1 Introduction

The commercial value of aspects of personality

Fame has an attractive force that lends itself well to commercial exploitation. Attributes of an individual's personality, such as a person's name, voice or likeness, are often used in advertising or merchandising in order to increase the attractiveness and saleability of goods and services. The practice is not new and dates from at least the nineteenth century.[1] Since the advent of the industrial revolution and the increased proliferation of consumer products, advertisers and merchandisers sought new ways to draw the consuming public's attention and to differentiate their products and services from those of their rivals. In the late nineteenth and early twentieth centuries, the names and images of well-known persons such as the French actress Sarah Bernhardt,[2] German Count Zeppelin[3] and the American inventor Thomas A. Edison[4] were used to advertise, respectively, perfumes, cigars and medicinal products. Moreover, people with no obvious public profile began to find indicia of their identity used in advertising, resulting in varying degrees of distress, annoyance or indignation.

This reflects the fact that manufacturers of goods and suppliers of services can find the use of the images of a vast range of people beneficial to them in some way. Apart from the more common modern examples such as pop-stars and sportsmen, people of high professional standing, holders of public office, and politicians are often desirable people with whom to associate products or services. Although such individuals would not normally be actively trading in their image by granting licences or entering into endorsement deals, they may still have what might be referred to as 'recognition value'. Their names or images are familiar to

[1] See, e.g., J. P. Wood, *The Story of Advertising* (New York, 1958), 123; T. Richards, *The Commodity Culture of Victorian England* (London, 1990), 22 and 84.
[2] Trib. com. Seine 8.6.1886 and CA Paris 18.4.1888, *Sarah Bernhardt*, *Ann. prop. ind.* 1894, 351.
[3] RGZ 74, 308 – *Graf Zeppelin*. [4] *Edison* v. *Edison Polyform Mfg Co*. 67 *A*. 392 (1907).

the public, but their potential for endorsing or being associated with products remains latent and unrealised, until advertisers, with or without seeking prior permission, find a suitable use for them.

There are various ways in which individuals' images can be used in advertising and merchandising.[5] First, and most obvious are 'tools of the trade' endorsements of products that are closely related to a celebrity's field of activity. Sportsmen, for example, often endorse products that might be within their field of expertise such as sports equipment and clothing and an endorsement of this kind will often be an effective way of boosting sales of such goods. Second, a celebrity's image is often used in connection with goods or services that are totally unrelated to his usual activity (sometimes referred to as 'non-tools endorsements'). In Germany, for example, the football star Franz Beckenbauer endorses telecommunications services whereas the former tennis champion Boris Becker appeared in commercials for an Internet service provider. Third, companies frequently wish to associate their products or services with the image of a famous person in a way that falls short of endorsement of any particular product. The celebrity's image is merely used for the purpose of 'grabbing the attention' of the consuming public and the link between the subject and the product is often extremely tenuous.

Commercial and non-commercial interests

Celebrities habitually grant their permission for the use of their image in advertising and merchandising in exchange for a licence fee. In this situation, the unauthorised commercial exploitation of aspects of personality does not harm the person's reputation as long as the style of the advertisement or the nature of the product cannot be objected to. Rather, the use violates economic interests that can, at first glance, be compared to the interest the owner of an intellectual property right has in his patent, copyright or trade mark. On the other hand, a person who is not involved in advertising or merchandising activities, or a private individual, may object to any kind of commercial exploitation of his personality on the ground that such exploitation is inconsistent with the person's values, attitudes or personal standing. Here the concern lies with the protection of primarily non-economic interests in emotional tranquillity, privacy or freedom from mental distress. While economic interests can generally be represented purely in money terms, non-economic interests often cannot be completely compensated by a specific money payment and a plaintiff

[5] See I. J. Rein et al., *High Visibility* (London, 1987), 59 and see generally, H. Pringle, *Celebrity Sells* (London, 2004).

might remain unsatisfied after an award of damages. Moreover, such interests cannot be objectively valued, but rather, are inherently subjectively valued interests. There is no market where such interests may be valued, since they are not normally exchanged. For example the loss of a notional licence fee for the use of a person's image cannot be used as a rough measure: the perception of damage is often purely subjective. Even persons who have given their permission to some commercial usages of aspects of their personality may object to others because the advertisement itself, or the advertised goods or services, may reflect negatively on the person's reputation. Such an ability to control the commercial exploitation may be seen both as an economic right in maintaining commercial exclusivity and as an aspect of an individual's dignity or autonomy.

Personality, privacy and intellectual property

Commercial exploitation of aspects of personality does not fit easily into the established categories of tort law or property law. First, all legal systems analysed in the ensuing chapters protect a person's reputation against defamation and, in certain circumstances, the unauthorised use of a person's name or portrait can cause damage to his reputation and standing in public.[6] This will not usually be the case and while there may be borderline cases such as the unauthorised use of a famous singer's name in an advertisement for false teeth,[7] advertisements tend to show celebrities in a favourable light. Second, in some legal systems the right of privacy is protected either by means of a specific tort or under general principles of tort law. The cases examined below, however, often involve no intrusion into a person's privacy in the strict sense. Many of the claimants are public figures who deliberately seek media attention and who do not object to the publication of their portrait or the mentioning of their name in the media. Whereas in typical privacy cases a person vindicates a 'right to be let alone', claimants in cases of commercial exploitation defend the commercial value attached to their publicity against free-riders. Third it may thus seem as if intellectual property law offers a solution to the problem discussed here. However, although fame is a commodity it is not, in itself, the object of a generally accepted intellectual property right. While copyright subsists in original works, the attractive force of a media star's image may or may not be the result

[6] See, e.g., RGZ 74, 308, 311 – *Graf Zeppelin* and see 94 below; *Tolley* v. *Fry* [1931] AC and see 83 below; TGI Paris 3.12.1975; Claude Piéplu, *D.* 1977, jur., 211.
[7] See the German *Caterina Valente* case, *BGHZ* 30, 75 and see 82–5 below.

of original ideas or hard work. While the gist of trade mark law and the tort of passing off is the protection of distinctive signs against misrepresentation, the unauthorised commercial exploitation of personality is a misappropriation, which does not necessarily result in any confusion.

Courts in various jurisdictions have struggled to find a legal basis for, and an adequate level of protection against, the commercial exploitation of aspects of personality. Many legal problems surrounding the commercial exploitation of personality remain unresolved and the differences between the major European jurisdictions are still quite stark. Although increasingly fervent efforts have been made to harmonise most aspects of intellectual property law in Europe, the laws relating to commercial exploitation of personality, admittedly on intellectual property law's periphery, remain somewhat disparate. In a globalised world and, more particularly, in the internal European market, these differences are likely to cause difficulties. Traders who design their marketing campaign for the European market rather than for one particular country have to be aware that the use of a celebrity's picture in an advertisement may be permitted in the United Kingdom while it is likely to be enjoined by French or German Courts. Under English law, memorabilia of deceased celebrities such as Elvis Presley can be distributed without the heirs' consent,[8] whereas the daughter of the famous German actor Marlene Dietrich successfully sued a merchandiser for damages who sold 'Marlene' memorabilia after her death.[9] Such legal differences cause obstacles to intra-Community trade. In the light of the fundamental rights guaranteed by the European Convention on Human Rights it seems arguable that at least some common ground should exist as to the protection against unauthorised commercial exploitation of personality.

Competing doctrinal bases of protection

The problem has generally been approached from two main perspectives: (i) the unfair competition or intellectual property perspectives and (ii) the privacy or human dignity perspectives. Lawyers concerned with intellectual property naturally tend to see appropriation of personality (or personality merchandising, or endorsement) as a matter which falls within their field, albeit somewhat on the periphery. It is inevitable that once commercial value attaches to a thing or intangible, human nature and commercial factors will demand that greater protection be secured against exploitation by others. Thus, demands for protection of the

[8] *ELVIS PRESLEY Trade Marks* [1999] RPC 543. [9] BGHZ 143, 214.

valuable attributes of a person's name, voice or likeness form part of the broad range of claims that lie at the margins of intellectual property law. Whereas US law protects a 'right of publicity' that has obvious similarities with intellectual property rights, other jurisdictions will rather tend to protect the economic interests outlined above by means of tort law, in particular by specific economic torts or by a broad action for unfair competition.

The second main perspective focuses on the injury to personal dignity, be it labelled 'privacy', 'dignity', or 'personality'. The extent and precise form of protection for individual dignity differs markedly between the major civil law and common law systems. Initially, most legal systems used to give priority to claims for physical injury and in earlier times these injuries were the law's primary concern. As societies and modern living conditions change, plaintiffs inevitably claim redress for other kinds of harm. Interests in reputation or personal honour, personal privacy, and interests in freedom from mental distress become increasingly important. Usually, violations of individual personality are of a non-pecuniary nature, not only because they cannot be assessed in money terms with any mathematical accuracy, but also because they are usually of inherently non-economic value. We have tried to use a neutral set of terminology to cover the economic and non-economic interests in personality. This is not always easy, given the varying usages and contextual subtleties. For example, although the term 'dignitary interests' is often used in common law systems as a generic term for a number of non-economic interests such as privacy, reputation and freedom from mental distress,[10] in the French legal system dignity is a substantive legal value accorded formal substantive protection.[11]

Commercial interests often sit uneasily with the notion of affronted dignity and well-known plaintiffs have encountered problems in jurisdictions where their celebrity status has been taken at face value and where their claims for invasion of privacy have been deemed to be inconsistent with their celebrity status.[12] However, as will be seen below, most European jurisdictions recognise, partly under the influence of the European Convention on Human Rights, that an individual's celebrity status does not deprive that person of a right to privacy. An individual's status as a well-known public figure will only be one factor in determining

[10] See P. Cane, 'The Basis of Tortious Liability' in P. Cane and J. Stapleton (eds), *Essays for Patrick Atiyah* (Oxford, 1991), 372.
[11] Cass. civ. 20.2.2001, D. 2001, 1199; Cass. civ. 12.7.2001, *D.* 2002, 1380; Cass. civ. 13.11.2003, Légipresse 2004, No. 208, I, 5. See further below at 180.
[12] See 64 below.

the scope of a right of privacy and the balance with the competing right of freedom of expression.[13]

Unfair competition

Article 10 *bis* of the Paris Convention for the Protection of Industrial Property obliges signatories to provide effective protection against unfair competition that is contrary to honest practices in industrial or commercial matters. Three particular aspects are expressly included: (i) creating confusion with or discrediting the establishment, the goods, or the commercial activities of a competitor; (ii) making false allegations that discredit the establishment, goods, or the industrial or commercial activities of a competitor; and (iii) giving indications liable to mislead the public as to the nature, manufacturing process, characteristics, suitability for purpose or quantity of goods.[14] The major common law and civil law jurisdictions give effect to these obligations in different ways,[15] either by means of specific legislation,[16] or by means of general codified[17] or common law actions, which may be supplemented, in turn, by piecemeal statutory provisions.

In common law jurisdictions, the phrase 'unfair competition' is generally used in three distinct ways: first, as a synonym for the common law tort of passing off; second, as a generic term to cover the broad range of legal and equitable causes of action available to protect a trader against unlawful trading activities of a competitor; and third, as a label for a general cause of action for the misappropriation of valuable intangibles, a cause of action that has so far been rejected in Commonwealth jurisdictions.[18] Bringing unauthorised commercial exploitation of personality within the law of unfair competition has met with varying degrees of success. In England, plaintiffs have, until recently, been unsuccessful in attempting to persuade the courts that unauthorised commercial exploitation of personality can

[13] See 224 below.
[14] Paris Convention For the Protection of Industrial Property, Art 10 *bis* (3). Cf. WIPO, *Model Provisions on Protection Against Unfair Competition* (Geneva, 1996) containing an expansive approach to Art 10 *bis* and see W. R. Cornish, 'Genevan Bootstraps' [1997] *EIPR* 336.
[15] See, e.g., F. K. Beier, 'The Law of Unfair Competition in the European Community – Its Development and Present Status' [1985] *EIPR* 284; World Intellectual Property Organisation, *Protection Against Unfair Competition* (Geneva, 1994); A. Kamperman Sanders, *Unfair Competition Law* (Oxford, 1997), 24–77.
[16] See, e.g., in Germany, *Gesetz gegen den unlauteren Wettbewerb*, 7 June 1909; Kamperman Sanders, *Unfair Competition*, 56.
[17] See, e.g., in France, Art. 1382 *Code civil*.
[18] *Moorgate Tobacco Co. Ltd* v. *Philip Morris Ltd* (1984) 56 ALR 414, 439–40, *per* Deane J and see 13 below.

come within the tort of passing off,[19] where liability is based on a misrepresentation leading to public confusion that damages a claimant's business or trading goodwill.[20] In Australia, however, the courts have been willing to take a far more expansive approach to the tort, and several actions for unauthorised commercial exploitation of personality have succeeded on this basis,[21] although such a pragmatic approach involves a questionable stretching of the tort's key elements.

Other jurisdictions have been willing to protect intangible recognition value unrelated to any conventional business or trading activity.[22] For example, some Canadian provinces have recognised that the misappropriation of a person's name or likeness for advertising purposes constitutes an independent tort, separate and distinct from the tort of passing off, which bases liability on misrepresentation,[23] while not amounting to a general cause of action for the misappropriation of valuable intangibles.[24] In the United States the right of publicity allows a person, usually (though not necessarily) a celebrity, to control the commercial exploitation of his name, voice, likeness or other indicia of personality. Liability is based not on *misrepresentation* leading to consumer confusion or deception,[25] but on the *misappropriation* of the commercial value of a person's identity.[26] The protection which most states provide is the most extensive in any common law jurisdiction, though there are considerable differences between individual states in the degree of protection afforded.[27] Although the right of publicity is often regarded as an aspect of unfair competition law[28] it has its roots elsewhere, in the law of privacy and, surprisingly perhaps, neither the law of passing off nor the misappropriation doctrine played much part in its development.

Civil law systems, on the other hand, tend to regard 'unfair competition' as a general term that covers distinct types of unlawful competitive

[19] See, e.g., *McCulloch* v. *Lewis A. May (Produce Distributors) Ltd* (1947) 65 RPC 58; *Lyngstad* v. *Anabas Products Ltd* [1977] FSR 62, and see further, ch. 3.
[20] See *Reckitt & Colman Ltd* v. *Borden Inc.* [1990] 1 WLR 491, 499 and see 19 below.
[21] See *Henderson* v. *Radio Corp. Pty Ltd* [1969] RPC 218 and the subsequent line of authorities, discussed in detail in ch. 2.
[22] See 40 and 69 below.
[23] *Krouse* v. *Chrysler Canada Ltd* (1973) 40 DLR (3d) 15; *Athans* v. *Canadian Adventure Camps Ltd* (1977) 80 DLR 583 and see 36–40 below.
[24] See further below at 13.
[25] Liability for misrepresentation is based on section 43(a) of the *Lanham Trademark Act*, 15 *USC* § 1125 (a), although this has played a relatively limited role, given the existence of the right of publicity. See 64–75 below.
[26] *Rogers* v. *Grimaldi* 875 F2d 994 (2nd Cir 1989), 1003–4; *Carson* v. *Here's Johnny Portable Toilets Inc.* 698 *F* 2d 831 (1983), 834–5.
[27] See generally, J. T. McCarthy, *The Rights of Publicity and Privacy* (New York, 1997).
[28] Witness its recent inclusion in the *Restatement, Third, Unfair Competition* (1995) § 46 et seq.

behaviour such as misleading advertising, comparative advertising that is not in accordance with the criteria set forth in European Community law,[29] aggressive and molesting advertising, the causation of confusion between products or traders, the unlawful disclosure of trade secrets and so forth. One type of unfair competition, against which protection is granted in most civil law systems, is the unlawful exploitation of a competitor's trade values. Misappropriation, however, is only regarded as unfair under specific circumstances. German law, for example, insists that the imitation of products not protected by intellectual property rights can only amount to unfair competition where additional factors such as a misrepresentation as to the origin of the products, the exploitation of another trader's reputation or a prior breach of confidence are present.[30] While the unfair competition law doctrine of misappropriation might seem to be an appropriate basis for the protection against unauthorised commercial exploitation of a person's image, German courts have not chosen this approach. Instead, they have extended personality rights such as the right to one's image, the right to one's name or the general personality right to protect economic interests. The reason for this development, which may seem surprising to a common lawyer, will be explored in more detail in chapter 4. The situation is similar in France. As will be shown in chapter 5, French courts refer to personality rights rather than to the 'parasitism doctrine' (which is quite similar to the unfair competition law doctrine of misappropriation in French law)[31] to afford protection against unauthorised commercial use of attributes of personality.

Privacy and publicity

English law knows no concept similar to the Roman law *injuria*, which in English would mean insult or outrage, though neither word suggests the true nature of the Roman idea which 'embraced any contumelious disregard of another's rights or personality'.[32] In the absence of a general remedy such as the *actio injuriarum*,[33] common law jurisdictions have traditionally given limited recognition to non-economic or dignitary

[29] See EC Directive 97/55/EC of 6 October 1997 amending directive 84/450/EEC on misleading advertising so as to include comparative advertising, *OJL* 270 of 23. 10. 1997, 18.
[30] § 4 No. 9 of the *Gesetz gegen den unlauteren Wettbewerb* (Act against Unfair Competition).
[31] See 162 below.
[32] B. N. Nicholas, *An Introduction to Roman Law*, (Oxford, 1962), 216.
[33] See further J. S. Beckerman, 'Adding Insult to *Iniuria*: Affronts to Honor and the Origins of Trespass' in M. S. Arnold *et al* (eds), *On the Laws and Customs of England*, (Chapel Hill, 1981), 178–9.

interests. Recovery for invasion of interests such as privacy and freedom from mental distress has, particularly in English law, traditionally been achieved parasitically, relying on the expansive judicial interpretation of existing torts such as defamation and trespass where other substantive interests such as reputation, property, or interests in the physical person have been affected.[34]

Some common law jurisdictions, most notably the United States, have been more willing to overcome the historical legacy in developing new causes of action to protect such non-economic interests in personality.[35] In the early years of the twentieth century in the United States the right of privacy established itself as the primary vehicle for protecting interests in personality from unauthorised commercial exploitation. As originally conceived, the right of privacy gave legal expression to the rather nebulous principle of 'inviolate personality' and secured a person's right 'to be let alone'.[36] This provided legal protection for dignitary interests which had previously fallen outside other legal and equitable causes of action such as defamation, trespass, and breach of confidence. The emphasis lay on separating privacy from causes of action protecting interests of an essentially proprietary nature.[37] However, from a relatively early period in its development it became clear that the right of privacy could be used to secure what were essentially economic rather than dignitary interests in preventing unauthorised commercial exploitation of a person's valuable attributes in name and likeness.[38] The right of privacy eventually developed into a separate right of publicity,[39] which many now regard as better placed among the unfair competition torts,[40] protecting intellectual property. Its proprietary characteristics can be seen in the fact that it is transferable, licensable and, in many states, descendible. While the early US cases dealing with appropriation of personality were criticised for failing to draw an adequate distinction between, on the one hand the damage to personal dignity and, on the other hand, the financial interests of celebrities,[41] it is possible for the distinction to become rather too sharp. It is often difficult to draw a clear distinction between, on the one hand, the purely economic interests of celebrities protected by a

[34] See 77–8 below. [35] See ch. 3 below.
[36] S. Warren and L. Brandeis, 'The Right to Privacy' (1890) 4 *HarvLRev* 193, 205; *Pavesich* v. *New England Life Insurance Co.* 50 *SE* 68 (1905).
[37] See 48–52 below.
[38] See, e.g., *Edison* v. *Edison Polyform Mfg Co.* 67 *A.* 392 (1907); *Flake* v. *Greensboro News Co.* 195 *SE* 55 (1938).
[39] *Haelan Laboratories Inc* v. *Topps Chewing Gum Inc* 202 *F* 2d 866 (2nd Cir 1953).
[40] See note 28 above.
[41] See, e.g., F. W. Harper and F. James, *The Law of Torts* (Boston, 1956), 689–90.

right of publicity and, on the other hand, the purely dignitary interests of others, protected by a right of privacy.[42]

Personality rights

Some jurisdictions, notably Germany, however have transcended the distinction between non-economic personality rights and property rights. Just as copyright, according to German doctrine, is a hybrid between a personality and a property right, German courts have also held that personality rights have the dual purpose of protecting both economic and non-economic interests.

A fundamental notion of German tort law is the concept of 'subjective rights', which has its roots in the legal philosophy of Immanuel Kant and the legal theory of Savigny, one of the most distinguished legal academics of the nineteenth century:[43] subjective rights delimit certain spheres in which each individual can act according to his or her free will. § 823 I of the *Bürgerliches Gesetzbuch* (*Civil Code* of 1900) provides that anybody who intentionally or negligently violates the subjective rights of another person is liable for damages. Savigny and the majority of the drafters of the *Civil Code* regarded property as the archetype of a subjective right, but they rejected the idea of a 'right in oneself'. The *Civil Code* only protected the right to one's name, but did not provide for explicit protection of privacy or personality. A 'right to one's image' was introduced by statute in 1907. With the enactment of the constitution of 1949 (*Grundgesetz*), which protects human dignity (Article 1) and the right to the free development of personality (Article 2 (1)), the general attitude shifted towards the acceptance of a broadly framed 'general personality right'.[44] The Bundesgerichtshof (Federal Supreme Court) took the lead and held that Articles 1 and 2 (1) of the *Basic Law* also required effective private law remedies against violations of the personality. Since then, both the specific personality rights to one's name and to one's image and the general personality right have been given shape by an extensive body of case law. Since the 1950s German courts have granted protection against the unauthorised exploitation of a person's portrait, name or public image on this basis. Copyright, which, according to German doctrine, is a hybrid right protecting both economic and ideal interests, has often been relied on as a model for the protection of personality aspects. In a recent judgment,[45] the Federal Supreme Court has again stressed the dual nature of personality rights, which protect both economic and

[42] See 64 below. [43] See 96 below. [44] See 100 below.
[45] BGHZ 143, 214 – *Marlene Dietrich*, on this judgment see below at 104.