Paradigm Academic Press Law and Economy ISSN 2788-7049 JUL. 2024 VOL.3, NO.7



The Interplay Between Celebrity Image Rights and the Tort of Passing off: An Examination of the Rihanna v Topshop Case and Its Implications

Yichi Hu1

¹ Law School, The University of Sheffield, Sheffield, UK

Correspondence: Yichi Hu, Law School, The University of Sheffield, Sheffield, UK.

doi:10.56397/LE.2024.07.03

Abstract

In the era of globalization, the acts of counterfeiting and infringement against celebrities have occurred all over the world. The "classic trinity" test, established by Lord Oliver in the Jif Lemon case, is widely regarded as the most reliable method for proving a passing-off allegation. To succeed, the claimant must demonstrate the following three elements: goodwill, misrepresentation, and damage or the likelihood of damage. This article delves into the intersection of celebrity image rights and the tort of passing off within the UK legal framework. This article highlights the challenges celebrities face in protecting their likeness in the absence of a codified image right in the UK, contrasting this with the broader approach seen in the United States. Additionally, it examines the necessity for celebrities to establish local goodwill to succeed in passing-off claims, as evidenced by the Starbucks (HK) Ltd v British Sky Broadcasting Group Plc case. The paper emphasizes the delicate balance between free competition and protection against unfair competition, illustrating the complexities involved in enforcing celebrity image rights through passing off.

Keywords: celebrity image rights, goodwill

1. Introduction

Why would Madonna be paid to front advertisements for prestigious luxury brands like Versace, Dolce & Gabbana, and Louis Vuitton? Why did Lionel Messi's endorsement fees multiply after winning the World Cup 2022? Why are luxury brands always looking for celebrity endorsements?

It is undeniable that celebrities enjoy a good reputation, and then commercial celebrities can sell anything in our daily lives, from cosmetics to razors, and our lifestyle choices are constantly influenced by celebrity advertising.

According to commercial studies scholar Graeme Turner, the popularity of celebrities in the contemporary business environment is certainly at an all-time high, and the role that celebrities play in many aspects of the business world has certainly expanded and multiplied in recent years.¹

At the same time, passing off is very common, which not only undermines the rights of commercial celebrities but also allows consumers to purchase goods out of misunderstanding.

Unlike the right of publicity in the US, commercial celebrities in the UK have no legal rights to their images and can only defend their rights by the tort of passing off and other Intellectual Property rights to protect their likenesses from infringement in the commercial sphere.

The purpose of the passing off tort is to shield business owners and customers from misunderstanding brought on by the tortfeasor's misrepresentation.² It has been said that passing off is a "protean tort," indicating that it is intrinsically adaptable and can and should take into account shifting business practises.³ Its elusive character is further demonstrated by the term "protean," which is solely a product of case law.⁴

The "classic trinity" test developed by Lord Oliver in the Jif Lemon case has come to be seen as the most reliable way to prove a passing-off allegation.⁵ In order to do so, the claimant must prove the following three limbs:

- (1) Goodwill;
- (2) Misrepresentation;
- (3) Damage or likelihood of damage.

As mentioned above, the tort of passing off is a product of case law, so this essay will first introduce the relationship between celebrity portrait rights and the tort of Passing Off by looking at the Rihanna v Topshop passing off, which will help us to better understand the connection between the two concepts. It will then discuss whether celebrities should establish local goodwill to ensure a balance of 'classical trinity' when defending their rights through the tort of passing off.

2. The Relationship Between Celebrity "Image Rights" and the Tort of Passing off: The Rihanna V Topshop Case

There is no such thing as an "image right" in English law that would let a famous person manage how their name or picture is used. A celebrity must thus rely on another legal claim, such as one for breach of contract, breach of confidence, infringement of intellectual property rights, or passing off, to prevent the illegal use of their image. In discussing the link between "image rights" and the tort of passing off, Rihanna v Topshop passing off is valuable as a classic case of case law.

Rihanna, real name Robyn Fenty, is a well-known pop icon. Topshop, a high-end clothing retailer, purchased a licence to use a photograph of her face and put it on a T-shirt. The approval of Rihanna was neither requested nor secured. She filed a passing-off lawsuit.

The "classical trinity" of components outlined in Reckitt v. Colman Borden [1990] 1 WLR 491 are used to demonstrate if passing off has occurred. Rihanna needed to demonstrate that:⁶

She had a good reputation and goodwill among the relevant members of the public;

Placing her face on a T-shirt constituted a misrepresentation because it might have led those individuals to mistakenly believe that she had approved the product;

The misrepresentation must have damaged her goodwill.

Rihanna didn't have any rights under the other categories of law mentioned above, and there was no indication that her privacy had been violated or that she owned any pertinent copyright. The RIHANNA registration was not largely taken into account.⁷

In this case, Rihanna herself did not appear in court, other witnesses provided testimony regarding Rihanna's partnerships with fashion companies (see more below), the value of Rihanna's image in merchandise, and the business based on creating apparel utilizing celebrities' illegal, non-infringing photographs. There was no evidence of consumer misunderstanding in advance.

In terms of goodwill, Rihanna was cool, just like Apple's tablet in Apple v. Samsung [2012] EWHC 1882. She was a household name.⁸ She managed a sizable merchandise and endorsement business. She granted permission for her name and likeness to be used in connection with a range of products, including apparel. Instead of standard merchandise, some of these goods were "fashion clothes," such as T-shirts with tour dates printed on the back and an image of a pop singer on the front. A few have previously been offered for sale in Topman, Topshop's sibling store. She had created apparel in partnership with H&M, Gucci, Armani, and River Island. Meanwhile, Topshop had publicly expressed its desire to collaborate with Rihanna before the t-shirts went on sale. The judge was persuaded that Rihanna's reputation as a style icon had real worth in the high street fashion industry. Therefore, the claimants had enough goodwill.

Misrepresentation was the key issue. The court determined that a large portion of the material he evaluated was unfavourable to a judgement of misrepresentation: Despite the fact that there were several unlicensed items using Rihanna's picture for sale, the general public may not have assumed that all of them were unlicensed. ⁹However, the court stated that given Topshop's prior actions, its consumers did not have any positive expectations when they saw clothing with celebrity photos; they did not think that such clothing was necessarily allowed but they also did not anticipate that it was not. Because these merchants often do not engage into deals with celebrities or have "celebrity designed" lines, shoppers are likely to have a favourable anticipation that the items are not supported when a "lower-end" retailer offers clothing branded with famous faces. Contrarily, Topshop failed because its customers were more likely to think that the Rihanna t-shirt was also approved as a result of the company's business partnerships with celebrities.

Damage-wise, this was unquestionably present. Sales had decreased, and Rihanna had lost control of her

reputation in the fashion industry. In the presence of all three components, the judge determined passing off.

Rihanna's victory in this case shows that, if a shop fraudulently implies that the product is sponsored or authorised by them, celebrities can stop the use of their images under the law of passing off. It may be easier for celebrities like Rihanna to accomplish this since she has enough goodwill.

Given the extensive press both the first instance and Court of Appeal verdicts got, one would infer that this ruling increased the scope of celebrities' capacity to manage the use of their images or that the courts had established a "image right" under English law. The judgement doesn't actually do this. The court was adamant to emphasise that there was no discussion of or attempt to create an independent image right in this instance.¹⁰

In reality, Rihanna's success shows how challenging it is for a celebrity to manage how their likeness is used in the UK. In fact, the style of the Rihanna image on the t-shirt influenced the choice in her favour. The court would have been much less likely to decide that customers were deceived if Topshop had chosen to use a picture that was not likely to be connected to her most recent album and not in a way that suggested it was a part of the promotional materials for that album. The judgment's paragraph 63 by Underhill LJ remarked that this case was "near the boundary."

The Court of Appeal reaffirmed the fact that celebrities cannot depend on any "image" rights. One may argue that the UK has a narrow approach of its power to protect how its image is used. Ironically, the decision's practical importance shows how challenging it will be for other celebrities to make claims similar to Rihanna's in the future, even though Rihanna won her case against Topshop on this particular instance. Celebrities used to having their "personality" or "image" right protected in the USA will nonetheless have a far harder time in the UK for the time being.

The Rihanna v Topshop tort of passing off shows that there is no fairly strong link between 'image rights' and the tort of passing off and that celebrities seeking to protect their image rights through the tort of passing off must establish whether the other party's infringement meets the criteria of 'classic trinity', which involves the determination of goodwill, misrepresentation, and damage.

3. Global Celebrities and Local Goodwill: The Starbucks (HK) Case

According to Emmanuel K. Oke, "There is no need to distinguish between commercial traders and celebrities when it comes to goodwill... Celebrities who want to utilise the tort of passing off to stop unlawful use of their pictures can and should be compelled to establish local goodwill as well... Otherwise, it may upset the delicate balance that the classic trinity elements of passing off strive to preserve."

This paper firmly endorses this view, celebrities should also be required to build local goodwill, otherwise, they are unlikely to win a case. For example, in the Rihanna v Topshop case, Rihanna would not have won the case if Topshop had not publicly expressed their desire to collaborate with Rihanna before the t-shirts were released. In other words, it was Topshop's desire to collaborate that helped Rihanna build enough local goodwill for her to win the lawsuit. Without enough local goodwill, she could not have won this hard-fought victory.

According to David Tan, advised that when it came to the issue of building goodwill, a distinction should be made between business traders and celebrities.¹² This view can be countered by the definition of goodwill. Lord Macnaghten's concept of goodwill in Inland Revenue Commissioners v Muller & Co's Margarine Ltd is frequently quoted.¹³ It is "the benefit and advantage of the good name, reputation, and connection of a business" and "the attractive force which brings in custom". Lord Macnaghten stated that the makeup of goodwill "differs in its composition in different industries and in different enterprises in the same trade" in his definition of goodwill.¹⁴ In other words, goodwill must be localised whether one is dealing with commercial traders or celebrities. In essence, the goodwill has to be connected to a local company.¹⁵

According to the justifications offered by the Supreme Court for its ruling in Starbucks (HK) Ltd v British Sky Broadcasting Group Plc (hereinafter, Starbucks (HK))¹⁶, the Supreme Court cited the necessity to strike a balance between encouraging free competition and safeguarding against unfair competition as one of the justifications in this respect. This argument also supports the idea that in order for celebrities to depend on passing off to stop unlawful uses of their pictures in English courts, they should first earn local goodwill.¹⁷

In this case, the claims in Starbucks (HK) were based in Hong Kong and offered Internet protocol television services to customers under the name NOW TV. Viewers outside of Hong Kong, including those in the UK, may receive the claimants' programming through other channels without a subscription. The defendants then started offering a comparable service in the UK under the same name as the claimants, thwarting the claimants' ambitions to expand their subscription business to the UK. As a result, the claimants filed a passing-off lawsuit in the UK against the defendants. The trial court rejected this case on the basis that the plaintiffs lacked goodwill in the UK because they had no subscribers there, and the Court of Appeal and Supreme Court supported this ruling.

Besides, the Supreme Court concluded that claimants must demonstrate goodwill in the form of local consumers in order to prevail in a passing off lawsuit and that just reputation is insufficient.¹⁸ In this case, the existence of clients or consumers in England for the goods or services constitutes goodwill.¹⁹

In an era of globalisation, while Starbucks' goodwill is undeniable and it may be able to win in similar situations in other countries, it does not prevent it from hitting a wall in the UK. The principle of territoriality of IP law must be mentioned.²⁰ This principle acknowledges that governments have the freedom to craft their national intellectual property laws to meet their socioeconomic objectives and ambitions, and it is represented in the numerous flexibility provisions included in a number of IP treaties, including the TRIPS Agreement.²¹ This notion is also reflected in the passing off tort. Governments are allowed to determine the boundaries of the tort of passing off, including the standards for preserving goodwill inside their borders, in the absence of a specific treaty provision. The territoriality concept applies to the proprietary component of the tort as well as a company's goodwill.²²

Although commercial merchants were involved in the facts of the Starbucks (HK) case, celebrities with a widespread reputation are also affected by the judgement's ramifications. In this regard, it is important to keep in mind that passing off protects the goodwill associated with a trader's sign or badge but not the trader's sign or badge itself (unlike trademark law).²³ Celebrities' names or images serve as their sign or badge, and the tort of passing off protects the goodwill associated with such names or images. Importantly, a celebrity can use endorsements to meet the standards for demonstrating goodwill throughout the nation.²⁴ In the Rihanna v Topshop case, some of the products Rihanna allowed were sold in stores run by businesses affiliated with the defendants' organisation between 2010 and 2011.²⁵ This ensured that Rihanna enjoyed enough local goodwill in the UK.

As was already mentioned, the Supreme Court cited the necessity to strike a balance between the public interest in free competition and the protection of a firm against unfair competition to support its decision in Starbucks (HK).²⁶ As a result, the court understood the need of allowing for some breathing room in order to promote healthy competition and creativity in society.

According to Carty, the strict classic trinity is a sophisticated system that unites the interests of the claimant, the customers, and the general public. It also means that not all appropriations, imitations, allusions to the market leader, attention-getting on the strength of the claimant's success, or riding on the coat-tails of the brand leader will result in liability. The tort is thought to only be partially useful in enforcing laws that control unfair business activities.²⁷

One of the three elements that make up the conventional trinity of the tort of passing off is the condition of goodwill. In order to succeed, a claimant must therefore demonstrate deceit and goodwill loss even if they can demonstrate goodwill. The traditional trinity is predicated on the necessity of goodwill, though, and substituting reputation for goodwill will disrupt the delicate balance between the public's interest in free competition and the protection of the merchant or celebrity against passing off.

4. Conclusion

Unlike in the US, there are no legal provisions relating to the 'image rights' of celebrities in the UK. Celebrities can only defend their "image rights" by suing for breach of contract, breach of trust, infringement of intellectual property rights, or passing off. As a common law country, the link between the tort of passing off and image rights can often only be established by convention, the most typical and widely applied model being the "classical trinity". It contains the three essential components Goodwill, Misrepresentation, and Damage. Only when these three elements are fully satisfied can a celebrity succeed in court and defend their "image rights".

In terms of goodwill, no distinction should be made between commercial traders and celebrities, as essentially the goodwill of both commercial traders and celebrities must satisfy the localization element in the UK, i.e., have a connection with a local company. For global celebrities, this is often achieved by endorsing local merchandise. Local goodwill cannot be replaced by reputation as it is part of the three elements of the classic trinity. Otherwise, the balance of the classic trinity will be disturbed.

References

Blum J, (2015). Rihanna in the Right Place at the Right Time: Rihanna v Topshop Passing Off Ruling Upheld. Journal of Intellectual Property Law & Practice, 10, 498.

Fletcher S and Mitchell J, (2015). Court of Appeal Found No Love for Topshop Tank: The Image Right That Dare Not Speak Its Name. *European intellectual property review*, *37*, 394.

Lewis O, (2017). Starbucks (HK) Case Note: The Ambiguous Limb of Goodwill and the Tort of Passing Off. *Victoria University of Wellington law review*, 48, 55.

Meale D, (2013). Rihanna's Face on a T-Shirt Without a Licence?: No, This Time It's Passing Off. Journal of

- Intellectual Property Law & Practice, 8, 823.
- Oke EK, (2020). Image Rights and Passing Off: Should Reputation Be Enough for Celebrities to Succeed in English Courts? *Journal of intellectual property law & practice*, 15, 49.
- Pila J and Torremans P, (2016). European Intellectual Property Law. Oxford University Press.
- Tan D, (2017). The Commercial Appropriation of Fame: A Cultural Analysis of the Right of Publicity and Passing Off. Cambridge University Press.
- Turner G, (2016). Understanding Celebrity, Second edition. SAGE.
- Wadlow C, (1990). Passing Off Enters the Supermarket Age: Reckitt & Colman Products Ltd. V. Borden Inc. *European intellectual property review*, 12, 104.

¹ Graeme Turner, (2014). Understanding Celebrity (2nd edn), p. 4.

² The Leather Cloth Company Ltd v The American LeatherCloth Company Ltd (1865) 29 JP 675, 11 ER 1435 at538 per Lord Kingsdown; and Erven Warnink BVv J Townend & Sons (Hull) Ltd [1979] AC 731 (HL) per Lord Diplock [the Advocaat case].

³ See generally note 2.

⁴ Lewis O, (2017). Starbucks (HK) Case Note: the Ambiguous Limb of Goodwill and the Tort of Passing Off. Victoria University of Wellington law review, 48, 55.

⁵ Reckitt & Colman ProductsLtd (t/a Colmans of Norwich) v Borden Inc [1990] 1 WLR 491 (HL) at 499 [the Jif Lemon case]. p. 499.

⁶ See generally note 5.

Meale D, (2013). Rihanna's Face on a T-Shirt Without a Licence?: No, This Time It's Passing Off. *Journal of Intellectual Property Law & Practice*, 8, 823.

⁸ See generally note 7. p. 824.

⁹ [2013] EWHC 2310 (Ch), [2013] WLR(D) 310.

¹⁰ Blum J, (2015). Rihanna in the Right Place at the Right Time: Rihanna v Topshop Passing Off Ruling Upheld. *Journal of Intellectual Property Law & Practice*, 10, 498.

¹¹ Oke EK, (2020). Image Rights and Passing Off: Should Reputation Be Enough for Celebrities to Succeed in English Courts? *Journal of intellectual property law & practice*, 15, 49.

¹² D Tan, (2017). The Commercial Appropriation of Fame: A Cultural Analysis of the Right of Publicity and Passing Off (CUP 2017), 23.

^{13 [1901]} AC 217, 223-24.

¹⁴ Ibid 224.

¹⁵ See generally note 10. p. 50.

¹⁶ [2015] UKSC 31 paras 61-62.

¹⁷ Ibid.

¹⁸ ibid, para 47.

¹⁹ Ibid.

²⁰ Justine Pila and Paul Torremans, (2016). European Intellectual Property Law (OUP 2016), 30.

WTO Dispute Settlement Panel upholding the tobacco plain packaging laws of Australia. WTO, Australia — Certain Measures Concerning Trademarks, Geographical Indications and Other Plain Packaging Requirements Applicable to Tobacco Products and Packaging, Panel Report, WT/DS435/R, WT/DS441/R, WT/DS458/R, WT/DS467/R (28 June 2018).

²² See generally note 10. p. 52.

²³ S Fletcher and J Mitchell, (2015). Court of Appeal Found No Love for Topshop Tank: The Image Right That Dare Not Speak Its Name. *European Intellectual Property Review*, *37*, p. 394, 397.

²⁴ See generally note 10. p. 53.

²⁵ Fenty (n 1) para 11.

²⁶ Starbucks (HK) (n 5) para 61.

²⁷ Carty (n 14) 121.

Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (http://creativecommons.org/licenses/by/4.0/).