

IOC REQUIREMENTS ON BRAND PROTECTION AND TICKET TOUTING

The information below was provided by the IOC, to help explain in more detail the requirements in the Technical Manuals that accompany the Host City Contract. These are the requirements that are reflected in provisions of the London Olympics Bill. It should be noted that in some cases – for instance, restrictions on advertising on public transport - requirements will be met by through agreements already signed by LOCOG, without needing specific legislative action.

1. Clause 48 (c) of the Host City Contract (“HCC”) puts a requirement on the parties to combat Ambush Marketing. How does the IOC define “Ambush Marketing”?

“Ambush Marketing” is defined as any attempt by an individual or an entity to create an unauthorized or false association (whether or not commercial) with the Olympic Games, the Olympic Movement, the IOC, the National Olympic Committee of the Host Country or the Organising Committee of Olympic Games (“OCOG”) thereby interfering with the legitimate contractual rights of official marketing partners of the Olympic Games.

2. What does the IOC require in terms of legislative action to combat ambush marketing?

The IOC, as early as in the phase of bidding for the Olympic Games, requires a guarantee from Candidate Cities confirming that, prior to the commencement of the Olympic Games, legislation will be passed in the Host Country which is necessary to effectively reduce and sanction ambush marketing, and to eliminate street vending and control advertising space (including air space) during the period of the Olympic Games (and at least two weeks before the Olympic Games). The London Bid Committee has provided a guarantee to this effect.

Such legislation can be at a national, regional and/or local level, as appropriate. The OCOG must study existing laws, identify those areas where additional legislation is needed to fulfil the IOC’s requirements and work to develop and gain approval for the following types of legislation:

- specific legislation to protect Olympic intellectual property and to prohibit use of confusingly similar words, symbols, terminology and graphic design as well as the unauthorised use of Olympic intellectual properties;
- Games operations legislation that places restrictions and sanctions on billboard and airspace advertising, street vending, ambush marketing, airspace and other aspects affecting Games-time operations;

- legislation to combat forms of ambush marketing which are not caught by the above-mentioned legislation but which nevertheless damage the OCOG's ability to finance and stage a successful Olympic Games.

3. What are the IOC's recommended methods for securing the requisite protection against ambush marketing?

Past Host Countries have introduced specific legislation for the Games which has successfully addressed, among others, brand protection requirements.

Legislation should provide for the protection of the Olympic permanent marks (the Olympic Symbol, "OLYMPIC", "OLYMPIAD", etc.) as well as for the "CITY + YEAR" identification of the Games, the Official Emblem of the Games, the "VENUE NAME / VENUE CITY + YEAR" identifications and possibly some others.

Secondly, the law will have to provide proper treatment with respect to all possible kinds of signs or identifications of a lower level, the use of which will be prohibited only if an additional element confirms a link to the Games, which means that in the absence of a confirmative element these might be regarded as acceptable. To aid the application of such laws, the burden of proof could possibly be reversed so that the defendant is presumed to have violated the law by using such signs and identifications, unless he can show that his actions have not created a link with the Games.

Particular attention shall be paid in connection with the implementation measures of the specific law.

Other brand protection-related elements of such legislation introduced successfully for other Games have been formulated to fulfil contractual obligations of the Host City vis-à-vis the IOC. These elements include measures to control and sanction billboard advertising, street vending, and ticket scalping. These requirements are discussed in more detail below.

In addition to the above-mentioned legislation, contractual protection, anti-ambush education and campaigns are the recommended tools to combat ambush marketing.

4. What does the IOC mean by "clean venues"? Clause 46 of the HCC requires that the parties shall ensure that no propaganda or advertising is placed within the Olympic venues or outside Olympic venues. To what extent does the IOC require propaganda and advertising to be limited outside venues?

Clean venues refer to the status of all competition and non-competition venues being rendered free of commercial, political or religious advertising and messaging, leaving only the Look of the Games and approved Games sponsor presence. This is one of the key differentiating factors that the Olympic Games offer as compared to other events to athletes, spectators and the worldwide broadcast audience.

For the application of clean venue principles, venues are divided into 4 zones from the field of play to the areas surrounding the outside of the venues. The degree of allowed advertising and commercial identification varies per zone and is obviously more stringent on the field of play than outside of venues. For example, no advertising or commercial identification is allowed (other than very limited identification of the manufacturers of sporting, technical and personal equipment and uniforms as stipulated by the IOC) in the competition area, spectator area and in other locations that can be seen by television cameras and by seated spectators. Outside of venues public advertising controls as detailed in the response to Question 5 below shall apply.

On a related note and as required in the bid phase, venue naming shall comply with clean venue principles. In particular, commercial names of venues built prior to the awarding of the Olympic Games must be changed for the period of the Olympic Games and the preceding two weeks. Venues built after the awarding of the Olympic Games may not be commercially named until after the Paralympic Games and such naming requires IOC approval.

5. What are the IOC's requirements in terms of controls on outdoor advertising?

The objectives of the public advertising control programme are as follows:

- to enhance the image of the Games;
- to ensure that the image and presentation of the Host City is consistent with the Games' image;
- to protect the exclusive rights of official marketing and broadcast partners by minimizing the commercial presence of entities that are not official marketing partners;
- to ensure the value of the OCOG marketing programme and thus facilitate the financing of the Games;
- to prevent ambush marketing.

The four main areas covered by the programme are as follows:

- outdoor public advertising space;
- transport-related advertising space;
- airspace above the host city and venue cities;
- street vending.

The geographic area of required advertising controls extends to:

- inside and on all forms of public transportation and public transportation stations/hubs which service the Games;
- in and around Games venues to a reach visible from field-of-play, camera view or spectator area;
- on main transport corridors to and from Games sites.

From past experience, OCOGs have found a combination of the following to be effective

to achieve the required level of control:

- Contractual agreements with the owners of advertising space.
- Use of local ordinances and a permit process, e.g. requiring that the city place limits on the number, location and type of permits (e.g., street vending, billboards, demonstrations, parades) granted as a means of exercising control.
- Legislative changes to existing permit processes.
- Use of special legislation, at the local and national level, governing the use of Olympic marks and images as discussed earlier.

6. What are the IOC's requirements in relation to the elimination of street trading?

Controlled street vending is necessary to minimize risks with, among others, outlets selling counterfeit merchandise, distribution/sale of propaganda materials and upholding of the Olympic image. Past Olympic Games experience shows that options are:

- Suspension of the licenses for street vending during the Games; or
- Alternatively, a stringent approach to licensing, including identification requirements.

7. What legal controls does the IOC require to be enacted in respect of "ticket scalping"?

Olympic Games events are very popular and must be protected from individuals seeking to profit by selling on tickets above face value. Laws should both forbid:

- such sales;
- people from advertising and executing such sales.

Scalping of tickets is detrimental to the image of the Olympic Games particularly at Games-time. Local law enforcement should be able to take appropriate action against scalpers selling Olympic Games tickets.

In addition to "ticket scalping", it would be highly recommended to address at a legislative level the issue of offering Olympic Games tickets as prizes. In the past, both the IOC and the OCOGs found it challenging to fight against the use of Olympic Games tickets as prizes by non-Olympic sponsors. This is a very popular and efficient method of ambush marketing: a non-Olympic sponsor offers its products for sale with slogans similar to "Buy XY product and win tickets to the Games/see the ____ competition at the Games". The unjustified association with the Olympic Games is obvious. The inclusion of a provision forbidding such practices in Olympic Games-related legislation would greatly facilitate the OCOG's task to prevent this type of infringement upon its official marketing partners' rights.

Further note provided by the IOC

Although the wording contained above may go far in requiring protection in relation to the Olympic Games, it is not the intention of the IOC to overreach and/or to prevent uses of marks, imagery or designations that have nothing to do with the Olympic Games. Rather, the objective of the IOC is to (i) prevent third parties from leading other people to believe that they have a connection with the London Olympic Games when this is not the case; and (ii) to prevent third parties not connected with the Olympic Games from unduly benefiting from the goodwill therewith, vis-à-vis sponsors and suppliers who are paying millions of pounds to, and in support of, the London OCOG in return for the right to connect themselves with the London Olympic Games. Otherwise, this can lead to serious detriment for the London OCOG with respect to its planning, organising and staging of a successful Olympic Games.