

Case No: IL-2018-000022

Neutral Citation Number: [2018] EWHC 2794 (Ch)

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
INTELLECTUAL PROPERTY (ChD)

Royal Courts of Justice, Rolls Building
Fetter Lane, London, EC4A 1NL

Date: 12/11/2018

Before:

MASTER CLARK

Between:

RED BULL GMBH

Claimant

- and -

(1) BIG HORN UK LIMITED

(2) VOLTINO EOOD

(3) LYUBOMIR ENCHEV

Defendants

Jacqueline Reid (instructed by **Taylor Wessing LLP**) for the **Claimant**
No attendance by the **Second Defendant**
The Third Defendant in person, and on behalf of **The First Defendant**

Hearing date: 14 September 2018

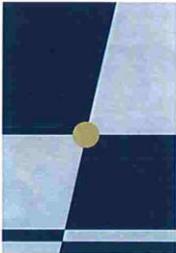
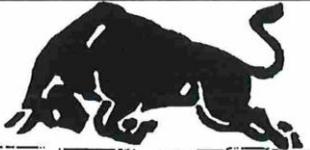
Judgment

**Master Clark:
Applications**

1. This is my judgment on two applications by the claimant, Red Bull GmbH:
 - (1) its application dated 8 June 2018 (“the first application”) seeking:
 - (i) to strike out and/or summary judgment in respect of the Defences dated 7 and 8 March 2018 of the first and third defendants;
 - (ii) judgment in default against the second defendant;
 - (2) its application dated 10 August 2018 (“the second application”) seeking to strike out and/or summary judgment in respect of the Defences dated 18 and 30 July 2018 of all 3 defendants.

Parties and the claim

2. The claimant is the manufacturer and distributor of the well known “energy drink”, Red Bull. It is the proprietor of several trade marks including the following (“the claimant’s marks”):

Trade Mark No.	UK/IR/EU	Mark	Goods
3629342	EU		Class 32: Non-alcoholic beverages including energy drinks.
52746	EU		Class 32: Non-alcoholic drinks.
1564301	EU		Class 32: Non-alcoholic drinks, in particular refreshment drinks, energy drinks.

I refer to these as the Double Bull, Blue and Silver Parallelogram, and Single Bull.

3. The first defendant, Big Horn UK Limited (“D1”) carries on the business of importing into and selling in the UK energy drinks bearing the name “Big Horn”. Photographs of these products (“Ds’ products”) are included in the particulars of claim:



4. The second defendant, Voltino Eood (“D2”) is a Bulgarian corporate entity described as a “single-member limited-liability company” in its certificate of registration. D2 admits that it distributes Ds’ products in Bulgaria; and the claimant alleges that it distributes them in the rest of the European Union.
5. D2 is also the owner (with effect from 23 August 2016) of an EU trade mark application in respect of a mark (“D2’s mark”), the figurative part of which is identical to one of the signs of which complaint is made in this claim:



- The registration of this mark was unsuccessfully opposed by the claimant, who is now appealing to the EUIPO Board of Appeal. I will return to the grounds on which the opposition was rejected.
6. The third defendant, Lyubomir Enchev (“D3”), a Bulgarian citizen, is a director and sole shareholder of D1. He is also the owner of the domain name, bighornenergy.co.uk, on which Ds’ products are advertised.
 7. The claim is for infringement of the claimants’ marks contrary to Articles 9(2)(b) (similar marks, identical goods) and 9(2)(c) (similar marks, use taking unfair advantage without due cause of the claimant’s marks) of European Union Trade Marks Regulation (Council regulation (EC) No. 2017/1001) (“ the Regulation”). There is no passing off claim.
 8. The defendants have acted in person throughout the claim apart from a short period (from about early July to the beginning of August 2018), when they were represented by a firm of solicitors, Briffa.
 9. At the hearing, D3 appeared in person and had a very limited command of English. With my permission, he was assisted by a person who acted as his interpreter. I also permitted him to represent D1.
 10. D3 was also assisted by a McKenzie friend, Dr Neli Karatsanova-Rhodes, who is a Doctor of Laws, qualified in Bulgaria, where she practises as a Bulgarian advocate; she is in the process of obtaining rights to practise as a barrister in England and

Wales. I also permitted Dr Karatsanova-Rhodes to address the court on his behalf. In the course of the hearing, it became apparent that Dr Karatsanova-Rhodes was far from fluent in English; she appeared to have no knowledge of English procedural law, and some of her submissions seemed to be based on Bulgarian procedural law. The practical effect of this is that D1 and D3 were significantly disadvantaged in opposing the applications.

11. In dealing with the applications, I have in mind, therefore, that I must ensure that the parties are on an equal footing, whilst also ensuring compliance with rules, practice directions and orders: CPR 1.1.
12. D2 did not appear at the hearing and D3 confirmed to me that he did not seek to represent D2.

Factual and procedural background

13. As noted above, on 23 August 2016, D2 applied to the EUIPO for registration of its mark. This was opposed by the claimant on 7 November 2016 (opposition no. B 2798315) under Arts 8(1)(b) and 8(5) of the Regulation. It relied on 3 trade marks: 2 Austrian national marks, one UK mark and one international mark, all effectively identical figurative marks (which I refer to collectively as “the opposing mark”):



14. On 6 February 2018 the claim was issued in the Shorter Trials Scheme. On 9 February 2018 the claim form and particulars of claim (and Response Pack, including the Defence form N9D) were served on D1 and D3.
15. On 23 February 2018 D3 filed acknowledgments of service of D1 and D3, stating an intention to defend the claim.
16. On 2 March 2018, unknown to the claimant, D2 changed its registered office address from 94 Georgi Sava Rakovski, Entrance “B”, 7th Floor, ap. 54, 6000 Star Zagora, Bulgaria (“D2’s old address”) to 6058, Petrovo Village municipality of Stara Zagora, Bulgaria (“D2’s new address”).
17. On 13 March 2018 D3 filed form N9D containing a statement of truth signed by D3 “in personal and as a director of [D1]”. This relevant document was not included in the bundle (although it was referred to in counsel’s skeleton argument, and following provision of the draft judgment, the claimant’s solicitors informed me that copies had been brought to court). It expressly refers to and incorporates a document entitled “Defence” also dated 7 March 2018, which was also signed by D3 “signing for [D1] and as a principal/director/ of [D3]” (an obvious error in confusing which defendant was first and which was third). This document did not itself contain a statement of truth. However, in my judgment, this was unnecessary

since it was verified by the statement of truth in the form N9D. I refer to these documents collectively as “the D1/3 Defence”. 3 documents were annexed to it:

- (1) A certificate of registration of D2 as the owner of a registered community design for a can similar to that depicted in para 3 above (on the far left);
- (2) D2’s submissions in response to the claimant’s opposition to the registration of its mark;
- (3) the judgment of the General Court in joined cases T-101/15 and T102/15 *Red Bull GmbH v EUIPO*.

None of these were included in the hearing bundle.

18. On 3 April 2018 the claimant’s solicitors wrote to D1 and D3 making various criticisms of the D1/D3 Defence. In apparent response, on 11 April 2018 D3 filed and served 2 separate documents also entitled “Defence”, identical in substance to each other and to the previously filed document of that title. One was signed by D3 on behalf of D1; one was signed by D3 personally. Both were dated 8 March 2018. As filed, both were accompanied by a Form N9D in which the statement of truth had been re-signed (this was also not in the bundle). I refer to these as “the re-signed D1/D3 Defences”.
19. On 16 April 2018, the claim form and particulars of claim were delivered to D2’s old address. Since this was no longer its registered office address, this was not valid service. The fact that it was D2’s address as at the date of issue of the claim form does not (contrary to the claimant’s solicitors’ position in correspondence) validate it as an address for service when, by the date of service, it was no longer its address.
20. On 25 May 2018, the opposition division of the EUIPO rejected the claimant’s opposition to the registration of D2’s mark.
21. On 8 June 2018, the claimant issued the first application.
22. On 19 July 2018, Briffa filed and sent to the claimant’s solicitors by email (but did not serve) a document entitled “Defence” of all 3 defendants (“the Briffa Defence”). This document contained a statement of truth appropriate for a witness statement. It included a denial that D2 had been validly served. Briffa did not, however, file Notice of Change stating that they were acting for the defendants.
23. Briffa appear to have accepted that the claimant’s solicitors’ criticisms of the D1/3 Defence meant that no valid Defence had been filed by D1 and D3; and therefore that they were seeking to file a valid Defence for the first time – they did not seek permission to amend on behalf of D1 and D3. So far as D2 was concerned, this was the first occasion on which it had responded to the proceedings; albeit that its defence included the denial that it had been validly served.
24. On 30 July 2018 Briffa issued an application notice on behalf of the defendants seeking a stay of claim pending the outcome of the claimant’s appeal in the EUIPO proceedings. On the same date, Briffa sent by email to the claimant’s solicitors (but did not file or serve) a revised version of the draft amended Defence, identical in substance to it, but now with an appropriate statement of truth (“the re-verified

Briffa Defence”). Again, they invited the claimant’s solicitors to accept that this document was a valid Defence.

25. On 2 August 2018 Briffa filed Notice of Change for all 3 defendants stating that the firm had ceased to act for them.
26. On 3 August 2018, the claimant applied for an order in respect of service on D2. The evidence in support, the 2nd witness statement dated 3 August 2018 of the claimant’s solicitor, Roland Mallinson, set out the evidential basis for concluding that D2 had had notice of the claim; and that its registered office had been since 2 March 2018, D2’s new address. It set out a “menu” in descending order of preference of orders in respect of service, including an order for service by alternative means with retrospective effect.
27. On 6 August 2018, without a hearing I made the following order:
 - “1. The steps already taken by the Claimant to bring the Claim Form and Particulars of Claim to the attention of the Second Defendant, namely by sending them via recorded post to 94 Georgi Sava Rakovski, Entrance B, 7th Floor, App. 54, 6000 Stara Zagora, Bulgaria (to where they were delivered on 16 April 2018) shall be deemed good and sufficient service.
 2. The deemed date of service of the Claim Form and Particulars of Claim is 16 April 2018; and the period for filing an acknowledgment of service or defence expired on 7 May 2018.”
28. I set out the precise terms of the order because, in correspondence following provision of the draft judgment, the claimant’s solicitors submitted that this order *declared* that the claimant had effected good service. I reject that submission. The order was in the usual terms of an order providing for (retrospective) service by alternative means pursuant to CPR 6.15(2).
29. On 10 August 2018, the claimant issued the second application.

Infringement - legal principles

30. In a claim under Art. 9(2)(b) the following 6 elements must be established:
 - (1) use of a sign by a third party within the relevant territory;
 - (2) the use must be in the course of trade;
 - (3) it must be without the consent of the proprietor;
 - (4) it must be of a sign which is identical with or similar to the trade mark;
 - (5) it must be in relation to goods or services which are identical with or similar to those for which the trade mark is registered;
 - (6) it must give rise to a likelihood of confusion.(see *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* CA [2016] F.S.R. 30 at [28])
31. In a claim under Art. 9(2)(c) elements (1) - (4) above are required, but there is no requirement of a likelihood of confusion. In addition, the following elements are required:

- (1) the registered trade mark must have a reputation in the relevant territory;
 - (2) the use must be in relation to goods or services (there is no requirement that these are identical or similar);
 - (3) it must give rise to a link between the sign and the trade mark in the mind of the average consumer;
 - (4) it must give rise to one of three types of injury:
 - (i) detriment to the distinctive character of the trade mark;
 - (ii) detriment to the repute of the trade mark;
 - (iii) unfair advantage being taken of the distinctive character or repute of the trade mark; and
 - (5) it must be without due cause.
- (see *Interflora v Marks and Spencer* [2015] FSR 10, [69])

Default judgment

32. The application for judgment in default is based on the fact that D2 has not filed an acknowledgment of service. The claimant's counsel submitted that since the order for service by alternative means provided that the deemed date for acknowledging service was 7 May 2018, and none had been filed as at that date or when the first application was made on 8 June 2018, the claimant was entitled to judgment. She relied upon *Almond v Medgolf Properties Ltd* [2015] EWHC 3280 (Comm)). This is authority for the proposition that if no acknowledgment of service or defence has been filed at the date of the application for default judgment, then its subsequent filing before the hearing of the application does not disentitle the claimant from obtaining default judgment.

33. Before considering this submission, it is necessary to examine the order for service by alternative means more closely. The basis of the application, as set out in Mr Mallinson's witness statement, was that it would

“ensure that the case is dealt with justly and at proportionate cost, including saving it the expense of having to translate yet more documents into Bulgarian ... and by seeing matters progressed expeditiously.”

34. In addition to the retrospective order for service by alternative means, the claimant sought, as more preferred alternative orders:

- (1) a declaration that the claim form and particulars of claim had been validly served on 16 April 2018 and that the period for filing an acknowledgment of service or defence therefore expired on 7 May 2018;
- (2) an order that service of the claim form and particulars of claim be dispensed with and a declaration that the period for filing an acknowledgment of service or defence expired on 7 May 2018;

and, as less preferred alternative orders:

- (3) an order for service by alternative means by email on D2's legal representatives in Bulgaria and to the contact email address on D1's website (with prospective rather than retrospective effect); or

- (4) an order extending the time for service of the claim form and particulars of claim by 1 month from 6 August 2018 to 6 September 2018 to allow the claimant to serve D2 at its new address (using the Foreign Process Service).
35. Although Mr Mallinson referred to the claimant having applied for judgment in default of defence against D2 (and to that application being listed for hearing on 14 September 2018), his evidence did not set out that if an order for retrospective service were made, the claimant would seek to rely upon D2's retrospective default in seeking default judgment. That was a material and important distinction which ought in my judgment to have been highlighted in his evidence, since the application was made without notice to D2: see the Chancery Guide, para 16.6. Instead, he said:
- “28. The options listed in the draft order are in descending order of preference for the Claimant, but each would provide a practical, just and cost-efficient way of ensuring that the hearing set down for 14 September is not jeopardised and **yet does not prejudice the opportunity the 2nd Defendant has to defend itself.**” (emphasis added)
36. The order of 6 August 2018 was made on this basis, namely that it would not prejudice the opportunity D2 had at that point to defend itself. In these circumstances, it was in my judgment, implicit in the order, that the deemed service provided for by the order would not prejudice any rights accrued before the order was made.
37. The claimant's solicitors (see para 38 below) submitted that the words in bold set out in para 35 above were accurate – because notwithstanding the terms of order with retrospective effect, D2 could still have defended the default judgment application by filing its acknowledgment of service and Defence late, and seeking permission to do so. I do not accept that submission. The prejudice consists of needing to apply for permission, when otherwise D2 would be able to rely upon a Defence filed at a time when it had not yet been served. I also note that orders for prospective service by alternative means, or extending the time for service would not have resulted in any prejudice to D2.
38. Following provision of this judgment in draft to the parties, the claimant's solicitors made written submissions as to paras 32 to 35 above; on the basis that Mr Mallinson's witness statement was not in the bundle, and there was no consideration of it at the hearing. My reasoning in those paragraphs has taken those submissions into account; and the claimant's solicitors confirmed that they did not wish to make any further oral or written submissions in respect of those paragraphs.
39. If I am wrong in my conclusion in those paragraphs, in my judgment, the claimant's counsel's submissions nevertheless face the difficulty that as at the date when the first application was made, D2 had not in fact been served; and this remained the case when the first application was issued. The first occasion on which it could be said that D2 had been served was 6 August 2018.

40. Although the most important purpose of service is to ensure that the contents of the claim form are brought to the attention of the person to be served, there is, as Lord Briggs said in *Barton v Wright Hassall LLP* [2018] UKSC 12, [2018] 1 W.L.R. 1119 (at [28]) a second important general purpose:

“That is to notify the recipient that the claim has not merely been formulated but actually commenced as against the relevant defendant, and upon a particular day. In other words, it is important that the communication of the contents of the document is by way of service, rather than, for example, just for information. This is because service is that which engages the court's jurisdiction over the recipient, and because important time consequences flow from the date of service, such as the stopping of the running of limitation periods and the starting of the running of time for the recipient's response, failing which the claimant may in appropriate cases obtain default judgment.”

41. It was not therefore until 6 August 2018 that any time limits were in place for service of the acknowledgment of service or defence. By that date (and by the date of the application for service by alternative means) D2 had filed the Briffa Defence. The effect of retrospectively ordering service by alternative means cannot in my judgment have had the effect of depriving D2 of its right to defend the claim by reason of having filed a Defence before an order had been made obliging it to do so.
42. For these reasons, I dismiss the application for default judgment.

**The Second Application: strike out or summary judgment
Summary judgment and striking out – the legal principles**

43. CPR 24.2 provides, so far as relevant:

“The court may give summary judgment against a claimant or defendant on the whole of a claim or on a particular issue if –

- (a) it considers that –

...

- (ii) that defendant has no real prospect of successfully defending the claim or issue; and

- (b) there is no other compelling reason why the case or issue should be disposed of at a trial.”

44. The principles to be applied on applications for summary judgment are well established. They were summarised by Lewison J, as he then was, in *Easyair Ltd v Opal Telecom Limited* [2009] EWHC 339 (Ch), in a formulation approved in a number of subsequent cases at appellate level, including *AC Ward & Sons v Catlin (Five) Limited* [2009] EWCA Civ 1098 and *Mellor v Partridge* [2013] EWCA Civ 477. It is unnecessary to set them out here.

45. As to striking out, the application notice refers to all 3 sub-paragraphs of CPR 3.4(2):

“The court may strike out a statement of case if it appears to the court –

- (a) that the statement of case discloses no reasonable grounds for bringing or defending the claim;

- (b) that the statement of case is an abuse of the court's process or is otherwise likely to obstruct the just disposal of the proceedings;
 - (c) that there has been a failure to comply with a rule, practice direction or court order.
46. As to striking out for no reasonable grounds, as noted in the White Book (para 3.4.6), there is a considerable overlap between the court's powers under CPR Part 24 and r.3.4.; and the court has a discretion to treat an application made under CPR 3.4 (2) (a) as if it were an application under Part 24. In this case, there is no practical distinction in the test to be applied.
47. So far as non-compliance is concerned, the claimant's counsel submitted that the *Mitchell/ Denton* principles (*Denton v TH White Ltd* [2014] 1 WLR 3926) are relevant, in particular, the need for litigation to be conducted efficiently and at proportionate cost and to enforce compliance with rules, practice directions and orders. She relied upon *Walsham Chalet Park Ltd v Tallington Lakes Ltd* [2014] EWCA Civ 1607; [2015] C.P. Rep. 15. This, she said, requires the court to apply the 3 stage test in *Denton* – (1) identify and assess the seriousness and significance of the “failure to comply with any rule, practice direction or court order”, (2) consider why the default occurred, and (3) evaluate all the circumstances of the case.
48. *Walsham Chalet Park* is authority for the proposition that the *Denton* principles are “relevant and important” in a strike out application. However, as the decision itself makes clear (at [44]), there is a material difference between the question of whether to impose the sanction of a strike out for non-compliance rather than whether to grant relief under CPR r.3.9 from an existing sanction:
- “In a strike-out application under r.3.4 the proportionality of the sanction itself is in issue, whereas an application under r.3.9 for relief from sanction has to proceed on the basis that the sanction was properly imposed (see *Mitchell* at [44]–[45]). The importance of that distinction is particularly obvious where the sanction being sought is as fundamental as a strike-out. Mr Buckpitt drew our attention to the recent decision of the Supreme Court in *Prince Abdulaziz v Apex Global Management Ltd* [2014] UKSC 64 at [16], where Lord Neuberger quoted with evident approval the observation of the first instance judge that “the striking out of a statement of case is one of the most powerful weapons in the court's case management armoury and should not be deployed unless its consequences can be justified”.
49. I also bear in mind that, as explained by Tugendhat J in *Inn Soo Kim v. Youg Geun Park* [2011] EWHC 1781 (QB) at [40]:
- “...where the court holds that there is a defect in a pleading, it is normal for the court to refrain from striking out that pleading unless the court has given the party concerned an opportunity of putting right the defect, provided that there is reason to believe that he will be in a position to put the defect right.”

Claimant's submissions

50. The claimant's application to strike out was based on the following grounds under CPR 3.4(2):
- (1) Failure to comply with rules and practice directions;
 - (2) Likely to obstruct the just disposal of the proceedings (in relation to the D1/D3 Defence and the re-signed D1/D3 Defences);
 - (3) No reasonable grounds for defending the claim.
51. The claimant's counsel made a number of criticisms of the various Defences, which the claimant's lawyers unhelpfully referred to as "the First Purported Defence", "Second Purported Defence", "Third Purported Defence" and "Fourth Purported Defence".
52. As to the D1/D3 Defence, the claimant's counsel's criticisms and my conclusions in respect of them are as follows:
- (1) In each case, the document entitled "Defence" did not contain a statement of truth.
This is correct, but as noted above, in each case, it was expressly incorporated into the form N9D filed with it, which did contain a statement of truth;
 - (2) The statement of truth on behalf of the company D1 was invalid because there was no statement that D3 was authorised by D1 to sign the statement.
This criticism is misconceived. CPR PD 22 provides that a statement of truth verifying a document on behalf of a company must be signed by a person holding a senior position in the company; and that person must state the position held. The claimant's counsel did not refer me to any requirement to state that the person signing has been authorised by the company to do so; and there is no such requirement.
 - (3) The D1/D3 Defence was not served on the claimant's solicitors.
This is also correct. However, it was filed; and appears not to have been served because the instructions in the N9D form were in the following terms:

"Where to send this form

- send or take this form immediately to the court at the address given on the claim form"

This reflects the general position under CPR 15.2, which provides that a defendant who wishes to defend all or part of a claim must file a defence; CPR 15.3 provides that the consequence of not doing so is that default judgment may be entered.

The rules (CPR 15.6) also require a copy of the defence to be served on the other party. But (as noted in the White Book at para 15.6.1), the rule does not impose a time limit by which service must be made, nor specify any consequences for the failure to do so.

However, since this claim was issued in the Shorter and Flexible Trials Pilot Scheme, the defendants were obliged (by para 2.29 of PD 51N) to serve their defence within 28 days of the acknowledgment of service of the claim form. I accept that D1 and D3 were in breach of this provision; and that a failure to serve a statement of case is a serious or significant breach. The reason why

the default occurred was the instructions on the form N9D forming part of the Response Pack served with the claim form.

This is apparent from D1's letter dated 10 April 2018 to the court accompanying the re-signed D1/D3 Defences (a letter in similar terms was sent to the claimant's solicitors):

“Following strictly the instructions of the Form N9D for Defence and Counterclaim, I sent my Defence to the Court at the exact time for the court procedure.”

The breach was remedied by the service of the re-signed D1/D3 Defences on 11 April 2018, 2 months before the first application was issued. I also consider that, since the claimant was able to (and did) access the court's electronic file, and obtained a copy of the documents filed by D1 and D3, it would be wholly disproportionate to strike out the defence for a breach of this type.

(4) The D1/D3 defence did not comply with para 2.30 of PD51N which provides:

“The defence should include—

- (a) a statement indicating whether it is agreed that the case is appropriate for the Shorter Trials Scheme and, if not, why not;
- (b) a summary of the dispute and identification of the anticipated issues (if different to that of the claimant).”

The defendants were in breach of this requirement. I do not regard this breach as serious or significant; and, again, it would in my judgment be wholly disproportionate to strike out the defence for this breach.

53. The claimant's counsel criticised the re-signed D1/D3 Defences primarily on the ground that they were backdated to the date of the D1/D3 Defence. She referred to this as a “false date” because it was not the date on which the documents were signed. I am unable to find anything sinister in this, or that the defendants were seeking to mislead the claimant or the court. The date on which these documents were filed is plain from the court file: the defendants seem to have regarded themselves as filing a re-signed document that remedied one of the deficiencies identified by the claimant's solicitors. It certainly did not falsify them or prevent them from being defences, as the claimant's counsel suggested.

54. As for the Briffa Defence, the claimant's counsel made the following criticisms:

- (1) It was inappropriately verified.
This is plainly (and regrettably) correct. It did not in my judgment prevent it from being a defence; the reference to “witness statement” was an obvious error. I do not consider this to be a serious or significant breach; albeit it is one for which there is no reasonable excuse. It would also be wholly disproportionate to strike the Defence out for this defect.
- (2) It failed to comply with para 2.30 of PD51N – I have already dealt with this.
- (3) It contained a number of bare denials, contrary to CPR 16.5(2) which provides:

“Where the defendant denies an allegation –

- (a) he must state his reasons for doing so; and
- (b) if he intends to put forward a different version of events from that given by the claimant, he must state his own version.”

This, she said, meant that it was likely to obstruct the proportionate disposal of the proceedings.

The claimant’s counsel did not identify the bare denials. The Briffa Defence is a 6 ½ page, 34 paragraph document setting out in some detail the basis of the defence. I do not accept that it is in breach of CPR 16.5.

55. Finally, the claimant’s counsel relied on the fact that the re-verified Briffa Defence was not filed or served (it was only sent by email). So far as D1 and D3 are concerned, they required permission to amend their Defence; so the Briffa Defence (and the re-verified Briffa Defence) can only be regarded as their proposed draft amended Defence – though permission to amend was not sought from the claimant or the court. So far as D2 is concerned, the Briffa Defence was the first occasion on which it had filed a Defence. I do not consider the non-filing of the re-verified Briffa Defence to be a serious or significant breach, nor a ground on which to strike it out. As for D2’s failure to serve the Briffa Defence or re-verified Briffa Defence, I accept that this was a significant breach of the rules, but for the reasons given above, not one that would justify striking it out.
56. For these reasons, therefore, the claimant’s application does not succeed on the first ground.

Deficiencies in the Defences

D1/D3 Defence (and D1/D3 re-signed Defences)

57. The claimant’s counsel submitted that the D1/D3 Defence (and D1/D3 re-signed Defences) were likely to obstruct the just disposal of the proceedings.
58. She summarised the substantive issues raised by it and her responses to them as follows:
- “a The claim is inadmissible because there has been no preliminary finding of admissibility pursuant to Art. 42 Regulation 207/2009 or Art. 42A Regulation 2015/2424 (Para. 1);
 - b. The claim is “Extra Petitem”, which appears to be a concept in other jurisdictions akin to ultra vires, where a court decides to grant relief in a matter beyond the relief requested. This is irrelevant here. It appears to rely on the existence of the opposition procedure at EUIPO, but is unclear (Para. 2).
 - c. D1 & D3 seek relief, but not by way of counterclaim. This includes relief that the claim be dismissed, that it be suspended until after the conclusion of the EUIPO proceedings, that costs be awarded against [the claimant] for a “non-legitimate Law procedure” and that D1 and D3’s costs be paid by [the claimant] (Numbered paras at bottom of p.2).
 - d. The claim is unlawful and infringes “Free Competition Principles of the EU Comment Market” [sic] (Para (1) on p. 3).

- e. The application for the EU trade mark (presumably relying on D2's application) is guaranteed under Art. 1 Protocol 1 of the EUCHR and does not violate [the claimant]'s rights (Para. (2) first section on p.3).
- f. D2 owns the Registered Design 3426071 and this contains D2's EU TM, which gives "us" (presumably D1 and D3) the exclusive right to use the Registered Design in the EU;
- g. Trade Mark infringement requires a likelihood of confusion and an obvious risk of future harm and this is confirmed by contrary evidence. The prima facie evidence is missing and cannot be presented because of the existence of the Registered Design and the EU TM.
- h. There is no likelihood of confusion because of the phonetic differences between the words RED BULL and BIG HORN.
- i. The visual differences are "subject of discussion in the motives of the decision" [sic]. It is unclear what defence this raises."

59. In the course of the hearing it emerged that the D1/D3 Defence had been drafted by Dr Karatsanova-Rhodes. It is plainly a document whose author is not fluent in English. It is however possible to discern in it defences to the claim, namely:

- (1) the claimant's marks are dissimilar to the signs on Ds' products;
- (2) in the case of the claim under Art 9(2)(b), that there is no likelihood of confusion;
- (3) in the case of the claim under Art 9(2)(c), that there is no "link" between the marks.

It exhibits, and relies upon, the submissions of D2 in the opposition proceedings (as mentioned above, this was not in the bundle).

60. I accept that the allegations set out at paras a, b, d, e and i disclose no real grounds for defending the claim and should be struck out. As for the relief sought by D1 and D3, the application for a stay is now made by application notice, and it is unnecessary to set out a claim for costs in a statement of case. I accept that ownership of the community registered design does not entitle D2 to positive rights to use the design (or the signs on it), but only to restrain others from doing so without its consent; and accordingly, that the allegation set out in para f should also be struck out.

61. As to dissimilarities between D2's mark and the claimant's marks (and the absence of a likelihood of confusion or link), D2's submissions in the opposition proceedings (incorporated into the D1/D3 Defence) sets out the following differences between the graphic elements of the signs:

- The animals in the different marks are in different positions – while the bull is with his head down, the bighorns are with their heads up
- The mirrored bull has the background of a circle while the bighorns have background of a mountain and sun – their natural environment

- The horns of the bighorns are dominant and catching eye element of the challenged application, while the bull in the former marks has small or no horns”

62. As to whether the use of D2’s mark gives rise to a link between it and the average consumer, D2’s submissions included:

“The mere fact that the marks at issue consists a pair of animals/one animal mirrored in the former registrations/is not sufficient to establish a link between the signs. Moreover, the bighorns of the challenged application are represented in their natural environment and the scene is derived from their natural behaviour. Since the bulls of the former marks are domestic and not wild animals and are not presented in their natural environment as they do not fight with each other, not to mention they do not usually face a mirror there are no grounds to consider that the common user would establish a link between both signs. As to the aggressiveness and energy the Opponent claims that both signs impulse it should be noted that since the goods at issue are energy drinks such mental conditions are consequences of the use (or at least they are advertised in such way). In this sense energy and aggressiveness are descriptive for energy drinks and can’t be sufficient to establish a proper link between signs for the purposes of art 8 (5) EUTMR.”

63. D2’s arguments in the opposition proceedings as to the lack of similarity of D2’s mark and the Double Bull were effectively accepted by the Opposition Division, which found them visually and conceptually dissimilar:

“In the earlier trade mark, two bulls race towards each other with their heads lowered, and they are about to collide. The Bulls have two comparatively short horns on their heads. Between the animals, a circle is depicted in the background, showing the same distance between the animals entering the circle takes place in the lower part of the presentation the tales of the animal stand upwards which gives the viewer an impression of tension. Colours are not claimed.

The contested mark shows graphic design elements in the upper part and a word combination in the lower part. All components of the sign have the colours black and yellow. Within the upper part, a sun or yellow circle is shown, which is interrupted at the bottom by a mountain landscape. This mountain range depicts different heights and levels, which are higher towards the centre. In the middle or upper part, two animals jump towards and touching each other. The leap goes clearly upwards in in such a way that the mountains are exactly between them. Striking are the strongly rounded and large horns, which form a clear curve on the heads. Obviously, these are mountain ibexes living in the mountains, their typical habitat. The words “BIG HORN” in the lower part of the mark also have a slight oblique font and are slightly longer than the one above. The hind legs of the two animals are slightly behind the representation of the mountain landscape.

The element “BIG HORN” of the contested sign will be understood by the English speaking public with that meaning. As it is not descriptive, allusive

or otherwise weak for the relevant goods, it is distinctive. For the rest of the public, it is meaningless and, therefore, also distinctive.

...

Visually, as previously stated, the representations differ in the manner of displaying the animals, the background, the composition of the marks, and the additional colours of the contested mark. In addition, the species are clearly different, namely two bulls in the earlier mark and two ibexes in the contested mark. Furthermore, the contested mark with the representation of the mountain landscape and the words “BIG HORN” has components that the earlier mark does not have. The fact that two apparently different animals move towards each other is not sufficient for a finding of similarity. Therefore, the signs are visually dissimilar.

...

Conceptually, the earlier trade mark is described as a sign in which 2 bulls (fast) move towards each other. The contested mark is a mountainous landscape against the background of a sun/yellow circle, with 2 ibexes starting to jump. The meanings of the signs therefore go in different directions, so that they do not overlap in the possible interpretations by the targeted public. They are therefore conceptually dissimilar. For the English-speaking consumers, the additional word combination “BIG HORN” differs from the earlier mark, so there are additional differences in this respect. As the signs merely coincide in relevant aspects, they are dissimilar.”

64. In those circumstances it was not necessary for the tribunal to move on to consider the likelihood of confusion or link, or the other elements of the opposition under Art 8(5).
65. The claimant’s counsel submitted that the decision of the Opposition Division and the arguments set out above were irrelevant because D2’s mark contains the word BIG HORN, which was an element of difference between it and the opposing marks. The claimant, she submitted, is not complaining of the use of BIG HORN, but only of use of the figurative element of D2’s mark.
66. As to Art 9(2)(b), the claimant’s counsel made the following submission. There are clear visual and conceptual similarities between the claimant’s marks and the signs used on the cans and in advertising – the Twin or Double Ram with a circle or sun as against the Double Bull trade mark with the circle background, the Single Ram as against the Single Bull and the Blue and Silver Parallelogram as against the blue and silver trapezoid used by the defendants. The signs are used in relation to identical goods in class 32, namely energy drinks. The average consumer for such products is the general public, who exercises a relatively low level of attention when purchasing such items which seek to attract such customers using their visual cues. On a global appreciation there is a clear risk of likelihood of confusion.
67. As to Art 9(2)(c), where a likelihood of confusion is not required, she submitted that the position was even stronger. It was clear, she said, that a link will be made from these similarities, which all combine to demonstrate the clear intent to take unfair advantage of the claimant’s marks.

68. As to Double Ram and the Single Ram, I do not accept these submissions. Similarity of the claimant's mark and the signs used by the defendant is a threshold requirement of establishing infringement under both Articles. The reasoning of the Opposition Division primarily bases its decision on the dissimilarities of the figurative elements of the marks, only adding, as an afterthought that the words BIG HORN is an additional difference. Furthermore, part of its reasoning as to the graphic dissimilarities applies in part to the Single Ram. In the light of that decision and its reasoning, I am not satisfied that the defendants have no real prospect of showing that those two signs are dissimilar to the Double Bull and Single Bull.
69. As to the Blue and Silver Parallelogram, this was not of course in issue in the opposition proceedings. However, although some of Ds' products use similar colours to the claimant's mark, they are, as the claimant's counsel accepted, in different geometrical shapes; and the defendants' marks are superimposed over them. I consider therefore that the defendants have a real prospect of showing dissimilarity of the signs used on their products and the Blue and Silver Parallelogram.
70. I am not therefore satisfied that the defendants have no real prospect of defending the claim on the ground that the signs used on their products are dissimilar from the claimant's marks; alternatively, that there is no likelihood of confusion and (in respect of the claim under Art 9(2)(c)) no link.

Briffa Defence

71. Turning to the re-verified Briffa Defence, this raises the points of defence in the D1/D3 Defence considered above, but is drafted in a manner that is compliant with the CPR. In the course of the hearing, I asked D3 whether he and D1 wished to rely on this Defence; and he indicated that they did. In these circumstances, I am willing to grant D1 and D3 permission to amend their Defence in the terms of the re-verified Briffa Defence, so that it replaces the D1/D3 Defence. I will direct that the re-verified Briffa Defence is filed, and if the claimant does not agree to accept service by email, that it be formally served in accordance with CPR Part 6.

Defendants' Stay application

72. Finally, I consider the effect of the defendants' stay application on the application for summary judgment. As noted above, CPR 24.2 provides that the court may only grant summary judgment if satisfied that there is no other compelling reason why the case (presumably this should be claim) should be disposed of at trial.
73. The grounds of the stay application are that the legal issues in this claim and in the appeal in the opposition proceedings are identical. This plainly overstates the position, in that two of the marks relied upon by the claimant in this claim are not in issue in the opposition proceedings. However, the Double Bull is effectively identical to the opposing marks.
74. The stay application has not yet been heard. Dr Karatsanova-Rhodes submitted at the hearing of the claimant's applications that I should stay the proceedings. This was plainly not appropriate when the stay application had not been listed to be heard at the hearing of the claimant's applications. I have considered whether the

application is an “other compelling reason” why the claim should be disposed of at trial. However, in my judgment the claimant’s applications are capable of being determined on their merits; and the existence of the stay application does not alter that.

Conclusion

75. For the reasons set out above, therefore, I dismiss the claimant’s applications. I conclude by noting the regrettable extent to which this judgment has been lengthened by the determination of the procedural points of little or no merit advanced by the claimant in support of its strike out application.