them in accordance with normal farming practice, might also give rise to liability, as no doubt would careless conduct which led to insurance on the charged property being invalid (*Re D'Jan of London Ltd.* [1993] B.C.C. 646).

Few would dispute that the receivers were rightly held to owe a duty of care on these facts. (An alternative case might, however, have been made that to have acted in reckless disregard of the chargor's interests, as the receivers seem to have done, was inconsistent with a duty of good faith.) It is not easy, however, to accept the rather casual reasoning upon which their Lordships' conclusion is based. Anything based on the common law having been given the thumbs-down by *Downsview*, Scott V.-C. was content to say that the duty of care "might as well ... be referred to as a duty in equity". On the strength of this, an award of damages could be decreed, without so much as blinking an eyelid. A duty of care, owed in equity, between parties not in a fiduciary relationship, leading to an award of damages? This is unfamiliar territory for those of us brought up on *Maitland* and *Ashburner*. One awaits the acerbic comments in the next edition of *Meagher, Gummow & Lehane* with eager anticipation. Equity, we now acknowledge, does recognise a duty on the part of a fiduciary to pay compensation to his beneficiary in limited circumstances, and it does, of course, have power to award damages in lieu of specific performance, etc.; but a self standing equitable duty of care remediable in damages is a novelty—surely, tort masquerading under a false label.

It would have been entirely appropriate to use (and, if necessary, develop) the familiar concepts of common-law negligence to deal with this situation, building on *Cuckmere* and reviving *Standard Chartered Bank* v. *Walker* [1992] 1 W.L.R. 1410, C.A. (where Lord Denning M.R. spelt out the duty of a receiver towards the debtor's guarantor entirely on a common-law basis). Even so, there could be pitfalls ahead. A duty of care towards these other parties sits easily enough alongside a primary duty to the chargee where there is no potential conflict between the two. But (to return to the theme in our first paragraph), if there is even a hint of such a clash, the interests of the chargee have always to be paramount.

L.S. SEALY

THE KING IS DEAD: LONG LIVE THE KING

Character merchandising is big business and any case concerning its legal protection is bound to arouse considerable interest. This is

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certainly true of the recent Court of Appeal decision in *Elvis Presley Trade Marks* [1999] R.P.C. 567, where the character concerned was "the King" himself. Earlier, in the "Ninja Turtles" passing-off case, *Mirage Studios* v. *Counterfeat Clothing Co. Ltd.* [1991] F.S.R. 145, the High Court had apparently endorsed the view that the public's awareness of merchandising practices means that it will assume that products carrying the likeness or name of a celebrity (real or fictional) will come from one "genuine" source. This decision, together with the provisions of the 1994 Trade Marks Act which swept away previous anti-trafficking provisions and liberalised the licensing regime, seemed, to many, to herald a new dawn for the protection of character merchandising, However, the *Elvis Presley* decision suggests that character merchandising in the UK will remain relatively unprotected compared to other jurisdictions.

The applicant, Elvis Presley Enterprises Inc. (Enterprises), the successor to Elvis Presley's merchandising business, sought to register the marks "Elvis", "Elvis Presley" and the signature mark, "Elvis A. Presley", for toiletries. The application was opposed by Sid Shaw, "consummate salesman", who had been trading in Elvis memorabilia since the 1970s. In the 1980s, Mr. Shaw had registered the mark. "Elvisly Yours" for a range of goods including toiletries. The Registrar found in favour of Enterprises in relation to all three marks. His decision was overtuned by Laddie J. in the High Court (*Elvis Presley Trade Marks* [1997] R.P.C. 543) and Enterprises appealed.

The Enterprises application, made before the introduction of the 1994 Act, fell to be judged under the 1938 Trade Marks Act. Nonetheless, the Court was clear that its judgment would remain relevant. Enterprises was unable to provide evidence that the marks had become factually distinctive through use. Hence, it needed to persuade the Court that the "Elvis" and the signature marks were "inherently" distinctive and that the "Elvis Presley" mark was "capable of distinguishing" (ss. 9 and 10 repectively). The Court took distinctiveness to mean the ability to distinguish one trader's goods from those of others. In addition, Mr. Shaw contended that use of the marks would be liable to cause confusion and that they resembled his earlier mark registered in respect of the same goods (contrary to ss. 11 and 12).

In his leading judgment, Walker L.J. held that the marks "Elvis" and "Elvis Presley" lacked the requisite distinctiveness for registration. He applied Lord Parker's well-known test, in *W. & G. Du Cros Ltd.* [1913] A.C. 624 at 634–635, and asked "whether traders are likely, in the ordinary course of their business and

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without improper motive, to desire to use the same mark, or some mark nearly resembling it, upon or in connection with their own goods". Such a situation would arise if the mark in question was either descriptive or commonplace. Following the precedent set by *TARZAN Trade Mark* [1970] R.P.C. 450, Walker L.J. held that by the date of the application, the words "Elvis" and "Elvis Presley" were so much a part of the language as to be descriptive of the goods rather than distinctive of their source, and it would be wrong to deny other traders the opportunity to use them. The public bought Elvis memorabilia because it carried his name or image—it wanted "Elvis soap" and "Elvis perfume"— and was indifferent to its trade origin. Or, as Walker L.J. paraphrased Laddie J., "The commemoration of the late Elvis Presley *is* the product, and the article on which his name or image appears . . . is little more than a vehicle" (p. 565). As to the signature mark, Walker L.J. held that while it was inherently distinctive, its registration would offend under section 11 since "Elvisly Yours" was also written in cursive script.

Relying in large measure on the "Ninja Turtle" judgment, counsel for Enterprises had argued that both in practice and in law there was now a "general rule" that a trader should not make unauthorised use of the name of a well-known person or character on his merchandise. Unauthorised use would also fail the Parker test, since the trader would not be acting "without improper motive". While the Court did not question the "Ninja Turtle" judgment, as Laddie J. had done, it was held to apply only to its particular facts. According to Simon Brown L.J., to accept that the judgment had established a general rule that the public will automatically assume a trade connection between a character and merchandise bearing his name or likeness would be to create "a new character right". The Whitford Committee had rejected such a step in 1977. Subsequent case law on character merchandising (primarily in passing-off) had not filled the breach. The Court rejected the assumption that only a celebrity or his successors may properly market or license his own character. Simon Brown L.J., for one, did not believe that "monopolies should be so readily created".

The *Elvis Presley* decision, and in particular the Court's refusal to accept the general assumption underlying the "Ninja Turtle" case, will disappoint those engaged in character merchandising. Under the new Trade Mark Act, as under the old, it will still be up to each applicant to persuade the Registry, or, indeed, the courts, that there is evidence of a sufficient connection in the public mind between the character and the source of the goods to which his

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name or likeness is applied for the mark to be distinctive. Such a connection may be easy to establish and maintain where the character is new or not particularly well-known. It may be virtually impossible where the character is already a household name at the time of the application, as with the King or, to take another "royal example", Diana, Princess of Wales.

If the *Elvis Presley* decision has important practical implications for celebrities and those engaged in marketing their fame, it also addresses more fundamental questions concerning the production of intellectual property and access to it. It also suggests why post-modernists are so attracted to the study of trade marks. The successors to Elvis Presley sought exclusive ownership of his name and (by implication) his reputation. In rejecting their claim, the judgment appears to recognise a public sphere in which meaning is socially created and to which the public should have access. It is certainly true that the King sought fame in his lifetime. However, underlying the court's approach is an assumption that it is the public which has endowed him with the celebrity which makes memorabilia carrying his name so popular. As a consequence, if the public wants to name its dogs or its goldfish "Elvis", to take Laddie J.'s example, or to trade in Elvis memorabilia, it should be able to do so. According to the Court, at the time of the application, Elvis had become, in the words of counsel for Mr. Shaw, part of our "popular culture". It follows from this decision that the Elvis of popular myth will remain firmly in the public domain.

JENNIFER DAVIS

REDUNDANT APPROACHES TO REDUNDANCY

THE apparently straightforward definition of redundancy contained in section 139 of the Employment Rights Act 1996 has generated a disproportionate and confused body of case law. In essence, redundancy pay is payable in three situations: the business disappears (s. 139(1)(*a*)(i)); the workplace disappears (s. 139(1)(*a*)(ii)); the job disappears (s. 139(1)(*b*)). As far as the disappearing workplace is concerned, recent cases have shown the courts taking a more pragmatic approach. The old contractual test laid down in *UK Atomic Energy Authority* v. *Claydon* [1974] I.C.R. 128 (where, by my contract, can I be required to work?) has been replaced by the geographic approach (where, in practice, do I work?): *Bass Leisure Ltd* v. *Thomas* [1994] I.R.L.R. 104 (E.A.T.)

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