



Opportunities Unlimited



the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

NOTICE 1791 of 2007
DEPARTMENT OF TRADE AND INDUSTRY
MERCHANDISE MARKS ACT, 1941 (ACT 17 OF
1941)

PROHIBITION ON THE USE OF CERTAIN
WORDS AND EMBLEMS FOR 2010 FIFA
WORLD CUP SOUTH AFRICA

I, Mandisi Mphahlele, Minister of Trade and Industry, pursuant to the Notice published on 21 June 2007, hereby prohibit the use of certain words, letters, emblems, devices and numerals in terms of section 15 (1) (b), read together with sections 15(2) and 15A (2), (3), (4) and (5), as depicted in the attached document [Annexure A (device 1, 2 and 6 only), Annexure B1 (1, 11, 13, 15, 16, and 17), Annexure B2 (1, 2 and 11), Annexure B3 (13 and 14- FIFA World Cup), Annexure C1(2010 FIFA World Cup South Africa, Football World Cup, FIFA World Cup, 2010 FIFA World Cup and Soccer World Cup) and Annexure C2 (Confederations Cup)] in connection with 2010 FIFA World Cup. The prohibition only applies to activities connected to 2010 FIFA World Cup SOUTH AFRICA in the area of Football or Soccer 2010 FIFA World Cup. The prohibition does not apply to the media, provided the reportage is fair and not imbued with unscrupulous business enterprising.

The Prohibition Notice is conditional in terms of section 15 (1) (b) in that it should be read with sections 15 (2) and 15A (2), (3), (4) and (5) and is effective from the date of publication in the Gazette and it will terminate six months after the last game of the tournament, 2010 FIFA World Cup, in line with the provision of the Special Measures Act, 2006 read together with Notice 683 designating 2010 FIFA World Cup South Africa.

MANDISI MPAHLWA, MP
MINISTER OF TRADE AND INDUSTRY

BACKGROUND

The Federation Internationale de Football Association (FIFA) governs football or soccer matters worldwide.

When FIFA intends to host a tournament, countries compete to host such under terms and conditions. FIFA has a Rule Book that contains Guidelines/Terms/Conditions that the Bidding Nations should satisfy. One of the requirements is that the Intellectual Property (IP) -Trademarks, Designs, Patents and Copyright) system must be of a world standard. Such a system must protect the IP of FIFA and its sponsors against “ambush marketing” activities. Ambush marketing refers to marketing campaigns that take place around an event but does not involve payment of a sponsorship fee to the event organizers.

The word or acronym “FIFA” is a registered trademark and qualifies to be protected in terms of the country’s IP laws.

Ambush marketing can be by “association” or “intrusion”. Ambush marketing by association in the context of the FIFA World Cup involves the use of a FIFA prohibited emblem with an unprohibited sign (see example A in Illustrations).

Individuals (e.g. 100) wearing t-shirts with Trademark “FOX” independently entering into a FIFA match and later assemble and start chanting to attract media attention will be regarded as practicing ambush marketing by intrusion.

Bidding nations also have to Guarantee that the IP of FIFA will be protected in accordance with the Rule Book. This may also necessitate the bidding Nations to amend their IP legislation. FIFA requests money in advance from potential sponsors and if they respond positively, they can use the name and acronym of FIFA, associated with FIFA tournament. Examples are MTN and

FNB in relation to advertisements.

In 2002, South Africa enacted the Trade Practices Act, that deals with ambush marketing by association. This was in preparation for the 2003 World Cricket Cup held in South Africa. Later Parliament passed the Merchandise Marks Amendment Act that deals with ambush marketing by intrusion, being the Merchandise Marks Amendment Act. The latter demands from the organizers of the event to be protected to create opportunities for small businesses from previously disadvantaged communities, and such an event must be in the public interest.

In May 2004 South Africa was awarded the right to host the 2010 FIFA soccer world cup due to many factors such as having good infrastructure and an advanced intellectual property system.

In 2006 FIFA applied for 2010 FIFA World Cup (World Cup) to be designated as a protected event against ambush marketing activities. The Minister allowed the application on condition that the Local Organizing Committee (LOC) of FIFA allocates 30% of its budget in creating opportunities for small businesses and that BEE principles will be implemented when appointing service providers.

The Merchandise Marks Act also allows the Minister to prohibit the use of certain “words”, “letters”, “emblems” or “signs” as prohibited marks. FIFA applied for the prohibition of certain words, letters, emblems and signs as prohibited marks (See Notice). In 2006, Parliament passed the Special Measures Act which contains the precise wording of the notice that conferred a protected event status on the FIFA World Cup. There are other laws such as the Trademarks Act, Designs Act, Copyright Act, Counterfeit Goods Act, Trade Practices Act (ambush marketing by association) and the Merchandise Marks Act as amended (ambush marketing by intrusion) that deal with the protection of IP.

The common law principles of passing off can also be used to protect IP.

Application of IP legislation is good for investors (FIFA and its sponsors) to recoup their investment. However, strict application of such may amount to an abuse of the system and such can stifle business opportunities.

Depending on circumstances, the Minister may issue an absolute or a conditional prohibition. In giving the final decision, the Minister took into account the principles enshrined in trade marks law that deals with the registration of marks. The Minister also considered the principles enshrined in the Merchandise Marks Act that deals with ambush marketing activities. This is so since the designation of the event is to be of a limited period, i.e. 6 months after the final game of the tournament. Further, the Minister took into account the fact that the provision of this section is accompanied by criminal sanctions whose application may be absolute and without legal defense. Such sanctions are in the main brought against people who violate the integrity of national symbols, such as the coat of arms. The prohibition notice is therefore conditional.

Furthermore the Minister had to look at the balancing act between national interests and those of FIFA. This is also embodied in the preamble of the Special Measures Act, 2006. Thus, South Africa complies with the Guarantees given to FIFA during the bidding process.

ILLUSTRATIONS

- A) Insert any prohibited mark with any mark that is not prohibited. The example will be ambush marketing by association, e.g.



- B) Chanting persons in a FIFA sponsored event with t-shirts bearing trade mark of a particular brand name such as "FOX", ambush marketing by intrusion.



- C) German and SA courts refused sporting events to own the expression "World Cup".

D) Nobody should own the number such as 2010. There may be other events in 2010 outside the fraternity of football. Clothing and cultural industries have been printing T-shirts/dolls and the name of a Town and a year for each year, e.g. Cape Town 2006 and Durban 2008, targeting tourists. 2009 and 2010 are not exceptions.



Conclusion

The enforcement agents such as **the dti** inspectorate, SAPS and SARS will enforce the notice as there is a danger that entrepreneurs may be harassed under the pretext that use of such “words/emblems/numerals” is against the law. It is not against the law. When entrepreneurs use such expressions, they should try by any means not to associate themselves with the activities associated with the event “2010 FIFA World Cup South Africa”. Otherwise they would be guilty of “ambush marketing”

Prohibited Emblems, And Logos



Prohibited Combination of Words and Numerals:

2010 FIFA WORLD CUP SOUTH AFRICA

FOOTBALL WORLD CUP

FIFA WORLD CUP

2010 FIFA WORLD CUP

SOCCER WORLD CUP

CONFEDERATIONS CUP

Correct and Incorrect ways of using the 2010 Marks

2010 FIFA WORLD CUP SOUTH AFRICA with
EKAPA* ROAD HOUSE = ✘

2010 SOUTH AFRICA with CAPE TOWN*
ROAD HOUSE = ✔

CONFEDERATIONS CUP CATERERS = ✘

EAST LONDON* 2010 MOBILE RESTAURANT
= ✔

SOCCER WORLD CUP with JOE'S EVENTS
MANAGEMENT = ✘

JOE'S EVENTS MANAGEMENT 2010 = ✔

JOHANNESBURG* 2010 with a soccer ball
device  = ✘

POLOKWANE* 2010 with  = ✘

FOOTBALL WORLD CUP with  = ✘

SOUTH AFRICA 2010 with TOM'S LUXURY
TOURS = ✔

FIFA WORLD CUP with the name HARRY'S
APARTMENTS = ✘

(*) This can refer to any town in South Africa
(Indicated towns/cities are meant as examples)

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