

About the Author



Oscar Ramallo is an Associate in the Intellectual Property Department of Kaye Scholer's Los Angeles office. His practice includes general business litigation, with a focus trademark and copyright litigation. He also routinely advises companies in numerous aspects of online marketing and advertising. He can be reached at oscar.ramallo@kayescholer.com.

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In Search of a Lawsuit-Proof Band Name

Recent disputes involving the ownership of names like Cheap Trick, Black Flag, the Platters and Save Ferris illustrate how difficult it can be to determine who holds the rights to a group's moniker.

Bands have tried seemingly everything to prevent trademark lawsuits over their names, including contracts, creating corporate ownership structures and obtaining trademark registrations. Yet despite their best efforts, band name disputes remain mainstays of litigation.

Recent decisions in Nevada federal courts awarding ownership of the Platters trademark to the estate of band member Herb Reed illustrate how difficult it can be to pin down the identity of the true owner of a band trademark. In fact, Reed's victories are the culmination of three decades of litigation in at least seven separate lawsuits over the Platters trademark.

Initially, Five Platters, Inc., a company controlled by Buck Ram, the band's promoter and songwriter, owned a federal trademark registration and claimed sole ownership of the name. A 1974 decision in a California state court lawsuit between Five Platters, Inc. and band member Paul Robi, however, ruled that the assignment of the trademark from the band members to Five Platters, Inc. "was a sham

used by Mr. Ram to obtain ownership of the name" that violated California corporate securities law. The California judgment did not necessarily invalidate Five Platters, Inc.'s trademark rights against anyone else in the world but Robi, but, after the California lawsuit, the company broke a rule requiring it to disclose the California judgment when filing routine paperwork at the Patent and Trademark Office. A 1990 Ninth Circuit decision found the non-disclosure to be an act of fraud meriting cancellation of the Five Platters, Inc.'s trademark registration.

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The cancellation of Five Platters, Inc.'s registration cleared the way for Reed to claim sole ownership of the trademark. After a series of several more lawsuits between various parties, a February 2012 decision involving a dispute between Reed and Monroe Powell (a member of one of the incarnations of the Platters) in a Nevada federal court ruled that Reed is the sole owner of the Platters trademark because

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he was the only original band member to continuously perform under the band name. Following similar reasoning, another Nevada federal court ruled in July 2012 that Reed has superior rights to Larry Marshak, a promoter for one of the incarnations of the Platters group. (That decision is on appeal.)

The reason, in large part, ownership of a band trademark can be so difficult to pin down is because trademark rights are a hybrid of intellectual property rights and consumer protection law. "Purer" forms of intellectual property, like copyrights and patents, have comparatively simpler rules of ownership. The authors and inventors are the initial owners of the rights, and they can sell or give away those rights in much the same way you can transfer your real estate. Once you determine who the author or inventor is, determining the current owner is usually (of course, in the legal system, never always) easy.

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The proper owner of a trademark, on the other hand, is whoever the consuming public believes is the owner. Ownership is determined this way because an overriding purpose of trademark law is to protect consumers from confusion about who is selling them goods and services. When a contract, corporate document or registration conflicts with the public's understanding, there is a good chance a court will side with the public. Thus, in the case of the Platters, Reed's status as the longest and most continuous user of the band's trademark has been one of the most important keys to his recent victories.

It should be noted that the Platters dispute is uniquely complicated, in part, because the original trademark assignment to Five Platters, Inc. was found to be a "sham" and because the company's trademark registration was revoked after it committed fraud on the Patent and Trademark Office. These findings obviously contributed to the disarray in the ownership status. However, trademark lawsuits still occur, even when the trademark claimant is not found to have engaged in serious misconduct.

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For example, Crystal Entertainment, the promoter who came up with the band name Exposé, had the band members agree in writing that "the Mark EXPOSÉ was conceived by [Crystal Entertainment]" and that the band members "shall have not any ownership or other rights of any nature whatsoever in and to the Mark and that for all purposes the ownership of, and all rights of any nature whatsoever, in and to the Mark is and shall remain the sole, exclusive and separate property of [Crystal Entertainment] with the complete and exclusive right vested in [Crystal Entertainment] to control the use of the Mark."

The contract language is seemingly airtight that the promoter, not the band members, owns the trademark, but the Eleventh Circuit still awarded the name to the band members. Noting that trademark law grants ownership to the person who controls the nature and quality of the goods and services, the

court found that Crystal Entertainment lost any trademark rights it might have had when it failed to exercise any control over the band (other than, of course, collecting royalties).

Similarly, competing factions of Cheap Trick are currently involved in a dispute over ownership of the band name in Illinois federal court. One faction claims a company called ZPN&C Inc. owns the name and points out that ZPN&C Inc. is on record as the owner of the trademark with the Patent and Trademark Office, which one would think should be the end of the story. However, drummer Brad Carlson, also known as Bun E. Carlos, claims ZPN&C Inc. transferred the trademark to another company without telling the Patent and Trademark Office. The Cheap Trick lawsuit is still in the early stages, and it is not entirely clear from the public filings how (assuming Carlos is correct) such a thing happened.

While corporate structures, written contracts and registrations sometimes fail to prevent disputes, they are certainly a better bet than leaving the matter to chance or oral understandings. The members of the bands Save Ferris and Black Flag are each involved in lawsuits over ownership of their respective band names that illustrate this point.

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Both lawsuits are severely complicated by he said/she said disputes over exactly who owns the band names. Monique Powell, lead singer of Save Ferris, claims that, years ago, everyone quit the band except her (leaving her sole owner of the trademark), while her band mates claim everyone agreed no one would ever perform under the name again. That particular dispute could have easily been avoided if the parties put their understanding in writing. Similarly, Greg Ginn, guitarist of Black Flag, claims he is the last remaining band member and sole trademark owner, while his band mates claim they benefit from the existence of an ongoing partnership that owns the name. Again, that particular dispute could have been easily resolved if the parties had clearly documented the existence (or non-existence) of such a partnership owning the trademark.

While putting things in writing is a good start, all contracts and corporate documents need to be drafted with the reality in mind that if the public’s understanding of who owns a trademark conflicts with what is on paper, a court may side with the public’s understanding. Thus, the documents must give the trademark owner the right and practical ability to control the quality of the trademarked goods and services. The owner must then actually exercise that control and vigorously enforce the trademark rights against infringers who can muddy the public’s understanding of the trademark’s source. If everyone just followed these not entirely easy steps, band name disputes would be a thing of the past.