

O/0738/24

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3780442
BY VALERIE H CHRISTIE FOR THE MARK**

The Three Degrees Featuring Valerie Holiday

IN CLASS 41

AND

**THE OPPOSITION THERETO UNDER NO. 434326
BY HELEN SCOTT-LEGGINS**

FINAL DECISION

Final decision

1. On 3 May 2024, I issued a preliminary decision in which I indicated that:¹

“50. Ms Scott-Leggins has two months from the date of this decision to make an application to substitute the name of the opponent in the terms set out in paragraph 39 above.

51. If no such application is made, I will issue a final decision rejecting the opposition.

52. If such an application is made, I will give Ms Christie one month to provide written submissions as to whether it should be allowed.”

2. The terms set out in paragraph 39 of my decision were:

“... to substitute *Helen Scott-Leggins on behalf of the partnership that existed in March 2022 and traded as The Three Degrees* as the opponent in these proceedings, instead of herself as it currently stands.”

3. I found in my preliminary decision that (a) The Three Degrees consisted of a partnership-at-will, (b) the partnership-at-will that existed as at March 2022 was the owner of an earlier right, (c) only the owner of the earlier right could bring the opposition against the trade mark, (d) Ms Scott-Leggins was not entitled to bring the opposition on her own account, but could do on behalf of the partnership-at-will of which she was a member as at March 2022 and (e) the partnership-at-will would succeed under the section 5(4)(a) ground.² I found that the partnership-at-will at the relevant date in question (the application date for the opposed trade mark) consisted of Ms Scott-Leggins, Ms Christie and Ms Poole.

¹ Case BL O/0401/24.

² The section 3(6) ground failed.

4. On 28 June 2024, Ms Scott-Leggins filed an application to substitute for Helen Scott-Leggins, the original opponent, the following:

“Helen Scott-Leggins, on behalf of the partnership that existed in March 2022 and traded as The Three Degrees.”

5. The application was in the form of an amended notice of opposition (form TM7), with the above text in the box for recording the opponent’s details. The amended form was accompanied by a brief letter explaining the reason for filing the amended form.

6. Following receipt of the above, Ms Christie was given until 1 August 2024 to provide written submissions as to whether the substitution of opponent should be allowed. On 15 July 2024, Ms Christie sent the following to the Tribunal:

“I would like to draw your attention to the letter below that was sent on 29 June 2023 regarding the U.K. address that Helen Scott-Leggins (Opposition OP000434326) has been using with regard to this trade mark request.

On the TM7 form that Ms. Scott-Leggins has filed, it clearly states on Paragraph 3 the following: “Address – if the address is not within the United Kingdom, Gibraltar or the Channel Islands, you must have a representative in one of these regions and complete section 4 below”.

Ms. Scott-Leggins has not set foot in the United Kingdom, Gibraltar or the Channel Island in more than 4 years.

Can you please clarify if this has any effect on the status of this trademark request.”

7. The Tribunal responded on 18 July 2024, as follows:

“An address for service is an address where a party agrees that documents can be served. Under Rule 11(4) of the Trade Mark Rules 2008, the address must be in the United Kingdom, Gibraltar or the Channel Islands. The provision of an

address within the specified territories, which may be a residential address, or PO Box will satisfy the requirements of Rule 11.

A party does not have to be physically present in the United Kingdom in order for the address for service to be valid.”

8. Ms Christie filed written submissions as to why the substitution of opponent should not be permitted, which was in the form of an email to the Tribunal dated 30 July 2024. Along with her submissions, Ms Christie filed images of a draft contract and images of emails relating to the draft contract. These documents are headed as Exhibits 1a to 1d; 2a and 2b; 3a and 4.

9. The first point to make is that the ‘exhibits’ form material which appears intended by Ms Christie to comprise evidence, but which has not been filed in evidential form, i.e. adduced via a witness statement. None of this material has previously been filed, presumably because Ms Christie considered that it only became relevant once the substitution point became key to the outcome of the opposition. My directions were for submissions to be filed; no application (or request) was made by Ms Christie to file the ‘exhibits’ as evidence. I bear in mind that neither party has been legally represented during these proceedings. I have decided to look at the material which Ms Christie has filed *de bene esse* in order to explain why, even if it had been filed as evidence in the correct format and had been admitted to the proceedings, that it would not have made any difference to the outcome.

10. I have reproduced below Ms Christie’s submissions:

“1. In the time that Ms. Scott-Leggins has owned the trademark for the Three Degrees in the United States, she has not performed one single show/concert/live appearance. To my knowledge she has not hired two other Degrees to make it Three Degrees.

During that same period, I have performed (with Freddie Pool, Tabitha King/Jessica Wagner) more than 100 shows/concerts/ live appearances.

2. Despite Ms. Scott-Leggins' promise (given to the group's manager) that she would give equal ownership of the U.S. trademark to me, she has not done so or even contacted me to discuss the matter. Thus, she is preventing me and other members from being able to perform and earn a living in the United States.

3. In reality, Ms. Scott-Leggins cannot perform at the level she was able to do prior to contracting Covid. She would be unable physically to perform at the level demanded for the group for a 70 minute show. That is what is demanded and required of the Three Degrees and I don't think Ms. Scott-Leggins can dispute this.

4. Understandably there is now too much friction and mistrust between myself and Ms. Scott-Leggins so I think it's a fact to say we could never work together again.

The partnership-at-will, that was never documented, ceased to exist when Ms. Scott-Leggins refused the contract that was prepared for us both by the group attorney, Manotti Jenkins Esq. (Exhibit 1, a,b,c,d) At that time, she was unable to perform her role within the Three Degrees and was replaced by Tabitha King, a person of her own choosing. (Exhibit 2 a, b , and Exhibit 4)

This act/decision placed a severe financial burden on myself. But I prioritized the group's needs above my own and honored the commitments that the group, including Ms. Scott-Leggins had agreed upon. I bore the complete financial brunt of this decision. (Exhibit 3a)

The issue of "good will" is multi faceted. Primarily the good will is of the group, the Three Degrees. Over the years, members have left and had to be replaced but I am the one constant member during the successful years and through to today., dating back to 1967 and without a single break. For every event from 1967 I have been there! I am also the lead vocalist on the bulk of the songs and so have created more recognition.

When Ms. Scott-Leggins was unable to fulfil her role immediately after Covid, our management/agents/promoters all recommended that we focus on my name as being the only “original” Three Degree. Commercially and financially, that became important and continues to be so today. This is in line with many other groups who have encountered the same issues regarding members forced into retirement. There are many tribute groups these days who perform songs recorded by the artist they are paying tribute to but at a lower fee/cost. This naturally affects the cost of tickets and the size of the audience. I needed to show legitimacy and credibility, hence the “featuring Valerie Holiday”.

So it begs the question ... why is Ms. Scott-Leggins opposing my ownership of the name The Three Degrees Featuring Valerie Holiday? It is factually correct! She is obviously unable to perform so it does not affect her ability to do so! It does not affect her ability to earn or generate any financial benefit – after all, since obtaining the trademark for the United States she hasn’t generated any financial benefit.

In Paragraph 3 of the document referred to, Ms. Scott-Leggins claims that the application offends the law of passing off because she has goodwill in the sign, the Three Degrees. Respectfully, so do several others and in some cases perhaps even greater claims! Over the years, various members have left the group and for various reasons but they have accepted and respected the fact the group has to continue. The inclusion of the “featuring Valerie Holiday” was explained earlier in this response. Each member has contributed their part in the Three Degrees story and that has always been acknowledged and continues to this day.

So how can this be defined as “in bad faith”?

Much of what Ms. Scott-Leggins claims is simply irrelevant. The facts are that she is physically unable to perform her role and to the level required – a level that she helped build! The group has to continue. As in the case when Cynthia Garrison was forced to leave the group because of physical restrictions – Ms.

Scott-Leggins was quick to make that decision because it was the best thing for the group! This is the identical situation.

The bottom line is that the group, The Three Degrees, has to always take priority because without it, there is nothing to dispute. The requirements/suggestions/ recommendations from the group's management/promoters/agents have to be considered because we always work towards the same goals.

As a side issue, Ms. Scott-Leggins continues to use an address in the U.K. that is not legitimate, The legal owner/resident of the residence provided documentation to substantiate this.”

11. The 'exhibits' comprise the following:

(i) Exhibits 1a, 1b, 1c and 1d are four pages of the same document, headed “Agreement Governing The Three Degrees’ Future Concert Tours.” The draft is dated 20 February 2022 and the signatories were to be the two parties to the present proceedings. Neither party signed the agreement. It refers to the upcoming tour of 8 March 2022 to 2 April 2022. I note that the agreement states “Whereas, Ms. Christie and Ms. Scott are equal partners in the ownership of the brand name, “The Three Degrees”” and the agreement refers to Tabitha King, identified and recommended by Ms Scott-Leggins, as a temporary replacement for Ms Scott-Leggins for the tour.

(ii) Exhibits 2a and 2b are two pages of the same email chain comprising four messages. The first message is from Ms Christie to ‘Manotti’, identified in Ms Christie’s submissions as Manotti Jenkins Esq, the group’s attorney who drafted the agreement at Exhibits 1a to 1d. The message, dated 21 February 2022, is essentially Ms Christie’s confirmation that she was happy with the agreement and was ready to sign it. The second email, dated 22 February 2022, is from John Abbey (the group’s manager) who says he considers the agreement to be an accurate reflection of everything that had been discussed. The third email, of the same date, is an acknowledgement from “MJ”

(presumably Mr Jenkins). The fourth email, also dated 22 February 2022, is from Ms Scott-Leggins to Mr Jenkins, Mr Abbey and Ms Christie. She says that she had decided not to sign the agreement and wanted it re-written so that it pertained only to the March 2022 tour. She also wanted a separate agreement written for future tours once the March 2022 tour was completed.

(iii) Exhibit 4 comprises two emails. The first is from Ms Christie, about two hours after the above email from Ms Scott-Leggins. Ms Christie says that she was happy with the agreement, did not want to make any changes and was prepared to sign it as it was. The second email is from Mr Jenkins, later the same afternoon, saying that the matter was officially at an impasse and that he could not resolve it.

(iv) Exhibit 3a comprises an email from Ms Christie to Mr Abbey, dated 1 April 2022. It appears to be about Ms Christie having contracted Covid-19 in the UK and being unable to enter the US while she was testing positive. It is unclear to me what the relevance of this email is to the question of substitution of the opponent.

12. In my preliminary decision, I said:

“27. ... The evidence shows that The Three Degrees was comprised of a succession of partnerships-at-will. Such an arrangement was considered by the late Laddie J in *Saxon Trade Mark* [2003] FSR 39. The judge explained that, without a contract or agreement, the members of a band or group who perform for consideration are likely to constitute a partnership-at-will. This means that the assets of the band/group, including its goodwill and therefore rights to its name, are partnership assets to which each member is normally entitled to an undivided share. In relation to the legal position when members leave the band, Laddie J said:

“25. Absent special facts such as existed in *Burchell*, the rights and obligations which arise when a group 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 v Granville* [1972] RPC 673) or been abandoned (see *Star Industrial Co v Yap Kwee Kor* [1976] FSR 256) it is likely to be able to sue in passing off to prevent the second group from performing under the same name (see *Sutherland v V2 Music* [2002] EWHC 14 (Ch), [2002] EMLR 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] RPC 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.

26. 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."

28. In *Burdon v Steel*, BL O/369/13, ('The Animals'), a case in which one of the ex-members of a band applied to register the band's name as a trade mark

without having any better claim to the name than another ex-band member, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, found that:

“33. It was, as I have said, open to the opponent as one of ‘the last men standing’ to invoke the law of passing off for the protection of the goodwill and reputation to which they were collectively entitled. The fact that the applicant was also one of ‘the last men standing’ did not enable him to lay claim individually to the whole of the benefit of their goodwill and reputation by registering THE ANIMALS as his trade mark for live and recorded performances. The evidence on file does not show that he was free by virtue of devolution or dissipation or on the basis of any relevant authorisation or consent to apply for registration of the trade mark in this own name .”

29. In the present case, there was no partnership or any other agreement which expressly provided for the partnership/group to continue after the departure of one or more members.

30. Ms Christie places importance upon her having been in the group longer than Ms Scott-Leggins, and during the most successful years in the early 1970s. The *Saxon* case demonstrates that, since the goodwill generated by a group of regular performers is owned by the group collectively, rather than by its individual members (in the absence of any express agreement or contract otherwise), founding members do not have any greater rights to any goodwill created under the name than later members.

31. *Saxon* also demonstrates that the name, as an asset of the group, belonged to the members collectively, not individually; i.e. the name belonged to the partnership. This is also the case for the goodwill attached to the name, which was also a partnership asset. The public would regard the group as responsible for the quality of the entertainment provided under its name. Each formation of The Three Degrees would have acquired its own goodwill as a partnership-at-

will and each member of the group would have been entitled to an undivided share in that goodwill.

32. The contested trade mark was applied for on 23 April 2022, shortly after the March 2022 UK tour. Ms Scott-Leggins states that her incapacitation following contracting COVID-19 meant that she was temporarily unable to perform and that she found a stand-in, Tabitha King, for the March 2022 tour. That she was still considered a part of the group in March 2022, and Ms King, therefore, to be a stand-in, is shown by Ms Christie's statement that it was when the March 2022 tour drew near that Ms Christie decided to clarify the extent of Ms Scott-Leggins' health issues.

33. The position must be judged at the relevant date, 23 April 2022. Ms Scott-Leggins still considered that she was a permanent member of the group which, as above, was a partnership-at-will. When the contracts were signed in late 2021 for the March 2022 tour, Ms Scott-Leggins was part of the group. She promoted the March 2022 tour in radio shows in early 2022. Her social media post, on 9 January 2022, explained that her absence from performances was the "for now situation" and that Tabitha King was to take her place "temporarily". She said that she was looking forward to returning. It is irrelevant to the ownership issue whether Ms Christie felt it was justifiable on health grounds that Ms Scott-Leggins was (effectively) expelled from the group. There was no agreement or contractual relationship between the partners (the members of The Three Degrees) which means that Ms Christie was in no position to expel Ms Scott-Leggins. [Footnote³: See section 25 of the Partnerships Act 1890.] The effect of Ms Christie telling Ms Scott-Leggins that she could not perform with The Three Degrees was to dissolve the previous partnership, consisting of Ms Scott-Leggins, Ms Christie, Ms Freddie Poole (and, possibly, Ms King). [Footnote⁴: Ms Freddie Poole is shown in the evidence as having been in the line-up since 2010: Exhibit 7d.] The effect of Ms Christie's and Ms Poole's decision to continue performing but without Ms Scott-Leggins was to create a new partnership-at-will.

34. However, the goodwill generated and owned by the previous partnership, which included Ms Scott-Leggins, would not have dissipated by the relevant date, at most just a few weeks after the March 2022 tour (it is not shown in the evidence for how long the tour lasted). It is clear that Ms Scott-Leggins did not abandon her interest in the goodwill generated by the immediately previous partnership (which included her as a performer), or by the earlier partnerships of which she had been a member for decades. I find that the goodwill at the relevant date was owned by the partnership-at-will which comprised Ms Scott-Leggins, Ms Christie and Ms Poole. Even if the March 2022 tour had given rise to any goodwill owned by the new partnership, this was later than that owned by the previous partnership and, as said above, the goodwill in the previous partnership had not dissipated by the relevant date.

35. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]”

36. The sign relied upon is The Three Degrees and the contested mark is The Three Degrees featuring Valerie Holiday. In the context of the contested services, the mark will be understood as meaning that The Three Degrees is the artist/group and that the artist/group performs with or includes an individual called Valerie Holiday. The Three Degrees is the component which dominates the overall impression of both the mark and the sign. The additional matter in the contested mark will not avoid confusion with The Three Degrees. I have

seen no evidence which tells me that in the UK, at the relevant date, the name Valerie Holiday was known to the customers of the previous partnership as a member of the group. It is not uncommon for music artists to collaborate with others, who are 'featured' on tracks and performances. Even if Valerie Holiday was known to the UK public as a member of The Three Degrees, the assumption at the relevant date would be that the mark signified the previous partnership, not least because Valerie Christie (Holiday) was part of the previous partnership. The law of passing off protects the goodwill generated by a business. It prevents others from misrepresenting themselves as that business. The public would regard The Three Degrees, i.e. the previous partnership, as responsible for the quality of the music and entertainment provided under the contested mark. This is misrepresentation.

37. The use of the highly similar name in relation to the same services would have damaged the previous partnership's goodwill, for example by diverting bookings. In these circumstances, the previous partnership had the right to sue the new partnership for passing off. As Laddie J. explained in *Saxon*, the fact that the new partnership included members of the previous partnership makes no difference. This is because the new partnership is legally distinct from the previous partnership.

38. If Ms Scott-Leggins had brought the opposition on behalf of the partnership of which she had been a member, the first requirement in establishing a passing-off right, i.e. the acquisition of a relevant goodwill, would have been satisfied. This is also necessary to satisfy the requirements of The Trade Marks (Relative Grounds) Order 2007, according to which only the owner of an earlier right is entitled to bring opposition proceedings based on that right. [Footnote⁵: There is no such requirement in relation to the claim under section 3(6) of the Act.]

39. As noted earlier in this decision, neither party is legally represented. It is unlikely that Ms Scott-Leggins understood the implications of bringing the opposition in her sole name as opposed to the partnership. In appropriate circumstances, the registrar has the power to order joinder or substitution of

opponents. [Footnote⁶: See, by analogy, the decision of Professor Ruth Annand, as the Appointed Person, in *Tao Asian Bistro*, case BL O/004/11, at paragraphs 28 – 33.] As the opposition under section 5(4)(a) is successful, I am minded to invite and entertain an application from Ms Scott-Leggins, if she wishes, to substitute *Helen Scott-Leggins on behalf of the partnership that existed in March 2022 and traded as The Three Degrees* as the opponent in these proceedings, instead of herself as it currently stands. [Footnote⁷: This was the approach taken by the registrar in *Andrew Bagnall v Mark Lee (“The UB40 Experience”)*, case BL O/189/20.]

40. Subject to the identity of the opponent being satisfactorily clarified and amended, as above, I find that the ground for opposition under 5(4)(a) of the Act succeeds.”

13. At paragraph 29 of my decision, I said that there was no partnership agreement or any other agreement which expressly provided for the partnership/group to continue after the departure of one or more members. The draft agreement addressed the issue of what happened to the group should either of the present parties leave. That agreement was never signed and it is clear from the email chain that Ms Scott-Leggins had no intention of signing it in its draft form, nor for any agreement about the future of the group to be drawn up until after the March 2022 tour had taken place. The group’s attorney declared the issue was at an impasse and that he could not resolve it. There was no agreement in force. Even if the agreement had been in force, it expressly stated that Ms Scott-Leggins and Ms Christie were equal partners in the ownership of the trade mark and that Ms King was a temporary replacement for Ms Scott-Leggins for the March 2022 tour. This all shows that the legal position was that Ms Scott-Leggins was part of the partnership-at-will in March 2022.

14. Ms Christie’s submissions, which consist substantially of repetition of the facts and submissions considered in my preliminary decision, do not persuade me otherwise. The following submissions are not relevant to the ownership of goodwill in The Three Degrees, in the UK, as the partnership-at-will that existed in March 2022:

- whether Ms Scott-Leggins owns a registered trade mark in the US: the ownership of goodwill in the UK (which I found to exist at the relevant date) is not dependent upon, and is a separate issue, to registered trade mark rights in the US;
- whether Ms Scott-Leggins has performed (or whether Ms Christie has performed); or whether or not Ms Scott-Leggins is able to perform: this cannot void or alter the rights Ms Scott-Leggins was entitled to at the relevant date as a result of her participation in the partnership-at-will which existed in March 2022;
- whether or not Ms Scott-Leggins promised to give equal ownership of the US registered trade mark to Ms Christie: any discussion between the parties about the ownership of US trade marks is irrelevant to the issue of goodwill in the UK as it relates to different rights (registered trade marks versus unregistered trade mark rights) and different jurisdictions;
- whether there is too much friction for the parties ever to work together again;
- whether or not Ms Christie is lead vocalist and has “more recognition”; or whether she is an ‘original’ Three Degree. These matters were dealt with in my preliminary decision;
- whether there have been other group members who have left the group previously, as set out in my preliminary decision (above);
- bad faith has no relevance to the legal ownership question (and the bad faith ground failed).

15. Contrary to Ms Christie’s submissions, a) the partnership-at-will did not have to be documented to exist (see the case law set out above) and it did not cease to exist when Ms Scott-Leggins refused to sign the contract. Ms Christie is mistaken in her belief that ‘expelling’ Ms Scott-Leggins affected the existence of the partnership-at-will as it was in March 2022. I have set out the reasons why this is so in my preliminary decision and again in this decision: absent any formal contract, each formation of The

Three Degrees would have acquired its own goodwill as a partnership-at-will and each member of the group would have been entitled to an undivided share in that goodwill.

Outcome

16. Nothing that Ms Christie has filed alters my findings in the preliminary decision. Accordingly, the application for substitution of the opponent is allowed: the opponent is now Helen Scott-Leggins, on behalf of the partnership that existed in March 2022 and traded as The Three Degrees. This means that the opposition succeeds for the reasons given in my preliminary decision. The trade mark application is refused.

Costs

17. The opponent has been successful and is entitled to a contribution towards its costs. As the opponent is unrepresented, in its letter to the opponent of 29 August 2023, the Tribunal said:

“If you intend to make a request for an award of costs you must complete and return the attached pro-forma and send a copy to the other party. Please send these by e-mail to tribunalhearings@ipo.gov.uk.

If there is to be a “decision from the papers” this should be provided **on or before 26 September 2023**. If a hearing is taking place you will be advised of the deadline to do so when the Hearing is appointed.

If the proforma is not completed and returned, costs, other than official fees arising from the action (excluding extensions of time), may not be awarded. You must include a breakdown of the actual costs, including accurate estimates of the number of hours spent on each of the activities listed and any travel costs. Please note that The Litigants in Person (Costs and Expenses) Act 1975 (as amended) sets the minimum level of compensation for litigants in person in Court proceedings at £19.00 an hour.”

18. No cost pro forma has been received to date. Since the opponent did not file a cost pro forma by the deadline given in the Tribunal's letter of 29 August 2023, only the official fee for filing the opposition is recoverable (£200).

19. I order Valerie H Christie to pay to Helen Scott-Leggins, on behalf of the partnership that existed in March 2022 and traded as The Three Degrees, the sum of £200. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful. The appeal period for both this decision and the preliminary decision starts from the date shown below.

Dated this 7th day of August 2024

**Judi Pike
For the Registrar,
the Comptroller-General**