

O-140-07

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION
NO. 2359948 IN THE NAME OF FRANKIE GOES TO HOLLYWOOD LTD
TO REGISTER THE TRADE MARK FRANKIE GOES TO HOLLYWOOD IN
CLASSES 9, 16, 25, AND 41**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 93033 IN THE NAME OF
PETER GILL, MARK O'TOOLE, PAUL RUTHERFORD AND BRIAN NASH**

Trade Marks Act 1994

**IN THE MATTER OF trade mark application No. 2359948
in the name of Frankie Goes to Hollywood Ltd
to register the trade mark Frankie Goes To Hollywood
in Classes 9, 16, 25, and 41**

And

**IN THE MATTER OF opposition thereto under no. 93033
in the name of Peter Gill, Mark O'Toole, Paul Rutherford and Brian Nash**

BACKGROUND

1. On 2 April 2004, Frankie Goes to Hollywood Ltd made an application to register the trade mark FRANKIE GOES TO HOLLYWOOD in Classes 9, 16, 25 and 41 in relation to the following specifications of goods and services:

- Class 09** Apparatus for recording, transmission or reproduction of sound or images; sound, video and/or data recording and reproducing apparatus; magnetic data carriers; electronically, magnetically or optically recorded data, sound and/or video; electrical and electronic magnetic and/or optical recording apparatus and instruments; recording discs; video tapes; audio tapes; CDs, CD-ROMs; DVDs; computer software; software downloadable from the Internet; digital music; telecommunications apparatus; mouse mats; mobile phone accessories; disc drives; sunglasses; cases for sunglasses; parts and fittings for all the aforesaid goods.
- Class 16** Paper, cardboard and goods made from these materials; printed matter; printed publications; periodicals; books; magazines; newspapers; newsletters; stationery; coasters; parts and fittings for all the aforesaid goods.
- Class 25** Clothing; footwear; headgear; belts.
- Class 41** Entertainment; the provision of online electronic publications and digital music (not downloadable) from the Internet; musical entertainment services; musical performances; audio and video recording services; concert, musical, live or recorded performances; television and radio entertainment services; organisation, presentation, production and performance of concerts; provision of musical workshops and training; photography; publication of books, journals, printed matter, text and periodicals; production, presentation and syndication of programmes, sound and video recordings for broadcast by television, cable, satellite and video; production and presentation of shows; organisation of competitions; nightclubs; discotheques; dance

clubs; dance venues and dance hall services; interactive information provided online from computer databases or the Internet; advisory, consultancy and information services relating to all the aforesaid services.

2. On 14 December 2004, Peter Gill, Mark O'Toole, Paul Rutherford and Brian Nash filed notice of opposition to the application, the grounds of opposition being as follows:

Under Section 3(6)

The name FRANKIE GOES TO HOLLYWOOD is the name of a popular band formed in the early 1980s. The Opponent's are four of the original band members of FRANKIE GOES TO HOLLYWOOD. The rights in the name FRANKIE GOES TO HOLLYWOOD are owned jointly by the five band members. An application for the mark in the name of Frankie Goes to Hollywood Limited (which is the company owned by the fifth band member Mr Holly Johnson) without the consent of all of the co-owners of the rights to the name indicates that the application has been filed in bad faith.

Under Section 5(4)(a)

by virtue of the law of passing off.

3. The applicants filed a counterstatement in which they deny the ground on which the opposition is based.

4. Both sides ask that an award of costs be made in their favour.

5. Both sides filed evidence in these proceedings, which, insofar as it may be relevant I have summarised below. The matter came to be heard on 17 October 2006, when the Opponents were represented by Mr Paul Walsh of Bristows, their trade mark attorneys. The applicants were represented by Ms Denise McFarland of Counsel, instructed by D Young & Co, their trade mark attorneys.

Opponents' evidence

6. This consists of four Witness Statements. The first is dated 17 August 2005, and comes from Peter Gill, one of the opponents.

7. Mr Gill recounts the history of the group which he says can be traced back to a collaboration between himself and Mark O'Toole. He states that at the time that they started performing under the name Frankie Goes to Hollywood, the band consisted of himself, Holly Johnson, Mark O'Toole, Gerard O'Toole and Paul Rutherford. In 1983 the band was signed by ZTT, the record label of a leading record producer who had seen the video for the bands song "Relax" on a television music programme called "The Tube". By this time Gerard O'Toole had left the band and had been replaced by Brian Nash. The single "Relax" was released at the end of 1983, and after the band's appearance on Top Of The Pops entered the music charts at number six, subsequently reaching number one after the BBC banned its playing by BBC outlets. Two further singles "Two Tribes" and "The Power Of Love" were released in 1984, both of which reached

the top position in the charts. This coincided with the release of the band's first album "Welcome To The Pleasuredome". Mr Gill says that in the Summer of 1984, T-shirts bearing the slogan "Frankie SAY(S)..." became very popular. The band released further singles in 1985 and 1986 which reached number two and number four in the charts. Mr Gill refers to Exhibit PG1, which consists of an extract from the Guinness Book of Hit Singles (1995), which lists the band as having released recordings in the years 1983 to 1987, 1993 and 1994, some being re-releases or remixes.

8. Mr Gill refers to the band having done three tours between 1984 and 1987, the first being in the US, the subsequent two being worldwide (presumably including the UK although he does not say). He says that the band also had frequent television coverage, appearing on Top Of The Pops on "numerous times".

9. Mr Gill goes on to recount that in 1987, Holly Johnson took the decision to pursue a solo career, his last performance with the band being in France in 1987. He says that rather than look for a replacement vocalist, the remaining band members decided to cease performing, and the tour management company, Itchy Helmets Ltd, and Tight Box Ltd to whom the band's royalties were paid were both dissolved. Mr Gill says that no arrangements were put in place between Holly Johnson and the other band members regarding the ownership of any goodwill. He says that all profits from record sales and tours were shared equally between the members of the band through these companies.

10. Mr Gill goes on to give details of proceedings by which Holly Johnson obtained a ruling releasing him from his contract with ZTT, and to his success in his solo career, which, as can be seen from Exhibit PG2, an extract from the Guinness Book of Hit Singles, was under his own name. Mr Gill states that after leaving the band, Holly Johnson did not use FRANKIE GOES TO HOLLYWOOD. He says that as can be seen from the evidence, when at the peak of its popularity, the band was identified and portrayed as a group of five musicians.

11. Mr Gill recounts that in 2003, the five members of the band were approached by a television programme "Bands Reunited" with a view to arranging a short concert for the programme. He says that the Band members met in November 2003, but Mr Johnson declined to perform with the other band members. He also recounts the events surrounding the band performing at a concert in 2004 in aid of the Prince's Trust, mentioning that Holly Johnson declined to take part and a new vocalist, Ryan Molloy joined the band. He says that the circumstances that lead to the appointment of replacement vocalist were mentioned on the VH-1 television channel in March 2005. Exhibits PG3 and PG4 consist of a DVD containing a recording of the programme, and articles from the press about the appointment of a new vocalist for the band. The articles show the band to be performing under the name FRANKIE GOES TO HOLLYWOOD, and refer to the fact that Holly Johnson declined to participate in the reformation of the band and had been replaced by Ryan Molloy.

12. Mr Gill says that following the Princes Trust event the band performed a series of concerts across Europe, and had concerts planned for the UK in the Autumn of 2005. Exhibit PG5 consists of a promotional pack used to promote the reformed Band to agents and promoters, Mr Gill stating that they have made it clear that Ryan Molloy and not Holly Johnson is the lead vocalist.

13. Mr Gill says that in 2005, he and the other band members learned that in January 2004, Holly Johnson had registered a company under the name Frankie Goes To Hollywood Limited. He says that this is the second company of that name registered by Holly Johnson, the first having been formed in June 1984 and dissolved in June 1988, Exhibit PG6 being copies of the related documentation from Companies House. Mr Gill says that he and the other band members had expressed their concern at the first registration, but Holly Johnson had assured them that he had taken this action for the benefit of them all. He asserts that Holly Johnson registered the second company to try and obtain exclusivity in the FRANKIE GOES TO HOLLYWOOD name. Mr Gill notes that Holly Johnson applied for the registration of the trade mark in suit shortly after the “Bands Reunited” television programme. Mr Gill suggests that these actions were a tactical measure to stop the band reforming.

14. In support of his contentions regarding the rationale for Holly Johnson’s actions, Mr Gill refers to Holly Johnson having instructed Russells, solicitors, who sent a letter to Mission, the Agency managing the publicity for the re-formed band’s tour, in which they alleged that Holly Johnson is the proprietor of the name FRANKIE GOES TO HOLLYWOOD. A copy of the letter, dated 12 May 2005, is shown as part of Exhibit PG7. In this, Russells state that they act for Holly Johnson, informing Mission of Holly Johnson’s trade mark application, asserting that it is “improper” for Mission to promote the re-formed group and requesting confirmation that they will cease, reserving their clients’ right to legal remedies. Mr Gill says that he instructed Bristows to respond, a copy of the letter is shown as part of Exhibit PG7. The exhibit also includes a letter dated 18 May 2005, from Russells, replying to Bristows letter, a copy of which is shown as Exhibit PG7. In this Russells deny that any threats were made, assert that Holly Johnson owns and retains a substantial goodwill in the name, and that the name cannot be used without the consent of all five band members.

15. The remainder of Mr Gill’s Statement consists of submissions. Although I do not consider it necessary or appropriate to summarise these, I will take them fully into account in my determination of this case.

16. The second Witness Statement is dated 5 August 2005, and comes from Trevor Charles Horn, inter alia, a producer and composer of the band Frankie Goes To Hollywood from 1983 to 1987.

17. Mr Horn recounts his career in the music industry as a performer, through to his formation of the record label ZZT in 1982, the label that signed Frankie Goes to Hollywood. Exhibits TH-1 and TH-2 consist of details of the musicians and projects with which Mr Horn has been involved, and a biography of his career dating from July 2004. He mentions having won numerous music industry awards, details of which are shown as Exhibit TH-3.

18. Mr Horn says that he first became aware of the band FRANKIE GOES TO HOLLYWOOD in 1982, having heard them on a music television programme, subsequently signing them to his ZZT label in 1983. He says that the original members of the Band at the time he first met them consisted of Peter Gill, Holly Johnson, Brian Nash, Mark O’Toole and Paul Rutherford, although on earlier demo tapes Gerard O’Toole played the lead guitar, subsequently being replaced by Brian Nash. Mr Horn says that changes in the line-up of bands is commonplace, going on to cite various examples.

19. Mr Horn goes on to refer to Holly Johnson’s departure from the band, and to his commencing

litigation against ZZT. Mr Horn asserts that the court case attracted substantial interest from the media, and that during its course Holly Johnson made it clear that his interest in FRANKIE GOES TO HOLLYWOOD was at an end. Mr Horn says that during his “relatively successful” solo career, Holly Johnson did not attempt to use the name FRANKIE GOES TO HOLLYWOOD, instead performing under his own name. Mr Horn asserts that through re-releases and “greatest hits” compilations the name FRANKIE GOES TO HOLLYWOOD has remained popular.

20. Mr Horn next comments on the concert to support the Prince’s Trust Charity that took place in November 2004. He says that over 10,000 people attended and saw acts that had featured in Mr Horn’s career, inter alia, FRANKIE GOES TO HOLLYWOOD who were the closing act. He says that in the pre-concert publicity, much was made of the absence of Holly Johnson from the line-up, and the holding of auditions to find a new vocalist. Mr Horn attributes much of the success of the concert to a resurgence of interest in the 1980s which in part has been brought about by so called “revival” tours by bands popular in that era. Mr Horn asserts that it is well known that the band FRANKIE GOES TO HOLLYWOOD had reformed without Holly Johnson.

21. The next Witness Statement is dated 10 August 2005, and comes from Stephen Irving, Manager of the FRANKIE GOES TO HOLLYWOOD website, www.fgth.net, which he says he has been running since February 2001. He says that he has been a fan of the band since it first started performing in the 1980s.

22. Mr Irving states that he started running the website in his spare time as a platform for fans to express their views of the band, and as a source of information on the band. He says that with the encouragement and assistance of Brian Nash, Mark O’Toole and ZZT Records Ltd, he gained approval to use copyrighted material which led to the website being launched as the official FRANKIE GOES TO HOLLYWOOD website in October 2003 with the full knowledge of Holly Johnson. He states that he has also launched a new site with features and news exclusively about the present line-up of the Band. Exhibit SI-1 consists of a page from the official site showing a link to the new website, along with extracts from the new site. The first page is headed “FRANKIE SAY CHOICE” and has two sections; “1980s FGTH” and “FGTH TODAY”. The link to the new site brings up details of the current line-up of the band, including a feature on the appointment of Ryan Molloy as the new lead singer.

23. The final Witness Statement is dated 16 August 2005, and comes from Doreen Allen, who between 1984 and 1986 was the operator of the Frankie Goes to Hollywood Fan Club, with her partner Kenneth Dawick.

24. Ms Allen says that she has known Holly Johnson and Paul Rutherford since about 1976, going on to recount how she came to run the fan club, which she and her partner financed. She says that the fans saw Frankie Goes to Hollywood as a band, not as Holly Johnson and others. Ms Allen states that the club received a lot of fan mail addressed both to the band and individual members, Mark O’Toole receiving the most, followed by Brian Nash and Holly Johnson. Ms Allen asserts that the fans did not see any particular member of the band as the driving musical force. She says that after the second album the band did not do anything for a long time, and the club folded. Ms Allen says that the club had 6000 members when it closed. She says another club was set up but she was not connected with it.

25. Ms Allen states that Holly Johnson's departure to pursue a solo career was not seen by the fans as the end of the band, and that the club received a lot of letters asking what the band was going to do now Holly had left. She refers to the auditions that led to Ryan Molloy being appointed as the new vocalist for Frankie Goes to Hollywood, saying that she saw the show on television. Ms Allen states that she could not attend the Prince's Trust concert that featured the new line up of Frankie Goes to Hollywood, but is aware that it had a high profile and received a lot of coverage in the press. She says that in her view the current fans will expect Frankie Goes to Hollywood to be without Holly Johnson, and that due to the time that has passed, most fans of the "old 80's groups" will nowadays expect one or two line up changes from the original band. By contrast, she considers the fans would be "mislead" if Holly Johnson or his company were to use or perform as Frankie Goes to Hollywood.

Applicants' evidence

26. This consists of two Witness Statements. The first is dated 12 January 2006, and comes from William Holly Johnson, the sole Director of Frankie Goes to Hollywood Limited who are the applicants.

27. Mr Johnson gives details of his life, and his involvement with music, which led to the formation of a band with the line-up of Holly Johnson, Ambrose Reynolds, Steve Lovell and Phil Renshaw, which he says he named Frankie Goes to Hollywood, inspired by a painting of Frank Sinatra that appeared in a book called "Rock Dreams" by Guy Peelheart. He says that the band was much talked about on the Liverpool music scene and was written into a "Rock Family Trees" by Pete Frame that was published in book form after it appeared in the Sounds music newspaper. A copy of the "tree" is shown as Exhibit HJ1. The exhibit consists of a photocopy of the cover of "Rock Family Trees – The development and history of rock performers..." endorsed as "As seen on BBC TV". The second part of the exhibit is headed "Liverpool 1980: Eric's Progeny", Eric's being a rock club in Liverpool. This contains an entry relating to "Holly" having put together a band, originally called Hollycaust that went on to become Frankie Goes to Hollywood.

28. Mr Johnson says that after a few months of work he determined that this line-up was not right and moved on to work with Brian Nash and Peter Gill, with he and Peter forming a new line-up with Mark O'Toole. Paul Rutherford joined this band some time later, at which time he decided that it should use the Frankie Goes to Hollywood name that he created for the earlier band. He recounts that two years later the band had found a manager, had made demo recordings, a video, recorded at John Peel's studio for BBC Radio One and a showcase for Channel 4's "The Tube" programme which is where Trevor Horn saw the band. It was some time later, after hearing an early version of the song "Relax" on Radio One that Mr Horn contacted the band's manager, and on 1 September 1983, signed them to a recording contract with his ZZT label. The band also signed a publishing deal with Perfect Songs Ltd. Mr Johnson outlines the unsatisfactory nature of these contracts, stating that ZZT were a production company who had signed a deal with Island Records to distribute their products. Mr Johnson states that in the time leading up to the departure of the band's manager, he became responsible for liaising between the band and ZZT.

29. Mr Johnson refers to the release of a single entitled "Relax" in November 1983, saying

that this went on to sell millions of copies. The single featured him on vocals, but none of the musicians in the band played, their part being done by session musicians or “electronic gadgetry”. He says that apart from some backing vocals, this was the case for 90% of the album “Welcome To The Pleasuredome” which went on to sell millions.

30. Mr Johnson recounts difficulties with Jill Sinclair, Trevor Horn’s wife and business partner in ZZT, asserting that she was reportedly trying to get him out of the band. He says that to protect his position and rights, he formed a company under the name Frankie Goes To Hollywood Ltd. He states that having previously used the name with other musicians, it was his intellectual property in the same way as the words and songs that he had written. A copy of company forms are shown as Exhibit HJ2. Mr Johnson says that when the other band members discovered that he had registered the company, a meeting took place during which an agreement was signed recognising that he had originated the name. He says that the band were authorised by him to use it until one of them left, after which the original group members would lose their rights to use the name. A copy of the Agreement is shown as Exhibit HJ3. The “Agreement” is a memo sent by David Gentle, the band’s solicitor, stated to have been written “...to set out the basic points together with certain other suggestions which have been put forward by Ian now that he has had the opportunity to consider the overall tax implications which were discussed and, I think, agreed in principle at our meetings at Ian Harings’ office on 3rd and 6th September”. Mr Johnson explains that Ian Haring was the band’s accountant.

31. Paragraphs 1.1 of the memo refers to the setting up of a new company, Frankie Goes to Hollywood Enterprises Limited, the existing partnership to cease “..with effect from, say, 1 October.” Each band member was to have equal shares in the new company which takes over the existing goodwill of the partnership. Paragraph 1.2 refers to the “existing company Frankie Goes to Hollywood Limited”, which I take to mean the company formed by Holly Johnson, permitting the use of the name Frankie Goes to Hollywood and agreeing not to trade. Paragraph 2 states that in the event of one or more of the band members leaving, “...there will be an agreement by which you have to sell your shares of Enterprises to the remaining members...” which will continue and “...be entitled to use the name and allow it to be used by the remaining members of the group.” Paragraph 4 states:

“4. i. Frankie Goes To Hollywood Limited was formed by Holly Johnson who created the name. As previously stated, it will not be possible to allot the shares to other members without causing a tax problem. It will be necessary for FGTHL to authorise the formation of Enterprises, undertake not to use the name itself, and authorise the company to use the name for trading purpose.

ii. Holly consents to the use of the name Frankie Goes To Hollywood Frankie in the formation of Goes To Hollywood Enterprises Limited and the band as presently formed will be entitled to use the name. If the membership alters the right to use the name will cease (except as a company name) but Holly Johnson agrees that he will not personally use the name with any other group of recording artists.”

32. The memo concludes stating:

“These proposals affect you all and if any of you have any queries would you please

contact me. If these proposals are acceptable to you all, would you each sign the duplicate copy and return it to me and I will prepare the necessary documents for signature.”

33. The memo is signed by Holly Johnson, Brian Nash, Paul Rutherford, Peter Gill and Mark O’Toole. Mr Johnson says that as a result of this Agreement he saw no need for the company that he had incorporated and Frankie Goes To Hollywood Ltd was dissolved on 14 June 1988. He refers to two applications to register FRANKIE GOES TO HOLLYWOOD as a trade mark that had been filed in April 1985 and May 1986 by Ian Haring in the name of Hadbrook Ltd. Mr Johnson states that even though he was a Director of this company, he had been unaware of the applications, and that he told Mr Haring that he would not have sanctioned them as he felt the Agreement clearly stated that the name was his creation and that he would be responsible for granting usage. Mr Johnson exhibits a copy of the final Annual Return filed by Hadbrook Ltd, and details of the trade mark applications filed in its name as Exhibits HJ4 and HJ5, respectively.

34. Mr Johnson sets out the circumstances that led to his leaving the group in April 1987, stating that he felt that, as per the agreement, the rest of the band had no rights to use the FRANKIE GOES TO HOLLYWOOD name without his permission. He goes on to recount the subsequent legal dispute with ZZT.

35. Mr Johnson states that Tony Pope, who had continued to manage Mark O’Toole, Brian Nash and Peter Gill made approaches in June and July 1989 through his solicitor, seeking permission for them to use the FRANKIE GOES TO HOLLYWOOD name, and that they would be willing to pay. Mr Johnson says that he considered the agreement to be final and he did not grant permission. Mr Johnson next refers to his solo career in the years between 1989 and 1991, stating that in the following ten years, he actively promoted the songs and recordings of FRANKIE GOES TO HOLLYWOOD, and to his having written a book on his experiences in the music industry and with the band.

36. Mr Johnson recounts his efforts to protect the FRANKIE GOES TO HOLLYWOOD name, specifically mentioning a US band performing under the name and having prevented a concert in Germany, and to a particular performer named Davey Johnson who he describes as “the main protagonist”. Exhibit HJ6 consist of copies of correspondence relating to his having successfully prevented the US groups use of the name. Mr Johnson recounts having received a letter from Warner Bros requesting permission to use a FRANKIE SAYS RELAX T-shirt as wardrobe for the Friends television series, which he says he granted. A copy of the correspondence is shown as Exhibit HJ7. He states that the reincorporation of Frankie Goes To Hollywood Limited on 8 January 2004, and the filing of the application in suit was to protect the name from use by the “wholly fake US group”, and “especially after the making of the show Bands Reunited in October 2003.”. Mr Johnson refers to having had discussions with Brian Nash regarding the group doing a 25th anniversary concert, perhaps releasing a DVD of old and new footage, and to having told Mr Nash about a conversation with Peter Gill during the making of the “Bands Reunited” programme in which he mentioned the fake US band. Mr Johnson says that following this conversation he conducted a prior rights search, and subsequently filed applications in the name of Frankie Goes To Hollywood Ltd. Details from the Companies House website, and of the trade mark applications are shown as Exhibits HJ8 and HJ9. Mr Johnson states that the applications were made “with the express

purpose of protecting the name should the original group decide to work together”, and that he had taken this action because he believed that he owned the rights to the name and wished to protect it in respect of musical activities, products and merchandise.

37. Mr Johnson refers to having been approached to appear at the Princes Trust concert, saying that having declined, the show was advertised without being able to use FRANKIE GOES TO HOLLYWOOD. He says that a few weeks later he had a conversation with Brian Nash who told him that Trevor Horn of ZZT had asked, and got the agreement of Peter Gill, Mark O’Toole and Paul Rutherford to perform, and that auditions for a new singer would be held, some of which appeared in television news programmes. Mr Johnson says that the Princes Trust had agreed not to use the FRANKIE GOES TO HOLLYWOOD name on posters for the event. He says that as can be seen from Exhibit HJ10, the trade mark applications were made before the invitation to take part in the concert was received. As Exhibits HJ11, Mr Johnson shows an extract from the 5 August 2005 edition of the Liverpool Echo, in which Brian Nash is quoted as saying that Holly Johnson was a huge part of Frankie and any FGTH reunion without him would not, in his view, be FGTH, and that he would have entertained the idea of a one-off show if Holly would have been doing it. Mr Johnson says that this statement is at odds with the allegations made by Peter Gill regarding Brian Nash’s involvement in the opposition.

38. The second Witness Statement is dated 10 February 2006, and comes from David Lister, a founder-member of the Independent Newspaper in 1986, becoming arts correspondent in 1988, a post he held until 2003 when he became Arts Editor. Mr Lister says that he provides the evidence in the capacity of a “professional witness” for which he has received a fee of £500, with a further £1000 being payable if called to give evidence in person.

39. Mr Lister refers to some aspects of his career, which involved interviewing Holly Johnson about his paintings for the magazine Modern Painters. He mentions an article written by him that appeared in the Independent on 13 November 2004, a copy of which he shows as Exhibit DL1. The article, entitled, “The Week In Arts: Frankly, these bands are fooling their fans”, which refers to the Princes Trust concert, questioning the ethics of advertising the band as FRANKIE GOES TO HOLLYWOOD without Holly Johnson in the line-up, stating that Holly Johnson was “the only Frankie well known enough to write his autobiography: he was the only Frankie whose face appeared in the papers for years; he was the only Frankie whose name was known by even the most casual music fans.”

40. A later article written by Mr Lister that was published in the Independent on 18 December 2004, (Exhibit DL2) gives his opinion on the return of FRANKIE GOES TO HOLLYWOOD without Holly Johnson, as being “one of the worst examples of the dubious practice of bands reforming and selling tickets without the person most associated with them.” Mr Lister gives his opinion that despite the break-up of the band in 1987, FRANKIE GOES TO HOLLYWOOD is still recognised as the name of an exceptionally successful UK band of the early 1980s and the name Holly Johnson is inextricably linked to that name and the reason for its success. He concludes his statement saying that people seeing the current use of the name would expect the band to be commercially connected in some way to Holly Johnson, who in his opinion is the individual who was, and still is regarded as the most important member of FRANKIE GOES TO HOLLYWOOD.

Opponents' evidence in reply

41. This consists of two Witness Statements. The first is dated 14 May 2006, and comes from Brian Nash, one of the joint opponents in the opposition.

42. Mr Nash confirms reading the evidence of William Holly Johnson and David Lister. He says that he has read and approved the evidence of Peter Gill prior to its filing. Mr Nash states that he makes his statement by way of response to the evidence of Mr Johnson.

43. Mr Nash states that he agrees with Peter Gill's belief that neither Holly Johnson, nor companies controlled by him are entitled to a monopoly over the FRANKIE GOES TO HOLLYWOOD name. He says that it is wrong for Holly Johnson to try and stop other members of the band from going out and performing live, giving his thoughts on Mr Johnson's motives. He refers to the article in the Liverpool Echo exhibited by Mr Johnson, stating that although the quotation is correct, it is incomplete insofar as he had said that he did not wish to perform with the Band at the Princes Trust concert unless with the entire original line-up, including Holly Johnson. Mr Nash says that despite his decision not to perform he believes that the remaining members had the right to do so as FRANKIE GOES TO HOLLYWOOD, provided the line-up was made clear to the public. He concludes stating that it is completely untrue to suggest that his name was added to the opposition without his permission.

44. The second Witness Statement is dated 14 May 2006, and is a second Statement by Peter Gill. Much of this Statement consists of submissions on the evidence provided in support of the application, and as such it is not necessary, or appropriate that it be summarised. It will, of course be taken into account in my determination of this case. Where evidence of fact, or further exhibits have been included I will summarise these here.

45. As Exhibit PG10, Mr Gill provides a copy of the Witness Statement of William Holly Johnson. Exhibit PG11 consist of pages from Mr Johnson's autobiography, in which Mr Johnson refers to the first band that had been named FRANKIE GOES TO HOLLYWOOD, Mr Gill highlighting the entry "*Ironically this show never actually happened. I didn't really feel happy with the music we were making*". Mr Gill gives a detailed account of the origins of the second FRANKIE GOES TO HOLLYWOOD band, going on to say that he and Mark O'Toole were the main contributors to the bands style of music.

46. Mr Gill recounts the band having a discussion to choose a name in preparation for their first gig, one of two proposed by Holly Johnson being FRANKIE GOES TO HOLLYWOOD. Mr Gill states that there was never any suggestion by Mr Johnson that this was his proprietary concept or name, nor did they know that Mr Johnson had previously been involved in a project of the same name.

47. Mr Gill refutes Mr Johnson's assertion that he was the musical force of the band, stating that Mr Johnson's contribution consisted of adding lyrics and melodies to full musical arrangements. Whilst agreeing with Mr Johnson's recollection of the band's rise to fame, Mr Gill refutes any suggestion that Mr Johnson was the principal moving force of the band, citing the circumstances of the departure of their manager, Bob Johnson, and the production of the album, Welcome to the Pleasuredome.

48. Mr Gill goes on to refer to the band being “taken aback” by Mr Johnson’s incorporation of Frankie Goes To Hollywood Limited. He recounts the band being presented with the memo shown as HJ3, stating that although from David Gentle he did not know who had drafted the document or its true purpose. He says that he understood it to represent an agreement in principle, or a position statement rather than a legally binding contract, which was made clear by the reference to formal documents would be prepared. Mr Gill says that the document relates to private discussions between the band and had no impact on the public perception. As far as he and the other band members were concerned, the goodwill that the Band had generated belonged to the band.

49. Mr Gill states that the approach to Holly Johnson’s solicitors regarding use of FRANKIE GOES TO HOLLYWOOD was made as a matter of courtesy; they also approached Paul Rutherford who agreed to their use of the name. He says that they did not offer to pay; Mr Johnson asked if they would be willing to pay. Mr Gill states that it was Mark O’Toole who had initiated the action through a firm of US attorneys, Adams & Reese, which prevented use of the name by a US band, and the cancellation of the show at the Howling Wolf music venue. Mr Gill refers to the “Bands Reunited” programme, mentioning in particular that despite having left the Band some 16 years prior, Mr Johnson made the trade mark application only a few months after the programme in 2003. Mr Gill refers to his solicitors having contacted Mr Johnson’s trade mark attorneys with a view to seeking an undertaking not to enforce the trade mark against the band. The correspondence is shown as Exhibit PG12, and contains a letter sent on behalf of Mr Johnson that states that Mr Johnson “would object and indeed does object to the use of FRANKIE GOES TO HOLLYWOOD by any line-up which was not [comprised] of these five original members including specifically Holly Johnson....”

50. That concludes my summary of the evidence insofar as it is relevant to these proceedings.

DECISION

51. Turning first to the ground under Section 5(4)(a). That section reads as follows:

“5.-(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark”.

52. The requirements for this ground of opposition have been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] R.P.C. 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

(1) that the opponents' goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the applicant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicant are goods or services of the opponents; and

(3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicant's misrepresentation."

53. To the above I add the comments of Pumphrey J in the *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* case, in which he said:

"27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under Section 11 of the 1938 Act (See *Smith Hayden (OVAX)* (1946) 63 RPC 97 as qualified by *BALI* [1969] RPC 472).

Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed at the relevant date. Once raised the applicant must rebut the prima facie case. Obviously he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of possibilities that passing off will occur."

54. Mr Johnson says that he devised the name *Frankie Goes to Hollywood* after having been inspired by a painting of Frank Sinatra that appeared in a book called "*Rock Dreams*" by Guy Peelheart. That Mr Johnson originated the name is not in dispute, and is, in fact officially recorded in a memo shown as Exhibit HJ3. However, the act of inventing a name does not, of itself, bring the inventor any rights. In the decision in *Harrods Limited v Harrodian School Limited* [1996] RPC 697, Millett LJ at paragraph 791 stated:

"It is well settled that (unless registered as a trade mark) no one has a monopoly in his brand name or get up, however familiar these may be. Passing off is a wrongful invasion of a right of property vested in the plaintiff; but the property which is protected by an action for passing off is not the plaintiff's proprietary right in the name or get up which the defendant has misappropriated but the goodwill and reputation of his business which is likely to be harmed by the defendant's misrepresentation."

55. The earliest documented appearance of the name FRANKIE GOES TO HOLLYWOOD can be found in Exhibit HJ1. This consists of a photocopy of the cover of a publication entitled “Rock Family Trees – The development and history of rock performers...”, and a chart marked as copyrighted August 1980 that graphically represents the development of the Liverpool music scene in the late 1970s – early 1980s. There is no evidence that says how widely this book was circulated. The cover is endorsed “As seen on BBC TV” which indicates that it was published and in all probability exposed to the public, albeit to an unknown extent, but not that this necessarily included any mention of FRANKIE GOES TO HOLLYWOOD.

56. The chart is headed “Liverpool 1980: Eric’s Progeny” that appears to have formed part of the book. From some entries it would appear that “Eric’s” is a reference to some long defunct Rock Club and possibly a recording label/studio in Liverpool. The chart gives the names of the musicians and the collective name under which they performed. One entry refers to Holly having recently put together a band composed of Phil Hurst, Ambrose Reynolds and Steve Lovell, originally called Hollycaust, and that “(...since having finished that bit of the chart...)” they have become Frankie Goes to Hollywood. Mr Gill asserts that Mr Johnson contributed to the chart and specifically asked for mention of the first FRANKIE GOES TO HOLLYWOOD act to be included. Whether or not that is the case, the chart dates from August 1980 and links Holly Johnson to the name at that date.

57. In his Statement, Mr Johnson refers to having spent “several months of recording demos and rehearsing” with this group; there is no mention of any “external” use of the FRANKIE GOES TO HOLLYWOOD name. Although the name existed prior to the formation of the band with the opponents, there is no evidence that establishes Mr Johnson used the name in respect of any goods or services, be it those covered by the application, or even in the course of his trade as a musician, songwriter or performer. He may have had an intention of using the name, but that is not enough. As Walton J said in *The Athletes Foot Marketing Associates Inc. v. Cobra Sports Limited and Another* [1980] RPC 343,

“I think this passage is extremely important in considering the present case, for it makes the distinction between "reputation"--gained possibly as the result of advertising, possibly merely by word of mouth--and "goodwill" which of course can hardly exist without the goods, services or provider of these acquiring a reputation, but which requires something more. Nor, of course, is that passage consistent with any suggestion that the plaintiffs' desire possibly to commence business in this country in the future would have made any difference to the outcome.”

58. Mr Johnson says that after a few months of work he determined that the line-up of the band he had named FRANKIE GOES TO HOLLYWOOD was not right and moved on to work with Brian Nash and Peter Gill, although not that this was under the same name. There is a slight, but not significant difference in the accounts of the origins of the band that went on to become FRANKIE GOES TO HOLLYWOOD. Mr Gill says it began through a collaboration between himself and Mark O’Toole, and that at the time they started performing under FRANKIE GOES TO HOLLYWOOD it consisted of himself, Holly Johnson, Mark O’Toole, Gerard O’Toole and Paul Rutherford. Mr Johnson says that he and Peter Gill formed a new line-up with Mark O’Toole, Gerard O’Toole and Paul Rutherford

joining some time later, at which time he decided that this new band should use the FRANKIE GOES TO HOLLYWOOD name that he had created.

59. Mr Johnson recounts that two years later the band had found a manager, made two demo recordings, made a video, recorded at John Peel's studio for BBC Radio One and a showcase for Channel 4's "The Tube" programme which is where Trevor Horn saw the band. It was some time later, after hearing an early version of the song "Relax" on Radio One that Mr Horn contacted the band's manager, and on 1 September 1983, signed them to a recording contract with his ZZT label and a publishing deal with Perfect Songs Ltd. Much of this concurs with the details given by Mr Gill with the exception that Mr Gill confirms that by this time Gerard O'Toole had left the band and been replaced by Brian Nash.

60. Mr Johnson and Mr Gill refer to the release of a single entitled "Relax" in 1983, Mr Johnson stating this was in November of that year, Mr Gill simply placing the event as being "at the end", although he does mention an appearance by the group on Top of The Pops. Both attest to the success of the record, Mr Johnson referring to it having sold millions of copies, Mr Gill adding that the single reached the number one chart position. Mr Johnson states that the single featured him on vocals, claiming that none of the musicians in the band played their instruments, their parts being done by session musicians or "electronic gadgetry". He says that apart from some backing vocals, this was the case for 90% of the album "Welcome To The Pleasuredome" which also went on to sell millions. Mr Gill disputes this, but whether it is the case, it is clear that in any performances it would be the members of the group that the public would see and associate with the name FRANKIE GOES TO HOLLYWOOD. Mr Gill refers to the release of two more singles in 1984, both of which also reached the top position in the charts, and to the band having done three tours between 1983 and 1987, one in the US and two worldwide.

61. Mr Johnson recounts difficulties with ZZT, asserting that one of the partners was trying to get him out of the band, which prompted him to protect his position and rights by forming a company under the name Frankie Goes To Hollywood Ltd. He appears to have done this without the other band members knowing, and when they did find out a meeting took place after which the "memo" shown as Exhibit HJ3 was signed.

62. The memo originated from David Gentle, the band's solicitor, and is stated to have been written "...to set out the basic points together with certain other suggestions which have been put forward by Ian now that he has had the opportunity to consider the overall tax implications which were discussed and, I think, agreed in principle at our meetings at Ian Harings's office on the 3rd and 6th September". Ian Haring is the band's accountant. The memo concludes saying:

"These proposals affect you all and if any of you have any queries would you please contact me. If these proposals are acceptable to you all, would you each sign the duplicate copy and return it to me and I will prepare the necessary documents for signature."

63. The opponents do not consider this memo constitutes a binding document such as a contract or agreement, being more akin to a statement of intent. I do not believe that is necessary to answer the question over its legal status. It has been signed by Holly Johnson,

Brian Nash, Paul Rutherford, Peter Gill and Mark O'Toole, and as such provides a clear acceptance of the contents. It also gives a useful insight into how the respective parties viewed the position of the band and its name.

64. Paragraph 1.1 refers to "All income (except the writer's share of the PRS income)" being paid to a new company to be incorporated under the proposed name of Frankie Goes to Hollywood Enterprises Limited (Enterprises), after which "the existing partnership will cease with effect from, say 1 October.". This clearly recognises that up to this point the band had been, in effect, a partnership. It goes on to say that each band member was to have equal shares in Enterprises which was to take over the existing goodwill of the partnership. So notwithstanding the fact that it later acknowledges ownership of the FRANKIE GOES TO HOLLYWOOD name resided with Mr Johnson, all parties, including Mr Johnson accepted that the goodwill belonged to the partnership as a whole.

65. Paragraph 1.2 refers to "The existing company Frankie Goes to Hollywood Limited", which I take to mean the company formed by Holly Johnson, as permitting the use of the name Frankie Goes to Hollywood and agreeing not to trade. Paragraph 1.3 states that Enterprises was to have separate contracts with five individual companies which have been formed, one for each band member, which would have a contract with each band member under which they provide their services to their own company. Paragraph 1.4 stated that when this was completed, each band member was to own 20% of Enterprises, and would be a Director. Paragraph 2 stated that in the event of one or more of the band members leaving, "...there will be an agreement by which you have to sell your shares of Enterprises to the remaining members..." which will continue and "...be entitled to use the name and allow it to be used by the remaining members of the group."

66. Paragraph 4 refers to the formation of Frankie Goes To Hollywood Limited by Holly Johnson, acknowledging that he created the name. It goes on to state that it will be necessary for this company to authorise the formation of Enterprises and its use of the name for trading purposes, and to agree not to so use the name itself. Confirming this, sub-paragraph "ii" states that "Holly consents to the use of the name Frankie Goes To Hollywood in the formation of Frankie Goes To Hollywood Enterprises Limited and the band as presently formed will be entitled to use the name." It contains the proviso that should the membership of the band change, this authorisation to use the name other than as a company name will cease, with Holly Johnson agreeing that he will not personally use the name with any other group of recording artists.

67. When Holly Johnson left in April 1987 to pursue a solo career, Mr Gill says the remaining band members elected to cease performing and wound up the band's affairs, including the two companies, Itchy Helmet Limited and Tight Box Limited; there is no mention of Hadbrook Limited. Mr Gill refers to arrangements having been made for the payment of future royalties, but that no provision was made relating to "intangible assets such as goodwill."

68. I have already stated that being the originator of a name does not necessarily bring any rights. It may create a reputation gained possibly as the result of advertising or by word of mouth, but goodwill will be created by use of the name in connection with some commercial activity in relation to goods or services. Mr Johnson may have created the name, but its

attractive force, the goodwill, was brought into being by its use in connection with the band of which he, and the opponents were a member. There is no argument from the opponents that Mr Johnson was “the most well-known member of the band”. In my experience it is not unusual for the lead singer to be better known than the other members of a band, but that does not mean that any resulting goodwill gravitates to him and him alone. Being the “most well-known” does not mean that the other band members were unknown. To the contrary there is evidence from Doreen Allen, the one-time operator of an official fan club who in her evidence states that Mark O’Toole and Brian Nash received more mail from fans than Holly Johnson. She is of the opinion that the fans “definitely saw Frankie Goes To Hollywood as a Band not as Holly Johnson and others.”.

69. In the *Al Bassam* trade mark case [1995] RPC 511, Morritt L.J. looked at the question of proprietorship of an unregistered trade mark in the following terms:

“Accordingly it is necessary to start with the common law principle applicable to the questions of the ownership of unregistered trade marks. These are not in doubt and may be shortly stated. First the owner of a mark which had been used in conjunction with goods was he who first used it. Thus in *Nicholson & Sons Ltd’s* application (1931) 48 R.P.C 227 at page 253 Lawrence L.J. said:

“The cases to which I have referred (and there are others of the like effect) show that it was firmly established at the time when the Act of 1875 was passed that a trader acquired a right of property in a distinctive mark merely by using it upon or in connection with his goods irrespective of the length of such user and of the extent of his trade and such right of property would be protected by an injunction restraining any other person from using the mark.”

70. There is no evidence that Mr Johnson or indeed anyone else used the name prior to its use as the name of the band in which Mr Johnson and the opponents participated. Accordingly, any goodwill accrues from the date that that band started recording and performing.

71. Even though Mr Johnson claimed the ownership of the name, it would appear from the memo (HJ3) that he did not take this to include any goodwill derived from its use by the band, this being vested in the “partnership” and ultimately intended to pass to Enterprises. Mr Gill asserts that Mr Johnson never claimed the FRANKIE GOES TO HOLLYWOOD name was his proprietary concept or name. Whilst the later evidence acknowledges Mr Johnson’s ownership of the name, there is nothing that shows that he made this clear from the outset, or that he allowed use of the name on the basis that the rest of the band acknowledged his ownership and the right to any goodwill established.

72. As is often the case, there is no evidence of any contractual arrangements having been put in place between the individual band members. At the outset they were, in effect, a partnership at will. In the *Saxon Trade Mark* case [2003] F.S.R. 39, Laddie J gave the following view on the issue of ownership of the name *SAXON* and the goodwill associated with it:

“19 In my view, Mr Foley’s views as to ownership of the name *SAXON* and the goodwill associated with it are not correct. There is no dispute that the group was a

partnership at will in the 1980s. The name and goodwill were assets of the partnership. All the partners have or had an interest in those and all other assets of the partnership, but that does not mean that they owned the assets themselves. Absent a special provision in the partnership agreement, the partners had an interest in the realised value of the partnership assets. On dissolution of the original partnership, which is what happened when Mr Dawson departed in 1985, he and all the other partners were entitled to ask for the partnership assets to be realised and divided between them in accordance with their respective partnership shares. But none of them “owned” the partnership assets. In particular, none of them owned the name SAXON or the goodwill built up under it. The position would be very different if all the members of the original group had been performing together, not as partners, but as independent traders. In such a case, each may well have acquired a discrete interest in the name and reputation which he could use against third parties but not against the other owners. An example of this is *Dent v Turpin* (1861) 2 J&H 139. Similarly, when Mr Oliver left in 1995, the then partnership dissolved. He had an interest in the realisation of that partnership’s assets, but he did not own in whole or in part the partnership name and goodwill.”

73. There is, of course the memo that sets out proposals for a formal arrangement to regularise the Band’s activities, but there is nothing in the evidence that shows Enterprises was ever incorporated, in fact there is no further mention of it. There is evidence relating to a company called Hadbrook Limited, which as can be seen from the details shown as Exhibit HJ4 had Peter Gill, William Holly Johnson, Brian Nash, Mark O’Toole and Paul Rutherford noted as co-directors, Brian Nash is also listed as Company Secretary. Each is also shown as being a co-Director of Itchy Helmet Limited and Tight Box Limited, and individually, the director of at least one other company. Mr Gill explains that Itchy Helmet Ltd was a company used to run the band’s tours, and Tight Box Limited was the company into which the band’s royalties were paid.

74. Given the correlation between the corporate set-up and the position as it existed, it would seem that the arrangements set out in paragraphs 1.1 to 1.4 of the “memo” may have been put in place, namely, the creation of a central company (albeit under the name Hadbrook Limited rather than Enterprises) with individual companies owned by and representing the interests of each of the five members of the band. If this was the position it significantly altered the commercial nature of the Band’s relationship from that of the partnership, but there is no evidence that the “Enterprises” arrangement had come into being through the vehicle of Hadbrook Limited and the individual companies owned by each of the band members.

75. If the band had at all time continued as a partnership at will, when Holly Johnson left the only asset that he took with him was some control over the use of the name; he took no share of any other assets, goodwill or otherwise. As the band effectively ceased at the same time with no arrangements in place to realise the assets of the partnership, as long as the goodwill existed it attached to the partnership but not the individual members. However, if at the time that the band ceased the “Enterprises” arrangements had come into being with Hadbrook Ltd being the central company, each band member would have acquired a discrete interest in the reputation and goodwill which he could use against third parties but not against the other owners. It therefore seems to me that regardless of the legal status of the band, at the time that Mr Johnson left no member individually owned any reputation or goodwill that they

could enforce against another band member.

76. As stated in the following extract from the *Saxon* decision, if the goodwill from the earlier band's use still existed, that partnership would be able to sue a later band for passing off to prevent it from performing under the same name, that is, unless the first band acquiesced in the second band's activities.

“26. The position is no different if the two bands contain common members. If, as here, they are partnerships at will which are dissolved when one or more partners leave, they are two separate legal entities. This is not affected by the fact that some, even a majority, of the partners in the first band become members of the second.”

77. After leaving the band, Mr Johnson pursued a successful solo career which can only have served to emphasise that he was no longer part of FRANKIE GOES TO HOLLYWOOD, but this does not mean that all connections were severed in the minds of the public. That the band itself ceased to exist around the same time rather than carrying on with a different line-up is likely to have put Mr Johnson's, and the other band members link with the name into a form of stasis.

78. The name effectively went unused by the members of the Band until 2003, when the opportunity to appear on the Bands Reunited programme arose. The programme brings together members of bands that have gone their separate ways to perform a one-off concert, documenting their thoughts and reactions at performing together again. It is difficult to assess whether, at the time of the programme, the reputation and goodwill of the first band had dissipated. *Sutherland v V2 Music Ltd* [2002] E.M.L.R. 28 is a case where successive bands used the name Liberty. As in this case the judge was required to determine whether the first band enjoyed any residual goodwill some five or six years after it ceased to have an active public presence. The judge stated that he found it a borderline decision but came to the view that sufficient reputation remained to found a passing off action, but as is often the position in proceedings based on an allegation of passing off, that case turned on its own particular facts. What it did demonstrate is that even modest amounts of goodwill can survive a relatively long period out of the public eye.

79. Turning to the facts of this case. Unlike Liberty, Frankie Goes To Hollywood had achieved a considerable level of success and acquired a level of goodwill commensurate with this. However, the period between the cessation of the original band and their re-emergence on Bands Reunited is some 16 years, considerably longer than in the Liberty case. Could that goodwill have survived for such a period? I would say that in all probability it could, and did, which is why the band had been asked to participate in the programme. Some of the original members of the band, but not Holly Johnson, took the decision to participate in the programme, which they did under the FRANKIE GOES TO HOLLYWOOD name. In law this resulted in the creation of a new partnership capable of building its own and separate goodwill. It is, however important to put the “Bands Reunited” programme into context. It was a retrospective view, so if it generated any goodwill or public awareness, it probably did so as much for the original band as it may have done for the new.

80. Mr Horn says that there have been re-releases and “greatest hits” compilations in the name FRANKIE GOES TO HOLLYWOOD. It is also a fact that LPs, music cassettes and

CDs may remain in a personal collection or libraries for many years after their purchase. Use of a FRANKIE SAYS RELAX T-shirt as wardrobe for the Friends television series would also have kept the name in the public eye in connection with all of the Band members.

81. Conversely, the high-profile legal action over Mr Johnson's contract with ZZT, the auditions for a replacement vocalist and the appointment of Ryan Molloy, some of which appeared in television news programmes will have highlighted the separation of Holly Johnson from the band performing as Frankie Goes To Hollywood. The Bands Reunited programme was followed by a concert in November 2004 in aid of the Prince's Trust. Mr Johnson was approached to appear in the line-up but he declined. At Mr Johnson's request the Trust agreed that the band would not be advertised or perform under the name FRANKIE GOES TO HOLLYWOOD. However, reports in the media mentioned Holly Johnson had decided not to take part and that a new vocalist had joined the Band, creating a link between the performance and the name. Mr Gill says that following the Prince's Trust concert the Band has performed a series of concerts across Europe, and have concerts planned for the UK in the Autumn of 2005. The pack used to promote the reformed Band to agents and promoters gives their name as FRANKIE GOES TO HOLLYWOOD, making it clear that Ryan Molloy and not Holly Johnson is the lead vocalist.

82. All of these would have created an awareness amongst the public and emphasised Mr Johnson's separation from the FRANKIE GOES TO HOLLYWOOD band. However, the effect of these events is impossible to accurately gauge, and having in some cases occurred after the relevant date should not be taken into account. I am also conscious that they could just as easily have sustained the historical link between the name and the first band. Taking the thin facts before me and balancing these with the what seems probable, I take the view that at the time of the Bands Reunited programme, the goodwill and reputation established by the original band (partnership) still existed.

83. Mr Johnson claims to have made efforts to protect the FRANKIE GOES TO HOLLYWOOD name from unauthorised users, specifically a US band performing under the name, the prevention of a concert in Germany, and use by a performer named Davey Johnson. The details given by Mr Gill recounts that it was Mark O'Toole who initiated the action that stopped the US band and the Howling Wolf gig. To my mind it does not really matter whether it was Mr Johnson or Mr O'Toole who took the action to stop third parties from using the FRANKIE GOES TO HOLLYWOOD name. It was being protected from use and had clearly not been abandoned.

84. To summarise the position as I see it from the evidence. By the time Mr Johnson left the Band in April 1987, FRANKIE GOES TO HOLLYWOOD was the name of a very successful and widely recognised music group composed of Holly Johnson, Peter Gill, Mark O'Toole, Paul Rutherford and Brian Nash. Whilst goodwill and reputation undoubtedly extended to musical recordings in various forms, apart from a reference to a T-shirt there is no evidence relating to any other goods. The Band ceased to use the name around the same time that Mr Johnson departed, so did not accrue any independent goodwill, and with no contractual provisions in place, so long as the goodwill and reputation continued to exist, it was owned by the partnership notwithstanding the fact that Mr Johnson is the acknowledged owner of the name. By the relevant date, which is the date on which the application was made to register FRANKIE GOES TO HOLLYWOOD as a trade mark, there is likely to have been a

residual goodwill attributable to the original band, but little or none that I can see that would have accrued to any later band.

85. In *Saxon*, Laddie J stated that "...if, and to the extent that there is any residual goodwill in the original band, as Mr Dawson and Mr Oliver allege, that is owned by the partnership, not the individual members of it. Any administrator appointed by the former partnership members could bring proceedings against use of the name by Mr Dawson." Given the other comments made in *Saxon* this must clearly envisage the possibility of an action by any previous member of the original band, on behalf of that band or partnership, being brought against other members of that band even if they are in the majority. If this is not the case, and that to succeed required all original partners to be party to the proceedings, there could be no possibility of the original partnership taking action against later use by a part of the band or partnership for to do so they would have to sue themselves.

86. At paragraph 3-152, Wadlow's, *The Law of Passing Off - Unfair Competition* by Misrepresentation considers the findings of Laddie J in *Saxon*, stating:

"Pop groups and the like may have legal status as companies, but if not they are likely to constitute a partnership between the performers. In *Byford v Oliver* Laddie J held that the heavy metal pop group *Saxon* had originally been a partnership at will when founded in the late 1970s. Since that time members had come and gone, with Mr Byford being the only founder member still performing in it. The two defendants Oliver and Dawson had left and joined other bands. The goodwill in relation to the name *Saxon* was an asset of the partnership as such, and the former members had no continuing right to use it, still less to claim a right to exclusive use against the current band by virtue of a trade mark application."

87. Proceeding on the basis that the opponents are acting on behalf of the original partnership, it seems to me that the opponents have the requisite goodwill and reputation, such that use of the FRANKIE GOES TO HOLLYWOOD name by Mr Johnson would amount to a misrepresentation from which damage would inevitably follow. **Accordingly, the ground under Section 5(4)(a) succeeds.**

88. My decision under Section 5(4)(a) effectively decides the matter, but for completeness I will go on to consider the ground under Section 3(6). That section reads as follows:

"3(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith."

89. In *Gromax Plasticulture Ltd v. Don & Low Nonwovens Ltd* [1999] RPC 367, Lindsay J. considered the meaning of "bad faith" in Section 3(6) of the Act and stated (at page 379):

"I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall-short in

order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances.”

90. In *Harrison v. Teton Valley Trading Co* [2005] FSR 10, the Court of Appeal confirmed that bad faith is to be judged according to the combined test set out by the House of Lords in *Twinsectra v Yardley* [2002] 2 AC 164. Paragraphs 25 and 26 of the Court of Appeal decision are of particular assistance and read as follows:

“25. Lord Hutton went on to conclude that the true test for dishonesty was the combined test. He said:

“36. Therefore I consider that your Lordships should state that dishonesty requires knowledge by the defendant that what he was doing would be regarded as dishonest by honest people, although he should not escape a finding of dishonesty because he sets his own standards of honesty and does not regard as dishonest what he knows would offend the normally accepted standards of honest conduct.”

26. For my part, I would accept the reasoning of Lord Hutton as applying to considerations of bad faith. The words “bad faith” suggest a mental state. Clearly when considering the question of whether an application to register is made in bad faith all the circumstances will be relevant. However the court must decide whether the knowledge of the applicant was such that his decision to apply for registration would be regarded as in bad faith by persons adopting proper standards.”

91. Thus, in considering the actions of the registered proprietor, the test is a combination of the subjective and objective. Furthermore, it is clear that bad faith in addition to dishonesty, may include business dealings which fall short of the standards of acceptable commercial behaviour i.e. unacceptable or reckless behaviour in a particular business context and on a particular set of facts.

92. I am reminded of the comments of Nicholls LJ in the Privy Council judgment *Royal Brunei Airlines Sdn Bhd v. Tan* [1995] 2 AC 378, when he described dishonesty as “...to be equated with conscious impropriety”. This was in the context of accessory liability in the misapplication of trust assets to the detriment of a beneficiary. However, I think the same general principles would apply in trade mark law in the context of the current proceedings. He added:

“In most situations there is little difficulty in identifying how an honest person would behave. Honest people do not intentionally deceive others to their detriment. Honest people do not knowingly take others’ property The individual is expected to attain the standard which would be observed by an honest person in those circumstances. It is impossible to be more specific. Knox J captured the flavour of this, in a case with a commercial setting, when he referred to a person who is “guilty of commercially unacceptable conduct in the particular context involved”: see *Cowan de Groot Properties Ltd v. Eagle Trust Plc* [1992] 4 All ER 700 at 761. Acting in reckless

disregard of others' rights or possible rights can be a tell-tale sign of dishonesty. An honest person would have regard to the circumstances known to him, including the nature and importance of the proposed transaction, the nature and importance of his role, the ordinary course of business, the degree of doubt Ultimately, in most cases, an honest person should have little difficulty in knowing whether a proposed transaction, or his participation in it, would offend the normally accepted standards of honest conduct."

93. In the Privy Council judgment in *Barlow Clowes International Ltd v. Eurotrust International Ltd* [2005] UKPC 37, their Lordships took the opportunity to clarify the speculation that *Twinsectra* had changed the law. The judgment confirmed the House of Lords' test for dishonesty that had been applied in *Twinsectra*, i.e. the combined test, and clarified their Lordships' statement of that test by making it clear that an enquiry into a defendant's views as regards normal standards of honesty is not part of the test. In the judgment Aldous L.J., quoted Lord Hutton's statement at paragraph 36 of *Twinsectra* and continued:

"26. For my part, I would accept the reasoning of Lord Hutton as applying to considerations of bad faith. The words "bad faith" suggest a mental state. Clearly when considering the question of whether an application to register is made in bad faith all the circumstances will be relevant. However the court must decide whether the knowledge of the applicant was such that his decision to apply for registration would be regarded as in bad faith by persons adopting proper standards."

94. The opponents refer to the application having been filed just a few months after the making of the Bands Reunited programme, asserting that this was done by Mr Johnson to disrupt any attempts by the other band members to perform under the name. They also assert that the application was made without any intention that the mark would be used, and highlight Mr Johnson's statement that he took this action with the expressed purpose of protecting the name should the original group decide to work together.

95. Mr Johnson says that the reincorporated of Frankie Goes To Hollywood Limited (8 January 2004) and the filing of the application in suit was to protect the name from use by the wholly fake US group, but admitting that the making of the Bands Reunited programme in October 2003 was also an influence in his decision to protect the name but does not elaborate on this. The opponents allege that following Bands Reunited, Mr Johnson feared that the band would reform and perform again, and not wishing to be part of the plans filed the application as a "spoiler". Mr Johnson seeks to justify his actions by stating that he believed "I own the rights to the name and wished to protect it in respect of musical activities, products and merchandise", and that he did so "with the express purpose of protecting the name should the original group decide to work together". The opponents' argue that such a conditional intention cannot amount to a bona fide intention to use the mark. It may also be seen to be at odds with his actions, namely, the refusal to participate in the Band's Reunited programmes and the Princes Trust concert, but there is no reason why he should take part if he did not wish to do so. There is a mention by Mr Johnson to having had discussions with Brian Nash with a view to reforming for their 25th Anniversary and producing a CD and DVD but nothing appears to have come of this.

96. Perhaps the most serious allegation is that Mr Johnson made the application without the knowledge of the other band members, and sought to monopolise the name to their exclusion merely to interfere with their activities. That he believed he owned the name does not make good an action if it would be considered bad based on the parameters of the case law above, In the *Saxon* case, Laddie J took the view that registering a trade mark that could be used to interfere with the activities and rights of former partners constituted an act of bad faith. That would be, and on the evidence, is the position here. **I therefore find that the ground under Section 3(6) also succeeds.**

97. The opposition having been successful, the opponents are entitled to a contribution towards their costs. I therefore order that the applicants pay the opponents the sum of £3,250 towards their costs. This sum to be paid within seven days of the expiry of the appeal period, or within seven days of the final determination of this case in the event of an appeal being unsuccessful.

Dated this 25th day of May 2007

**Mike Foley
for the Registrar
the Comptroller-General**