

1-1-1986

# Trademark Infringement: No Royalties for K-Tel's False Kingsmen

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## Recommended Citation

Deirdre Crowe Beckett, *Trademark Infringement: No Royalties for K-Tel's False Kingsmen*, 6 Loy. L.A. Ent. L. Rev. 275 (1986).  
Available at: <http://digitalcommons.lmu.edu/elr/vol6/iss1/22>

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## TRADEMARK INFRINGEMENT: NO ROYALTIES FOR K-TEL'S FALSE KINGSMEN

*All the king's horses  
And all The Kingsmen  
Couldn't put "Louie, Louie" together again.*

Even so, it wasn't fair to fool the public. In *Kingsmen v. K-Tel International Ltd.*,<sup>1</sup> a record company was enjoined from releasing and distributing a new recording of the '60's hit "Louie, Louie" under The Kingsmen's name, when the entire group had not reassembled to record it. The Federal District Court for the Southern District of New York granted The Kingsmen's motion for a preliminary injunction, finding that the group had made a clear showing of probable success on the merits, and the likelihood of irreparable harm.<sup>2</sup>

The Kingsmen were a successful rock and roll band in the 1960's. The five musician plaintiffs, Lynn Easton, Michael Mitchell, Norman Sundholm, Richard Peterson, and Barry Curtis, presently comprise The Kingsmen.<sup>3</sup> When the band formed in 1962, however, Jack Ely was one of its original members. He sang the lead on a song called "Louie, Louie" while he was still in high school, then left the group in 1964 without knowing his song would become The Kingsmen's biggest hit. The group went on to release several albums before disbanding in 1967.<sup>4</sup>

In 1976 defendant record company, S.J. Productions, Inc. ("S.J."), approached Jack Ely and Lynn Easton about re-recording some songs originally performed by the entire group.<sup>5</sup> Ely re-recorded "Louie, Louie," and Easton re-recorded "Jolly Green Giant," on which he had been the original lead vocalist.<sup>6</sup> None of the other original Kingsmen participated in these recordings, which were to be included on albums highlighting the biggest hits of the '60's.<sup>7</sup> Both musicians signed contracts with S.J., Easton as "Lynn Easton, a/k/a Kingsmen," and Ely

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1. 557 F. Supp. 178 (S.D.N.Y. 1983).

2. *Id.* at 184. The plaintiffs asserted protection for their name under § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), the federal common law of misappropriation and unfair competition, and §§ 368-d and 133 of the New York General Business Law. *Id.* at 181.

3. *Kingsmen*, 557 F. Supp. at 179.

4. *Id.* at 179-80.

5. *Id.* Other named defendants were K-Tel International Ltd., K-Tel International, Inc., Stanley Shulman, Dominion Music Corp., ERA Records, Inc., and Key Seven Music, Inc. *Id.* at 178.

6. *Id.* at 180.

7. *Id.*

simply as "Jack Ely."<sup>8</sup>

When defendant ERA Records, Inc. ("ERA") released its "60's Dance Party" album, containing "Louie, Louie," it labeled Ely's performance as that of "The Kingsmen." The album's jacket cover stated that "[t]hese selections are re-recordings by the original artists."<sup>9</sup> But the five members of The Kingsmen were still collecting royalties from authorized albums, which contained the original recording of "Louie, Louie."<sup>10</sup> Since none of them had participated in Ely's 1976 recording, they sought an injunction to restrain the record companies from selling or distributing the 1976 recording under their name.<sup>11</sup>

The group established standing to bring suit by demonstrating their identity as the only members of the band known as "The Kingsmen."<sup>12</sup> District Judge Sand stressed that because of the "ensemble nature" of their "collective sound," all five plaintiffs constituted "The Kingsmen," and no one member could be singled out as representing their style.<sup>13</sup> In addition, the five plaintiffs had contracted as "The Kingsmen" to receive royalties from their old recordings, including "Louie, Louie," which they were still receiving. The court noted that newspaper clippings from the period of 1964 to 1967 did not refer to Jack Ely as a group member.<sup>14</sup>

In considering the plaintiffs' motion, the court stated that the Lanham Act's provision relating to false designation of origin provides relief against the kind of unfair competition that uses misappropriation of trade names.<sup>15</sup> Section 43(a) was enacted to protect people engaged in interstate commerce from deceitful advertising which causes consumers to be uncertain about who really produced a certain product. The court explained that the essence of a complaint under this act is an allegation

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8. *Id.*

9. *Id.*

10. *Id.* at 182. The court commented that it would not concern itself with any rights Ely might have to receive royalties from the sale of the original recording of "Louie, Louie," noting that he did not appear to have been a party to any contracts with the group's original promoters. *Id.* at 184.

11. *Id.* at 180.

12. *Id.* at 181-82. With regard to the issue of standing, this court had observed in *Rare Earth, Inc. v. Hoorelbeke*, 401 F. Supp. 26 (S.D.N.Y. 1975), which concerned factions of a rock group in dispute over the right to use the group's name, that the legislative purpose behind § 43(a) was to protect competitive users of trademarks whether or not they were owners of the mark, so long as they possessed a sufficient nexus with the alleged wrongful conduct. *Rare Earth*, 401 F. Supp. at 39.

13. *Kingsmen*, 557 F. Supp. at 182.

14. *Id.* Two of the plaintiffs, Richard Peterson and Barry Curtis, were not original members of The Kingsmen, but had replaced Gary Abbott and Don Gallucci before the band signed their first recording contracts. *Id.* at 180 n.1.

15. *Id.* at 181.

that consumers are being deceived about a product's true origin because the violator has misrepresented that the product was produced or authorized by a particular person.<sup>16</sup>

To get preliminary injunctive relief under the statute, The Kingsmen had to make a clear showing that they probably would succeed on the merits, and would be likely to suffer irreparable harm if they weren't granted an injunction.<sup>17</sup> Demonstrating the probability of success on the merits only required a showing that consumers were likely to be deceived by the jacket cover—actual confusion did not have to be proved on a motion for preliminary relief.<sup>18</sup> The court found "little question" that ERA's misleading labeling on the album would confuse the public about the origin of the recordings. It held that the "clear import" of "[r]e-recordings by the original artists" was that the band the public knew as "The Kingsmen" got together to re-record "Louie, Louie," which everyone agreed never happened.<sup>19</sup>

The Kingsmen showed the likelihood of irreparable harm by submitting albums currently in direct competition with ERA's "60's Dance Party."<sup>20</sup> Kingsmen recordings, including "Louie, Louie," were contained on several other authorized albums for which the band was still receiving royalties. The court concluded that every time a consumer bought "60's Dance Party," thinking it contained the original "Louie, Louie" recording, royalties owed to the band would be reduced.<sup>21</sup>

The record companies contended that Ely and Easton had represented that they were authorized to use the name "Kingsmen" for their individual performances when they contracted with S.J. After examining the performers' agreements, however, the court held that the contracts themselves did not fully support this contention.<sup>22</sup>

Easton's contract described him as "Lynn Easton, a/k/a

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16. *Id.*

17. *Id.*

18. *Id.*

19. *Id.* at 182. In *DC Comics, Inc. v. Powers*, 465 F. Supp. 843, 848 (S.D.N.Y. 1978), which concerned a newspaper publisher's use of the name "Daily Planet," which plaintiff DC Comics had used since 1940 but had not registered, the court held that if evidence shows a defendant deliberately adopted another's name in order to deceive the public and take advantage of the goodwill the other has built up, then a presumption will arise that deception and confusion in fact resulted. This requirement of public confusion is very broadly interpreted for the purposes of preliminary injunction.

20. *Kingsmen*, 557 F. Supp. at 182. The *DC Comics* court, *supra*, held that although the plaintiff had to show a likelihood of confusion by the public, it was not necessary that the plaintiff be in direct competition with the defendant. *DC Comics*, 465 F. Supp. at 848.

21. *Kingsmen*, 557 F. Supp. at 182.

22. *Id.* at 180.

Kingsmen." The court conceded that it was "arguable" that this constituted an effort to grant the right to the record companies to use the name "Kingsmen" in marketing his recording.<sup>23</sup> Since Easton's recording was not the subject of this action, however, the court went on to note that Ely's contract, in contrast, made no mention of the group's name. The court held that in the absence of evidence to the contrary, it was likely that Ely made no representation that he was authorized to use the name "Kingsmen."<sup>24</sup>

The record companies then argued that Ely had as great a right as anyone ever associated with the group to use its name, particularly since he had sung the lead in the original version of "Louie, Louie."<sup>25</sup> The court held that only the five plaintiffs were entitled to the trademark, however, because of their usage of the name from 1964 to the present.<sup>26</sup> The record companies parried with their allegation that since The Kingsmen had disbanded and stopped recording in 1967, that constituted abandonment of any interest in the name under the Lanham Act's provisions.<sup>27</sup> Under section 45, a mark is considered abandoned when its use has been "discontinued with the intent not to resume."<sup>28</sup> Intent not to resume can be inferred from circumstances, and nonuse for two consecutive years is considered *prima facie* abandonment.<sup>29</sup> The court noted, however, that the Second Circuit has held that *prima facie* abandonment after two years of nonuse is merely a rebuttable presumption.<sup>30</sup> Since

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23. *Id.*

24. *Id.*

25. *Id.* at 181.

26. *Id.* at 181-82. See, e.g., *National Lampoon, Inc. v. American Broadcasting Cos.*, 376 F. Supp. 733 (S.D.N.Y. 1974), which concerned the magazine's dispute with ABC over the name "Lampoon"; *Rare Earth, Inc. v. Hoorelbeke*, 401 F. Supp. 26 (S.D.N.Y. 1975); *DC Comics, Inc. v. Powers*, 465 F. Supp. 843 (S.D.N.Y. 1978); *Noone v. Banner Talent Associates, Inc.*, 398 F. Supp. 260 (S.D.N.Y. 1975), which concerned a dispute between Noone and the rest of his band over the name "Herman's Hermits." The courts have held that a trademark does not need to be registered. In order to claim ownership of a common law trademark, "a party must demonstrate that his use of the mark has been of such a quality and for such a duration that it has come to identify goods bearing it as originating from that party." *DC Comics*, 465 F. Supp. at 846. In other words, along with its primary meaning of product identification, the mark must have developed a "secondary meaning" which identifies the producer of the product to the consuming public. *Id.*

27. *Kingsmen*, 557 F. Supp. at 183.

28. 28 U.S.C. § 1127.

29. *Kingsmen*, 557 F. Supp. at 183.

30. *Id.* In *Saratoga Vichy Spring Co. v. Lehman*, 625 F.2d 1037, 1044 (2d Cir. 1980), the court held that because abandonment is the forfeiture of a property interest, it should be "strictly proved" and the statutory aid to such proof should be "narrowly construed." Although intent is a subjective "matter of inference," objective facts can explain nonuse to the "point where an inference of intent to abandon is unwarranted." *Id.* Applying that standard,

The Kingsmen were still using their name to collect royalties and promote records, the court held that they had not abandoned it.<sup>31</sup> In light of this fact, the defendants failed to show both nonuse and intent by the group to abandon the name "Kingsmen."<sup>32</sup>

The record companies alleged further that because Easton had contracted with them to re-record "Jolly Green Giant," the band, or at least Easton, had come into a court of equity with unclean hands.<sup>33</sup> The court was not persuaded by this argument, since it found no intent in Easton's contract to appropriate the name "Kingsmen" for his own use. Nor did it find any explicit attempt to grant that right to the record companies.<sup>34</sup> The court observed that even if Easton had attempted to use the name in connection with his own independent recordings, that act would be unlikely to bar the other four plaintiffs' relief.<sup>35</sup>

The court concluded its opinion by stating that it did not decide whether Easton would be entitled to hold himself out as "The Kingsmen" without the participation of the other band members. Nor did it decide whether the defendant record companies could be enjoined from releasing Easton's recording under The Kingsmen name.<sup>36</sup> Rather, Judge Sand noted that "given the collective sound" of the band, it was likely that no single member could hold himself out as "The Kingsmen" without a substantial likelihood of confusing the public.<sup>37</sup>

In making this assessment, the court referred to dicta in *Rare Earth, Inc. v. Hoorelbeke*.<sup>38</sup> That court had noted that there are "potentially difficult legal problems" associated with the impact of personnel changes on the secondary meaning of a band's trade name.<sup>39</sup>

The secondary meaning of a musical group's name is the particular style or variety of performance the public has come to associate with it.<sup>40</sup>

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the *Kingsmen* court found no intent by the band to abandon their name. *Kingsmen*, 557 F. Supp. at 183.

31. *Kingsmen*, 557 F. Supp. at 183.

32. *Id.* In *DC Comics*, 465 F. Supp. at 848, the defendant newspaper publisher allowed his registration of the "Daily Planet" to lapse and created another newspaper with the same format and a different name. The court found these actions dispositive of his intent to abandon the name.

33. *Kingsmen*, 557 F. Supp. at 183.

34. *Id.*

35. *Id.*

36. *Id.* at 183-84.

37. *Id.* at 184. The court noted that it would have no objection if Ely's 1976 recording of "Louie, Louie" were marketed under Ely's name with the caption, "formerly of The Kingsmen" or "lead singer on the original Kingsmen recording of 'Louie, Louie.'" *Id.*

38. 401 F. Supp. 26 (S.D.N.Y. 1975).

39. *Id.* at 37 n.19.

40. *Id.*

Although the dispute over the right to use the band's name was resolved in *Rare Earth* by determining which faction of the group's six musicians held controlling stock in the corporation, that court questioned whether a name's secondary meaning could survive personnel changes at all.<sup>41</sup> But the court in *Noone v. Banner Talent Associates, Inc.*<sup>42</sup> held that although the group "Herman's Hermits" might mislead the public by performing under that name without lead singer Peter Noone, Noone would not necessarily do so by performing under the name without them since he had once been associated in the public's mind as "Herman."<sup>43</sup>

The *Noone* court remarked that "each court is dealing with its own secondary meanings."<sup>44</sup> Given the turnover of musicians in musical performing groups, a band name's secondary meaning is difficult to fix. The *Kingsmen* court's statement that most likely no one member of the group could hold himself out as The Kingsmen<sup>45</sup> did not address the issue of whether The Kingsmen would still be The Kingsmen if one or two members left the group and were replaced by other musicians. Similarly, if two or three of the five musicians left to form a new band, the question of which group would be entitled to call itself The Kingsmen arises. In holding that the group's sound is "collective" for purposes of the name "Kingsmen,"<sup>46</sup> the court made an artistic judgment, as did the *Noone* court with respect to "Herman" and his hapless "Hermits."<sup>47</sup>

Do courts need to make these judgments, and if so, on what basis should they do so? It is arguable that the public association with "Kingsmen" is Jack Ely's voice singing "Louie, Louie" rather than the "collective sound" of the other members, whose back-up accompaniment could be performed by studio musicians.<sup>48</sup> The secondary meaning becomes crucial if a group does not register its name. An unregistered name is eligible for protection under the Lanham Act,<sup>49</sup> but a party must show that the public associates the product in question with that party.<sup>50</sup> Since many bands do not register their names, competing parties' efforts to prove ownership through secondary meaning present "potentially dif-

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41. *Id.*

42. 398 F. Supp. 260 (S.D.N.Y. 1975).

43. *Id.* at 263.

44. *Id.*

45. *Kingsmen*, 557 F. Supp. at 184.

46. *Id.*

47. *Noone*, 398 F. Supp. at 263.

48. Jack Ely, who was not a party to this action, received no royalties at all for his performance of the group's biggest hit. *Kingsmen*, 557 F. Supp. at 182, 184.

49. *Id.* at 181.

50. *DC Comics*, 465 F. Supp. at 846.

ficult legal problems" indeed.<sup>51</sup>

*Kingsmen v. K-Tel* makes it clear that record companies will be in violation of the Lanham Act if they do not scrupulously label the recordings they release. If companies producing compilation albums cannot afford to hire all of the members of bands whose hits they re-record, courts will not allow them to cash in on the bands' names. Companies such as K-Tel will not be allowed to compete unfairly with the artists or with the distributors through whom they collect their royalties. In the case of "Louie, Louie," K-Tel's actions damaged not only The Kingsmen, but also the other record companies whose release of the original recording was authorized by the band. This decision protects both the band and the authorized record companies and stands as a warning that should K-Tel release "Jolly Green Giant," for example, it will have to be clearly labeled as Easton's effort and not that of the whole group. If all The Kingsmen can't put "Louie, Louie" together again, at least they can collect the royalties.

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51. *Rare Earth*, 401 F. Supp. at 37 n.19.

