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Analysis:

Don't Let Your Brand Get Red-Carded

Scandals associated with sports or entertainment properties are a major risk for sponsors, write Venable attorneys **Po Yi** and **Jessica S. Borowick** in a recent post to the firm's advertising law blog. One need look no further than the recent FIFA implosion for an example of how a high-profile scandal can deal serious damage to a brand.

However, they write, there are a number of things a brand can do to protect itself, including the inclusion of a "morals clause" in all of its sponsorship agreements.

Read the full blog post to [learn how to mitigate the brand damage that can result from sponsorships gone very, very wrong](#).

Ironman Lottery DNFs in DOJ Challenge

The Ironman triathlon is a grueling test of physical and mental endurance, but with a little luck and a little cash, anyone could score a starting slot at the prestigious Ironman World Championships in Hawaii via the Ironman Lottery. But those days are now gone, thanks to a case brought by the Department of Justice (DOJ) against World Triathlon Corporation (WTC), which produces Ironman races around the world.

Now the Ironman Lottery is no more and WTC's pockets are \$2.8 million lighter. The problem, write Venable attorneys **Melissa Landau Steinman** and **Kristen R. Brown** in a recent post to Venable's advertising law blog, is that the Ironman Lottery was structured in such a way that it was not a lottery at all, but "gambling" under federal and state laws.

Read the blog post to [learn how to structure sweepstakes so that they do not run afoul of federal and state gaming laws](#).

[Click here to read the settlement agreement](#) (registration may be required).

License Images or Prepare to Pay the Piper

For a long time, people have generally felt it appropriate to go onto various image search engines, find a photo for a newsletter, website, or other publication, and then cut and paste it into their publication or website, writes Venable partner **Joshua J. Kaufman** in a recent client alert. Whether because of ignorance of copyright law, belief in the "it is on the internet so I can use it" myth, or simply thinking the chances of getting caught were so minimal that it was worth the risk, hundreds of thousands of images have probably been cut and pasted without license and put on third-party websites and online publications.

Kaufman writes that while the chances of being caught may have once been miniscule, the free ride is over. New automated technology makes it easy for copyright holders to scour the Internet for infringing works. Once the works are identified, the rights holders are seeking hundreds of dollars or more in licensing fees for the photos in question.

Read the full client alert to [learn more about the recent surge in license requests and what companies](#)

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can do to mitigate licensing risk.

iWorks Got the Works, But You Don't Have To

In April, a United States District Court in Nevada granted partial summary judgment for the FTC against Jeremy Johnson and a number of related corporate entities collectively referred to as iWorks. In the May edition of *Response* magazine, Venable attorneys **Jeffrey D. Knowles**, **Leonard L. Gordon**, and **Mark S. Goodrich** write that the decision offers a glimpse into how the FTC and the courts analyze certain online advertising issues. And, because this FTC action ended up being litigated in court, it also highlights the significant differences between alleging deception in a complaint and proving it in a courtroom.

Read the *Response* column to [learn more about lessons marketers should take from the iWorks case](#).

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