

“I am internet famous!”: Protecting a new form of ‘celebrities’ in the law of passing off

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Abstract:

The main purpose of this paper is to explore the efficacy of the law of passing off as a mechanism to provide legal protection for the ‘status’ of so-called ‘celebrities’. In doing so, the author explores the legal position of a new form of celebrities - those who have achieved the status of celebrities on non-traditional media platforms, as opposed to traditional media such as TV. The author ultimately aims to examine whether, and to what extent, the restrictive approach taken by the jurisdictional based law of passing off provides a sufficient level of protection to the new form of celebrities.

Key words: celebrities, micro-celebrities, YouTubers, passing off, goodwill

1. Introduction

Providing an adequate protection to the ‘status’ of celebrities has become ever so significant based on the following grounds: (i) the commercial and marketing values of celebrities’ names, images, fame and likeness have become the integral part of business; (ii) the means by which those attractive forces that attach to ‘celebrities’ can be misappropriated has diversified due to technological advancement; (iii) platforms that can help to achieve the status of ‘celebrities’ have also diversified, due to the wide and rapid growth in video-sharing social networking sites, the main ones being YouTube and TikTok, and photo and video-sharing social networking sites such as Instagram. The author will draw special attention to a new form of ‘celebrity’, which she refers to as ‘micro-celebrities’. Real-life examples of micro-celebrities are YouTubers and Instagram influencers who have gained a certain level of fame within a very niche borderless and timeless market.

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Celebrities' names, images, fame, and likeness have increasingly become very attractive commercial forces which bring in custom, and the likelihood of such being misappropriated has diversified due to the advancement of technology. For example, it is reported that Ariana Grande took legal action against Forever 21 claiming for damages of \$10million (£8.3 million) because Forever 21 used a model which looked too much like her.¹ She argued that Forever 21 had been free-riding on her fame, likeness, and influence in order to sell its product by using a 'lookalike Ariana Grande', and that the consumers had been misled to believe that she endorsed its product. This is a classic example of how the commercial attractiveness of celebrity in the traditional sense can be misused by an unauthorised third party. The author also argues that the ways in which so-called ordinary people can achieve the status of celebrities have diversified, and it is time for us to revisit how law can provide the appropriate protection for the statue of 'celebrities' in both traditional and non-traditional senses.

The author firstly attempts to define conceptually who celebrities are in order to delineate the scope of the protectable subject matter. The author will firstly set out the rule of the territorial based law of passing off both in classic and extended forms, and will secondly critique how the extended form of the law of passing off has been applied to protect the celebrity 'status'. Thirdly, she will draw upon the cases of *Irvine*, *Fenty* and *Starbucks* to discuss the efficacy of the current legal framework to determine whether the recent approach is sufficient to provide appropriate protection to the new form of celebrities.

2. Defining celebrities: rise of social media and video-sharing platforms

As way of background, the definition of 'celebrities' will be explored. The author will employ the socio-legal approach to seek more guidance on the definition of celebrities, as well as their role and economic and social impact brought by them. As Tan suggests, the usefulness of the application of a socio-legal approach to passing off lies in its examination of the functions and meanings of celebrities in the modern society, and to examine how celebrities are perceived and incorporated by ordinary people in their lives.² The author makes her submission that the concept of celebrity seems to be rather fluid, elusive, and its scope is not immutable. She also argues that the expansion of the scope of 'celebrity' might be attributed to the rapid spread of the use of social media and video-sharing platforms such as YouTube.

It is generally understood that the word 'celebrity' is derived from the French *celebre*, which expresses something 'well-known, public'³. In addition to this, the Latin word '*celere*'

¹ *Grande-Butera et al v Forever 21 Inc et al* (Case number 2:2019cv07600) US District Court, Central District of California. The case seems to have not been progressed since Forever 21 filed bankruptcy in September 2019.

² Tan, D (2010) 'The Fame Monster Reloaded: The Contemporary Celebrity, Cultural Studies, and Passing off' *Singapore Journal of Legal Studies*: 151-176 at 153.

³ Marshall, P, D (2014), *Celebrity and Power: Fame in Contemporary Culture*. (Minnesota: University of Minnesota Press) page 6.

means 'swift' in the English word, and this suggests the fleeting nature of celebrity status.⁴ Though the challenging nature of defining 'celebrity' has been widely accepted,⁵ Boorstin provides us with a convincing and comprehensive definition of celebrity, that is 'celebrity is the person who is known for well-knownness'.⁶ Further to this, Marshall defines that 'celebrity can be thought of as the general and encompassing term, whereas concepts of hero, star, and leader are more specific categories of the public individual that relate to specific functions in the public sphere'.⁷ Marshall adds his explanation onto Boorstin's one, i.e., celebrity as a general and common concept to denote 'well-knownness', regardless of the way it has been acquired.⁸ According to Rojek,⁹ a leading sociologist, celebrity is treated as 'the attribution of glamorous or notorious status to an individual within the public sphere' and Rojek categorises the celebrities into three different groups depending on the ways in which the requisite 'fame' and/or 'well-knownness' is obtained. Rojek's categorisation will be described in the subsequent section.

2.1 The formation of celebrity

Marshall describes celebrity as a general and common concept to denote 'well-knownness' regardless of the way it has been acquired.¹⁰ Tan also argues that the concept of celebrity – with its attendant notions of well-knownness, adulation and popularity – is signified through, for example, an entertainer or athlete.¹¹ In order to explore how 'celebrity' can be formed, the author makes a reference to Rojek's categorisation of celebrities.¹²

Rojek's categorisation of celebrities is three-fold¹³: (i) ascribed (ii) achieved, and (iii) attributed. Ascribed celebrities stem from their bloodline of biological descent such as kings and queens or royalties, and the status is innate and predetermined. Achieved celebrity status stems from the perceived accomplishment of the individual in open competition.¹⁴ They become celebrities by reason of their artistic or sporting achievements. Examples of this category are Rihanna, David Beckham, Anthony Joshua, Michael Jordan and Damian Hirst. They are recognised as individuals who possess unique talent and skills. The last categorisation is known as 'attributed celebrity'. This category of celebrities do not necessarily possess rare talent or requisite skills; they are the end-product of concentrated representation of an individual as noteworthy or exceptional by

⁴ *Ibid.*

⁵ *Supra* note 2 at 162.

⁶ Boorstin, D (1997), *The Image: a Guide to Pseudo-Events in America*. (New York: Vintage Books) at 57.

⁷ Driessens, O (2013) 'Celebrity Capital: Redefining Celebrity Using Field Theory.' *Theory and society* 42: 543–560 at 544.

⁸ *Supra* note 3.

⁹ Rojek, C (2001), *Celebrity*. (London: Reaktion Books).

¹⁰ *Supra* note 3 at 11.

¹¹ *Supra* note 2 at 158.

¹² Rojek's categorisation of celebrity has been very widely adopted. See for example Cocker, H, L, and Cronin, J. (2017) 'Charismatic Authority and the YouTuber.' *Marketing Theory* 17.4: 455-72.

¹³ *Supra* note 9 Rojek at 17.

¹⁴ Driessens, O. (2013). 'Celebrity Capital: Redefining Celebrity Using Field Theory.' *Theory and society* 42, no. 5: 543–560 at 544.

cultural intermediaries, due to the rapid expansion of mass and social media.¹⁵ In similar vein, Driessens explains that celebrity can be ascribed through family relationships (royals), achieved through talent and accomplishments (*i.e.* musicians, sports stars athletes, or criminals), and predominantly attributed via the media (reality TV participants or so called socialites as Paris Hilton).¹⁶

Giles, in the view of this author, plainly describes that ‘the brutal reality of the modern age is that that all famous people are treated like celebrities by the mass media and social media whether they be a great political figure, a worthy campaigner, an artist ‘toughed by geniserial killer, or Maureen of Driving.’¹⁷ The point raised by Giles can also be found in the explanation by Boorstin that ‘celebrity is a person who is known for his/her well-knownness’.¹⁸

The following brief summary can therefore be provided: the delineation of the concept of ‘celebrities’ can be summarised as a person who is well-known to the general public for the sake of being well-known, with or without qualities. Second point is that the status of being well-known can be acquired or innated. It can also be said that the main platform to acquire ‘well-knownness’ is through traditional forms of media such as TV and/or press. However, the landscape of entertainment industry has been changing due to a rapidly growing popularity of social media and video-sharing platforms such as YouTube and Tik Tok. ‘Youtuber’ refers to those who create, upload, and share the video on YouTube.¹⁹ The next section will examine how the definition of celebrities has been impacted by the emergence of new platforms.

The number of subscriptions of Netflix is reported to have spiked during the early phase of Covid-19 pandemic in March 2020.²⁰ Netflix had 203.67 million paid subscribers worldwide as of the fourth quarter of 2020. Most Netflix subscribers are based in the United States, with the U.S. accounting for over 73 million of Netflix’s total global subscriber base.²¹ Interestingly, it is also reported that people aged 16-24 years old spent more time watching Netflix than TV.²² Therefore, this report supports the author’s argument that the platforms

¹⁵ *Supra* note 9 Rojek at 18.

¹⁶ *Supra* note 14.

¹⁷ David G ‘Illusions of Immortality: A Psychology of Fame and Celebrity’ at 5. is quoted in *Supra* 14 at 548.

¹⁸ *Supra* note 14.

¹⁹ See general explanation of YouTubers, Lewis, R. (2020). “‘This Is What the News Won’t Show You’: YouTube Creators and the Reactionary Politics of Micro-Celebrity.’ *Television & new media* 21, no. 2: 201–217 at 203.

²⁰ See the report on subscription. <https://www.theguardian.com/media/2021/apr/20/netflix-records-dramatic-slowdown-in-subscribers-as-pandemic-boom-wears-off#:~:text=The%20latest%20results%20came%20after,triggered%20lockdowns%20across%20the%20world>

²¹ See the statistics on the numbers of the Netflix subscribers: <https://www.statista.com/statistics/250934/quarterly-number-of-netflix-streaming-subscribers-worldwide/>.

²² See the report: <https://www.independent.co.uk/arts-entertainment/tv/news/bbc-netflix-young-people-watch-more-iplayer-spotify-statistics-a8281706.html>.

where status of celebrities can be obtained have been more diversified. A number of online media streaming services have also enabled viewers to reach out to content which are 'foreign' to them, for instance, the Spanish-originated drama called 'Money Heist (*la casa de papel*)'²³ and the South Korea-originated drama called 'Squid Game'.²⁴

2.2 "I am internet famous!": Micro-celebrity: a new social and cultural phenomenon

In this section, the new form of celebrities will be explored in detail. Social media is said to be a main producer of creating this new type of celebrity known as 'micro-celebrities'. This section will explain the term 'micro-celebrity' and how this new form of celebrity operates in the current society by drawing an analogy with YouTubers. As will be shown, the YouTuber is a great exemplar of micro-celebrity. The author will also demonstrate the interlink between the new form of celebrity, and their social and financial significance.

The term 'micro-celebrity' was coined by the American scholar, Alice Marwick, and is defined to be a set of practices adapted from traditional celebrity culture that enables social media users to gain attention and popularity.²⁵ Thus, the term 'Micro-celebrity' indicates both the state of being well-known to a niche group of people, and a practice where people present themselves as carefully structured.²⁶ Marwick explains the latter to be a 'self-presentation technique in which people view themselves as a public personal to be consumed by others, uses strategic intimacy to appeal to followers, and regard their audiences as fans'.²⁷ Applying this to the online micro-celebrity, we can say that the term 'Micro-celebrity online' refers to social media users with niche audiences and followings, as well as to the process they partake in to cultivate those audiences.²⁸ In this article, the author will only refer to the latter when the term 'micro-celebrity' is used herein, and this will be used as an umbrella term to include all who have become 'famous' and therefore brings some financial implications via the internet (such as YouTube and Instagram). Therefore, YouTubers who have gained a certain level of fame are regarded, in this article, *de facto*, micro-celebrities.

A main difference between celebrities in a traditional form and micro-celebrity is the nature of 'fame' that they have acquired. Micro-celebrities might not necessarily be famous at the international level to all of us, or they might not be known to all the UK residents, but they are famous in a very niche market – therefore their fame can be very much targeted. While the fame of celebrity is omnipresent, the status of renowned

²³ See <https://www.netflix.com/gb/title/80192098> for more information on 'Money Heist'.

²⁴ See <https://www.netflix.com/gb/title/81040344> for more information on 'Squid Game'.

²⁵ Marwick A. Microcelebrity Self-Branding and the Internet. The Blackwell Encyclopedia of Sociology 1-2. Rebecca Lewis explains her research in Lewis, R (2020). "This Is What the News Won't Show You": YouTube Creators and the Reactionary Politics of Micro-Celebrity.' Television & new media 21, no. 2: 201–217.

²⁶ Cocker, H, and Cronin, J (2017). 'Charismatic Authority and the YouTuber: Unpacking the New Cults of Personality.' Marketing theory 17, 455–472.

²⁷ Martínez, C, and Olsson, T (2019). 'Making Sense of YouTubers: How Swedish Children Construct and Negotiate the YouTuber Misslisibell as a Girl Celebrity.' Journal of children and media 13; 36–52.

²⁸ *Ibid*.

ordinary individuals stands out due to their personality, or beauty of accomplishments within a particular social assemblage meaning their fame is much more localised and dependent on some level of interaction between them and their community.²⁹

2.3 Defining micro-celebrities, YouTubers and YouTube

To date, YouTube is the largest video-sharing platform in the world, and works as well as an intermediary for content distributors.³⁰ As of 2020, there are more than 37 million YouTube channels, and the number of channels has shown a very strong increase year by year.³¹ YouTube has also become one of the most common online activities that children engage in.³² According to a recent Ofcom Report³³, in the UK, for example, 81% of 8-11 years old and 90% of 12-15 years old regularly use YouTube. This clearly demonstrates that a large proportion of children aged over 8 is heavily engaged with YouTube. It might not too much to say that YouTube is part of their life.

YouTube, a Google-owned company, has become not only a widely used hub for amateur broadcasting, but also a work site for over 100,000 professional 'YouTubers', who earn an income through the publication of videos.³⁴ YouTubers are understood to be a person/people who upload and share the contents of videos. YouTubers can also be understood as micro-celebrities who have gathered a substantial number of followers or subscribers on the social media platform.³⁵ The author argues that YouTube has brought not only an economic, but also a social and cultural impact on our societies. For example, so-called 'Professional YouTubers' make livings out of uploading the video on their own YouTube channel(s). One of the most financially successful YouTubers in 2020 in the world was a 9-year-old boy, Ryan.³⁶ His annual earning was reported to be \$29.5 million. He also has several endorsement deals including Marks & Spencer pajamas and toys, which is estimated to be worth \$29.5 million. He also signed a deal for this own TV series on Nickelodeon. This is a remarkable testament that *anyone* can achieve a statue of fame, which come with financial rewards within a very short period. It can be said that the online platform is a new place for the so called 'American Dream'.

Furthermore, it is argued that YouTube and YouTubers also have brought social and cultural implication to our society. One commentator argues that YouTube is no longer just a place where you can find free versions of copyright-protected work; it is now home

²⁹ *Supra* note 26 at 457-458.

³⁰ Valentin, N. (2020). "YouTubers Unite": Collective Action by YouTube Content Creators.' Transfer (Brussels, Belgium) 26, 223–227.

³¹ See the report: <https://www.tubics.com/blog/number-of-youtube-channels>

³² Martínez, C, and Olsson, T (2019). 'Making Sense of YouTubers: How Swedish Children Construct and Negotiate the YouTuber Misslisibell as a Girl Celebrity.' Journal of children and media 13, no. 1 (2019): 36–52.

³³ See the Ofcom report. https://www.ofcom.org.uk/__data/assets/pdf_file/0023/190616/children-media-use-attitudes-2019-report.pdf.

³⁴ *Supra* note 14.

³⁵ *Ibid*

³⁶ As of March 2022, Ryan is currently 11 years old (He was born in October 2011).

to thousands upon thousands of quality content creators and artists.³⁷ What is more, it is said that YouTube have rhetorically positioned themselves as empowering tools for individual users who have not previously had a voice in the main stream media.³⁸ The widespread use of the social media technologies has enabled 'ordinary' people to achieve concentrated status of 'celebrity' amongst a few.³⁹ Ordinary people have been enchanted by the magnetic appeal of the new celebrity status and they have galvanised interest of achieving such through the social media platforms.⁴⁰

Overall, it has been apparent that new platforms of communication diversified the ways in which people can obtain the state of 'fame', and has provided more accessible places for all to achieve the state of 'fame'. It is also apparent that the definition and perception of 'celebrity' has shown a shift due to the changes in society.

In summary, the key characteristics of 'internet famous' micro-celebrities are five-fold: (i) their fame is concentrated online via World Wide Web (the location of fame); (ii) their fame might rest in a very niche market on the world of timeless/borderless internet the extent and degree of fame); (iii) no geographical location set to obtain 'fame' in the world of micro-celebrities (the geographic location of fame); and (iv) the fame can be established instantly in such a short period of time and such a fame might have a very short shelf life (the duration of fame); (v) the subscribers can unsubscribe at any point in time and therefore their fandom is very market-sensitive and fragile (sensitivity of their fame). In the next section, an introduction to the law of passing off will be provided. This is a starting point of the discussion on how the law can protect 'celebrities' and micro-celebrities.

3. Passing off: overview

By way of background, an overview of the tort of passing off and extended passing off focusing on the protectable subject matter will be provided. The causal relationship between the law of passing off and celebrity will also be delineated to explore how the law of passing off has been utilised in order to accommodate the claims brought by so-called celebrities. In the UK, there is no actionable proprietary right in *persona* of a famous individual.⁴¹ Since there is no stand-alone right of protecting the commercially valuable

³⁷ Malzone, J, (2019). 'Who Cares about the Modern Creator?', DePaul Journal of Art, Technology and Intellectual Property Law 29, no. 2: 1-36 at 1.

³⁸ *Supra* note 25 at 203.

³⁹ *Supra* note 26 at 456.

⁴⁰ *ibid* at 457.

⁴¹ Ng, W C. (2016) 'The law of passing off – goodwill beyond goods' International Review of Intellectual Property and Competition Law 817-842.

public *persona*⁴² of a famous person, unlike other jurisdictions such as the US⁴³ and Japan⁴⁴, the law of passing off has been used as a tool for celebrities to receive legal protection against unlawful misrepresentation of the image of the celebrity.

The traditional law of passing off is well-established.⁴⁵ It is generally understood that the law of passing off protects traders' *goodwill* against certain types of unfair competition by preventing the unauthorised third party from illegitimate misrepresenting the trader's good as if it was theirs.⁴⁶ Though it is beyond the focus of this article, it is noteworthy that there has been no universal agreement as to whether the law of passing off is, indeed, the law of unfair competition. Whilst Lord Diplock, in *Evern Warnink BV v J. Townend & Sons (Hull)*, explicitly raised his concern that the law of passing off should not be used to hamper legitimate competition,⁴⁷ Aldous LJ, in *Arsenal v Reed*,⁴⁸ stated that the tort of passing off is 'perhaps best referred to as unfair competition'.⁴⁹

Passing off is also understood to provide protection for the trading activity that has created a reputation for the trader's goods,⁵⁰ and the differences between 'mere' reputation and requisite goodwill will be further explored in the subsequent sections 3.1., and 3.2.

Passing off is not about recognising any proprietary right in the word, mark, or sign itself, but recognises the goodwill which is attached to those, and offers protection against damage caused by misrepresentation. Carty explains that the law of passing off protects the trading activity that has created a reputation for the trader's goods. Carty also argues that a rigorous academic debate is required due to the *protean* nature of passing off.⁵¹

Historically, the action for 'passing off' developed in the 19th century out of the use in connection with one's goods by another of the trade name or trademark of a rival trader so as to induce in potential purchasers the belief that his goods were those of the rival

⁴² *Supra* note 2.

⁴³ Some American states recognize the right of publicity is part of legislation; for example, see sections 50 and 51 of the New York Civil Rights Act. There are about 18 States which recognizes the statutory right of publicity. See Moskalenk K. (2015) 'The right of publicity in the US, in the EU and in Ukraine' *International Comparative Jurisprudence* 113-120.

⁴⁴ In Japan the right of publicity is a constitutional right (Article 23 of the Constitution of Japan (Constitution November 3. 1949).

⁴⁵ Johnston P, Gibson, J (2015) 'The "new" tort of passing off', *Law Quarterly Review*, 476-494 at 476.

⁴⁶ *Evern Warnink BV v J. Townend & Sons (Hull)* (hereinafter 'Advocaat') [1979] AC 731 at 740 and Carty H (1995). 'Passing off and the concept of goodwill', *Journal of Business Law* 139-154 at 140. Lord Fraser and Carty describe the law of passing off as being protean. Prof Christopher Wadlow stated that it is appropriate to affirm that the UK has a law of unfair competition'. See Wadlow, C (2012) 'The emergent European law of unfair competition and its consumer law origins', *Intellectual Property Quarterly* 1-22 at 3.

⁴⁷ *Supra* note 47, per Lord Diplock at [742]

⁴⁸ *Arsenal v Reed* [2003] EWCA Civ 69.

⁴⁹ *Ibid*, per Aldous LJ at [70].

⁵⁰ *Supra* note 47.

⁵¹ Carty H (2012), 'Passing off: frameworks of liability debated' *Intellectual Property Quarterly* 106-122 at 106.

trader.⁵² Lord Landsdale MR in *Perry v Truefitt* explains passing off as being: ‘A man is not to sell his own goods under the pretence that they are the goods of another man’.⁵³ It is interesting to note that the protectable subject matter in the earlier formation of passing off remained a *sui generis* action which lay for damage sustained or threatened, in the consequence of misappropriation of a particular kind.

Lord Oliver in the notorious case of *Jif Lemon*⁵⁴ set out the three components, known as the classic trinity which gives rise to an action in passing off. In order to succeed in a passing off claim, the claimant must prove that: first, the claimant/trader has established goodwill or reputation; second, the defendant made a misrepresentation that is likely to deceive the public; and third, such a misrepresentation has caused damage to the goodwill of the claimant/trader. It is very important to note that all three elements cannot be looked at in isolation; all are closely interlinked.

Further, it is vital to acknowledge the virtue of passing off being a common law action. It is also important to recognise that the scope of the modern form of passing off has broadened to reflect changes in the commercial environment. The common law nature of the action gives it a flexibility that makes it attractive in situations that are not covered by the statutory regime.⁵⁵ In the view of this author, this immutable nature of passing off is extremely important where society experiences a rapid change of landscape.

The flexible nature of the law of passing off has seemingly become an enabler of providing protection to the commercially valuable persona of celebrity from unauthorised exploitation carried out by unauthorised third parties for illicit commercial gains.⁵⁶ Now, how and to what extent the law of passing off provides protection for the commercial value of ‘celebrity’ will be explored in the subsequent section. Each element of passing off will be further explored.

3.1 Establishing goodwill

The foundation of the common law action in passing off is the wrongful invasion of a right of property vested in the claimant. The protectable subject matter is not the property right in the name, get-up, but in the goodwill or reputation of his business which is likely to be harmed by the defendant’s misrepresentation.⁵⁷ Of significance, the essence of passing off needs to be restated: it underlies in the recognition of a proprietary interest in the (collective) goodwill. The next potent question is, what is *goodwill*? As we will discover, the UK courts have taken a hardline, restrictive, territorial approach to the assessment of goodwill, which the author will examine in the subsequent sections. The classic and widely

⁵² *Supra* note 47, *Evern Warnink BV v J. Townend & Sons (Hull)* [1979] AC 731 at 740-742.

⁵³ *Perry v Truefitt* [1842] 6 Beav 66.

⁵⁴ *Reckitt Colman Products Ltd v Borden Inc (known as Jif Lemon)* [1990] 1 WLR 491.

⁵⁵ Carty H (2015) ‘The Dissipation of Goodwill in the Tort of Passing Off: An analysis’ *Law Quarterly Review* 177-188 at 177.

⁵⁶ Scanlan G (2003) ‘Personality, endorsement and everything: the modern law of passing off and the myth of the personality right’ *European Intellectual Property Law Review* 563-569.

⁵⁷ *Harrods Ltd v Harrodian School* [1996] RPC 697at [711]. Hereinafter *Harrods*.

accepted description of goodwill can be found in the speech of Lord Macnaghten in *Commissioner of Inland Revenue v Muller*, that is, ‘the attractive force which brings in custom’⁵⁸ and that can include the trader’s good name, sign, logo, and get up *per se*.⁵⁹

3.2 The location of goodwill

There are numerous elements that the courts consider in recognising the establishment of the requisite goodwill. Before introducing these elements, the prerequisite of passing off needs to be mentioned: a clear distinction between ‘reputation’ and ‘goodwill’ has been made by the courts on a few occasions.⁶⁰ Namely, the protectable subject matter in passing off is *not* a mere reputation but goodwill. According to Wadlow, goodwill equates to within the jurisdiction.⁶¹ This then leads to one of the points of consideration of the courts: the location of goodwill: that is to say, goodwill must be located in the United Kingdom. We can infer that one difference between acquiring ‘goodwill’ and sheer ‘reputation’ is where the claimant has an established business and customers who purchase the goods or services in the UK. In other words, the UK courts have taken a restrictive, territorial approach to the establishment of goodwill. In *Crazy Horse*,⁶² the court held that the trader could not acquire the goodwill without some sort of use in the UK. By merely advertising, a foreign trader might acquire a reputation in the UK but not the requisite domestic goodwill.⁶³ In *Budweiser*⁶⁴, the court held that the claimant must have a ‘market’ in the UK for its goods to have the requisite goodwill.⁶⁵ Fairly recently, the Supreme Court in *Starbucks*⁶⁶ dealt with the issue of interrelationship between an interpretation of goodwill and reputation, and location of goodwill. Due to the importance of the decision, the facts of the case are briefly described below:⁶⁷

PCCM, the claimant, is a Hong Kong based supplier of closed circuit internet TV (IPTV) subscription under the name of NOW TV since 2006. Though there were no official subscribers to NOW TV in the UK billing address, since 2007, NOW TV channel was made available via the claimant’s website and via its YouTube Channel. The claimant also alleged that they had a plan to expand their market into the UK launching NOW TV app, which they have managed to accomplish. By the end of October 2012, around 2,200 people downloaded the app. The defendant, Sky, launched the same business (IPTV) named ‘Now TV’, which is identical to the one of the claimant. The claimant sued the defendant in

⁵⁸ *Inland Revenue Commissioners v. Muller & Co's Margarine Ltd*, [1901] AC 217 at [224].

⁵⁹ *Supra* note 43 at 140.

⁶⁰ For example, *Harrods* [1967] RPC 581.

⁶¹ Wadlow, C (2021) ‘Goodwill in passing-off: NOW, then, and for how much longer?’ *Intellectual Property Quarterly* 80-119 at 86.

⁶² *Alain Bernardin et Cie v Pavilion Propertie* [1967] PRC 518. (This case is known as the *Crazy Horse* case).

⁶³ *ibid*.

⁶⁴ *Busch Inc v Budejovicky Budvar NP (t/a Budweiser Budvar Brewery)* [1984] FSR 413.

⁶⁵ *ibid*.

⁶⁶ *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2015] UKSC 31. (hereinafter *Starbucks*)

⁶⁷ Oke K,E, (2020) ‘Image rights and passing off: should reputation be enough for celebrities to succeed in English courts?’, *Journal of Intellectual Property Law & Practice*, 49-54.

passing off, alleging that the claimant has sufficiently established goodwill in the UK. The action was dismissed by the lower courts on the basis that the claimant failed to establish the requisite goodwill. On appeal, the claimant slightly amended their submission and argued that even if it were held that they did not have customers in the UK, the Supreme Court should acknowledge that in an age of e-commerce it was both impractical and unrealistic to treat goodwill as limited only to jurisdictions where a trader had customers and should instead allow a passing off action where the trader has a reputation but no goodwill.⁶⁸

Lord Neuberger acknowledged that the courts have capacity to adapt the changes in 'practical and commercial realities' if it chooses⁶⁹; nonetheless he reaffirmed that law is that a claimant in a passing off claim must establish that it has actual goodwill in this jurisdiction, and such goodwill involves the presence of clients or customers in the jurisdictions for the products or services in question. And, where the claimant's business is abroad, people who are in the jurisdiction, but who are not customers of the claimant in the jurisdiction, will not do, even if they are customers of the claimant when they go abroad.⁷⁰ Lord Neuberger submitted that he would not depart from the 'hard-line' approach adopted in the UK. He also gave some guidance on the construction of goodwill. He summarised that in order to establish goodwill, the claimant must have consumers within this country,⁷¹ and in order for the courts to decide whether the claimant shall receive protection under passing off, the court must be satisfied that the claimant's business has goodwill within its jurisdiction.⁷² Lord Neuberger explained the reasoning for his judgment by applying the 'public interest' justification:

'...there is always a temptation to conclude that, whenever a defendant copied the claimant's mark or get-up, and therefore will have benefitted from the claimant's inventiveness, expenditure or hard work, the claimant ought to have a cause of action against the defendant.... It is not enough for a claimant to establish copying to succeed. All developments.... are made on the back of other people's ideas: copying may often be an essential step to progress. Hence there has to be some balance achieved between the public interest in not unduly hindering competition and encouraging development, on the one hand, and on the other, the public interest in encouraging, by rewarding through a monopoly, originality, effort and expenditure....'⁷³

And he went on to say,

⁶⁸ The summary of the facts of the case is described in *Starbucks* at [2]-[14].

⁶⁹ *ibid* at [49]-[50].

⁷⁰ *ibid* at [47].

⁷¹ *ibid* at [52].

⁷² *ibid* at [53].

⁷³ *ibid* at [61].

‘if it was enough for a claimant merely to establish reputation within this jurisdiction to maintain the passing off action....it would tip the balance too much in favour of protection.’⁷⁴

Above all, it seems clear that Lord Neuberger was not in favour of, and the author of this article agrees, legally recognising a single international goodwill, and that the importance of a domestic goodwill within the jurisdiction remains central to the construction of an actionable goodwill.⁷⁵ She argues that the legal recognition of a single international goodwill muddles the water between actionable goodwill and mere reputation, which distinguishes the actionable and protectable subject matter in passing off. On a separate note, she argues that the requirement of the geographical goodwill, in her view, is a subtle reaffirmation that law of passing off is not a synonym of unfair competition law. Yet again, the court seems to have successfully drawn a clear line between actionable goodwill and mere reputation.

Further to this, it should be acknowledged that the court was not beguiled with the changes in society and business practice and that the core principles of passing off remain unchallenged. Considering the key features of micro celebrity (see section 2.2.), a likelihood of their goodwill being abandoned or dissipated⁷⁶ seems higher than the traditional forms of celebrities. Thus, such a principled approach to the interpretation of goodwill, in the view of this author, reflects the business reality more appropriately and sufficiently. In addition, this author argues that the court has taken not only a principled but also balanced approach towards the interpretation of ‘goodwill’ in *Starbucks*, and it is fair to conclude that the court is willing to be flexible with the scope of goodwill in a passing off action to reflect the changes in business practice, providing that the appropriate balance between ensuring a fair competition and protecting the claimant’s goodwill is struck. Therefore, it can be summarised that whilst the court in *Starbucks* seems to have taken the ‘hardline’ approach to the interpretation of goodwill, it gives us a façade impression that a borderline might be rather elusively drawn.

3.3 Common field of activities and distinctiveness

The other two points that the courts take into consideration in assessing the establishment of goodwill are distinctiveness of the marks/signs to which goodwill is attached and the so-called common field of activities. Both points are discussed in *Harrods*⁷⁷. The claimant sued the defendant in passing off alleging that the defendant’s use of name ‘The Harroddian School’ in a preparatory school had constituted an actionable passing off. The site of the defendant’s school was previously used by (and closed in 1990) the sports club called

⁷⁴ *ibid* at [62].

⁷⁵ For instance, Carty explains the definition of goodwill by interpretation Starbucks that goodwill involves establishing a business with customers in the jurisdiction. See Carty, H (2015) ‘The dissipation of goodwill in the tort of passing off: an analysis’, *Intellectual Property Quarterly* 177-188 at 178.

⁷⁶ *ibid* at 179.

⁷⁷ *Supra* note 65- *Harrods*.

‘Harroddian club’ run by the claimant. At the trial, the claim was dismissed on the ground that there is no confusion amongst consumers.⁷⁸

On appeal, the claimant argued that the name ‘Harrods’ is universally recognised as denoting the plaintiffs’ business - it has, as the counsel put, an unlimited ‘field of recognition’⁷⁹ and that given the huge number of persons who were customers or potential customers of the plaintiff it was a simple matter to infer that an appreciable number of them would be deceived into thinking that “The Harroddian School” was owned by or otherwise connected in some way with Harrods, for example that it sponsored or backed the school, and that damage might likewise easily be inferred.⁸⁰ The court delivered a very firm decision and Lord Millet stated that:

‘It is this fundamental principle of the law of passing off which leads me to reject the main way in which the plaintiffs have put their case before us. “Harroddian”, they submit, is synonymous with “Harrods”; the name “Harrods” is universally recognised as denoting the plaintiffs’ business - it has, as counsel put an unlimited “field of recognition.”⁸¹

The court mentioned that ‘There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff, or which would compete with any natural extension of the plaintiff’s business’.⁸² The court went on to say that the name ‘Harrods’ may be universally recognised, but the business with which it is associated in the minds of the public is not all embracing. To be known to everyone is not to be known for everything.⁸³ On this basis, the appeal was dismissed. Though the appeal was dismissed, there is an interesting dissenting judgment. In Sir Michael Kerr’s dissenting judgment, it is stated that a trader’s distinctive name can in *some* cases in itself form part of his goodwill and constitute a property interest, even though the name is not used as part of the description of any products or services supplied by him [emphasis added by the author].⁸⁴

Sir Michael Kerr suggested that Harrods was one of such cases that the goodwill subsisted in the trader’s distinctive name without having any common field of activities. Sir Michael’s *dicta* seem rather interesting as this approach might be very elusively applied to the case of micro-celebrities. This is because submitting the requisite domestic goodwill rather than a mere reputation might be a first hurdle for the micro-celebrity to overcome. For instance, in order to establish the requisite goodwill, the YouTuber may be required to prove that their fandom is geographically based on the UK by exploring the geographical location of

⁷⁸ See the summary of the facts of the case – *Harrods* at [698].

⁷⁹ *Harrods* at [712].

⁸⁰ *ibid* at [698].

⁸¹ *ibid* at [712].

⁸² *ibid* at [714].

⁸³ *ibid* at [712].

⁸⁴ *ibid* at [719].

subscribers and viewers. Furthermore, the number of the UK located subscribers needs a constant monitoring to keep an eye on any fluctuation in the number of subscribers.

The next case that will be introduced is *Mirage Studio v Counter-Feat Clothing Co Ltd*.⁸⁵ Coupled with *Harrods*, we can observe the flexible and expansive judicial approach in interpreting the scope of goodwill. *Ninja Turtles* is of great significance in this regard, since this case recognises that the commercial value in distinctive *fictional characters*, which will then lead to the next stage of the expansion in the scope of passing off led by *Irvine*, which recognises ‘commercial values’ in the distinctive *persona*. A summary of the facts of *Ninja Turtles* is as follows: the plaintiffs were the creators (and copyright holders of the drawings) of the Teenage Ninja Turtles cartoon, which at the time was a ‘market phenomenon, and licensing agents. Neither manufactured or marketed any goods themselves but part of their business included character merchandising with the view to making profit of these characters by selling a license agreement to allow the purchasers of the license to manufacture and sell the goods or garments, to which the characters of Ninja Turtle were attached. The defendants, without authorisation of the plaintiffs, began manufacturing and selling the products, which drawings of ‘look alike’ Ninja Turtles were attached.⁸⁶ An interim injunction was sought by the plaintiffs to restrain the use of four cartoon characters of the Teenage Ninja Turtles on the grounds that the defendants’ reproduction constituted either a breach of copyright or passing off.⁸⁷

In Sir Nicolas Browne-Wilkinson’s judgment, he replied on Lord Diplock’s point in *Advocaat* and focused on the fifth element of passing off; that is to assess whether there was actual damage to the business or goodwill of the trader.⁸⁸ Sir Nicolas Browne-Wilkinson stated that ‘if one wishes to take advantage of Ninja Turtles it is necessary to reproduce the Ninja Turtles...the concept ... of Ninja Turtles becomes a *marketable commodity* [emphasis added]’⁸⁹. Equally importantly, the court mentioned that depreciation of the image by fixing the Turtle picture to inferior goods and materials may seriously reduce the value of licensing agreement.⁹⁰

In summary, the flexible approach in interpreting the nature of ‘goodwill’ can be seen from the above cases. We can infer that ‘distinctive’ name or character can satisfy a legal definition of the requisite ‘goodwill’ on the ground that the ‘distinctive’ character has become a marketable commodity, which brings in custom. The further development of the flexible approach in interpreting ‘goodwill’ will be further explored in the following section.

⁸⁵ *Mirage Studio v Counter-Feat Clothing Co Ltd* [1991] FSR 145 (hereinafter *Ninja Turtles*).

⁸⁶ *Supra* note 93. The facts of the case is described at [145]-[146].

⁸⁷ See Aplin, T, and Davis J. (2016) *Intellectual Property Law: Text, Cases ad Material*. (Oxford: Oxford University Press) pp 570-571.

⁸⁸ *ibid* at [155].

⁸⁹ *ibid* at [156].

⁹⁰ *ibid*.

4. 'Celebrities' and passing off

Now that the brief exploration of passing off and goodwill has been undertaken, the attention will now turn to celebrities and how such a flexible but principled nature of the law of passing off has provided the protection for them. The judicial interpretation of 'goodwill' attached to celebrities will be explored by referring to the two leading cases of *Irvine* and *Fenty*. As will be described in depth below, the parties involved were Edmund Irvine in the former, and Rihanna in the latter. Putting these into the Rojek's categorisation, both are, without reservations, categorised as 'achieved' celebrity since both have become celebrities by reason of their artistic talents or sporting achievements. Providing the brief summary of the facts of *Irvine*⁹¹ and *Fenty*⁹² will be of essence, and therefore will be illustrated respectively.⁹³

4.1 *Irvine*: 'achieved celebrity' via sporting achievement

The claimant was Edmund Irvine, the British formula One racing driver. He brought a passing off action against the defendant, Talksports, the owner of a radio station. The defendant used the claimant's photograph as a part of their brochure, for the purpose to obtain advertisers on their radio programme. The brochure was manipulated to show the claimant holding a portable radio to which the words 'talk radio' was shown. Irvine claimed that the defendant's use of the manipulated photo of his to the brochure without his consent amounted to an action in passing off.⁹⁴ The court accepted the claimant's submission and awarded damages of £25,000.⁹⁵ The court explained that such an amount being the reasonable endorsement fees that the defendant would have had to pay in order to obtain a lawful endorsement deal with the claimant. Ruling in favour of the claimant, the main issue of this case turned on the interpretation of the second limb of passing off, i.e., misrepresentation, and the court considered this as the case of false endorsement.⁹⁶ Justice Laddie held that the use of the claimant's modified photographic image attached to the brochure had amounted to a false representation on the part of the defendant and that the claimant had endorsed the use of his photographic image in connection with the defendant's business.⁹⁷ Equally important, in *Irvine*, the court stated that '... those who are in business have reason to believe that the lustre of a famous personality, if attached to their goods or service, will enhance the attractiveness of those goods or services to their target market'.⁹⁸ Mr Justice Laddie in *Irvine* explains the underlying rationale of the

⁹¹ *Irvine v TalkSports* [2002] EWHC 367 (Ch), 2002 WL 237124 (hereinafter *Irvine*).

⁹² *Fenty v Arcadia Group Brands Ltd (t/a Topshop)* [2013] EWHC 2310 (Ch), (hereinafter *Fenty*). This was affirmed by the Court of Appeal (*Fenty v Arcadia Group Brands* [2015] EWCA Civ 38).

⁹³ See *supra* note 67 for the useful case comments on *Irvine*.

⁹⁴ See the Laddie J's explanation of the facts of the case. *Irvine v TalkSports* [2002] EWHC 367 (Ch), 2002 WL 237124. Laddie J at [1]-[8].

⁹⁵ The First Instance awarded £2000 as damages; and therefore this is a significant increase.

⁹⁶ *Supra* note 99 per Laddie J at [10].

⁹⁷ *Supra* note 72 at 563.

⁹⁸ *Supra* note 99 per Laddie J at [39].

expansive approach taken in passing off that: ‘passing off is closely connected to and dependent upon what is happening in the market place. It is a judge made law which tries to ensure, in its own limited way, a degree of honesty and fairness in the way trade is conducted’.⁹⁹ Therefore, *Irvine* is one of the examples to demonstrate the expansion of the scope of passing off so as to reflect the changes in business practice. However, this can be warranted with caution. The author suggests that the manner in which a line can be appropriately drawn is by utilising the requirement of ‘goodwill’.

The author will now begin to examine the judicial interpretation of the formation of goodwill attached to the claimant. The author argues that an understanding of the formation of goodwill is of vital importance in examining the case involving the ‘new’ formation of celerity such as YouTubers. In *Irvine*, in order to demonstrate that the claimant has established substantial reputation and goodwill, the claimant submitted as Justice Laddie stated ‘unchallenged evidence’¹⁰⁰ of him having reputation. Such a bundle of evidence included the size and public exposure by stating the number of public viewers worldwide (350 million) of the Formula One championship races, and the fact that he was a driver of Ferrari, one of the most famous teams.¹⁰¹ Further to this, publicity coverage was also mentioned - media and publicity coverage by hundreds of journalists and photographers attending the races, and that he appeared on the front cover of the number of magazines. Evidence of general practices and importance of sponsorship and endorsement deals as well as the merchandising deals in the UK was also submitted.¹⁰² He explained his engagement with sponsoring a variety of products including, amongst others, sunglasses, men’s toiletries, fashion clothing, footwear and car racing helmets.¹⁰³

Interestingly, the main emphasis Irvine himself put in proving the establishment of goodwill was on the exposure to media coverage. He pointed out how much publicity exposure he had during the year of 1999 in particular. He said he was on the front cover of magazines and his book was serialised in the News of the World. The main point of his submission was his ‘immense amount of press coverage’¹⁰⁴ which is an exemplar of him obtaining the requisite goodwill.

It is apparent that Justice Laddie found no issues in establishing that the claimant established goodwill or substance reputation¹⁰⁵ in the UK, based on the factual evidence submitted by Irvine. Assuming that the list of evidence is non-exhaustive and can be expansive, whether the micro-celebrities are able to satisfy the list remain challenging. The author ponders whether the level of hardship of satisfying the ‘goodwill’ criteria might vary depending on how ‘fame’ has been acquired – i.e., whether such is achieved or attributed to celebrities. As will be further explored in the subsequent section, she argues that for micro-celebrities to prove that their requisite goodwill is domestically located in the UK,

⁹⁹ *ibid* per Laddie J at [47].

¹⁰⁰ *Supra* note 99 per Laddie J at [47].

¹⁰¹ *ibid*.

¹⁰² *ibid* per Laddie J at [49].

¹⁰³ *ibid* per Laddie J at [52].

¹⁰⁴ *ibid*.

¹⁰⁵ See *supra* note 99.

submitting a sheer number of subscribers, followers and viewers may not be sufficient to satisfy the goodwill requirement. In other words, they need to prove that their reputation has become a commercially valuable asset, and the number of subscribers and followers who bring in custom.

4.2 *Fenty*: achieved celebrity *via* artistic talent

The second case that will be examined is *Fenty*.¹⁰⁶ The brief facts of the case will be provided herein in comparison with *Irvine*. The claimant was Rihanna, an internationally very famous pop star/singer. The defendant was the very well-known high street fashion retailer Topshop.¹⁰⁷ The claimant brought a passing off claim against the defendant alleging that (without Rihanna's consent) the unauthorised use of her photographic image, which was taken from her single 'We found love', on T-shirts sold by the defendant had amounted to passing off. The claimant also argued that such a use by the defendant has given the wrong impression to the consumer that the claimant had endorsed the defendant's T-shirt.¹⁰⁸ On cross-appeal, the defendant argued that the customer bought the T-shirt because they liked the product and image and there was nothing which represented it was Rihanna's official merchandise and the public would not think it was.¹⁰⁹

Giving the judgment for the claimant (affirmed by Court of Appeal¹¹⁰), Bliss LJ held that Topshop's sale of this Rihanna t-shirt without her approval was an act of passing off.¹¹¹ Bliss distinguished between *Irvine* and *Fenty* that the former is a false endorsement case while the latter is false merchandising case.¹¹² Endorsement in that *Irvine*, for example, tells the relevant public that he approves of the product or service or is happy to be associated with it. In effect he adds his name as an encouragement to members of the relevant public to buy or use the service or product. Merchandising involves exploiting images, themes or articles of things which have become famous.¹¹³ The merchandising right offered to a famous person is to prevent any unauthorised third parties from selling goods for example,

¹⁰⁶ *Supra* note 100. A large volume of commentary was made: See for example, Huw T, Smith B, and Barrow, L. (2014) 'Talk that tort of passing off: Rihanna, and the scope of actionable misrepresentation: *Fenty v Arcadia Group Brands Ltd (t/a Topshop)*' *European Intellectual Property Law Review* 57-6; Meale D. (2013) 'Rihanna's face on a T-shirt without a licence? No, this time it's passing off' *Journal of Intellectual Property Law and Practice* 823-825; Roberts J. (2013) 'Face off: Rihanna wins 'image rights' case' *Entertainment Law Review* 283-285.

¹⁰⁷ At the time of writing this article, Topshop in November 2020 announced that they had gone through administration. See for example BBC news. <https://www.bbc.co.uk/news/business-55139369>.

¹⁰⁸ Roberts J. (2013) 'Face off: Rihanna wins 'image rights' case' *Entertainment Law Review* 283-285 at 284.

¹⁰⁹ *Supra* note 100 per Bliss J at [38].

¹¹⁰ *Fenty v Arcadia Group Brands* [2015] EWCA Civ 38.

¹¹¹ *Supra* note 100 per Bliss J at [75].

¹¹² In *Irvine*, the court was explicit in stating that this case is not a merchandising case. See *Supra* note 99 per Laddie J at [50].

¹¹³ *ibid* per Laddie J at [9].

bars of soap and drinking mugs bearing the name and/or logo or photograph of the famous person.¹¹⁴

'Famousness' of Rihanna remained yet again unchallenged: and it was clearly expressed in the sentence that 'Rihanna is a world famous pop star. She has a cool, edgy image. Through her companies she runs a very large merchandising and endorsement operation'¹¹⁵. Several witnesses were called in to provide the evidence that the defendant's use of Rihanna's photographic image on the T-shirts constituted the actionable passing off. The main focus of the witness statements was not on whether Rihanna has obtained the requisite goodwill; it was on whether the defendant's use of her image on the T-shirt had amounted to the actionable passing off. It seems clear that the establishment of goodwill has never been the issue; therefore, the main legal issue of Rihanna was actionable 'misrepresentation' and actionable damage.

4.3 Misrepresentation and celebrities

Though the main focus of this article is on the establishment of goodwill, all the elements of passing off are interlinked, so it is of significance to introduce a brief overview of 'misrepresentation'. Historically, the need for a misrepresentation is explained by the fact that the passing off action grew out of the common law action for deceit. Usually, a misrepresentation occurs where the defendant says or does something that indicates either explicitly or implicitly that the defendant's goods or services derived from the claimant.¹¹⁶ Types of actionable misrepresentation recognised by the law of passing off has expanded over time in order to reflect changes in the commercial and business practices and these can be divided into the following types¹¹⁷: (i) misrepresentation as to origin; (ii) misrepresentation as to quality; (iii) misrepresentation that the claimant has connection or responsibility over the goods or service. Under the third category, the following can be included: the consumer ought to be misled by thinking that (i) there is a business connection between the claimant and the defendant; (ii) there is a licensing agreement between the claimant and the defendant; (iii) the claimant has endorsed the defendant's goods.

Generally speaking, a licensing agreement occurs when one party (licensor) enters the contract with another party (licensee) to give a permission to use one's name, logo (registered trademarks, for instance Michael Jordan) or patents.¹¹⁸ For example, Ralph gives a license agreement with a Japanese manufacture to use their registered trademark(s) or their names. Nestlé and Starbucks went into a licensing agreement that

¹¹⁴ *ibid* per Laddie J at [44].

¹¹⁵ *Supra* note 100 per Bliss J at [38].

¹¹⁶ See Aplin, T, and Davis J. (2016) *Intellectual Property Law: Text, Cases and Material*. (Oxford: Oxford University Press) pp 283-352.

¹¹⁷ *Ibid* at 331.

¹¹⁸ See the general explanation of 'licensing agreement'; <https://www.investopedia.com/terms/l/licensing-agreement.asp>.

Nestlé can use the name ‘Starbucks’.¹¹⁹ The licensing system is explained as a contractual requirement which ensures the quality of the goods for the licensed reproduction of the characters, names, and logo.¹²⁰

In a similar vein, endorsement can generally be explained as the public declaration that the one party approves of the product.¹²¹ Endorsement can be said to be the end-product of the commercial value of distinctive character/*persona* being recognised commercially and contractually. As was explained in the case of *Irvine* (see section 4.1.), *Irvine* demonstrates the expansive approach that the court took in relation to the scope of ‘goodwill’ and legitimately recognises the distinctive *persona* can be deemed as the requisite goodwill. For example, a British heavy weight boxer, Anthony Joshua has a wide range of endorsement and sponsorship deals with giant companies such as Under Armour, Hugo Boss, Lucozade, and Land Rover/Jaguar.¹²² Under these deals, Joshua has, somewhat, approved of their quality and or their products, and he is willing to be associated with the brands. This point was discussed earlier in the case of *Harrods* and *Ninja Turtles*, and therefore, it can be said that giving a false impression that the product in question is approved by the celebrity is an actionable deception/misrepresentation which illicitly free rides on the goodwill of the celebrities. Now that there have been examples of the micro-celebrities having taken the number of the endorsement deal¹²³, this has become relevant.

5 Goodwill and micro-celebrity: can the new form of celebrity establish goodwill?

This section will examine the possible application of *Irvine* and *Fenty* as well as the recent case of *Starbucks* on micro-celebrities establishing the goodwill. Whilst the possible impact of the judgment in *Starbucks* on celebrities has already been discussed elsewhere,¹²⁴ such discussion does not include the micro-celebrities such as YouTubers and Instagram Influencers. This section will, thus, explore a possible impact of the restrictive or ‘conservative’¹²⁵ interpretation of goodwill taken by *Starbucks* on ‘internet famous’ micro-celebrities. A gentle reminder that the goodwill is interpreted as is the attractive force which brings in custom; and cases of *Fenty* (Rihanna) and *Irvine* fit very well with this

¹¹⁹ See the news on the endorsement deal between Nestlé and Starbucks.

<https://otd.harvard.edu/industry-investors/sample-agreements/licensing/>.

¹²⁰ *Mirage Studio v Counter-Feat Clothing Co Ltd* [1991] FSR 145 at [149].

¹²¹ See the general explanation of ‘endorsement’;

<https://www.investopedia.com/terms/e/endorsement.asp>.

¹²² See <https://www.forbes.com/profile/anthony-joshua/>.

¹²³ See, Section 2.3.

¹²⁴ See *supra* note 112.

¹²⁵ See Brophy D, (2015) ‘Case comment: The Supreme Court decision in Starbucks (HK) v British Sky Broadcasting: is that crazy horse still running?’ *European Intellectual Property Law Review*: 661-667 at 665. He states that judgement in Starbucks conservative.

definition on the ground that their fame brought the, *inter alia*, endorsement and advertisement deals. It is therefore evident that their fame has brought in custom.

As was explained, the new form of ‘internet famous’ celebrities – the micro-celebrities take a different format than the traditional form of ‘celebrities’. Providing that the key characteristics of internet famous micro-celebrities (see Section 2.3), the author argues that satisfying the requirement of goodwill may seem challenging to the micro-celebrities. For example, the UK domiciled YouTuber A might be extremely famous amongst teenagers who are engaged with the Goth fashion in the USA. Though, in this example, the number of subscribers and viewers of YouTuber A may not be as high as the orthodox form of ‘celebrities’ that has their own YouTube Channel. However, the level of fame that the YouTuber A has acquired reaches a very high level in a targeted market. Furthermore, the YouTuber A is geographically located in the UK, but a large number of viewers and subscribers could be located in Chile, Japan, or elsewhere in the world.

In addition, under the current approach, it seems that duration of claimants in business operation is an important consideration. YouTube, on the other hand, enables YouTubers to have one million subscribers in such a short period of time, as has been discussed above. Thus, the establishment of ‘goodwill’ and requisite ‘fame’ can be *de facto* instant. In a similar vein, the dissipation and even loss of goodwill (i.e., followers) can be instant. In other words, they can acquire or ‘fame’ instantly whilst they can lose ‘fame’ instantly. Such a unique characteristic of micro-celebrities might not correspond well with the principled approach to the establishment of goodwill.

A discussion will now turn on to a potential impact of a ‘hardline’ approach¹²⁶ taken by *Starbucks* on micro-celebrity: to what extent the micro-celebrities can establish the required goodwill with reference to *Starbucks*. It is established that ‘...a claimant who has simply obtained a reputation for its mark in this jurisdiction in respect of his products or services outside this jurisdiction has not done enough to justify granting him an effective monopoly in respect of that mark within the jurisdiction.’¹²⁷

In order to satisfy this territorial based component of goodwill, the most apparent task that a YouTuber undertakes is to count the subscribers and viewer of their channel and video clips. It is possible to obtain the raw and hard data on the geographical location of subscribers on the condition that those subscribers made their profile account visible to the public. However, such a way of collecting data seems to lack practicality and accuracy. We will then face more fundamental question, that is, whether the court will accept the sheer number of subscribers as quantitative evidence of their fandom on the ground of fluctuation and sensitivity of the fame. It is of very much doubt that the court will accept such evidence as it seems to fail to meet the conceptual definition of goodwill, which is an attractive force which brings in custom. Furthermore, though it is possible to collect the data, it seems rather impractical and falls short of pragmatism.

¹²⁶ The term ‘hard line’ was seen in *supra* note 74 per Lord Neuberger at [66].

¹²⁷ *Supra* note 74 per Lord Neuberger at [62].

Given that the nature of goodwill required in passing off is territorial as highlighted in Starbucks,¹²⁸ being 'internet famous' across the globe seems not sufficient to establish the requisite goodwill in the territory of the UK; in other words, the author speculates the claimant (the micro-celebrity) must do more than just be 'famous' online. Lord Neuberger clearly stated '.... that it may now be so easy to penetrate into the minds of people almost anywhere in the world so as to be able to lay claim to some reputation within virtually every jurisdiction, it seems to me that the imbalance between protection and competition would be exacerbated'.¹²⁹

In synergy with this, the definition of 'consumers' is, in the view of this author, narrowly and precisely defined. As was discussed earlier, the level of 'fame' seems to be determined by the very quantitative measures, such as the numbers of subscribers, viewers, and followers. In the view of this author, it seems that the UK courts have put too much emphasis on remaining rigidly to the principled approach to the assessment of goodwill; however, this approach still provides the sufficient level of flexibility, as has been seen in *Ninja Turtles* and *Irvine*, and therefore, the author argues that it fits for purpose.

Furthermore, 'internet famous'/micro-celebrities receive financial rewards by numbers of viewers and followers regardless of the geographical location of their fandom. Therefore, in order to prove that the micro-celebrity has established sufficient goodwill, they must demonstrate that their fandom is territorial; that they are *de facto* located in the UK (as well as the rest of the world). In the view of this author, such a hardline territorial based approach to goodwill fails to recognise and acknowledge the nature of the online environment and falls short of practical and pragmatic application.

Although there no cases involving micro-celebrities (YouTubers, in particular) has been officially reported, an optimistic view that having viewers and subscribers of its channel/account might suffice to the establishment of the requisite goodwill and elusive nature of passing off might allow some room for the future expansion might not succeed.¹³⁰ The author of this article submits that the restrictive approach to the interpretation of goodwill might put a higher hurdle for micro-celebrities to overcome. It is argued that without succeeding in proving that the court is likely to conclude that what they have is a mere reputation, not goodwill. The author also argues that the court has drawn a line to the elusive and expansive nature of the scope of passing off by having taken the territorial approach to the establishment of goodwill. Therefore, in order for micro-celebrities to prove that their requisite goodwill is domestically located, submitting a sheer number of subscribers, followers and viewers may not be sufficient to satisfy the goodwill requirement. They must prove that their reputation is a commercial commodity. In this way, it can be stipulated that this restrictive approach is not pragmatic for micro-celebrates. This is because they may face technical and practical difficulties; for instance,

¹²⁸ *Supra* note 74 per Lord Neuberger at [55]: it is states that "The notion that goodwill in the context of passing off is territorial in nature..."

¹²⁹ *Supra* note 74 per Lord Neuberger at [63].

¹³⁰ *Supra* 72 - *Budweiser* - this case put an emphasis on having actual customers and business in the UK in assessing the goodwill.

they must prove their fandom is not only located in the UK but is so substantial, which brings a custom. Referring to the cases of *Irvine* and *Ninja Turtles*, one way of achieving this to have an endorsement deal or an advertising deal in the UK. Again, this might pose some challenges for micro-celebrities as their fandom can be targeted and be very time sensitive.

6 Concluding remarks: protecting a commercial and cultural fabrication¹³¹?

The primary aim of this article is to explore the efficacy of the law of passing off as a mechanism to provide legal protection for a new form of celebrity; and the author urged a new emergence of a new form of celebrity, here she refers to micro-celebrities, such as YouTubers. The author has analysed whether the current *restrictive* 'hardline' approach taken by *Starbucks* is the way forward to provide adequate protection for micro-celebrities against unlawful misrepresentation of their 'fame'. The author primarily focused on the goodwill criterion: whether the micro-celebrity is able to establish the requisite goodwill and whether there are any obstacles that they might face in establishing the goodwill. The expansive nature of the law of passing off has been explained by way of explaining the flexible nature of the law of passing off. The author has argued that *via* the application of *Irvine* and *Fenty*, the micro-celebrity may encounter some difficulties in proving the requisite goodwill being established, taking into consideration the very unique features of micro-celebrities. This is because of the current restrictive geographically based 'hard-line' approach taken by the judgment of *Starbucks*, which seems to remain unchallenged for the foreseeable future. Though the author agrees on the principled approach taken by *Starbucks*, it might not be practical, reflective and pragmatic for micro-celebrities to apply the assessment when unauthorised third parties misappropriate their goodwill; and therefore a more flexible approach to the assessment should be reconsidered.

Now that most teenagers are engaged much more with YouTube than TV as a form of entertainment (see, Section 2.3.), the roles and the commercial values of micro-celebrities may become more significant and shall not be ignored. Due to the features of the micro-celebrities, for instance, the means by which they have obtained fame and the duration of having maintained 'fame' ought to be considered as the criteria of determining whether the micro-celebrities have sufficiently established the goodwill.

¹³¹ *Supra* note 9 Rojek at 10.