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Recommended Citation

Abib T. Conteh, *The Right of Publicity in Sports: Athletic and Economic Competition*, 3 DePaul J. Sports L. & Contemp. Probs. 136 (2006)

Available at: <https://via.library.depaul.edu/jslcp/vol3/iss2/1>

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THE RIGHT OF PUBLICITY IN SPORTS: ATHLETIC AND ECONOMIC COMPETITION

*Abib Tejan Conteh*¹

INTRODUCTION

Although some people might believe there is no “I” in team, when it comes to the professional athlete marketing his or her name, likeness, and identity, not only is there an “I”, but a “me”, “myself” and “mine” as well. For years, athletes have been paid big money for endorsements and other opportunities based on their fame and accomplishments. With an effective blitz of media visibility, an increasing number have increased their profiles and turned a profit as the result of a singular achievement or several.

It is difficult to even fathom the profits earned by many famous athletes. For example, Eldrick “Tiger” Woods has put together a formidable legacy on the greens as a professional golfer for the past decade. As a pitchman for companies such as Nike and Buick, his reliable image allowed him to connect with a trusting consumer audience, so much so that his endorsement is arguably responsible for the boost in sales. The "Tiger effect" seems to be working for Nike, which has seen its share of the retail golf ball market grow from nothing to between 6 and 10 percent in a year, according to market

¹ J.D., University at Buffalo Law School, 2004; B.A., Williams College, 2000. The author would like to thank Professor Helen Drew and Professor Shuba Ghosh for their valuable contributions to the beginning and development of this article. The author would also like to thank the individuals interviewed for their time and insightful responses in contemplation of this Article, as well as the Editorial Board and staff of this Journal for their commitment to publishing the sports law issues of our times while managing the demands of life and law school. Lastly, the author is grateful to his family for their unwavering support of this endeavor and throughout his young career.

researcher Golf Datatech.² The Nike Golf website saw its busiest day ever on the Monday following Woods' victory at the 2000 U.S. Open.³

Clearly, there is a difference between marketing athletes that play team sports and those that participate in more individualized athletic contests like golf and tennis. As the potential for endorsements grows, so do the opportunities for unauthorized third parties to profit from the fame of these athletes. In addition to their traditional duties, agents, managers and other athlete representatives watch for and protect their clients against such infringement. While team sports organizations such as the NBA, NFL, MLB and NHL have also focused on promoting and protecting players from unauthorized use of their character, these respective leagues must balance their own interests against the independent endorsement designs of its athletes.

First, this article will review Tiger Woods' licensing company's unsuccessful appeal, *ETW Corp. v. Jireh Pub., Inc.*, 332 F.3d 915 (6th Cir. 2003), in which it claimed the defendant published a work that infringed Woods' right to control his trademarked name and image.⁴ Although the court ultimately determined that Woods' claim failed to prove his name and likeness constitute a valid trademark and that the First Amendment of the United States Constitution protects the defendant's work, the argument in favor of the athlete's right of publicity persists.

Second, the article will examine the right to publicity issue in professional sports. There are practical issues for leagues, teams and players alike; therefore, members of the sports industry were interviewed to determine how professional sports teams protect the

² Mark McLaughlin, *Nike, Titleist Wage Ball Battle* (2001), at <http://money.cnn.com/2001/04/04/companies/ballwars/index.htm> (last viewed May 5, 2006).

³ *See id.*

⁴ *ETW Corp. v. Jireh Publ'g, Inc.*, 332 F.3d 915 (6th Cir. 2003).

names and likenesses of their athletes and whether the goals of the Federal Trademark Statute, also known as the Lanham Act, are presently achieved.

Third, this article will discuss the implications of the *ETW Corp.* appeal decision, including the need to balance right of publicity infringement claims against First Amendment protection of free speech.⁵ These conflicts arise with respect to practical matters concerning licensing, merchandising, and endorsement agreements for professional sports teams and the players. Problems can occur when team marketing interests conflict with an athlete's income stream and public persona, particularly for endorsement agreements.⁶

Consider the transformation of the NBA's Cleveland Cavaliers. This once anemic franchise had few issues regarding unauthorized use of its brand and player images before drafting LeBron James, fresh out of high school. Now, with a fledgling star on its roster, the team is swamped with intellectual property matters, including the responsibility to regulate James' numerous endorsement deals and other team-related publicity, in order to ensure that the Cavaliers brand is properly protected.⁷ The National Basketball Association also has an interest in protecting the Cavs brand because it stands to earn significant proceeds from the recent upswing of the team's popularity.⁸

⁵ *Id.* at 938.

⁶ Gregory J. Battersby & Charles W. Grimes, *Law of Merchandise and Character Licensing* § 4:6 (2003).

⁷ Telephone Interview with Anil George, Legal Counsel, NBA Properties, Inc. (April 29, 2004).

⁸ *See id.*

II. RIGHT OF PUBLICITY

A. *Right of Publicity Defined*

The right of publicity involves the legal right of an individual to exploit his or her name, likeness, character traits or other identifying features for profit.⁹ The publicity right was created in the United States by state common law, but several states recognize this concept differently.¹⁰ New York State criminalizes right of publicity violations against living individuals while allowing actionable civil claims as well.¹¹ California has a statute that protects the right for both living and deceased persons.¹² It prohibits the use of an individual's personal identity when exploited for commercial purposes without the person's consent.¹³ In Ohio, where Tiger Woods' licensing agent filed its right of publicity and trademark infringement claims, the elements of the state right of publicity action are considered to be equivalent to a federal Lanham Act false endorsement claim.¹⁴

It is important to note that these claims are generally applicable to the profit-seeking use of one's likeness. State right of publicity claims are inapplicable for non-commercial use.¹⁵ In addition, the First Amendment further protects non-commercial and "newsworthy" use of an athlete's likeness against a right of publicity claim and/or federal trademark infringement claims.¹⁶

⁹ Jay Dratler, Jr., *Licensing of Intellectual Property* § 7.02 (2003); Erika T. Olander, Comment, *Stop the Presses! First Amendment Limitations of Professional Athletes' Publicity Rights*, 12 MARQ. SPORTS L. REV. 885, 885-86 (2002).

¹⁰ Patrick Whitman, Comment, *Everyone's a Critic: Tiger Woods, The Right of Publicity and the Artist*, 1 Hous. Bus. & Tax. L.J. 41, 48-56 (2001).

¹¹ Dratler, *supra* note 9, § 7.02(3).

¹² *See id.* § 7.02(1)(b).

¹³ *See id.*

¹⁴ *ETW Corp.*, 332 F.3d at 924.

¹⁵ Jeremy T. Marr, Note, *Constitutional Restraints on State Right of Publicity Laws*, 44 B.C. L. REV. 863, 871 (2003).

¹⁶ Whitman, *supra* note 10, at 57-60.

B. *Reasons to Permit Right of Publicity*

Athletes and celebrities alike have several arguments available to show why right of publicity should be allowed and establish an actionable claim if the right is violated. First, they argue, public figures should be allowed the right to profit from their personal achievement and public image.¹⁷ An athlete may seek endorsement deals to further promote his talents and public persona. In addition, they assert that the ability to retain control over one's identity and image is critical for a public figure to secure compensation for his contribution to the enrichment of our society.¹⁸

Commentators reason that talented individuals will be more likely to utilize their skills if there is an economic incentive.¹⁹ In addition, the contributions made by athletes and celebrities will benefit the viewing public's appreciation of their talents only as needed.²⁰ In other words, right of publicity protections help to ensure that an athlete's private property rights are not overused and that the person's marketability does not depreciate.²¹

Furthermore, a celebrity might not want to be associated with promoting a company's particular product or service.²² Retaining the right to control one's commercial enterprise is important to prevent consumers from mistaking a connection between a public figure and an undesirable product or service. Such associations can damage an athlete's influence on the market if the subject matter of the endorsement is not held to be reputable.²³

¹⁷ *Id.* at 51.

¹⁸ Whitman, *supra* note 10, at 52.

¹⁹ *See id.*

²⁰ *See id.*

²¹ *See id.*

²² *See id.*

²³ *Id.* at 53.

C. Tiger Woods' Right of Publicity Claim

The dispute between Tiger Woods' exclusive licensing agent, ETW Corporation ("ETW"), and Jireh Publishing ("Jireh"), began as a result of a 1998 painting entitled "The Masters of Augusta", created by Rick Rush ("Rush") but published by Jireh.²⁴ Art prints made from Rush's painting, entitled *The Masters of Augusta*, were published by Jireh in limited edition to commemorate Tiger's victory at the 1997 Masters Tournament in Augusta, Georgia.²⁵ It featured foreground views of Woods in three different "action" poses.²⁶ In the background, likenesses of past golf legends Arnold Palmer, Sam Snead, Ben Hogan, Walter Hagen, Bobby Jones, and Jack Nicklaus look on from behind the Augusta National Clubhouse.²⁷

ETW sued Jireh in the Eastern Division of the Northern District Court of Ohio, alleging trademark infringement, dilution of the mark and unfair competition and false advertising under the Lanham Act. ETW also alleged unfair competition and deceptive trade practices under the Ohio Revised Code and unfair competition, trademark infringement and violation of Woods' right of publicity under Ohio common law.²⁸ Jireh counterclaimed, seeking a declaratory judgment that Rush's art prints were protected by the First Amendment and do not violate the Lanham Act.²⁹ Each side sought summary judgment, but defendant Jireh's motion was granted by the district court, which

²⁴ *ETW Corp.*, 332 F.3d at 918.

²⁵ *See id.* Tiger Woods Masters Tournament Bio (Woods won four Masters Tournaments: in 1997, 2001, 2002 and most recently, in 2005), *available at* http://www.masters.org/en_US/scores/bios/bio8793.html.

²⁶ *ETW Corp.*, 332 F.3d at 918.

²⁷ *See id.*

²⁸ *ETW Corp.*, 332 F.3d at 919.

²⁹ *See id.*

concluded that Rush's painting was protected by the First Amendment as an artistic creation containing an original message and dismissed the case.³⁰

ETW appealed to the Sixth Circuit U.S. Court of Appeals only to lose again. The court concluded that Woods' name was used only to describe the content of the print, which is permitted by the Lanham Act when "used fairly and in good faith only to describe the goods..."³¹

Next, the court denied Woods' trademark claim, holding that a person's image or likeness does not constitute a trademark and that Woods could not claim trademark rights for all images and likenesses which identify him.³² The court then dismissed Woods' right of publicity claim, holding that his right of publicity was significantly outweighed by societal interests in the freedom of artistic expression, as provided for by the First Amendment.³³ In addition, the court reasoned that sports and entertainment celebrities symbolize certain societal ideas and values and inspire original expression. Woods was illustrated in the Rush painting as a newly crowned member inaugurated into the rich history and tradition of the Masters Tournament.³⁴

Although the painting was made commercially available, its message appeared to be the more significant focus of the court's decision. The court justified First Amendment protection for the use of a celebrity's image where the work is creative and exhibits the artist's individual expression.³⁵

³⁰ *See id.*

³¹ William H. Hollander & Jerad G. Seurer, *Tiger Loses One*, 50-OCT Fed. Law. 37 (2003).

³² *ETW Corp.*, 332 F.3d at 921-23.

³³ *Id.* at 938.

³⁴ Hollander & Seurer, *supra* note 31, at 936-38.

³⁵ *ETW Corp.*, 332 F.3d at 938.

Woods' use of survey evidence failed to show that the average member of the purchasing public would recognize his portrayal as a marketing tool used to sell Rush's painting.³⁶ Woods and ETW Corp. could not prove that inclusion of his name and likeness was the selling point for Jireh to profit from the public's association between Rush's painting and Woods.³⁷

Woods could have shown that the unauthorized painting caused confusion among the purchasing public if, for example, it was marketed alongside works that were authorized by ETW Corp., where it might be reasonably argued that consumers would mistake the Rush painting for a product authorized by Woods or the PGA. The existence of public confusion indicates there was a likely harm to the image of the individual whose right of publicity was violated.³⁸ Generally, the extent of such harm cannot be easily determined.³⁹

D. Difficulties of the Right of Publicity Claim

While it seems to be an effective strategy for a public figure to provide evidence of a right of publicity violation by showing the consumer confusion about an item, it is a tactic that sometimes fails.⁴⁰ In *ETW Corp.*, a plausible argument could be made that a buyer purchased Rush's painting for a reason other than its portrayal of Tiger Woods. For example, a golf fan could have selected the painting not only because it

³⁶ *ETW Corp.*, 332 F.3d at 937.

³⁷ *Contra* Comedy III Prods., Inc. v. Saderup, Inc., 21 P.3d 797, 811 (2001) ((quoted in *ETW Corp.*, 332 F.3d at 959) (Clay, dissenting)).

³⁸ Adam Hirschfeld, Note, *Celebrity Misrepresentation & the Federal Lanham Act: The Public Fights Back*, 78 St. Johns' L. Rev. 233 (2004).

³⁹ *See id.*

⁴⁰ *Id.* at 239-42.

commemorated the 1997 Masters Tournament, but it also captured the essence of golf at the grounds of Augusta National Golf Club.⁴¹

Even if a celebrity's name and image does not necessarily confuse the consumer, it might convey the literal message intended by the artist's expression, as the Court of Appeals suggested in the *ETW Corp.* opinion.⁴² Here, public confusion about the likeness would not be apparent. Jireh could argue that the art prints were for sale, but were intended to honor Woods' success as the youngest player ever to win the Masters Tournament, and his record score on the course. Jireh's commercial use of Tiger Woods' likeness is an incidental, rather than intentional, subject of the commemoration of the event. The facts can be interpreted to present reasonably convincing justifications on both sides of the dispute.

E. Right of Publicity Economic and Policy Considerations

While the Court of Appeals in *ETW Corp.* held that Rush's painting was protected as artistic expression under the First Amendment, it also supports the argument that the painting does not violate Woods' right of publicity.⁴³ The court reasoned that the work was sufficiently creative to permit Rush to profit from his enterprise.⁴⁴ The court also held that Woods earns a significant income from being a professional golfer and his numerous endorsements, licensing and merchandising ventures.⁴⁵ Accordingly, the court asserts that Rush's work significantly transformed the athlete's image and likeness so that

⁴¹ *ETW Corp.*, 332 F.3d at 919.

⁴² *ETW Corp.*, 332 F.3d at 936-38.

⁴³ *See id.*

⁴⁴ *See id.*

⁴⁵ *See id.*

Woods' right of publicity was not harmed or comprised in any social or economic perspective.⁴⁶

The court's holding hints at an implicit policy issue. Even though Rush engaged in a profitable, albeit artistic, venture with Jireh Publishing by selling the artwork prints, the court's decision gives the artist justification because he introduced a product to the market that neither Woods, his agents or licensees exploited.⁴⁷ In effect, Rush's work was protected because he marketed a product that had not previously been used by Woods.⁴⁸ Development of a market that was not yet encountered by the celebrity is not enough. It is conceivable that Woods could have come up with the idea to commemorate the Masters in a painting at some point, but the court rewarded Rush for developing the idea first. Rush made the piece using his interpretation of the 1997 Masters Tournament, its history and Woods' unprecedented achievements. In a sense, the court viewed the prestigious golf tournament as a United States tradition and Rush's artistic rendering provides social commentary about the sport and its players.⁴⁹

III. RIGHT OF PUBLICITY IN A SPORTS CONTEXT

The social right of publicity is managed by people that work with an athlete in several capacities. In Woods' case, his licensing agent, ETW Corp., and his management, International Management Group (IMG), work with him to direct his career

⁴⁶ *See id.*

⁴⁷ Conversation with Shubha Ghosh, Professor of Law, University at Buffalo Law School, in Buffalo, N.Y. (Apr. 9, 2004).

⁴⁸ *See id.*

⁴⁹ *ETW Corp.*, 332 F.3d at 938.

and assets, including endorsements.⁵⁰ Woods, like all professional golfers, is classified as an independent contractor when he competes in PGA TOUR events.⁵¹

The case is different for athletes in team sports. Leagues and team franchises retain the rights to use player names and likenesses to promote the sport, the league and the brands represented.⁵² The marketing role of the team athlete is multifaceted. The athlete is often an ambassador of the sport, the team and the city in which the team is located.⁵³ Furthermore, the league may also collaborate with franchise management to promote both the team and the athlete in one marketing campaign.⁵⁴ Creative and cooperative uses of the contractual agreements between these groups enable promotional ventures with expansive goals.⁵⁵ The results have been tremendous over the last two decades, as the money for celebrity athletes in professional sports has burgeoned to staggering numbers.⁵⁶ Now, seventeen-year-old golfers are “set for life” by placing their image on merchandise and making other endorsements.⁵⁷

A. Publicity on the Tour

The PGA TOUR is a trade association comprised of the TOUR and the golfers’ Players Association.⁵⁸ The golfers are, for all intents and purposes, independent contractors, required to play in a minimum number of events as required by the

⁵⁰ Krista L. Witanowski, *Do Tiger Woods, Dustin Hoffman and Other Celebrities Own Information About Themselves?*, COMMUNICATIONS LAWYER, Volume 20, No. 1, at 18 (2002).

⁵¹ Telephone Interview with Rick Anderson, General Counsel, PGA TOUR, Inc. (Mar. 16, 2004).

⁵² Gary R. Roberts, Essay, *The Legality of the Exclusive Collective Sale of Intellectual Property Rights by Sports Leagues*, 3 VA. J. SPORTS & L. 52, 59-60 (2001).

⁵³ *See id.*

⁵⁴ *See id.*

⁵⁵ *See id.*

⁵⁶ Witanoski, *supra* note 50, at 18.

⁵⁷ *See id.*

⁵⁸ Telephone Interview with Rick Anderson, *supra* note 51.

contract.⁵⁹ When a professional golfer joins the Players Association and signs the agreement with the PGA TOUR to appear at TOUR events and participates in competitions, the golfer agrees to grant the PGA media rights in appearances and tournament play.⁶⁰

In addition, the PGA retains media rights to negotiate with television networks to broadcast and promote TOUR competitions and events.⁶¹ The PGA may use player names, images, and likenesses in these broadcasts.⁶²

PGA TOUR sponsors can market their association with the TOUR, but cannot use a player's name, image or likeness without the TOUR and the player's consent.⁶³ There are two types of TOUR sponsors, title and corporate. First, a company or organization may pay a licensing fee to be a title sponsor.⁶⁴ For example, American Honda Motor Corporation, Inc. is the title sponsor of the Honda Classic golf tournament. Honda can also become a corporate sponsor by paying a licensing fee to be named as an official sponsor of the PGA TOUR.⁶⁵ While Honda can use its sponsorship status to advertise its product and services, its license is limited because it may not include players in its promotions absent the player's consent and/or an endorsement agreement.⁶⁶

PGA TOUR players may retain some independent marketing rights pursuant to the player association agreement.⁶⁷ For instance, Tiger Woods' has a separate

⁵⁹ *See id.*

⁶⁰ *See id.*

⁶¹ *See id.*

⁶² *See id.*

⁶³ *See id.*

⁶⁴ Telephone Interview with Rick Anderson, *supra* note 51.

⁶⁵ *See id.*

⁶⁶ *See id.*

⁶⁷ *See id.*

management agency which negotiated his endorsement deal with Buick.⁶⁸ He can appear in Buick advertisements to promote its line of vehicles and himself, but may not represent the PGA without its consent.⁶⁹ However, as a major corporate sponsor of the PGA TOUR, Buick may promote its relationship with the TOUR while using Woods as its spokesman.⁷⁰

The provisions of this system seem to work well for the PGA, its players and its sponsors. The Lanham Act and state right of publicity laws provide remedies in the event of unauthorized appropriation of the PGA brand or player likeness. When a sponsor overstepped its bounds and its activity verged on infringement, the PGA sent notice that the sponsor did not have its permission to use the license in that way and the activity was immediately discontinued.⁷¹ Consequently, there has not been litigation over sponsorship agreement “violations” mainly because the companies and the TOUR do not want to jeopardize future business opportunities.⁷² *ETW Corp.* is a different issue because it arose from the distribution of an unauthorized work by a company that was not a TOUR sponsor and did not have an endorsement or licensing deal with Woods.

B. Publicity Courtside

The NBA uses a regimented approach to manage its product and profit from the talents of its stars. The uniform player contract, between a player and team, includes a group licensing agreement.⁷³ This agreement allows the league to use player likenesses

⁶⁸ IMG Golf, *available at* <http://network.imgworld.twiihosting.net/publish.sps?syndicatorguid={8C0440E0-147F-4448-A52D-CF94B4D55F13}&rmbsiteinstanceguid={C1871375-E526-4E30-B0C6-A7D50CEB20E1}&rmpageid=25&SectionID=5712>

⁶⁹ Telephone Interview with Rick Anderson, *supra* note 51.

⁷⁰ *See id.*

⁷¹ *See id.*

⁷² *See id.*

⁷³ Telephone Interview with Anil George, *supra* note 7.

to promote the league, its teams and the players themselves.⁷⁴ The proceeds earned from the use of player images are shared equally by NBA teams.⁷⁵

Three main objectives direct the NBA's licensing and merchandising efforts. First, the use of the player likeness aids general promotion of the sport, the league and its product.⁷⁶ As soon as the NBA draft ends, the experts begin making projections and there is anticipation of the upcoming season, the league launches promotional events and opportunities for fans to get a first look at rookies in preseason summer professional leagues and exhibition games. The excitement continues to build as opening day approaches. The league negotiates contracts with television networks and airs television advertisements to promote special match-ups between conference rivals or teams with a lengthy competitive history.⁷⁷ In addition, the stars of opposing teams are featured to create a compelling storyline for the game. Events such as NBA All Star Weekend showcase the league's best and most popular players on a larger stage where the sport is marketed to the world. As the trade deadline approaches, everything from a player's technical skills to his personality quirks is analyzed. When the season draws to an end, the personalities, drama and intensity mix in the sport's highest level of competition at the championship playoffs.⁷⁸

Second, the NBA uses the right of publicity in a focused marketing context.⁷⁹ Like the PGA TOUR, the league has endorsement agreements with several companies. These sponsors are permitted to use their association with the NBA and its players in

⁷⁴ *See id.*

⁷⁵ *See id.*

⁷⁶ *See id.*

⁷⁷ *See id.*

⁷⁸ Telephone Interview with Anil George, *supra* note 7.

⁷⁹ *See id.*

marketing campaigns.⁸⁰ However, the NBA retains the right to review the product in the context of these campaigns.⁸¹ The NBA oversees television, radio and internet marketing and ensures that its sponsors adhere closely to the specific terms of their agreements.⁸²

Lastly, NBA Properties, Inc. manages global merchandise licensing for the league and its teams.⁸³ This arm is responsible for licensing all forms of fan memorabilia, including replica and authentic team jerseys and apparel, and other souvenirs, such as “bobbleheads” and calendars.⁸⁴ Fans buy these items to support their favorite players and teams, which, in turn, support the league and promote the game of basketball.⁸⁵

C. Cross-Promotion

Revenue sharing is a major feature of the uniform player contract and the group licensing agreement.⁸⁶ The structure of the contract provides that proceeds from official NBA partnerships, league endorsement agreements and merchandising agreements are distributed to the league, its teams and the players.⁸⁷

Sometimes one or more of these focus areas will clash. LeBron James, for example, has an endorsement agreement with Sprite. He can appear in Sprite commercials and wear whatever type of clothing he wants.⁸⁸ However, if Sprite wanted to him to wear his Cleveland Cavaliers basketball uniform, he must first get permission

⁸⁰ *See id.*

⁸¹ *See id.*

⁸² *See id.*

⁸³ *See id.*

⁸⁴ Telephone Interview with Anil George, *supra* note 7.

⁸⁵ *See id.*

⁸⁶ *See id.*

⁸⁷ *See id.*

⁸⁸ *See id.*

from the NBA. The uniform is considered the team's intellectual property because of its original design and identifiable trade dress in videos and still pictures.⁸⁹

With Sprite as an official sponsor of the NBA, the parties have flexibility to successfully execute the advertisement. The NBA could permit James to wear his team uniform and do the commercial. Alternatively, the NBA could partner with Sprite to jointly produce an even bigger advertising campaign.

D. Crossing Boundaries

Unfortunately, when the competition between rival businesses intensifies, the raised stakes can put a player in the middle of an ugly dispute and lead to a public relations nightmare. Two years ago, a conflict erupted involving the Sacramento Kings' star point guard, Mike Bibby. Bibby was originally a spokesman for the Folsom automobile mall dealerships.⁹⁰ As an official sponsor of the Kings, Folsom retained exclusive rights to use the team's name for its promotions.⁹¹ When Bibby's contract with Folsom ended, he signed a new deal to endorse Roseville auto mall.⁹² He appeared in its advertisements wearing a basketball uniform with the same colors as the Kings' as he promoted the dealerships' "King-sized deals."⁹³ Ups Advertising, representing Folsom, protested, claiming that Roseville attempted to "dilute our association with the organization."⁹⁴

Roseville's advertising representatives denied the charge, stating that use of the phrase, "King-sized deals", was an honest mistake and it would not happen again.⁹⁵ Still,

⁸⁹ *See id.*

⁹⁰ Bob Shallit, *Auto Mall Cries Foul Over Ads by Bibby*, THE SACRAMENTO BEE, April 5, 2004, at D1.

⁹¹ *See id.*

⁹² *See id.*

⁹³ *See id.*

⁹⁴ *See id.*

⁹⁵ *See id.*

Folsom fired back a response with its own message-filled advertisements. The television spots informed viewers that Folsom is the choice of Kingsmen “Vlade, Peja, Bobby, Gerald and Mike.”⁹⁶ It showed each player’s picture in a square next to his name, except for Mike’s – which was blank.⁹⁷ In tiny words, only readable by holding a magnifying glass to the screen, a disclaimer revealed that the “Mike” in question was not former spokesman Bibby, but Mike Mitchell, president of Ups Advertising.⁹⁸ Folsom subsequently pulled the advertisement at the request of Bibby’s agent, but Mitchell felt that he made clear his objection to the Roseville television spots, and showed that he could play “dirty pool” on their level too, if provoked.⁹⁹

This dispute reinforces the notion that marketing and advertising dollars are not taken lightly between multimillion dollar organizations, no matter how irrational the antics get. Roseville probably should have requested permission from the Kings and the NBA to run its television spots featuring Bibby in a basketball uniform similar to the Kings’ uniform and mentioning “king-sized deals.” Roseville and its advertising agency could have faced many of the same charges as Jireh did in *ETW Corp.*, including: trademark infringement in violation of the Lanham Act, dilution of the mark under the Lanham Act and unfair competition and false advertising under the Lanham Act.¹⁰⁰

Conversely, Bibby could have asserted a right of publicity claim against Folsom under California’s right of publicity law, arguing that the “Kingsmen” television spot used his name, his association with the Kings and his previous association with Folsom to make consumers think that he maintained an endorsement relationship with Folsom. The

⁹⁶ Bob Shallit, *Auto Mall Cries Foul Over Ads by Bibby*, THE SACRAMENTO BEE, April 5, 2004, at D1.

⁹⁷ *See id.*

⁹⁸ *See id.*

⁹⁹ *See id.*

¹⁰⁰ *ETW Corp.*, 332 F.3d at 919.

California statute protects the name and other aspects of an individual's personal identity against use for advertising or selling without the individual's consent.¹⁰¹

First, potential trademark infringement claim would center on Roseville's colorable imitation of the registered Kings mark, the basketball uniform.¹⁰² Although Mike Bibby dressed in a basketball uniform in the Roseville ad, his appearance did not mean that he represented the Kings organization, the use of the Kings' color design for the uniform could have caused the reasonable consumer to incorrectly assume Bibby and the Kings endorsed Roseville.

Next, Roseville could have been subject to a claim of dilution of the distinctive quality of the Kings' mark since Folsom was the official sponsor of the team.¹⁰³ There is little room for debate about the distinctiveness of the Kings' mark. It qualifies for nearly every factor that a court may consider to determine whether a mark is distinctive and famous.¹⁰⁴

In determining whether a mark is distinctive and famous, a court may consider factors such as, but not limited to—

- (A) the degree of inherent or acquired distinctiveness of the mark;
- (B) the duration and extent of use of the mark in connection with the goods or services with which the mark is used;
- (C) the duration and extent of advertising and publicity of the mark;
- (D) the geographical extent of the trading area in which the mark is used;
- (E) the channels of trade for the goods or services with which the mark is used;
- (F) the degree of recognition of the mark in the trading areas and channels of trade used by the marks' owner and the person against whom the injunction is sought;
- (G) the nature and extent of use of the same or similar marks by third parties; and

¹⁰¹ Dratler, *supra* note 9, § 7.02.

¹⁰² See 15 U.S.C. § 1114 (2000).

¹⁰³ See 15 U.S.C. § 1125(c) (2000).

¹⁰⁴ See *id.*

(H) whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register.¹⁰⁵

The Kings' mark is distinctive because it is the only team in the NBA that uses the name, logo or colors for its uniform. It has been used and publicized domestically and internationally for two decades.¹⁰⁶ There are several channels of trade for professional basketball associated with the Kings and the mark is highly recognizable in these trading areas and channels. Lastly, third parties do not customarily use the mark unless there is an official association with the Kings.

The trade dress of the Kings' mark was shown with Bibby clad in a basketball uniform with "Kings-like" colors. In its television spots, Roseville, not an official sponsor of the Kings, benefited from featuring a Kings player in a uniform similar to the official Kings uniform. Folsom's association with the Kings and the Kings' mark immediately lost distinction when the advertisements aired because of the likelihood of confusion or mistake by fans and consumers who viewed them and assumed that Roseville was associated with the Kings. Roseville probably would face civil liability if a suit were commenced.¹⁰⁷

Here, defendant Roseville could claim that it did not violate the Kings' ownership of the mark, but featured Bibby in a regular basketball uniform and used the phrase "king-sized deals" merely to describe the grand scale of savings on its vehicles. While that might be true, it is also likely that Roseville knowingly used the Kings player and ambiguous slogan to make it seem like the NBA basketball Kings endorsed its

¹⁰⁵ *See id.*

¹⁰⁶ Sacramento Kings History, *available at* http://www.nba.com/kings/history/team_history.html (last viewed May 5, 2006).

¹⁰⁷ *See* 15 U.S.C. § 1125(a) (2000).

automobile dealerships. Similarly, the Kings and the NBA would have been within their right to demand that Roseville stop airing the ads because Roseville was not a corporate sponsor of the team. Moreover, the team and the league could have taken action for policy reasons in order to prevent future “mistakes.” The lesson is that a company should not be able to align itself with a team brand simply because it has an endorsement deal with one of the team’s players.

Folsom could have asserted that Bibby’s right of publicity claim presented no evidence. Bibby could have been reasonably mistaken for one of the Roseville “Kingsmen” because of his affiliation with the Kings organization and the use of his first name, “Mike.” The ad clearly, but minimally, provided a disclaimer explaining that the ad referred to Mike Mitchell, not to Bibby.¹⁰⁸ Still, the likelihood of confusion remained for viewers of the ad who were unaware of the events that preceded it. Bibby is the only “Mike” on the Kings roster; Mitchell is not. While Mitchell might argue that he represented Folsom, an official sponsor of the Kings, in his position as president of its advertising company, it is a safe to assert that he is not the “Mike” that would come to mind when people saw the “Kingsmen” commercial. Therefore, it would be reasonable to infer that Folsom used Bibby’s name for the purpose of marketing the auto mall. In addition, Mitchell admitted that he could also play “dirty pool” in order to let Roseville know he was not happy about its ad campaign.¹⁰⁹

A new question arises with regard to Roseville’s possible counterclaim against a Folsom lawsuit. Could Roseville claim that Folsom did not have the right to use Bibby’s name and association with the Kings for its controversial television spot? Roseville

¹⁰⁸ Shallit, *supra* note 90, at D1.

¹⁰⁹ *See id.*

could join Bibby as a plaintiff in the right of publicity counterclaim under California's right of publicity law. It could assert trademark infringement, dilution of the mark, unfair competition and false advertisement claims in response to Folsom's use of the name "Mike" in its "Kingsmen" ads. There would be a triable issue of fact whether Folsom, as an official sponsor of the Kings, had the right to use "Mike" alongside other Kings players in its television spots.

Although it is not impossible, it might be more difficult for Roseville to prove Folsom infringed Bibby's right of publicity than to prove Jireh violated Tiger Woods' right in *ETW Corp.* Folsom did not include Bibby's picture with his teammates in the television spot and even contained a disclaimer informing the audience that the commercial refers to Ups Advertising's Mike Mitchell.¹¹⁰ However, it is arguable that the ad did not make a satisfactory attempt to discourage viewers from assuming Bibby was one of the "Kingsmen." The company knew or should have known that its media campaign could cause consumers to think Bibby was one of the Kings' players endorsing Folsom auto dealerships, even if the sole purpose of the ad was for Mitchell to make a point.

The Bibby auto mall dispute is significant because it exemplifies the competitive nature of product marketing. The value of intellectual property continues to grow exponentially. Every interested party stands to profit from an association with the NBA brand. Sports figures are often driven to protect their present and future interests by the realization that their income could significantly decline when their careers come to an end.¹¹¹ John Oney of IMG noted that "endorsements generate a significant percentage of

¹¹⁰ *See id.*

¹¹¹ Witanoski, *supra* note 50, at 18.

an athlete's income."¹¹² In addition, player marketability also generates income for an athlete's core support group and representatives. In the worst case-scenario, the athlete suffers a career-ending injury and loses his popularity and profitability.¹¹³ Similarly, coaches, a group of professionals with notoriously tenuous job security, are hired and fired with amazing frequency. Their incomes and endorsement opportunities fluctuate more than volatile stocks. Front-office executives have to make the system work by preserving these interests in order to maximize revenue.

E. Publicity on the Field

The structure of player association and league agreements in professional football is similar to PGA TOUR and NBA arrangements. NFL member teams have two main objectives when it comes to protecting intellectual property: to maximize and leverage the team brand.¹¹⁴ Marketing and managing a team is essentially like running a business. The foremost goal of its front office is to protect the brand. Therefore, it is appropriate for the team to operate a business development department to regulate the use of its trademark.¹¹⁵

NFL trademark brands include the team name, logo, uniform and likenesses of its contracted players.¹¹⁶ No one can utilize the brand without consent from the organization. Companies pay licensing fees to become official corporate sponsors and for the right to use the brand for league-approved marketing purposes.¹¹⁷

¹¹² *See id.*

¹¹³ *See id.*

¹¹⁴ Telephone Interview with Russ Brandon, Vice President - Business Development and Marketing, Buffalo Bills (April 8, 2004).

¹¹⁵ *See id.*

¹¹⁶ *See id.*

¹¹⁷ *See id.*

The team's business development division deals with athletes, who are considered to be independent contractors.¹¹⁸ These players are permitted to sign independent endorsement deals which allow them to use their names and likenesses for commercial profit and publicity.¹¹⁹

The NFL Players Union agreed to allow the NFL and its member teams to use contracted players' names and images to promote the sport and team brands, pursuant to the NFL Collective Bargaining Agreement.¹²⁰ The teams' interests work separately or in concert with a player's endorsement deal to the benefit of all parties involved.

IV. CONCLUSION

In *ETW Corp.*, the court endorsed the cultural significance and entertainment value of modern celebrity.¹²¹ Like athletic prowess, artistic talent can manifest in many ways. As spectators, fans and amateur athletes ourselves, we marvel at the talents of professional athletes like Tiger Woods. His remarkable ability not only changed the sport of golf, but also marked a change in the sport's opportunity to implement new marketing campaigns, which enabled Woods to profit from his talent and fame. He introduced golf to a new demographic of people committed to learn and honor it.

Rick Rush immortalized Woods' success at the 1997 Masters Tournament on the greens of Augusta National. Woods asserted his right to the benefits of his accomplishment on his own terms, and at a cost. Like other successful endorsement athletes, Woods fully recognized his marketing and earning potential. However, the court in *ETW Corp.* concluded that he earns enough money from his career and related

¹¹⁸ *See id.*

¹¹⁹ *See id.*

¹²⁰ Richard Raysman et al., *Intellectual Property Licensing: Forms and Analysis* § 9.03 (2004).

¹²¹ *ETW Corp.*, 332 F.3d at 938.

endorsements to allow artists like Rush to earn derivative profits when he used his talent to create an artistic rendition of Woods' historic achievement.

Intellectual property protection is managed the same way for individual sports as it is for team sports. The assignment of media and marketing rights from athletes to teams and leagues benefits sporting franchises and affords players the opportunity to reap the rewards of independent marketing and promote themselves and their popularity. The growing appeal of leagues such as the WNBA, the US Professional Tennis Association and Major League Soccer reinforces the notion that the marketing of individual athletes will probably always generate interest in certain sports.

A new set of issues will need to be addressed in the near future as innovative marketing techniques are employed, including the use of web domains named for athletes and fan web sites. If an athlete or his management decides to create a web site, but a third-party previously acquired the domain name with expecting to resell it to the athlete for a profit (i.e. "cybersquatting"), it can be an expensive challenge to resolve the matter and obtain ownership of the name.¹²² The business of sports, like an exceptional athlete, is naturally competitive and sometimes overshadows the essence of the game. Ultimately, the business athlete must perform with the same skill and savvy on divergent playing fields. On the public field, he reveals his talents and personality, but on the private field he guards his personal opportunities and property for as long as he can, in the name of self-preservation.

¹²² Susan Schultz Laluk, *1 Internet Law and Practice § 14:1* (2005) ("Cybersquatting, sometimes also referred to as cyberpiracy or domain name hijacking, is the bad-faith registration of domain names which are identical to, similar to, or include other parties' names, tradenames, or trademarks, often in hopes of getting the rightful owner to pay ransom for the domain name.").