1. Basic concepts

1.1 AIPPI recognizes that commercial practices evolve constantly and at a speed faster than that of the legislation, often causing difficulties in determining what laws govern them and sometimes affecting adequate protection.

1.2 AIPPI recognizes that one of such practices is the use, amongst others, of names or images of characters, real or fictional persons, events, groups and entities of the most varied kind, literary and artistic works, their titles and other distinctive elements, for the promotion or sale of products and services.

1.3 AIPPI recognizes that such practice, of growing development and success is currently known as merchandising, and includes, among others, the following: character merchandising, personality merchandising, event merchandising and brand merchandising.

1.4 AIPPI recognizes that merchandising is of great economic importance and that it increases national and international trade.

1.5 AIPPI recognizes that the more an element is known in a first domain of use, the reputation of which will be derived towards a second or more domains of use, the more the element used in any domain will be associated to a common link, thus leading to a successful merchandising.
2. **Need for protection**

2.1 AIPPI recognizes that merchandising should be provided with adequate legal protection, and since there are no specific laws for merchandising, the question arises as to whether such specific laws should be adopted.

2.2 AIPPI considers that while the elements used in merchandising may be protected by different laws, their use to distinguish or to be associated with, the sale or promotion of goods and services, is primarily a trademark matter, including both trade and service marks.

3. **Trademark law**

3.1 AIPPI recognizes that the laws governing trademarks do not always grant adequate protection to the elements used in merchandising, since in certain jurisdictions, the application of said laws may cause at least one or more of the following problems:

3.1.a That the owner of the element must show that he is directly engaged in the manufacturing of the goods or rendering of the service to be able to qualify for trademark protection.

3.1.b That one or more of the elements used in merchandising may not be protectable as trademarks, through their registration or use, according to the national law.

3.1.c That the use of one of the elements used by the owner or by authorized third parties for merchandising purposes, e.g. in a decorative way, is not considered trademark use, thus causing the lapse or cancellation of the registered mark.

3.1.d That the unauthorized use by a third party of the elements for merchandising purposes is not considered trademark use, and thus not considered trademark infringement.

3.2 AIPPI recommends that the laws applicable to trade and service marks be applied or interpreted, and if necessary modified, to grant full protection to the owners of the elements used in merchandising.

3.3 AIPPI considers that the use of the elements in merchandising should be recognized as amounting to trademark use.

3.4 The protection thus afforded to the owners of the said elements should enable those owners to prevent and stop the use and registration of the same or similar elements by unauthorized third parties.

3.5 There should be no requirement for the owner of the element to be engaged in trade, in order to qualify for trademark protection.
4. Unfair competition

4.1 AIPPI recognizes that, in some jurisdictions, unauthorized merchandising is a matter governed by unfair competition laws and similar laws, but their application may cause problems for the adequate protection of merchandising such as:

the requirement of a competitive relationship between the owner and the unauthorized users of the elements used in merchandising;

the requirement that the elements used in merchandising must acquire secondary meaning.

4.2 In other jurisdictions, unfair competition laws may be considered not applicable to merchandising.

4.3 AIPPI recommends that the unfair competition laws be applied or interpreted, and if necessary modified, to avoid the above-mentioned problems, and protection should not be denied by unfair competition or similar laws.

5. Copyright

5.1 AIPPI, as far as copyright laws are concerned, recommends that the elements used in merchandising should not be barred from copyright protection solely on the basis of their use industrially, e.g. as a design or as a trademark, or their use in advertising.

5.2 AIPPI further recommends that copyright laws be applied or interpreted, and if necessary modified to permit protection against minor variations or modifications of the elements used in merchandising.

5.3 AIPPI also recommends that distinctive titles of works and names of characters, if not protected by copyright, should be protected under trademark and/or unfair competition law and similar laws.

6. Personality, publicity and privacy laws

6.1 AIPPI recognizes that certain countries do not recognize a right of personality, publicity or privacy.

6.2 AIPPI recommends that such rights be granted appropriate protection against the unauthorized appropriation for merchandising purposes of a person or group of persons, name, pseudonym, image, voice, likeness, identity or reputation of a person or group of persons.
7. **Conclusion**

7.1 AIPPI does not recommend the adoption of specific laws governing merchandising, but it recommends that the above-mentioned laws governing marks, unfair competition, etc. be interpreted or applied, and if necessary modified, as expressed in the previous paragraphs of this resolution.

7.2 AIPPI believes that trademark laws should be considered as most appropriate to govern merchandising, but that protection by other non-specific laws should not be excluded.

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