

TRADE MARKS ACT 1994

IN THE MATTER OF:

APPLICATION No. 83820 IN THE NAME OF RAY ENNIS

FOR RECTIFICATION OF THE REGISTRATION OF

TRADE MARK No. 2540311 IN THE NAME OF ALAN LOVELL

DECISION

1. By registering the name **THE SWINGING BLUE JEANS** as a trade mark under number 2540311 with effect from 26 February 2010, Alan Lovell sought and obtained the right to prevent others from using it without his consent in the course of trade in the United Kingdom as an indication of trade origin in relation to *‘Entertainment in the form of live musical performances; entertainment and musical services; production of music shows; production of musical works in a recording studio; recording of music; band performances’* in Class 41.

2. The registration (if it was valid) enabled him to control for his own benefit the commercial exploitation of a substantial chunk of the goodwill and reputation generated by the collective efforts of the members, past and present, of a well known group of musical performers called **THE SWINGING BLUE JEANS**. This was a group with a long history. It was formed in 1957. Until 1963 it was called **THE BLUE GENES**. From then onwards, live and recorded performances of members of the group performing

together were delivered, commercialised and promoted under and by reference to the name **THE SWINGING BLUE JEANS**.

3. Ray Ennis was a founder member of the group. He performed as a member of it (as vocalist and on guitar) from 1957 down to and beyond the date on which Alan Lovell unilaterally applied to register **THE SWINGING BLUE JEANS** as his trade mark (10 February 2010). At the date of the application for registration, Alan Lovell had been performing as a member of the group (on lead guitar) for approximately 11 years.

4. Ray Ennis knew nothing of the application for registration until June 2010. On 16 June 2010 he sent an email to Alan Lovell saying:

Just got back to some disturbing news. Apparently you registered the Swinging Blue Jeans in your name in February without my permission or without mentioning it on the whole of the tour. As I have been trading under the name for 50 yrs and still am until next year what you have done is illegal and possibly fraudulent. How you could do this is beyond me as I thought we had a good relationship. Can you please explain why! I look forward to hearing from you.

5. Alan Lovell replied by email later the same day. At that stage he was quite contrite. He said:

... So I did a search through solicitors to find out if the name was available. I had to wait until last week to know that it was. So it was registered last week. Not in February. I was going to ring to tell you this morning. The reason I didn't say anything on the tour was I didn't know if I would get it or not? I am only trying to stop Diccon going out as The SBJs. There can't be 2 SBJs the agents will not go for it. You said it was OK for me to use the name. The agents certainly want to book us. Not the other lot. I'm sorry I have offended

you. I certainly didn't see it that way. I wanted to work with you so you have an income coming in from us on the gigs that agents want to book us for. It was only done as a security. I hope you'll call me. And I certainly don't want to tarnish our relationship. I hope you'll forgive me for upsetting you ...

6. He subsequently explained his position in less yielding terms in a witness statement dated 4 June 2011:

9. On 14th August 2009, [Ray Ennis] informed me and the other band members that he would be retiring at the end of the last tour on the 30th May 2010 and asked me if I would be interested in continuing with [The Swinging Blue Jeans] after his retirement.

10. After deciding to continue with [The Swinging Blue Jeans] I thought it wise to protect the future livelihood of the band. Therefore on 26th of February 2010 I applied to the IPO to conduct a 90 day search to establish that the name The Swinging Blue Jeans was free to register.

11. The trademark was registered in my name on the 4th of June 2010. This was after [Ray Ennis] had officially retired and he had made it clear to all [Swinging Blue Jeans] fans and the media he would no longer be performing. Although [Ray Ennis] has since implied in his statement to the IPO that he has not retired.
(See Exhibits AL 9 and AL 10)

12. On and since 1st June 2010, I have taken leadership of [The Swinging Blue Jeans] and negotiated engagements with major UK agents with whom I had developed a relationship over the years. I have secured over 30 such engagements for 2011 in the UK plus several abroad.
(See Exhibit AL 11)

13. I have played a major role in [The Swinging Blue Jeans] for 12 years.

(See Exhibits AL12 and AL 13.

14. I, as the registered proprietor of the trademark [The Swinging Blue Jeans] am not and do not intend to negotiate with [Ray Ennis] or his representatives with a view to a financial settlement being paid to [him].

7. By 26 July 2011, when he signed an Addendum to that witness statement, he was positively asserting as follows:-

'[Ray Ennis] did not become and has never been the sole proprietor of the name "The Swinging Blue Jeans". There is no existing legal document to support this claim.':
Addendum paragraph [12].

'Ownership of the name (SBJ) does not "remain" with [Ray Ennis]. He has never officially owned the name and therefore has no legal right to "assign" it':
Addendum paragraph [13].

'The name SBJ was registered by [Alan Lovell] for reasons stated. It was not necessary to "ask permission" from [Ray Ennis] who has never been the owner or legal proprietor of the name.':
Addendum paragraph [31].

'To ensure my continuing livelihood, I applied to the IPO to register the name The Swinging Blue Jeans.I would like to add that my application for the trademark was done in the correct and legal manner with all the necessary procedures followed to the letter and all appropriate fees paid...[Ray Ennis] is not and never has been the sole proprietor of the name The Swinging Blue Jeans. No legal document exists to support this claim....[Ray Ennis] is not the "sole originating member" of the SBJ. The Swinging Blue Jeans was (and remains) a four piece band....'
Addendum page 5.

8. The nature of the dispute between Ray Ennis and Alan Lovell is readily apparent from the aspects of it which I have summarised above. The filing of the application for

registration of **THE SWINGING BLUE JEANS** as a trade mark for services of the kind specified in Class 41 was plainly designed to enable Alan Lovell to retain for himself, so far as he could, the benefit of the goodwill and reputation which had been built up and acquired through use of that name in relation to services of that kind over the preceding 46 years or so. In that way and for that reason the filing of the trade mark application amounted to an act of appropriation relative to the economic asset represented by the goodwill and reputation attaching to the name. Ray Ennis maintained that the filing of the application was or involved an act of mis-appropriation. Alan Lovell did not accept that he had done anything wrong by applying for registration as and when he did. He did not claim to have acquired any right, title or interest in or to the relevant goodwill and reputation by transmission from anyone else. His position was that there was no lawful impediment to the filing of the application for registration in his name on 26 February 2010.

9. The question whether there was or was not a lawful impediment to the filing of the application for registration had to be asked and answered in the context of the EU system for the protection of trade marks by registration at the national and Community level. This operates upon the premise that:

A registered trade mark is a property right obtained by the registration of the trade mark under this Act: Section 2(1) of the Trade Marks Act 1994.

A trade mark for goods or services which is registered in accordance with the conditions contained in this Regulation and in the manner herein provided is hereinafter referred to as a 'Community trade mark'. ... A Community trade mark shall be obtained by registration: Articles 1(1) and 6 of

Council Regulation 207/2009/EC of 26 February 2009 on the Community trade mark.

These provisions, together with the rules for obtaining and retaining protection under the Act and the Regulation, establish a system in which title to a protected trade mark arises solely by virtue of an entry in the register indentifying the natural or legal person(s) to whom the original certificate of registration is issued on completion of a procedure initiated by a simple ‘request’ for registration filed in the required manner: Section 32(2)(a) of the Act; Article 26(1)(a) of the Regulation.

10. For more than a hundred years prior to the commencement of the 1994 Act it was appropriate to proceed upon the basis that the legislation in force in the United Kingdom factored the dual concepts of ‘title by registration’ and ‘registration of title’ into the system for claiming protection at the application stage. Thus:

62 (1) The Comptroller may, on application by or on behalf of any person claiming to be the proprietor of a trade-mark, register the trade-mark.

Patents, Designs and Trade Marks Act 1883

12 (1) Any person claiming to be the proprietor of a trade mark who is desirous of registering the same must apply in writing to the Registrar in the prescribed manner.

Trade Marks Act 1905

17 (1) Any person claiming to be the proprietor of a trade mark/service mark used or proposed to be used by him who is desirous of registering it must apply in writing to the

Registrar in the prescribed manner for registration either in Part A or in Part B of the register.

Trade Marks Act 1938 (as amended)

However, there is no legal or administrative requirement under the 1994 Act for a person requesting registration to make an a priori claim to proprietorship of the trade mark he is putting forward for protection. The present system factors nothing more than the concept of acquiring ‘title by registration’ into the application stage and leaves it to those who would wish to contend that title has not been validly acquired to object on grounds available for that purpose under the Act. Although trade mark rights acquired through use remain protected, they are taken into account ‘*only in regard to the relationship between them and trade marks acquired by registration*’ as envisaged by the fifth recital in the preamble to the Trade Marks Directive (Directive 2008/95/EC of 22 October 2008).

11. Objectors in the position of Ray Ennis ordinarily raise objections under Section 3(6) and/or Section 5(4)(a) of the Act in relation to applications for registration filed in circumstances such as those in which Alan Lovell applied to register **THE SWINGING BLUE JEANS** as his trade mark in the present case: see for example Byford v. Oliver (SAXON Trade Mark) [2003] FSR 39; Mary Wilson Enterprises Inc’s Trade Mark Application (THE SUPREMES Trade Mark) [2003] EMLR 14; Walden v. Bailie (GURU JOSH PROJECT Trade Mark) BL O/308/12 (2 August 2012); Burdon v. Steele (THE ANIMALS Trade Mark) BL O/369/13 (9 September 2013); Powell v. Turner (WISHBONE ASH Trade Mark) [2013] EWHC 3242 (IPEC).

12. Section 3(6) of the Act provides that a trade mark shall not be registered if or to the extent that the application for registration is made in bad faith. The basic proposition is that the right to apply for registration cannot validly be exercised in bad faith. The sanction of invalidity is not conditional upon the trade mark itself being either registrable or unregistrable in relation to any goods or services of the kind specified. The objection is absolute in the sense that it is intended to prevent abusive use of the system for acquiring title to a trade mark by registration. Any natural or legal person with the capacity to sue and be sued may pursue an objection on this ground: see the Judgment of the CJEU in Case C-408/08P Lancôme parfums et beauté & Cie SNC v. OHIM [2010] ECR I-01347 at paragraph [39] and the Opinion of Advocate General Ruiz-Jarabo Colomer at paragraphs [63] and [64]. Since there is no requirement for the objector to be personally aggrieved by the application in question, it is possible for an objection to be upheld upon the basis of improper behaviour by the applicant towards persons who are not parties to the proceedings if their position is established with enough clarity to show that the objection is well-founded.

13. Section 5(4)(a) of the Act provides that a trade mark shall not be registered if, or to the extent that, its use in the United Kingdom for goods or services of the kind specified is liable to be prevented by virtue of any rule of law, in particular the law of passing off. An earlier right to prevent use of a trade mark by virtue of the law of passing off can be asserted under Section 5(4)(a) by a person who is entitled, either alone or with others, to a proprietorial interest in the goodwill to which the earlier right relates: CLUB SAIL Trade Marks BL O/174/10; [2010] RPC 32.

14. Objections were, in principle, available to Ray Ennis under these sections of the Act for the purpose of maintaining his challenge to the legitimacy of Alan Lovell's registration of the trade mark **THE SWINGING BLUE JEANS**. However, the only application made and pursued on his behalf was an application for rectification of the register under Section 64 of the Act to record him as the proprietor of the registration in lieu of Alan Lovell upon the basis that he was, and Alan Lovell was not, the rightful owner of the trade mark.

15. Section 64 provides as follows:

64. Rectification or correction of the register

(1) Any person having a sufficient interest may apply for the rectification of an error or omission in the register:

Provided that an application for rectification may not be made in respect of a matter affecting the validity of the registration of a trade mark.

(2) An application for rectification may be made either to the registrar or to the court, except that -

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(3) Except where the registrar or the court directs otherwise the effect of rectification of the register is that the error or omission in question shall be deemed never to have been made.

(4) The registrar may, on request made in the prescribed manner by the proprietor of a registered trade mark, or a

licensee, enter any change in his name or address as recorded in the register.

(5) The registrar may remove from the register matter appearing to him to have ceased to have effect.

16. That Section of the Act must be interpreted and applied with reference to Section 63, which provides as follows:

63. The register

(1) The Register shall maintain a register of trade marks:

References in this Act to “the register” are to that register; and references to registration (in particular, in the expression “registered trade mark”) are, unless the context otherwise requires, to registration in that register.

(2) There shall be entered in the register in accordance with this Act -

- (a) registered trade marks,
- (b) such particulars as may be prescribed of registrable transactions affecting a registered trade mark, and
- (c) such other matters relating to registered trade marks as may be prescribed.

(3) The register shall be kept in such manner as may be prescribed, and provision shall in particular be made for -

- (a) public inspection of the register, and
- (b) the supply of certified or uncertified copies, or extracts, of entries in the register

17. The particulars prescribed for the purposes of Section 63(2)(b) are set out in Rule 48 of the Trade Marks Rules 2008. The ‘other matters’ prescribed for the purposes of Section 63(2)(c) are those set out in Rule 47 of the 2008 Rules:

47. Entry in register of particulars of registered trade marks; section 63(2) (Form TM24)

In addition to the entries in the register of registered trade marks required to be made by section 63(2)(a), there shall be entered in the register in respect of each trade mark the following particulars -

- (a) the date of registration as determined in accordance with section 40(3) (that is to say, the date of the filing of the application for registration);
- (b) the date of completion of the registration procedure;
- (c) the priority date (if any) to be accorded pursuant to a claim to a right to priority made under sections 35 or 36;
- (d) the name and address of the proprietor;
- (e) the address for service (if any) filed under rule 11;
- (f) any disclaimer or limitation of rights under section 13(1)(a) or (b);
- (g) any memorandum or statement of the effect of any memorandum relating to a trade mark of which the registrar has been notified on Form TM24;
- (h) the goods or services in respect of which the mark is registered;
- (i) where the mark is a collective or certification mark, that fact;
- (j) where the mark is registered pursuant to section 5(5) with the consent of the proprietor of an earlier trade mark or other earlier right, that fact;

- (k) where the mark is registered pursuant to a transformation application,
 - (i) the number of the international registration, and
 - (ii) either -
 - (aa) the date accorded to the international registration under Article 3(4), or
 - (bb) the date of recordal of the request for extension to the United Kingdom of the international registration under Article 3ter,
as the case may be, of the Madrid Protocol;
- (l) where the mark arises from the conversion of a Community trade mark or an application for a Community trade mark, the number of any other registered trade mark from which the Community trade mark or the application for a Community trade mark claimed seniority and the earliest seniority date.

18. Sections 63 and 64 are all about the recordal of particular items of information in the Register. Section 64 enables the Registrar to change the Register by adding, altering or removing information for the purpose of correcting errors or omissions, but only within the latitude allowed by the proviso to Section 64(1). The proviso prevents him from adding, altering or removing information for the purpose of correcting any error or omission affecting the validity (which I take to mean the legality) of registering the trade mark to which the information relates. Since nothing can be done under Section 64 to correct such errors or omissions, it is a key concern when considering an application under that Section to ascertain whether the applicant actually is seeking to rectify an error or omission which lies outside the scope of the proviso.

19. In Box 4 of the Form TM26(R) filed on behalf of Ray Ennis in the present case, the basis of his claim for rectification was identified in the following terms:

Details of the error or omission to be corrected.

Alan Lovell is a former employee of Ray Ennis and Alan Lovell registered the trademark in his own name. Alan Lovell has neither the authority or consent to register the trademark in his name as proprietor.

This called for rectification of the Register upon the grounds:

- (i) that there was a failure to record *'the name and address of the proprietor'* correctly for the purposes of Section 63(2)(c) and Rule 47(d);
- (ii) that the name and address of Ray Ennis should, and the name and address of Alan Lovell should not, be recorded in the Register for the purposes of those provisions;
- (iii) that the need for correction of the Register was evident upon the basis that Alan Lovell had illegitimately applied to register the trade mark in his own name.

The illegitimacy asserted at the outset of the proceedings involved misappropriation by an employee of his employer's trade mark. By the time the matter had proceeded through the evidence rounds to a hearing before the Registrar's Hearing Officer (Mr. Mark Bryant) the claim had evolved into a claim for misappropriation of goodwill and reputation irrespective of the existence or absence of any employer/employee relationship between the parties to the proceedings.

20. The Hearing Officer rejected the application for rectification for the reasons he gave in a written decision issued under reference BL O/392/12 on 11 October 2012. He issued a Supplementary Decision in December 2012 requiring Ray Ennis to pay £2,031.10 to Alan Lovell as a contribution towards his costs of the proceedings in the Registry. The application was rejected because the Hearing Officer concluded that it related to matters affecting the validity of the registration of the trade mark and was therefore excluded from consideration by the proviso to Section 64(1). He declined to make any findings with regard to the nature of Alan Lovell's actions in applying for and registering the mark at issue: *'Such considerations are appropriate only under other sections of the Trade Marks Act'*.

21. Ray Ennis appealed to an Appointed Person under Section 76 of the 1994 Act contending that his application for rectification was well-founded and should have been allowed under Section 64. This contention was further developed in argument before me at the hearing of the Appeal.

22. The Appeal must, in my judgment, be dismissed for the following reasons:

- (1) There was no apparent error or omission as to *'the name and address of the proprietor'* to be recorded in the Register under Section 63(2)(c) and Rule 47(d). The *'proprietor'* for the purposes of those provisions should be the intended grantee of the registration: see paragraphs [9] and [10] above. That was Alan Lovell in the present case and there was no failure to identify him correctly in the Register. In the absence of any objection to the validity of the application filed by

Alan Lovell, there was nothing further to say about that or any other aspect of the recordal of the resulting registration.

- (2) The suggested error or omission as to proprietorship was on any view dependent upon the making of a determination by a court or tribunal of competent jurisdiction to the effect firstly, that the application for registration was illegitimate for the reasons asserted by Ray Ennis and secondly, that Ray Ennis was entitled to have the resulting registration transferred into his name. In order to obtain a determination to that effect, it would be necessary for Ray Ennis to displace the presumption set out in Section 72 of the Act: *‘In all legal proceedings relating to a registered trade mark (including proceedings for rectification of the register) the registration of a person as proprietor of a trade mark shall be prima facie evidence of the validity of the original registration and of any subsequent assignment or other transmission of it’*. His challenge to proprietorship would accordingly be *‘a matter affecting the validity of the registration of a trade mark’* from which the alleged error or omission was inseparable and with respect to which the Registrar had no power of rectification under Section 64.
- (3) Even if it were determined that Ray Ennis had a well-founded objection to registration on absolute grounds under Section 3(6) or on relative grounds under Section 5(4)(a), it would not follow that there had been any error or omission relating to recordal of title which could or should be rectified under Section 64 by identifying him as the *‘proprietor’* of the invalidly registered trade mark. The remedy prescribed for invalidity on absolute or relative grounds asserted within

the framework of the legislation is not vesting of title to the offending registration in the person objecting to it (save in the special circumstances of a claim under Section 60(3)(b) of the Act), but nullification of the offending registration to the extent that it was and remains invalid.

- (4) Nothing in the legislation prevents the bringing of a claim on general equitable principles for a declaration to the effect that a particular trade mark registration is, by reason of the manner and circumstances in which it was acquired, held by the proprietor of the registration on trust for the claimant. That is confirmed by Section 26(2) of the Act: *'Subject to the provisions of this Act, equities (in Scotland rights) in respect of a registered trade mark may be enforced in like manner as in respect of other personal or moveable property'*. If and when it has been determined that the trade mark registration in question is held on trust for the claimant, he will be entitled to call for title to the registration to be vested in him. However, no determination to that effect has been sought or obtained in relation to the trade mark registration in issue in the present proceedings. And it does not appear to me that a claim for any such determination can be brought forward for adjudication under Section 64 or indeed any other provision of the Act, with the possible exception of Section 60.

23. It remains open for consideration whether Section 64(3) can be used to implement a finding of equitable entitlement more completely than an order for assignment of the offending registration to the erstwhile beneficial owner. The problem is that the claimant may not receive everything to which he is entitled if the determination in his favour can

only be implemented by means of an assignment of the defendant's title, such as it is, to the offending registration. That is because the offending registration will remain vulnerable to objection post-assignment on the basis that it was the product of an application for registration filed in bad faith.

24. I am aware that in Ball v. The Eden Project Ltd [2001] ETMR 87 at paragraphs [16] to [26] Laddie J. held that Mr. Ball had applied for registration of UK Trade Mark No. 2147898 in his own name in breach of the fiduciary duty he owed to The Eden Project Ltd as a director of that company. The company succeeded in obtaining summary judgment *'for an order that Mr. Ball should assign the registered trade mark to EPL and that the Register of Trade Marks be rectified to record that ownership'*: see paragraphs [13] and [26]. The Judgment of Laddie J. was delivered on 11 April 2001. It appears from an entry in the Register that the trade mark was assigned in full to The Eden Project Ltd by means of an assignment with an effective date of 26 April 2001. A later entry in the Register states: *'Date Actioned: 31 October 2002. Details: RECTIFICATION AGREED BY COURT 11.4.01'*. I do not know whether the latter entry relates to rectification of the Register under Section 64(3) for the purpose of substituting The Eden Project Ltd for Mr. Ball as proprietor of the registered trade mark with effect from its filing date. I do not intend to speculate about that, nor do I intend anything I have said in this decision to reflect on the availability of Section 64(3) for remedial purposes in aid of a confirmed right to claim beneficial ownership of a registered trade mark on general equitable principles. The question does not arise in the present case and it should be left for determination in a case in which it does arise.

Conclusion

25. The Appeal is dismissed. I direct Ray Ennis to pay £1,500 to Alan Lovell as a contribution towards his costs of the unsuccessful Appeal. That sum is to be paid within 21 days of the date of this decision. It is payable in addition to the sum of £2,031.10 awarded by the Hearing Officer in respect of the costs of the proceedings in the Registry.

Geoffrey Hobbs Q.C.

3 April 2014

Ian Morris of Kuit Steinart Levy LLP appeared on behalf of the Appellant.

Jeremy Heald instructed by Forresters LLP appeared on behalf of the Respondent.

The Registrar was not represented.