Team trademarks: naming the champions

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Choosing the name of a sports team can be a perilous exercise. In addition to representing certain values, names are supposed to fire up the fan base and motivate the athletes themselves. It must sometimes meet with the approval of major sponsors. But when sports teams are companies seeking to profit commercially from the use of their brand, legal considerations also come into play.

Team names are typically linked to the organization of sports events for which tickets are sold. They may also be associated with products such as caps or jerseys that fans take pride in wearing. In these respects, the team's name is a trademark and does not only serves to differentiate a team from its competitors but can also help to fill a company's coffers.

Team names are often associated with logos that also embody certain values. Logos may incorporate various design features, in addition to the team name, and often displayed on a wide range of products.

Trademarks in sports has given rise to various problems, as seen in the examples below.

Trademark Confusion

Do you remember when the Canadian Football League was home to the Saskatchewan Roughriders as well as the Ottawa Rough Riders? This type of situation is far from ideal when watching a game and from the point of view of trademarks, it is to be avoided, since it will probably be impossible for at least one of the two teams to register its trademark. Remember that trademark registrations generally grants national exclusivity.

Similar nominal trademarks, however, are quite common among sports teams, particularly when different sports are involved. Examples include the New York Rangers (hockey) and the Texas Rangers (baseball), or the Florida Panthers (hockey) and the Carolina Panthers (football). This form of "nominal coexistence" might prevent one team from registering its trademark, especially if the description of the other team's products and services is wide-ranging. For instance, if the description of the services provided by the first team to register its trademark includes the presentation of sports events or the sale of jerseys, without specifying the associated sport, there would then be a risk of confusion from the legal point of view between the two nominal trademarks.

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To register as a design mark which includes both the team's name and a logo can sometimes resolve this problem if the teams' logos are substantially different from each other. However, this will be ineffective if the design mark primarily consists of the team's name. In that case, the Intellectual Property Office will consider the logo along with any accompanying text to assess the likelihood of confusion. A logo that does not include the team's name is often easier to register, provided that it is different from the logos of other existing teams.

The case of teams with the same name playing the same sport in different leagues is more complicated. Such situations often arise with minor league and major league hockey teams that have the same name. No problem arises when the minor league team is owned by the same business interests, since it is then easy to conclude a licensing agreement between the two and consolidate trademark ownership to only one company. On the other hand, such situations might also stem from a random choice of name or an unconscious desire to be associated with a major league team.

At the very least, teams with the same name should consider signing a coexistence agreement. For example, on January 10, 2018, the U.S. Army's parachute team, nicknamed the Golden Knights, filed a notice of opposition with the United States Trademark Trial and Appeal Board (TTAB) calling for the rejection of the trademark registration application filed by the NHL's Vegas Golden Knights. Both teams ending up signing a coexistence agreement: the risk of confusion between them was perhaps more limited given the very different nature of their activities.

In addition, team trademarks should aim to be distinctive and should not be limited to generic descriptions of the sport or the place where the team is based.

Socially unacceptable trademarks

Although they may be registered and legally valid from an intellectual property perspective, team logos or names may, however, be socially unacceptable.

The notion of social acceptability actually evolves over time. Some trademarks that were used for years are no longer acceptable today. (Come to think of it, were they ever?) Take trademarks like Aunt Jemima or Uncle Ben's, which, following decades of commercial use, were renamed to be less offensive.

In the world of sports, one only has to think back to the former Cleveland Indians and their logo featuring "Chief Wahoo". In the face of social pressure, the team dropped its logo and became the Cleveland Guardians.

The same phenomenon has been observed in Canada:

> The Edmonton Eskimos, of CFL fame, became the Edmonton Elks after the organization acknowledged that its name could be offensive to the Inuit and other Indigenous peoples of Canada.
> In 2019, McGill University changed the name of its varsity sports teams from the Redmen to the Redbirds. This decision followed a referendum in which 78.8% of participating students voted in favour of the name change.
> In 2020, the Ahuntsic College Indians became the Eagles following a student vote.

To protect their trademarks, sports teams must take into account evolving standards of social acceptability. Trademarks that avoid racial or discriminatory stereotypes are more likely to "stand the test of time".

One might wonder how much longer certain team names will last. In the NFL, the Kansas City Chiefs and the Minnesota Vikings both have names that play on stereotypes that have been contested for years. In the NHL, the same questions arise for the Chicago Blackhawks. While various communities are calling for a new name and logo, others insist that the name pays tribute to a real-life Native American. In Major League Baseball, the Atlanta Braves have faced similar scrutiny

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and social pressure.

Team nicknames created by fans

Certain team names were created by the fans themselves, not by the owners or the organizations involved. Take, for example, the “Habs” (Montreal Canadiens), the “Als” (Montreal Alouettes) or “Nos Amours” (former Montreal Expos). Are these nicknames the intellectual property of the fans that invented them?

In fact, a number of these nicknames have been successfully trademarked in Canada:

> “Habs” has been a registered trademark since 2003 for entertainment services and since 2007 for merchandise such as clothing and other promotional items.
> “Als” has been a registered trademark since 2014 for all promotional items and entertainment services.
> “Barça”, the nickname of Barcelona’s professional soccer club (officially FC Barcelona), has been a registered trademark in Canada since 2022 for all promotional products.

However, the French nicknames “Nos Amours” (Montreal Expos) and “La Sainte-Flanelle” (Montreal Canadiens) have not yet been trademarked in Canada, although applications for “Tricolore Sports” and “Bleu Blanc Rouge” were recently filed by the Montreal Canadiens.

The issue that arises stems from sports teams taking the opportunity to trademark and protect nicknames that became distinctive thanks to widespread use by fans.

Trademarks linked to a sponsor

Sports teams might wish to adopt a name and /or a trademark that pays tribute to their owner or a major sponsor. One example that comes to mind is the Anaheim Mighty Ducks (now the Anaheim Ducks), which were originally named after the Disney-owned film franchise. This situation is not problematic per se since two separate companies were involved.

However, things can get tricky if relations with sponsors become tense or if they decide to withdraw their sponsorship. For that reason, an agreement should be in place setting out the sponsor’s trademark rights and, if the sponsorship comes to an end, how quickly the team has to change its name and trademarks. Departing sponsors should also be prevented from interfering in the management of the team. Teams should also reserve the right to change their names and trademarks for various reasons, including reputational risk. And if a sponsor sells sports equipment or other team-related products, teams should ensure that they can sell their own promotional products without infringing the sponsor’s trademark. If not contractually regulated, such situations could even affect the validity of the sponsor’s registered trademarks since the sponsor would not exercise adequate control over the trademark.

The issues outlined above might not just affect the company’s image, but could also prevent it from adequately protecting its trademark. A registered trademark ensures nationwide protection; it may also cover multiple countries if applications are filed outside Canada. Above all, trademark registration provides a greater degree of legal certainty. This also greatly facilitates intervention against malicious actors seeking to counterfeit—and profit from—registered trademark and, in many cases, serves to block imports of counterfeit merchandise.

From the outset, sports teams that wish to profit commercially from their brand should check at the outset whether it can be registered as a nominal and/or design trademark. If it cannot, they are advised to work closely with their legal teams and trademark agents to find an alternative name or logos that are not affected by the above-mentioned issues.

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