given rise to the most convincing criticism to create a specific Act related to the protection of Major Sports Events, also including protection against Ambush Marketing.

The Russian Group notes that it should be clearly understood that establishing a similar event on the place and time of the Major Sports Event and using similar signs should be considered unfair competition because in most cases the participants of such similar events, as well as the spectators, may not clearly understand the difference.

The Czech Group believes adoption of specific legislation relating to protection of symbols relating to a Major Sports Event might be useful from time to time.

The remaining Groups (Argentina, Australia, Denmark, Estonia, Finland, Germany, Hungary, Indonesia, Italy, Korea, Latvia, Panama, Paraguay, Portugal, Singapore, South Africa, Sweden, Switzerland, Turkey, the United Kingdom and the United States) do not believe that any further measures than already provided for in national law are necessary.

The Swedish Group observes that when a country is hosting a Major Sports Event, the courts of that country should be well prepared to decide on interim injunctions within a short notice and the police should be educated to be able to take action quickly and efficiently. Furthermore, the Swedish Group brings to mind the possibility of registering certification marks under Swedish law according to The Collective Marks Act. This Act provides a possibility for various associations and societies to register trademarks which are intended to be used by the members or entities within such associations and societies and represents an alternative to the normal trademark protection, which affords only one trader the right to dispose of the reputation vested in the sign.

The Swiss Group observes simply that it is for the organizers of Major Sports Events to negotiate adequate terms and conditions of such an event.

8) *Does your Group have any other views or proposals for harmonisation in the area?*

Only few Groups provide additional comments to this question.

The South African Group believes there is a need for harmonisation with regard to the exceptions to protection, such as the fair use exception. For instance, travel agencies and businesses providing accommodation could have a greater amount of practical justification than e.g. a financial institution. Also, in relation to the enforcement policy there is a need for harmonisation, as uncertainty is often created, with the result that legitimate traders do not have clarity about the scope of activities that are permitted.

The Portuguese Groups states that harmonisation is needed to some extent, as it may be necessary to adopt special rules speeding up the process of registering and enforcing trademarks relating to Major Sports Events.

The Polish Group states that AIPPI should encourage all countries to adopt specific rules on protection of trademarks and other designations relating to Major Sports Events, as well as specific measures against Ambush Marketing. However, the Group states that there is no need to harmonise all aspects of the problems relating to the protection of trademarks and other designations relating to Major Sports Events. Only some basic principles should be harmonised in order to ensure a sufficient protection of the said trademarks and signs.

The Spanish Group proposes harmonisation in relation to trademarks associated with Major Sports Events which do not comprise geographical or descriptive indications (e.g. mascot designs or names), both in respect of entitlement to registration and in relation to infringement questions.

The Italian Group recommends that a new registration regime is introduced, allowing the owners of trademarks and signs relating to Major Sports Events to file trademark applications for all the products or services related to Major Sports Events, regardless of the classes in which the said products or services are normally included (e.g. by including in class 41 all the merchandise products linked to the services indicated in the said class).

Not all Groups have in fact answered this question and only Australia, Czech Republic, Denmark, Estonia, Germany, Hungary, Latvia, Russia, Singapore, Sweden, Switzerland, the United Kingdom and the United States state clearly that they do not favour any initiatives in relation to a general harmonisation of the rules protecting trademarks and

other designations relating to Major Sports Events. These Groups, accordingly, have no other views or proposals in this relation.

However, the United Kingdom Group mentions a need for harmonisation in relation to evaluation of damages where harmonisation on substantive law (e.g. in relation to Community trademarks and pursuant to the European Enforcement Directive) already exists.

III) Conclusions

On the basis of the Groups' responses summarised above, there seems to be no real basis for consensus among the majority of the Groups for initiating any substantive harmonisation in the fields of particular rules on trademark protection for trademarks and other designations relating to Major Sports Events or specific measures protecting against Ambush Marketing. Furthermore, it seems to be a general perception among the Groups that they favour to apply the general rules for trademarks and unfair competition rather than adopting specific *sui generis* legislation for the protection of trademarks and other designations relating to Major Sports Events and against Ambush Marketing.

Also, a large number of the Groups have reported on *sui generis* legislation adopted in relation to their hosting of the Olympic Games. However, it emanates from these Group Reports that this special legislation in relation to the Olympic Games is of a unique character and so customized for the needs and purposes of the Olympic Games that it seems unlikely that any useful conclusions from this special law can be adopted or transferred to the work with the protection of trademarks and other designation relating to Major Sports Events or specific measures protecting against Ambush Marketing.

As Question Q210 has dealt only with whether or not national trademark law and legislation against unfair competition provide adequate protection for Major Sports Events, it is proposed, as suggested by some of the Groups, that the further work within the Working Committee focus on,

- what general rules and principles should/could apply in relation to *sui generis* legislation, if such legislation is desirable at all, adopted on a case-by-case basis protecting trademarks and other designations relating to a specific Major Sports Event (would it, for example, be possible and/or desirable to introduce, in such *sui generis* legislation relating to a specific Major Sports Event, rules and measures as suggested above under section II), question 1-5);
- what general rules and principles should/could apply in relation to *sui generis* legislation adopted on a case-by-case basis in relation to Ambush Marketing (would it, for example, be possible and/or desirable to introduce, in such *sui generis* legislation relating to a specific Major Sports Event, rules and measures as suggested above under section II), question 6-7);

In particular, the Working Committee could usefully discuss, inter alia,

- what is the experience of the Groups from countries, that have already adopted such *sui generis* legislation in relation to specific Major Sports Events and would it be possible to draw any general principles from it which could be of useful inspiration in the formation of general guidelines on *sui generis* legislation in relation to specific Major Sports Events;

- would it be possible in that context to draw any useful conclusions from the specific legislation adopted by a large number of the reporting countries in relation to the hosting of the Olympic Games, or is this legislation simply too specialized to be taken into account when preparing a set of general guidelines.