

The protection of TV formats: Part 3 - other means of protection

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Journal Article

[Entertainment Law Review](#)

Ent. L.R. 2024, 35(3), 103-106

Subject

Intellectual property

Other related subjects

Media and entertainment

Keywords

Broadcasting; Format rights; Infringement; Passing off; Programmes; Television; Trade marks

**Ent. L.R. 103* This is the third instalment in a series of articles on the protection of television formats. The first two parts dealt with copyright and confidentiality. The third and final instalment in the series canvasses a few other potential means of protection.

Passing off

The three requirements for establishing a claim for passing off, often referred to as the "classical trinity", are goodwill or reputation, misrepresentation and damage. As we saw with copyright, where there is no specific free-standing right relating to television formats, the protection of television formats through an action in passing off is sometimes an awkward fit.

To elaborate on the classical trinity, these requirements were set out by Lord Oliver in the well-known *Jif Lemon* case¹ and are, in summary, as follows:

1. The claimant must establish a goodwill or reputation attached to the goods or services which they supply in the mind of the purchasing public by association with their "get-up", e.g. a brand name or a trade description, or the features of labelling or packaging.
2. The claimant must show that there has been a misrepresentation by the defendant to the public (whether or not intentional) which leads or is likely to lead the public to believe that goods or services offered by him are the goods or services of the claimant. It does not matter if there is little or no public awareness of the identity of the actual proprietor of the brand name.
3. The claimant must show that they suffer or are likely to suffer damage by reason of the erroneous belief brought about by the defendant's misrepresentation.

Goodwill

In stark contrast to confidentiality, a successful claim in passing off would require the television format in question to have been produced in order to have developed goodwill and reputation. It does not therefore apply to formats when they are merely proposals or in development. This is well demonstrated by *Banner*,² discussed in Pt 1, where an action for passing off could not be established in circumstances where the claimant's proposed television show had never actually been made, so no relevant goodwill could exist.

Once developed, to establish goodwill in the brand the format owner would have to point to the specific features of the format's get-up giving rise to the alleged goodwill. This could include the name of the show, slogans or catchphrases used in the show, logos and so on. Sometimes these things seep into our subconscious without us realising. Who hasn't asked to "phone a friend"

in a moment of uncertainty? Merchandising can also help to establish goodwill if there are substantial enough sales. Who, of a certain age, doesn't remember people wearing t-shirts emblazoned with the phrase "You are the weakest link. Goodbye"? This does not necessarily lead to a finding of liability, however. In *Green*,³ the passing off claim failed despite the fact that the defendant was using the same name as the claimant's television show *Opportunity Knocks*. The get-up must be distinctive of the claimant's goods or services.

Misrepresentation

The traditional view of the requirement for a misrepresentation was that it must relate to the origin or source of the goods or services in question. The classic case was of a trader misrepresenting the claimant's goods as their own. However, as the law has developed, it has been recognised that the misrepresentation could relate to the quality or nature of the goods or services as well and can include a misrepresentation that the claimant and defendant are in some way connected,⁴ e.g. as part of the same group of companies or by virtue of a licensing arrangement. In relation to a television format, where a copycat version has been produced it may be doubtful whether most viewers are alive to the particular source of a show and who has produced it, so the broader conception of misrepresentation that has developed over time is useful here. **Ent. L.R. 104*

In assessing whether there has been any confusion, it does not need to be established that all or even a majority of customers have been confused, although confusion will not be established if only a "moron in a hurry" would be misled.⁵ Where there is a high degree of similarity between the shows in question, including, for example, due to the use of the same name, logos and/or presenters, it is possible that confusion could arise as to the sources of the two shows or that viewers could form the impression that they are connected in some way.⁶ In addition, there does not have to be a high degree of awareness of the actual owner of the original format (or more accurately the goodwill in it), and a claimant does not need to show evidence of confusion as to the precise connection between the parties (although the alleged or implied connection must be likely to cause damage⁷). Again, however, it is notable that the passing off claim in *Green* failed, partly because the copycat programme had not confused or misled anyone, despite various similarities including the use of an identical name, the same catchphrases, the use of sponsors to introduce contestants, and the use of a "clapometer" to measure studio audience reaction. The decision in *Green* may have been more to do with the lack of goodwill and the law has moved on since the late 1980s, but this does suggest that claimants have a fairly high bar to meet.

Damage

Damage is a vital element of the tort and the claimant must either show that they have suffered actual damage or that they are likely to suffer damage to their goodwill or business.

In the classic passing off case involving the sale of goods, this is most likely to arise as a loss of sales of those goods. In relation to television formats, this is perhaps more likely to amount to a loss of licensing income on that basis that either (i) the defendant would have paid for a licence to produce the show; or (ii) somebody else would have paid for a licence to do so. However, the issue for claimants in such cases is that they must still satisfy the other elements of the tort. In other words, it is not enough just to show that the defendant's copycat format exists.

The courts have developed a more flexible approach to cases involving lost licensing income over the years. Professor Wadlow identifies the following factors as being relevant to a claim made on this basis:

1. "Is the claimant already in the business of granting licences?"
2. If not, is licensing a potentially profitable activity for the claimant?"
3. Does the claimant have any rights to license other than the bare right to use his name?"
4. Does the reputation or personal recommendation of the claimant carry weight in the defendant's field?"
5. What benefit, if any, does the defendant obtain from the claimant's name?"
6. Is the claimant's actual or prospective licensing business damaged by the belief that the defendant is licensed?"⁸

This is perhaps more readily understandable when applied to famous individuals, but can also apply to businesses.

In *Fine & Country Ltd v Okotoks Ltd*,⁹ the dispute related to estate agency services. The claimant, GPEA, was in the business of licensing estate agents to use the Fine & Country brand. It was said to be, in substance, a franchisor of the brand. Lewison LJ said that:

"If the brand is damaged, GPEA's ability to attract licence fees will also be damaged. Its ability to attract licence fees is itself goodwill."

In terms of how a brand could be damaged in the context of television formats, it is possible that a poor-quality copycat programme could cause damage to the owner of the format by discouraging viewers from watching the original version or by discouraging others from seeking a licence to produce a licensed copy of the original format.

Perhaps the most well-known passing off cases involving lost licensing income are *Irvine v Talksport Ltd*¹⁰ and *Fenty v Arcadia Group Brands Ltd*.¹¹ In both cases, the claimants were well-known individuals who were active in granting endorsements and/or licensing their name or likeness for merchandising purposes. The courts were therefore prepared to award damages based on what the claimants could have charged for a license of such rights as were used by the defendants. This logic could be applied to individuals or production companies that are in the business of creating, developing and licensing television formats to broadcasters.

Where a television show has been produced in one country and then a similar, unauthorised version has been produced in another territory, this seems apt to cause damage that could be quantified as a loss of licensing income. However, as with *Green*, it could be difficult to establish goodwill if the original version of the programme has not been shown or is not well-known in the territory where the copycat format is being shown. *Ent. L.R. 105 The internet, the advent of streaming, and on demand television services have provided wider access to television programmes from around the world and have improved a claimant's chances in this regard. However, goodwill is an essential ingredient and showing its existence in far-flung territories where a claimant has done little, if any, business could be a significant barrier to a successful passing off claim.

Trade marks

Registered trade marks could also provide an additional means of protection. This would be relevant where the name or logo of a television programme or a slogan used in it has been registered as a trade mark.

Registration of trade marks is, of course, important as part of any merchandising strategy, which aims to create a recognisable and marketable brand. As mentioned above, such merchandising can be useful in developing goodwill in a brand or proving that such goodwill exists for the purposes of a passing off claim.

Trade mark protection is most likely to be relevant to television formats that are in development or are soon to be broadcast. As part of anticipated efforts to monetise them, their names, logos, catchphrases, etc can be registered as trade marks in advance of broadcast.

The advantage of trade mark rights is that they provide a monopoly, so the trade mark owner will be able to prevent their use regardless of any arguments that there has been no actual copying of them, something which has often arisen in the cases considering breach of copyright in relation to television formats.

On the other hand, the ability to enforce trade mark rights is limited to the territory in which they are registered. A copycat format that was only broadcast in a jurisdiction where there were no relevant registered trade marks would not risk infringing such rights.

It should also be noted that trade marks only protect the mark which is subject to the registration. Whilst they can protect aspects or features of a format, they cannot be used to protect a format itself.

Industry fall out

Aside from the various legal means of protection that have been discussed in this series, it is worth considering whether an effective means of protection, or at least a deterrent, comes from the nature of the industry itself. TV production is a relatively

small world and those within it risk damaging their reputation or being subject to retaliatory actions if they are seen to be involved in any underhand conduct, such as stealing other people's ideas.

Contributors to a study by Bournemouth University¹² said that:

"Relationships and trust are very important in the formats business. Gentlemen's agreements are still the corner stone of most global television business where most large companies observe other people's IP. [SVP, Content Partnerships, Major Format Developer]."

"There is also a degree of taint around about very obviously ripping off someone else's show. There is a degree of honour and trust within the industry—with some notable exceptions—generally speaking it's seen as something slightly shameful to be very obviously ripping off somebody else's show. [EVP, Distribution, Major Format Developer]."

It may well be that this reflects a more widely-held sentiment.

It is also something that was mentioned in *Fraser*,¹³ where the judge observed that:

"To the best of my recollection, every witness in the theatre or television business on both sides agreed that if he or she received an idea from another, it would be wrong to make use of it without the consent of the communicator. They of course were expressing their views in the context of a moral usage in their profession rather than of a strict legal obligation."

Whilst this may not be a matter of strict legal obligation, the judge did also observe that the "moral usage" referred to could be a factor in deciding whether a legal obligation does exist.

Conclusion

In many ways, it is frustrating that the industry does not have more clarity on the legal protection of television formats. It is a peculiarity of the way the common law works that for authoritative guidance to develop, cases which go to trial and on to the appellate courts are required. This incremental development of the common law is often viewed as a strength, giving it the flexibility to adapt to new developments over time, and is one of the main reasons why Parliament is often slow to intervene with new legislation. This can be seen in the way the courts are currently responding to questions posed by technology such as cryptocurrencies and non-fungible tokens (NFTs) or artificial intelligence. Television formats are hardly novel in this sense, and the fact is that there is very little firm guidance on their legal protection, with many of the potential claims being an awkward fit or providing only a partial answer.

Passing off is a particularly inapt solution for the protection of television formats. This could be ameliorated, to some extent, by the courts continuing to broaden the concepts of goodwill and damage in situations where it is arguable that there has been lost licensing income. The present state of the law on the latter aspect, which favours businesses or individuals that already have a high-profile or demonstrable track record **Ent. L.R. 106* of licensing rights, could leave new entrants to the market, who might struggle to show the necessary goodwill or damage to it, without adequate protection.

The practical reality is that a notional licence fee will often represent an appropriate way of compensating a claimant whose format has been copied given that most claimants will be, or will want to be, in the business of licensing their formats even if they have not yet achieved any great success. It is suggested that it would be fairer to do away with strained conceptions of goodwill, misrepresentation and damage and simply make this remedy available to all claimants who can show that their format has been copied. Other remedies such as injunctions could also be available where, for example, the defendant's copycat format is causing ongoing damage to the claimant's goodwill or reputation. Passing off is unlikely to be extended in a way which marks a radical departure from the "classical trinity", but other areas of law do provide many examples of the courts being more willing to award damages based on a notional licence fee.¹⁴

Much more clarity would be achieved by the creation of a bespoke legal right. This could be achieved through a fairly limited amendment to the *Copyright, Designs and Patents Act 1988* but, as mentioned in Pt 1 of this series, it does not appear that such an amendment will be forthcoming in the near future.

All that said, it is at least positive that the volume and value of deals involving the licensing of television format rights suggests that the current uncertainty has not been a huge brake on the success of the industry.

Postscript

The author is grateful to Anna Frankum, partner at Penningtons Manches Cooper, for her input into this article.

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Footnotes

- 1 *Reckitt & Colman Products Ltd v Borden Inc (No.3)* [1990] 1 W.L.R. 491; [1990] R.P.C. 341.
- 2 *Banner Universal Motion Pictures Ltd v Endemol Shine Group Ltd* [2017] EWHC 2600 (Ch); [2018] E.C.C. 4.
- 3 *Green v Broadcasting Corp of New Zealand* [1989] R.P.C. 700.
- 4 *Harrods Ltd v Harrodian School* [1996] R.P.C. 697; (1996) 19(10) I.P.D. 19090.
- 5 *Morning Star Cooperative Society Ltd v Express Newspapers Ltd* [1979] F.S.R. 113.
- 6 See E. Bragiel, "'Torque off Clarkson': with the Top Gear team all geared up to go, an examination of what rights exist in formats for television shows: Part 2: protection of TV formats otherwise than under the law of copyright" (2015) 37(10) E.I.P.R. 631–634.
- 7 *HP Bulmer Ltd v J Bollinger SA (No.3)* [1977] 2 C.M.L.R. 625; [1978] R.P.C. 79.
- 8 Professor C. Wadlow, *Wadlow on the Law of Passing-Off*, 6th edn (London: Sweet and Maxwell, 2021), para. 4-89.
- 9 *Fine & Country Ltd v Okotoks Ltd (formerly Spicerhaart Ltd)* [2013] EWCA Civ 672; [2014] F.S.R. 11.
- 10 *Irvine v Talksport Ltd* [2002] EWHC 367 (Ch); [2002] 1 W.L.R. 2355.
- 11 *Fenty v Arcadia Group Brands Ltd (t/a Topshop)* [2015] EWCA Civ 3; [2015] 1 W.L.R. 3291.
- 12 M. Kretschmer et al, *The Exploitation of Television Formats* (ESRC Digital Resource, Bournemouth University, 2009 (BU Study)).
- 13 *Fraser v Thames Television Ltd* [1984] Q.B. 44; [1983] 2 W.L.R. 917.
- 14 e.g. *General Tire & Rubber Co v Firestone Tyre & Rubber Co Ltd* [1975] 1 W.L.R. 819; [1975] F.S.R. 273 on patent infringement as applied in other areas, including copyright infringement (e.g. *Ludlow Music Inc v Williams (No.2)* [2002] EWHC 638 (Ch); [2002] E.M.L.R. 29). See also *Morris-Garner v One Step (Support) Ltd* [2018] UKSC 20; [2019] A.C. 649 on the award of negotiating damages for breach of contract.