BACK STORY

SPORTS TRADEMARKS AND ADVERTISING

BY MARK HINUEBER, ESQ. AND JENNIFER KO CRAFT, ESQ.

Imagine Moe, a long-time client of your firm and the proprietor of what can only charitably be described as a dive bar, called "Moe's." He's made an appointment to discuss his advertising.

"I want to class the joint up," Moe says. He is going to embark on an advertising program, calling the bar "the official home of the NFL, MLB, NHL, NCAA and UFC." He proposes using team and league logos in his advertising, and promoting specials, like "Philadelphia Eagles Super Bowl" wings and, of course, "Vegas Golden Knights" icy beers. He also wants to host events like a "March Madness" tailgate party. Moe proposes to use the names of famous athletes in his ads as well. Moe is not a yet a Raiders fan.

Greater Nevada Field
Photo by Scott Wasserman, Esq.

You tell Moe you will have your very astute trademark partner look over the new ads. The ads come back marked up in a considerably different form from what Moe had originally intended.

Moe's is now "the official bar of pro and college sports." No logos can be used, your partner advises. The wings are now described as "Philadelphia Football wings" and the beers are "Golden Vegas icy beers." The planned party is now called "March Mania."

"Why," you ask your partner, "all the changes?"

She smartly explains that trademark laws exist to protect consumers against confusion and false association. Trademarks are your logos, brand names and distinctive wording that consumers identify with a particular source—or, in this case, that fans use to identify an affiliation with a team or league. When you take their trademarks and use them as your own, you confuse fans into thinking there is an official sponsorship or association between your business and these teams or organizations, when there is not. By simply referring to a city, sport or time, you break such a connection.

As the diligent attorney you are, you query further: "But, really, would a loyal or even a fair-weather fan be confused into thinking that the NCAA has blessed a dive bar in Vegas to promote its tournament?" Maybe. Maybe not.

But, trademark owners are charged to enforce and protect, otherwise their rights become diluted and, over time, can be lost. Sports teams, leagues and player associations make substantial sums each year by licensing their trademarks in connection with a variety of merchandise and promotions. Because of this relationship, they are incentivized to protect this licensing stream, and thus, must enforce their trademark rights against unauthorized businesses. Why else would a licensee pay a license fee?

"But, what about fair use?" you ask. Let's just say if you're trying to hang your hat on fair use, the best-case scenario is that you're already knee-deep in some muddy waters. Is a fair use defense available in some instances? Sure, but delving into the when and how is better left for an IP specialist who can navigate such waters.

Now that you've settled the dos and don'ts, when it comes to sports teams and leagues, what about the athletes? Why were their names removed? A name is just a name, right? Would a rose by any other name smell as sweet? No. Just as a team or league derives value from its name, so too does an athlete. Shaq is not just one of the most dominant basketball players in NBA history; he is a brand. His name is a trademark. He also owns rights of publicity in his name including the right to prohibit others from using his name, image or likeness in a commercial fashion without his permission. NRS 597.770 et. seq.

So, before you lament how much IP lawyers take the fun out of sports and entertainment, remember: the next time you buy an official Fleury jersey or grab a drink at the official viewing party for UFC 230, you can rest assured that your hard-earned money is rightfully going to support your beloved team or league. **NL**

MARK HINUEBER, a member of the Nevada Lawyer Editorial Board, is the retired general counsel of the *Las Vegas Review-Journal*.

JENNIFER KO CRAFT is a partner with Dickinson Wright. She focuses on IP and entertainment law, as well as sports and media.