



Judgment in *EasyGroup Ltd v Easyway SBH* [2021] EWHC 2007 (IPEC)

On 22 July 2021, judgment was handed down by Recorder Douglas Campbell QC in *EasyGroup Ltd v Easyway SBH* [2021] EWHC 2007 (IPEC). The Claimants successfully established joint liability on the part of the Defendants in respect of the infringement of four UK registered trade marks, along with joint liability for passing off. The decision provides guidance on a number of important subjects, including the principles of use in the jurisdiction in the context of the travel sector, the significance of a finding that a claimant is entitled to rely upon a “family of marks”, and the defence of honest concurrent use.

Background

The First Claimant, EasyGroup Limited (who acts on behalf of the remaining Claimants in matters of brand enforcement), is the owner of registered trade marks in “EASYJET”, “EASYHOTEL”, “EASYCAR” and “EASYBUS”. The Claimants are part of a group of companies which is very well known in the UK travel sector.

The First Defendant, Easyway SBH, was established in 2007 in St Barthelemy (“St Barts”). It arranges and provides a variety of services to customers who are travelling from the UK (as well as those travelling from other jurisdictions which were not relevant to the proceedings). It advertises and offers to UK customers that it will, inter alia, arrange and provide airport transfers and ground transport, arrange private flights, arrange airport lounge access reserve seats for passengers on flights, reserve and arrange car rental, reserve hotel rooms and organise tours. In the course of doing so it has used three signs: the word “easyway”, the words “easyway SBH”, and a stylised logo which includes the words “easyway VIP services”.

The proceedings turned for the most part on whether by providing, offering

and advertising travel agency and related services to customers in the UK under the above signs the First Defendant had infringed the First Claimant’s registered trade marks and/or committed the tort of passing off. There also arose a question as to whether the acts complained of by the Claimants had been committed pursuant to a common design between the First Defendant and Second Defendant, or whether the Second Defendant directed, procured, or authorised the acts in question, so as to attract liability as a joint tortfeasor.

Use in the jurisdiction: emails and online targeting

Two key issues in the proceedings were (i) whether the First Defendant’s website had targeted consumers in the UK, and (ii) whether advertising emails sent in response to enquiries from UK customers (via the website or a third party) amounted to use in the UK. After setting out the summary of principles in *Merck KGaA v Merck Sharp & Dohme* [2017] EWCA Civ 1824, the Recorder accepted the Claimants’ submission that there was no need to consider targeting in respect of acts which were done in the UK. The Recorder further accepted the Claimants’ submission that when considering whether average consumers in the UK would consider that the website was targeted at them, it is relevant to consider whether UK consumers actually responded to that website. The Recorder then proceeded to reject the Defendants’ contention that there could be no targeting or use otherwise in the UK where the Defendants merely responded to enquiries from UK customers, which were generated by its website or a third party, rather than positively seeking them out. The Recorder also concluded, with reliance upon *Easygroup v Empresa* [2020] EWHC 40 (Ch), that the fact that services are actually offered abroad is not a defence to infringement at all, provided that the



offer for such services is made in the UK.

In concluding that the website was targeted at consumers in the UK, the Recorder placed particular reliance upon three arguments relied upon by the Claimants. First, the services were themselves of an international nature (a factor which was of significance in *Pammer v Alpenhof* [2010] ECR I-12527). Second, the website did in fact generate sales enquiries from UK consumers, with which the Defendants actively engaged. Third, it was clear that the English language version of the website had to be targeted at someone (St Barts being mainly French-speaking) and there was almost no objective difference between the website’s approach to the UK and US markets. The Recorder rejected the need to consider the targeting principles where there had been an advertising email sent directly to a recipient; in such a context the recipient will be under no doubts that the advertising was directed at them.

Likelihood of Confusion

The Recorder relied upon six principal points in support of his finding that the signs used by the First Defendant gave rise to a likelihood of confusion with the relevant registered trade marks within the meaning of section 10(2) of the Trade Marks Act 1994. First, the registered trade marks were word marks which were not restricted to any colour or font. Second, the marks were not restricted to low cost services. Third, while the marks were not identical to the signs used by the First Defendant, there was at least a medium degree of similarity. Fourth, although the First Defendant’s services were not all identical to those for which the marks were registered, there was, on the



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whole, a high degree of similarity, and in other cases it was still medium. Fifth, the marks benefited in certain respects from an enhanced reputation though use (albeit this enhanced reputation related to the services which were of medium rather than of high similarity). Sixth, the Recorder considered that each of the four marks was a member of a “family of marks”, and that this assisted the Claimants given the nature of the family (being travel-related marks) and the fact that the First Defendant’s business was also travel-related.

The Recorder concluded that these considerations outweighed factors pointing the other way, such as the descriptive nature of the word “easy” and the lack of evidence of actual confusion.

The Recorder went on to hold that the Claimants had also made out infringement under s 10(3), with the relevant injury being dilution.

Honest Concurrent Use

Although the Defendants’ primary case was that they did not use their signs in the UK at all, they alternatively contended that if they had made any such use, then this had been on so extensive a scale and for such a long period that they were entitled to a defence of honest concurrent use.

The Recorder noted that there is doubt as to whether this defence is available at all in a case of s 10(2) infringement, and that the cases in which it has succeeded have tended to have strong facts (citing as one example *IPC Media Ltd v Media 10 Ltd* [2014] EWCA Civ 1439). The Recorder concluded that the defence was not engaged, given that as at the relevant date for the assessment of infringement (being 19 June 2013, six years prior to the issue of the claim form), the parties had co-existed for only a few years the parties and the

First Defendant’s UK business under the relevant signs, whilst non-trivial, had been small in extent whereas that of the Claimants under their marks had been very extensive.

Passing Off

The Recorder noted that as the relevant legal questions in respect of passing off differ from those applicable to a claim for trade mark infringement, it would be unsurprising if these two aspects of the proceedings were resolved in different ways. The Recorder nonetheless found that the use of both “easyway” and “easyway SBH” constituted passing off, largely for the reasons given in respect of s 10(2)(b). The Recorder accepted that notwithstanding the difference in the parties’ respective businesses, the use of these two signs (being word marks) was still likely to lead the public to believe that the services offered thereunder are those of the Claimants, which would damage the goodwill of the Claimants. The Recorder concluded, however, that the use of the First Defendant’s logo in the context of its business did not constitute passing off. The Recorder considered that, unlike in the case of the trade marks, the use of mixed green and blue colours (rather than orange and white) was important, such that on balance, the public would not be led to believe that the services offered thereunder are those of or connected with the Claimants.

Joint Tortfeasance

The Recorder noted that the general principles respecting joint tortfeasance are now set out in *Fish & Fish v Sea Shepherd UK* [2015] UKSC 10, and that further guidance as to the position of directors is found in *Lifestyle Equities v Ahmed* [2021] EWCA Civ 675, which emphasises that whether a director is sufficiently involved in a tort to be liable is a question of fact.

The evidence established that the

Second Defendant was at all times an active participant in the First Defendant’s key decisions, including the choice of name. In addition, the Defendants themselves positively averred that the Second Defendant spent “most of his day doing the day to day operational work of [the First Defendant’s] business”, rather than seeking to suggest that he exercised a purely constitutional role within the First Defendant (such as merely attending its board meetings). The Recorder hence found that the Second Defendant had a close personal involvement in the acts of infringement, and that he was at least a controlling mind of the First Defendant’s business. The Recorder thus concluded that the Second Defendant was liable as a joint tortfeasor.

Conclusion

The decision provides considerable and useful guidance - especially on the principles respecting targeting. Other points, however, remain somewhat unsettled, chief among which is the availability of a defence of honest concurrent use in a claim for infringement under s 10(2).

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