

Vuvuzela, Makarapa & Co.

By Frank Bahners*

The 2010 World Cup is casting its shadows ahead. Companies aiming to be active in marketing should however be aware of the legal trademark background if they want to sell supporter articles.

The 2010 FIFA soccer World Cup will not only be the biggest sports event of the year - it will also be a great opportunity for companies to profit in terms of marketing, even if they are not an official sponsor of this sporting event. The addition by companies of supporter articles to their own ranges is a possibility for profiting from the big sporting event. This creates a marketing-related relationship to the football World Cup which can positively influence the company's image and product turnover.

However, companies have to be careful that they do not infringe existing trademark rights. Not only the world soccer organisation FIFA keeps an eye on its trademark rights, whose use is intended to be confined to the official sponsors, in exchange for large payments. Other suppliers have for example also developed products, which create a link to the World Cup in South Africa, and have also protected these by trademark.

Exclusive right of use

Examples of such supporter articles are the Makarapa, an originally decorated fan helmet, and the Vuvuzela, the horn of the South African football fans. In particular, the Vuvuzela seems to be turning into a sales hit. In South Africa, it has been extremely popular at football matches for a very long time, and in Europe, the trumpet-like wind instrument became well-known above all through the 2009 Confederations Cup.

However, many companies are unaware that the designation 'Vuvuzela' – and also the designation 'Makarapa' – is trademark protected in Europe. Resourceful South Africans registered the expression as a word mark with the European trademarks office in Alicante as long ago as 2005. By registering the 'Vuvuzela' word mark, only the brand owners are entitled to use the designation for the registered goods (including musical instruments) and services. This is because the reason and purpose of a brand is to create an exclusive right for the brand owner, and this allows him its exclusive use in the business sphere. For this reason, not every designation is registered as a brand by the trademark authorities. Certain prerequisites must be fulfilled. For example, the designation must not have a purely descriptive character for the registered goods or services.

Brand assertion in proceedings for infringement

The benefit offered by a registered mark to the owner of the right is particularly evident in proceedings for brand infringement. If the brand owner for example takes a case against a third party who uses the brand without his agreement, the infringer cannot claim that the brand is not even capable of being registered. Frequently, infringers also use the argument that the registered designation is descriptive. However, a descriptive declaration may not be monopolised and consequently cannot be registered as a brand. With regard to the designation 'Vuvuzela', it could be alleged that in South Africa, and since 2009 in Europe, this is understood as a descriptive designation for a South African fan trumpet. Were this objection to be accepted in the proceedings for infringement, the value of the verification by the trademark office would be significantly reduced. Companies could no longer trust in the protection of their registered brands.

Also for this reason, the Bundesgerichtshof (BGH - German Federal Supreme Court) has emphasised in several decisions that the objection by the infringer of the trademark, that the brand should not have been registered, is of no significance in proceedings for trademark infringement. Anyone claiming that a brand should not have been registered can seek proceedings for brand annulment.

Brand annulment proceedings

Annulment proceedings became known to the public through the legal case between Ferrero and FIFA which reached their peak shortly before the 2006 soccer World Cup. At that time, as part of annulment proceedings, Ferrero obtained the annulment of the brands "WM 2006" and "Fußball WM 2006", registered in favour of FIFA, because they were descriptive. The confectionery manufacturer was allowed to print the expression "Fußball WM 2006" on its football collection cards, confirmed the judges.

For the World Cup in South Africa, Ferrero has registered its own brands such as "WM 2010" or "Südafrika 2010", in order to protect its collection card campaign by trademark. FIFA requested cancellation of the registered brands – and failed in the BGH. In the BGH decision dated 12 November 2009 (Ref: I ZR 183/07), the BGH agreed with the confectionery manufacturer's claim that the designations did not infringe brand and/or competition law. According to the BGH, this was because FIFA's constitutionally protected right to the financial exploitation of the sporting event which it has organised did not mean that every business usage which related to the sporting event should be reserved to FIFA.

The effect on Vuvuzela & Co?

The judgement makes clear that events like a soccer World Cup belong in a wider sense to the general public, and that not only to a small circle may profit from its drawing power. But, as ever, there is no basic rule as to how such events are to be protected through trademark. Companies wishing to profit in marketing terms from the positive image of a major sporting event should therefore very closely check the legal trademark situation.

So, for example, when applying for the annulment of a brand, it should be remembered that the designation must be descriptive in the country concerned. In relation to 'Vuvuzela' or 'Makarapa', it may apply that the designations are descriptive in South Africa for these products. In Europe, they were completely unknown - at least at the time of the respective brand registration - and so the registration took place correctly. Even if in the meantime they are also used descriptively, and a claim for annulment could be made successfully, this changes little for the 2010 World Cup, as a decision could first be expected only well after the end of the sporting highlight.

Companies wishing to exploit such supporter articles along with their trademark-protected designation are therefore well advised to obtain an appropriate original product from the brand owner or licensee. Such a purchase is certainly possible without uncertainties arising from trademark law.

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The article was first published in "Der Markenartikel", April 2010.