

RECENT DEVELOPMENTS IN PUBLICITY RIGHTS IN THE UK: WHERE NOW FOR CELEBRITIES?

Gillian Black, The University of Edinburgh

DRAFT PAPER: Please note that this paper is still in draft form and should not be cited without the author's prior permission.

1. Introduction: Publicity Rights in the UK – situated between the US and Continental Europe?
2. The “Publicity as Property” Approach in the US
3. The European Personality Rights approach to Publicity
4. The UK Response and the Appropriation of Personality Analysis
 - 4.1 The UK Response: Recent Case Law
 - 4.2 The Appropriation of Personality Analysis
 - 4.3 Recent Developments in the UK: *Douglas v Hello!* in the House of Lords
 - 4.3.1 The Facts
 - 4.3.2 The Majority Judgment
 - 4.3.3 The Minority Dissent
 - 4.3.4 Analysis of the Decision
5. Conclusion

1. Introduction: Publicity Rights in the UK – situated between the US and Continental Europe?

One of the curious things about publicity rights in the Western world is the marked divergence of the legal response to publicity practice in different states when compared with the evident similarity of the publicity practice itself. Michael Douglas and Catherine Zeta Jones are an excellent example of this: a trans-Atlantic union of two stars who are both well-known in the States and in Europe, and who generate considerable column inches, yet the legal response to their celebrity and its commercial value changes with almost every border they cross. In order to understand the legal response to publicity and celebrity in the UK, it is necessary to understand its legal location between the US and Continental Europe. Is the UK being pulled westwards towards America by the gravitational lure of celebrities and a

common celebrity culture, or is it heading east towards ever-closer links in the European Community?

The US response to publicity evolved over a century, with high points in that development being “The Right to Privacy” in 1890¹, *Haelan Laboratories v Topps Chewing Gum* in 1953² and *Zacchini v Scripps-Howard Broadcasting Co* in 1977³. The US now affords legal protection for publicity rights by way of a common law publicity right in the nature of a property right (*Haelan* and *Zacchini*), and an appropriation of privacy tort (Prosser and the 2d Restatement Torts), supplemented with an unfair competition action (3d Restatement Unfair Competition). These offer comprehensive protection for the commercial value of popularity or celebrity status and, equally importantly, for the celebrity’s licensees and associated merchandisers.

The Continental European response has been driven by the Civilian tradition, stemming from Romanist principles. The concern in Europe has typically been with protecting the personality of the individual: his human rights, dignitarian interests and autonomy. This trend is continuing with the central importance of instruments such as the European Convention on Human Rights (the ECHR). Exploiting an individual’s personality for commercial gain is not a concept which fits comfortably within this tradition, with the result that legal protection for the commercial harm arising through unauthorised publicity practices has been slower to develop. Where it has developed, it has typically been through the medium of personality rights, rather than as a property or quasi-property right.⁴ The challenge in Civilian jurisdictions has therefore been to reconcile the patrimonial interests of the individual with the extra-patrimonial doctrine of personality.

The response in the UK currently sits between these two approaches. (I refer here to the UK, but in fact I am primarily concerned with England. The Scottish jurisdiction (despite a higher-than-average quota of celebrities!) has so far seen no publicity rights litigation at all. How the Scots courts would respond to such claims remains a moot point, and one that I am exploring in other research.) For now, however, I wish to concentrate on the UK response, as typified by the decisions of the English courts and the (in)action of the UK legislature.

By the year 2000, over a century after the movement started (via privacy) in the US, the English courts had not allowed any common law claim by an individual for unauthorised use of their image or indicia in merchandising, endorsement or other publicity activities. A deep-seated scepticism about the very practice of publicity resulted in a slow and diffident response from the English courts – and no response at all from the legislature.

There have been two significant developments since then, which I will address below, being the cases of *Irvine v Talksport*⁵ and *Douglas v Hello!*⁶. In brief, the protection

¹ Warren and Brandeis, “The Right to Privacy”, (1890) 4 Harvard Law Review 193

² 202 F 2d 866 (2nd Cir 1953)

³ 433 US 563 (1977)

⁴ See for example Neethling, “Personality Rights”, chapter 48, in *Elgar Encyclopaedia of Comparative Law*, ed Jan. M Smits (2006); and Beverley-Smith et al *Privacy, Property and Personality* (2005)

⁵ *Edmund Irvine Tidswell Ltd. v Talksport Ltd* [2002] EWHC 367 (Ch) and, on appeal, *Irvine & Ors v Talksport Ltd* [2003] EWCA Civ 423.

for publicity rights in the UK can be seen to derive from two torts: passing off and breach of confidence. These two torts reflect different elements of the commercial and personal practice of exploiting image and identity, with the result that the UK is situated, not entirely comfortably, between the two trends identified above: the commercially-focused US response and the dignitarian concerns of the European response. Although this is a simplification of the position in all jurisdictions, it is possible to derive a greater understanding of all three from a closer analysis of the conceptual approaches in these three jurisprudential traditions.

2. The “Publicity as Property” Approach in the US

Although this paper intends to address the position of the UK in the publicity rights debate, it is useful to start with a brief summary of one approach to publicity in the US. (A second approach, the privacy appropriation tort, will be considered below.) This review of the common law “publicity as property” approach in the US allows a clearer understanding of the UK position and its location in relation to alternative approaches. However, this review will be kept short, allowing greater detail to be provided on the UK and European approaches.

In a 1989 lecture, reflecting on the commercial role of identity, McCarthy claimed that the right of publicity grew out of the laws of privacy, trade marks and copyright, but it could now be said that it has “matured and taken on its own distinctive identity as an altogether separate legal category.”⁷ That category is located within property rights. As a “commercial and business right”⁸, the right of publicity is a kind of intellectual property right and, in McCarthy’s view, a property right.⁹ In part, this maturation can be traced to two key legal events in the 1950s: the case of *Haelan Laboratories v Topps*¹⁰ in 1953 and the seminal article by Nimmer on “The right of publicity”¹¹, published a year later.

Nimmer recognised that

although the well known personality does not wish to hide his light under a bushel of privacy, neither does he wish to have his name, photograph, and likeness reproduced and publicized without his consent or without remuneration to him.¹²

Where the only legal rights available to the well known personality look to protection of privacy, he is unlikely to achieve the remuneration or compensation he seeks. Nimmer examines privacy, unfair competition and contract, and concludes that these are inadequate.¹³ Instead, he argues that the right of publicity “must be largely determined by two considerations: first, the economic reality of pecuniary values inherent in publicity and, second, the inadequacy of traditional legal theories in

⁶ Reported in the High Court at [2003] EWHC (Ch) 786, on appeal to the Court of Appeal at [2005] EWCA Civ 595, and on appeal to the House of Lords at [2007] UKHL 21.

⁷ J Thomas McCarthy, “Public Personas and Private Property: The Commercialization of Human Identity”, (1989) 79 TMR 681 at 685

⁸ *ibid.* at 687

⁹ *ibid.*

¹⁰ *Haelan Laboratories v Topps Chewing Gum* (1953) 202 F.2d 866

¹¹ (1954) 19 Law & Contemp Probs 203

¹² *ibid.* at 204

¹³ *ibid.* at 204, 210 and 214.

protecting such publicity values.”¹⁴ In order to recognise this value and provide appropriate legal protection, Nimmer concludes that “[t]he right of publicity must be recognized as a property (not a personal) right”¹⁵.

In reaching this conclusion, Nimmer referred to the judgment of the “highly respected Second Circuit”¹⁶ the year before, in *Haelan Labs v Topps*.¹⁷ The influence of this case has been, and is still, strongly felt, with the words of Frank J echoing through much academic work in this area:

We think that, in addition to and independent of the right of privacy (which in New York derives from statute), a man has a right in the publicity value of his photograph... Whether it be labelled a “property” right is immaterial; for here, as often elsewhere, the tag “property” simply symbolizes the fact that courts enforce a claim which has a pecuniary worth.¹⁸

By 1990, Armstrong was prepared to advance the claim that persona was not only treated as a property right, but that it had been fully reified and *was* the subject of property rights: “[c]elebrity persona has become a heritable, alienable “thing” from which the owner may arbitrarily exclude others. In other words, it has become property.”¹⁹ Similarly, Klink refers to popularity and image as “valuable assets”.²⁰

This approach to publicity as property is perhaps the most all-encompassing approach to publicity rights.²¹ Rather than attempting to pin down the notion of publicity or exploitation in much detail, authors in this category focus on the commercial value of identity. Thus, Westfall and Landau define publicity rights in straightforward terms as “the right of an individual to control the commercial use of her identity.”²² Goodenough endorses McCarthy’s definition, and frames his own definition in terms of it:

J Thomas McCarthy says of the right of publicity that: “All it really does is recognize the potential commercial value of every person’s identity”, to which I add “and assigns that value to the person in question”.²³

It is possible to extract the three key elements in this area of the literature which are the unifying factors. These are (i) the centrality of commercial use; (ii) the treatment of the commercial value in identity as a property right; and (iii) a tendency to define the “asset” being exploited in wide terms, typically “identity”, rather than narrower notions of name or image.

¹⁴ *ibid.* at 215

¹⁵ *ibid.* at 216

¹⁶ *ibid.* at 222

¹⁷ (1953) 202 F.2d 866

¹⁸ *ibid.* at 868, per Frank CJ

¹⁹ Armstrong, “The Reification of Celebrity: Persona as Property” (1990-1991) 51 *La L Rev* 443 at 444. Other authors who have discussed the reification of the image include Klink, who states that the US now “prevents and compensates unauthorised use of another’s property in popularity.” “50 Years of Publicity in the US and the never-ending hassle in Europe”, 2003 *IPQ* 363 at 383; Sherman and Kaganas, “The protection of personality and image: an opportunity lost” 1991 *EIPR* 340.

²⁰ Klink, *supra* note 19 at 363

²¹ The breadth of its scope is explicitly recognised by Klink. See *supra* note 19 at 383

²² “Publicity Rights as Property Rights”, (2005-2006) 23 *Cardozo Arts and Ent. LJ* 71 at 72-73

²³ Goodenough “Re-theorising Privacy and Publicity”, 1997 *IPQ* 37 at 37, his footnotes omitted.

3. The European Personality Rights approach to Publicity

The personality rights approach is most closely associated with Civilian jurisdictions, such as France and Germany, which recognise a dignitarian right to “personality” as a species of legal right intimately connected with the human being. Personality rights “recognise a person as a physical and spiritual-moral being and guarantee his enjoyment of his own sense of existence”.²⁴ Thus, personality rights in this context are quasi-human rights, and the “convenient portmanteau term”²⁵ is used to refer to, amongst others, “the rights to life, physical integrity, bodily freedom, reputation, dignity, privacy, identity (including name and image) and feelings.”²⁶ Reiter echoes this in considering the current role of personality rights, and observes that the “various attributes of personality that *the modern world has erected on this premodern foundation...* [include] privacy, image, voice, bodily integrity, name and reputation”.²⁷ The importance of these personality rights in Civilian jurisdictions should not be under-estimated: German law, for example, places the right to dignity at the very heart of its constitutionally protected personality rights.²⁸ This Civilian approach to personality rights has been delineated on a pan-jurisdictional basis by Neethling.²⁹

Although most Civilian jurisdictions are consistent in their treatment of publicity within the framework of personality rights, the approach of different jurisdictions within this particular class is not consistent. One possible reason for this is the tension that results from protecting an inherently commercial, economic interest within a dignitarian framework of extra-patrimonial interests. Reiter, a Canadian academic writing in the Civilian province of Quebec, notes that “while the attributes of human personality, like name, reputation, image, voice, and privacy, have traditionally been seen as extrapatrimonial rights without monetary value, today these rights are being increasingly patrimonialized and brought into commerce.”³⁰ Consequently, the courts and commentators have had to reconcile two opposing interests, with the result that a “patrimonialized extra-patrimonial right” emerges.³¹

Accommodating this divergence between dignitarian rights and commercial interests has produced various responses in Civilian jurisdictions. As Logeais observes, in the context of the debate in France, the

general analysis is to consider that the right to the image is a “Janus” right displaying a negative extra-patrimonial aspect which is in fact absorbed by

²⁴ Neethling, “Personality Rights”, supra note 4 at 530.

²⁵ Reid, “Protection for Rights of Personality in Scots Law: A Comparative Evaluation” 2007 EJCL 11.4 at para 1.1

²⁶ Neethling, “Personality Rights”, supra note 4 at 530

²⁷ Reiter “Personality and Patrimony: Comparative Perspectives on the Right to One’s Image”, (2001-2002) 76 *Tulane L Rev* 673at 680, emphasis added

²⁸ Neethling, “Personality Rights”, supra note 4 at 563: “German doctrine thereby accords all human rights the same status (apart from human dignity, which is regarded as the most fundamental value)” and this is protected by the German Constitution of 1949.

²⁹ Neethling provides an excellent summary of these rights in his chapter on “Personality Rights”, supra note 4

³⁰ Reiter, “Personality and Patrimony”, supra note 27.

³¹ *ibid.* at 673

personality rights (mainly the rights to privacy and dignity), and a “positive” patrimonial aspect, the right to capitalise on the use of one’s image.³² This is commonly regarded as a dualistic model³³ since it requires two different rights, one (positive) patrimonial and one (negative) extra-patrimonial, to protect the interests in exploitation and protection of publicity. The distinction made in French law is between the right *to* one’s image, which is an “inherent part of the person”, and the right *over* one’s image, which is “a commodity to be exploited”³⁴. The alternative monistic approach is favoured, for example, in Germany.³⁵ Here, one right, such as the general personality right, protects both the economic and dignitarian interests in publicity.³⁶ Klink criticises this approach, arguing that “human rights based concepts... are not well suited to protect comprehensively the value of popularity... Human rights, by doctrine, can – and in fact should – not be transferred waived or inherited.”³⁷ Where commentators, such as Klink, favour the broad publicity as property approach outlined above, with its emphasis on the commercial value of popularity, then the seeming inability of personality rights doctrine to realise this value through transfer, waiver or inheritance publicity rights is indeed viewed as a hindrance.

One American writer who, despite her roots in a Common law jurisdiction closely associated with the “publicity as property” concept, has tried to advance quasi-personality rights in the right of publicity is Kwall. In a very interesting article, she argues that American doctrine fails to respond to the dignitarian elements of publicity and publicity rights, and that a moral rights equivalent is required. She argues that the traditional US approach has an *implicit* concern with the need to protect the “damage to the human spirit”³⁸ which moral rights would protect *explicitly*: “a careful look at right of publicity litigation reveals that many decisions actually are more concerned with redressing rights of integrity over the images of the celebrity.”³⁹ The importance of her conclusion is that it straddles one of the inherent distinctions between the Civilian rights of personality approach and the broad publicity/property approach described above:

Although the commercial/ non-commercial distinction is critical under the right-of-publicity doctrine, which applies only to commercial usages, this limitation is not relevant to moral-rights doctrine.⁴⁰

It is possible to identify common themes that arise from the treatment of publicity rights as a class of personality rights. The first of these is the emphasis on dignitarian and quasi-moral rights. Accordingly, the role of concepts such as privacy and human dignity become central to any legal protection for the individual. The second theme is one consequence of this dignitarian stance: the obstacles involved in providing commercially-focused remedies. As Beverley-Smith *et al* observe, “non-economic

³² Logeais, “The French right to one’s image: a legal lure?”, 1994 Ent LR 163 at 165.

³³ See, for example, Beverley-Smith *et al*, *Privacy, Property and Personality*, at 11; Neethling, “Personality Rights”, at 543.

³⁴ Both quotations from Reiter, “Personality and Patrimony” *supra* note 27 at 684-685.

³⁵ Neethling, “Personality Rights”, *supra* note 4 at 543

³⁶ Beverley-Smith *et al*, *Privacy, Property and Personality* see chapter 3; Klink, *supra* note 19 at 380

³⁷ Klink, *ibid.* at 381

³⁸ Kwall, “Preserving personality and reputational interests of constructed personas through moral rights: a blueprint for the twenty-first century”, 2001 U Ill L Rev 151 at 152

³⁹ *ibid.* at 158

⁴⁰ *ibid.* at 159

interests often cannot be completely compensated by a specific money payment and a plaintiff may remain unsatisfied after an award of damages.”⁴¹ Where, on the other hand, the legal system focuses predominantly on the non-economic interests infringed, then the commercial importance of the infringement may be marginalised. To take an illustration from German law, claims for damages in the field of personality rights require either evidence of a loss, which can be difficult to show, or the calculation of a hypothetical reasonable licence fee.⁴² Yet this measure will not be available where it can be shown that the claimant would never have been prepared to license the use complained of, as in the case of “the professor of ecclesiastical law, who had been alleged to propagate the ginseng root as a sexual stimulant, [and who] could not recover substantial damages but only a solatium”⁴³ because the court held he would never have been prepared to license his image for this use. The end result is the risk that “the courts deny adequate compensation in the most serious cases of personality right infringement.”⁴⁴

4. The UK Response and the Appropriation of Personality Analysis

4.1 The UK Response: Recent Case Law

The UK response to publicity practice has so far been *ad hoc* and somewhat opportunistic. With no formal legal provision in place, claimants have sought to shoehorn their commercial grievances into the nearest appropriate legal doctrine, with the result that two different torts – intended to serve different purposes – have been pressed into service: passing off and breach of confidence. The high water marks for both these torts (or nadir, depending on one’s perspective) have been the post-2000 cases of *Irvine v Talksport*⁴⁵ and *Douglas v Hello!*⁴⁶. In addition to the use of these two common law torts, there have been attempts to use registered trade mark protection to secure the celebrity name, usually to little avail.⁴⁷

Irvine v Talksport featured an action by Eddie Irvine, who was at that time one of the top F1 drivers in the world. A photograph of him in his racing overalls at an F1 racing circuit was doctored to show him holding a radio branded with the defendant’s radio station logo, and this picture was then used in a brochure, issued to approximately 1,000 potential clients. Irvine had not given his consent to either the doctoring of the original photograph or its subsequent use to promote Talksport’s radio station. He sued Talksport for this unauthorised use, citing passing off and was successful. On appeal⁴⁸, the award of damages was increased from £2,000⁴⁹ to £25,000⁵⁰. Although perhaps not an outstandingly high award for the use of his

⁴¹ Beverley-Smith et al, *Privacy, Property and Personality* at 2-3

⁴² This reasonable licence fee is the hypothetical sum that the plaintiff and defendant would have agreed upon for the defendant’s otherwise unauthorised use.

⁴³ Beverley-Smith et al, *Privacy, Property and Personality* at 143

⁴⁴ *ibid.* at 143

⁴⁵ *supra* note 5

⁴⁶ *supra* note 6

⁴⁷ For example *Elvis Presley Trade Marks* [1999] RPC 567 and *Jane Austen Trade Mark* [2000] RPC 879. For a more detailed review of the use of trade marks to protect celebrity names see Gillian Davies, “The Cult of Celebrity and Trade Marks: the next instalment”, (2004) 1:2 *SCRIPT-ed* 230, available online at <<http://www.law.ed.ac.uk/ahrc/script-ed/docs/agents.asp>>

⁴⁸ [2003] EWCA Civ 423

⁴⁹ Approximately \$4,050 at current exchange rates.

⁵⁰ Approximately \$50,700 at current exchange rates.

image in an advertising campaign, the fact that the High Court and Court of Appeal both recognised his claim under passing off was an important step forward for English law. In particular, it signalled a potential reversal of an earlier case, *Lyngstad v Anabas*⁵¹, from 1977. Here members of the pop group Abba sued under passing off for unauthorised use of their images on pillow cases. This action also alleged passing off, but their claim was rejected in the English courts because Abba had no substantial licensing activities in the UK at that time, nor were they in the business of manufacturing pillow cases.

Passing off has therefore been successfully argued for the claimant in cases of false endorsement, as in *Irvine*, but current precedent would suggest that passing off is not able to provide a cause of action for unauthorised merchandising. To what extent future courts faced with a merchandising case would follow *Irvine* in preference to *Lyngstad* remains unclear, but the judicial and commercial worlds have both developed considerably since 1977 and the question remains open.

The second key development in English law is the case of *Douglas v Hello!*. The facts of this case arise out of the wedding of Michael Douglas and Catherine Zeta Jones at the Plaza Hotel in New York in November 2000. Prior to their big day, they entered into a contract with *OK!* magazine, giving *OK!* the exclusive right to publish their wedding photographs over a nine month period. The agreed fee for this was £1 million,⁵² which was the standard fee for most celebrity weddings in the UK at this time.⁵³ *Hello!* magazine had also been interested in gaining these exclusive rights and had offered the same fee, but the future Mr and Mrs Douglas had opted to go with *OK!* magazine. Despite tight security at the wedding, a paparazzo photographer managed to gain entrance to the Plaza hotel and take 15 shots of the wedding, including the bride and groom, and the cake. Within hours, six of these images had been sold to *Hello!* magazine for £125,000.⁵⁴ An attempt by the newly-weds to prevent publication failed,⁵⁵ and both *OK!* and *Hello!* magazines went to print containing authorised and unauthorised photos respectively.

Relying heavily on the Human Rights Act 1998 which implemented the European Convention on Human Rights into English law, the Douglasses' action against *Hello!* for breach of confidence and an invasion of privacy was successful. This combination of breach of confidence and article 8 ECHR privacy rights effectively creates a "new" tort, as first articulated by the House of Lords in *Campbell v MGN*:

This cause of action has now firmly shaken off the limited constraint of the need for an initial confidential relationship... The essence of the tort is better encapsulated now as *misuse of private information*.⁵⁶

⁵¹ *Lyngstad and Others v Anabas Products Ltd and Another* [1977] F.S.R. 62

⁵² Approximately \$2,027,000 at current exchange rates.

⁵³ David and Victoria Beckham sold to *OK!* in 1999 for £1million; Jordan and Peter Andre sold to *OK!* in 2005 for £2 million; Ashley Cole and Cheryl Tweedy sold to *OK!* in 2006 for £1 million. Since official details are not published, definitive authority is hard to produce: all details from BBC online or Wikipedia, 8 November 2006.

⁵⁴ Approximately \$253,000 at current exchange rates.

⁵⁵ [2000] EWCA Civ 353

⁵⁶ *Campbell v MGN* [2004] UKHL 22, per Lord Nicholls at para 14, emphasis added. See also Lord Nicholls at para 17, where he says: "The time has come to recognise that the values enshrined in articles 8 and 10 are now part of the cause of action for breach of confidence."

Framing their claim in terms of this action, the Douglases were awarded damages to compensate for the invasion of their privacy through the unauthorised publication of these photographs in the amount of £14,600⁵⁷. *OK!* also raised an action against *Hello!*. This was a considerably more contentious action and was only finally decided in 2007, when the House of Lords handed down their opinion in May 2007. It is on this decision that I wish to focus in this paper, as being one of the most important developments in publicity rights in the UK in recent years.

Before I do so, however, I wish to draw a few general conclusions about the legal approach in English law, and set it in a wider analytical context of the US and Civilian European approaches discussed above.

4.2 The Appropriation of Personality Analysis

The use of the torts of passing off and breach of confidence in publicity relies on the notion of appropriation, and reflects a tradition of academic analysis which borrows heavily from the US Restatement of Torts (2d) and the privacy appropriation tort. Arguably the most influential and popular approach taken by English academics is the “appropriation of personality” classification. At the outset it needs to be appreciated that “personality” in this context means the identifying elements of an individual, typically their name, likeness and voice. It is akin to the colloquial notion of someone’s personality being their character. This use of “personality” can be contrasted with the very different technical meaning accorded to “personality rights” in the (essentially Civilian) personality rights canon discussed above.

Perhaps the starting point for this approach can be traced to the influence of Prosser’s seminal 1960 article “Privacy”, wherein he sought to synthesise a series of American judicial decisions originating from Warren and Brandeis’ 1890 article on “The Right to Privacy”. While the Warren and Brandeis’ article was most certainly interested in the “right to be let alone”, case law and publicity practice evolved in the 70 years between the two articles, such that Prosser could no longer ignore the commercial practice in “selling” privacy. Accordingly, when he formulated his tort of privacy, the four limbs he identified covered a range of invasions, concluding with the fourth: “Appropriation, for the defendant’s advantage, of the plaintiff’s name or likeness”.⁵⁸

This four-part tort protecting privacy was incorporated into the second American Restatement of Torts, where it became the second limb: “The right of privacy is invaded by... (b) the appropriation of the other’s name or likeness as stated in para 652C”.⁵⁹ It is this limb, originating from Prosser’s work, which I take as the starting point for this category of “publicity” thinking in the UK. A clear lineage of writers in this canon can be traced from Prosser onwards, through Vaver’s analysis of the incorporation of this tort in privacy statutes in three Canadian provinces, to Frazer’s important contribution to English legal literature in 1983 and Beverley-Smith’s essential monograph from 2002, *The Commercial Appropriation of Personality*. Quotations from Frazer and Beverley-Smith illustrate their shared approach, and echo Prosser’s earlier formulation. For example, Frazer wishes to “examine the extent to which the law has developed, or ought to develop, to take account of one particular

⁵⁷ Approximately \$30,000 at current exchange rates.

⁵⁸ Prosser “Privacy” (1960) 48 Cal L Rev 383 at 389

⁵⁹ American Law Institute’s Restatement of the Law, Torts, 2d at para 652A.

form of commercial practice – the use, without consent, of the name, likeness or voice of another.”⁶⁰ Beverley-Smith chooses to open his analysis with a succinct definition:

The essence of the problem of appropriation of personality may be put very simply: if one person (A) uses in advertising or merchandising the name, voice or likeness of another person (B) without his or her consent, to what extent will that person (B) have a remedy to prevent such an unauthorised exploitation?⁶¹

These definitions are repeated and rephrased in countless articles discussing and analysing publicity rights or the commercial appropriation, or misappropriation⁶², of personality.⁶³

The three features that are common to this approach are (i) the notion of *appropriation* – an interesting choice of term, given that the subject of the “appropriation”, the personality, is not universally recognised as an item of property; (ii) a recognition that tort law is the most appropriate, or at least the most practicable, home for such actions, rather than either property or human rights doctrines; and (iii) a focus on unauthorised use, which is implicit in the concept of appropriation. In addition, there is frequently an assumption that the appropriation will be for commercial uses, most commonly advertising.

The emphasis on appropriation arguably leads to a problem with this analysis of publicity rights. If the wrong done is appropriation, there is an implication that this can only be done by someone else: it is a taking away from, rather than a use or exploitation of identity. Thus, a definition which centres round the “appropriation” of personality implicitly excludes an individual’s own exploitation of personality from its scope. Related to this is the focus on use of personality “without consent”, that is to say “misappropriation”. This seems to envisage unauthorised use of the individual’s personality by other parties in all cases. Does this mean that there is no right for the individual to exploit his own publicity value? And what of the rights of authorised users, typically via a licence, as illustrated by, for example, the second plaintiff (who was authorised to exploit the cartoons, and who suffered commercially from the unauthorised exploitation by the defendant) in the case of *Mirage Studios*?⁶⁴ To what extent can any publicity right be transmitted to, or sued upon by, parties other than the individual? Again, this aspect is often excluded from the “appropriation of personality” category.

Despite these questions, the (mis)appropriation of personality category offers the most comprehensive review of publicity rights in English (and therefore potentially Scots) law. What the leading English cases (*Irvine* and *Douglas*) have in common is their emphasis on unauthorised use. Both actions focused on the “misappropriation” of

⁶⁰ Frazer “Appropriation of Personality – a New Tort?” (1983) 99 LQR 281 at 281.

⁶¹ Beverley-Smith, *The Commercial Appropriation of Personality*, (2002) at 3

⁶² As, for example, used by Hull “The merchandising of real and fictional characters: an analysis of some recent developments” 1991 Ent LR 124 at 132

⁶³ See, for example, Boyd and Jay “Image Rights and the effect of the Data Protection Act 1998” (2004) Ent LR 159; Beverley-Smith et al, *Privacy, Property and Personality*; Bains, “Personality rights: should the UK grant celebrities a proprietary right in their personality? Parts 1, 2 and 3” 2007 Ent L R 16, 205 and 237; Carty “Advertising, Publicity Rights and English Law”, [2004] IPQ 209; Hull, *supra* note 62; Scanlan and McGee “Phantom Intellectual Property Rights”, 2000 IPQ 264

⁶⁴ *Mirage Studios and Others v Counter-Feat Clothing Company Limited and Another* [1991] F.S.R. 145. For an analysis of this in the US, see *Haelan Labs v Topps Chewing Gum*.

image, and the consequences of this for the claimants. In the Douglases' case, the breach of confidence action focused the claims on personal/ dignitarian concerns arising out of the invasion of their privacy through the unauthorised publication of their wedding photographs. Where this action is used, English law sits more closely with the European tradition of respect for humanity and dignity. In contrast, Irvine's action against Talksport was situated within the tort of passing off and focused on commercial concerns arising from use of his image in the course of trade. This action produces a result which is closer to the American remedy found in unfair competition and the common law publicity right.

4.3 Recent Developments in the UK: *Douglas v Hello!* in the House of Lords

Having set the scene and placed the English legal response between those of the US and European Civilian traditions, I now wish to consider the impact of the most important recent legal development in English law – and the resultant confusion generated by – the opinion of the House of Lords in *Douglas v Hello!*.⁶⁵

4.3.1 The Facts

The first point to emphasise is that this appeal did not involve the Douglases. They were successful in their action against *Hello!* in both the High Court and the Court of Appeal, and *Hello!* chose not to appeal against the decision of the Court of Appeal. However the second claimant in the action was *OK!* magazine. Their action against *Hello!* had been upheld by Lindsay J in the High Court in 2003, for which he awarded them £1,033,156⁶⁶ in damages. However, it was then unanimously rejected by the Court of Appeal in 2005. *OK!* therefore chose to appeal that adverse decision to the House of Lords, to seek to recover for the economic damage caused by *Hello!*'s actions. Effectively, the question for the House of Lords was “what rights does an exclusive licensee have against third parties whose unauthorised actions interfere with that exclusive licence?” This question was of course the very one at issue in the American case of *Haelan Labs v Topps Chewing Gum*. In neither case was the celebrity licensor a party to the immediate action.

The Douglases' action was, as mentioned, founded on the tort of breach of confidence when considered in light of article 8 ECHR privacy rights. However, the success of this claim did not affect *OK!*, since they had suffered a separate loss arising from the damage caused to their commercial interests from this wrongful publication. In order to succeed, *OK!*'s claim had to stand alone and overcome three cumulative hurdles:

1. In the first place, *OK!* had to show that the Douglases' wedding photographs constituted confidential information amounting to a commercial trade secret;
2. If they succeeded in this, *OK!* also had to demonstrate that they, as exclusive licensee, were entitled to enforce their interest in the Douglases' commercially confidential information;
3. The third challenge facing *OK!* was to show that publication of different photographs, which were unauthorised, infringed this commercial confidentiality.⁶⁷

⁶⁵ [2007] UKHL 21

⁶⁶ Approximately \$ 2,065,000 at current exchange rates.

⁶⁷ *OK!* also advanced a claim based on the economic torts, but this claim was unsuccessful and will not be considered in this paper.

OK! was successful in this claim by the narrowest of margins. Of the five Law Lords, three found in *OK!*'s favour, and two found for *Hello!*. I shall consider the opinions of the majority first.

4.3.2 The Majority Judgment

Lord Hoffmann gave the leading judgment. It is largely a commercial decision, with little legal analysis, which poses potential problems for its future application. He considered the nature of the information over which confidentiality was claimed, and agreed with Lindsay J in the High Court that it was the wedding photographs that constituted the information in question, rather than information about the wedding in general. He then proceeded to address the first hurdle facing *OK!*: did these wedding photographs amount to confidential information? Lord Hoffmann concluded that the wedding photos were confidential information not because of their inherent nature but because the Douglases had control over them:

The fact that the information happens to have been about the personal life of the Douglases is irrelevant. It could have been about anything that a newspaper was willing to pay for. What matters is that the Douglases, by the way they arranged their wedding, were in a position to impose an obligation of confidence. They were in control of the information.⁶⁸

Other commentators have pointed out that this does not take into account what has traditionally been the first test for confidential information: whether the information has the necessary quality of confidence.⁶⁹ Instead, Lord Hoffmann concluded that the combination of control and inaccessibility created this necessary quality of confidence.

The second issue to be addressed was whether *OK!* had any legally enforceable interest in this inaccessible and confidential information, by reason of their contract with the Douglases. Again, Lord Hoffmann took a very commercial approach to this:

The point of which one should never lose sight is that *OK!* had paid £1m for the benefit of the obligation of confidence imposed upon all those present at the wedding in respect of *any* photographs of the wedding. That was quite clear. Unless there is some conceptual or policy reason why they should not have the benefit of that obligation, I cannot see why they were not entitled to enforce it. And in my opinion there are no such reasons. Provided that one keeps one's eye firmly on the money and why it was paid, the case is, as Lindsay J held, quite straightforward.⁷⁰

Effectively, the law will follow the money: *OK!* paid £1million for exclusive rights, so the law will enforce those exclusive rights. Questions of privity of contract, and the knowledge, actual or imputed, of *Hello!* as an outside party to the licensing deal were not addressed.

⁶⁸ [2007] UKHL 21 at para 118

⁶⁹ The three part test for commercial confidence requires that the information has the necessary quality of confidence; that it has been imparted in circumstances importing an obligation of confidence; and that the unauthorised use is detrimental to the party who communicated it. See *Coco v A N Clark Engineers* [1969] RPC 41 and also Michalos, "Douglas v Hello: the final frontier", 2007 Ent Law Rev 241

⁷⁰ [2007] UKHL 21 at para 117, Lord Hoffmann's emphasis.

Baroness Hale also found for *OK!*. She chose to adopt Lord Hoffmann’s reasoning explicitly stating that, if anything in her written opinion conflicted with Lord Hoffmann’s, then his was to be preferred to hers. She acknowledged that the photographs “were undoubtedly a secret unless and until *OK!* chose to publish the images authorised by the Douglasses”.⁷¹ Unfortunately, she did not explain why this was “undoubtedly” the case, nor did she comment on the fact that the authorised images *had* been published by *OK!* – an action which would, traditionally, have destroyed the trade secret.

Lord Brown gave the third concurring opinion. As with Baroness Hale, he adopted the reasoning of Lord Hoffmann, particularly regarding the significance of the commercial value of the deal: “Having paid £1m for an exclusive right it seems to me that *OK!* ought to be in a position to protect that right and to look to the law for redress were a third party intentionally to destroy it.”⁷² He went on to make an interesting argument in favour of *OK!*’s right. He posed the question as to what outcome could have been expected for the Douglasses if their contract with *OK!* had stipulated that the licence fee of £1 million would have to be repaid by the Douglasses in the event that *OK!* did not get the exclusivity for which they bargained. The Douglasses would then have suffered a quantifiable financial loss. In this case, Lord Brown asks, “Would not the Douglasses have been entitled to claim that loss against *Hello* on the ground of breach of confidence? Why then not *OK* too?”⁷³

This is an interesting approach, not least because it relies on the Douglasses’ claim to help justify recovery for *OK!*. By throwing the justifications for such a claim back onto the Douglasses’ original claim, which was built on (slightly) more solid jurisprudential foundations than that of *OK!*, Lord Brown effectively created a stronger justification for *OK!*’s claim. Further, since the Douglasses’ right is less controversial than *OK!*’s, parties in the position of the Douglasses and *OK!* would be well advised to strengthen their chances of a successful action in the event of damaging action, by inserting a contractual stipulation which would pass more of the financial loss to the party in the position of the Douglasses.

However, this is by no means a perfect solution, not least because *OK!*’s loss was not the fee they had paid (£1 million), but rather the loss of the value of the exclusive publication, together with the costs incurred in rushing forward publication to meet *Hello!*’s intended publication date (which was valued in damages by the High Court at £1,033,156). Nonetheless, this highlights an interesting issue regarding the differing strengths of the licensor’s and licensee’s claims, and practical ways of addressing this difference.

4.3.3 The Minority Dissent

⁷¹ *ibid.* para 307, per Baroness Hale of Richmond

⁷² *ibid.* para 325, per Lord Brown of Eaton-under-Heywood. Both Lord Hoffmann and Lord Brown were obviously influenced by the commercial elements of the deal. This is by no means unusual in developing areas, and another “celebrity case” which sought to reflect the “realities of the market place” was the false endorsement case of *Irvine v Talksport*: see Laddie J’s decision at [2002] EWHC 367 (Ch) at para 43 and paras 38-39. Note however that the legal bases on which *Irvine* was decided were entirely different from those in *Douglas v Hello!*.

⁷³ *ibid.* para 328

The remaining two Law Lords found for *Hello!*. Their dissenting opinions are very valuable, in showing the weaknesses in *OK!*'s case and by indirectly revealing where future problems are likely to arise. Lord Nicholls confirmed that *Hello!*'s action was a misuse of the Douglases' personal information. However, he made a clear distinction between private information and confidential or secret information⁷⁴ and he emphasised that *OK!*'s claim was based on confidentiality for a commercial secret, rather than private information. The fact that the photographs had already been held to constitute private information did not mean that they would automatically be regarded as commercially confidential information.

In fact, Lord Nicholls reached his eventual conclusion by short-circuiting much of the rest of the debate. Without deciding the point, he started from the assumption that the information in question was confidential⁷⁵ and then asked what was the effect of the simultaneous publication by *OK!* of similar (but not identical) photographs. He concluded that this simultaneous publication of similar photographs *containing the same information* must of necessity have destroyed any commercial confidence in those pictures. Thus, *Hello!* had done no wrong in publishing photographs containing information already in the public domain, while *OK!* had in effect shot themselves in the foot by publishing their approved photographs, thereby releasing the information into the public domain.

A number of problems with this interpretation can be discerned. In the first place, this analysis enabled Lord Nicholls to avoid troublesome questions as to whether or not the wedding photos *were* confidential. The point becomes irrelevant once the information is already in the public domain, since there can be no breach of a trade secret at this point. But following this approach means we are none the wiser as to what the outcome would have been if *OK!* had delayed publication by 24 hours or more, instead of rushing forward the publication date to meet *Hello!*'s unauthorised edition on the newsstands. If *OK!*'s publication had followed *Hello!*'s, would their claim against *Hello!* have then succeeded? Lord Nicholls does not address this (hypothetical, for him) question.

A second issue is raised by the differing interpretations of Lord Nicholls and Lord Hoffmann. Lord Hoffmann disagreed with Lord Nicholls' construction because, in his view, publication of *approved* photographs could not render publication of *unapproved* photographs acceptable.⁷⁶ There may have been publication of certain authorised images by *OK!* which meant that *those* images were in the public domain⁷⁷ but "no other pictures were in the public domain and they did not enter the public domain merely because they resembled other pictures which had."⁷⁸ This interpretation is perhaps one of the most significant of the case, and the division between Lords Hoffmann and Nicholls leaves important questions still outstanding.

Lord Brown addressed this question in order to justify his decision in favour of *OK!* and stated that:

⁷⁴ *ibid.* at para 255

⁷⁵ *ibid.* at para 259

⁷⁶ *ibid.* at para 121

⁷⁷ Any unauthorised reproduction of the approved images would thereafter be a breach of copyright rather than breach of confidence.

⁷⁸ [2007] UKHL 21 at para 122, per Lord Hoffmann.

The secret consists no less of each and every visual image of the wedding than of the wedding as a whole. Assume, for example, that *OK!* had chosen to publish photographs of the bride and groom in one issue, the guests in the next, and the presents later still. The confidence would, I think, continue throughout and I see no reason why at some point bootlegged photographs should suddenly become acceptable on the grounds that the look of the wedding was now in the public domain so that no confidentiality in its photographic image remained to be protected.⁷⁹

Lord Walker's dissenting opinion is by far the longest of the five judicial opinions. He expressed concern at the idea that the Douglases' wedding photographs could be protected at the suit of *OK!*, and asked for a "consistent and rational development of the law of confidentiality".⁸⁰ Following traditional lines of authority, Lord Walker concluded that the photographs could only be protected where they were embarrassing, constituted a misuse of public/official powers, or disclosed something which merited protection as a commercial secret.⁸¹ The first two categories were not relevant since there was no misuse of official powers, nor was there any suggestion that the photographs were embarrassingly intimate: similar images of the same event were destined for publication in *OK!*, and the only upsetting element was the poor quality of the unauthorised images.

Lord Walker therefore focused on the final category, being information which merits protection as a commercial secret. He gave as an example the film set of Kenneth Branagh's "Frankenstein", a \$40 million film which he described as "high-budget" with several big-named actors in leading roles. This, he suggested, was worthy of protection as commercially confidential information, in contrast to the wedding photographs. Yet this interpretation is open to criticism for basing protection on the very criteria he earlier rejected: the commercial value of the secret. Whereas photographic details of a film set and characters were worthy of protection at least in part because of the budget of the film, at \$40million, he was of the opinion that a celebrity wedding costing presumably a considerable fraction of this amount for a one-day event was not worthy of protection. Despite this lack of clarity, his eventual conclusion is hard to dispute: the confidentiality of information "must depend on its nature, not on its market value."⁸²

Lord Walker also disputed the claim that *OK!*'s exclusive licence was destroyed by *Hello!*'s actions, arguing instead that it was simply made less valuable.⁸³

4.3.4 Analysis of the Decision

From a commercial standpoint, the outcome would seem to be sensible. It reflects what happens in commercial practice when magazines and newspapers are prepared to pay large sums of money to secure exclusive rights to publish information regarding people in the news, and it ensures that the commercial value of these exclusive deals, for the celebrities and for the media, is protected. Yet relying on the commercial value of a deal to determine its status as a legally protected right is

⁷⁹ *ibid.* at para 329

⁸⁰ *ibid.* at para 298

⁸¹ *ibid.* at para 293

⁸² *ibid.* at para 299

⁸³ *ibid.* at para 298

undeniably troublesome, and creates considerable legal uncertainty. If the Douglases had not charged a fee at all, or had charged a lesser sum, or had donated their licence fee to charity, then the commercial value of the deal might be negligible, yet the facts and subject matter would remain the same. Would the law still protect the exclusive right if not supported by a substantial commercial fee?

Further, it is difficult to know how much weight to attach to the particular facts of this case. The two parties, *OK!* and *Hello!*, were very closely connected by virtue of their rivalry and the fact that both had been competing for the exclusive licence deal with the Douglases. This meant that *Hello!* had intimate knowledge of *OK!*'s commercial position: the amount *OK!* had paid for the exclusive deal and the commercial importance of the arrangement. It is not clear how significant *Hello!*'s awareness was for the court, but the usual constraints of privity of contract were not extensively judicially considered, suggesting that the specific awareness of the defendant did indeed influence the court. It therefore remains uncertain what the outcome would be in any future case where the defendant published unauthorised photographs with *no* knowledge of the exclusive licence deal in favour of another publisher. To what extent will the court impute such knowledge?

5. Conclusion

In spite of the considerable uncertainties that remain, it is now possible to outline the legal protection in English law for the commercial use of an individual's image and personal information. The Court of Appeal decision in *Douglas v Hello!* confirms that, where individuals control information regarding themselves (whether details of their personal lives or photographic images of a particular event), then they can protect it by way of privacy. The House of Lords decision in the same case confirms that where those individuals commercially exploit that information by passing rights to this information to other parties, the licensed parties can enforce their contractually acquired rights directly against the infringer. In the words of Lord Hoffmann:

Some may view with distaste a world in which information about the events of a wedding... should be sold in the market in the same way as information about how to make a better mousetrap. But being a celebrity or publishing a celebrity magazine are lawful trades and I see no reason why they should be outlawed from such protection as the law of confidence may offer.⁸⁴

Protection for the individual will also be available where there has been unauthorised use of the individual's name or image in advertising or endorsement, following the decision in *Irvine v Talksport*. The measure of damages awarded is likely to reflect the commercial value of the deal to the individual whose name or image has been exploited. Thus, the amount awarded to Irvine was the fee he would usually charge for such an endorsement deal. This case also gives rise to the possibility at least that the tort of passing off could be successfully invoked by a claimant where there has been unauthorised use of his image in merchandising, despite the rejection of this claim 30 years ago in *Lyngstad v Anabas*.⁸⁵

⁸⁴ *ibid.* at para 124

⁸⁵ *Lyngstad and Others v Anabas Products Ltd and Another* [1977] F.S.R. 62

Celebrities in the UK may now rely upon a variety of legal rights to protect the commercial and dignitarian interests deriving from their publicity value. As with the American approach, the strongest protection appears to derive from the economic claim in passing off, together with recent support for the rights of the exclusive licensee under the doctrine of commercial confidence. The individual's dignitarian interests remain protected, but the relatively low sums of compensation awarded detract from the utility of this action, at least from the individual's perspective. I would therefore conclude that the UK experience is tentatively aligning itself with the strongly commercial and economic approach to publicity rights seen in America, no doubt pulled to some extent by the brisk trans-Atlantic celebrity trade. Whether this legal response continues in this reactive vein or whether these rights are put on a more solid footing by way of legislation remains to be seen.

Gillian Black
The University of Edinburgh
March 2008