

Chicago Daily Law Bulletin®

VOLUME 170, NO. 51

LAW BULLETIN MEDIA

Roberto Clemente family battles Puerto Rico over license plates

Trademarks can provide a lucrative revenue stream for sports stars and generate significant income for their families long after the athletes' deaths. Conflicts over trademark rights usually erupt between an athlete's family and businesses seeking to capitalize on a player's brand.

But one ongoing legal battle over a deceased athlete's trademark pits the family of the late National Baseball Hall of Famer Roberto Clemente against the U.S. territory of Puerto Rico.

Clemente's three sons are appealing the dismissal of their lawsuit against the government of Puerto Rico for using the late Pittsburgh Pirate's trademarked image on license plates without their permission. The amount of money at stake is considerable — \$3.15 million for the alleged trademark infringement and \$45 million in damages.

While the Puerto Rico district court dismissed the action in 2023, the family recently appealed to the 1st U.S. Circuit Court of Appeals, seeking review of issues of constitutional and trademark law.

Born in Puerto Rico, Clemente played for the Pirates between 1955 and 1972. In 1960, he became the first Major League Baseball player from Latin America to win a World Series as a starting player and receive the World Series MVP award (in 1971).

Clemente devoted his off-season time to humanitarian efforts. He tragically died in 1972 at age 38 in a plane crash on his way to deliver aid to Nicaragua after a devastating earthquake.

His widow and their three sons were committed to preserving Clemente's legacy and humanitarian efforts,



SPORTS MARKETING PLAYBOOK

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including taking significant measures to protect his trademark, which they assert has been in use since 1955.

The three brothers formed Clemente Properties Inc., which registered the Roberto Clemente trademark with the United States Patent and Trademark Office, and In Right Inc., which has the right to license the trademark. They also engaged a property management agency to act as their exclusive business representative in the licensing of the trademark to select partners for merchandise and endorsements, as well as monitor and handle unauthorized use of the Roberto Clemente trademark.

In 2022, the Puerto Rican government issued commemorative license plates with Clemente's name and image to celebrate the 50th anniversary of his historic 3,000th hit. The Clemente family objected to this use without their permission.

However, the Puerto Rican government went ahead and sold the commemorative license plates for \$21 and commemorative vehicle certificate tags for \$5. It raised approximately \$15 million to establish the Roberto Clemente Sports District.

The government acted under the color of two 2021 resolutions Puerto Rico had passed, one for the license and one for the tags, as well as a law that created the Roberto Clemente Sports District and authorized the transfer of land from Ciudad Deportiva Roberto Clemente Inc. — created by Clemente to provide a sports facility to children — to the Roberto Clemente Sports District.

The Clemente family sued the Puerto Rican government for trademark infringement in violation of the federal Lanham Act. The suit also alleged that the use of the trademark without permission violated the takings clause of the Fifth Amendment.

The family further argued that the Sports District plans were going forward without the family's authorization and that the Puerto Rican government had taken property that had been donated to Clemente.

In addition, the Clemente family claimed that by illegally appropriating Clemente's name and image, the Puerto Rican government erroneously led the public to believe it was working with the Clemente family. The family previously planned to issue commemorative license plates for a voluntary — and much smaller — donation to the Ciudad Deportiva Roberto Clemente.

After the family let the governor of Puerto Rico know of their plans, the government proposed the resolutions

with the higher fees and the proceeds going to the Department of Sports and Recreation. The family strongly opposed imposition of the fees at a time when the territory was struggling to recover from a financial crisis and association with the project damaged the Clemente brand and reputation.

The district court dismissed the federal claims, finding that the 11th Amendment generally insulates states from being sued in federal court.

As a U.S. territory, Puerto Rico is protected by the 11th Amendment. The judge also ruled the Clemente family failed to show under the Lanham Act that the Puerto Rican government

used Clemente's trademark in a commercial venture, finding issuing license plates and tags a government activity.

The family's trademark claims also failed because they asserted that the Puerto Rican government used Clemente's trademark without permission, but didn't allege that any consumer confusion would ensue. The family specifically failed to allege that it was selling the same goods as the Puerto Rican government.

The judge noted that the historical significance of the 50th anniversary of Clemente's 3,000th hit weighed in Puerto Rico's favor. Clemente was the 11th player to reach this milestone,

joining luminaries including Willie Mays, Hank Aaron, Stan Musial and Ty Cobb. Clemente's accomplishment was momentous for both the MLB and Puerto Rico, the judge said, pointing out that courts have recognized the "public value" of information about baseball and its players.

A rematch between the Clemente family and the Puerto Rican government is now on deck in the 1st Circuit. With several legal arguments in play, the Clemente family's biggest hurdle will be persuading the appeals court that 11th Amendment immunity for states does not apply to the U.S. territory. Stay tuned to see who prevails.