



Neutral Citation Number: [2024] EWHC 2552 (Ch)

Case No: IL-2023-000083

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

The Royal Courts of Justice  
7 Rolls Buildings  
Fetter Lane  
London, EC4A 1NL  
Date: 15 October 2024

Before :

**DEPUTY MASTER RAEBURN**

Between :

**(1) SCHNEIDER ELECTRIC IT CORPORATION**  
**(a corporation organised and existing under the laws of the Commonwealth of**  
**Massachusetts, USA)**

**Claimant**

- and -

**(2) NORTHAMBER PLC**

**Defendant**

- and -

**(3) ORTUS UK LIMITED**

**Third Party**

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**Robert Howe KC (instructed by Mishcon de Reya LLP) appeared on behalf of the**  
**Claimant**

**Dominic Hughes (instructed by DMH Stallard LLP) appeared on behalf of the Defendant**  
**The Third Party did not appear and was not represented**

Hearing date: 24 April 2024

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**APPROVED JUDGMENT**

This judgment was handed down remotely by circulation to the parties' representatives by email and release to The National Archives. The date and time for hand-down is deemed to be 10am on 15 October 2024.

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**Deputy Master Raeburn:**

**Introduction**

1. This is my judgment determining certain points of principle and extended disclosure requests raised by the parties at the first CCMC in these trade mark infringement proceedings.
2. The underlying proceedings broadly concern allegations relating to “parallel imports” and the “exhaustion of rights” as a matter of trade mark law. It is alleged that the Defendant has traded in products bearing the Claimant’s trade marks which the Claimant contends were intended for sale *outside* of the EEA/UK, for which the Claimant did not provide consent to be put on the market *in* the EEA/UK.
3. Counsel for the parties sought the determination of the following points of principle which were said to impede the progression of the proceedings, and/or which otherwise require determination in order to facilitate agreement between the parties.
4. The parties contend that these points of principle form (at least in part) the “foundation” of their respective positions and approach to disclosure and their proposed directions to trial.
5. The issues are as follows:

- i) Who bears the burden of proof in establishing that a trade mark proprietor consented to the importation of goods into the EEA/UK and what impact should this have on the appropriate scope of disclosure in this case?;
  - ii) What is the appropriate scope of trial in trade mark infringement cases of this nature? Specifically:
    - a) Should a split trial be ordered and/or should the trial be conducted by sample;
    - b) What impact should the answer to the above have on the appropriate directions in this case.
6. The parties' submissions also gave rise to an issue of whether the concepts of "contributory negligence" and/or a "failure to mitigate" can be properly pleaded as a defence to trade mark infringement and whether these issues should have a particular impact upon the approach the Court should take in managing this case.

## **Background**

7. The Claimant's business includes the supply of uninterruptible power supplies and related goods. The Claimant owns trade mark registrations for (amongst other things) the words "APC" and "SMART-UPS" in relation to UPS Products. The Claimant's uninterruptible power supplies and related goods are branded with one or both of those trade marks are referred to in the Particulars of Claim as "**APC UPS Products**".
8. The Defendant, a UK company, that has been trading for many years, is a distributor of IT equipment.

9. The Third Party, also a UK company, was joined as a party by the Defendant on the basis that the Defendant contends that the specific products complained of in the Claimant's Particulars of Claim were purchased by the Defendant from the Third Party. The Third Party alleges, in turn, that they purchased those products from a UK and German company.
10. The Claimant's Particulars of Claim (at paragraphs 15-24) list examples of 23 specific products that the Claimant complains of. The Claimant infers that the examples are illustrative of a more extensive business the Defendant has conducted in respect of certain similar products.
11. The Defendant does not admit that the example products are unauthorised APC UPS Products and puts the Claimant to proof on that issue. It does not admit that they were not put on the market in the UK or EEA (or subsequently dealt in) by the Claimant or with its consent. The Defendant also relies on, among other things, a defence under section 12 of the Trade Marks Act 1994, limitation defences insofar as the Claimant seeks a remedy for dealings more than 6 years prior to the issue of the claim form and alleges contributory negligence against the Claimant.
12. The Claimant also seeks disclosure of any alleged unauthorised APC UPS Products beyond the example products. The Defendant disputes this.

### **Relevant Legal Principles**

#### *Disclosure*

13. I briefly summarise certain of the overarching principles relating to disclosure here, but for the sake of concision, I do not propose to set out the detail of the Practice Direction, or the judgments to which I refer:

- i) The modern principles governing extended disclosure in Practice Direction 57AD are well known and have been helpfully clarified by judgments of Sir Geoffrey Vos in UTB LLC v Sheffield United Limited [2019] EWHC 914 (Ch) at [75] - [79] and McParland & Partners Limited v Whitehead [2020] EWHC 298 (Ch) at [3] - [4], [44] - [54] and [58];
- ii) Issues for Disclosure are:
  - a) the key issues in dispute, which the parties consider will need to be determined by the Court with some reference to contemporaneous documents;
  - b) issues to which undisclosed documentation in the hands of one or more of the parties is likely to be relevant and important for the fair resolution of the claim;
- iii) Identifying Issues for Disclosure should not be a mechanical exercise based on identifying issues from the pleadings that will arise at trial; identification should arise from assessing the relevance of categories of documents that are in the parties' possession to contested issues;
- iv) In all cases, an order for Extended Disclosure must be reasonable and proportionate having regard to the overriding objective, including the factors contained in paragraph 6.4 of PD 57AD:
  - (1) the nature and complexity of the issues in the proceedings;
  - (2) the importance of the case, including any non-monetary relief sought;

- (3) the likelihood of documents existing that will have probative value in supporting or undermining a party's claim or defence;
  - (4) the number of documents involved;
  - (5) the ease and expense of searching for and retrieval of any particular document (taking into account any limitations on the information available and on the likely accuracy of any costs estimates);
  - (6) the financial position of each party; and
  - (7) the need to ensure the case is dealt with expeditiously, fairly and at a proportionate cost."
- v) Of these factors, the third, fourth and seventh are likely to have particular importance in a complex and important case: UTB at [76].
  - vi) The parties should avoid an unduly granular or complex approach to the issues for disclosure, even in high value disputes: McParland at [4] and [57].

#### *Trade Mark Infringement / Exhaustion*

14. Section 10 of the Trade Mark Act 1994 sets out the essential elements of a trade mark infringement claim, which include the following at sections 10(1) and 10(2):

*“(1) A person infringes a registered trade mark if he uses in the course of trade a sign which is identical with the trade mark in relation to goods or services which are identical with those for which it is registered.”*

*“(2) A person infringes a registered trade mark if he uses in the course of trade a sign where because*

*(a) the sign is identical with the trade mark and is used in relation to goods or services similar to those for which the trade mark is registered, or*

*(b) the sign is similar to the trade mark and is used in relation to goods or services identical with or similar to those for which the trade mark is registered,*

*there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the trade mark.”*

15. Section 12 of the Trade Marks Act 1994 (as amended), provides a defence of “exhaustion” of a trade mark proprietor’s rights as follows:

*"Exhaustion of rights conferred by registered trade mark.*

*(1) A registered trade mark is not infringed by the use of the trade mark in relation to goods which have been put on the market in [the United Kingdom or] the European Economic Area under that trade mark by the proprietor or with his consent.*

*(2) Subsection (1) does not apply where—*

*(a) there exist legitimate reasons for the proprietor to oppose further dealings in the goods for the purpose of protecting the proprietor's property (in particular, where the condition of the goods has been changed or impaired after they have been put on the market), and*

*(b) the opposition to those dealings interferes with the rights of any other person no more than is necessary to achieve that purpose.."*

16. The concept of exhaustion of rights has remained a feature of the Trade Marks Act 1994 notwithstanding the United Kingdom's withdrawal from the European Union and is today a species of "regional" exhaustion, in the sense that goods which have been placed on the market in the UK or the EEA by the proprietor or with their consent will qualify for the purposes of the defence.

### **The Issues**

*Issue 1: The burden of proof in establishing that the trade mark proprietor consented to the importation of goods into the EEA/UK and its impact on disclosure in this case*

17. The parties disagree as to the proper operation of the burden of proof in cases where an exhaustion defence has been raised. It is clear that their positions have influenced their approach to Extended Disclosure, and in particular, the Issues for Disclosure and Proposed Models they say are appropriate.
18. As is further described below, the Defendant contends that the burden of proof is on the Claimant to prove that it did not consent to the goods being imported into the EEA/UK and that in order for the Court to try this case fairly, disclosure from the Claimant as to "*what happened at [its] end of the supply chain*" is therefore necessary.
19. Counsel for the Defendant further submits (in summary) that:
- i) as a matter of law, the effect of the CJEU's decisions in Van Doren (C-244/00, CJEU) and Hewlett Packard v Senetic (C-367/21, CJEU) is that there is a "shift" in the usual burden of proof such that it should lie on the Claimant in



cases of this nature to establish that the goods were placed on the market outside of the EEA/UK by the Claimant or with its consent. The reason being, broadly speaking, that a defendant (at the lower end of a given supply chain) cannot easily force a party “higher up” in the supply chain to reveal their sources.

ii) In this regard, reliance is placed on Van Doren at [21]:

*"... the referring court takes the view that if the burden of proof is imposed on the third party against whom a trade mark proprietor has brought proceedings, there is a risk that a dealer unconnected with the proprietor could be prohibited from marketing products bearing that mark even where the products have been put on the market in the EEA with the consent of the proprietor. In general, a dealer will be readily able to show from whom he has purchased goods but he will not be able to make his suppliers reveal the previous supplier or identify other links in the distribution chain. Moreover, even if he were able to trace the distribution channel back to the trade mark proprietor and to show that the goods were put on the market in the EEA with the consent of that proprietor, his supply source would be liable to dry up immediately."*

and Hewlett Packard at [28], [61] and [64]:

*"....it is in practice very difficult for an independent distributor to determine the destination market....let alone to provide evidence that those goods have been put on the market in the EEA..."*

- iii) the Claimant's Particulars of Claim do not do any more than plead an assertion that the Claimant did not consent to the goods being imported into the EEA and the Claimant's products do not immediately inform anyone dealing in them that they are restricted for a particular territory and in fact, display European certification marks which confuse the position further.
20. Counsel for the Claimant resists these submissions and (in summary) submits:
- i) the Defendant's pleading that it puts the Claimant "to proof" that it did not consent to the products being put on the market in the EEA or UK, cannot reverse the burden incumbent upon the Defendant and require the Claimant to prove a negative;
  - ii) the CJEU decision in Zino Davidoff and Levi Strauss [2002] Ch 109 (CJEU) establishes the long-standing position at law that the burden of proving consent rests on the Defendant and that Van Doren and Hewlett Packard merely represent a qualification to the general rule in Davidoff to the effect that ***if*** there is a dispute as to whether the goods were first placed on the market outside of the EEA/UK, then the burden lies on the claimant to show ***where*** the goods were first placed on the market (after which the burden falls on the defendant in any event), if it wishes to run a consent defence.
21. In my judgment, the starting point as to the burden of proof in exhaustion cases is clear from the decision of Zino Davidoff and Levi Strauss [2002] Ch 109 (CJEU), at [54] – [58], namely, that it is for the alleged infringer seeking to rely on a defence of consent to prove its case on the balance of probabilities:

*“It follows that it is for the trader alleging consent to prove it and not for the trade mark proprietor to demonstrate its absence.”*

22. However, it is also clear, in my view, that the Court “may” (or may be required) to shift the burden of proof to the Claimant in specific circumstances, namely where:

i) there is a real risk of the partitioning of national markets (Van Doren at [42]):

*“Accordingly, where a third party against whom proceedings have been brought succeeds in establishing that there is a real risk of partitioning of national markets if he himself bears the burden of proving that the goods were placed on the market in the EEA by the proprietor of the trade mark or with his consent, it is for the proprietor of the trade mark to establish that the products were initially placed on the market outside the EEA by him or with his consent. If such evidence is adduced, it is for the third party to prove the consent of the trade mark proprietor to subsequent marketing of the products in the EEA (see Zino Davidoff and Levi Strauss, paragraph 54).” (my emphasis)*

ii) circumstances such as the following arise, whereby: (a) the trade mark proprietor operates a selective distribution system; (b) the relevant goods do not contain any indication enabling third parties to identify the market in which they are intended to be sold; (c) the trade mark proprietor refuses to provide such information to third parties; and (d) the alleged infringer’s suppliers are unwilling to disclose their own sources of supply, (Hewlett Packard) at [61] and [66]:

....”the proprietor of the EU trade marks at issue operates a selective distribution system whereby the goods bearing the trade marks do not contain any indication enabling third parties to identify the market in which they are intended to be sold, that the proprietor refuses to provide this information to third parties and that the defendant's suppliers are unwilling to disclose their own sources of supply.”

“...Consequently, in circumstances such as those described in paragraph 61 of this judgment, it will be for the national court hearing the case to adjust the distribution of the burden of proof of exhaustion of the rights conferred by the EU trade marks at issue by imposing on the proprietor of those marks the burden of proving that he first placed on the market copies of the goods at issue outside the territory of the Union or the EEA or permitted them to do so. If that evidence is produced, the defendant in an action for infringement will have to show that those same copies were subsequently imported into the EEA by the trade mark proprietor or with his consent...” (my emphasis)

23. Those decisions make clear that any “shift” of the burden of proof is in fact blended, in the sense that if circumstances necessitating a shift of the burden are established and the trade mark proprietor evidences that the goods at issue were first placed outside of the relevant territory (in this case, the EEA/UK) by them or with their consent, then the burden shifts back to the defendant to prove consent.
24. Given that the decisions to which I refer above derive from EU law principles, (including Article 13(1) of Regulation No 207/2009 and Article 15(1) of Regulation 2017/1001, in conjunction with Arts. 34 and 36 TFEU), it may be open to argument as to whether this Court should in the present case adopt the approach exemplified

therein, given that the issue at hand is a rule of evidence, a principle which in any event, is typically governed by national rules and procedures; a matter which will need to be dealt with at trial.

25. The resolution of this issue between the parties will of course require full argument on specific facts. As to the effect of the abovementioned point of principle on the appropriate ambit of disclosure, in my view, it is clear that some degree of disclosure from both parties is necessary in order to fairly resolve the issue.
26. It would appear that the issue of who bears the burden of proof has become “so significant” in this CCMC, in part, because of course neither disclosure (nor cross-examination) has yet taken place and there is therefore an absence of material before the Court (and the parties) to consider the issues in detail (see, by analogy, Procter and Gamble International Operations SA v Star Global Trading Ltd [2016] EWHC 734 (Ch) at [57]).
27. I would not however, accede to the Defendant’s impermissibly wide requests for disclosure and do not therefore accept Counsel for the Defendant’s submissions that this point of principle necessitates the extent of disclosure sought in its specific requests outlined below; such an approach is likely to give rise to a substantial number of documents relating to the Claimant’s supply chain and is not necessary, reasonable or proportionate in the circumstances.
28. I shall deal with the reasonableness and proportionality of the specific requests for disclosure in turn, below.

*Issue 2: Scope of Trial: Is a split trial appropriate?*

29. Counsel for the Claimant seeks a split trial between liability and quantum in line with the long-established practice illustrated in Island Records v Tring [1996] 1 WLR 1256, 1258 (Lightman J) and makes the overall point that there are substantial costs savings to be achieved in deferring disclosure and evidence on quantum until after the full extent of infringement has been determined.
30. Counsel for the Defendant resists this approach on a number of grounds, including submissions that:
- i) there is likely to be some significant difference between the parties as to their contentions on the likely quantum of the claim;
  - ii) relying on Electrical Waste Recycling v Philips [2012] EWHC 38 (Ch) (supporting the proposition that a particular format of trial may encourage settlement and is a relevant factor that the Court can take into account when deciding case management directions as to the scope of trial), it is submitted that a trial focussed on the 23 (or 26, an issue which is disputed) specific products that the Claimant have pleaded in its Particulars of Claim would aid the settlement of the case if the Court reached a decision on what the likely quantum would be in respect of those 23 (or 26) specific products;
  - iii) relying on Cabo v MGA [2021] EWHC 491 (Pat) it is submitted that parties would be “none the wiser” to the wide range of potential damages after a liability only trial, which militates against a split trial being ordered in this case; and
  - iv) this case is not primarily focussed on relief being sought by way of an injunction – it is said that as soon as the Defendant were notified of the

Claimant's claim in a pre-action letter, they withdrew the APC UPS Products from sale, as pleaded in their Defence. It is said that the "real relief" of interest is damages and a split trial will do nothing to clarify what level of damages are in play.

31. In my judgment, a split trial on liability and quantum is appropriate in this case and I would exercise my discretion pursuant to CPR rule 3.1(2) to direct accordingly.
32. In light of the various issues to be determined in this case, it is clear that a split trial is the best course to ensure the dispute is adjudicated as "*fairly, quickly and efficiently as possible*" (Electrical Waste Recycling).
33. In my view, the trial on liability will inherently involve some material consideration of each individual product, (or at least categories of products, if such categories can be determined) alleged to be infringed and for which there is a defence of consent pleaded.
34. I remind myself that for there to be consent within the meaning of section 12 of the Trade Marks Act, such consent must relate to "*each individual item of the product in respect of which exhaustion of rights is pleaded*" (see Mastercigars Direct Ltd v Hunters & Frankau Ltd [2007] EWCA Civ 176 at [29(iii)] and [30] and Sebago Inc v GB Unic SA (Case C-173/98).
35. Adding the issue of quantum into the same trial as an individual assessment of products (or categories of products) would seem to me to lead to excessive complexity and diffusion of the issues for both the parties (and the Court).

Issue 3: Is trial by sample appropriate?

36. Counsel for the Defendant's overall submission is that the 23 (or 26) specific products identified by the Claimant in its Particulars of Claim should be addressed as a form of "test case". It is said that expansion of the trial beyond these products heavily burdens the action (increasing cost and complexity) and that the appropriate course is to limit the trial to these specific products because once the parties know what the position is on those, they should be in a better position to work out what to do about any other supplies or suppliers.
37. Counsel for the Claimant submits that this is not an appropriate case for trial by sample as this is not a case in which items by way of sample can be taken from a total category of products in a manner which is capable of resolving common issues in relation to one type of item.
38. It is submitted that the products in the Claimant's Particulars of Claim are simply the result of test purchases and are necessarily random selections of products that the Defendant has been dealing in and that a list of the other APC UPS Products the Defendant has dealt in must first be provided in order for any sampling or specimen exercise to be considered.
39. In my judgment, it is not appropriate for the trial in this action to be limited to the specific products currently listed in the Claimant's Particulars of Claim, particularly in circumstances where: (i) there is evidence of the Defendant dealing with products beyond those listed in the statement of case; and (ii) the Defendant (whilst denying infringement) has admitted dealing in other APC UPS Products.
40. I do however accept the proposition that, particularly in intellectual property infringement claims, trial by reference to samples or specimens often enables the



Court to deal with cases justly and at proportionate cost in accordance with the overriding objective.

41. This has been reflected in the approach adopted in many intellectual property infringement cases, including Thom Browne v Adidas [2024] EWHC 257 (Ch) at [17] – [27] and [22] and reflects what is a very well-established practice adopted by the court in relation to disputes involving intellectual property rights.
42. The corollary of this approach is that the Court essentially takes a pragmatic view at the quantum stage of a trial once a claimant has established a right to relief in relation to examples or specimens and a claimant is not “shut out” from seeking relief or an inquiry as a result of the lack of specific consideration of products beyond those specifically considered at the liability stage (see Carr J in AP Racing v Alcon Components [2016] EWHC 815 (Ch); [2016] FSR 28 at [23] – [24] and Birss J (as he then was) in Warner Music UK Ltd v TuneIn Inc [2019] EWHC 3374 (Ch) at [22]).
43. In my view, there must be some logical reasoning underpinning the selection of the samples or specimen advanced for the purposes of determining liability at trial, or at least some identifiable benefit in terms of efficiency, expedition or some other factor consistent with the overriding objective in order for that approach to be appropriate. It would then be for the Court in a particular case to balance those factors as a matter of case management to determine the correct way forward.
44. In the present case, there is insufficient material before the Court in order to determine the appropriateness of any trial by sample and in my judgment, further disclosure is necessary from the Defendant before any form of sample or categorisation of products can be reasonably determined. I reject the submission that

the currently pleaded examples arising from test purchases would give rise to the efficiencies contended by Counsel for the Defendants.

45. It would seem that in the present context, where there is clearly evidence of additional dealings in similar products, an approach which defers or which otherwise excludes them from consideration will likely give rise to satellite litigation which will, overall, increase cost and involve a greater use of court resources.
46. I therefore accept, as a matter of principle, the Claimants' submission that the provision of a list by the Defendant of its dealings in APC UPS Products pursuant to the specific Issue for Disclosure described below represents a reasonable and proportionate approach to disclosure. I will deal with the specific requests below.

*Issues 4 and 5: Whether the concepts of contributory negligence and/or "failure to mitigate" can properly apply in trade mark infringement proceedings*

47. Counsel for the parties addressed the Court at length on their position as to the proper interpretation and operation of the Law Reform (Contributory Negligence) Act 1945.
48. The first point was whether a plea of contributory negligence is available at all where the claim is one of strict liability and the second, broadly whether a plea of failure to mitigate has been confused in this case with the concept of prevention or not.
49. I would note that there is no formal application to strike out any element of the Defence; I therefore regard it as premature to determine the issue raised by the parties and decline to do so.
50. It remains the case that there is an issue raised on the pleadings and a determination by the Court now on these would impermissibly interfere with what is to be

considered at trial.

51. In any event, the Defendant's pleaded defences of contributory negligence and failure to mitigate are both expressed as being "*insofar as the Defendant is held liable to the Claimant*". In light of that plea and my decision above in relation to a split trial, I am satisfied that these issues should be dealt with in any subsequent trial on quantum.

### **Extended Disclosure Requests**

52. I now turn to the specific requests for disclosure.
53. The contested formulation of issues 1 and 2 for disclosure in section 1A of the DRD are as follows:

*Issue 1: Were any or all of [Schneider: the Example APC UPS Products] [Northamber: The 26 Products] first put on the market by the Claimant [and/or its Affiliates) and/] or with its (express and/or implied) consent (and/or that of its Affiliates) outside the United Kingdom and/or the EEA?*

*Issue 2: Did the Claimant and/or its Affiliates) consent (expressly or impliedly) to any or all of [Schneider: the Example APC UPS Products] [Northamber: The 26 Products] being imported into and/or sold supplied and/or otherwise put on the market in the United Kingdom and/or the EEA?*

54. For Issues 1 and 2, at this time, I do not have the necessary information to determine the appropriate scope of the requests, particularly in light of my decision that the "example" APC UPC Products requires further interrogation before appropriate categorisation can be determined.

55. As indicated below, it seems likely that the formulation of this issue may need to be revisited once disclosure has been provided pursuant to Issue 5.

56. I would indicate that the concept of “Affiliates” included in a number of the Issues for Disclosure is, in my judgment, impermissibly wide and would not result in an appropriate, reasonable and proportionate search, not least because any defence of consent in the present case will likely turn on the consent of the trade mark proprietor themselves, not of activity conducted by affiliates.

57. Issue 3 (sought by the Defendant and resisted by the Claimant) is as follows:

*Issue 3: Did any representatives of Claimant (and/or its Affiliates) expressly and/or impliedly permit the distributors of The 26 Products to dispose of APS UPS Products to sources outside the usual territories?*

58. In my judgment, Issue 3 is too wide in its current form and is inappropriate for a Model D request and would result in a disproportionate search for documents, particularly given the use of the phrase “usual territories”. In my view (an adequately reframed) issue for disclosure relating to express or implied permission granted by the Claimant to distributors would be more appropriately dealt with by Model B.

59. Issue 4 (sought by the Claimant and resisted by the Defendant on the basis that the request is unnecessary) is as follows:

*Issue 4: Who supplied the Defendant with the Example APC UPS Products and where was the supplier located?*

60. In my judgment, it would be premature to order disclosure in respect of issue 4 at this time. In my view, given my conclusion on Issue 5 below, it does not appear as though

this issue for disclosure is necessary, particularly if the Claimant receives disclosure of the product serial numbers and/or SKUs from which it can presumably determine whether or not the relevant products are authorised for sale in the EEA/UK.

61. Issue 5 (sought by the Claimant and resisted as “fishing” by the Defendant):

*Issue 5: What other dealings did the Defendant have in APC UPS Products in the period of 6 years prior to the issue of the claim form? The Defendant to initially provide all serial numbers and SKUs of products supplied. The Claimant to review that disclosure and notify the Defendant as to which serial numbers are infringing and/or untraceable. The Defendant to then provide the following disclosure in relation to those serial numbers and SKUs: (1) who supplied the Defendant with the products (2) what is or was the address of the supplier (3) where did the supplier ship the products from and (4) when were the supplies made?*

62. In my judgment, whilst I agree with Counsel for the Claimant that the provision of serial numbers and SKUs of products supplied by the Defendant is reasonable and proportionate, I do not regard the second stage of disclosure sought – i.e. disclosure of suppliers and associated details as appropriate at this time.

63. I reject Counsel for the Defendant’s overall submission that this issue constitutes “fishing”. A Claimant is entitled in an extant action in which there is a pleaded case of infringement to seek disclosure which is reasonable and proportionate and which may form a vital ingredient in the further pleading of their case, particularly where it is clear that the disclosure sought centres upon a “key issue in dispute”, which will need to be determined “with reference to contemporaneous documents”. I am satisfied that the serial numbers and SKUs will have probative value in supporting or undermining

a party's claim or defence given the claims to infringement and exhaustion of rights that have been advanced.

64. Issue 6 focuses on details of suppliers and for the reasons set out in the paragraph above, I do not regard this Issue for Disclosure to be reasonable and proportionate or appropriate at this time.

65. Issue 7 (sought by the Defendant and resisted by the Claimant) is as follows:

*Issue 7: Formal and/or informal and/or direct and/or indirect distribution agreements and/or arrangements between:*

*(a) On the one hand, the Claimant and/or its Affiliates and*

*(b) On the other hand, distributors and/or end users where such agreements/arrangements would be broad enough to cover at least some types of APC UPS Products.*

66. In my judgment, it is not immediately clear that details of distribution agreements and/or arrangements will be probative of the issues in dispute, particularly in light of the decisions in Davidoff at [58] (and Coty Prestige Lancaster Group v Simex Trading AG (C-127/09) indicating that consent cannot be inferred from the failure of a trade mark proprietor to communicate their opposition to marketing in the EEA through the absence of contractual restraints. The current formulation of the issue certainly isn't reasonable and proportionate.

67. However, I accept that the crux of what is sought by the Defendant goes to a key issue in dispute. The issue as currently drafted would need to be much more limited in

scope and degree and likely limited to Model B in order to represent a reasonable and proportionate request.

68. Issues 8, 9 and 14 (sought by the Defendant) are as follows:

*Issue 8: Did the Claimant take sufficient and/or timely steps to ensure that the Defendant and/or other third parties were reasonably aware that the Claimant did not consent to any or all of The 26 Products being put on the market in the UK and/or EEA?*

*Issue 9: Did the Claimant take sufficient and/or timely steps to prevent any or all of The 26 Products being put on the market in the UK and/or EEA?*

*Issue 14: Did the Defendant take any steps to ensure that the Example APC UPS Products it was dealing in had been put on the market in the UK and/or*

69. These Issues for Disclosure clearly derive from the Defendant's Defence (at paragraph 12), which (in material part) states as follows:

*"If and insofar as the Defendant is held liable to the Claimant, the Defendant will say that the Claimant has caused and/or contributed to the said liability and/or that the Claimant failed to mitigate its loss: ..."* (my emphasis)

70. In my view, issues 8, 9 and 14 for are therefore more appropriately dealt with as part of the quantum trial and I would decline to order Extended Disclosure with reference to these issues at this time.

71. Issues 10 – 13 of the DRD (which for the sake of concision, are not repeated in this judgment) are also all, in my view, issues which relate to quantum and it is not

therefore reasonable or proportionate to make an order for Extended Disclosure on those issues at this time.

72. In light of the above, I direct that the parties liaise on the nature of specific requests that are appropriate under the DRD in light of this judgment. If the parties are unable to agree specific requests they shall provide a concise updated composite updated DRD with their respective positions together with short explanations on their points of difference and I will determine the issues accordingly.
73. Further, I would direct that once Extended Disclosure has been provided pursuant to Issue 5 of the DRD, the parties should liaise on whether (and if so what) appropriate categorisations or groups of APC UPS Products may be considered by the Court in order to streamline the efficient management of the trial in this action.