

LONDON 2012 COUNTDOWN IN THE EVENT ZONE

The London 2012 Olympic and Paralympic Games are only weeks away and with brand owners kicking off their summer marketing campaigns, we provide a reminder of the restrictions on advertising and trading activity at and around Olympic venues under the London Olympic Games and Paralympic Games (Advertising and Street Trading etc) Regulations 2011 (the "Regulations").

Event Zones

Subject to some specific exceptions (for example, where LOCOG has authorised particular advertising activity), the Regulations prohibit all advertising and trading activity in defined "Event Zones" for a limited period of time, the "Event Period", which is related to the duration of the Olympic event held within the relevant Event Zone. Since publication of the draft Event Zones last year, the Event Zones around St James Park and Horse Guards have been extended to cover the Palace of Westminster and Westminster Abbey. There have also been some other minor amendments to Event Zones, for example, to provide clear walking routes from public transport hubs. Maps of each of the Event Zones, which include details of the relevant Event Periods are available at:

http://www.london2012.com/business/advertising-and-trading-regulations/event-maps/index.html

Advertising Activity

The Regulations apply to all those who are directly or indirectly responsible for advertising activity and could, for example, include media and advertising agencies in addition to brand owners. The Regulations make it clear that it is not relevant when or where arrangements are made, provided that the advertising activity itself is to take place in an Event Zone during the applicable Event Period. This is intended to ensure that the activities of those who distribute branded items outside of an Event Zone with the intention of such items being taken into an Event Zone as part of an ambush marketing campaign will nonetheless be caught by the Regulations.

Advertising activity is defined in broad terms under the Regulations. In addition to traditional forms of advertising, such as, billboards, posters, flyers and giveaways, advertising activity would also include, for example, projected advertising (such as, lasers and light shows), moving and aerial advertising, and advertising displayed on an individual's body or clothing or an item of personal property, where such display is part of an ambush marketing campaign.

Individuals who display advertising on their bodies, clothing or by carrying branded items of personal property will only have a defence to contravening the Regulations if they did not know and did not have reasonable cause to believe that they were participating in an ambush marketing campaign. Where this exception applies, it will not however, excuse the activities of an advertiser who has caused an individual to display the advertisement.

For the purposes of the Regulations, an ambush marketing campaign means a campaign (which includes a single act) which is intended specifically to advertise (i) a good or service and/or (ii) a person who provides a good or service, in an Event Zone during the applicable Event Period.

Comment

The general prohibition on advertising and trading activity is intended to prevent non-sponsors of the Games from carrying out ambush marketing campaigns. The Olympic Delivery Authority has indicated that it will take a light touch approach to minor breaches which can easily be rectified, however, persistent offenders face potentially severe penalties as contravening the Regulations is a criminal offence under section 21 of the London Olympic Games and Paralympic Games Act 2006.

The Regulations do not, however, apply to activities leading up to the Games or non-event areas associated with the Games, such as, the 22 nationwide "live sites" at which spectators will be able to watch the sporting action on big screens. Advertisers considering such alternative sites should nonetheless tread carefully and seek advice to ensure that they do not fall foul of other rights associated with the Games.

For more information, please contact:

James Hennigan

Partner, London T +44 20 7655 1587 E james.hennigan@squiresanders.com

Laura Perkins

Associate, London T +44 20 7655 1069 E laura.perkins@squiresanders.com

The contents of this update are not intended to serve as legal advice related to individual situations or as legal opinions concerning such situations nor should they be considered a substitute for taking legal advice.

© Squire Sanders.