Can Passing Off In New Zealand Expand To Accommodate Protection For Personal Images?

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I: INTRODUCTION

1. Of Fame and Fortune ...

In 1995, All Black newcomer Jonah Lomu was hailed as one of the greatest players ever to have graced the rugby field.[1] His extraordinary speed and agility saw him establish a niche for himself on the All Blacks' wing, responsible, seemingly single-handedly, for New Zealand's success against top international sides.[2] His fame, however, had captured the attention, not only of the sporting fraternity, but also manufacturers wishing to promote their products. Advertisements proclaimed "... Jonah wears Steelers", Telecom produced a "Jonah Lomu" kit as part of its All Black Heroes Collector kits,[3] and limited edition photographs of Lomu were commissioned.[4] Jonah Lomu had become a marketable commodity.

Such advertising falls within the general ambit of character merchandising, which refers to the licensing of an image for use by the licensee to promote goods or services. The licensed image may be that of a fictional character or real person. The latter is here referred to as personal image marketing and constitutes the primary focus of this article. Lomu's dizzying elevation from rugby player to celebrity demonstrates that the use of personal images in the promotion of products and services is widespread and represents a significant opportunity for financial gain to celebrities.

It has been generally assumed that the exploitation of personal images occurs by way either of product association or endorsement. Mere product association

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1 "Jonah Like Gulliver in the Land of Lilliput", *New Zealand Herald,* 20 June 1995, Section 2, 1.

2 Lomu scored four tries in New Zealand's 45-29 win against England in the Rugby World Cup. "Lomu May Be Put on Map" *New Zealand Herald,* 20 June 1995, Section 1, 1.

3 Advertisement, *New Zealand Herald,* 28 June 1995, Section 1, 10.

4 *Magic Merchandise Ltd v Lomu* (HC Auckland, CP 38/96, 3 March 1997, Barker J).

refers to the use of a person's image in advertising without making any representations as to endorsement by that person. The value to the advertiser is twofold: the celebrity's image attracts attention and conjures in the mind of the consumer the beneficial qualities associated with the celebrity. The advertiser hopes to gain a favourable impression of its product in the eyes of the public, by juxtaposing the product with the favourable image of the celebrity.[5] In this way advertisers hope to gain a "rub-off" effect of favourability from the image to their goods. For this reason, mere association-type personal image marketing typically involves celebrities as the beneficial qualities associated with such persons are more than just those based on the physical features of the person. They may convey, in the case of association with successful sports personalities for example, qualities of strength, courage, and personal achievement.

Endorsement occurs where a celebrity vouches for the quality of a particular product. The product may be his or her own, although more usually the celebrity will be paid to support another's products. Endorsement of a product by a well-known person carries significant marketing appeal and support by someone well-respected adds credibility to the manufacturer's claims. It matters little that the prowess of the endorser relates to their specific ability, and not to any reputation as to honesty or integrity. In the eyes of the public, these latter qualities apparently attach automatically to well-known personalities.

2. ... and Control

(a) As to Whom

First and foremost, celebrities and others involved in personal image marketing are concerned to maximise their ability to commercially exploit the celebrity image and to control that earning potential. However, the potential value of the image can be realised only if the celebrity is able to control public exposure. Clearly no promoter will wish to pay for the right to publish that image if the image can be obtained elsewhere for no fee and there is no guarantee as to any exclusive rights.

(b) As to What

Also of importance to the celebrity, and hitherto little focused on, is the celebrity's ability to control the substance of his or her image. How the image is perceived by others will be integrally connected to the number and types of situations in which the celebrity image is exploited. In the case of an actor, the conceptual qualities conveyed by their image are what attracts screen audiences. This ability in turn partly determines the demand for that actor in the

5 *Pacific Dunlop Ltd v Hogan* (1989) ATPR 40-948.

entertainment industry. Actors do not want their images tarnished by associations which damage the particular qualities that attract screen audiences. As such, the celebrity also wishes to be able to determine what type of qualities his or her image will convey, thereby maximising its potential commercial value. In addition, the desire to control the conceptual qualities of one's image may reflect a personal standard, independent of the desire to capitalise on one's success.[6]

3. Legal Protection

The concerns of the celebrity can be summarised as a desire to have, first, control over to *whom* one's image is exposed; and, second, to have control over *what* is perceived by that audience. This latter concern breaks down further as a desire, first, to control one's earning potential and, second, to give effect to personal choices of expression

Unlike the United States, Canada and Australia, New Zealand does not yet have any legal mechanism adapted specifically to protect personal images. This is not to say that celebrities here do not exhibit a substantial degree of control over their images. Promotional advertising and image marketing by and large occur pursuant to a contractual arrangement, thereby indicating that consent of the celebrity is considered a prerequisite to use of that image.[7] New Zealand commercial practice is probably heavily influenced by the practice in overseas jurisdictions which do protect publicity rights and perhaps also by the threat of action pursuant to consumer protection legislation which prohibits misleading conduct in trade.[8] Nonetheless, the situation remains that little legal protection exists in New Zealand for merchandising rights.

This is not to say that such a development has been rejected, merely that there has hitherto been little pressure on the courts to grant protection or even to consider the issue.[9] The sole New Zealand case to give serious consideration to character merchandising is *Tot Toys v Mitchell*.[10] Although the case concerned misappropriation of fictional, rather than personal images, Fisher J commented, obiter, that:[11]

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6 For example, despite the fact that the image of Elvis Presley is one of the most merchandised images worldwide, licensing is strictly controlled. Elvis Presley Enterprises refused to allow use of the image for Memphis Tour trinkets, shaped flower arrangements, and, most notably, edible underwear. Priscilla Presley, President of EPE is firm in the view that the maintenance of Elvis' image is not purely an economic consideration. "Love Me Legal Tender", *Time*, 4 August 1997, 66.

7 For example, supra at note 4.

8 Van Melle, 'Sports Personality Merchandising' [1997] NZLJ 260.

9 While disputes involving the unauthorised use of celebrity images have arisen in New Zealand, the defendants have predominantly been casual operators who prefer to settle rather than litigate: John Katz, Barrister (Interview, 25 November 1997).

10 [1993] 1 NZLR 325.

11 Ibid, 363.

> Few would dispute that real persons should generally have the right to prevent the unauthorised promotional use of their persona. There may be a case for going beyond existing causes of action ... to North American causes of action for appropriation of personality and/or breach of rights of privacy and publicity.

It cannot be expected that the apparent apathy of New Zealand sports stars and other celebrities, in failing to bring pressure on the judiciary to recognise protection of publicity values, will continue. In the interim, consideration should be given to whether and how protection might be afforded..

In the absence of legislative intervention, the common law tort of passing off provides one avenue for developing protection for character merchandising. Passing off originally prevented traders from passing their goods off as those of another.[12] It has subsequently expanded to protect against any misrepresentation made in the course of trade which damages the goodwill of another trader.[13] More recently, Australian courts have held that passing off also protects character merchandising rights.[14]

If it is to be assumed that broader protection for personal image marketing is desirable and should be granted, then one of the issues that must be addressed is whether the tort of passing off is the appropriate vehicle for providing that protection.[15] As a first step toward answering this question, this article evaluates whether the tort of passing off is capable of protecting personal images. The particular focus is on whether it is appropriate to follow the Australian model.

II: THE APPLICATION OF PASSING OFF TO PERSONAL IMAGE MARKETING

1. The Formulation of the Tort

The principal protection provided by passing off in its traditional form was the right of a trader not to have another trader represent the latter's own goods as those of the first. Therefore, traders could not "use names, marks, letters, or other indicia by which they might induce purchasers to believe that the goods are those of another".[16] Initially the nature of the property right protected by passing off was thought to be the insignia or mark identifying the plaintiff's goods. Later, it was established that the property interest vested, not in the mark itself, but in the

12 *Reddaway v Banham* [1896] AC 199 (HL).

13 *Erven Warnink Besloten Vennootschap v J Townend & Sons (Hull) Ltd* [1979] AC 731 (HL).

14 *Hogan v Koala Dundee Pty Ltd* (1988) ATPR 40-902.

15 Supra at note 10, at 363.

16 *Leather Cloth Co Ltd v American Leather Cloth Co Ltd* (1865) 11 HL Cas 523, 538; 11 ER 1435, 1442 per Lord Kingsdown.

goodwill associated with that mark.[17]

Today, the classic formulations of the tort are those espoused in *Erven Warnink Besloten Vennootschap v J Townend & Sons (Hull) Ltd (the Advocaat Case)*.[18] Lord Diplock stated:[19]

> [It is] possible to identify five characteristics which must be present in order to create a valid cause of action for passing off: (1) a misrepresentation (2) made by a trader in the course of trade, (3) to prospective customers of his or ultimate consumers of goods or services supplied by him, (4) which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence) and (5) which causes actual damage to a business or goodwill of the trader by whom the action is brought or (in a quia timet action) will probably do so.

On this basis passing off is seen today as generally being comprised of three elements; goodwill, misrepresentation and damage.

(a) Goodwill

The plaintiff must have goodwill associated with his or her business. Goodwill has been described thus:[20]

> It is the benefit and advantage of the good name, reputation, and connection of a business. It is the attractive force which brings in custom.

Goodwill attaches to the name, mark or get-up of the product.[21] It is the distinctive features of the manufacturer's products, by which the public recognise that the goods derive from the same source as other goods of the same name, mark or get-up, that support the goodwill in the business that markets the products.

(b) Misrepresentation

It has been judicially observed that it is "impossible to enumerate or classify all the possible ways in which a man may make the false representation relied on".[22] Despite this, actionable representations generally fall under the broad principle stated in *The Clock Ltd v The Clock House Hotel Ltd*:[23]

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17 *A G Spalding & Bros v A W Gamage Ltd* (1915) 32 RPC 273, 284 per Parker LJ.
18 Supra at note 13.
19 Ibid, 742.
20 *IRC v Muller & Co's Margarine Ltd* [1901] AC 217 (HL), 223-224 per Macnaughten LJ.
21 Supra at note 13.
22 Supra at note 17, at 284 per Parker LJ.
23 (1936) 53 RPC 269, 275 per Romer LJ.

> The principle is this, that no man is entitled to carry on his business in such a way or by such a name as to lead to the belief that he is carrying on the business of another man or to lead to the belief that the business which he is carrying on has any connexion with the business carried on by another man.

Thus, passing off now prevents, for example, a trader falsely representing that his or her goods share a distinctive quality with those of the plaintiff, even though it is clear that the goods are not those of the plaintiff,[24] and goods of the plaintiff from being incorrectly represented as of a higher grade than they actually are.[25]

(c) Damage

There must be some likelihood that the plaintiff will suffer damage to the goodwill in their business. As a result of the traditional formulation of the tort, the type of damage that invariably concerned the courts in the early years was the diversion of trade from the plaintiff's business to that of the defendant. At one stage this approach led to the requirement of an overlapping field of activity between the defendant and the plaintiff, as evidenced in *McCulloch v Lewis A May (Produce Distributors) Ltd.*[26] This requirement was criticised in *Henderson v Radio Corporation Pty Ltd*,[27] and there have been many cases since in which passing off has been established despite the absence of a common field of activity.[28]

As a corollary to the principle that there need not be an overlapping sphere of activity, it was recognised that damage beyond mere diversion of trade was sufficient. Clearly, damage to business reputation can cause significant harm to the viability of the plaintiff's business whether or not the defendant happens to be engaged in a similar business. Actual and potential customers may simply be deterred from bringing their custom to the plaintiff, based on the tarnished reputation.

Another form of damage which might result is that which occurs to other aspects of the plaintiff's business:[29]

> To induce the belief that my business is a branch of another man's business may do that other man damage in various ways. The quality of goods I sell, the kind of

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24 Supra at note 13.

25 Supra at note 17.

26 (1947) 65 RPC 58, at 66-67. See also *Wickham v Associated Pool Builders Pty Ltd* (1988) ATPR 40-910.

27 [1960] SR (NSW) 576, 593 per Evatt CJ and Myers J.

28 For example, *Totalizator Agency Board v Turf News Pty Ltd* [1967] VR 605, where the defendant newspaper was held to be unable to use the letters TAB to describe its publication, by which initials the plaintiff off-track betting agency was known.

29 *Ewing v Buttercup Margarine Company Ltd* [1917] 2 Ch 1, 13 per Warrington LJ.

> business I do, the credit or otherwise which I enjoy are all things which may injure the other man who is assumed wrongly to be associated with me.

The trading reputation that encourages suppliers to extend credit can be seen as analogous to the goodwill that attracts customers. Both product reputation and trading reputation are equally important aspects of business viability, and equally demanding of protection. Thus, a broader principle is apparent, namely, any misrepresentation that damages the trading capabilities of the plaintiff is actionable.

2. Foundation for Protection of Celebrity Images

(a) Inferior Products

The use of the plaintiff's image in conjunction with the defendant's product may represent that the plaintiff supports or endorses the product. In the absence of the plaintiff's consent, the defendant's conduct will constitute a misrepresentation.

Where there is such a misrepresentation, and the defendant's product is of poor quality, damage to the plaintiff's business reputation and goodwill can be readily inferred. This is most easily explained on the basis that the plaintiff's support for inferior goods brings in to question their professional judgment in respect of the plaintiff's own business. Less faith by the public in their business judgment is likely to lessen public demand for the plaintiff's own goods, thereby causing *actual* damage through loss of custom.

(b) Products Which Are Not Inferior

A problem arises in respect of goods which are not inferior. Whether a misrepresentation by way of endorsement of such products can constitute passing off has been little argued, both judicially and extrajudicially. The represented association does not provide the public with any reason to doubt the plaintiff's business judgment. Damage to the plaintiff's goodwill, and consequent actual damage by way of loss of custom, cannot be inferred as readily.

Nonetheless, it has long been held that actual damage to the plaintiff's goodwill is not required in order to establish passing off. The mere tangible risk of damage will support an action.[30] Where a plaintiff is represented as having some business connection with the defendant, he or she remains exposed to the risk that some future harm will befall the defendant. This risk exists even though the defendant's business has, at present, a good credit rating and markets products of good quality. In the event that the defendant's business is

30 *Walter v Ashton* [1902] 2 Ch 282.

subsequently exposed to adverse publicity, actual damage to the plaintiff's goodwill and custom will once again be readily inferrable. This line of reasoning was apparent in *British Legion v British Legion Club (Street) Ltd*:[31]

> If the use of the Defendants' name, as it is now used, is to suggest to any ordinary person that the Plaintiff association is in some way connected with the Defendant Company or is in some way, as it were, its sponsor, then if evil befalls the Defendant Company and it finds itself (I am not suggesting it will) in trouble either under the Licensing laws or in financial trouble or in some other way of discredit, the result will be, in my judgment, that many of the persons who knew of the existence of the Defendant Club may think that the Plaintiff association had been very ill-advised and very unfortunate in having any connection with such a company, and that might well tend to prevent persons who otherwise would have supported the Plaintiff association by subscriptions or otherwise from continuing to do so .... [T]he tangible possibility of damage ... as it seems to me, is plain.

Under this approach, damage for the purposes of passing off, can therefore include damage contingent upon adverse publicity regarding the defendant's business. On this basis, it can be presumed that a plaintiff celebrity can bring a passing off action, if misrepresented as endorsing the defendant's products, even though the defendant's products are not considered inferior. The plaintiff still runs the risk that future bad publicity of some type regarding the defendant will occur and adversely affect the public opinion of the plaintiff.

3. The Australian Model

(a) Endorsement

Following on from these principles, the Australian development of passing off in respect of personal image marketing begins with the case of *Henderson v Radio Corporation Pty Ltd.*[32] The plaintiffs were well-known professional ballroom dancers whose photograph was used without their knowledge or consent, on the cover of the defendant's record album of ballroom dancing music. It was held that potential purchasers would probably believe that the plaintiffs had recommended or approved the record.

Passing off was held to have been established on the basis that the false representation as to the plaintiff's support misrepresented that the defendant's business had some connection with the business of the plaintiff, following Romer LJ's formulation in *The Clock House Hotel Ltd.*[33] The finding that potential purchasers of the record would infer support by the plaintiffs for the

31 (1931) 48 RPC 555, 564 per Farwell J.

32 Supra at note 27.

33 Supra at note 23 and accompanying text.

product, in their professional capacity, constituted an association with the defendant in promoting sales of the record such that the plaintiffs were entitled to relief by way of injunction. However, this was not on the basis that a real risk of damage arose, since the evidence did not warrant such a conclusion. Rather, such appropriation in itself constituted an injury to the plaintiffs for it wrongfully deprived them of their right to bestow or withhold their recommendation at will, and of any payment or reward on which they could have insisted had they granted their approval.[34]

From this foundation, it is clear that passing off in Australia encompasses a misrepresentation that the plaintiff endorses the defendant's products, as illustrated in *Pacific Dunlop Ltd v Hogan.*[35] The defendants imitated a memorable scene from the film *Crocodile Dundee* in which the plaintiff Paul Hogan starred. Elements including the costuming and script of the scene were used in an advertisement for leather shoes. While it was held that there was no deception as to the identity of the actor, it was found that there was a representation that Hogan endorsed the products of the defendant and thus passing off was established.

(b) Association

(i) Licence Agreement

The Australian model has expanded to also encompass a less explicit connection between the parties:[36]

> What kind of "connection" with the plaintiff must be claimed in order to constitute a passing-off? ... The question for the Judge to decide in the present case was whether a significant section would be misled into believing, contrary to the fact, that a *commercial arrangement* had been concluded between the first respondent and the appellant under which the first respondent agreed to the advertising. If such a misrepresentation were established to the satisfaction of the Judge, a case of ... passing-off ... would be made out.

In *Newton-John v Scholl-Plough Australia Ltd*,[37] the use of an Olivia Newton-John look-alike in an advertisement for Maybelline cosmetics conveyed no misrepresentation since the heading "Olivia? No Maybelline!" expressly negatived any inference that the plaintiff had a connection with the product or the defendant.

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34 Supra at note 27, at 595.

35 Supra at note 5.

36 Ibid, 50,344 – 50,345 per Beaumont J (emphasis added).

37 (1986) ATPR 40-697.

(ii) Public Knowledge

The foregoing formulation, requiring merely the appearance of a commercial arrangement between the parties, is clearly dependent upon the finding that there is an awareness among the public that celebrity endorsements and marketing of images occurs pursuant to a licence agreement. Thus, in *Honey v Australian Airlines Ltd*[38] passing off could not be established when the defendant used a photograph of the plaintiff, a well-known athlete, as one of a series of posters promoting and encouraging sport. Since the use made of the photograph was not a typical advertisement for goods or services, the Court held that viewers of the poster would not draw the inference that the plaintiff had given consent for its use. Consequently there was no misrepresentation of any licensing arrangement between the plaintiff and defendant.[39]

By way of comparison, in *Pacific Dunlop* it was found at first instance[40] that the public would be generally aware of the widespread practice in Australia of licensing for reward the rights in images for use in product promotion. On this basis:[41]

> [A] substantial number of viewers in the target audience would, as a matter of real, not remote, likelihood ... have responded to the advertisement on the footing that in accordance with general or normal practice, permission would have been sought for the advertisement from Mr Hogan, the film makers or both, and that they had some association of a commercial nature with the production of the advertisement, or, more generally, with "Grosby Leatherz" shoes ....

(iii) Expanding the Concept of Endorsement

It is not immediately clear whether the Australian approach represents an expansion of what will amount to a representation of support by the celebrity, or whether endorsement is still to be considered as a particular, more explicit, type of the general association that will suffice. The latter approach was favoured by Pincus J in *Hogan v Koala Dundee*:[42]

> I stress particularly the use of the word "association", as meaning a connection other than one relating to "quality or endorsement".

This, however, is in contrast to the majority of Australian cases in which the former approach is apparent. For example, in *Honey*, Northrop J stated the

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38 (1989) ATPR 40-961.

39 Cf *Hutchence (trading as "INXS") v South Sea Bubble Company Pty Ltd (trading as "Bootleg T-Shirts")* (1986) ATPR 40-667, where there was evidence that there had been considerable publicity concerning the practice of merchandising of rock groups' names and images.

40 *Hogan v Pacific Dunlop Ltd* (1988) ATPR 40-914.

41 Ibid, 49,822.

42 Supra at note 14, at 49,713.

issue thus:[43]

> Nevertheless, in a claim based upon the tort of passing off, the applicant must show that a significant segment of the public seeing the offending advertisement would be likely to associate the business of the respondents with the business, in its widest sense, of the applicant.

Yet, his finding negating an action of passing off was formulated as follows:[44]

> On those findings, I am not satisfied that the applicant has established that a reasonably significant number of persons seeing the poster, the magazine or the book, would draw or be likely to draw from them the message that the applicant was giving his *endorsement* to Australian Airlines or to the House of Tabor.

This approach equates the existence of a licensing arrangement with endorsement. What is the justification for this view? It appears explicable on the basis that the celebrity can be presumed to be careful to be associated only with products which at least have some base standard of quality. In this way, the representation of a licence implies also that the celebrity considers the goods reach that minimal standard.[45] The concept of endorsement is clearer when one considers that under the Australian model it is insufficient merely to conjure the image of the celebrity in the minds of the viewers. In *Newton-John*, the plaintiff was unable to succeed for this reason, since, as seen earlier, the direct words negatived any association, putting "the product and the applicant on the opposite sides of the street".[46] Such invoking of an image is often used in advertising as a "hook" or "grab" to attract attention. However, this use is insufficient to constitute a misleading representation.[47]

Thus, under the Australian model, the distinction between endorsement and non-endorsement reflects the perceived distinction between:

(i) Those advertisements which can properly be seen as portraying a licensing arrangement between the celebrity and the advertiser, such that the celebrity can rightly be seen as having lost a licence fee; and
(ii) Those advertisements which merely use the celebrity's name or image as a "hook" or "grab" to attract viewer attention, without giving any representation as to the existence of a licensing agreement, such that the celebrity cannot be seen as having lost a licence fee.

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43 Supra at note 38, at 50,498.
44 Ibid, 50,499 (emphasis added).
45 See for example, *10th Cantanae Pty Ltd v Shoshana* (1988) ATPR 40-833, 48,984 per Wilcox J.
46 Supra at note 37, at 47,633.
47 Supra at note 5.

The expansion of the concept of endorsement in Australia, then, reflects the change in commercial practice and a concurrent growing public awareness of the types of associations likely to occur pursuant to a licence agreement.

4. Problems With the Australian Model

(a) Misrepresentation

Criticism has been levelled at findings of misrepresentation by way of licensing agreements between plaintiffs and defendants in cases concerning artificial image merchandising:[48]

> There is nothing inherently deceptive in showing one's product in juxtaposition with a popular man-made image, any more than there would be in juxtaposing it with an image drawn from nature. In both cases, the advertiser harnesses the beneficial associations intrinsic in the image itself, as distinct from associations with the real people and their property which may happen to stand behind the image.

A similar sentiment was expressed by the House of Lords in *Re American Greeting Corp's Application; sub nom Holly Hobbie Trade Mark*:[49]

> But character merchandising deceives nobody. Fictional characters capture the imagination, particularly of children, and can be very successfully exploited in the marketing of a wide range of goods. No one who buys a Mickey Mouse shirt supposes that the quality of the shirt owes anything to Walt Disney Productions.

This criticism would seem applicable to real image marketing. Indeed, this was the view of Pincus J in *Koala Dundee*, in referring to the *Motschenbacher* case[50] which concerned the suggestion of appropriation of a real image:[51]

> The essence of the wrong done in the *Motschenbacher* and *Childrens Television cases* and those like them is not in truth a misrepresentation that there is a licensing or sponsoring agreement between the applicant and the respondent; it is in the second ground taken in the *Henderson case*, namely wrongful appropriation of a reputation or, more widely, wrongful association of goods with an image properly belonging to the applicant.

However, in truth, these criticisms must be confined to their specific factual

48 Supra at note 10, at 361.

49 [1984] 1 All ER 426, 428 per Bridge LJ.

50 *Motschenbacher v R J Reynolds Tobacco Co* 498 F 2d 821 (9th cir 1974).

51 Supra at note 14, at 49,713. Note, however, that *Koala Dundee* itself concerned the merchandising of artificial characters and no distinction was brought in the case between artificial and personal images.

situations. They are founded on the assumption that by and large the public are ill-educated about licensing arrangements and are unlikely to have them in the forefront of their minds when viewing advertisements and products. Any representation as to the existence of a licence agreement in respect of any images must surely depend on public knowledge and understanding of current commercial practice. If the use of images is commonly perceived by the public as occurring pursuant to a licensing agreement, then it cannot be categorically stated that every case of unauthorised use will be unable to found a misrepresentation as to a licensing agreement.

In addition, it must be remembered that in order to establish passing off it need not be shown that there is a unanimous opinion held by the public that the use of images occurs pursuant to a licensing agreement. Nor is there any need to establish that the public perceive there is a *universal* practice of obtaining the plaintiff's consent. The test in each case is merely whether a significant section of the public would labour under the alleged misapprehension.[52] Thus, whether there is in fact a misrepresentation as to a licence arrangement or endorsement, will clearly be dependent on the circumstances of the individual case. To this end, survey evidence evaluating public perception of current commercial practices will be valuable.[53]

(b) Damage

If a misrepresentation as to the existence of a licensing agreement is found, the loss of the licensing fee which the plaintiff might otherwise have charged will typically be argued as satisfying the damage element of passing off. This claim, though, cannot be sustained. As stated by Fisher J in *Tot Toys*:[54]

> It is axiomatic that damage must be proved or presumed as one of the ingredients of passing off. It has never been sufficient for plaintiffs to fill this gap by arguing that their loss is loss of the right to charge the defendant a fee for continuing conduct the lawfulness of which is the subject currently under inquiry. To accept that proposition would be to deny that damage is an essential and independent ingredient of the tort .... Yet in *Crocodile Dundee* and similar decisions, the damage relied upon has been prejudice to the opportunity to license the merchandising "right" to the defendant and others. The plaintiff has a right to exact a fee for character merchandising only if he has an enforceable right to prevent others from using his image without his permission. In the present context he has a right to prevent others only if he can sue them in passing off. He can sue them in passing off only if he can show a loss. The only loss he can point to is the loss of the right to insist upon a fee for the character merchandising. So the argument is circular.

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52 Supra at notes 5 and 40.

53 See, for example, supra at note 14.

54 Supra at note 10, at 362.

The nature of this 'circular argument' was purportedly recognised by Pincus J in *Koala Dundee*,[55] where it was stated that the real issue is whether the plaintiff's right of property in his or her name and reputation is entitled to protection. For this reason, Pincus J preferred the approach that liability is grounded on a misappropriation of image, rather than a misrepresentation as to the existence of a licensing arrangement, as discussed above. But, in as much as the former is still founded on the assumption that the plaintiff has a *right* to assign the use of images, the misappropriation of image analysis is grounded on the same circular argument.

Therefore, if the only claim to damage is the loss of a licensing fee, this cannot satisfy the requisite element of damage for passing off.

Damage has alternatively been argued to result on the basis that potential advertisers will be deterred from seeking a licence from the plaintiff, upon the realisation that no fee need be paid.[56] Such damage is illusory, for potential advertisers will only come to this realisation if in fact the representation is made that use of the plaintiff's image *has* occurred without permission. As such, the misrepresentation element of passing off will not have been satisfied.

(c) Causal Connection

A second, and hitherto little focused on, reason for rejecting the Australian mode of analysis is the lack of a causal connection between the misrepresentation and the damage. Even if it is accepted that (i) there is a misrepresentation as to the existence of a licensing arrangement, and (ii) the loss of a licensing fee is an acceptable form of damage, that damage occurs independently of the occurrence of the misrepresentation. The loss of the licensing fee will still have been suffered whether or not there is a representation as to the existence of a licensing agreement.

A causal connection was clearly required in traditional passing off cases. Lord Diplock expressed the requirement that the misrepresentation be calculated to injure, in the sense that the risk of damage was a reasonably foreseeable consequence of the defendant's conduct. Lord Fraser stated that the plaintiff had to be likely to suffer damage "by reason of" the misrepresentation.[57]

This requirement was acknowledged by Manning J in *Henderson*:[58]

> If in fact such a misrepresentation is made and *as a result of such representation* the plaintiff suffers damage the right of action arises .... [T]here is little doubt that at all times the basic factor to which regard has been had in considering the question of damage has been whether the plaintiff suffered a financial detriment and such detriment *flowed from or arose as a result of* the defendant's action.

55 Supra at note 14, at 49,713.

56 Supra at note 27.

57 Supra at note 13.

58 Supra at note 27, at 598 - 600 (emphasis added).

Ignorance of this fundamental requirement has arisen as a result of a misplaced focus upon whom the misrepresentation impacts. Australian case law granting protection of character merchandising rights on the foregoing basis has consistently focused on whether or not a misrepresentation has occurred, as perceived by the consumers of the *defendant's* products. The correct focus is whether a misrepresentation has occurred as perceived by consumers of the *plaintiff's* products. Only here can the deception impact upon the goodwill of the plaintiff.

This erroneous approach has arisen through a mistaken reliance on the third limb of Lord Diplock's test in *Erven Warnink*.[59] There he stated that the misrepresentation made by the defendant trader had to be "to prospective customers of *his* ... goods or services supplied by *him*".[60] This formulation was based on the typical passing off case of that era in which the parties were engaged in the same type of business; they marketed similar products and were trade competitors. The damage concerned was either diversion of trade or, as in the case of *Erven Warnink* itself, loss of distinctiveness as a result of the defendant misrepresenting that the defendant's goods had a similar quality to those of the plaintiff. In such a case, the pool of potential purchasers of the defendant's products could be presumed to overlap with the plaintiff's potential customers. A misrepresentation made to consumers of the defendant's products would also be perceived by potential consumers of the plaintiff's products. This provided the causal link between the conduct of the defendant and the damage to the plaintiff.

Where, however, the parties are engaged in different spheres of business, it cannot be presumed that the defendant's customers will also be potential customers of the plaintiff. As such, the inquiry in regards to damage to the plaintiff's product goodwill must be careful to focus on whether the misrepresentation has deceived the plaintiff's customers.

In *Pacific Dunlop*,[61] the argument was raised that there could be no passing off in the absence of any causal nexus between the misrepresentation of the existence of a commercial connection and any damage claimed to have been suffered.[62] This argument was dismissed on the basis that no actual deception or damage need be proved in order to establish passing off.[63] While it is true that the mere risk of damage will suffice, this fails to address the requirement that there must still be a causal connection between the misrepresentation and that risk of damage.

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59 See supra at note 13 (emphasis added).
60 Ibid, 742.
61 Supra at note 5.
62 Ibid, 50,346.
63 Ibid, 50,347 per Beaumont J.

III: REFORMULATING PASSING OFF

It is apparent that the Australian model is unsatisfactory to provide protection for celebrities because it distorts the bases of passing off and cannot satisfy the requisite elements without entertaining legal fictions as to the existence of damage. What then for the celebrity whose image has been exploited? Does rejection, in part, of the Australian model mean that no protection is available under passing off? To answer this question, it is necessary to determine what must be shown if passing off is to be legitimately established and whether such requirements can factually be established. As will be seen, the Australian model is still of value in respect of this latter issue.

1. The Business of Personal Image Marketing

Actors, models and celebrities who are involved in personal image marketing can be said to be involved in business, that "business" being the licensing of their image for use in advertisements, the "product" marketed being the image itself. The image also constitutes the mark to which the goodwill of that business attaches and identifies the product as that of the plaintiff. Goodwill is the property interest protected by passing off. Thus, the celebrity clearly has the foundation to come under the scope of protection offered by the tort.

2. Misrepresentation

(a) Regarding Business

The Australian model postulates that an actionable misrepresentation is one which implies the defendant has licensed the use of the plaintiff's image from the plaintiff. The difficulty with this model is that it asks whether the misrepresentation is perceived by the general public. The correct focus is whether the misrepresentation is perceived by potential advertisers or creditors who might otherwise wish to do business with the plaintiff. Nonetheless, the unauthorised use may still misrepresent the existence of a licensing arrangement between the plaintiff and defendant, as perceived by potential advertisers or creditors.

Further, whether such a misrepresentation can be established depends on the awareness of those persons on whom the misrepresentation impacts of current commercial practice. Potential advertisers are intimately involved with the commercial use of images for advertising and can be expected to be well aware of current practices. Thus, the juxtaposition of the plaintiff's image with the defendant's product is highly likely to be seen, by other advertisers, as signifying the existence of a licence agreement, that is, a business connection between the parties.

(b) Regarding Product

More significantly, damage to the product goodwill is likely to ensue where there is a misrepresentation made to the plaintiff's customers about the plaintiff's products. In this regard, the celebrity, must then establish that there is a misrepresentation made about the image to current or potential licensees of that image.

If "image" is interpreted narrowly to mean the physical image seen by a viewer of the advertisement, a misrepresentation can be established in limited circumstances. Those images which portray different features to that of the real image will constitute a false representation. In that case the misrepresentation is that the product marketed by the celebrity consists of the physical features displayed in the advertisement. A computer-generated image which shows the celebrity's image with an added mole, or different coloured hair would fall within this class.

From the celebrity's point of view, this scope is too narrow. Ideally, the celebrity wishes to prevent *any* unauthorised appearance of his or her image, altered or not. The celebrity's marketable product must be defined more broadly than the physical image if general protection is to be provided.

Yet the celebrity's image *is* more than its physical representation. Advertisers do not use the image of a well-known model merely to portray physical beauty. It is used to convey the prestige of the model's celebrity status, and any other qualities which the public associates with the model. The product marketed by the celebrity is a combination of the physical image and its associated conceptual qualities. The possible misrepresentations that an unauthorised user might convey are therefore extremely broad.

In *Pacific Dunlop*[64] Justice Burchett considered that an unauthorised association misrepresents that the product advertised has an additional quality that products legitimately associated with the celebrity's image have, whatever that quality may be and however vague and indefinable it is:[65]

> The consumer is moved by a desire to wear something belonging in some sense to Crocodile Dundee (who is perceived as a persona, almost an avatar, of Mr Hogan). The arousal of that feeling by Mr Hogan himself could not be regarded as misleading, for then the value he promises the product will have is not in its leather, but in its association with himself. When, however, an advertisement he did not authorise makes the same suggestion, it is misleading; for the product sold by that advertisement really lacks the one feature the advertisement attributes to it.

It may be true to say that there is no misrepresentation, since the viewer perceives the product to have the additional quality irrespective of whether the

64 Ibid.
65 Ibid, at 50,347.

image is authorised or not. Shoes represented as worn by Hogan are better in the consumers' eyes for that representation and may be so notwithstanding Hogan's lack of consent. In accepting that the distinguishing feature between a misleading association and a non-misleading one is the consent of the celebrity, are we merely transporting the circular argument from the element of damage to that of misrepresentation?

In *Erven Warnink*,[66] the defendant marketed an egg and wine drink under the name Advocaat. The name Advocaat, however, was associated by the public with the plaintiff's egg and spirit drink. Passing off was held to have been established on the basis that the defendant had misrepresented its product as having the distinctive qualities associated with the plaintiff's product. Again, it may be true to assert that the defendant's drink is now perceived as Advocaat. The defendant's use of the name Advocaat in conjunction with its products causes members of the public to actually associate the defendant's product with the product of the plaintiff and this is true irrespective of the plaintiff's consent. Yet, this association by the public is nothing more than its act of perceiving the misrepresentation. The lack of consent renders the conduct misleading for the purposes of passing off.

In the same way then, the unauthorised use by an advertiser of a celebrity's image constitutes a misrepresentation, for the public will now associate the defendant's product with those conceptual qualities bestowed on it as a result of its juxtaposition with the plaintiff's image. What is in focus is the fact that the product has indeed the "X-factor" which products associated with that celebrity have. The advertisement is misleading because, since no consent has been given, the product lacks the association and therefore the X-factor it is represented as having, in the same way that it is still misleading to represent one's egg and wine drink as Advocaat, even though as a consequence of the defendant's conduct Advocaat is *subsequently* associated with both types of drink.

The representation above, however, fails to satisfy our requirement for a representation about the plaintiff's product. Nonetheless, where the parties are engaged in overlapping spheres of activity, it is clear that a representation about the defendant's product conveys a reciprocal representation about the plaintiff's product. A representation that the defendant's drink has the same qualities as the plaintiff's drink implies the reciprocal representation that the plaintiff's drink has the same qualities as that of the defendant's. The latter is the representation which will be causally connected to any damage suffered by the plaintiff, and thus constitutes the actionable misrepresentation.

In the context of personal image marketing, the plaintiff and defendant are not engaged in overlapping spheres of activity. Nonetheless, personal image advertising not only conjures an association of the celebrity with the product, but it also conjures an association of the product with the celebrity:[67]

66 Supra at note 13.

67 See supra at note 45, at 48,993 per Gummow J citing from the judgment at first instance.

> A feature of the technique of character merchandising ... is that the advertiser uses the public image of the personality concerned to develop in the minds of consumers an identification of the product with that personality.

The celebrity's image consists of both its physical features and the conceptual qualities it portrays. These conceptual qualities are a composite of previous public associations made with that image. The association with an advertiser's product has the potential to impact upon the public's impression of qualities subsequently associated with that celebrity, and consequently, their image. The unauthorised association may convey an undesirable quality generally about the celebrity, or it may convey an association with a competitor of a potential advertiser. Thus, the product that the celebrity is marketing, namely, their image, is misrepresented as consisting of an additional quality bestowed by the public association of the celebrity's image with the advertiser's product.

(c) Role of Consent

As with the misrepresentation that the defendant's product consists of an additional X-factor, the misrepresentation that the plaintiff's image consists of certain conceptual qualities is likewise dependent upon the lack of consent of the plaintiff. The conduct of the defendant is only misleading if the use was without the plaintiff's consent. Otherwise, the plaintiff's image is correctly to be associated with the qualities bestowed on it by its association with the defendant's product. To this extent the model is similar to the Australian model: the misrepresentation as to the conceptual qualities of the plaintiff's image is based on an underlying misrepresentation that the plaintiff has consented to the use of his or her image by the defendant.

3. Damage

Damage may occur in passing off as a direct loss of custom. This may occur either by way of diverting customers from the plaintiff's business to that of the defendant, or by way of deterring customers from the plaintiff's business.

As highlighted earlier, substitution of the defendant's product for that of the plaintiff, by customers, can only occur where the two are engaged in similar spheres of activity. In the context of personal image marketing, the typical situation where this type of damage will be most apposite will be that which occurred in the *INXS* case.[68] The celebrity is engaged in marketing an image in tangible form, the defendant seeks to gain advantage of the popularity of the celebrity and likewise proffers tangible goods bearing the celebrity's image.

68 Supra at note 39.

Consumers buy the defendant's products under the misapprehension that they are those of the plaintiff.

Deterrence of the plaintiff's potential customers from purchasing the plaintiff's products can occur without the need for the defendant to be engaged in a competing sphere:

(i) Adverse Publicity

A misrepresentation as to the existence of a licensing arrangement between the parties, as perceived by other advertisers or creditors, has the potential to impact upon the trading capabilities and custom of the plaintiff, in the same way that a representation as to a connection between the businesses of the plaintiff and defendant gives rise to actionable damage. Any current or subsequent unfavourable publicity concerning the defendant's business is likely to deter potential customers of the plaintiff's business.[69] Similarly, creditors and other business associates may be deterred from extending credit or other services to the plaintiff.[70]

Thus, if the defendant advertiser uses the plaintiff celebrity's image, without consent, in such a way as to represent that there is a licensing arrangement between them, the plaintiff will have an action in passing off on the basis that he or she is exposed to the risk of a loss of potential advertisers or creditors if the defendant's business is ever subject to adverse publicity.

(ii) Altered Conceptual Qualities

The unauthorised use which represents that the plaintiff's image has become associated with the defendant or the defendant's product, and which conveys some unfavourable impression to potential advertisers about the plaintiff's image, will result in damage to the celebrity by way of deterrence of potential customers.

The association of the plaintiff's image with the defendant's product may bestow a specific quality upon the image which other advertisers do not wish to be associated with. More specifically, the unauthorised use of the celebrity's image with a particular defendant will almost certainly deter trade competitors of that advertiser from seeking the celebrity's services.[71]

Another type of damage risked by celebrities as a consequence of unauthorised use is overexposure of their image. Passing off, even in its traditional form, recognises the risk of dilution of goodwill as constituting actionable damage. In *Wineworths Group Ltd v Comite Interprofessionel du Vin*

69 Supra at note 31 and accompanying text.

70 Supra at note 27 and accompanying text.

71 Such damage was recognised in *Krouse v Chrysler Canada Ltd* (1971) 25 DLR (3d) 49, 58. See also *Pacific Dunlop*, supra at note 40, at 49,814.

de Champagne[72] the New Zealand Court of Appeal followed the English approach taken in *J Bollinger v Costa Brava Wine Co Ltd*[73] and *J Bollinger v Costa Brava Wine Co Ltd (No 2)*[74] in holding that the dilution of the plaintiff's goodwill constitutes damage for the purposes of passing off. Distinctiveness was thus recognised as an important and valuable feature of any product marketed and accepted by the public as unique:[75]

> In *Taylor Bros Ltd v Taylors Group Ltd* [1988] 2 NZLR 1, 37 this Court accepted that in some cases it is legitimate to infer damage to goodwill from a tendency to impair distinctiveness. This appears to me to be another instance of that principle. The more Seaview Australian Champagne were to penetrate the New Zealand market, the more it would inevitably dilute or erode the distinctiveness and consequent goodwill at present attaching in this country to the trade name "Champagne", which is the name of the wine of the true producers thereof in France.

Where the plaintiff and defendant are involved in producing competing products, loss of distinctiveness will occur as a result of the subsequent association, by the consuming public, of the qualities of the plaintiff's once unique product with a variety of other products. Where they are not producing competing products, loss of distinctiveness may still occur where the defendant's actions cause the plaintiff's product to be associated with qualities other than those which actually characterise it.

Such a situation occurs where an advertiser uses, without permission, the image of a plaintiff who is ordinarily selective about to whom licences for use are granted. For the celebrity who is highly selective, an association carries a greater impression of support for the product. The greater this support, the more attractive that product is likely to be to the public, and consequently the image will be more desirable to other advertisers. Unauthorised use represents that the degree of selectivity shown by the celebrity is less than that actually exercised, thereby diminishing the distinctiveness of the image. This lessening of "exclusivity appeal" will in turn deter potential advertisers from seeking the celebrity's licence, since its use will no longer convey the strong representation of support for the product it might once have. In this way, the action of the advertiser damages the goodwill of the celebrity.

This type of damage was also recognised at first instance in *Pacific Dunlop*, which found that "[n]or should a celebrity over-extend his or her activities by 'taking on' too many products",[76] and was likened in *Koala Dundee* to "the depreciation caused by the infringement to the value of the copyright".[77]

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72 [1992] 2 NZLR 327.

73 [1960] Ch 262.

74 [1961] 1 All ER 561.

75 Supra at note 72, at 332 per Cooke P.

76 Supra at note 40, at 49,814 per Gummow J.

77 Supra at note 14, at 49,716 per Pincus J [footnotes omitted].

4. Expansion

The risk of damage by overexposure is most evident for celebrities who are highly selective over the licensing of their image. Such damage is not, though, limited to these celebrities. As the expanding concept of endorsement in Australia illustrates, every celebrity can be presumed to be desirous of protecting his or her image and therefore to exercise some degree of selectivity in regards to the licensing of that image. Thus, every celebrity can be demonstrated to have, as part of that image, the necessary quality of "exclusivity" such that the risk of overexposure exists upon its unauthorised use.

Passing off first requires the plaintiff to establish that he or she has a sufficient trading reputation or goodwill,[78] this being the proprietary interest which the tort protects.[79] Thus far, argument has centred around providing independent justification for protection via passing off for those persons involved in the business of marketing their own image, of which the successful model constitutes the paradigm example. The primary vocation of a model is the commercial exploitation of an image, and as such, goodwill is clearly established. Well-known actors also have established reputations based on their image and are frequently desired for commercial endorsements. Successful sports stars who are also in the business of marketing their own image have goodwill in their image despite the fact that their public prominence is due primarily to their sporting endeavours.

It is not just those celebrities who are already involved in personal image marketing who have the requisite goodwill in their image to attract protection under passing off. Successful sports stars and other celebrities can be *presumed* to have goodwill attaching to their image. This is based on the current commercial practice of advertisers preferring these categories of persons for product endorsements. It is therefore possible to assume that the successful sportsperson has a valuable image, prior to any actual proof of that value.

It follows that passing off, in the context of personal image marketing, is a "famous person's" tort. Only those persons with an established, or presumable, promotional goodwill in their image can bring an action against its unauthorised use. By and large, this will be those with celebrity status: persons such as successful models, actors, sportspersons and television personalities, who are publicly well-known and likely to be sought after for product endorsements.

Limiting application in this way requires an arbitrary dividing line between people who are sufficiently famous or successful and those who are not. In practice, determining whether the plaintiff has the requisite degree of fame will be difficult, especially where no previous image licensing has occurred. This could be justified given that the most appropriate remedy is an injunction. From the point of view of the court, an injunction is suitable in light of the fact that the actual loss of the plaintiff is extremely difficult to quantify. Similarly, it is

78 Supra at note 13.

79 Supra at note 17.

appropriate from the point of view of the celebrity, who wishes to protect more than just the ability to extract a licence fee from the defendant. The injunction, given its "all or nothing" effect, is well suited to reflect an arbitrary dividing line. However, this approach fails to protect those persons who will in the future be successful in the field of personal image marketing, but who are new to the public limelight. The unauthorised use, by the defendant, of the plaintiff's image, illustrates that the plaintiff's image is of some value; the defendant, at least, clearly considers this to be so. It is unsatisfactory to draw the dividing line between images of those persons who have celebrity status and those who do not, if both are valuable. It must be noted that damage is only suffered if *other* potential advertisers might, were it not for the defendant's act, have sought the plaintiff's licence. Thus, the use by the defendant of the plaintiff's image is not conclusive evidence that the image is valuable to other advertisers, in the sense that it has promotional goodwill attached to it.

The protection of personal images under the tort of passing off should extend to all persons. Every person should be entitled to prevent, by way of injunction, the unauthorised appropriation of his or her image, so long as that appropriation misrepresents that the plaintiff consented to its use. Actual damage suffered by the plaintiff would give an entitlement to damages, reflecting the loss of opportunity for exploitation to other potential advertisers by way of deterrence. Clearly, for the plaintiff to recover more than nominal damages, some degree of celebrity will be required, and the amount awarded will reflect the actual degree of fame of the plaintiff.

IV: CONCLUSION

In 1976 the pop group Abba brought an action in passing off, attempting to prevent the defendants from making and selling products bearing their image.[80] The action failed for want of a misrepresentation, based on the fact that there was little evidence that it was customary for musical groups to merchandise their images under contractual licences. Times have changed. Today, personal image marketing is a significant commercial industry. Canada, the United States and Australia have all recognised the value of this industry by providing legal protection to celebrities against the unauthorised use of their images. New Zealand, as yet, has no established legal mechanism for image protection. Nonetheless, the tort of passing off, well-established at common law, presents one avenue for the development of protection, and is the mechanism that has been adopted by the Australian judiciary.

The Australian adaptation of passing off to protect personal images, however, is unsatisfactory. It focuses on the loss of the licence fee as the main

80 *Lyngstad v Anabas Products Ltd* [1977] FSR 62.

damage suffered by the plaintiff, thereby entertaining a circular argument to satisfy the requisite risk of damage for the tort. Other types of damage have briefly been mentioned in Australian case law, in particular those of deterrence of other potential licensees and the loss of value to the image caused by overexposure.

These have not, however, received great attention. This is as a result of a misplaced enquiry as to whether the *public* has been misled into believing there is a commercial connection between the plaintiff celebrity and defendant advertiser. The proper enquiry is, rather, whether *potential licensees* of the plaintiff's image have been deceived. Only then is the defendant's misrepresentation causally connected to the damage suffered to the plaintiff's goodwill in his or her image. It is in this respect that the less considered kinds of damage noted in Australia become of importance:

1. The juxtaposition of the plaintiff's image with the defendant's product misrepresents that the two have a licensing arrangement. The damage suffered as a result of this apparent "business connection" is the risk that potential suppliers of credit and other services and potential licensees will be deterred from dealing with the plaintiff if the defendant becomes subject to adverse publicity.

2. The plaintiff is misrepresented as having consented to the use of his or her image, which in turn represents to other advertisers that the plaintiff's image is associated with the defendant's product. The damage suffered is that the association of the image with the defendant's product bestows unfavourable conceptual qualities on the plaintiff's image, such that potential advertisers are deterred from seeking to use the plaintiff's image in their own advertisements. Added to this is the additional exposure of the plaintiff's image, which lessens the quality of "exclusivity" associated with it. The use of the plaintiff's image no longer conveys, to the public, such a strong representation of support, for the advertiser's product, making the plaintiff's image less attractive to potential advertisers.

The public's viewpoint of the association of the plaintiff's image with the defendant's product is still of importance, since its perception of the image will heavily influence the advertiser's decision as to whether to use that image in advertising. Thus, whether or not the defendant's conduct is likely to deter potential advertisers from seeking to license the plaintiff's image will still depend, to some extent, on whether the alleged misrepresentation has been perceived by the public.

This mode of analysis circumvents the circularity of the argument for the ability of passing off to protect personal image merchandising rights. The initial focus of the inquiry is no longer whether the plaintiff has proprietary rights in the image. Rather, the focus is on whether damage has occurred to the goodwill of the plaintiff's business. It may, at first glance, seem difficult to justify exclusive rights in the goodwill of a business which markets a product over

which the proprietor of the business does not necessarily have exclusive rights. Independent analysis is still required to determine whether ownership of one's image and other indicia of likeness satisfy the principles and identifying characteristics that justify independent proprietary recognition.[81] The plaintiff's image is given protection, however, not as the *product* of the plaintiff's business, but incidentally, as the mark to which the goodwill in the plaintiff's business attaches. Passing off has long since denied any requirement for the plaintiff to establish a proprietary interest in a business mark; it is the goodwill over which the plaintiff has a proprietary claim.[82] Thus, passing off is still capable of providing protection to celebrities' personal images, despite partial rejection of the Australian model.

Accepting that any unauthorised use of the plaintiff's image has the potential to lessen the attraction of that image to other advertisers enables passing off to provide broad protection to the celebrity whose image is commercially valuable. The action need not be limited to those with proven valuable images. Persons of lesser fame can, and should, be encompassed within the tort, by lowering the threshold of who can be presumed to have goodwill in their image to persons whose image has in fact been appropriated for its commercial value. This then includes all who have had their image used without consent, thereby expanding protection to all, not just the famous.

The Australian model, having been in existence since the case of *Henderson* in 1960, is probably too well entrenched now in Australia to be significantly modified. In particular, the claim that the loss of the licence fee, which the plaintiff might otherwise have charged, constitutes actionable damage, is unlikely to be rejected. New Zealand, in contrast, lacks any authoritative case law and is therefore still in a position to reject the legal fiction entertained by the Australian model, as was done by Fisher J in *Tot Toys*.

Finally, it has been noted that s 9 of the Fair Trading Act 1986 will probably provide the main avenue for redress for celebrities in New Zealand, prohibiting as it does, misleading conduct in trade per se, without requiring proof of the risk of damage.[83] On this basis, it is arguable that this Act has the ability to provide all the protection that might be granted from expanding passing off. Certainly in Australia, the equivalent statutory provision, s 52 of the Trade Practices Act 1974, is inevitably also pleaded when bringing passing off claims.[84] However, it must be borne in mind that the two actions have different aims. The Fair Trading Act seeks to protect consumers' rights to accurate information in the marketplace, while only incidentally protecting the interests of traders against unfair competition. Passing off, in contrast, protects the goodwill of the plaintiff's business. We should not be too quick to dismiss one action in

81 See for example, O'Leary "The Protection of a Personality: The Right of Publicity" (LLB(Hons) Dissertation, University of Auckland, 1994).

82 Supra at note 17.

83 Supra at note 8.

84 For example, supra at notes 5 and 45.

favour of the other, where the alternative action does not have as its primary aim the interest sought to be protected. In the absence of legislative intervention, passing off provides, in New Zealand, an important possibility for providing protection to the undoubtedly valuable market of personal images.

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* * * *

New Zealand Red Cross Provides:

* Emergency Relief and Response, in times of Disaster or Conflict in New Zealand and around the World.

* Education and Information for all New Zealanders on International Humanitarian Law.

* Emergency Preparedness and training including emergency aid to those in need of support in our communities.

The Northern Region fulfills the aforementioned through its 'on call' Emergency Response Units; the Meals on Wheels programme which delivers approximately 1500 meals daily throughout the Region; training courses which include First Aid, CPR, Humanitarian Law and caring for the elderly; and its Emergency Preparedness programme.

* * * *

An appropriate form of bequest would be:

'I give and bequeath the sum of $..... to the Northern Region of New Zealand Red Cross to be paid for the general purposes of the Northern Region to the Regional Director for the time being of such Region, whose receipt shall be good and valid discharge for same.'

It is important to ensure that the words 'Northern Region' appear in the form of bequest if it is the testator's wish that the funds be used for the benefit of people in the North.