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Claim No: IP 2019-000131

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND & WALES
INTELLECTUAL PROPERTY LIST (ChD)
INTELLECTUAL PROPERTY ENTERPRISE COURT (Ch.Div.)

The Rolls Building
7 Rolls Buildings
Fetter Lane
London EC4A 1NL

Date: Wednesday, 13 July 2022

Before:

MS. PAT TREACY
(SITTING AS A JUDGE OF THE CHANCERY DIVISION)

Between:

(1) ALAN WILLIAMS ENTERTAINMENTS LIMITED
(2) ALAN WILLIAMS

Claimants

- and -

(1) MICK CLARKE
(2) JOHN RICHARDSON
(3) STEVE INNES ETHERINGTON

Defendants

MICHAEL SMITH (instructed by **Aston Bond Law Limited**) appeared for the **Claimants**.
RICHARD COLBEY (instructed by **RafterMarch UK**) appeared for the **Defendants**.

Hearing dates: 25 and 26 May 2022

APPROVED JUDGMENT

DEPUTY JUDGE TREACY:

OVERVIEW

1. The claim relates to the name '*the Rubettes*' which was first used by a pop band in 1974.
2. The First Claimant ('AWEL') was incorporated in March 1976. It is owned and controlled by the Second Claimant (Mr Williams) and his wife. They are the sole shareholders. Mr Williams and the First and Second Defendants (Mr Clarke and Mr Richardson respectively) were all involved with the original band known as the Rubettes at around the time of the band's formation or during its initial period of success. The Third Defendant (Mr Etherington) began performing with the other parties at a later date.
3. In summary, the Claimants' pleaded case is that:
 - AWEL (or AWEL and Mr Williams) is the owner of goodwill in the name '*the Rubettes*' and in the name '*the Rubettes featuring Alan Williams*' (the 'Rubettes Names') when used in relation to live music events, merchandising, music sales and associated goods and services such that when used in relation to those goods and services they denote goods and services authorised by one or both of the Claimants; and
 - none of the Defendants owns any goodwill associated with the name '*the Rubettes*'.
4. The Claimants' principal claim is that since late 2018 the Defendants' involvement in a band using, or being promoted under, the name '*the Rubettes*' amounts to passing off.
5. In addition, the Claimants plead that Mr Clarke's application for a trade mark for the word mark '*the Rubettes*' in October 2018 (subsequently granted in January 2019):
 - was made in bad faith contrary to section 3(6) of the Trade Marks Act 1994 ('the 1994 Act');
 - was in contravention of section 5(4)(a) of the 1994 Act; and
 - the UK registered trade mark in classes 9, 35 and 41 for the word mark '*The Rubettes*' (the 'UK TM') is consequently invalid under section 47(1) of the 1994 Act.
6. The Defendants' case is, in summary, that there was no agreement as to how the goodwill generated by the band should be owned and that the goodwill was therefore owned by the members of the band jointly and severally.

PROCEDURAL HISTORY

7. The claim was issued on 8 August 2019. A defence was filed on 6 December 2019. The matter was stayed for 12 weeks from 16 December 2019 and again from 11 March 2020 until 31 May 2020. The Claimants were permitted to amend their

Particulars of Claim at a CMC on 19 January 2022. Directions were also given for an amended Defence and an amended Reply. Directions for disclosure and evidence were given, and the date for trial was fixed. All the preparatory steps ordered at the CMC subsequently took place and a further application by the Defendants to file and serve limited evidence in reply to the Claimants' evidence was granted by an order dated 4 May 2022.

THE CONDUCT OF THE TRIAL

8. The trial took place mainly in person over two days. Mr Michael Smith was counsel for the Claimants and Mr Richard Colbey for the Defendants.
9. On the first morning of trial, it became apparent that the Third Defendant, Mr Etherington, was having difficulty in returning from Spain, where he was travelling on business, to give evidence in person. Mr Colbey explained that this difficulty had only just been made known to him and to the Defendants' solicitors. An oral application was made to permit Mr Etherington to give evidence and to be cross-examined remotely. The Claimants did not object as Mr Etherington's evidence was not, in their view, central and to avoid any further delay in the proceedings. Permission was granted for Mr Etherington to give evidence remotely, notwithstanding the late notice. However, for the avoidance of doubt, it should be noted that it was the individual circumstances of this case that led to this decision and that applications to participate remotely should always be made in good time and for good reasons, and those which are not will face headwinds.
10. Some minor difficulties in the cross-examination of Mr Etherington were caused by the nature of the remote set up, which had inevitably been arranged in haste. However, overall the trial ran smoothly and I am grateful to all of the professional representatives of the parties and to the Court staff for their work in ensuring that this was the case. The parties had not arranged an overnight transcription service so counsel helpfully produced short written notes summarising their closings and their observations on the evidence, which have been of considerable assistance in producing this judgment.

THE FACTUAL BACKGROUND

11. Much of the broad factual background is agreed. It was common ground that the description set out in the introductory paragraphs of the Amended Particulars of Claim is largely uncontroversial and I have relied on those paragraphs in summarising the position. Contentious issues of fact are dealt with as relevant when discussing the issues to which they relate.
12. The Rubettes was formed early in 1974. The band's first song was '*Sugar Baby Love*'. It was successful. That song was followed by others which had varying degrees of success in the UK and (at least) across the rest of Europe until the late 1970s.
13. Mr Williams, Mr Clarke and Mr Richardson were all involved with the Rubettes during that first period of success. Mr Williams is a vocalist, songwriter and musician; Mr Clarke is a bass guitarist; and Mr Richardson is a drummer.

14. Mr Williams has been performed under the name '*the Rubettes*' (or a variation of that name) since the 1970s, save for a period when the band was largely dormant in the early 1980s. Since 1 January 2003 the band of which Mr Williams formed a part was generally called '*the Rubettes featuring Alan Williams*'.
15. Mr Clarke was involved with '*the Rubettes*' and then '*the Rubettes featuring Alan Williams*' for two periods: first between 1974 and 1988, and subsequently between 1993 and 2018.
16. Mr Richardson also performed with '*the Rubettes*' and then '*the Rubettes featuring Alan Williams*' for two periods: first between 1974 and 1982, and subsequently between 2000 and 2018.
17. Mr Etherington is a keyboard player (among other things). He was not part of the Rubettes during its early existence but has performed with '*the Rubettes featuring Alan Williams*' since around 2016.
18. Between 1974 and early 1976, the Rubettes traded through a company called The Rubettes Limited. The band had at that time six members: Messrs Williams, Clarke and Richardson; Mr Peter Arnesen; Mr Bill Hurd; and Mr Tony Thorpe. Each band member had shares in The Rubettes Limited, as did the band's management company. The evidence is that none of the band members took any interest in the running of The Rubettes Limited, that the company ceased trading in around 1977 and was subsequently struck off and dissolved in July 1998.
19. Mr Arnesen and Mr Hurd both left the band in late 1975 or early 1976. The remaining band members continued performing as '*the Rubettes*'.
20. Rubettes (1976) Limited (the '1976 Company') was incorporated in April 1976. Each remaining band member was allotted one share in the 1976 Company. The 1976 Company carried on a business of providing live music events, music sales and related goods or services using the name '*the Rubettes*'. The band continued to be successful and to tour following the departure of Mr Hurd and Mr Arnesen and the formation of the 1976 Company.
21. Mr Thorpe left the band in 1979. He was replaced for a short while, but by 1980 only Mr Williams, Mr Clarke and Mr Richardson remained. The band was less active between around 1981 and sometime in 1983 and did not tour during that period.
22. During the mid to late 1980s, and subsequently, a demand developed for bands to perform on 'Oldies' or 'Nostalgia' tours or at festivals. From 1983, a further band of musicians performed as '*the Rubettes*'. The initial members were Mr Williams and Mr Clarke, together with Mr Alex Bines and Mr Hurd.
23. Bands using the name '*the Rubettes*' (in various iterations) have been involved in Oldies or Nostalgia tours and festivals since 1983. The membership of those bands has shifted over time. The involvement of each of the parties up until 2018 is as set out at paragraphs 13 to 17 above.
24. Mr Hurd set up a separate band using the name '*the Rubettes*' in 1999. Litigation between him and the Claimants commenced in 2000. A settlement agreement was

concluded in 2002 (the ‘2002 Settlement Agreement’) under which, as from 31 December 2002, Mr Williams and AWEL would trade as ‘*the Rubettes featuring Alan Williams*’, while Mr Hurd would trade as ‘*the Rubettes featuring Bill Hurd*’.

25. Mr Williams, Mr Clarke and Mr Richardson have since 2000 performed together as members of the same band (for convenience, ‘the 2000 Band’). Not all of them always appeared at performances and a number of other musicians have appeared with the 2000 Band from time to time, including, for example, a Mr Mark Haley (who played no part in this litigation) and subsequently Mr Etherington.
26. It appears that since 2003 the 2000 Band has generally performed under the name ‘*the Rubettes featuring Alan Williams*’. It is not agreed that this name was always used and the Defendants plead that it was not.
27. While no admissions were initially made to this effect, the evidence now shows that throughout the history of the various bands relevant to this trial, all revenue has been paid to a corporate entity rather than to any individual. It was the corporate entity which made the bookings and paid the expenses. Those who performed were paid a fee per performance.
28. Since 1983, AWEL has dealt with the business aspects of organising the band’s appearances, merchandising and related goods and services, including during the period when neither Mr Clarke nor Mr Richardson performed with the band.
29. Since 1983, all earnings were paid to AWEL, with the band members (other than Mr Williams, who was remunerated through his share of the profits of AWEL – if any) being paid a fee per performance. AWEL paid any costs or expenses incurred. I should mention for completeness that it was suggested by Mr Clarke that from time to time a small proportion of merchandising revenue was also paid to the performers, but nothing turns on that.
30. In the autumn of 2018, Mr Williams confirmed to the other band members that, having previously regularly visited his daughter who was living in Australia, he had received a resident’s permit for Australia and was moving to live there.
31. A few months earlier (the precise circumstances are explored in more detail below), there had been discussions between the parties about money and a disagreement between, in particular, Mr Clarke and Mr Williams. On 1 July 2018, Mr Williams wrote in an email to Mr Clarke (‘the 1 July email’):

“Due to recent activities undertaken by certain people my position has become untenable and as a result I am disbanding my present band line up as of now and as a result I must inform you that your services will no longer be required.”
32. Around 24 October 2018, Mr Clarke applied for the UK TM. The application proceeded to registration on 11 January 2019.
33. At some point before 3 March 2019, Mr Clarke, Mr Richardson and Mr Etherington formed a band using the ‘*the Rubettes*’ name and, in May 2021, Mr Hurd also agreed to perform with that band.

THE ISSUES FOR TRIAL

34. The issues identified at the CMC for trial were:

Passing off

- (i) When did the Defendants commence the acts complained of ('the relevant date')?
- (ii) At the relevant date, was AWEL (or AWEL and Mr Williams together) the owner(s) of goodwill associated with the Rubettes Names or any of them?
- (iii) At the relevant date, were the Defendants or any of them the owners of any goodwill associated with the Defendants' Signs or any of them?
- (iv) In the light of the above, does the use by the Defendants of the Defendants' Signs or any of them amount to a misrepresentation that the Defendants' live music events, merchandising, music sales and associated goods and services are the goods and services of the First Claimant (alternatively the Claimants together) or are otherwise associated or connected with or authorised by the First Claimant (alternatively the Claimants together)?
- (v) Has any misrepresentation made by the Defendants damaged or is it likely to damage any goodwill found owned by the AWEL (alternatively AWEL and Mr Williams together)?

Trade mark invalidity

- (vi) Was the application for the UK TM made in bad faith?
- (vii) In light of the findings on passing off and bad faith, is the UK TM invalid?

General

- (viii) If passing off is shown, were the acts of passing off flagrant and/or calculated to benefit the Defendants in excess of the likely damages?

35. The term '*Defendants' Signs*' was not defined in the list of issues attached to the order made following the CMC.

36. It may be intended to refer back to the term the Amended Particulars of Claim where it is defined at paragraph 34 as "... *the sign "the Rubettes" or similar names /devices featuring the word "Rubettes" (including the Logo referred to at sub-paragraph 34(i) below).*"

37. The Claimants' skeleton argument is rather clearer in identifying the issue of concern to the Claimants. Paragraph 8 describes the Defendants' Signs. It explains that Mr Clarke "*started his own band, trading as "the Rubettes" and using the following logo ("the Logo" and together "the Defendants' Signs")*":



38. Paragraph 10 of the skeleton argument explains that the Claimants' concern is that the Defendants "*have played together as "the Rubettes" and under the Defendants Signs and continue to do so*".

COMMENTS ON THE EVIDENCE AND THE WITNESSES

39. Counsel for both parties submitted that some of the witness evidence was unsatisfactory. I deal with the specific allegations below as far as necessary, but consider it useful first to make some general observations about my approach to the evidence. These reflect comments in an unrelated case¹ and are based on well-known principles. I consider it helpful to set them out for the benefit of the parties when reading this judgment.
40. My starting point is the Judgment of Leggatt J (as he then was) in *Gestmin v Credit Suisse* [2013] EWHC 3560 (Comm) ('*Credit Suisse*'), from [19]. I do not need to set those observations out in full, but note particularly the comments at [22] that the best approach in the trial of a commercial case is to base factual findings on inferences drawn from the documentary evidence and known or probable facts. The value of oral testimony is ideally "*to subject the documentary record to critical scrutiny and to gauge the personality, motivations and working practices of a witness*".
41. In a case such as this, where almost all the witnesses are personally involved (this applies in particular to Mr Williams, Mr Clarke and Mr Richardson), Leggatt J's observations in *Credit Suisse* on the fallibilities of human memory and the distorting effect of the litigation process are particularly important:

"The process of civil litigation itself subjects the memories of witnesses to powerful biases. The nature of litigation is such that witnesses often have a stake in a particular version of events. This is obvious where the witness is a party or has a tie of loyalty (such as an employment relationship) to a party to the proceedings. Other, more subtle influences include allegiances created by the process of preparing a witness statement and of coming to court to give evidence for one side in the dispute. A desire to assist, or at least not to prejudice, the party who has called the witness or that party's lawyers, as well as a natural desire to give a good impression in a public forum, can be significant motivating forces.

Considerable interference with memory is also introduced in civil litigation by the procedure of preparing for trial. A witness is asked to make a statement, often (as in the present case) when a long time has already elapsed since the relevant events. The

¹ *Rahbarpoor & Anor v Suliman & Ors* [2022] EWHC 1093 (Ch).

statement is usually drafted for the witness by a lawyer who is inevitably conscious of the significance for the issues in the case of what the witness does nor does not say. The statement is made after the witness's memory has been "refreshed" by reading documents. The documents considered often include statements of case and other argumentative material as well as documents which the witness did not see at the time or which came into existence after the events which he or she is being asked to recall. The statement may go through several iterations before it is finalised. Then, usually months later, the witness will be asked to re-read his or her statement and review documents again before giving evidence in court. The effect of this process is to establish in the mind of the witness the matters recorded in his or her own statement and other written material, whether they be true or false, and to cause the witness's memory of events to be based increasingly on this material and later interpretations of it rather than on the original experience of the events." [19] and [20]

42. Notwithstanding the adoption of Practice Direction 57 AC, which deals with the preparation of witness statements for use at trial, the potential problems with witness evidence arising from the process of civil litigation itself, as identified in Credit Suisse, have not been eliminated.
43. The difficulties of assessing the witness evidence are compounded by the uneven documentary record. Some of the documents which do exist are said by some of the parties to be misleading in themselves or to have been entered into as a result of a misrepresentation. The Defendants' case, in particular, relies principally on oral evidence with a lack of contemporaneous supporting documentation. As a result, while some factual findings can be made by reference to the contemporaneous documents, it has been necessary to assess the reliability of the witness evidence also by reference to other considerations.
44. The relatively recent Judgment of HHJ Richard Williams, sitting in the Business and Property Courts in Birmingham, in Singh v Jhutti [2021] EWHC 2272 (Ch) contains a summary of relevant considerations when assessing evidence of events which took place over an extended period of time, in respect of at least some of which there is limited or disputed documentary evidence, and where the oral evidence is largely given by witnesses closely related to the dispute. Many of the difficulties in Singh v Jhutti also arose in this case. For example, as mentioned above, the oral evidence was, save for that of Mr Kannar, given by witnesses closely connected to the dispute and therefore likely to be subject to, in the words of HHJ Williams "... *significant motivating forces and powerful biases*..." [59b].
45. Facing a similar situation, HHJ Williams referred to the Judgment of Lewison J (as he then was) in Painter v Hutchison [2007] EWHC 758 (Ch) at [3] setting out a non-exhaustive list of indicators of unsatisfactory witness evidence that can assist in assessing oral testimony. These were summarised by HHJ Williams as:
 - (i) evasive and argumentative answers;
 - (ii) tangential speeches avoiding the questions;
 - (iii) blaming legal advisers for documentation (statements of case and witness statements);

- (iv) disclosure and evidence shortcomings;
- (v) self-contradiction;
- (vi) internal inconsistency;
- (vii) shifting case;
- (viii) new evidence; and
- (ix) selective disclosure.

46. I have borne all of those indicators in mind when listening to the oral testimony and subsequently reviewing my note of cross-examination. I have also reminded myself that, as highlighted in *Credit Suisse*, a witness may have a conviction as to the truth of a particular fact, which is found to be incorrect or probably incorrect when other evidence is examined. A witness whose evidence is found to have been unreliable or not convincing on one issue is not necessarily to be regarded as unreliable on other issues. There may, however, be some issues where the only conclusion that can be drawn is that the witness is consistently unreliable or even deliberately untruthful. Such instances will inevitably taint the Court's perception as to the overall reliability of that witness.
47. In the light of those comments, I turn first to the Claimants' witnesses. Mr Williams gave evidence on behalf of the Claimants on all issues. Mr Williams answered the questions put to him accurately, occasionally almost to the point of pedantry. His oral evidence was largely consistent with his written evidence. The fact that (in common with all the witnesses) many of the events about which he was asked took place 20 years ago or more meant that his evidence was occasionally tentative as, for example, when asked about the advice given to the band members to involve their wives in the 1976 Company. There were also inconsistencies in his evidence as to the time at which various discussions took place during the spring and summer of 2018, suggesting that some of the effects of preparing for trial identified in *Credit Suisse* were at work.
48. Some aspects of Mr Williams' written evidence had an element of hyperbole and the evidence overall suggests that his account of his role in some of the early activities of the Rubettes was somewhat exaggerated. On some issues (for example as to the quantum of the sum owing to the accountants in 1994, and as to the payment of that sum) he was unable to provide documentary support, while having detailed written records of other matters, and I have borne that in mind when considering his evidence on the alleged agreements entered into in 1994, not least because of the time that has passed since those agreements were allegedly concluded. Having said that, many of the most important aspects of Mr Williams' evidence were not challenged. Overall I found him to be a credible witness but have sought to test and check his evidence (where the evidence is relevant) against other material where that is possible.
49. The Claimants also relied on the evidence of Mr Nicholas Kanaar. Mr Kanaar is a solicitor who acted in relation to a recording contract with Polydor Records in the 1970s. His written evidence explained how he received his instructions in respect of that agreement and provided some tangential information about agreements

concluded in 1994 dealing with the assets of the 1976 Company. Mr Kanaar was briefly cross-examined on his recollection of events at a meeting held at his firm's office between Mr Williams and Mr Clarke around that time. Mr Kanaar's evidence was limited in scope, and largely unchallenged. He answered the questions put to him during cross-examination succinctly, in line with his written evidence. Where he could not remember something, he said so clearly. He was a credible witness and clearly wished to assist the Court.

50. Mr Clarke was the first of the Defendants to give evidence. On the whole, he answered the questions put to him clearly, from his own perspective. He had occasional difficulty in following questions from Mr Smith, where those questions were lengthy or couched in the negative. In addition, he appeared to have some difficulty in hearing Mr Smith. He described himself as a man who was interested in common sense and not in lawyers' jargon and this was very apparent in his recollection of some issues.
51. Mr Clarke was affected by the same difficulties of recollection as all the witnesses in respect of events which happened a long time ago. I consider that some of Mr Clarke's recollections of events may have been affected by the process of litigation. The agreements allegedly concluded in 1994 are one instance of that concern and, in assessing the evidence on that particular issue, it was particularly important to have regard to the conduct of the parties and any other available evidence in assessing the probabilities of what happened.
52. While not generally argumentative or evasive, Mr Clarke's views on some aspects of the case led to his evidence being given from his particular perspective, at a tangent to the question posed by counsel and with a degree of truculence or misplaced levity. This affects the weight to be given to some of his oral evidence.
53. One example will suffice. It relates to Mr Clarke's response to questions about Mr Williams' pre-2018 journeys to and from Australia to perform. This was relevant to Mr Clarke's explanation of his understanding of Mr Williams' intentions toward the band once he announced his move to live permanently in Australia. Mr Clarke gave evidence that he thought that that Mr Williams was abandoning the Rubettes and that this move would mean that the Rubettes could continue without Mr Williams. My note of the evidence is that Mr Clarke said that he had concluded that the band could continue to be booked without Mr Williams and to perform as '*the Rubettes*' as Mr Williams could not be involved once he was living in Australia. Counsel asked Mr Clarke to comment on the fact that Mr Williams had come back and forth from Australia ever since 2014. Mr Clarke's comment was only that perhaps Mr Williams may have too much money.
54. On one or two occasions, Mr Clarke's evidence was not credible as, for example, when responding to questions about the establishment of various social media accounts which used the name '*the Rubettes*' without qualification and referred to the trade mark he had registered for '*the Rubettes*'. Mr Clarke initially attempted to deflect questions about responsibility for those sites or for their use of the trade marks remarking "*I'm not up to speed with protocol*". When counsel noted that the same person had been involved in setting up both accounts for which Mr Clarke accepted responsibility and those for which he did not, Mr Clarke did not address the issue other than by enquiring whether it was "*against the law*" for the same person to be

involved in setting up social media accounts on two or three separate platforms. Such argumentativeness can be an indicator of unreliable evidence. Mr Clarke ultimately accepted that at least some of those accounts had been set up for him, but his evidence as to his knowledge and involvement was not clear and I place limited reliance on it.

55. Mr Clarke's evidence about his understanding of Mr Williams' intentions in 2018 was in my view affected by his personal stake in the events in question and by hindsight. His oral evidence that he thought that the band would be coming to an end and that Mr Williams had gone to Australia to retire does not sit well with the undisputed evidence that Mr Williams had in the past returned from Australia to perform in gigs. Mr Clarke's evidence about his understanding of the wording in the 1 July email was not an obvious reading based on the text which mentioned only that the current line-up was being disbanded and that Mr Clarke's services would no longer be required. The reading put forward by Mr Clarke is at odds with the overall context and is not corroborated by the evidence given by others, as considered in more detail below.
56. Mr Clarke gave new evidence under cross-examination and on occasion sought to deflect criticism for matters such as inadequate disclosure towards his advisers. For example, when asked about correspondence with venues and promoters relating to potential trade mark proceedings, he said that he could not remember whether any such material had been disclosed.
57. During cross-examination, Mr Clarke gave evidence that his real concern with Mr Williams' activities was with the use of a picture containing an image involving Mr Clarke and that the reference to the UK TM may have been "an error". The correspondence is signed by Mr Clarke personally and refers to trade mark infringement only. Mr Clarke and the other Defendants may have had a concern about possible use of their images by the Claimants, but his attempt during oral evidence to conflate that issue with his authorisation of correspondence relating only to trademarks leads me to regard his evidence on trademark issues as lacking credibility.
58. As has frequently been observed in the authorities, giving new evidence under cross-examination and failures in disclosure can be an indication of unsatisfactory witness evidence and means that a degree of caution is sensible when approaching the affected evidence. For the reasons given above, Mr Clarke's evidence was in several respects unsatisfactory. Where this is relevant to my decision, it is referred to specifically below.
59. Mr Richardson also gave evidence in person. As with Mr Clarke, it was apparent that he found the process of cross-examination intrusive. In my view, he sought to answer the questions put to him honestly. His recollection of many of the events in issue was, however, limited or non-existent and the evidence must be approached with that in mind.
60. During a good deal of the relevant period, Mr Richardson was not taking any interest in the affairs of the band. I therefore treat with some caution the rather detailed evidence he gave under cross-examination that Mr Williams' suggestion that he should sign the 1994 Agreement was a "*plot to take over the world*" about which he had complained at the time. This is also at odds with his written evidence that "*I believed at the time that I was simply removing myself from a company that was no longer appropriate to being [sic] connected to*". In my view, this may be an instance

of hindsight and of the process of civil litigation and colouring oral testimony and leading to new evidence during cross-examination. This does not mean that Mr Richardson was overall an unsatisfactory witness, but some of his evidence must be approached with caution.

61. Mr Richardson's evidence was unsatisfactory in one particular respect. This related to his withdrawal from his relationship with Mr Williams and his decision to support Mr Clarke's alternative line up. Mr Smith submitted that Mr Richardson had clearly come to Court intending to attack Mr Williams' integrity. I do not agree. While some of Mr Richardson's oral evidence had not been included in his written evidence, I do not conclude that Mr Richardson had an agenda to smear Mr Williams. I did, however, reach the view that Mr Richardson's evidence on this point was affected by his personal feelings about Mr Williams and that I should approach Mr Richardson's evidence on this issue with some care if not already contained in a written statement, or supported by contemporaneous documents. I do not consider this to undermine Mr Richardson's overall credibility, and much of what was said during that passage of his cross-examination was not directly relevant to the main issues.
62. Finally, Mr Etherington briefly gave evidence by video link. As he had not been involved with the Rubettes before 2016 other than spasmodically, his evidence was relevant to only a few of the issues in the case. On most issues, he answered the questions put to him briefly, although on occasions he was argumentative and clearly found the process rather tedious.
63. During cross-examination, Mr Etherington mentioned allegations about Mr Williams' historic behaviour which had played no previous part in his evidence. Mr Smith submitted that this showed an intent to smear Mr Williams with unjustifiable allegations which tainted Mr Etherington's evidence as a whole. I do not agree, but have disregarded the allegations made which were not in Mr Etherington's written evidence or in the documents. If these were to be relied on, they should have been included in the evidence in chief when they could be put to Mr Williams.

THE RELEVANT LEGAL PRINCIPLES

64. This dispute relates to both passing off and trade mark issues. The key legal principles and the principal submissions of counsel on those principles are summarised below. I should record that I found Mr Smith's structured approach to the legal issues and the relevant tests particularly helpful.

Passing off

65. There was little disagreement between counsel as to the principles. Mr Colbey submitted that they are not complex and referred me principally to the discussion of passing off in Clerk & Lindsell. Mr Smith helpfully drew out the key elements of passing off as set out in the leading case of *Reckitt & Colman v Borden* [1990] 1 WLR 491 at [499E-H], namely that a claimant in a passing off case must show that:
 - (i) the claimant owns goodwill in a business, the goodwill being attached to some get up or feature;

- (ii) there has been a relevant misrepresentation on the part of the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by them are the goods or services of the claimant; and
- (iii) that there has been consequent damage to the claimant's goodwill.

Goodwill

66. Mr Colbey submitted that it is possible for goodwill to be jointly owned, relying on *Sir Robert McAlpine Ltd v Alfred McAlpine Ltd* [2004] EWHC 630 (Ch) (*'McAlpine'*). Mr Smith noted that the position as to joint ownership in that case had been common ground, but did not dispute the principle that joint or concurrent ownership was possible.
67. As to the nature of goodwill, Mr Smith relied on the well-known passage from Lord Macnaghten's judgment in *IRC v Mullers & Co Margarine* [1901] A.C. 217 at [223]-[224]:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation, and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has power of attraction sufficient to bring customers home to the source from which it emanates."

and on the following passage from the same judgment at [223]-[224]:

"For my part, I think that if there is one attribute common to all cases of goodwill it is the attribute of locality. For goodwill has no independent existence. It cannot subsist by itself. It must be attached to a business. Destroy the business, and the goodwill perishes with it, though elements remain which may perhaps be gathered up and be revived again. No doubt, where the reputation of a business is very widely spread or where it is the article produced rather than the producer of the article that has won popular favour, it may be difficult to localise goodwill."

68. I did not understand Mr Colbey to disagree with the overall proposition that goodwill is attached to a business and not to reputation alone. Indeed, the summary from Clerk & Lindsell to which I was directed states: *"The claimant must establish a goodwill attached to the goods or services which he supplies"* (at paragraph 25-01) and subsequently *"... the claimant in an action for passing off must establish that he is in some sense carrying on a business, with which the trade or public will be led to associate the defendant's activities"* (at paragraph 25-09).

The ownership of goodwill

69. Mr Smith's principal submission was that goodwill is generated by trade and the undertaking responsible for carrying on the trade owns the goodwill; in other words the carrying on of a business demonstrates where the goodwill is located.

70. Mr Smith drew my attention to the discussion of the principles that apply to the ownership of the goodwill generated by a band in *Byford v Oliver* [2003] EWHC 295 (Ch); [2003] F.S.R. 39. At [19], Laddie J held that, in a band which operates as a partnership at will, the goodwill and other assets are owned by the partnership rather than by the individual musicians and that a member who leaves may have a claim to the realised value of the partnership assets but has no claim to the assets themselves including the name of the band or the goodwill built up under it.

71. Laddie J discussed the implications of this for future iterations of a band at [25] and [26] of his Judgment:

“Absent special facts, such as existed in Burchell, the rights and obligations which arise when a band of musicians, performing in a band as a partnership, split up can be explained as follows. It is convenient to start by considering the position when two, entirely unrelated bands perform under the same name. The first performs from, say, 1990 to 1995 and the second performs from 2000 onwards. Each will generate its own goodwill in the name under which it performs. If, at the time that the second band starts to perform, the reputation and goodwill of the first band still exists and has not evaporated with the passage of time (see Ad-Lib Club Ltd v Granville [1972] R.P.C. 673) or been abandoned (see Star Industrial Co Ltd v Yap Kwee Kor [1976] F.S.R. 256) it is likely to be able to sue in passing off to prevent the second band from performing under the same name (see Sutherland v V2 Music [2002] EWHC 14 (Ch); [2002] E.M.L.R. 28). On the other hand, if the goodwill has disappeared or been abandoned or if the first band acquiesces in the second band’s activities, the latter band will be able to continue to perform without interference. Furthermore, whatever the relationship between the first and second bands, the latter will acquire separate rights in the goodwill it generates which can be used against third parties (see Dent v Turpin and Parker & Son (Reading) Ltd v Parker [1965] (R.P.C.323). If the first band is a partnership, the goodwill and rights in the name are owned by the partnership, not the individual members, and if the second band were to be sued, such proceedings would have to be brought by or on behalf of the partnership.

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. A properly advised band could avoid the problem that this might cause by entering into a partnership agreement which expressly provides for the partnership to continue on the departure of one or more members and which expressly confirms the rights of the continuing and expressly limits the rights of departing partners to make use of the partnership name and goodwill. This is now commonplace in the partnership deed for solicitors’ practices.”

72. Mr Colbey noted that the Judgment in *Byford v Oliver* implies that there may be circumstances in which goodwill can be owned concurrently by sole traders and, as discussed below, submitted that at least some of those who performed as the Rubettes from time to time (including Mr Clarke and Mr Richardson) had done so as sole traders and accrued goodwill accordingly.

73. At [12] of *Byford v Oliver*, Laddie J notes that in that case it was accepted that a partnership at will existed. He also commented at [19] that if the members of the band

in that case had been performing together as independent traders rather than as partners “*the position would be very different*”, as “*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*”. The example given was of a very old case *Dent v Turpin* (1861) 2 J&H 139 and no other relevant authorities were cited.

74. The circumstances in which a band will operate other than through some species of partnership or an incorporated body was not developed by counsel. Mr Smith suggested that this will rarely be the case, relying principally on the Partnership Act 1890 section 1(1) which provides that any unincorporated band of individuals who carry on business in common with a view to profits is treated as a partnership.
75. It was agreed that the relevant date to assess whether the goodwill existed is the date the defendant commenced the conduct complained of: *Starbucks (HK) Ltd v British Sky Broadcasting Band* [2015] UKSC 31; [2015] 1 W.L.R. 2628.

Misrepresentation / damage

76. Misrepresentation is a key element of the tort of passing off. Whether a misrepresentation has taken place is a question of fact. The misrepresentation must be likely to damage the claimant’s goodwill. It was not disputed that the classic test for misrepresentation was encapsulated in a passage from *Reckitt & Colman v Borden* noting that a successful claimant:

“... *must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. Whether the public is aware of the plaintiff’s identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the plaintiff. For example, if the public is accustomed to rely upon a particular brand name in purchasing goods of a particular description, it matters not at all that there is little or no public awareness of the identity of the proprietor of the brand name.*”
[at 499 F-G]

77. The following passage from that Judgment noted that a claimant in a passing off action must show that he has suffered damage or is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation [at 499 G-H]. The requirements of misrepresentation and damage are somewhat intertwined as Mr Colbey noted, referring to the comments of Jacob LJ that, rather than focussing on the causative effect “[a] *more complete test would be whether what is said to be deception rather than mere confusion is really likely to be damaging to the claimant’s goodwill or divert trade from him.*” *Phones 4U Ltd v Phone4U.co.uk Internet Ltd* [2006] EWCA Civ 244 (*‘Phones 4U’*) at [19].

Trade mark issues / bad faith

78. Mr Smith (with whom Mr Colbey agreed) relied on the summary of the requirements of bad faith for the purposes of section 3(6) of the 1994 Act in *Red Bull GmbH v Sun Mark Ltd and Sea Air & Land Forwarding Ltd* (*‘Red Bull’*) [2012] EWHC 1929 (Ch) per Jacob LJ at [130]-[138]. In brief, those principles (excluding internal references and extraneous material) are:

- (i) the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date;
- (ii) while the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date;
- (iii) a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith;
- (iv) bad faith includes not only dishonesty, but 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*”;
- (v) section 3(6) of the 1994 Act is intended to prevent abuse of the trade mark system. There are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties;
- (vi) in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case;
- (vii) the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant’s conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant’s own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry; and
- (viii) consideration must be given to the applicant’s intention.

79. It was also agreed that, if the Court were to find that the Defendants had committed the tort of passing off through their use of ‘*the Rubettes*’, invalidity should follow.

THE PRINCIPAL SUBMISSIONS OF COUNSEL

80. I deal below with the principal submission of counsel on each issue in the case. In turn Mr Colbey concentrated his submissions on what he described as the primary question being, in his words, whether either Mr Clarke or Mr Richardson, owned concurrent or senior goodwill to that owned by AWEL. This was the main plank of the Defence. The Defendants accepted that AWEL had goodwill in the usage ‘*the Rubettes featuring Alan Williams*’, but denied that AWEL had goodwill in ‘*the Rubettes*’ alone. On other issues, as would be expected, he largely responded to the submissions of Mr Smith on the Claimants’ case.

Ownership of goodwill

The Claimants' submissions

81. Mr Smith dealt with the ownership of goodwill by the Claimants and Defendants respectively together. His position can be summarised as follows:
- The Claimants have accrued goodwill in the name '*the Rubettes*' since at least 1983 (and arguably have acquired any pre-existing goodwill for the period between 1974 and 1983);
 - The Claimants have accrued further goodwill in '*the Rubettes featuring Alan Williams*' since 2003;
 - The Claimants may assert their goodwill in '*the Rubettes featuring Alan Williams*' against any third party;
 - The Claimants may assert their goodwill in '*the Rubettes*' against any third party other than Mr Hurd, with whom a contractual arrangement has been reached under which AWEL will trade through a band called '*the Rubettes featuring Alan Williams*';
 - The Defendants have never individually had any goodwill in '*the Rubettes*' as they never traded under that name;
 - To the extent that Mr Clarke or Mr Richardson had any interest in goodwill through their interest in the companies connected with the Rubettes between 1974 and 1983, that is no longer the case because: either any such interest was transferred to AWEL through a series of agreements in 1994; or the relevant goodwill (as an asset of a company) vested in the crown when those companies were dissolved.
82. It follows in Mr Smith's submission that the Claimants have relevant goodwill and the Defendants have none, meaning that the Claimants must succeed if misrepresentation and damage are shown on the facts.
83. The legal and factual arguments on which Mr Smith relies are summarised below, dealing with each period of trading under '*the Rubettes*' or '*the Rubettes featuring Alan Williams*'.
- 1974 – 1976
84. The Rubettes Limited was responsible for all trading activity under the name '*the Rubettes*' between its formation and early 1976, when it was replaced by the 1976 Company. The Defendants admitted the trading status of The Rubettes Limited at paragraph 12 of their Amended Defence (although Mr Smith acknowledges that there is also a non-admission at paragraph 13.1). That company has long since dissolved.
- 1976 – 1983
85. The 1976 Company was responsible for all trading activity as '*the Rubettes*' between early 1976 and 1980. While the money dwindled during the hiatus after 1980, it was

still paid through the 1976 Company. It is common ground (admitted at paragraph 16 of the Amended Defence) that the 1976 Company carried on the business and that all the income during the period was paid to it, not to any individual. Mr Smith submits that, for so long as it was responsible for the trading activity of the band, any goodwill accrued to the 1976 Company. That company has long since dissolved.

86. Mr Smith submitted that in about 1994 any rights owned by the 1976 Company were in any event assigned to AWEL under a series of agreements, both written and oral (the '1994 Agreements'). The circumstances surrounding these purported assignments are discussed further below. However, Mr Smith submits that whether or not any effective assignment occurred is ultimately irrelevant because on any analysis neither Mr Richardson nor Mr Clarke ever had any personal interest in any goodwill attached to *'the Rubettes'* in the period before 1983.
87. In summary, Mr Smith's position is that the trading before 1983 either:
- (i) was carried out by the limited companies mentioned above; or
 - (ii) by a series of partnerships (of which there is no evidence); or
 - (iii) some combination of the two.
88. As to option (i), Mr Smith submits that the evidence is clear that trading before 1983 was carried out by the limited companies. If so, it follows that, as companies have separate legal personalities, their assets are not owned by shareholders. He relies on section 654 of the Companies Act 1985 which provides that, if a company is dissolved, any remaining assets which have not previously been transferred (including any goodwill which remains with the company) are vested in the Crown. That would mean that band members who performed under the name *'the Rubettes'* at any time when trade was carried on by one of the two companies in question would have no rights to the goodwill of the relevant period whether or not they had been shareholders of the relevant company.
89. As to option (ii), Mr Smith submits that, if the goodwill did not accrue to the companies then, under the Partnership Act 1890 section 1(1), any unincorporated band of individuals who carry on business in common with a view to profits is treated as a partnership. If that were to be the case here, he submits that *Byford v Oliver* is clear authority that neither Mr Richardson nor Mr Clarke (nor indeed Mr Williams) would have the right to the goodwill of any such partnership. As set out at [19] of that Judgment, every time a member of the band left, the partnership as then constituted would be dissolved and its assets (including the name and goodwill) could at that point have been realised so that each partner could have a share in the realised value of those assets. The partners of each successive partnership at will would have had an interest in the realised value of the assets of that partnership, but not in the assets themselves. The only way in which this could have been avoided would have been for a partnership agreement to have been concluded dealing expressly with the consequences of departure of members of the partnership.
90. As to option (iii), given the conclusions in respect of options (i) and (ii), Mr Smith submits this could not assist the Defendants.

91. Mr Smith discussed the further possibility that some or all of the band members were trading in their own right as sole traders and that any corporate entity either accrued no goodwill (the goodwill being accrued by the individual band members jointly and severally) or that it accrued goodwill only concurrently with goodwill also being accrued by those band members who were trading as sole traders. Mr Smith submits that this analysis is incorrect, both as a matter of fact (neither Mr Clarke nor Mr Richardson has put forward any evidence that they traded in their own right while performing as '*the Rubettes*' during the period in question) and as a matter of law (given the default position in (ii) as to the trading relationship between unincorporated bands of individuals).

- The 1994 Agreements

92. While noting that ultimately the 1994 Agreements might be irrelevant, Mr Smith submitted that those agreements were valid and that under them Mr Clarke and Mr Richardson had assigned to AWEL any rights they may have had from their previous involvement with the Rubettes.

93. Mr Smith submitted that it was common ground that by 1994 the 1976 Company owed money to its accountants and that the accountants were pursuing band members individually for payment. His submission was that Mr Williams reached an agreement with all of those who had an interest in the 1976 Company under which they each agreed to assign any rights they had in the 1976 Company to AWEL in return for Mr Williams' willingness to pay the debts of that company. Mr Smith submitted that this included all the goodwill previously owned by the 1976 Company.

- 1983 – 2003

94. Mr Smith submitted that AWEL was responsible for all trading under the name '*the Rubettes*' from 1983 onwards. He relied on evidence from both Mr Williams and Mr Clarke that from 1983 AWEL undertook all the administrative arrangements, paid any expenses, was paid all the income, and paid everyone performing with the band a performance or 'session' fee. He submitted that this established that AWEL was the trading entity for the band and that Mr Williams had strategic control of that entity.

95. Mr Smith submits that it is therefore clear that AWEL has goodwill associated with the name '*the Rubettes*' and that, even if the 1994 Agreements did not transfer goodwill owned by the 1976 Company or any previous goodwill, AWEL has accrued independent goodwill through its trading from 1983 onwards.

96. The principles set out by Laddie J at [25]-[26] of *Byford v Oliver* quoted above as applying to partnerships were argued by Mr Smith to apply equally, if not more, to bands which trade as limited companies. In his submission, this means that if one company owns the goodwill associated with a band name and someone else starts to perform and to trade under the same name, the company owning the rights in the first band may be able to sue the second band for passing off (subject to defences of e.g. abandonment of goodwill, acquiescence and so on as identified by Laddie J), but the second band (in whatever legal form it operates) would generate separate rights of goodwill. Mr Smith submitted that this means that AWEL has accrued goodwill in '*the Rubettes*' since at least 1983 and that this has continued though the various iterations of the band through which AWEL has traded.

- 2003 – 2018

97. Mr Smith submits that the only difference was that, following the 2002 Settlement Agreement, AWEL agreed that it would use the suffix '*featuring Alan Williams*'.
98. Mr Smith notes that this agreement is not pleaded to have made any difference to the legal position and submits that it does not in any event make any difference because:
- first, a private agreement of this nature does not affect the underlying position as to goodwill; and
 - secondly, the Defendants have positively pleaded that AWEL has continued to trade as '*the Rubettes*' on some occasions.

The Defendants' submissions

99. Mr Colbey summarised his clients' case as follows:
- It is not helpful to dwell on what happened in the 1970s but it is likely that all of the early goodwill vested in the 1976 Company in which Mr Richardson, Mr Clarke and Mr Williams were all shareholders;
 - There was no effective assignment to AWEL of rights in the 1976 Company in 1994 on the basis that:
 - Mr Clarke refused to sign any document in relation to such purported agreement;
 - there was no consideration for any agreement; and
 - Mr Richardson was pressured into signing the agreement or did so on the basis of a misrepresentation;
 - Even if the agreement signed by Mr Richardson were effective, it would not matter, as long as Mr Clarke had not surrendered his goodwill, as Mr Richardson could perform alongside Mr Clarke under Mr Clarke's goodwill in '*the Rubettes*';
 - To the extent that the Claimants rely on any argument that Mr Williams was the 'last man standing' of a partnership at will, such an argument is fallacious as once any member leaves a partnership at will the partnership dissolves with the usual rights following dissolution;
 - A more realistic analysis of the goodwill in '*the Rubettes*' is that it has grown organically since 1974 with all of Messrs Williams, Clarke and Richardson having traded under that name for much of the period since then;
 - By selling their musical skills to perform as '*the Rubettes*', Mr Clarke and Mr Richardson have generated goodwill of their own;
 - When Mr Williams told Mr Clarke in the 1 July email that he was disbanding the Rubettes, it followed that he was abandoning the goodwill.

100. Mr Colbey's primary submissions were based on the pleading at paragraph 33.4 of the Amended Defence that Mr Clarke and Mr Richardson have (when performing under '*the Rubettes*' name) generated their own goodwill because of their status as founding members of the band and because they were selling their musical skills as independent traders in such a way as to accrue goodwill in '*the Rubettes*'. While not originally articulated in this way, Mr Colbey's overall submission was that:
- (i) even if the 1994 Agreements had transferred any rights in any goodwill owned by the 1976 Company to AWEL, this would not have affected the personal rights of Mr Clarke or Mr Richardson to goodwill which they had accrued concurrently with that company and its predecessor; and
 - (ii) Mr Clarke and Mr Richardson have continued to accrue goodwill concurrently with AWEL since 1983.
101. As far as the period after 2002 is concerned, Mr Colbey did not dispute that AWEL accrued goodwill in '*the Rubettes featuring Alan Williams*'. However, Mr Colbey submitted that the 2002 Settlement Agreement meant that Mr Williams could not perform in a band using just the name '*the Rubettes*' and that, as a consequence, as from 2003 the Claimants could not build up goodwill in '*the Rubettes*'. He submitted that it was clear from the Amended Defence (paragraph 35) that the Defendants had pleaded that the 2002 Settlement Agreement meant that the Claimants could not rely on any '*Rubettes*' goodwill after the beginning of 2003. That being so, he argued that the Claimants could not stop the Defendants from using '*the Rubettes*'.

Ownership of goodwill – the relevant facts and assessment

- 1974 – 1983

102. There appears to be no dispute that the early companies (up until 1980, and to the extent relevant during the 1980-1983 hiatus) carried on a trade by reference to the name '*the Rubettes*'. The members of the band were responsible for performing but the evidence was consistent that it was the company that ran the business of the band, paying the performers a wage and dealing with all the business aspects of the band. All three of those who had been involved at the time and who gave evidence agreed that none of them had been interested in the business and administrative aspects of the band. It appears to be common ground on the pleadings that the 1976 Company carried on the business and that all income was paid to it and not to individuals.
103. During that early period (and indeed throughout), there is no evidence of any partnership coming into existence. None of the parties relies on any such partnership and the Defendants deny that one existed.
104. The Defendants' case is that, in addition to goodwill accruing to the corporate vehicles responsible for the trading activities of the band, goodwill also accrued concurrently to each of the performers and that each of them traded in their individual musical skills as members of the band thereby accruing goodwill.
105. There was only limited evidence of the basis on which the band members performed.

106. While it was suggested that, at least in the early days, the band members had all had contracts of employment with the relevant corporate entities, none of those contracts was produced. There is no evidence of any of the individual performers at any stage carrying on a business as a performer with the Rubettes which was separate from the trade carried on by the relevant corporate entities. There is no suggestion that the 1976 Company (or AWEL) was acting as agent for any of the musicians involved.
107. I accept Mr Smith's submissions that goodwill is generated by trade and that, absent any agreement to the contrary, the default position of a band of musicians trading together as a band is that of a partnership at will, with the goodwill being owned by the partnership rather than the individuals. I also accept his submission that where an incorporated body is carrying on trade under a band's name, that company will own goodwill established by that trade. Individual musicians may also accrue goodwill through their performances with a band but this will depend on the nature of their trading activities and will be fact sensitive.
108. Absent any substantive submissions as to: (i) the circumstances in which a musician who is performing in a band which is trading through an incorporated body is to be treated as an independent contractor capable of accruing goodwill in the trading name used by the band; or (ii) any evidence that this was in fact the situation during the period from 1974 – 1983, I find that goodwill in '*the Rubettes*' resided in the 1976 Company and that none of the individual musicians who performed under the name '*the Rubettes*' at that time accrued any concurrent or joint goodwill.
109. Given my finding that none of the individual musicians who performed with the Rubettes before 1983 accrued any goodwill in '*the Rubettes*' in their own right, the effectiveness of the 1994 Agreements is not determinative of the ultimate outcome of this dispute as the goodwill owned by the 1976 Company is either: owned by AWEL as a result of the 1994 Agreements; or was never validly transferred from the 1976 Company and has defaulted to the Crown under section 654 of the Companies Act. In either event, neither Mr Clarke nor Mr Richardson, as former shareholders in a now dissolved company, has any interest in it. Nevertheless, given that I heard evidence and argument on the 1994 Agreements, I set out my conclusions on the validity and effect of those agreements briefly below.

- The 1994 Agreements

110. By 1994, the 1976 Company owed money to its accountants. The Claimants have pleaded that each of those who had an interest in the 1976 Company agreed to assign any rights they had in that company (including any rights to goodwill) to AWEL in return for Mr Williams' willingness to pay the debts of the 1976 Company. Mr Richardson and Mr Williams signed agreements purporting to transfer their interests in the 1976 Company to AWEL. Mr Clarke did not.
111. Mr Colbey submitted that while Mr Clarke may have indicated orally a tentative willingness to assign his interests in the 1976 Company to AWEL, he then sought advice from a third party and declined to sign any documents or to reach a formal agreement.
112. Mr Colbey further submits that Mr Richardson was materially misled into signing an agreement in 1994 and that the agreement he signed should be set aside.

113. In essence, the Defendants' case on the 1994 Agreements is that:
- no legal liability for the debts of the 1976 Company fell on the individual band members;
 - Mr Clarke and Mr Richardson were wholly indifferent as to whether those debts were paid;
 - the quantum of debt involved has not been proven and seems to be considerably less than suggested by Mr Williams in his evidence;
 - there is no evidence that any debt was paid by Mr Williams;
 - there was therefore no meaningful consideration for any contract (whether oral or written); and
 - Mr Richardson had not understood that the agreement he had signed would, if valid, deprive him of any right to use the name '*the Rubettes*' in future without the consent of AWEL, but had been told only that the agreement was to assist in the administration of the 1976 Company and was merely 'lawyers' jargon'.
114. As a consequence, Mr Richardson and Mr Clarke are said to retain not only their own separately generated goodwill as independent traders (as discussed above), but also a share in any goodwill owned by the 1976 Company.
115. Having considered the submissions of Mr Colbey, I do not accept that the written agreement signed by Mr Richardson should be set aside. While Mr Richardson now says that he was misled, there has been no pleading, citation of authority or submission by counsel sufficient to allow me to reach a conclusion that his decision to sign was so affected by any misrepresentation that it should be set aside. In the absence of any substantive argument from Mr Colbey as to the legal implications of the evidence, I do not consider it sufficient to justify setting the agreement aside.
116. Mr Colbey also submitted that there had been a failure of consideration as the five pence consideration referred to in the agreement was never paid. I do not accept that submission.
117. While the documentary record is patchy, it is not disputed that money was owed by the 1976 Company to its accountants (although the amount is contested). The evidence (and not only that of Mr Williams) shows that the accountants had been chasing the band members to pay the outstanding amounts. Mr Clarke's oral evidence was clear that there were outstanding debts and that the accountants were seeking payment from him and others.
118. The evidence does not establish how serious the threats were, nor how seriously they were taken by the various band members – although Mr Williams suggests that there was some level of concern. It is unclear what level of responsibility each individual felt he had. There is no documentary record of payment having been made, nor of the amount paid by Mr Williams.

119. Given the detailed documentary evidence provided by Mr Williams on other aspects of the case, the absence of evidence of payment (or as to amount sought) is a little surprising. However, in the light of the time that has passed since 1994 and given that Mr Clarke agreed that demands had been made by the accountants and that they stopped once Mr Williams had taken responsibility for the debt, I consider it more likely than not that some payment was made and that this settled the position vis-à-vis the accountants.
120. Mr Colbey asserted that the payment of the accountants was not meaningful consideration. I do not accept that submission. Mr Colbey appeared to accept that if the five pence consideration recorded in the written agreement had been paid that would have been sufficiently meaningful.
121. In all the circumstances, I consider that the settlement of the accountants' outstanding claims for unpaid fees as a result of which their previous demands came to an end and the band members were relieved from any further pressure was of significant value. Removing the risk of potential claims against them (or their wives owing to their involvement in the 1976 Company), even if those claims might ultimately have failed, was in my view sufficiently meaningful consideration for a contract to be concluded.
122. Mr Colbey further relied on the fact that Mr Clarke did not sign the written document presented to him by Mr Williams as indicating that no formal agreement had been concluded. Mr Colbey accepted that an oral agreement would be binding, as long as an agreement had in fact been reached.
123. Mr Clarke's evidence was that he had discussed the issues with Mr Williams but had reached no final agreement. He had then discussed the matter with a third party and had decided not to sign any written document. Mr Clarke did not give evidence that he had told Mr Williams that he needed to get advice, or to consider his proposal further. Mr Clarke's oral evidence was only that the discussion with Mr Williams, and Mr Williams' understanding of that discussion, did not mean that Mr Clarke had in fact agreed to Mr Williams' proposal. Mr Clarke explained orally that Mr Williams' actions following their discussions indicated only that different people may have different views of the outcome of a discussion.
124. Having reviewed the rather sparse evidence about the 1994 Agreement, including the evidence of Mr Kanaar that a meeting between Mr Clarke and Mr Williams took place to discuss the issue, and the fact that Mr Williams took action to satisfy the accountants' demands after his discussions with the other parties, I conclude that it is more likely than not that an oral agreement was reached between Mr Clarke and Mr Williams which provided that Mr Williams would pay the outstanding debts so as to satisfy the accountants and would receive in return Mr Clarke's interest in the 1976 Company. Mr Clarke's subsequent decision, for whatever reason, not to sign the document recording that agreement does not affect the substance of the agreement between him and Mr Williams.
125. I conclude, therefore, that both Mr Richardson and Mr Clarke reached an agreement with Mr Williams. If those agreements were to have the effect of transferring goodwill owned by the 1976 Company to AWEL, AWEL would be the owner of all the pre-1983 goodwill in *'the Rubettes'*, given my conclusion above that it was only

the 1976 Company (and its predecessor) which accrued goodwill in ‘*the Rubettes*’ before 1983.

126. However, I should record that even if I were to accept that: (i) Mr Clarke did not agree to transfer his interests in the 1976 Company to AWEL; and (ii) that the agreement signed by Mr Richardson should be set aside, it would not follow that Mr Clarke or Mr Richardson would have retained any interest in goodwill owned by the 1976 Company.
127. Counsel did not address the substance or effect of the agreements or the underlying property rights in any detail. The brief written document purports to transfer “*my share interest in all and any properties, works or interests of which I am a part **owned by Rubettes 1976 Limited.***” It continues “*I hereby warrant that any interest or claim of ownership I have or may have had in such properties works or interests shall be passed in it’s [sic] entirety to Alan Williams’ Ent. Ltd...*” (emphasis added). Mr Williams gave evidence that he had prepared the agreements and that he had not received any legal advice on their terms. Each is an agreement between an individual shareholder and a third party purporting to transfer interests in a company.
128. The construction of the provisions set out above at paragraph 127 was not discussed in any detail during the hearing. The pleadings suggest that the parties’ view was that the agreements would (if valid) transfer an interest in property owned by the 1976 Company (and possibly also each individual’s relevant shares) to AWEL. Counsel did not address how property owned by the 1976 Company would be transferred by such an agreement between shareholders.
129. In the absence of any agreement signed by the 1976 Company, or any explanation as to how the transfer of corporate assets is argued to have happened without such an agreement, I conclude that irrespective of the status of any agreement between AWEL and Mr Clarke and Mr Richardson respectively, the goodwill owned by the 1976 Company remained with that company. As the 1976 Company is now dissolved, the goodwill for the period before 1983 passed to the Crown under section 654 of the Companies Act.

- 1983 – present

130. It is common ground that from 1983 to 2018 AWEL was responsible for all the business arrangements of the band which performed initially as the ‘*the Rubettes*’ and, after 2002, as the ‘*the Rubettes featuring Alan Williams*’. Mr Clarke was a performer with that band from 1993 to 1988 and subsequently from 1993 to 2018. Mr Richardson became involved from 2000 and maintained his involvement until 2018. The evidence is that, during that time, other musicians also performed with the band and that a band using the name ‘*the Rubettes*’ performed from time to time without any of the Defendants as, for example, during an Australian tour in 2017.
131. AWEL has been responsible for negotiations with promoters and has borne the costs associated with the band. The evidence supports Mr Smith’s submission that it was AWEL and Mr Williams who were responsible for promoting the band. Promotion is an essential part of the trading activities of any band (or of any entertainer). Since 1983, AWEL has traded through the band and has accrued goodwill in ‘*the Rubettes*’.

132. The critical question is whether, at any time between 1983 and the autumn of 2018, either Mr Clarke or Mr Richardson accrued any concurrent goodwill.
133. Mr Colbey's submission is that they did. He points to the pleading at paragraph 35 of the Amended Defence as the basis of his clients' case:
- “Paragraph 35 is denied. Whilst it is admitted that the Defendants were describing themselves as “the Rubettes”, it is denied that in the circumstances this was any representation that they were “using good and services of the First Claimant” (by which it is assumed the allegation is that they were using such goods and services in which the first Claimant has intellectual property rights rather than using its physical property). It is denied, if it be alleged, that there is any association in the eyes of members of the public between the Rubettes and the first or the second Claimant, save that the second Claimant has at times been a member thereof.”*
134. Having reviewed that portion of the pleading in context, it is far from clear that it goes to the ownership of goodwill during the period from 1983 to 2018. It appears to relate to the facts pleaded immediately above, in paragraph 34 and therefore to the question of misrepresentation rather than to the ownership of goodwill itself (which is dealt with at paragraph 33). Paragraph 35 of the Amended Defence is expressly said to be a response to paragraph 35 of the Amended Particulars of Claim. That paragraph is directed to misrepresentation rather than to the ownership of goodwill.
135. Mr Colbey may, however, have had paragraph 33.4 of the Amended Defence also in mind. As mentioned above, that paragraph pleads that because Mr Clarke and Mr Richardson have continued to perform as the Rubettes they have built up and now own a substantial goodwill in ‘the Rubettes’.
136. Mr Smith objects to this pleading on the basis that it specifically responds to paragraph 34 of the Amended Particulars of Claim. That paragraph is said to deal with performances after the autumn of 2018. Mr Smith argues that the Defendants cannot rely on trade after the date on which the infringement is alleged to have commenced as giving rise to goodwill: the date at which passing off is to be assessed is the date on which the alleged infringing conduct commenced. While I accept that this is correct, the pleading point is arguably not well taken as paragraph 33.4 of the Amended Defence refers not only to performances as alleged in paragraph 34 of the Amended Particulars of Claim, but also adds the catch all “and otherwise”.
137. It is not necessary to enter into a detailed discussion of the adequacy of the pleading as, even if the defence of concurrent ownership between 1983 and 2018 were pleaded, I have seen no evidence that either Mr Richardson or Mr Clarke was, while performing with the Rubettes, operating as a sole trader in a way which would entitle either of them to accrue goodwill relating to the trading activities of the band. While the limited evidence (summarised below) suggests that Mr Clarke and Mr Richardson were operating as sole traders supplying musical services, no reasoned basis was put forward as to why this would entitle them (as opposed to any of the other freelance musicians who worked with AWEL under the name ‘the Rubettes’ from time to time) to accrue goodwill in the trading activities of that entity.
138. The evidence of Mr Clarke and Mr Richardson was that they each pursued interests separate from the Rubettes. There were lengthy periods after 1983 when neither of

them performed with the band. They were paid a fee per performance when they did appear, but bore no costs relating to their participation. The evidence of both was that they were interested in performing but not in the business of arranging tours or dealing with the business aspects of the band, acknowledging that the business risks involved were for Mr Williams (either directly or through AWEL) to bear. Neither Mr Clarke nor Mr Richardson put forward any evidence that they had been involved in promoting the Rubettes.

139. I accept the submissions of Mr Smith that the fact that Mr Richardson and Mr Clarke were members of the original Rubettes line up does not of itself give them any special status. Goodwill relates to rights which accrue to business and trade as otherwise it would lack any sensible defining boundary. It is for that reason that goodwill accrues to trading undertakings including, on occasion, individuals engaged in the relevant business as a trader. While in appropriate circumstances one or more musicians trading as individuals might accrue rights concurrently in the same band name either with each other or with another body primarily responsible for trading as that band, or both, there is no evidence that that has occurred here, either (as concluded above) in the period up to 1983, nor in the period between 1983 and late 2018.

The effect of the 2002 Agreement on goodwill in ‘*the Rubettes*’

140. Mr Colbey’s submission was that the 2002 Settlement Agreement following the litigation between AWEL and Mr Hurd had a significant impact on the position of the Claimants because that agreement prevented AWEL from trading as ‘*the Rubettes*’. Consequently, it was said that since 2003 AWEL has been able to build up goodwill only in ‘*the Rubettes featuring Alan Williams*’. Mr Colbey states that it must follow that the Claimants cannot stop the Defendants from using the ‘*the Rubettes*’ as the Claimants have no right to use that name themselves.
141. Mr Colbey relies on paragraph 30 of the Amended Defence as the pleaded basis for the Defendants’ case on this issue. That paragraph responds to paragraph 30 of the Amended Particulars of Claim.
142. Paragraph 30 of the Amended Particulars of Claim follows a few short paragraphs setting out a brief history of the litigation with Mr Hurd, its settlement and the knowledge of the Defendants about such matters and reads:
- “Both the First and Second Defendants were fully aware of the litigation for breach of the Settlement Agreement, the facts and circumstances giving rise to it and the eventual outcome.”*
143. Paragraph 30 of the Amended Defence follows a series of short paragraphs responding to the equivalent paragraphs of the Amended Particulars of Claim. Those paragraphs take issue with the Claimants’ pleading as to the knowledge of the Defendants about the detail of the litigation and note that the Claimants have from time to time performed as ‘*the Rubettes*’ without any suffix, including during a tour when none of the Defendants was present.

144. The Amended Defence then reads:

“Paragraph 30 is denied, MC and JR were only told in outline what was going on. In or around 2002, the second Claimant specifically did say to MC and JR that he could never be in a band called just “the Rubettes”, but explicitly stated that MC and JR could as they were not bound by that agreement. On one occasion the second Claimant withdrew from a concert in the Brentwood Centre for a Falkland Island Charity on the basis that it had been marketed as by “the Rubettes” and that therefore he could not participate, but he encouraged MC, JR (and another band member) to perform under that name.”

145. During closing submissions, Mr Colbey argued that the pleadings at paragraphs 30 and 35 of the Amended Defence set out the Defendants’ case that the Claimants cannot prevent them from using ‘*the Rubettes*’ at any time after 2003.

146. Mr Smith did not devote much of his initial skeleton argument to this issue. In his closing submissions he argued that, if it is the Defendants’ case that the 2002 Settlement Agreement resulted in the Claimants abandoning or otherwise losing their post 1983 goodwill in ‘*the Rubettes*’, then that case is not pleaded. If relevant at all, the facts relied on can go only to the question of misrepresentation rather than to the question of ownership.

147. In addition, Mr Smith submitted that, even if such an argument were open to the Defendants on the pleadings, it could not succeed as a matter of law. It was his position that a bilateral agreement between two parties as to their use of a brand makes no difference to their respective positions as against third parties. He did not refer to any direct authority for this proposition but relied by way of analogy on *McAlpine*, submitting that, while Sir Robert McAlpine Ltd had obtained an injunction preventing Alfred McAlpine Plc from using ‘McAlpine’ without qualifying it with ‘Alfred’, nobody would suggest that that restriction between the two parties opened the way for third parties to enter the relevant market under the name ‘McAlpine’.

148. Finally, Mr Smith noted that in any event the Defendants have pleaded that the Claimants continue to use simply ‘*the Rubettes*’ from time to time, which is wholly at odds with any case of abandonment or evaporation of the Claimants’ interest in the goodwill in ‘*the Rubettes*’.

Assessment

149. I prefer Mr Smith’s submissions. The Defendants’ pleading does not support a case that at some point after in or after 2002 the Claimants ceased to accrue or abandoned any goodwill in ‘*the Rubettes*’. The passages pleaded go to the question of misrepresentation and damage rather than to the ownership of the goodwill as such. I agree with Mr Smith that the mere fact of a bilateral agreement between two parties as to the way in which they will trade does not of itself mean that either party automatically abandons its rights against third parties in any goodwill it may own. The Defendants plead explicitly that the Claimants continued to trade (albeit intermittently) as ‘*the Rubettes*’ without any suffix. That may expose the Claimants to a breach of contract action by Mr Hurd, but it also suggests that, given an opportunity (for example, if that agreement were to be renegotiated), the Claimants would seek to resume trading under ‘*the Rubettes*’.

150. While it is possible that goodwill might evaporate over time, counsel did not address that possibility, nor was there any meaningful discussion of the factual circumstances in which any that abandonment or evaporation might have occurred nor of the relevant legal test.
151. To the extent that Mr Colbey was in fact seeking to rely on the events surrounding the concert at the *Brentwood Centre for a Falkland Island Charity* as the factual basis for such a case, I do not regard that as sufficient.
152. I note the Claimants' pleading (in the Amended Reply, paragraph 16(b)) denying that Mr Williams ever explicitly stated that the 2002 Settlement Agreement meant that Mr Clarke and Mr Williamson could perform as just '*the Rubettes*'. I also note the further pleading (Amended Reply, paragraph 16(c)) admitting that Mr Williams had withdrawn from the concert owing to his contractual obligations to Mr Hurd. The paragraph admits that Mr Williams did not object to other members of the band performing at that concert and goes on to plead:
- "The concert was for charity and it was too late to cancel the performances as a whole. It is denied, if it be alleged, that in so doing, the Second Claimant (whether on his own behalf or that of the First Claimant) waived his / its rights to prevent the Defendants from using the name "the Rubettes" or variations thereon in the future."*
153. This issue was raised with Mr Williams by Mr Colbey during cross-examination. Mr Williams' evidence was consistent with the pleading. He acknowledged that neither Mr Clarke nor Mr Richardson was bound by the same contractual constraints as he was; explained that he was aware of his particular position in the light of the Tomlin Order; and said that, as far as he was concerned, he was happy for Mr Clarke and Mr Richardson to carry on with the concert as it was for a charity. He did not say that he had given any wider permission to perform as '*the Rubettes*' nor that he (or AWEL) was unable to take steps to prevent others from trespassing on their goodwill. Neither Mr Clarke nor Mr Richardson addressed this issue in their evidence.
154. Neither the pleading nor the facts support a case that the Claimants' contractual arrangements with Mr Hurd meant the abandonment of goodwill in '*the Rubettes*'. Indeed, it was unclear whether this was in fact the main thrust of Mr Colbey's submissions, which seemed to be more focussed on misrepresentation and whether the activities of the Defendants could confuse relevant third parties when they never referred to themselves by the name under which AWEL now principally traded.
155. In any event, I have reached the conclusion that the circumstances surrounding the charity concert do not establish a waiver of any rights of Mr Williams or AWEL in '*the Rubettes*'. In my view this establishes, at most, a limited permission to Mr Clarke and Mr Richardson to perform as '*the Rubettes*' without Mr Williams performing alongside them, fulfilling an engagement arranged by AWEL and in respect of which goodwill would accrue to AWEL.
156. To the extent that Mr Colbey was submitting that the Claimants' goodwill in '*the Rubettes*' had dissipated over the period since 2003, neither the pleading nor the evidence provide sufficient basis for that submission. Indeed, it is unclear whether either counsel had this possibility in mind and neither referred me to any relevant authority, even though it was raised explicitly in *Byford v Oliver* at [25].

157. Mr Colbey provided me with the general chapter on passing off from Clerk & Lindsell which contains a brief comment on the dissipation of goodwill, noting:
- “It is a question of fact whether goodwill has been dissipated through non-use or whether there remains any residual goodwill; the issue would appear to be whether the original customer connection continues to exist”.* (at 25-06, internal references omitted).
158. None of the evidence goes to this issue. It is apparent that AWEL has continued to promote the 2000 Band since 2003 and to negotiate and trade with the same promoters as previously. The Defendants have pleaded that promoters continued to advertise the band in respect of which AWEL is trading as *‘the Rubettes’* without more, from time to time. These facts suggest that the goodwill has not been dissipated and that the customer connections established by AWEL through its trading continued to exist. I therefore conclude that the defence of dissipation (even if pleaded) would not, on the balance of probabilities, have been established on the facts.
159. Finally, the Defendants have suggested (albeit without significant conviction) that the Claimants abandoned any goodwill in *‘the Rubettes’*. On their case, this was when Mr Williams sent the 1 July email to Mr Clarke saying:
- “Due to recent activities undertaken by certain people my position has become untenable and as a result I am disbanding my present band line up as of now and as a result I must inform you that your services will no longer be required.”*
160. The construction for which the Defendants contend is a strained interpretation of this email. The context is discussed in more detail below. To the extent that the Defendants’ evidence is that they understood the email this way, it is no more than inference on their part.
161. Mr Colbey did not engage with the authorities referred to in the extract setting out the general law on passing off from Clerk & Lindsell on which he relied in general terms. These establish that both non-use of the goodwill and the lack of any intention to resume the former trade will generally be required to show abandonment of goodwill (*Star Industrial Co Ltd v Yap Kwee Kor* [1976] FSR 256 per Lord Diplock; and *Ultraframe v Fielding* [2005] EWHC 1638, 1878 per Lewison J).
162. The evidence is that after 1 July 2018 the Claimants continued to seek engagements as before. The evidence is also that at least Mr Richardson and Mr Etherington were aware of that fact. Both were in discussions with Mr Williams about possible future performances, although both also said that they did not necessarily assume that those discussions would lead to particular dates being confirmed.
163. Mr Clarke’s oral evidence was that he thought the band was coming to an end. He gave evidence that he thought that Mr Williams had gone to Australia to retire. He also acknowledged that he had spoken to Mr Richardson and Mr Etherington about Mr Williams’ approaches to them about possible future dates.
164. Mr Clarke’s first witness statement states that since 2014 Mr Williams had travelled to Australia for extended periods. It also states that when Mr Williams explained that he planned to move there the Defendants discussed what they would do and decided

to carry on without Mr Williams, and to trade separately from AWEL. Mr Clarke's written evidence is that this occurred at some stage before July as his evidence is that before then Mr Richardson had told Mr Williams that the others would continue to perform as 'the Rubettes' without him and that they subsequently began to look for work under that name later in 2018. While there are some grounds to doubt whether the reported conversation between Mr Richardson and Mr Williams ever took place (as discussed below), Mr Clarke's first witness statement is clear that initial discussions as to the Defendants' future plans without Mr Williams took place before the 1 July email.

165. Mr Clarke's second witness statement takes a different line. It refers to Mr Williams' email of 1 June (*sic*), portrays this as a "*disbanding of the Second Claimant's band in the summer of 2018*" and suggests that it was only subsequently that the Defendants decided to perform together.

166. This position is reflected in the written evidence given by Mr Etherington. He states that he understood the 1 July email to be a statement that Mr Williams was disbanding the band and that this was because of Mr Williams' forthcoming move to Australia. Mr Etherington goes on to say at paragraph 4 of his second witness statement:

"Shortly after July 2018, I was asked by John Richardson and Mick Clarke if I would join them to perform as The Rubettes featuring John Mick and Steve. I agreed to this. At this time Alan also wanted me to be in his new band together with John."

167. Mr Etherington's oral evidence was that he continued to play alongside Mr Williams until September; that he continued to discuss possible future dates with Mr Williams until at least December 2018; and at that stage he still hoped that "*things would work out*".

168. Mr Richardson's evidence was that there were various arguments among band members about payments and costs and that:

"Alan told me that it was his intention to sack Mick from the band due to his 'sticking up' for himself ... and his questioning of Alan with regard to finances. This was something that I tried to talk Alan out of. It was following his refusal of my efforts to keep this version of the band together that Alan wrote to Mick stating that he was disbanding the band and no longer required his services". (Third witness statement of Mr Richardson, paragraph 5.)

169. The evidence surrounding the events from March to December 2018 demonstrates many of the concerns discussed by Leggatt J in *Credit Suisse*.

170. There is no credible evidence that Mr Williams or AWEL ceased to trade in 2018 or that any goodwill was abandoned at that stage. Even if the Defendants or some of them genuinely held that belief or have come to hold it subsequently, that belief was not founded in reality. The Claimants continued to trade as previously, albeit with a new line up, as had been the case many times in the past. The only evidence of intention to cease trading relied on by the Defendants is the 1 July email. That email does not bear the weight placed on it by the Defendants, even if their evidence as to their understanding of it were consistent.

171. The events of 2018 do not establish that there was any abandonment by the Claimants of the goodwill that they owned whether at 1 July 2018, at some earlier meeting with the Defendants, or subsequently.

Conclusion on Goodwill / issues 1 to 3.

172. I conclude in the light of the above that the Claimants have established goodwill in the Rubettes Names from at least 1983. I also find that the Defendants do not have concurrent or senior goodwill. As at the relevant date (the autumn of 2018, when the Defendants began to look for work separately from the efforts of AWEL to promote a band), the Defendants had never carried on trade as '*the Rubettes*' or any similar name with or without a suffix.

PASSING OFF

173. The legal test for passing off has been summarised briefly above. As suggested by that summary and by the authorities, I deal with the issues of misrepresentation and damage together.

Submissions

Claimants

174. Mr Smith submitted that the Defendants' conduct amounted to the classic case of passing off and that the Defendants had admitted the use of the name '*the Rubettes*' in at least paragraph 34 of the Amended Defence. He also noted that, while the Defendants had attempted to resile from the admission in evidence and/or to blame third parties for any use of '*the Rubettes*' alone, there had been no application to withdraw the admission. He submitted that, on the evidence, the admission was true and any change of case was untenable.

175. As to misrepresentation, Mr Smith submitted that the use of '*the Rubettes*' with or without the suffix '*featuring John, Mick and Steve*' was a misrepresentation as:

- (i) either was clearly a badge of origin relying on the goodwill in '*the Rubettes*';
- (ii) the only relevant business with goodwill in the word '*the Rubettes*' is that of AWEL;
- (iii) the relevant public would associate the badge of origin with that business;
- (iv) it is immaterial whether the public knows the identity of the business supplying the goods and services to which the goodwill is attached;
- (v) the use of '*the Rubettes*' or '*the Rubettes featuring John, Mick and Steve*' represented the Defendants' services as those of AWEL, or that there was some other business connection between them; and
- (vi) those representations are not true.

176. Mr Smith accepted that it would not be a misrepresentation for the Defendants (or at least Mr Clarke and Mr Richardson) to describe themselves as original members of

the Rubettes but argued that for them (or anyone) to use the name '*the Rubettes*' as a badge of origin would be to misrepresent the existence of a connection with the owner of the goodwill in that badge. Mr Smith submitted orally that the misrepresentation is the same, even if the Claimants' goodwill were to be associated only with '*the Rubettes featuring Alan Williams*' and even if the Defendants had only ever used '*the Rubettes featuring Mick, John and Steve*'. He relied by way of analogy with McAlpine already discussed above, although he did not develop the analogy.

177. As far as damage is concerned, Mr Smith submitted that any booking or sale made by the Defendants using a name including '*the Rubettes*' is likely to be a lost sale for the Claimants as venues wishing to book '*the Rubettes*' will not book multiple line ups trading under that name. He relied on evidence from Mr Williams that he had been told by a major promotor of 60's and 70's bands that the presence of Defendants' band in the UK prevented him from promoting the band through which AWEL was trading. Mr Smith also relied on the likelihood that, even though the bookings made by AWEL for 2019 would have pre-dated the efforts of the Defendants to make bookings and would thus have been unaffected, any bookings made by the Defendants would have affected the opportunities for AWEL to make bookings at those venues or areas in future. That being so, Mr Smith submitted that the Claimants had already suffered damage and would continue to do.
178. Finally, Mr Smith relies on the 'instruments of deception' doctrine in respect of certain domain names and the UK TM registered by Mr Clarke. Mr Smith submits that the doctrine is engaged by use of an 'instrument' – i.e. a domain or trade mark – if the use will lead to deception, and relies on Phones 4U at [36].

Defendants

179. Mr Colbey accepted in his opening skeleton that the Defendants had performed and described themselves as '*the Rubettes*' as admitted in the Amended Defence. He noted that misrepresentation is a question of fact and that the use of the name '*the Rubettes*' by the Defendants, particularly Mr Clarke and Mr Richardson will not mislead either the public or promoters such that their use of the name is likely to damage the Claimants' goodwill or divert trade away from them. He submitted that in situations such as the present it is for the marketplace, rather than the courts, to determine which of multiple splinter bands from an original band is to be followed by fans of that band.
180. This was particularly said to be the case in circumstances where the Claimants had traded as '*the Rubettes featuring Alan Williams*' for many years and were contractually bound to continue doing so. In all the circumstances, Mr Colbey submitted that there is no misrepresentation likely to damage the Claimants' goodwill arising from two original members of the Rubettes performing as '*the Rubettes*'. In the alternative, even if misrepresentation and damage arose from the use of '*the Rubettes*' alone, that would be avoided by the Defendants adopting the same approach as that already agreed between Mr Williams and Mr Hurd, and trading only as '*the Rubettes featuring Mick and John*' (on the basis that Mr Etherington has stated that he has no intention of performing in any Rubettes line up in future).
181. Mr Colbey submitted that it was unclear until Mr Smith's oral closing submissions that the Claimants sought to prevent the Defendants from using the label '*the Rubettes*

featuring Mick and John'. In his submission, the Prayer for Relief dealt only with the use of '*the Rubettes*' simpliciter or with other words denoting that the Defendants' band was the official successor of the original (pre-1980) band and the Court should not permit that relief to be widened at this stage.

182. In any event, Mr Colbey submitted that, following the 2002 Settlement Agreement, it is impossible for there to be any confusion between a band trading as '*the Rubettes featuring Mick and John*' and one trading as '*the Rubettes featuring Alan Williams*'. It would be quite clear to promoters who is involved and no greater confusion would exist than already exists from the use of '*the Rubettes featuring Bill Hurd*'.

Facts

183. The evidence is that the Defendants have used the name '*the Rubettes*' and there has been no serious attempt to deny this.
184. The Defendants have promoted performances as '*the Rubettes*' and have been involved in the creation of websites and social media accounts. The domain names registered by or on behalf of the Defendants include www.therealrubettes.com, www.theofficialrubettes.com and www.therubettes.co.uk. During cross-examination, Mr Clarke agreed that a Twitter account using the Twitter handle '@TheRubettes' and an Instagram account called '@therubettesofficial' had been set up for him, remarking that "*Someone set that up for me – said that we should have that*". Mr Clarke's evidence about the domain name was less clear and he suggested that the domain names had been set up by a fan of the band rather than by him, but also said "*I didn't set it up someone did it for me*". The Amended Defence also pleads that, when asked by the Claimants' solicitors to do so, the Defendants asked the fan in question to take the sites down and this was in fact done.
185. In October 2018, Mr Clarke applied for a UK trade mark for the word mark '*The Rubettes*'. The application was in classes 9, 35 and 41. The application resulted in registration of the mark on 11 January 2019.
186. There has been no disclosure by the Defendants of communications with the venues with which they sought to work or with whom bookings were made.
187. The Claimants have provided evidence that promoters with whom they had been in discussion about bookings have chosen not to proceed owing to the activities of the Defendants. For example, the Claimants have put in evidence an email exchange from February this year with Live Promotions Events Limited. This exchange involves the possibility of bookings in the UK and comes to an end with the following email:
- "Alan the problem I can see as a UK promoter is that your former colleagues have reunited and are back on the scene ... calling themselves THE RUBETTES (featuring three of the original members ... and are playing the Butlins, Warners budget circuit etc. Such issues just cause confusion ... so I will pass ... and wish you well. ..."*
188. The Claimants have also provided evidence of questions being asked about the Claimants' band now using '*the Rubettes featuring Alan Williams*' while others who have been members of the band use simply '*the Rubettes*'. The email which has been disclosed states that this creates a hurdle when booking venues for concerts.

Assessment

189. Misrepresentation is a question of fact. The limited evidence available suggests that the use by the Defendants of ‘*the Rubettes*’ has caused both confusion and damage. It is not correct to say that simply because original members of a band seek to perform together they have a right to use the name of the band. As is clear from *Byford v Oliver* and similar cases relating to ‘successor’ bands the rights of band members will depend on the facts and on the legal qualification of those facts.
190. Where goodwill in a name or names associated with a band has been accrued by a business over time, that goodwill may prevent others, even those with a previous connection to the band, from using those names as a badge of origin. In the leading Judgment in *Reckitt & Colman v Borden*, Lord Oliver observed: “*The law of passing off can be summarised in one short general proposition—no man may pass off his goods as those of another.*” (499 D-H). While the tort requires not only goodwill but also misrepresentation and damage, its basic purpose remains to protect the property in goodwill which has been established through trade.
191. I have already held that AWEL has established goodwill in ‘*the Rubettes*’ such that the use by anyone else of that name is likely to lead third parties to believe that the use is connected with AWEL. It is clear from *Reckitt & Colman v Borden* that it is not necessary for the public to have any awareness of the particular identity of the owner of the goodwill as long as trade under the relevant name is identified with a particular source, in this case, ‘*the Rubettes*’ with AWEL.
192. Mr Colbey referred me to the Judgment of Jacob LJ in *Phones 4U* on the question of when misrepresentation and damage are likely to occur. He argued that the actions of Mr Clarke and Mr Richardson could not be misleading, and thus a misrepresentation, because they were known as members of the Rubettes, and were performing as such and so there could be no confusion. Mr Colbey noted that the test for misrepresentation formulated by Jacob LJ is whether the conduct at issue “*is really likely to be damaging to the claimant’s goodwill or divert trade from him.*” [19].
193. That Judgment does not assist the Defendants. As Mr Smith noted, Mr Clarke and Mr Richardson are at liberty to describe themselves as former members of the Rubettes. However, once they begin using the name ‘*the Rubettes*’ to trade, they are invading the Claimants’ goodwill in that name as those seeing the name would be likely to infer that there was some connection between their activities and the undertaking having goodwill in the name. In reaching this conclusion, I note the observation of Jacob LJ in *Phones 4U* on an important aspect of Lord Oliver’s judgment in *Reckitt & Colman v Borden*:
- “*Lord Oliver does not limit damage to a particular sort of damage, particularly direct diversion of sales caused by misrepresentation. If that were so, passing off would fail in one of its key purposes – protection of the property in the goodwill. The books are full of cases where the action has succeeded where there has not been, and even could not be, direct loss by diversion of sales.*” [11]
194. In this instance, the involvement of the Defendants in registering domain names and other social media accounts and obtaining a trade mark using ‘*the Rubettes*’ support

my view that they have engaged in passing off. This issue was also considered by Jacob LJ in *Phones 4U* where he said:

“This court in British Telecommunications Plc v One in a Million Ltd [1999] FSR1 held that the registration of a domain name of a well-known company was an actionable passing off”. [27]

195. Jacob LJ then quotes from the Judgment of Aldous LJ:

“The placing on a register of a distinctive name such as marksandspencer makes a representation to persons who consult the register that the registrant is connected to or associated with the name registered and thus the owner of the goodwill in the name. Such persons would not know of One In a Million Limited and would believe that they were connected or associated with the owner of the goodwill in the domain name they had registered. Further, registration of the domain name including the words Marks & Spencer is an erosion of the exclusive goodwill in the name which damages or is likely to damage Marks & Spencer Plc” (at page 23).

196. A domain name (or names) in a distinctive name (*‘the Rubettes’*) was registered by someone having sufficient connection with the Defendants to take it down when requested to do so by them. The Defendants did not deny having knowledge of the domain name and Mr Clarke’s evidence suggested that it had been registered for him. The Defendants admit having used the name on other social media platforms.

197. Mr Colbey’s arguments that fans would know that Mr Clarke and Mr Richardson were original band members may have been intended, at least in part, to suggest that those who looked at the domain or the Twitter feed or the Instagram account using the name *‘the Rubettes’* would know of Mr Clarke and Mr Richardson and of their connection with the band. While not put in these terms, the suggestion might be the situation is different from that in *British Telecommunications Plc v One in a Million Ltd* (where that company was unknown to the relevant public) and that the legal conclusion need not be the same as in that case.

198. If that is the underlying thrust of Mr Colbey’s submissions, I do not accept that it is appropriate to distinguish that case. If anything, knowledge about the previous connection between Mr Clarke, Mr Richardson and the Rubettes would be more likely to lead interested parties to assume that there was some connection between their activities and the owner of the goodwill in the name. While, for the reasons set out above, Mr Clarke and Mr Richardson did not themselves accrue goodwill in *‘the Rubettes’* when performing with the bands promoted by AWEL and through which AWEL traded, those who were aware of the bands would be likely to conclude that activities using the name *‘the Rubettes’* involving some of the same personnel continued to be connected with the owner of the goodwill in that name.

199. I conclude that the use by the Defendants of the word *‘Rubettes’* to signify the services that they supply is a misrepresentation. The Claimants have goodwill associated with that name and the use of it by others in trade as a badge of origin is a misrepresentation, likely to cause confusion as to their connection with AWEL’s business and, in the circumstances of this case, likely to cause damage to AWEL.

200. The damage in question relates not only to the intrusion on AWEL's goodwill, which is inherent in the registration of domain names, but also actual loss and damage caused by the unwillingness of promoters to book the Claimants' band because of the Defendants' activities.
201. A potential issue arises in circumstances in which the Defendants have attempted to distinguish themselves from the Claimants' band by using some form of words such as '*the Rubettes featuring ...*' and therefore to avoid confusion and misrepresentation.
202. Mr Smith's initial skeleton focussed exclusively on the use of '*the Rubettes*' and the use of the Rubettes' logo in the following form with a variety of background colours:



203. As mentioned above, Mr Smith submitted during the hearing that attempts in the evidence to resile from the admission in the pleadings that '*the Rubettes*' had been used by them could not succeed because there had been no application to withdraw the admission. He did not submit that any such change of case would have been futile (because '*the Rubettes featuring ...*' formulation would also infringe) but only that, on the evidence, it would have been untenable.

Conclusion on Passing off – misrepresentation and damage (Issues 4 and 5)

204. I have concluded that the Defendants have engaged in passing off by their admitted conduct and use of '*the Rubettes*'.
205. It is not necessary for me to resolve the issue of the potential alternative usage as a matter of liability and I am not persuaded that the pleading covers that alternative usage. Given the limited attention paid to this by counsel until closing submissions and the lack of submissions by either counsel as to the extent to which use by the Defendants of some distinguishing language would enable (or would have enabled) them to avoid any misrepresentation and/or damage, it would be difficult for me to deal with the issue at this point. I will hear submissions from counsel on this issue when the form of the final order is being settled.

TRADE MARK ISSUES

206. The Claimants' case on the UK TM is under both section 5(4)(a) of the 1994 Act (that the Claimants were at the time of application entitled to prevent the use of the mark) and section 3(6)(a) (that the mark was applied for in bad faith).
207. Counsel for both parties accepted that if the Claimants succeeded on the passing off claim then invalidity should follow under section 5(4)(a).

208. The correct approach to section 3(6) is as set out in the propositions taken from *Red Bull* cited above at paragraph 78.

Submissions

Claimants

209. The Claimants say that the test is met because: Mr Clarke was aware of the prior use of the Claimants' signs; was interested in performing as '*the Rubettes*' without Mr Williams' involvement; intended to use the UK TM to pass himself off as the Claimants and to prevent the Claimants from exercising their rights (as manifested through the subsequent conduct of the Defendants); and that this is sufficient to satisfy the requirements of bad faith for the purpose of section 3(6), being, in essence, that the conduct should fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced business persons in the music industry.

210. Mr Smith submitted that the following facts supported the Claimants' case:

- Mr Clarke applied for the UK TM on 24 October 2018, just as Mr Williams moved to Australia. Mr Clarke had been putting together his own band before that date without discussing this with Mr Williams. He did not discuss his intention to register the trade mark with Mr Williams.
- Contrary to Mr Clarke's suggestion about his motivation during cross-examination, it was not necessary to have a trade mark for '*the Rubettes*' to work and his motivation was not to protect against unlawful use. Mr Smith noted that there was no evidence of any threat of unlawful use at any time; and that the only use to which the UK TM has been put was to threaten venues which had a relationship with the Claimants' band.

211. Mr Smith relied on correspondence with the Plowright Theatre which made strong allegations of trade mark infringement. In addition, Mr Smith submitted that during his evidence Mr Clarke had given a clearly false account about that correspondence, asserting that he was complaining about use of his image when the letter was demonstrably about trade mark infringement only. In the circumstances, it was said that such evidence was discreditable and consistent only with bad faith.

Defendants

212. The principal ground on which Mr Colbey resisted a finding under section 3(6)(a) was that the Claimants are currently contractually prevented from using '*the Rubettes*'. His submissions on this point were extremely brief, but appeared to be directed towards Mr Clarke's understanding of the Claimants' rights and interests in '*the Rubettes*'.

213. Mr Colbey also relied on the 1 July email which, in his submission, gave Mr Clarke no reason to believe that Mr Williams would still perform as '*the Rubettes*'. His overall submission was that, seen in that context, Mr Clarke's conduct did not meet the standard set out by Arnold J in *Red Bull* as it was not proven to the requisite standard that Mr Clarke knew that his behaviour was unacceptable by the standards of reasonable persons carrying on business.

Facts and evidence

214. *Red Bull* makes clear it is a serious matter to allege that a trade mark has been registered in bad faith and that any such finding must be solidly grounded, with a presumption that those registering trademarks have acted in good faith. Jacob LJ suggested that the allegation is such that the evidence relied on to establish it must be cogent. He confirmed that the standard of proof is the balance of probabilities.
215. In assessing the good faith or otherwise of someone applying for a trade mark (which is to be assessed as at the date of the application), it is permissible to have regard to evidence later than the date of the application if that evidence casts light back on the position at the relevant date.
216. In considering the evidence, I also have in mind the well-known comments of Males LJ in *Bank St Petersburg PJSC & Anor v Arkhangelsky* [2020] EWCA Civ 408:
- “In general it is legitimate and conventional, and a fair starting point, that fraud and dishonesty are inherently improbable, such that cogent evidence is required for their proof. But that is because, other things being equal, people do not usually act dishonestly, and it can be no more than a starting point. Ultimately, the only question is whether it has been proved that the occurrence of the fact in issue, in this case dishonesty..., was more probable than not.”* [117]
217. With those principles in mind, the relevant evidence, and the factual findings which flow from it are set out below. This requires a certain amount of reconsideration of issues which have already been considered, in view of the different legal context.

Timing and Mr Williams’ knowledge

218. There is no dispute that the UK TM was applied for on 24 October 2018.
219. Mr Clarke’s written evidence is that the formation of his band began at latest during the summer of 2018. This is corroborated by Mr Etherington’s written evidence that he was asked shortly after July 2018 by Mr Clarke and Mr Richardson if he would join them in a band which was not the Claimants’ band.
220. There is some dispute in the evidence whether Mr Clarke (or any of the other Defendants) told Mr Williams about the formation of the new band.
221. Mr Williams’ initial evidence was that the Defendants had asked him whether they could continue as ‘their own Rubettes’ and that he had said they could not.
222. The Amended Defence denies that the Defendants made any such request, denies that Mr Williams said he would return for future concerts with the band, and asserts that Mr Williams told the Defendants that he was disbanding the band.
223. Mr Clarke’s first witness statement says that *“At some stage between April and July 2018, it is my understanding that John told Alan that John, Steve and I would continue to perform as the Rubettes without him.”* This was not corroborated by the written evidence of Mr Richardson. Mr Richardson’s oral evidence was that he had originally intended to remain with Mr Williams’ band and support him in his future efforts but subsequently changed his mind. Both Mr Richardson and Mr Etherington

gave oral evidence that they did not tell Mr Williams about Mr Clarke's plan to form a new band in the period between July 2018 and October 2018.

224. Mr Clarke's oral evidence was that, during a meeting at Mr Clarke's house in July, he had told Mr Williams' about his plans, and that Mr Williams did not say that he was planning to come back to perform in gigs. Mr Clarke acknowledged that this was not in his written evidence.
225. The evidence about events during the meeting at Mr Clarke's house in or around July 2018 is not entirely clear, which is unsurprising given the time that has passed and the various intervening events, including this litigation. However, as discussed further below, it is significantly more likely than not that the focus of that meeting was primarily on financial issues, rather than Mr Williams' move to Australia.
226. Mr Richardson stated that Mr Clarke "*did not have Alan's ear*" after July so that discussions between them were not likely.
227. Mr Clarke did not claim to have told Mr Williams at any point about the trade mark registration. When asked about it during cross-examination, he reiterated that as far as he was concerned Mr Williams had gone to Australia to retire.
228. Mr Williams' conduct after the spring of 2018 does not suggest that he understood that Mr Clarke (or any of the Defendants) planned to set up an alternative band.
229. Weighing up all the evidence, it is unlikely that Mr Clarke told Mr Williams of his plans, or that Mr Williams was aware of them. His evidence that Mr Williams was informed of Mr Clarke's intention to start a new band by Mr Richardson is not supported by any other evidence, including that of Mr Richardson. In the circumstances, I consider it more likely that there was some discussion during the spring of 2018 of the possibility that the Defendants might perform as the Rubettes without Mr Williams when Mr Williams was in Australia, but that Mr Williams was not in favour of such a plan, and did not take that discussion as a serious proposal to start a new band without his involvement.

Mr Clarke's motivations for registering the trade mark

230. Mr Clarke's evidence was that he registered the UK TM "*simply to protect the name of the Rubettes*". During cross-examination he stated that it had been suggested to him (he did not say by whom) that registration of the mark would give his new band protection and that it would be necessary to have it in order to work. Mr Clarke accepted that it had never previously been necessary to have a trade mark and that there was no evidence of any third party threat (i.e. other than from the Claimants).
231. Mr Clarke's written evidence is: "*At no time in the summer of 2018 or otherwise have I or any member of TRFJMS attempted to prevent TRFAW from performing any live performance in the UK, Europe or otherwise. This is despite being the registered owner of the UK trademark The Rubettes in Nice classes 9, 35 and 41. A copy of the UK trademark registration can be found at Exhibit MCI page 3.*" This evidence is not consistent with subsequent events or with his oral evidence.

232. Mr Clarke accepted under cross-examination that letters had been sent by him or on his behalf to venues which were working with the Claimants' band or advertising future performances. Mr Clarke stated that he and the other Defendants were concerned that the Claimants' band was using their image to advertise its performances. When Mr Smith asked whether the motivation for writing the letters was to stop the Claimants' band, Mr Clarke disagreed, saying that the Defendants were happy for Mr Williams to continue to work; were trying to stop him from using their image; were simply trying to find some basis on which the Defendants could work; and would be happy if the Claimants simply changed their advertising.
233. Only one such letter was available for review. It was disclosed by the Claimants. That letter is in email form. It is dated 15 May 2019 and appears to have been sent to SMG Europe Holdings Limited ('SMG') from an email account starintlive@yahoo.fr. It is signed:

"The Rubettes

John Richardson - Original member and Founder of the Rubettes/Original Drummer
Michael Clarke - Original member / Bass Guitarist and Registered Trademark & Copyright Owner"

234. The text of the letter reads:

"Subject: Our Conversation : THE RUBETTES

Dear Mr ,

RE: THE RUBETTES

Further to our conversation today, we are writing, as you so advised, with regards to the incorrect and illegal publicity your company is using.

*We have recently discovered that your business is using the trademark "**The Rubettes**" in association with the marketing or sale of your products of services, ie ticket sales, in particular for the Plowright Theatre, Scunthorpe, on Thursday October 17, 2019.*

This letter may well be relevant for other theatres that you represent and we ask that you apply the following to each and every case.

*Please be advised that "**The Rubettes**" is a registered trademark and we believe your use infringes on our ownership of the registered trademark.*

*We registered the trademark "**The Rubettes**" with the European Union and UK Intellectual Property Office [registration no UK00003348207 and EUO18021990].*

We refer to Classification no's 9, 35 and 41.

*Because you are using the trademark "**The Rubettes**" in your advertising and marketing material, we believe your use of the mark causes confusion amongst our fans and audiences and dilutes the goodwill and distinctiveness of our trademark and may likely to cause customer confusion in the future for our fans who are coming to see **The Rubettes**.*

*Your unauthorised use of our registered trademark amounts to an infringement of our trademark rights and therefore, we respectfully request [sic] that you immediately cease and desist in any further use of the name “**The Rubettes**”, or any confusingly similar trademark.*

*We will be in contact with other respected online tickets agents and theatres, to ensure that our registered trademarks will be removed from any other artist or band using “**The Rubettes**” trademark.*

We hope that this issue may be amicably resolved so we may avoid any further legal remedies as provided by EUIPO and UK Trademark Act.

Attached is the Trademark Registration Certificate.

We look forward to hearing from you.”

235. As pointed out by Mr Smith, that letter relies heavily on the existence of a registered trade mark. It does not refer to the images used by SMG in its marketing but focusses clearly on the use of the name ‘*the Rubettes*’ and requests SMG to stop using not only ‘*the Rubettes*’ but also any confusingly similar ‘trademark’.
236. In the light of the fact that there was no objective basis for the reasons given by Mr Clarke for registering the UK TM, I find that Mr Clarke’s incorrect written evidence that there was never any intent or attempt to prevent Mr Williams from working, his evasiveness during cross-examination, his willingness to give new evidence during cross-examination, and his incomplete oral evidence makes Mr Clarke an unsatisfactory witness on this issue and casts significant doubt on Mr Clarke’s evidence as to his motivations for registering the trade mark.
237. While the presumption is that those who register marks do so in good faith, Mr Clarke’s evidence as to his motivations is implausible in the light of the surrounding facts and is unsupported. The evidence of his conduct shortly after the trade mark was registered persuades me that, on the balance of probabilities, Mr Clarke’s motivation was not to acquire the trade mark so as to enable himself to work, nor was it to protect his band from unlawful use: it was to enable him to interfere with the efforts of AWEL and Mr Williams to continue their business.

Mr Clarke’s belief that Mr Williams was retiring and disbanding the band

238. Mr Clarke’s oral evidence was that he read the 1 July email as meaning that Mr Williams intended to disband the band entirely. The relevant sentence reads: “*I am disbanding my present band line up as of now and as a result I must inform you that your services will no longer be required.*” During cross-examination, Mr Clarke said that he had reached his view in the light of Mr Williams having told the band members that he would be moving to Australia once he received his residents’ permit. Mr Clarke said that when he received the email he thought that the band would be coming to an end. He also explained that he continued to perform with the band until September 2018, although he noted that AWEL had also employed additional musicians for the performances in August and September 2018.

239. Mr Clarke's written evidence did not address his understanding of the 1 July email in great detail. The paragraph dealing with it states:

"The band The Rubettes featuring John, Mick and Steve ("TRFJMS") began following the disbanding of the second Claimant's band The Rubettes featuring Alan Williams ("TRFAW") in the summer of 2018. Alan Williams wrote to me by email on 1 June 2018 stating that he was disbanding his present band line up and as a result my services would no longer be required."

240. Mr Williams' written evidence was that the 1 July email was sent in the context of a dispute with Mr Clarke (in particular) about money and not in the context of his forthcoming change of residence to Australia (which according to both Mr Clarke and Mr Etherington had already been discussed with the others in the spring of 2018). Mr Williams' evidence was that he had offered an increased session fee, which was not accepted by Mr Clarke and that, as a result of this, he sent the email to Mr Clarke. He did not send it to either of the others (both of whom had accepted the increased session fee). Mr Williams notes that Mr Clarke in fact performed at the band's remaining shows in 2018 at the fee previously agreed.

241. During cross-examination, Mr Williams testified that his email to Mr Clarke was intended to be a polite way of saying that Mr Clarke was no longer needed. He explained that he had not explicitly said that he would be carrying on with others as Mr Clarke would have understood that to be the case given that it had happened many times before. When asked whether the email was sufficient to have led Mr Clarke to believe that Mr Williams and AWEL had given up any claim to 'the Rubettes' and were disbanding the band, Mr Williams said that was most unlikely as the others were continuing to perform and Mr Clarke was very aware that the band was carrying on and that Mr Williams was intending to change the line-up.

242. Mr Richardson's written evidence was that:

"At paragraph 108 AWAS, Alan sets out that he was forced to replace Mick Clarke effectively due to financial demands from him for more money. This is not what actually happened, as I have previously set out in my second Witness Statement there were a number of arguments between various persons with regard to costs and payments. Alan told me that it was intention to sack Mick from the band due to his "sticking up" for himself and other band members (in light of Alan's treatment of others) and his questioning of Alan with regard to finances. This was something that I tried to talk Alan out of. It was following his refusal of my efforts to keep this version of the band together that Alan wrote to Mick stating that he was disbanding the band and no longer required his services."

243. In the light of the above, I do not accept Mr Clarke's evidence that he understood the events of 2018 and, in particular, the 1 July email as meaning that Mr Williams was disbanding the Claimants' band and retiring. While all of the evidence about this period lacks precision (in particular as to exact dates, which is unsurprising given the time that has passed), Mr Clarke's version of events in his oral evidence, which was subsequently relied on by Mr Colbey in submissions, expands significantly on his written evidence and is not supported by the evidence of the other witnesses.

244. The surrounding circumstances include the fact that the email was written only to Mr Clarke, and is agreed by Mr Williams and Mr Richardson to have followed a disagreement about financial matters. There is some dispute as to the exact nature of the financial dispute, with Mr Williams focussing on session fees, and Messrs Richardson and Etherington focussing on the fees charged by AWEL to promoters, about which it is said that there was a significant disagreement.
245. Notwithstanding the differing accounts of the issues discussed, the evidence on balance suggests strongly that the principal topic of the meeting was financial. In the light of this evidence, I conclude that Mr Clarke's most recent evidence as to his understanding of the 1 July email is, at best, significantly tainted by hindsight. I do not accept, on the balance of probabilities, that Mr Clarke believed that Mr Williams was abandoning the Rubettes, disbanding the band and retiring to Australia.

Assessment

246. A court considering whether an application to register a trade mark is made in bad faith is concerned to avoid two main potential types of abuse: the first against the registry; and the second against third parties. The abuse alleged here is against the Claimants. The allegation is that Mr Clarke applied for the UK TM to interfere with the lawful activities of Mr Williams and AWEL. In determining whether Mr Clarke acted in bad faith, it is necessary to assess the situation in the round and consider whether the evidence establishes on the balance of probabilities that Mr Clarke sought to do what has been alleged and, if so, whether his conduct falls short of the standards of acceptable commercial behaviour in the music industry.
247. As mentioned above, I have carefully considered Mr Clarke's evidence, both written and oral, as to what he knew and what he intended. I regret that I have found that evidence to be unsatisfactory. Mr Clarke's evidence was internally contradictory and undermined by the evidence of the other Defendants. Mr Clarke's evidence shifted over time, and his version of events was not supported by any contemporaneous documentary evidence, or by the overall context. Finally, the credibility of his account of his motivations was undermined by his own subsequent conduct. With that overall assessment of the evidence in mind, I find that:
- Mr Clarke was well aware of the activities over many years of AWEL and Mr Williams;
 - Mr Clarke did not have a genuine belief that AWEL and Mr Williams were abandoning their business in the UK;
 - Mr Clarke did not tell either AWEL nor Alan Williams of his plans to set up a further competing band or to register the UK TM;
 - Mr Clarke had no reasonable grounds to believe that the UK TM was necessary to enable him to work, or that there was any unconnected third party use against which the mark might be legitimate protection;
 - once obtained, the mark was used to interfere with the activities of AWEL and Mr Williams by writing to venues working with AWEL and Mr Williams, relying on the UK TM and raising the prospect of litigation;

- Mr Clarke's explanations of that correspondence during cross-examination were completely new evidence; and
 - the combination of that correspondence and Mr Clarke's unconvincing evidence, combined with his failure to mention that correspondence in his written evidence, cast light on his intentions at the date of application.
248. It follows that I do not accept Mr Colbey's submission that the Defendants never sought to interfere with the Claimants' business, nor that Mr Clarke's motive in registering the mark was to protect his interest from unlawful usage.
249. I also conclude that it is irrelevant that there is a contractual arrangement under which the Claimants have agreed to trade only as '*the Rubettes featuring Alan Williams*'. Mr Colbey acknowledged in his skeleton that this was not something that Mr Clarke purports to have had in mind when registering the UK TM. That acknowledgment was wise and is amply demonstrated to have been accurate by the later evidence of Mr Clarke's use of the UK TM in his correspondence with SMG. The email from SMG to Alan Williams sending him the copy of the email which was later disclosed by the Claimants states: "*On your advice we are advertising the show as 'The Rubettes featuring Alan Williams.' You can see for yourself at our website*". It is clear that it made no difference to Mr Clarke that the Claimants' band was using the style it had agreed with Mr Hurd.
250. In short, the facts which I have found support Mr Smith's position. Mr Clarke's application was not motivated by an interest in protecting against unlawful use. It was motivated by an intent to interfere with the Claimants' legitimate conduct in a context where there was no reasonable basis to believe that those interests were being abandoned, and the UK TM was subsequently exercised so as to interfere with the Claimants' business. Mr Clarke's conduct in applying for the UK TM falls short of the standards of acceptable commercial behaviour observed by reasonable and experienced persons in the music business.

Flagrancy

251. Mr Smith submitted that it would be efficient when considering the evidence as a whole in order to make findings as to liability to consider whether certain facts which are pleaded as the factual basis for an award of additional damages pursuant to Regulation 3 of the Intellectual Property (Enforcement etc.) Regulations 2006 are made out in the evidence. I agreed to do so, and my conclusions are below. However, this is an issue which goes to remedies and I make no finding as to whether or not the conduct of the Defendants or any of them meets the appropriate legal test.
252. The facts asserted by the Claimants to be relevant are:
- (i) Up until early March 2018, Mr Clarke did not know or care how much AWEL was charging for gigs.
253. As mentioned above, the evidence establishes that the business of the Claimants' band was run by AWEL, who negotiated with promoters, bore all the expenses and received any profits or were responsible for any losses.

254. Mr Clarke's written evidence is that *"In 2018 I began to believe that Alan was not being entirely straight with the band over actual concert pricing"*. He refers to discussions with other members of the band and to a meeting at his house in March 2018 at which the issue was discussed. During cross-examination, Mr Clarke was asked about expenditure during 2016 and my note is that his response was along the following lines and that he was not reviewing expenditure: *"I was interested in the band but not in shows were people weren't turning up. I did not ask to see any invoices or what he was getting. I suspected that he was losing money but I was concerned about damage to the band."*
255. This is broadly in line with the evidence of Mr Richardson who also refers to the March 2018 meeting. However, Mr Richardson's written evidence is that at the time of the 2018 meeting *"Mick ... had insisted for a year or so that the Claimants had been charging more for our gigs than we were being told."* and *"[s]ome weeks before the meeting described above the four of us ... were together to [sic] Belgium. Mick had been telling me confidentially that he was sure the band were getting lots more money than we were told ..."*. Mr Richardson gave no further evidence on the timing of Mr Clarke's knowledge during cross-examination.
256. Mr Etherington gave no evidence on this issue.
257. Mr Williams' written evidence makes no reference to any dispute with the Defendants about how much was being charged to promoters. His evidence is that there was a dispute about session fees. During cross-examination, Mr Colbey asked him whether there had been an argument about money which had led to the 1 July email. Mr Williams made no comment about the precise nature of the disagreement.
258. In the light of the evidence discussed above, I do not accept that the fact as stated by the Claimants has been proved. The evidence suggests that Mr Clarke was concerned about the amount AWEL was charging for gigs before March 2018, certainly during 2017 and possibly beforehand.
- (ii) Mr Clarke found out in about March 2018 that some of the European gigs were more lucrative than he previously believed.
259. Mr Richardson's written evidence, which has not been challenged on this point, is that Mr Williams confirmed in March 2018 that AWEL had been charging more for performances than he had previously told Mr Clarke or Mr Richardson. However, Mr Richardson is clear that Mr Clarke had been in discussions with agents and promoters about the costs of booking the Claimants' band and had been insisting for around a year that the fees being charged were higher than he had been told.
260. Mr Clarke's evidence is that before the meeting in March 2018:
"I had taken the time to speak to a number of promoters and venues who had told me that the prices for TRFAW were not what I had originally believed."
261. In the light of the evidence, I do not accept that the fact as stated by the Claimants has been proved.

- (iii) Mr Clarke asked for more money. Mr Williams agreed to pay a higher appearance fee. Mr Clarke wanted more.
262. As mentioned above, the evidence relating to the financial discussions between the band members from the spring of 2018 onwards is not satisfactory. There are various accounts of what was discussed and when. The only evidence relating specifically to the changed appearance fee is given by Mr Williams. The Amended Particulars of Claim suggest that there were discussions relating to an increased performance fee in around September or October 2018 and Mr Williams' written evidence (as mentioned above) states that these discussions took place in or around July.
263. The Amended Defence admits only that there were discussions (at an unspecified time) about the division of the band's profits.
264. In the light of the evidence discussed here, and also in the context of the assessment of bad faith above, I find that there were financial tensions within the band and that Mr Clarke was perceived by Mr Williams to be a source of such tensions.
- (iv) On 1 July 2018, Mr Williams sent an email to Mr Clarke sacking him from the band.
265. I have dealt with this email above. I have found that Mr Williams did send an email to Mr Clarke saying that his services were no longer required and that the then-current line up was being disbanded. I have also found that Mr Clarke continued to play with the Claimants' band until mid-September 2018.
- (v) Shortly after the 1 July email, Mr Clarke began a clandestine course of conduct to put together a "Rubettes" band without Mr Williams and invited Mr Richardson and Mr Etherington to join. They accepted.
266. I have dealt with this issue above and have found that there were discussions between the Defendants about working together without Mr Williams. I have found that those discussions began before July 2018. The evidence is that, while these discussions were proceeding, at least Mr Etherington and Mr Richardson were also considering continuing to work with Mr Williams for at least some of the period after July and that Mr Etherington at least hoped that the dispute would blow over and continued in discussions with Mr Williams about dates until early 2019.
267. I do not find that the facts are as stated by the Claimants.
- (vi) The Defendants continued to play with Mr Williams until September. They did not tell him what they were planning. As soon as he was out of the country, they started putting their plans into action.
268. I have dealt with this evidence above. I find that the position stated by the Claimants is correct.
- (vii) The Defendants have gained increased opportunities from their passing off which they would not have had if they had started off under a new name, such as connections with promoters and venues they wouldn't otherwise have got.
269. This is not a matter on which I can reach a view without further assistance from counsel as to the evidence.

The position of Mr Etherington

270. Mr Colbey submitted that Mr Etherington should not be liable given his limited involvement in the conduct complained of and on the basis that he had only ever played in a band called a variation on '*the Rubettes featuring ...*'. Had that been the case, the submissions of Mr Colbey would have been more powerful. However, as I have found above, it is accepted that the band in which he played, and in relation to which he made his services available, was presented and performed as '*the Rubettes*'.
271. Mr Colbey also relied on Mr Etherington's statement in his evidence that he had now withdrawn from the band. Mr Colbey stated in his skeleton that Mr Etherington "*currently has no intention of performing with the Rubettes in any form*". No undertaking to that (or any other) effect has been offered, so far as I am aware.
272. In the circumstances, I do not accept Mr Colbey's submissions and Mr Etherington's final position will be considered when remedies and the final order are being resolved.

CONCLUSIONS AND SUMMARY

273. In summary, my findings on each of the issues for trial is set out below.

Passing off

- (i) *When did the Defendants commence the acts complained of ('the relevant date')?*

The relevant date is Autumn 2018.

- (ii) *At the relevant date, was AWEL (or AWEL and Mr Williams together) the owner(s) of goodwill associated with the Rubettes Names or any of them?*

At the relevant date, the Claimants were the owners of relevant goodwill.

- (iii) *At the relevant date, were the Defendants or any of them the owners of any goodwill associated with the Defendants' Signs or any of them.*

At the relevant date, the Defendants did not own any relevant goodwill.

- (iv) *In the light of the above, does the use by the Defendants of the Defendants' Signs or any of them amount to a misrepresentation that the Defendants' live music events, merchandising, music sales and associated goods and services are the goods and services of the First Claimant (alternatively the Claimants together) or are otherwise associated or connected with or authorised by the First Claimant (alternatively the Claimants together)?*

The Defendants' conduct amounts to a misrepresentation sufficient to engage the tort of passing off.

- (v) *Has any misrepresentation made by the Defendants damaged or is it likely to damage any goodwill found owned by the AWEL (alternatively AWEL and Mr Williams together)?*

The misrepresentation has caused damage to the Claimants' goodwill.

Trade mark invalidity

- (vi) *Was the application for the UK TM made in bad faith?*

Yes.

- (vii) *In light of the findings on passing off and bad faith, is the UK TM invalid?*

Yes.

General

- (viii) *If passing off is shown, were the acts of passing off flagrant and/or calculated to benefit the Defendants in excess of the likely damages?*

Not yet determined.

274. In conclusion, the Claimants have succeeded and the only remaining issue is as to the consequences of that success.
275. I shall dealt separately with submissions from counsel on remedies and issues relating to the final order.