

TRADE MARKS ACT 1994

IN THE MATTER OF:

TRADE MARK APPLICATION No. 2497715

IN THE NAME OF GURU JOSH PROJECT

AND OPPOSITION No. 98889

IN THE NAME OF PAUL DUDLEY WALDEN

DECISION

1. In 2007, three individuals with separately developed business interests in the field of musical entertainment entered into partnership and began carrying on business together under the name GURU JOSH PROJECT. These were Paul Walden (a songwriter and performer), Darren Bailie (a disc jockey and occasional producer of re-mixes) and Anders Nyman (a producer of sound recordings). They were at the outset content to proceed without reducing the terms of their partnership agreement to writing. I shall refer to the partnership as „the GJP Partnership’.
2. Big City Beats GmbH were licensed to exploit master recordings produced by the GJP Partnership on the terms of a worldwide exclusive licence agreement dated 10 November 2007. In that Agreement, the members of the GJP Partnership were referred to as „The Artiste’ and individually identified as „Paul Walden (Guru Josh) Darren Bailie (DazPerkz) Anders Nyman (SnakeByte)’. Big City Beats GmbH was referred to as „The Licensee’.
3. The right to exploit the relevant master recordings was expressly granted to the Licensee by „Paul Walden aka Guru Josh’ acting individually and in his own right as „The Licensor’. He retained significant rights of approval in relation to the

content of the licensed products. Clause 14 of the Licence Agreement affirmed that *„Licensor warrants and undertakes that if (sic) has a binding and exclusive agreement with the Artist for the term including any option periods’*. The initial contract period was 12 months. The first master recording delivered under the Agreement was a recently re-mixed version of Paul Walden’s *„Infinity’*, the work with which he had established his reputation under the professional name GURU JOSH in the late 1980’s and early 1990’s.

4. Tension appears to have arisen between the members of the GJP Partnership at a relatively early stage in their business relationship. In order to ease the situation, they signed a document headed *„The Guru Josh Project – A Gentlemen’s Agreement (Further to telephone conversation between Paul Walden and Darren Bailie 30th September 2008)’*. This set out their common understanding in the following terms:

IT IS AGREED THAT:

1. DARREN BAILIE IS THE DJ FOR THE GURU JOSH PROJECT.
2. GURU JOSH/PAUL WALDEN IS THE SOLE WRITER OF ALL GURU JOSH PROJECT COMPOSITIONS AND/OR ALL MASTERS.
3. GURU JOSH/PAUL WALDEN IS THE LIVE PERFORMANCE ARTIST OF THE GURU JOSH PROJECT.
4. ANDERS NYMAN/DARREN BAILIE & PAUL WALDEN ARE ENTITLED TO BE THE PRODUCERS FOR THE GURU JOSH PROJECT BUT ANDERS AND DARREN CANNOT CLAIM PUBLISHING RIGHTS TO THE GURU JOSH PROJECT.
5. OTHER PRODUCERS CAN BE CONTRACTED TO WORK ON PROJECTS, SUBJECT TO ALL THREE MEMBERS APPROVAL.
6. EXISTING BANKING ARRANGEMENT TO BE CHANGED – NAMELY ALL THREE MEMBERS ARE NOW TO BE PAID THIRTY-THREE AND ONE THIRD PERCENTAGE TO THEIR INDIVIDUAL BANK ACCOUNTS.
7. THE NAME GURU JOSH PROJECT CAN ONLY BE USED FOR ADVERTISING PERFORMANCES

WHEN ALL THREE MEMBERS ARE PERFORMING/WORKING TOGETHER ON THE SAME BILLING.

8. TO CLARIFY THE ABOVE POINT THE BILLING FOR INDIVIDUAL PROJECTS SHALL BE WORDED THUS:
 - “DJ DARREN BAILIE OF THE GURU JOSH PROJECT”
 - “GURU JOSH (LIVE SHOW INCLUDING SAX-PLAYER ETC) OF THE GURU JOSH PROJECT”
 - “ANDERS NYMAN AND/OR SNAKEBYTE OF THE GURU JOSH PROJECT”
9. ALL COMMUNICATION BETWEEN BAND MEMBERS IS CONDUCTED VIA MATT COGGER AND CARLOS TERRAZAS UNTIL FURTHER NOTICE. ANDERS NYMAN WILL BE REPRESENTED BY CARLOS TERRAZAS.
10. PAUL WALDEN AND DARREN BAILIE WILL BE SPOKESPERSONS WITH REGARD TO PRESS ENGAGEMENTS, UNDER TERMS AGREED.
11. THIS AGREEMENT WILL BE MADE AVAILABLE TO ANY RELEVANT THIRD PARTIES (ie. BIG CITY BEATS, BLUE ART EVENT) – FOR THE SAKE OF CLARIFICATION.
12. THE GURU JOSH PROJECT WILL ONLY EXIST WITH PAUL WALDEN, DARREN BAILIE AND ANDERS NYMAN BEING ACTIVE MEMBERS.
13. SHOULD PAUL WALDEN, DARREN BAILIE OR ANDERS NYMAN WISH TO STEP DOWN AS MEMBERS OF THE GURU JOSH PROJECT THERE WILL BE A 3 MONTH PERIOD FROM THE DATE OF ANNOUNCEMENT UNTIL THE TIME OF EFFECT. THIS WILL GIVE THE OPPORTUNITY FOR THE INDIVIDUAL TO CHANGE THEIR MIND.
14. SHOULD PAUL WALDEN, DARREN BAILIE OR ANDERS NYMAN HAVE ANY DISPUTES WITH ANY THIRD PARTIES THIS WILL NOT REFLECT UPON THE INTEGRITY OF THE OTHER MEMBERS OF THE GURU JOSH PROJECT AS A WHOLE.

The document was signed by Paul Walden alongside his name typed as „PAUL WALDEN/AKA GURU JOSH“.

5. According to Paul Walden, the Gentlemen’s Agreement was negotiated over a period of several months prior to the date on which it was signed. Darren Bailie says that he was tired of Paul Walden’s complaining and signed it because he wanted to keep the peace for as long as possible. I regard the Gentlemen’s Agreement as an accurate record of the arrangements adopted by the members of the GJP Partnership for the purposes of their collaboration in the partnership business.
6. In December 2008, the master recording of a second single entitled „Crying In The Rain’ was delivered under the 2007 Licence Agreement. Big City Beats GmbH then exercised its option to extend the period of the Agreement for a further year until December 2009. „Crying In The rain’ and three other works written by „Paul Walden aka Guru Josh’ had been added, in January 2008, to the list of compositions covered by his ongoing music publishing agreement with EMI Virgin Music Ltd (formerly Virgin Music Publishers Ltd) which had been entered into in February 1990.
7. The position as between the members of the GJP Partnership while the partnership subsisted is relatively clear. Paul Walden permitted Darren Bailie and Anders Nyman to use the name GURU JOSH PROJECT with reference to their tripartite collaboration in the partnership business. He retained the right to use the name GURU JOSH on his own account independently of them. They were granted no right to use that name independently of him or otherwise than as members, with him, of the GJP Partnership. The Gentlemen’s Agreement recognised that their right to use GURU JOSH as part of the name GURU JOSH PROJECT was linked to their involvement in the operation of the partnership business.
8. Against that background it is not surprising to find that Paul Walden felt threatened when he discovered (I believe in early 2009) that Darren Bailie had

applied on 16 September 2008 to register the name GURU JOSH PROJECT as a trade mark for use in relation to the following services in Class 41: *„music entertainment, DJ act and music production’*. The application had been filed under number 2497715, with the applicant for registration being identified in the application form as *„Guru Josh Project’* and the address of the applicant being given as Darren Bailie’s home address in Gwent.

9. If an application to register a trade mark on behalf of a partnership is filed in the name of the firm, the firm name is taken to have been used as a way of identifying the persons associated together in business under that name as effectively as if they had all been specifically identified in the application for registration: see Opposition No. 91540 in the name of Drinkstop Ltd to Trade Mark Application No. 2289287 in the name of Michaels Foodmarket and Others BL O-168-05 (15 June 2005) at paragraphs [13] and [14]. When Darren Bailie filed Trade Mark Application No. 2497715 in the name of *„Guru Josh Project’*, he held himself out as duly authorised to register the trade mark GURU JOSH PROJECT on behalf of all three members of the partnership then operating under that name.
10. Paul Walden maintains that he was not informed of the application prior to filing and that it was not mentioned (or known) to him during the negotiations which led to the signing of the Gentlemen’s Agreement of somewhat later date. Darren Bailie does not suggest otherwise. He says that he mentioned to Anders Nyman before the application was filed that he was proposing to file it. There was, however, no basis on which Anders Nyman as the possessor of a limited right to use the name GURU JOSH PROJECT under licence and Darren Bailie as the possessor of an equally limited right to use the name GURU JOSH PROJECT under licence could separately or together compel Paul Walden to register all three of them as co-owners of the trade mark for use in relation to services of the kind specified in the application filed on 16 September 2008. In substance and reality, the application for registration amounted to an attempt by one or more licensees to register themselves as proprietors of a mark they were using under licence, without the consent of their licensor.

11. Paul Walden filed a notice and grounds of opposition to the trade mark application on 29 April 2009. The grounds of opposition were accompanied by a clear and comprehensive Statement of Case, which was contested in a Counterstatement filed on the instructions of Darren Bailie in the name of „Guru Josh Project’ on 6 July 2009. The Counterstatement completely contradicted the relationship of licensor and licensee upon which the use of the name GURU JOSH PROJECT in connection with the business of the GJP Partnership depended.
12. It asserted that the name GURU JOSH PROJECT and the pending application for registration were assets of the partnership, with the result that *„there can be no bad faith in the application as the Opponent himself is part of the partnership’*. It was denied that any licence had been granted for use of GURU JOSH as part of the name GURU JOSH PROJECT, even though the 2007 Licence Agreement and the 2008 Gentlemen’s Agreement had proceeded upon the basis that GURU JOSH was and remained Paul Walden’s professional name.
13. It was further denied that Paul Walden had any relevant goodwill or reputation in the name GURU JOSH at the time when the partnership was established in 2007, even though (as acknowledged in paragraph 4 of Darren Bailie’s witness statement dated 8 April 2010) the name GURU JOSH PROJECT *„was chosen as it referred back to Paul’s original Guru Josh work’* and even though the master recording delivered to Big City Beats GmbH at the inception of the 2007 Agreement was a recent re-mix of the previously successful „Guru Josh’ work entitled „Infinity’. The denial was buttressed by assertions to the effect that *„by 2007 any residual goodwill was irrelevant to the formation and operation of the Partnership under which the name GURU JOSH PROJECT was owned or in the alternative that such goodwill was assigned by the Opponent to the Partnership’*.
14. In addition it was alleged that the opposition had been filed by Paul Walden in contravention of *„the partners’ reciprocal duties of good faith and to act for the benefit of the partnership as a whole ... Further, it would be inequitable to allow the Opponent to prevent registration of the present Application ...’*. The fact that

the application had been filed without consulting Paul Walden during the negotiations which led to the signing of the Gentlemen's agreement was ignored.

15. The position adopted in the Counterstatement seems to me to have added insult to injury with regard to the filing of the application in issue. I think it is clear from the evidence and materials filed in the opposition proceedings that the application was intended to result in a trade mark registration which could be deployed for the purpose of hindering Paul Walden in the exercise of his retained right to use the professional name GURU JOSH independently of the GJP Partnership. Hence the opposition filed on 23 June 2009 to Paul Walden's Community Trade Mark Application No. 7506595 of 7 January 2009 for registration of the trade mark GURU JOSH in respect of goods and services pertaining to musical entertainment in Classes 9 and 41. The Community Trade Mark Application was opposed on the instructions of Darren Bailie in the name of „Guru Josh Project'. The opposition was brought upon the premise that use of GURU JOSH by Paul Walden for goods and services of the kind specified would conflict with the earlier rights to which the members of the GJP Partnership were allegedly entitled: (1) by virtue of UK Trade Mark Application No. 2497715 GURU JOSH PROJECT filed on 16 September 2008; and (2) by virtue of the law of passing off as a result of the use they claimed to have made of the name GURU JOSH PROJECT in the course of trade in the United Kingdom. That opposition remained in place until 28 October 2011.
16. Paul Walden's opposition to UK Trade Mark Application No. 2497715 proceeded to a hearing in the Trade Marks Registry on 10 March 2011. The Registrar had allowed a request by „Guru Josh Project' (i.e. Daren Bailie) for Paul Walden to be cross-examined at the hearing. The request was withdrawn on the Friday before the Tuesday on which the hearing was set to take place. That left Paul Walden's written evidence largely uncontroverted. The opposition succeeded for the reasons given in a written decision issued by the Registrar's Hearing Officer, Mr. Mark Bryant, under reference BL O-125-11 on 11 April 2011. Having noted that „Guru Josh Project' was a partnership which as such possessed no legal

personality, he decided that the partner responsible for filing the objectionable application for registration (i.e. Darren Bailie) should be ordered to pay £1,550 to Paul Walden as a contribution towards his costs of the proceedings in the Registry.

17. The Hearing Officer considered that the opposition was well-founded under section 3(6) of the 1994 Act because:

[53] ... the application to register the mark GURU JOSH PROJECT, made by Mr Bailie on behalf of the partnership, but without the knowledge or consent of at least one of the other two partners is an act that can be described as both unacceptable and reckless. Mr Bailie was well aware that the name GURU JOSH was the name used by Mr Walden and that there was an ongoing goodwill associated with the name. To attempt to register the mark GURU JOSH PROJECT without consulting Mr Walden or taking his views into account is contrary to the behaviour expected of a partner in a partnership (as made clear in the quote from Lindley and Banks provided in paragraph 48 above). Such an action is also not consistent with the “gentlemen’s agreement” between the partners. Further, there is other evidence that suggests that this is just part of a pattern of behaviour on the part of Mr Bailie directed towards appropriating Mr Walden’s goodwill for himself, or in the name of the partnership.

18. He also accepted that the opposition should succeed under section 5(4)(a) of the Act on the basis that under the law of passing off Paul Walden had an earlier right acquired through use of the name GURU JOSH to prevent ‘Guru Josh Project’ from providing ‘*music entertainment, DJ act and music production*’ services in Class 41 under and by reference to the mark GURU JOSH PROJECT:

[58] I have already found that Mr Walden has his own goodwill identified by the mark GURU JOSH at the material date. As such, he has the right to sue the partnership for passing off at the relevant date. The partnership is a separate entity to Mr Walden (see the comments of Mr Justice Laddie in *SAXON TRADE MARK* [2003] FSR 39) and needed his consent to avoid being susceptible to a passing off action. Although Mr Walden had given his consent to the

partnership to use the name GURU JOSH, this was with conditions, as the signed “gentlemen’s agreement” illustrates. He therefore retains the right to sue for use which breaches the terms of consent as set out in the “gentlemen’s agreement” and therefore the right to oppose the application under Section 5(4)(a) of the Act.

19. „Guru Josh Project’ appealed to an Appointed Person under section 76 of the 1994 Act contending, in substance, that Paul Walden should be found not to have had or retained any right to object to the filing of the application to register the mark GURU JOSH PROJECT in the name of the partnership of which he was a member. *„It was common ground that the Applicant enjoyed a licence from the Opponent, if such licence were needed, to use the mark GURU JOSH in the form of GURU JOSH PROJECT’* (Paragraph 3 of the Grounds of Appeal).
20. There was indeed a licence to use GURU JOSH in the form of GURU JOSH PROJECT and none the less so because the licensor was one of the members of the partnership for whose collective benefit the licence subsisted. The members of the partnership could not properly seek to establish a title to the licensed trade mark for themselves (or a third party) adverse to that of the licensor. Darren Bailie’s attempt to do so, by registering GURU JOSH PROJECT as a trade mark for the purpose of hindering Paul Walden in the exercise of his retained right to use the professional name GURU JOSH independently of the GJP Partnership, was plainly an act of appropriation in the context of the relationship of licensee/licensor which governed his position and that of Anders Nyman vis à vis that of Paul Walden with regard to use of the name GURU JOSH PROJECT.
21. The suggestion that Paul Walden was deprived of nothing because he had no subsisting commercial or licensable interest in his professional name GURU JOSH, either at the point in time when the application for registration was filed or at the point in time when the partnership was formed, is simply untenable in the circumstances noted in paragraphs [1] to [6] above and more fully discussed in paragraphs [6] to [32] and [40] to [47] of the Hearing Officer’s decision. Even if

(which I do not accept) it can be said to have been legally necessary for the economic „footprint’ of Paul Walden’s subsisting commercial and licensable interest in his professional name to have extended to the United Kingdom, the evidence and materials before the Hearing Officer were sufficient to enable him to determine (as he did) that Paul Walden had a relevant and protectable goodwill and reputation in the name GURU JOSH under the law of passing off in the United Kingdom at the date on which the application for registration was filed.

22. On considering the application in accordance with the principles established by the relevant case law (as recently summarised by Arnold J. at paragraphs [130] to [138] of his judgment in Red Bull GmbH v. Sun Mark Ltd and Another [2012] EWHC 1929 (Ch)) I am satisfied that the filing of the application was an act of bad faith in the context of the surrounding relationship of licensee/licensor, whether or not it also amounted to an act of bad faith in the context of the surrounding partnership relationship. I therefore uphold the Hearing Officer’s decision to the effect that the application for registration should be rejected under section 3(6) of the Act.

23. The Hearing Officer’s reasoning with regard to the objection raised under section 5(4)(a) of the Act proceeded upon the premise that *„The partnership is a separate entity to Mr. Walden ... and needed his consent to avoid being susceptible to a passing off action’*: see paragraph [18] above. I understand this to have been an over-compressed way of saying that the application for registration conflicted with Paul Walden’s earlier right to protection under the law of passing off because: (1) the application envisaged use of the mark GURU JOSH PROJECT by or with the consent of whoever the members of the GJP Partnership happened to be and regardless of whether Paul Walden or Darren Bailie or Anders Nyman continued to be members of that partnership; (2) Paul Walden’s membership of the partnership did not prevent him from asserting rights to which he was entitled independently of the partnership; (3) the application in the name of the partnership envisaged that all members of the partnership for the time being would enjoy not merely possession under licence, but proprietorship by registration of the trade

mark GURU JOSH PROJECT for use in relation to services of the kind specified; and (4) Paul Walden could not be said to have consented for the purposes of section 5(5) of the Act to any such registration. On that basis I uphold the Hearing Officer's decision to the effect that the application for registration should be rejected under section 5(4)(a) of the Act.

24. Section 68(1)(b) of the Act and rule 67 of the Trade Marks Rules 2008 provide for the Registrar *„to award to any party such costs as the registrar may consider reasonable, and direct how and by what parties they are to be paid’*. It is contended in the Grounds of Appeal that the Hearing Officer erred *„by making an award of costs against Mr. Bailie personally’*. There is no substance in that contention. The objectionable application for registration was filed and defended by Darren Bailie in the name of the partnership. Anders Nyman took no part in the defence of the proceedings. It does not appear that he either instigated or collaborated with Darren Bailie in the filing of the application in suit. Paul Walden was not in any way responsible for either the filing or the defence of the application. He cannot rationally be regarded as a party to the present proceedings on both sides of the record: cf Lindley & Banks on Partnership (19th Edn, 2010) paragraph 23-03. In the circumstances, it was entirely appropriate for the Hearing Officer to determine that Darren Bailie was, as the combatant member of *„Guru Josh Project’*, the party to the proceedings against whom costs should be awarded under the Act and the Rules. I note at this juncture that there is no appeal either by Darren Bailie or Paul Walden directed at the figure of £1,550 awarded in respect of the costs of the proceedings in the Registry.
25. For the reasons given above the appeal against the decision of the Registrar's Hearing Officer will be dismissed. The following directions are given for the purpose of enabling the parties to make representations in relation to the question of how and by whom the costs of the rejected appeal are to be borne and paid:

- (1) the Respondent is directed to send me written representations in support of any claim for costs in respect of the proceedings on appeal, this to be done by 6.00pm on 13 August 2012;
- (2) the Appellant is directed to send me any written representations in response to those of the Appellant under paragraph (1) above, this to be done by 6.00pm on 20 August 2012;
- (3) the Respondent is directed to send me any written representations in reply to those of the Appellant under paragraph (2) above, this to be done by 6.00pm on 27 August 2012;
- (4) any written representations sent to me under paragraphs (1) to (3) above must at the same time be copied to the opposite party and to the Treasury Solicitor's Department (Reference R111091 H/AGP/A5).

If neither side informs me in writing by 6.00pm on 3 September 2012 that they wish to be heard in relation to the claim for costs that remains to be determined I shall proceed to issue a supplementary decision dealing with that claim, taking account of the written representations I have received.

Geoffrey Hobbs QC

2 August 2012

Mr. Hugo Cuddigan instructed by Jensen & Son appeared on behalf of the Appellant

Mr. Benjamin Longstaff instructed by Kilburn & Strode LLP appeared on behalf of the Respondent

The Registrar was not represented