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# The Right to Personality and its Interplay with Intellectual Property Laws: An International Analysis of Character Merchandising

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## ABSTRACT

*Character Merchandising has become the most prominent instrument in the marketing and advertising sectors' armament. Although courts in other countries have acknowledged the ability to safeguard a character's economic worth, the English court system is nevertheless ready to live in an environment in which the character's notoriety would deprive the character of the right to prohibit the illegal use of its hard-earned name. This research examines the growth of the legal framework that regulates personality and character merchandise protections. The study also examines the protection that exists in India to combat unlawful character merchandising and what additional safeguards may be implemented in light of the current condition of character merchandising regulations. This paper further examines whether character merchandising legislation must be improved and expanded so that an individual has a broader right to prohibit third parties from using parts of his personality in relation to the advertising or marketing of products or services. The analysis of the legal repercussions of expanding the scope and effects of some types of intellectual property rights to give recourse in situations of unauthorized utilization of an individual's personality for the marketing or sale of products or services will be a primary subject of this article.*

**Keywords:** *Character Merchandising, Intellectual property, Copyright, Trademark, Personality, Publicity rights.*

## I. INTRODUCTION

The twenty-first century has seen an unchecked development of mainstream media as a provider of knowledge as well as a powerful marketing weapon. Society is besieged with promotion or marketing for an item, whether it is in writing, aural, graphical, or on the internet. Character marketing has gained in importance as a tool for marketing as well as other commercial ventures, which include eye-catching qualities that encourage purchases. Over time, the

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advertising business has recognized the enormous potential of a celebrity's notoriety to raise attention, attract awareness, and impart ideas and grandeur to things that might otherwise go unnoticed.<sup>2</sup> The debate is over whether advertising should be permitted to profit from the attention gained by the characters and personalities of celebrities. Character merchandising is indeed a hundred years notion which only recently gained popularity following the arrival of Walt Disney in the early 1900s. The debut introduction of 'Mickey Mouse' in 1934, followed by additional Disney characters, fueled the growth of character marketing. Around this time, a Disney employee named Kay Kamen established a division devoted to the secondary economic exploitation of these personalities in the shape of badges, brooches, banners, and so on. This resulted in an increase in the development of 'character' among several people<sup>3</sup>. Through the end of this same 19th century, the concept of character merchandising had prompted the inclusion of the character in motion pictures, media advertising, and product lines such as T-shirts, timepieces, figurines, and costume dresses that were primarily purchased due to their affiliation with that character, resulting in a multi-billion dollar sector. It has emerged as one among the most profitable means of popularizing various genres of literature, whether novels, films, or TV series. It is expected to have a \$2.5 billion market solely in the Indian economy.<sup>4</sup>

Although the right of publicity has been legally recognized in certain countries, the issue of such preservation of publicity rights is currently being debated in the UK, and is still in its infancy in India. The study will examine briefly the analogous legal status in the United States, as well as in Australia and Canada which are commonwealth jurisdictions. The report also aims to investigate the evolution of this discipline of law in India. Character merchandising has now been outlined as the secondary exploitation by the author of a fictitious character by a third person of its varied attributes such as the title or appearance of a character in connection with different products or services in order to create a willingness in prospective customers to procure those goods or use those services as a result of customers' fondness with that character. There'd be no value to the originator of the mark, which in this case is the character, if the brand was not protected. So, just as trademarks are secured by intellectual property rights, personalities may be protected by IPRs such as copyright, trademarks, and industrial designs. The author in this research attempts to delve deeper into the extent of protection that may be awarded to characters with respect to character merchandising via copyrights and trademarks.

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<sup>2</sup> [https://www.wipo.int/export/sites/www/copyright/en/docs/wo\\_inf\\_108.pdf](https://www.wipo.int/export/sites/www/copyright/en/docs/wo_inf_108.pdf)

<sup>3</sup> Keith Gluck, *Selling Mickey: The rise of Disney Marketing*, 2012. <https://www.waltdisney.org/blog/selling-mickey-rise-disney-marketing>

<sup>4</sup> Rahul Bajaj, 'An Analysis of the burgeoning Character Merchandising Industry in India' (25 October 2014) <<http://blog.ipleaders.in/an-analysis-of-the-burgeoning-character-merchandising-industry-in-india/>>

The theme of protection over personality can be traced back to Georg Wilhelm Friedrich Hegel (1770-1831), who stated, "*Property is a representation of self and the locus of an individual's claim to rights, because it is only through property that one can say "this is mine," a claim that others respect.*" it was advocated that Property is the 'embodiment of personality'.<sup>5</sup> It can also be observed by an individual that personality can also claimed as part of assets and trespass of one's character who has acquired fame and notoriety, regardless of whether fanciful or real, would be safeguarded by the law.

### **(A) Objectives Of Study**

The following are the key objectives of this research:

- comprehend the notion of character merchandising and the rights that correspond with it.
- comprehend the nature of the rights involved in character merchandise and their relationship to trademarks.
- to comprehend the status of character merchandising in India in comparison to that of other countries.

### **(B) Hypothesis**

Character merchandising is a fast increasing and rising subject of Intellectual Property Law that requires attention for growth. Concepts such as the right to publicity must be created in legal systems across the globe where character merchandising is widely practised and appreciated. Protection under existing laws governing intellectual property as well as the establishment of distinct legislation, is essential.

### **(C) Research Questions**

- Whether the Publicity rights associated with character merchandising may be covered under the purview of Intellectual Property Law for protection?
- Whether the rights relating to character merchandising are adequately developed and protected?

## **II. CHARACTER MERCHANDISING AND ITS SCOPE**

The system through which entities confer these rights of monopolization of an individual's character under license or permit might even be described as character merchandising. The author for the sake of this research enlarges the term to encompass operations when the person

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<sup>5</sup> World Intellectual Property Organization, *Introduction to Intellectual Property, Theory and Practice*, 308, (1<sup>st</sup> edition, 1997)

has a clear correlation with the relevant company, either in a consultative position or as a substantial partner in the firm<sup>6</sup>. The actuality that character merchandising takes effect with respect to fictitious characters along with real people evidently renders the notion relevant in circumstances other than in correlation with major sporting or media befitting occasions. For example, the Walt Disney Corporation has long been involved in the promotion of goods associated with its fanciful animated characters<sup>7</sup>. A much more modern concept is the commercialization of the persona of individuals concerned in the entertainment business, even though in such instances it may be contended that facets of the persona of such individuals seems to have a fictional attribute, therefore this version of character merchandising might reflect that of economic exploitation of an entirely fictional personality in certain contexts.

### **III. THE ORIGIN: CHARACTER MERCHANDISING**

The notion of character marketing originated with Walt Disney's invention of animated characters like Mickey Mouse and the following commercialization of the character by a one of their employees by selling things carrying the pictures of the cartoons.

This notion of subsequent exploitation of a character's repute emerged much earlier in India, but it is not acknowledged to them since it was not primarily economic in nature. In India, for example, religious personalities from the 'Ramayana' such as Rama, Vishnu, Sita, and other fictitious characters have been portrayed in the form of sculptures, dolls, or objects and marketed. In contemporary times, industrialists have decided to develop imaginary characters that will be depicted on the products, the packaging, and will be utilized to earn money from the sale of ornamental plates, pieces of apparel, clocks, and so on. The monetization of literary characters began with Lewis Carroll's Alice in Wonderland, whose figures became soft toys and were eventually transformed into a motion film animation.

### **IV. CHARACTER MERCHANDISING: REASONS FOR GROWTH**

Character merchandising has grown exponentially in the previous two decades as a consequence of technological advancements that have made the electronic media, including television, cinema, and radio programming, more available to a wider audience. Furthermore, character promotion is viewed as a tool for increasing audience for the entertainment industry with which it is associated. According to this perspective, the intended audience of character marketing is not the customer who is a fervent supporter of the character being regarded; the client is

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<sup>6</sup> [https://www.wipo.int/export/sites/www/copyright/en/docs/wo\\_inf\\_108.pdf](https://www.wipo.int/export/sites/www/copyright/en/docs/wo_inf_108.pdf)

<sup>7</sup> Vartika Prasad, Character Merchandising, Through Trademark Licensing, IIPRD, <https://www.iiprd.com/character-merchandisingthrough-trademark-licensing/>

underinformed of the said character and may develop a distinct attraction in the character after seeing the merchandise; and finally, it is viewed as a very strategic instrument of expanding the T.V. programs or motion pictures and taking them to the succeeding level.<sup>8</sup>

## **V. TYPES OF CHARACTER MERCHANDISING**

There are a few main categories in character merchandising based on whether it is merchandising of a fictitious character or an actual person, which are referred to as merchandising of a fictional character and celebrity merchandising, respectively. Moreover, a third hybrid classification exists, which is recognized as image merchandising.

### **(A) Fictional Characters**

The profitability of merchandise is dependent on characters who are renowned either naturally or via promotion. The matter of merchandising should be acceptable for the business image, allowing for simple identification. Characters from cartoons, creative works, structures and legislation, films, and emblems of international organizations and events are the most common sources of fictitious characters.

Property rights, which include commercial and commercial rights, can be associated to a fictitious character. This signifies that the owner of the fictitious character has both the opportunity to profit from its usage and the right to dispose.

The fictitious characters are classified into four groups based on their roots:

- Pure characters are ones who "do not feature in an included work."
- Literary personalities are created via the use of description and action in books or screenplays.
- Visual characters, as seen in live-action films
- Finally, cartoon figures are a larger word than animations, but are used to apply to all graphics with a perceived simplicity<sup>9</sup>.

Merchandising fictitious characters entails using important personality traits of fictional characters in the promotion of commodities. Character merchandising of cartoon characters entails the utilization of the character's appearance and look, which can be 2-D or 3-D.

### **(B) Personality Merchandising**

In personality merchandising, a public figure licences his reputation to be utilised to improve the image of a product in the eyes of potential customers or clients. The word persona refers to

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<sup>8</sup> [https://www.wipo.int/export/sites/www/copyright/en/docs/wo\\_inf\\_108.pdf](https://www.wipo.int/export/sites/www/copyright/en/docs/wo_inf_108.pdf)

<sup>9</sup> Leslie A. Kurtz, *The Independent Legal Lives of Fictional Characters*, *Wis. L. Rev.* 429, 440 (1986)

the attributes that comprise a person's external existence and are used by external parties to recognize that person. Real people take on secondary roles as merchandisers of their personas in movies, music, sporting events, and commerce. Nonetheless, there is more disagreement regarding celebrities<sup>10</sup>. The first category includes people who work in movies, music, etc., where the product is secondary to the image or reputation of the celebrity it carries. The second category is a scenario in which professionals in a certain sector appear in advertisements for goods or services. The key draw for potential customers in this category is that the celebrity supporting the product is seen as an authority in the industry.

### **(C) Image merchandising**

It entails using fictional movies and television program portrayed by real actors in selling or marketing products and services. In some circumstances, the public at large has trouble distinguishing the real actor from the part represented by him. This is due to the public's total identification of the real actor with the character played by him, to the degree that the actor is recognized by the identity of the character.

## **VI. ENDORSEMENT OF CHARACTER MERCHANDISING**

Marketing of products and services is extremely pertinent in today's consumer market. It has become common practise for public figures to permit companies providing products or services to the customer to utilize their identities or representations in effort to enhance their goods. This behavior is known as endorsement. Writers have differentiated among what could be perceived as prevalent or implicit endorsement. In common endorsement, the concerned party or public figure is compensated monetarily for formally affiliating themselves with the commodity and portraying to the public that the merchandise has these desired characteristics. With subconscious or implicit endorsement the product is only connected with the personality without any clear remark by that person of its desirability<sup>11</sup>. In these circumstances, the identity entangled in the item's publicity or use implies the evidently attractive features of a product. The significance of the media personality who actively supports goods on behest of an organization relates to the capacity of the public figure to bestow the suitable privileges to the enterprise, which are actionable by resorting to law irrespective of the nature or type of the endorsement. A public figure may, of course, promote well over one commodity, but

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<sup>10</sup> Ibid

<sup>11</sup> Nishant Kewalramani, Sandeep Hegde M, Character Merchandising, *Journal of Intellectual Property Rights* 17, pp 454-462, 2012, <http://docs.manupatra.in/newsline/articles/Upload/E2FEFB25-578D-448C-9EA9-54266BE2475A.pdf>

endorsement remains efficacious and valuable<sup>12</sup>. Law acknowledges the right of an organization that a media personality cannot be depicted as an active supporter of the same product belonging to another party. Thus, it may be stated that character merchandising encompasses the conduct of merchandising in the strict context of the word and also as an element of marketing and advertising.

## **VII. APPROPRIATION OF PERSONALITY**

Several states in the United States have acknowledged a 'publicity right' in the personality of a public figure. This indicates that unauthorized 'appropriation' of a prominent figure's identity is illegal. This is effectively the establishment of a tort of misappropriation of character. The pertinent legal precedent and literature have since distinguished as a famous individual as an example of public figure, and the exploitation of legal right over the personality and private life vested with the figure must be protected. The right of suit against private individuals is centered on damages for offended feelings, and so remains firmly anchored on a tortious right to privacy<sup>13</sup>. The claim by a famous person or other personalities is founded on the 'publicity right' and is focused with paying the person for damage of goodwill, an action that is fundamentally economic and acknowledges the Inherent economic worth of the public figure's reputation. The origin economic value of a right over character refers to the right vested in the celebrity's personality. The issue of *Haelan Laboratories Inc v Topps Chewing Gum*<sup>14</sup> Inc, the court established this entitlement. If such right is accepted celebrities might utilize it to restrict other parties from using portions of their identity for solely commercial interests. The nature and functionality of this right as well as the requirement for its acknowledgement, remains debatable. The grounds against its acceptance will be addressed in detail at the end of this essay. Nonetheless, a number of these arguments will be summarized at this point. It's contended that there exist alternatives that seem to be adequately broad in their ramifications and efficacy to render the mooted tort redundant and otiose. As far as this current recommended remedy might include situations of unpermitted economic exploitation of celebrities' personas that aren't protected either by trademark legislation or even the tort of passing off, it's claimed that those circumstances are neither actionable in practise nor properly defined. In summary, the purported tort of misappropriation is ambiguous, and its consequences are unknown.

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<sup>12</sup> <https://www.lexology.com/library/detail.aspx?g=463bb451-7b6a-4c32-8377-c8993a4c83c7>

<sup>13</sup> *Supra* Note 11

<sup>14</sup> 202 F.2d 866 (2d Cir. 1953)

## VIII. DEFAMATION

The defamation laws are focused on defending a party's image when defamatory remarks, comments, or photos diminish the claimant in the opinion of right-thinking individuals in society, or cause people to dislike or shun that person. As a result, personality and repute are inextricably intertwined<sup>15</sup>. Unauthorized use of a celebrity's identity to advertise goods or services may consequently be defamatory. The claimant in *Tolley v Fry*<sup>16</sup> was an established professional golfer. A caricature of the plaintiff was published in several publications to promote Fry's confectionery. He was pictured in his golfing attire, having just completed a stroke, with a container of chocolate emerging from his side pocket. His caddie was carrying chocolate packages. The 'cartoon' was followed with dialogue between both the caddie and the claimant that plainly linked the plaintiff to the merchandise and indicated that the plaintiff had supported it. Tolley claimed that the commercial included a defamatory implication. The advertising indicated that he approved or permitted the commercial to be published in exchange for monetary compensation and reputation. He looked to have given up his professional status, which might have harmed his reputation as an athlete and gentleman in the year 1931. In the context of his period, his seeming sponsorship of the product was contradictory with his independent status, and may be interpreted as disingenuous. If his status had been revoked, he would've been obliged to resign from several prestigious golf clubs. The House of Lords agreed that, while the advertising or the language employed in the advertisement just weren't defamatory in and of themselves, they were defamatory when all of the facts were considered. As a result, the defamatory implication arose from the circumstances of the case. Nevertheless, at the Court of Appeal, dismissed claims that the individual holds interests in his personal identity per se, citing the decision of *Dockrell v Douglas*<sup>17</sup> it was clear to his Lordship that injury to the plaintiff's profession, company, or assets was a condition for redress. In an opposition statement in the House of Lords, Lord Blanesburgh stated that plunder of personality is "another example of the toll charged on distinction for the delectation of vulgarity." The preceding case law is unambiguous in its fundamentals. In the lack of insinuations, defamation might only serve as a remedy for the unsanctioned application of a celebrity's persona as component of a character merchandising process where the inference of that usage is one of insincerity by the celebrity, or at the very least some version of inappropriate or objectionable conduct. Therefore, if a celebrity utilizes their public image to advocate the ills of cigarettes,

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<sup>15</sup> Weber Olaf, Human dignity and the commercial appropriation of personality: Towards a cosmopolitan consensus in publicity rights?, *SCRIPT* ed, 1 (1) (2004) 165

<sup>16</sup> ***Tolley v Fry & Sons Ltd* [1931] AC 333**

<sup>17</sup> *Dockrell v. Douglas*, 78 L. T. Rep. 848

the following unlawful use of any component of their identity in a tobacco product marketing operation would be punishable. Such unlicensed exploitation of a celebrity's identity an element of a character merchandising comprising of advertising could also be defamatory if the pertinent products or services which are the focus of the promotional campaign were unlawful or morally repulsive. This would encompass pornographic or otherwise openly intimate services and products.

## **IX. CHARACTER MERCHANDISING AND TRADEMARKS**

Any individual or corporate organization can obtain trademark rights in titles, emblems, logos, as well as other marks by utilizing them in the regular course of business, such as on a label or tag for items sold to the general public. In character merchandising, the image serves as a trademark, representing the firm or creator's brand. The creator may also license it to various firms for usage in other sectors such as movies, clothes, and so forth. In this case, the licensing agreement functions similarly to a leasing contract<sup>18</sup>. The 'character' functions as the property, the creator as the licensor, and the person who acquires the other privileges as the licensee. Characters are now drawn from films and television shows such as Jurassic Park, Avengers, Star Wars and so on<sup>19</sup>.

The different memorabilia included in the promotions for these films would be classified as character merchandising. With the release of the recent Star Wars film, numerous companies, like McDonald' and Kellogg's, released goods such as lightsaber and figurines. Traditional comic characters remain a prominent example. Batman and Superman has become sufficiently famous that a movie trilogy and a Television series have been created, in addition to numerous goods such as T-shirts, backpacks, and others. These icons have been trademarked, and their further usage will be protected by the same. while music, literature, screenplays, scripts, artistic works and graphics are all protected under copyright law. However, the study concentrates on both of these dimensions as a means to award protection under law. Significant athletic events are only one instance of occasions that provide several marketing prospects, both for the corporate sector and for people whose abilities in such activities get public notice, if not admiration<sup>20</sup>. These activities typically result in the players, who constitute the celebrities or main characters, providing exclusive privileges to companies, including right of using trademarks and other material related with the occasion and in connection to the promotion

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<sup>18</sup> Rakesh Jariwala, 'In focus: Licensing and Merchandising' (June 9 2012) <<http://www.boxofficeindia.co.in/the-future-of-entertainment-2/>>

<sup>19</sup> Sudhindra Nicole J S, Marvel's superhero licensing, WIPO Magazine, 3 (2012), [http://www.wipo.int/wipo\\_magazine/en/2012/03/article\\_0005.html](http://www.wipo.int/wipo_magazine/en/2012/03/article_0005.html)

<sup>20</sup> Ibid.

and manufacture. Nonetheless, in most cases, the licensee will utilize the identities of the event, as well as the personalities and representations of the participants, as part of a commercial venture including the production and distribution of products and services<sup>21</sup>. The importance of such licenses is in the authority of the relevant persons to give them, preventing others from utilizing certain parts of the personality' without permission. However, questions regarding the legality, efficacy, and scope of such licenses continue to persist among the primary debated topics in modern times. The practical and legal challenges that occur when parties strive to leverage market opportunities for products and services by using, for example, resemblances or features of an individual's character wherein they do not possess and haven't secured, 'exclusive' licenses from appropriate persons.

#### **(A) Importance of character merchandising contracts under the trade mark**

Quality management by the trademark holder over the application of a leased mark is an essential obligation under both statutory and common law trademark law. The licensor must monitor the quality of the licensee's products and services within this condition. This doesn't imply that the licensee must acquire the highest level of quality parameters, but rather that the licensor may change the standard of quality from time to time in accordance with the licencing contract. The significance of quality control may be assessed by the premise that a trademark is not only an identifier of origin, but it also becomes valuable commodity in and of itself. As a result, the focus of quality control is not placed on finding the origin of the product, but on enhancing the licensor/ holder of the trademark's property interest. As a result, quality control in the form of ensuring good quality while minimizing public misunderstanding remains a minor or non-existent source.<sup>22</sup>

#### **(B) Trademark and Passing off**

An intellectual property is the power to licence the commercial worth of one's identity. A person might utilize trademark law to prevent the application of his identity in relation with any goods, analogous to the right of publicity asserted by celebrities to enforce fraudulent affiliation. Section 14 of the Trademark Act provides such protections. In *Bi-Rite Enterprise v. Button Master*<sup>23</sup>, the right of publicity was ruled to offer a person an exclusive power to regulate the economic worth of his name and appearance and to prohibit others from utilizing that value without authorization. Publicity is only available to humans and is not accessible to entities. In India, the right to publicity has yet to emerge as a distinct legal right. As a result, the publicity

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<sup>21</sup> Supra note 9

<sup>22</sup> Supra Note 15

<sup>23</sup> 555 F. Supp. 1188 (S.D.N.Y. 1983)

right is a feature of several legal doctrines, including privacy, defamation, trade mark, and copyright, which are described more below. In the event of illegal use of a celebrity's identity, based on the specifics of the case, recourse might be brought to any of these statutes.

Analogously, by licencing the character's trademark component, the holder of the character can inhibit unauthorized use of the identity. For example, in *Twentieth Century Fox Film Corporation v. South Australian Brewing Co. Ltd*<sup>24</sup>, the production company of 'Simpsons' applied to constrain certain breweries from employing the word 'Duff,' that was the drink utilized by central character of the show. Furthermore, the makers had granted permission for character merchandising operations that included depictions of the duff beer. Furthermore, data suggests that both customers and the brewery's association were conscious of the beer's link with the program. As a result, it was determined that the brewers participated in deceptive and misleading behavior and thereby committed passing off. Trademarks do not possess marketing qualities since they have no intrinsic value separate from the products or services with which they are linked, with their primary role being the identification of commodities by the general public. This implies that the trademark would only cover the fictitious character in its relationship with the products or services for which it is used. This begs the question of whether a trademark owner can defend his/her trademark against unauthorized use, such as if a trademark can be utilized for another objective by an unauthorized user. In this respect, the court system seem to have differing viewpoints. Some judges have ruled that decorative uses of trademarks are eligible for protection under prevailing trademark law, with appropriate test being consumer confusion as to sponsorship instead of origin, while others have held that trademark's commercial interest is the foundation for such protection, while others have referenced acquisition of ancillary significance and trademark dilution as the grounds for such protection<sup>25</sup>.

### **(C) Product liability under character Merchandising**

Product liability via character marketing holds one, along with the producer, supplier, or any other individual responsible for making the products available to the public, accountable for any harm caused by that product. Several US courts have found the licensor accountable under the principle of apparent manufacturer, which states that the licensor's permission to use a mark that reflects his goodwill and exerting control over the quality of products indicates to customers that the items are of appropriate quality. However, if there are sufficient signs that the licensor

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<sup>24</sup> (1996) 66 FCR 451

<sup>25</sup> Litwak Mark, Movie merchandising, [http://www.marklitwak.com/articles/general/movie\\_merchandising.html](http://www.marklitwak.com/articles/general/movie_merchandising.html)

did not make the items, his odds of being held accountable are reduced. In India, there are no clear solutions to the question of celebrity responsibility for having loaned their character.

## **X. CHARACTER MERCHANDISING AND COPYRIGHT**

A work is protected by copyright if it is stated and is the author's original creation. Such security is not contingent on the quality of the work or the proposed aim. The fundamental motivation for acquiring copyright protection is to shield the author's work from illegal use and to benefit from his creative labor. Copyright protection is provided throughout the author's lifetime and after his death for a period of fifty years, following which it goes into the public realm, so striking a balance between commercial right of society and the right of community for artistic expression<sup>26</sup>. Only if fictitious characters have achieved individuality in the view of the general public and have a distinct notoriety from the work in which they have appeared will they be granted copyright protection. But even so, the names of the characters are not protected by copyright apart from the work as a whole. To determine whether such protection exists, the courts often employ the 'character delineation test' established by the case of *Nichols v Universal Pictures*<sup>27</sup>, which asks if the specific character is adequately and distinctly characterised to deserve protection.

Furthermore, 2D works are safeguarded provided they meet the conditions for copyright protection with an emphasis on originality of the work, regardless of whether the work is novel. The Indian Copyright Act defines artistic works as paintings, sculptures, drawings, engravings, photographs, architectural works, and other works of creative handicraft. Unfortunately, a personality is not preserved; only detailed drawings, whether of a figure, a cartoon, or anything, are protected. Consequently, the work that is documented is copyrightable under the criteria of "literary works." A character's qualities, on the other hand, are not copyrightable since they stay in the reader's imaginations and hence the entire tale, which if read in its entirety offers a clue of the character. Lately, the usage of fictitious characters played by actual actors for the promotion and marketing of products and services has become popular. It becomes impossible to distinguish between both the actor and the persona because there is such a strong bond that the actual actor is recognized by the role he plays. This creates fictional characters as an attractive property, prompting legal action for changes to his work that are detrimental to his reputation. *Malayala Manorma v. V.T. Thomas*<sup>28</sup> was the inaugural Indian

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<sup>26</sup> Bailay Rasul, Character merchandising gains steam, *The Financial Express*, 29 September 2011, <http://www.Financial-express.com/news/character-merchandising-gainssteam/853196/2>

<sup>27</sup> *45 F.2d 119 (2d Cir. 1930)*.

<sup>28</sup> AIR 1989 Ker 49

case in which a figure was deemed to be eligible for protection, albeit indirectly, when the court permitted the creator of the cartoon character, Mr. Thomas to continue painting even after quitting the service of the publishers. The Hon'ble High Court ruled that because Mr. Thomas developed the character prior to joining the publishers' service, he should be permitted to continue monetization of his work even after quitting employment. Because the publishers had no involvement in the development of the character, they have no rights to the character. Their rights are solely restricted to the comics strips produced by the writer during his tenure of work and distributed in the newspaper. The court recognized a clear distinction between drawings done with the cartoon figure and drawings made without the cartoon character. It may be deduced that the publishing business would retain copyright over the drawings done with the character as an artistic work with respect to only the comics published, whilst Mr. Thomas would retain copyright over the persona. As a result, the publishing business was barred from hiring others to develop additional episodes with the same character.

#### **(A) Real Persons**

The copyright is limited in terms of personality merchandising since it doesn't encompass the real person however the person whose work makes the vital personal characteristics of the real person visible. For example, in painting or sculpting, the artist will receive copyright protection rather than the actual person whose personal characteristics are represented.

Nonetheless, when it comes to movies, actors have performer's rights, which are only relevant if their nation is a signatory to the Rome Convention 1961<sup>29</sup>.

Aside from the performer's right, copyright also includes 'moral rights,' which provide writers with protection under Section 57 of the Copyright Act. It protects the author's work regardless of the assignment of copyright. It refers to actions of distortion or alteration of his work that are detrimental to his reputation.

It's indeed evident that, in the particular instance of a fictitious character, copyright law is adept in providing some measure of protection, by imposing relatively effective punitive measures on external entities who engage in the unsanctioned reproduction of any attributes of such a character's persona for the reasons of promoting or selling products or services. However, conventional understanding is that copyright law can't provide adequate protection in these instances, when the third party's identity used to market or offer services or products resembles that of a normal human. This is a natural result of the scope and essence of copyright law is that there is no protection awarded to names of people as names are often insufficiently significant

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<sup>29</sup> [https://www.wipo.int/treaties/en/ip/rome/summary\\_rome.html](https://www.wipo.int/treaties/en/ip/rome/summary_rome.html)

to form literary work and hence unable to attract copyright protection<sup>30</sup>. As a result, copyright law does not acknowledge an individual's privileges in his or her fan owning Elvis Presley personal design. It was said in Re petition by Elvis Presley Enterprises that Elvis Presley couldn't have prohibited a fan from obtaining a tattoo which mirrored Elvis. It's indeed, within the given context irrelevant that an ordinary person has copyright in a picture or self-portrait of himself/herself, because copyright law would merely thwart the unapproved expression, or at least the significant dissemination, of the pertinent image, and not a reproduction of an illustration of the matter which is not premised or replicated from the material subject to copyright protection, even if the image is explicitly that of the person conceiving it. This significantly limits the efficacy of copyright as a way of providing legal force and legitimacy to any license arrangement utilizing a celebrity's picture for character purposes. Notwithstanding these constraints, it is posited that copyright is a potential mechanism by which, under certain limited instances, an individual or corporate could preclude the unapproved use of real people's names and likenesses by others, when such use becomes a piece of a character merchandising functioning in which the real person isn't a consenting participant. Despite the absence of security that copyright law normally provides to parties in relation of their identity or character, certain prominent personalities' personas may be susceptible to copyright protection. This is due to the unique and unusual aspect of a prominent figure's persona.

### **(B) Right of publicity**

The right to publicity refers to individual 's power to manage the commercialization of one's persona. Each person has the fundamental right to govern the commercial exploitation of his/her identity. According to this notion, each individual 's character and personality is a merchantable asset, and the right to determine how to economically exploit it is completely vested in that individual. It assumes that any conduct that violates this right is an unfair trading practise. The issue here is the potential loss of the image's prospective economic worth as a result of unauthorized usage. However, there is no agreement in the world legal scene about the law linked to this: *"unjust enrichment by giving recourse against exploitation of goodwill and reputation which an individual establishes in their personality through investment of time, energy, and wealth."*<sup>31</sup>

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<sup>30</sup> Sourav Kanti De Biswas, *Copyrightability of Characters*, *Journal of Intellectual Property Rights*, Vol. 9, March 2004, p .148-156

<sup>31</sup> Andrew Terry, *Exploiting Celebrity: Character Merchandising and Unfair Trading*, 12 U.N.S.W.L.J. 204 1989, Heinonline

**(C) The persona of the public figure and copyright:**

It's been proposed that a prominent figure's persona contains numerous levels or characteristics. The title, appearance, and voice of an individual are indicators of identification. Nevertheless, an individual's character should also include their talents, credentials, successes, interests and experiences, political or otherwise. These parts of a persona might be referred to as an individual's "acquired qualities." These characteristics are present in both private and public personalities. It's been argued that the public figure, particularly the celebrity, has an inherent layer of personal qualities that contribute to their identity. These features are known as an individual's "perceived attributes." These are characteristics that the general populace may not have<sup>32</sup>. It involves the popular figure, although in our perception, such 'perceived attributes' as elements of his/her legal security or personality of a celebrity by which enable their persona' susceptible of efficient exploitation inside and as component of a character merchandising operation.

**(D) Perceived characteristics as grounds for affording copyright protection to a public figure's persona:**

When we study the celebrity's position, particularly that of the performer or actor, it's indeed apparent that the 'perceived attributes' of their character are the consequence of a significant degree of literary and creative innovation. The modern cinema and entertainment industry's 'publicity system' tries to improve both celebrity's reputation and 'personality.' A significant portion of these people's personality are made up and may be considered fictitious in nature. To provide illustrations: The Spice Girls, despite their position as being a spent force in the music sector, are possibly the best instance of what we might term 'manufactured personas,' in which a significant portion of their persona, both collectively and individually, comprises of 'perceived traits.' It may be argued that the performers of that singing group's external images, if not their entire character, engaged the music business marketing machine in an act of substantial literary and possibly creative originality<sup>33</sup>. The resultant visuals and personality traits bore little relation to their natural or true appearances and dispositions. This was true Irrespective of whether the Spice Girls were brought to the media spotlight in an inherently 'private domain' or in the course of promoting their professions in public, and not strictly in the setting of a 'showbusiness' presentation. In another example, Pierce Brosnan, the actor, has experienced a considerable

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<sup>32</sup> Supra Note 15.

<sup>33</sup> *Character Merchandising and Personality Merchandising: The Need for Protection – An Analysis in the Light of UK and Indian Laws*; Manoranjan Ayilyath, December 4, 2011, Entertainment Law Review (Sweet & Maxwell, London), Vol 23, Issue 3, 2012 , [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1969820es](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1969820es)

shift in appearance and demeanour since becoming the second James Bond. He is typically seen in evening attire, holding a 'beretta'.<sup>34</sup>

These apparent traits may be covered by copyright protection since they are in fact fictitious and the consequence of the creator's talent and uniqueness. Of course, if this reasoning is recognized, a problem comes when determining who owns the copyright in such qualities - the personality, those who produced these traits, or those who purchased as a method of providing exclusive rights procedure. If somehow the law acknowledged copyright as a mechanism for at least facets of a celebrity's character to be efficaciously and exclusively utilized, either actively or implicitly, for the applications of a character merchandising activity by those who appreciate or assert such rights in an individual's character or appearance, then the mentioned problems would have to be addressed. Copyright is primarily focused on preventing unapproved reproduction of works. Moreover, copyright protects authors from unlawful duplication of their stories in an acceptable and sufficiently effective manner. It has been stated that having copyright in a work of literature does not provide the writer the right to prohibit others from utilizing the themes, ideas and personalities in their works, or at least portions of those components in their creations<sup>35</sup>. By comparison, it's challenging to comprehend how unlawful application of a celebrity's appearance, voice, or even perceived traits could ever establish an infraction of any copyright in such components of the personality, at least within the setting of character merchandising. It's also evident that not even an ardent advocate of broad character merchandising rights would accept the use of copyright law to allow a celebrity to have exclusive use of and monetization of their voice, regardless of their individuality.

## **XI. CHARACTER MERCHANDISING AND INDUSTRIAL DESIGN**

Certain requirements must be met in order to receive protection under the Industrial Design Act:

1. Makes reference to the decorative feature of a functional product, such as shape or color;
2. Uses the sense of vision.
3. It must be duplicated industrially.

In case the last criteria is not met with, the invention will be subject to the provisions of the Copyright Act rather than the Industrial Design Act.

Industrial Design protection is primarily applicable for cartoon characters depicted in the form of aesthetic models for 3D articles belonging to the action figure and ornaments fields such as

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<sup>34</sup> Supra Note 15.

<sup>35</sup> *Savvy Marketing: Merchandising of Intellectual Property Rights*, Lien Verbauwhede, SMEs Division, WIPO (World Intellectual Property Organisation), [http://www.wipo.int/sme/en/documents/merchandising\\_fulltext.html](http://www.wipo.int/sme/en/documents/merchandising_fulltext.html)

brooches, pins, and plush toys, among others, which generally emerge in cartoons but occasionally in real people.

## XII. CONFLICT BETWEEN COPYRIGHT AND INDUSTRIAL DESIGNS

Section 15 of the Copyright Act<sup>36</sup>, considered in conjunction with Section 2(d) of the Industrial Design Act<sup>37</sup>, has abolished the prospect of dual protection for works under the Copyright and Design Acts in order to avoid overlapping under both statutes. As a result, in India, each of these rights to intellectual property are mutually exclusive. A Copyrighted work that has been exploited as an Industrial Design without filing for registration under the Design Act loses its Copyright Act coverage and is also ineligible for protections under the Industrial Design Act. This is due to the fact that it has already been publicized prior to submitting a request for registration as an Industrial Design.

## XIII. INTERNATIONAL SCENARIO OF CHARACTER MERCHANDISING

Considering that there are no specific legislation governing character marketing in the various nations, and jurisprudence has developed based on numerous judgements rendered in different nations or their domestic Intellectual Property legislations.

### (A) Australian Perspective

Character marketing was first articulated in the international context in Australia by Burchett J. in the Sue Smith Case, named *Shoshana Pty. Ltd v. IOth Cantane Pty Ltd*.<sup>38</sup> He stated that character merchandising is a tactic employed by marketers to build in the perceptions of the audience an association of the goods with that personality by leveraging the public reputation of that character. *"The fundamental point of character merchandising is the formation of a connection of the item with the personality; not the fabrication of accurate representations,"* Justice Burchett further stated in *Pacific Dunlop Limited v Hogan* ("The Crocodile Dundee Case")<sup>39</sup>. Exactness would simply serve to bolster an image that is unconnected to logic and therefore unsound." Character marketing is protected in Australia by Sections 52 and 53<sup>40</sup> of

<sup>36</sup>The Copyright Act of 1957, <https://copyright.gov.in/documents/copyrightrules1957.pdf>

<sup>37</sup> The Designs Act, 2000, <https://www.indiacode.nic.in/bitstream/123456789/1917/1/200016.pdf>

<sup>38</sup> *Shoshana Pty. Ltd v. IOth Cantane Pty Ltd* (1988) ATPR 40-851,49,167 (Fed Ct.)

<sup>39</sup> *Pacific Dunlop Limited v Hogan* (1989) 87 ALR 14 (Full Court)

<sup>40</sup> Section 53. A corporation shall not, in trade or commerce, in connection with the supply or possible supply of goods or services or in connection with the promotion by any means of the supply or use of goods or services-

(a) falsely represent that goods or services are of a particular standard, quality or grade, or that goods are of a particular style or model;

(b) falsely represent that goods are new;

(c) represent that goods or services have sponsorship, approval, performance characteristics, accessories, uses or benefits they do not have;

(d) represent that the corporation has a sponsorship, approval or affiliation it does not have;

the Trade Practices Act, 1974, as well as tort law. In Hogan's Case, the defendants who ran multiple retail stores named "Dundee Country" showed the picture of a koala dressed as the figure Crocodile Dundee on display boards both within and outside the stores, as well as on numerous items offered in the establishment. The petitioners, who had been linked to the film Crocodile Dundee, requested an injunction to prevent the defendants from utilizing that koala picture. The action was filed in accordance with Section 52<sup>41</sup> of the Trade Practices Act and the legislation on passing-off. The Court issued the injunction and determined that the inferred assertion that the company was affiliated with the film constituted a basis for passing-off culpability.

### **(B) United Kingdom Perspective**

As seen by the Kojakpops case<sup>42</sup>, British courts have remained steadfast in their refusal to recognise character merchandise as a business. Under this example, a British show called Kojak, whose main character is continually chewing on a lollipop. The show producers permitted another firm to create lollipops under the title Kokakpops, despite the fact that another corporation had already begun selling pops with the same brand and had established a goodwill and reputation for itself. The court determined that there wasn't any crossover amongst lollipop as well as a Television series. The historical Betty Boop case<sup>43</sup> included character merchandising, and the question of whether trademark registration for such picture and name of an ancient cartoon character identified as Betty Boop was violated by a corporation that exploited the character's appearance without the trademark owner's permission. The court ruled that there was infringement and dismissed a variety of defences made in the proceedings. The question in Rihanna v Top Shop<sup>44</sup> was whether Top Shop, which sold T-shirts with Rihanna's picture but never attempted to obtain the singer's permission, was guilty of passing off. The UK court stated that because Rihanna is well-known, consumers would presume she has promoted the T-shirts that were sold. The fact that Rihanna had previously recommended items and was involved in the fashion industry were definitely viewed as key considerations. Rihanna has built quite a brand reputation that she may be exploited as a further market by tying herself to some things. Personality merchandising is another word for this form of character

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(e) make false or misleading statements concerning the existence of, or amounts of, price reductions;

(f) make false or misleading statements concerning the need for any goods, services, replacements or repairs; or

(g) make false or misleading statements concerning the existence or effect of any warranty or guarantee.

<sup>41</sup>Section 52. (1) A corporation shall not, in trade or commerce, engage in conduct that is misleading or deceptive. (2) Nothing in the succeeding provisions of this Division shall be taken as limiting by implication the generality of sub-section (1).

<sup>42</sup> *Tavener Rutledge, Ltd. v. Trexapalm*, FSR 479 [1975]

<sup>43</sup> *Hearst Holdings Inc & Another v A.V.E.L.A. Inc & Others* [2014] EWHC 439 (Ch)

<sup>44</sup> *Rihanna v Top Shop* [2013] EWHC 2310 (Ch)

merchandising. An analogous approach was employed in a lawsuit concerning photos of Elvis Presley, in which the UK officials were not satisfied that anybody would believe that the items were endorsed by the late singer's family<sup>45</sup>. In another suit involving a Formula One race car driver Eddie Irvine<sup>46</sup>, a UK court decided that a radio channel that had exploited his likeness in an advertisement without his permission was liable for passing off. The court ruled that anybody who saw the advertisement would conclude he had approved the station and granted damages of 25,000 pounds as well as an injunction. As a commonwealth nation, South Africa also follows in the footsteps of UK system. The court acknowledged that the audience understood the notions of character marketing and endorsement in a South African case regarding the 1994 Football World Cup. There is virtually no doubt that the majority of people now recognize that individuals lucky enough to possess famous identities and names frequently license their assets to others who offer consumers goods and services we purchase in exchange for a fee or royalty.

### **(C) United States Of America Perspective**

Personality rights lawsuits had been filed in US courts, however they had begun on the wrong foot. Celebrities who sought monopoly over the economic worth of their image attempted to do so by alleging that certain unlawful use of their photos for promoting items caused mental pain and so violated their right to privacy. As anticipated, the US courts dismissed this line of reasoning. They believed that once a person's identity was publicly known, there would be no problem with further exposing their characteristics. However, the irony being the dissenting judgement in a matter whose majority ruling was dismissive of the assertions for safeguarding of personality rights, however, marked a watershed moment in the development of the right to publicity. *O'Brien v Pabst Sales Co*<sup>47</sup>, Holmes J. in his dissenting opinion acknowledged the practise of advertising using a person's reputation to generate goodwill and sales. The legality of the right to publicity was reinforced further in *Haelan Laboratories Inc v Topps Chewing Gum Inc*<sup>48</sup>, wherein Frank J. stated that the important persons: *"would feel sorely deprived if they no longer received money for authorizing advertisements, popularizing their countenances, displayed in newspapers, magazines, busses, trains and subways."* There have been numerous judgements in the domain of character merchandising, but there has been no agreement on the point of view, and the rulings were connected but not alike. The *Holly Hobbie Case*<sup>49</sup> might be

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<sup>45</sup> *Elvis Presley Enters., Inc. v. Passport Video*, 349 F.3d 622 (9th Cir. 2003)

<sup>46</sup> *Irvine and another v Talksport Ltd* [2002] EWHC 367 (Ch)

<sup>47</sup> *O'Brien v. Pabst Sales Co.*, 124 F.2d 167 (5th Cir. 1941)

<sup>48</sup> *Haelan Laboratories, Inc. v. Topps Chewing Gum, Inc.*, 202 F.2d 866 (2d Cir. 1953)

<sup>49</sup> *Re American Greetings Corp's Application ('Holly Hobbie')* (1984) 1 W.L.R. 189, 1 ALLE.R. 426, R.P.C. 329

regarded a significant milestone in the legal jurisprudence of character marketing. In this instance, the American corporation intended to extend its operations to the United Kingdom and applied for a Trademark pursuant Section 17 of the Trademark Act of 1938. After becoming well-known for their greeting cards, they sought to broaden their market by utilizing the name on dinnerware and lamp shades. They didn't plan to use it themselves, but rather to licence it to others. This trademark was refused and was labelled as "trademark trafficking." However, it was found that the UK Trade Mark Bill 1993<sup>50</sup> would render the Holly Hobbie case outdated and offer overseas dealers more leeway in retailing their goods. The right of publicity was officially acknowledged in *Zacchini v Scripps-Howard Broadcasting Co*<sup>51</sup>, in which it was decided that the protection presented an economic motivation for an individual to make the investment necessary to produce a performance of attraction to the general public, and the right includes the rationale for safeguarding the individual's proprietary right in part to incentivize such entertainment. This legal stance was bolstered by the decision in the *Vanna White* issue, which found that famous traits unrelated to the human body can still be protected by one's right of publicity since the audience is capable of recognizing the public figure based on those qualities<sup>52</sup>.

#### **(D) Canadian Perspective**

The Canadian judges have also acknowledged a person's exclusive right to sell his identity, appearance, and reputation for profit, which is safeguarded under the tort of misappropriation of personality, which was created in Ontario in the matter of *Krouse v Chrysler Canada Ltd.*<sup>53</sup> Using the judgement in *Tolley v Fry*<sup>54</sup> as justification, the court determined that there existed tortious responsibility since the usage of personality constituted to "a violation of his right to capitalize on his personality through the utilization of his image, voice, or otherwise to harm the plaintiff."

#### **(E) Indian Perspective**

Character merchandising might be argued to have existed in India prior to the Disney era, albeit in a different setting. For several years, Indians have sold sculptures and representations of Goddesses and Gods and marketed the items utilizing the identities and representations of the deities, capitalizing on religion's commercial significance. In light of this heritage, the Western

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<sup>50</sup> <https://api.parliament.uk/historic-hansard/lords/1993/dec/06/trade-marks-bill-hl>

<sup>51</sup> *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562 (1977)

<sup>52</sup> 5Stacey L. Dogan and Mark A. Lemley, What the Right of Publicity Can Learn from Trademark Law, 58 *STANFORD LAW REVIEW* 1161, 1164-1165

<sup>53</sup> (1973) 40 D.L.R. (3d) 15 (Ont. C.A.)

<sup>54</sup> *Tolley v Fry & Sons Ltd* [1931] AC 333

notion of the necessity for protection against unlawful economic exploitation of a celebrity's personality or image had never been felt as strongly here<sup>55</sup>. However, the notion of protecting personality rights, while new, is not unfamiliar to the Indian legal structure. The title of a character or any renowned figure may be recognized as a word mark under Indian trade mark law, and graphics may be protected by establishing them as trademark devices, and therefore its economic worth may be preserved exclusively<sup>56</sup>. Unauthorized use of these trademarked names by another for advertising his products or services, that may or may not be related to the product or service for which the trademark is registered amounts to infringement. This can only be plausible if the registered owner or user can demonstrate that such a title has a notoriety in India and that the usage of the mark without proper justification takes unfair competitive advantage of, or is deleterious to the unique character or prestige of the trademark that is registered. In such a way that the use of the mark is most likely to be taken as being employed as a trademark, as defined in Section 29(1) read with Section 29(4)(c) of the Trade Mark Act. However, neither the current trademark legislation nor the copyright system gives comprehensive protection for the character's personality and image rights. Though the trademarked names of the characters may be requested to be protected under the laws specified to preserve "well recognized marks," as indicated above, the entire procedure will include several legal barriers that must be overcome. The clause does not provide for per se security for such names; rather, protection will be available only if the owner or user can demonstrate that the title is a well-known mark. Furthermore, no recourse is provided for unlawful exploitation of a character or celebrity's appearance or other personal qualities for endorsement reasons<sup>57</sup>. Likewise, copyright protection of a photograph does not provide the character or personality with protection for their image rights in general. This scenario emphasizes the importance of recognizing the right to publicity in India. Interestingly, unlike English courts, the Indian judicial system was willing to acknowledge an individual's legitimacy of publicity rights and his sole right to utilize them. The very first instance in which the Indian courts considered the right to publicity was ICC Development (International) Ltd v Arvee Enterprises<sup>58</sup>. The Delhi

<sup>55</sup> Nikita Hemmige, 'Character Merchandising in India' (September 17 2014) <<http://www.selvamandselvam.in/blog/character-merchandising-in-india-part-one/#sthash.HAcK2aJd.dpbs>>

<sup>56</sup> Samarth Krishan Luthra & Vasundhara Bakhru, Publicity Rights and The Right to Privacy in India, 31 National Law School of India Review 125, 131(2019) [https://www.jstor.org/stable/pdf/26918425.pdf?casa\\_token=QxXN5zPxvjgAAAAA:jF2XDmKTfV9\\_koZvVcPP2RgksyDEOAHX1Dr6JywEbG2rRUNuoFmt0nDfPwx1EGBakvaN7q2dxJZGzZTUWxYnvymET76DQr\\_vkA0IU941JvC6dLBj8E](https://www.jstor.org/stable/pdf/26918425.pdf?casa_token=QxXN5zPxvjgAAAAA:jF2XDmKTfV9_koZvVcPP2RgksyDEOAHX1Dr6JywEbG2rRUNuoFmt0nDfPwx1EGBakvaN7q2dxJZGzZTUWxYnvymET76DQr_vkA0IU941JvC6dLBj8E)

<sup>57</sup> Debleena Ganguly, India: Character Merchandising, MONDAQ, <https://www.mondaq.com/india/trademark/768282/charactermerchandising#:~:text=Character%20merchandising%20is%20a%20clever,%2Drecognized%20national%2Finternational%20appeal.>

<sup>58</sup> 2003 (26) PTC 245

High Court stated in this matter that *"the right of publicity has developed from the right of privacy and therefore can be found only in an individual or any individual's identity such as his name, personality feature, voice, etc."* An individual may have the right to notoriety as a result of his involvement in an activity, sport, film, or others. The right to publicity belongs to a person, and that individual is the only one who may benefit from it." The Indian courts held that such characters that have developed a life of their own and gained respect and recognition outside of their original arena have an economic potential that is their own, indicating that in such instances, either the originator or the character may assert a right to preclude others from commercially leveraging such public image.

#### **XIV. LEGAL IMPLICATIONS OF CHARACTER MERCHANDISING IN INDIA**

Contemporary marketing and communication techniques have drawn attention to character merchandising, which has grown into a multi-billion dollar industry. In practically every country, the notion of character merchandising is fraught with legal concerns. Several common law nations, like the United Kingdom, have followed similar judgements and established a system of protection for character merchandise. Courts all across the globe are realizing the necessity for market regulation, and governments have acknowledged this need via legislation or judicial measures. As a result, the rights can be obtained by licensing or otherwise. There are numerous factors that may be attributed to the emergence of Character Merchandising in India. The expansion of the sector has been related to the expansion of the retail industry. Licensors prefer to make investment in acquiring licenses with an established worldwide or local presence. The organized retail sector in India is expected to increase from 9% of the entire retail industry in 2015 to 20% by 2020<sup>59</sup>. Several international companies, such as Disney, have joined the Indian economy to offer their products and co-merchandise. In addition, the introduction of major sports leagues such as the IPL has contributed to an increase in character merchandising in India. Such as Harbhajan Singh who has sold his license for using his identity to the business License India<sup>60</sup>. Consumer expenditure is increasing in terms of both quality and prestige<sup>61</sup>. Modern day Indian customers aspire to compete with international buyers and are

<sup>59</sup> THE ECONOMIC TIMES, INDIAN CONSUMER DURABLES MARKET TO REACH \$20.6 BN BY 2020' (24 JULY 2015) <[http://articles.economictimes.indiatimes.com/2009-04-15/news/27636098\\_1\\_indian-cricket-brand-licensing-agreement](http://articles.economictimes.indiatimes.com/2009-04-15/news/27636098_1_indian-cricket-brand-licensing-agreement)>

<sup>60</sup> Raman Mittal, Licensing One's Persona: Analysing the Practice of Personality Merchandising, 52 JOURNAL OF THE INDIAN LAW INSTITUTE 16, 18 (2010) [jstor.org/stable/pdf/43953480.pdf?casa\\_token=XuNUuTmSNvkAAAAA:6Q7HBjQV8tcFpNFYQb1jJf\\_wvBNkzMLZSDlrDwjS\\_jZlvQyJz97iIUMp7wqUI6uKEeYLGixRfJGowps03Ch4I1oa1eCu3E9FpCCsDk0AofTveW0Vg](http://jstor.org/stable/pdf/43953480.pdf?casa_token=XuNUuTmSNvkAAAAA:6Q7HBjQV8tcFpNFYQb1jJf_wvBNkzMLZSDlrDwjS_jZlvQyJz97iIUMp7wqUI6uKEeYLGixRfJGowps03Ch4I1oa1eCu3E9FpCCsDk0AofTveW0Vg)

<sup>61</sup> THE ECONOMIC TIMES, 'HARBHAJAN SINGH SELLS RIGHTS TO LICENCE HIS NAME' (15 APRIL 2009) <[http://articles.economictimes.indiatimes.com/2015-07-24/news/64817266\\_1\\_durables-market-share-appliances-manufacturers-association](http://articles.economictimes.indiatimes.com/2015-07-24/news/64817266_1_durables-market-share-appliances-manufacturers-association)>

drawn to things that they associate with, such as novels and movies. Since the commencement of the commercial branch in India in 2001, Pogo as well as Cartoon Network have boosted their sub-brands, goods, and retailing by around 70%. Growing brand recognition has also resulted in an upsurge in counterfeit goods since it instils in buyers a desire to possess the brand. This can highlight the character merchandise surge in India and the significance of protection as well as its regulation.

Section 2(1) of the Indian Trademark Act, 1999 stipulates when the entities that can obtain a trademark. It specifies, among other things, that individual names, images, and product packaging can all be protected as trademarks. Because the fictitious figure is portrayed in 3D or graphical form on products and services, it is covered under trademark law. The registration should be established under the different classes listed in Rule 22 of the Trademark Rules, 2002, as well as the NICE classification provided by WIPO<sup>62</sup>. It refers to items in Classes 1–34 and services in Classes 35–45. Following the filing of a trademark application, the applicant may select several items via which they wish to sell or license their commodity. Since counterfeit goods exist, trademarks in various classifications are the greatest solution for protection from violation as well as utilization. Character protection in trademarks is awful, and the Indian industry must adapt to the challenge and use this service at the very least for security. Popular Character Merchandising instances in India include *DM Entertainment v. BABY Gift House*<sup>63</sup>, in which the dolls of a famed playback vocalist Daler Mehndi were marketed to the public without the approval of the firm that had obtained the privileges from the artist. The Court ruled that it constituted a passing off because it gave the appearance to the public that it was a creation of the firm that owned the rights to the artist. In this case, the brand is the prominent personality, namely the singer, and might be considered character merchandising. In the case of *JK Rowling v. Puja Committee, Kolkata*<sup>64</sup>, one of settings during Durga Puja was based on the Harry Potter theme, complete with a Hogwarts-style fortress. while JK Rowling's name had been registered as a trademark for Harry Potter. Yet, the Delhi High Court refused to prohibit the Committee and instead required them to make an undertaking promising not to utilize any characters from the novel without consent hereafter. The defendant stated claimed that they were a non-profit organization that was exclusively utilizing the characters for philanthropic purposes. The plaintiff in *Chorion Rights Limited V. Ishan Apparel and Ors.*<sup>65</sup> alleged to be the proprietor of

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<sup>62</sup> NICE Agreement classification of goods and services (1957)

<sup>63</sup> *DM Entertainment v. BABY Gift house CS(OS) No. 893 of 2002*

<sup>64</sup> DNA,' Court gives okay to Kolkata Harry Potter Pandal' (12 October 2007) <<http://www.dnaindia.com/india/report-court-gives-okay-to-kolkata-harry-potter-pandal-1127147>> accessed 17<sup>th</sup> February 2016

<sup>65</sup> *Chorion Rights Limited vs. Ishan Apparel and Ors.* (2010 ) ILR 5 Delhi 481

a fictitious figure named NODDY, with commercial rights and a global trademark over it. The plaintiff sought an injunction to restrain the defendant from supplying clothing under the brand name NODDY. While the court recognized the significance of maintaining character marketing rights, it concluded that the defendant's registration for such mark was approved in the year 1995. However, the plaintiff's claims upon that mark was effective in 1997. As a result, despite the fact that the plaintiff controlled the marketing rights to NODDY in most territories, the defendant was first beyond the post in India. In India, there have been a number of instances involving infringements on Disney's international trademark and commercial rights. Disney has filed a massive number of lawsuits and injunctions. Its well-known characters have made it difficult for Disney India to keep track of the number of infringements. In *Disney Enterprises Inc & Anr v. Gurcharan Batra & Ors*<sup>66</sup>, wherein school bags with Disney characters were sold without prior approval, was granted a permanent injunction and damages worth Rs. 1 Lakh; *Disney Enterprises Inc & Anr V. Harakchand Keniya & Ors*<sup>67</sup>, wherein the defendant was attempting to sell party hats as well as other party ornaments, the court determined that the defendants were liable for the violation of rights over the characters vested with Disney and awarded Rs. 2 Lakh as damages and a permanent injunction to restraint further sale of the commodities. In *Disney Enterprises Inc & Anr V. Gurmeet Singh & Ors*<sup>68</sup>, the court ruled that 'Disney' and its characters are well-known trademarks, and the case was resolved via an out of court settlement. The majority of these instances were resolved ex parte. In *Disney Enterprises Inc. & Anr. V. Santosh Kumar & Anr.*<sup>69</sup>, the respondent was supplying school boards featuring pictures of Hannah Montana, Mickey Mouse, Winnie the Pooh and so on. Disney was given a permanent injunction in addition to 5 million dollars in damages. The court determined that there is an intensive degree of connection between both the plaintiffs as well as the aforementioned personalities, and that any connection to such personas instantly reminded the public of the plaintiffs<sup>70</sup>.

## XV. CONCLUSION

The preceding analysis shows that traditional legal mechanisms are inadequate to provide effective protection to character commercialization. The lack of a distinct right and the uncertainty in the present legal position deny users of potential applications and defences that

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<sup>66</sup> *Disney Enterprises Inc & Anr vs. Gurcharan Batra & Ors* C.S.(OS) No.607/2006

<sup>67</sup> *Disney Enterprises Inc & Anr vs Harakchand Keniya & Ors* C.S.(OS) No.1254/2007

<sup>68</sup> *Disney Enterprises Inc & Anr vs Gurmeet Singh & Ors* CS(OS) 1451/2011

<sup>69</sup> *Disney Enterprises Inc. & Anr. vs. Santosh Kumar & Anr.* CS(OS) 3032/2011

<sup>70</sup> Aprajita Lath, 'Mickey Mouse Trouble' (June 19 2014) <<http://spicyip.com/2014/06/mickey-mouse-trouble-disney-obtains-a-host-of-injunctions-and-damages-for-trademark-and-copyright-infringement.html>> accessed 23<sup>rd</sup> February 2016

might otherwise be accessible to them. Effective preservation of personality rights and other benefits of notoriety may be attainable with acceptance of the right to publicity and a broad understanding of the tort of passing off, as decided in the Henderson's case<sup>71</sup>. However, the Irvine judgement does not entirely recognize this perspective, it could be viewed as a good shift to the English judiciary's approach. In terms of Indian law, the court system have thus far adopted a favourable attitude toward the preservation of personal rights. Given the increasing commercialization of reputation and publicity rights by Indian enterprises, and celebrities seeking to combat the unapproved use of such rights, it's essential for the law to formally acknowledge publicity and image rights. The Trade Mark Act's clauses may be modified to include the right of publicity within its purview. The term "trade mark," as specified in section 2(zb), may be broadened to encompass markings capable of identifying the assignable interests vested in a personality or character due to the reputation linked to it. India seems to be expanding the merchandising company industry that will grow by leaps and bounds in the next years. In India, there isn't any clear legislation for the preservation of character merchandise. India can follow Australia's lead and draught legislation to update the Trademark Act as well as the Copyright Act. Legally, there is an urgent need to establish a strong framework for controlling the selling of character items. Consumers frequently fall victim to the deceitful techniques of people who offer counterfeit items in their quest to get the cheapest accessible merchandise. Multiple judgements have evolved through the Indian and international law to safeguard the interests of both artists and consumers in order to prohibit them from purchasing counterfeit products. Character merchandising is sometimes used lawfully to avoid unfair competition, as competitors are likely to employ well-known public figures in their advertising. Celebrity personality rights must be safeguarded as well, since even if they are deemed public entities, they have created a brand out of themselves via their own personal effort.

It is necessary to defend the interests and rights of artists who have worked hard to develop a product with their intellect. While intellectual property laws protect such artists as a motivator to produce, they are sometimes inadequate in safeguarding the abuse of personalities created. When it pertains to such exploitation, artists and famous personalities are on the receiving side. It is critical to provide protection and to prohibit the utilization of their name or appearance for solely commercial purposes or deception. India's intellectual property policy has to be strengthened in order to protect creators and foster innovation. Character merchandising rules

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<sup>71</sup> Melville B. Nimmer, *The Right of Publicity*, 19 *LAW AND CONTEMPORARY PROBLEMS* 203, 218-219 (1954) license

will be able to boost the IPR framework and build India's status as a nation that encourages and protects creators. To summarize, there is an urgent need to simplify overlapping and contradictory conventions that are impeding the expansion of this business and to provide clear principles with codified legislation that would foster the advancement of this new kind of marketing.

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