

TRADE MARKS ACT 1995

DECISION OF A DELEGATE OF THE REGISTRAR OF TRADE MARKS WITH REASONS

Re: Opposition by Frimp Limited to registration of trade mark application 1026197(16, 41) - **HERMAN'S HERMITS** - filed in the name of Jan Barry Whitwam.

DELEGATE:	Jock McDonagh
REPRESENTATION:	Opponent: Trevor Stevens of Davies Collison Cave Patent & Trade Mark Attorneys Applicant: Written submissions by James Maxwell of Peter Maxwell & Associates Patent & Trade Mark Attorneys
DECISION:	2009 ATMO 05 Section 52 opposition – ss42, 43, 58 & 62(b) grounds not established – breach of UK law and s42(b) - costs awarded against opponent.

Background

1. Jan Barry Whitwam (“the applicant”) filed an application to register a trade mark, current details of which appear below:

Application number: 1026197

Filing date: 19 October 2004

Specifications: Class: 16 Printed matter, posters, photographs, stickers
Class: 41 Entertainment services; live performances by a musical group including performances of recorded music by a musical group

Trade mark: **HERMAN’S HERMITS**

2. The trade mark was accepted for possible registration, under the provisions of the *Trade Marks Act 1995* (“the Act”), and advertised for opposition purposes. Frimp Limited (“the opponent”) filed a Notice of Opposition under section 52 of the Act, objecting to the registration of the trade mark. The opponent served and filed evidence in accordance with the *Trade Marks Regulations 1995* after which the matter was set down before me, a delegate of the Registrar of Trade Marks, for a hearing on 16 October 2008, in Sydney.

Evidence

3. The following evidence was filed and served pursuant to the Act:

Declarant	Status	Date, Known as	Exhibits
<i>Evidence in Support</i>			

Keith Hopwood	Secretary and director of opponent	1 February 2007, Hopwood 1	FRIMP-1 to FRIMP-6
Karl Green	Director of opponent	5 February 2007, Green	
<i>Evidence in Answer</i>			
Jan Barry Whitwam	Applicant	8 October 2007	BW-1 to BW-22
<i>Evidence in Reply</i>			
Keith Hopwood	Secretary and director of opponent	13 March 2008, Hopwood 2	FRIMP-7

The Hearing

4. The applicant did not appear at the hearing and relied on written submissions by James Maxwell of Peter Maxwell & Associates Patent & Trade Mark Attorneys. The opponent was represented by Trevor Stevens of Davies Collison Cave Patent and Trade Marks Attorneys.
5. The Notice of Opposition cited most grounds of opposition available to the opponent under the Act; however, in his submissions Mr Stevens, for the opponent, only relied upon the grounds of opposition under sections 42, 43, 58 and 62(b). For the sake of completeness, my reading of the evidence indicates that none of the other grounds of opposition are supported and I find that they have not been established.

Facts Arising from Evidence

6. The band “Herman and the Hermits” was formed in England in 1963. It comprised Peter Noone (the eponymous Herman), Keith Hopwood, Karl Green and two other musicians. The applicant was not then a member of the band. See Hopwood 1 at paragraph 7.
7. In April 1964 the “two other musicians” mentioned above were replaced by the applicant and Derek Leckenby. At about the same time, the band shortened its name to “Herman’s Hermits” (“the band”). See Whitwam, paragraph 4 and Hopwood 1 paragraph 9.
8. In 1964 the five members of the band – Noone, Hopwood, Greene, Leckenby and the applicant – formed a company, which is the opponent in these proceedings. The purpose of forming the opponent was to have the company act as employer of the individual band members, to enter into contracts, and to receive royalties and other

payments related to performances and recordings of the band. See Hopwood 1 paragraph 11.

9. The opponent contends that another of its purposes was to own intellectual property rights of the band: Hopwood 1, paragraph 12. The opponent also contends that it owns the trade mark rights in the name of the band: Hopwood 1, paragraph 13. The applicant disputes this and states that the ownership of trade marks rights was not contemplated by the band members at the time: Whitwam, paragraph 13.
10. In 1971, Peter Noone left the band to pursue a solo career. The remaining members of the band continued performing as Herman's Hermits, with Keith Hopwood leaving the band in 1972 and Karl Green in 1980. Both were replaced by other musicians with Derek Leckenby and the applicant remaining in and performing as the band. See Whitwam paragraph 6.
11. The band, comprising the members detailed in paragraph 8, above, toured Australia in 1966. The band comprising the applicant, and until his death Derek Leckenby, and other musicians has toured Australia many times between 1983 and 2007. See Whitwam paragraph 17.
12. In 1975, Derek Leckenby, Karl Green and the applicant sued Peter Noone in the Queens Bench Division of the High Court of England and Wales to restrain him from using any style or title containing the word "Hermits" in the course of his activities in the entertainment industry: Whitwam paragraph 8, Hopwood 1 paragraph 20, Green paragraph 14. The parties settled and by consent it was agreed that Noone would not use the word "Hermits" and that each of the plaintiffs, with or without the other plaintiffs, was entitled to describe himself or themselves as "Herman's Hermits" in the course of their activities in the entertainment industry: Hopwood 1 exhibit FRIMP-6, Whitwam exhibit BW-3.
13. The applicant is the owner of United Kingdom trade mark registration 2320189 HERMAN'S HERMITS in class 41 and is the owner of European Community trade mark E1137314 HERMAN'S HERMITS in classes 16 and 41: Whitwam exhibit BW-22.

14. The opponent has sought registration of the trade mark HERMAN'S HERMITS in the United States of America, with a filing date of 9 December 2005: Hopwood 2 paragraph 6 and exhibit FRIMP-6.

Discussion and Grounds of Opposition

15. It is clear that there have been disputes between various members of the band, the first being between Peter Noone (Herman) and the remaining Hermits and continuing to these proceedings. I note that the applicant is a shareholder and director of the opponent with equal shareholdings to the other shareholders.
16. It seems to me that the key issue is that of ownership of the band's name and the section 58 ground of opposition. The remaining grounds really succeed or fail depending on the determination of ownership.
17. Section 58 of the Act states:

Applicant not owner of trade mark

58. The registration of a trade mark may be opposed on the ground that the applicant is not the owner of the trade mark.

Note: For *applicant* see section 6.

18. In order to establish this ground, it is incumbent upon an opponent to show that, in the time before filing, the applicant is not the first user in trade in Australia of the applied-for trade mark. To do so, the opponent must show, at a minimum, that not only is the applied-for trade mark substantially identical to an older trade mark, but that it is applied to the same kind of goods: *Re Hicks' Trade Mark* (1897) 22 VLR 636 at 640.
19. There is no dispute that the first use of HERMAN'S HERMITS as a trade mark in the relevant classes was by the band comprising Peter Noone, Keith Hopwood, Karl Greene, Derek Leckenby and the applicant. These band members were the directors and shareholders of the opponent and continue to be so (except that the late Derek Leckenby's heirs now own his share). The band members were employees of the opponent.
20. There is also no dispute that the opponent was formed by the individual members of the band, as at the opponent's formation, to act as employer of the individual

members, to enter into contracts and to receive royalties and other payments. The opponent continues to receive and distribute royalties to its shareholders.

21. However, the parties do dispute whether or not the opponent was ever intended to, and does in fact own trade mark rights in the band. The opponent contends that it does so, which is denied by the applicant.
22. Having regard to the evidence, I am not satisfied that the opponent was formed to own the trade mark rights nor that it does so. My reasons for this follow.
23. Although both Keith Hopwood and Karl Green have declared that the opponent was to own the rights, this is one of the few matters not supported by other evidence. The opponent was able to exhibit a service agreement between the opponent and the applicant from 1966, yet there are no extracts from the opponent's articles or memorandum of association that specify the purposes of the company.
24. I note also that in the litigation between Karl Green, Derek Leckenby and the applicant against Peter Noone and referred to in paragraph 12 above, it was the individual members of the band still performing that sued and not the opponent. Further, the Court order as a result of settlement does not mention the opponent at all and states:

[T]he Plaintiffs and each of them, and with or without the others, are entitled, but not bound, at all times to describe themselves in the course of their activities in the entertainment industry, and to authorise others including booking agents, promoters, or any persons concerned with their performances, whether live or recorded, to describe them as "Herman" or "Herman's", if used in conjunction with the word "Hermits".

25. This finding suggests to me that in 1975, all of the directors and shareholders of the opponent (save for Keith Hopwood) – even though they had been in dispute – had agreed that the band name should continue to be used by which ever one or more of Karl Green, Derek Leckenby and the applicant wished to perform as Herman's Hermits. Those three continued to do so until 1980 when Karl Green left the band. Leckenby and the applicant continued to do so until Leckenby's death, with the applicant as the surviving member continuing to perform in the band.
26. That the applicant gained trade mark registration in the United Kingdom and the European Community (filing dates 9 January 2001 and 13 April 1999 respectively)

for the same trade mark as is the subject of the application for an Australian trade mark lends support to the argument that the applicant has better grounds to assert ownership than the opponent.

27. I am not satisfied that the opponent has established this ground of opposition.

28. Section 43 of the Act provides;

Trade mark likely to deceive or cause confusion

43. An application for the registration of a trade mark in respect of particular goods or services must be rejected if, because of some connotation that the trade mark or a sign contained in the trade mark has, the use of the trade mark in relation to those goods or services would be likely to deceive or cause confusion.

29. The opponent submitted that the applicant's trade mark immediately connotes the band formed in 1963. Further, the opponent says, the use of the words HERMAN'S HERMITS by the applicant as an individual cannot but cause a likelihood of deception.

30. While it is true that the trade mark connotes the band, I am not satisfied that its use is likely to deceive or cause confusion. As discussed above, the applicant is the last remaining band member of those who formed the opponent. He is playing in the band that bears the name Herman's Hermits and plays the songs associated with the band. The applicant has done so, along with a diminishing number of members of the original band, continuously since 1964.

31. I am not satisfied that the connotation contained in the trade mark would be likely to deceive or cause confusion. This ground of opposition is not established.

32. Section 62(b) provides:

Application etc. defective etc.

62. The registration of a trade mark may be opposed on any of the following grounds:

(a) ...;

(b) that the Registrar accepted the application for registration on the basis of evidence or representations that were false in material particulars.

Note: For *file* see section 6.

33. The false particular specified by the opponent was that the applicant falsely claimed he was the owner of the trade mark. Mr Stevens conceded that this ground depended on the section 58 ground being established.
34. The section 58 ground has not been established and I am satisfied that the applicant is entitled to claim to be the owner of the trade mark. This ground of opposition is not established.
35. Section 42 provides:

Trade mark scandalous or its use contrary to law

42. An application for the registration of a trade mark must be rejected if:
- (a) the trade mark contains or consists of scandalous matter; or
 - (b) its use would be contrary to law.

36. The opponent submits that the use of the trade mark would be contrary to the following law:
- Section 309 of the *Companies Act 1985 (UK)* – a director has a fiduciary duty to the company to have regard to the interests of employees and members of that company.
 - Section 320 of the *Companies Act 1985 (UK)* – a company shall not enter into an arrangement whereby a director acquires a non-cash asset of value greater than 2,000 pounds without approval of the arrangement by resolution at a general meeting.
 - Common law fiduciary duties of directors, including:
 - duty to act in the best interests of the company;
 - duty to avoid entering engagements that create a conflict of interests;
 - duty to further prospects of the company; and
 - duty to act in good faith.

37. The opponent drew my attention to *Neumann v Sons of the Desert SL* [2008] FCA 1183 (11 Aug 2008), where Ryan J upheld a section 42 ground of opposition based on breach of Spanish contract law, the Spanish *Unfair Competition Act* and a breach of fiduciary duty. Therefore, I conclude that the UK statute and common law cited is applicable for the purposes of section 42(b).
38. However, I am not satisfied that registration of the trade mark would be a breach of either the statutory or common law fiduciary duties of the applicant as a director of the opponent. The evidence suggests that the individual members of the opponent had contemplated and approved of the concept of the band continuing to perform. This

approach was not inconsistent with the company's roles of collecting and distributing royalties.

39. There is no evidence of any arrangement entered into by the opponent whereby a director acquired any asset. Section 320 of the *Companies Act 1985 (UK)* has not been demonstrated to be applicable to the conduct of the applicant.
40. I am not satisfied that registration of the trade mark would be contrary to any of the laws cited by the opponent. This ground of opposition has not been established.

Decision

41. Section 55 of the Act provides:

Unless the proceedings are discontinued or dismissed, the Registrar must, at the end, decide:

- (a) to refuse to register the trade mark; or
- (b) to register the trade mark (with or without conditions or limitations) in respect of the goods and/or services then specified in the application;

having regard to the extent (if any) to which any ground on which the application was opposed has been established.

42. I find that none of the grounds of opposition has been established.
43. The trade mark application may therefore proceed to registration one month from the date of this decision. If the Registrar has been served with a notice of appeal before that time, I direct that registration shall not occur until the appeal has been decided or discontinued.

Costs

44. Both parties sought their costs. I award costs against the opponent pursuant to the official scale.

Jock McDonagh
Hearing Officer
Trade Marks Hearings
19 January 2009