



Neutral Citation Number: [2021] EWHC 617 (IPEC)

Case No: IP-2019-000188

**IN THE HIGH COURT OF JUSTICE**  
**BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES**  
**INTELLECTUAL PROPERTY ENTERPRISE COURT**

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

Date: 16/03/2021

**Before :**

**HIS HONOUR JUDGE HACON**

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**Between :**

**WIREX LIMITED**

**Claimant**

**- and -**

**(1) CRYPTOCARBON GLOBAL LIMITED**

**(2) CRYPTOCARBON UK LIMITED**

**(3) SUBASH GEORGE MANUEL**

**(4) BEE-ONE UK LIMITED**

**Defendants**

**- and -**

**(2) WIREX (GIBRALTAR) LIMITED**

**(3) DMITRY LAZARICHEV**

**(4) PAVEL MATVEEV**

**Further**  
**Defendants to**  
**Counterclaim**

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**Andrew Norris QC** (instructed by **Brown Rudnick LLP**) for the **Claimant** and **Defendants to Counterclaim**

**Jonathan Hill** (instructed by **Franklins Solicitors LLP**) for the **Defendants**

Hearing date: 26 January 2021  
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**Approved Judgment**

*Covid-19 Protocol: This judgment was handed down remotely by circulation to the parties' representatives by email and release to BAILII. The date and time for hand-down is deemed to be 10.30 a.m. on Tuesday 16<sup>th</sup> March 2021.*

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HIS HONOUR JUDGE HACON

## **Judge Hacon :**

### **Introduction**

1. In May 2018 the Claimant (“Wirex”) launched a credit card rewards scheme. In the usual way of such schemes, account holders are issued with a credit or debit card and they receive rewards commensurate with the scale of their purchases on the card. The Wirex scheme differs from the norm in that rewards are in bitcoin. Wirex calls this its “cryptoback” rewards scheme. Shortly before the launch, on 28 April 2018 (“the Filing Date”), Wirex filed an application for a UK registered trade mark, which was registered on 27 July 2018 (“the Trade Mark”). It takes the form of the word CRYPTOBACK and is registered for, among other things, financial and software services.
2. The First, Second and Fourth Defendants (“the Corporate Defendants”) also offer a cryptocurrency cashback service using the word “cryptoback”. They say that the Trade Mark was invalidly registered but admit that they would infringe the Trade Mark if it were valid.
3. It is alleged by Wirex that the Third Defendant (“Mr Manuel”) is jointly liable with the Corporate Defendants for infringement of the Trade Mark. Mr Manuel’s joint liability with the First Defendant (“Global”) and the Second Defendant (“Cryptocarbon UK”) is admitted (assuming there is any liability); joint liability with the Fourth Defendant (“Bee-One”) is denied.
4. The Defendants counterclaim for a declaration that the Trade Mark was invalidly registered. They advance two grounds. They say that Global acquired goodwill associated with the mark “cryptoback” before the Filing Date and thereby acquired the right to prevent use of the Trade Mark at that date. The Trade Mark was consequently invalidly registered pursuant to sections 5(4)(a) and 5(4A) of the Trade Marks Act 1994 (“the 1994 Act”). Secondly, Wirex knew this when it applied for the Trade Mark so the application was made in bad faith pursuant to s.3(6) of the 1994 Act.
5. The counterclaim also alleges passing off by the Second Defendant to the Counterclaim (“Wirex Gibraltar”), and that the Third Defendant to the Counterclaim (“Mr Lazarichev”) and the Fourth Defendant to the Counterclaim (“Mr Matveev”) are jointly liable with both Wirex and Wirex Gibraltar for passing off. There is a further allegation that Mr Lazarichev and Mr Matveev are primary tortfeasors for passing off.
6. It will be seen from the foregoing summary of the issues that the central question is whether Global owned goodwill at the Filing Date associated with “cryptoback” as a trading name.
7. Andrew Norris QC appeared for Wirex and the three Defendants to the Counterclaim; Jonathan Hill appeared for the Defendants.

### **The statutory bases for the declaration of invalidity**

8. Sections 47, 3 and 5 of the 1994 Act provide, so far as is relevant:

**“47 Grounds for invalidity of registration.**

(1) *The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).*

...

(2) *... the registration of a trade mark may be declared invalid on the ground—*

...

(b) *that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied”*

...

**3 Absolute grounds for refusal of registration.**

...

(6) *A trade mark shall not be registered if or to the extent that the application is made in bad faith.*

...

**5 Relative grounds for refusal of registration.**

...

(4) *A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented—*

(a) *by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,*

...

(4A) *The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”*

**Mr Matveev and Mr Lazarichev**

9. Evidence for Wirex came from Mr Lazarichev and Mr Matveev, respectively the Third and Fourth Defendants to the Counterclaim. They are the co-

founders and joint Chief Executive Officers of Wirex and each is a director of Wirex Gibraltar. They were good witnesses.

### **Mr Manuel**

10. For the Defendants there was evidence from Mr Manuel, the Third Defendant, who set up all the Corporate Defendants, and from Bish Smeir, a business colleague of Mr Manuel's and an account holder with Wirex.
11. The bulk of the evidence of use of "cryptoback" by the Defendants was given by Mr Manuel. He explained that in 2015 Bee-One launched a conventional cashback loyalty service linked to credit and debit cards. Consumers could register their existing cards with Bee-One and thereafter purchases attracted loyalty rewards. Alternatively, consumers could obtain a new VISA debit card from Bee-One. In about mid-2016 the management of Bee-One began to plan a similar service using cryptocurrency. Global and the Second Defendant ("Cryptocarbon UK") were set up as vehicles for the proposed business. A new cryptocurrency, called "CCRB" was launched in the summer of 2016. Mr Manuel says that he came up with the "cryptoback" name in 2017 and that it was launched by Global in November 2017. Global provided a business-to-business service to Bee-One which in turn provided the service to its business customers. Global also provided a business-to-consumer service directly to consumers. From June 2018 the business-to-consumer service was in large part transferred to Cryptocarbon UK.
12. Mr Manuel described a variety of uses of "cryptoback" in the UK before the Filing Date in his witness statement. In cross-examination some of this evidence was shown to be unreliable. I will give examples.
13. First, Mr Manuel relied on the sales of gift cards before the Filing Date, saying that there had been over 3000 transactions worth more than £600,000. In cross-examination he conceded, despite giving the figure in sterling, that the Defendants' documents do not record transactions for UK account holders selecting cryptoback.
14. Secondly, Mr Manuel's evidence in his witness statement was that in the first three months of 2018 Bee-One paid Global 2% of the transaction value of cryptoback services. He said this showed that Bee-One's customers had spent £136,000 in services in respect of which they had opted for the service under the cryptoback mark. In cross-examination he was asked for the records supporting this figure. He said that they existed but apparently they were not in the trial bundles.
15. Thirdly, he asserted in his witness statement that by the Filing Date Global's cryptocurrency cashback service had been provided under the "cryptoback" mark in over 25,000 transactions worth more than £60,000. He was asked in cross-examination where those figures came from and answered that account details had been produced. Neither at that point nor in re-examination did Mr Manuel identify accounts which established the figures he had given.

16. Fourthly, in his witness statement he relied on use of “cryptoback” on the Bee-One app before the Filing Date. No image of the app was included in his evidence. In cross-examination he was evasive about having access to the app as it was before the Filing Date. He was told by Mr Norris that Wirex had found it and that it contained no reference to “cryptoback”. Counsel was there giving evidence, but Mr Manuel did not deny that sight of the Bee-One app as it was before the Filing Date would not have helped the Defendants’ case.
17. Fifthly, Mr Manuel relied on a website now at [www.ccrb.io](http://www.ccrb.io) used by Global and Cryptocarbon UK (“the Website”). In his witness statement he said that it was materially the same before the Filing Date as it is now. The Website as it is now was demonstrated in a video prepared by Mr Manuel. In cross-examination Mr Manuel conceded that he could have used the Wayback machine, a digital archive of the internet based in San Francisco, to demonstrate the Website as it was before the Filing Date but had not done so. Yet Mr Manuel was happy to use the Wayback machine for other parts of his evidence.
18. More examples are given below. I am unable to accept any evidence from Mr Manuel concerning use of “cryptoback” by Global before the Filing Date save where it is clearly supported by documentary evidence.

### **Mr Smeir**

19. The evidence from Mr Smeir was more limited and although I have no criticism of the way in which he gave his cross-examination, he worked closely with Mr Manuel when Mr Manuel was setting up Wirex’s cryptoback service and was probably not a neutral witness with regard to any rights Wirex may have in the name cryptoback. As to what such rights may be, I rely only on the documentary evidence.

### **The law**

20. The general of passing off law was not in dispute. I must apply the principles explained in *Reckitt & Colman Products Ltd v Borden Inc* [1990] 1 WLR 491. Of the three elements of the tort identified by Lord Oliver (at p.499), only the first matters here. The Defendants must establish that “cryptoback” was by the Filing Date recognised by the public as distinctive of the services of Global.

### *A Neologism*

21. In his skeleton argument Mr Hill characterised “cryptoback” as being a neologism and indeed this was established by the evidence. Neologisms are liable to raise an evidential point all their own.
22. It has long been recognised that there is a potential difficulty facing a claimant who seeks to rely on goodwill associated with a newly coined word which is used in relation to a particular product or service. *Linoleum Manufacturing Company v Nairn* [1878] 7 Ch. D. 834 concerned an action for infringement of the common law trade mark LINOLEUM. A Mr Walton had invented a type

of floor-cloth (as it was described) and had called it “linoleum”. The plaintiff company was set up as a vehicle for the business of selling linoleum, to which were assigned Mr Walton’s patents for the product. The name “linoleum” was used exclusively by Mr Walton and the company for 15 years until the patents expired. The defendant then sought to sell what they proposed to call “Linoleum Floor-Cloth”. Fry J said (at 836-7):

“ ... the Plaintiffs have alleged, and Mr. *Walton* has sworn, that having invented a new substance, namely, the solidified or oxidised oil, he gave to it the name of ‘*Linoleum*’ and it does not appear that any other name has ever been given to this substance. It appears that the Defendants are now minded to make, as it is admitted they may make, that substance. I want to know what they are to call it. That is a question I have asked, but I have received no answer; and for this simple reason, that no answer could be given, except that they must invent a new name. I do not take that to be the law. I think that if ‘*Linoleum*’ means a substance which may be made by the Defendants, the Defendants may sell it by the name which that substance bears.

But then it is said that although the substance bears this name, the name has always meant the manufacture of the Plaintiffs. In a certain sense that is true. Anybody who knew the substance, and knew that the Plaintiffs were the only makers of this substance, would, in using the word, know he was speaking of a substance made by the Plaintiffs. But, nevertheless, the word directly or primarily means solidified oil. It only secondarily means the manufacture of the Plaintiffs, and has that meaning only so long as the Plaintiffs are the sole manufacturers. In my opinion, it would be extremely difficult for a person who has been by right of some monopoly the sole manufacturer of a new article, and has given a new name to the new article, meaning that new article and nothing more, to claim that the name is to be attributed to his manufacture alone after his competitors are at liberty to make the same article.”

23. Related, but distinct, is the question whether the public regarded “cryptoback” as descriptive of a type of service. “Cryptoback” is a contraction of “cryptocurrency cashback” and is thereby potentially descriptive. The more descriptive a word is of the goods or services in respect of which it is used, the more use, established to be use as a badge of origin, is liable to be required in order for it become distinctive of a single entity’s goods or services (assuming that it is not so descriptive as to make that impossible in practice). I must take this into account as well when considering whether the Defendants have established that Global had acquired the goodwill it claims as of the Filing Date.
24. When the matters referred to in paragraphs 22 and 23 above were raised by me, Mr Hill objected on three grounds. First, the effect in law of cryptoback being a neologism was not pleaded by Wirex. Mr Hill submitted that had it been pleaded the Defendants would have called more witnesses to establish how users regarded the word “cryptoback”.

25. Secondly, Mr Hill submitted that the *Linoleum* case dates from a different era with different facts. The true position is that neologisms, because they are new, do not have an established meaning and so are inherently non-descriptive. They can only become descriptive if that is how the public is taught to understand them.
26. Thirdly, it was submitted that it does not matter whether a mark is potentially descriptive or if it has some descriptive connotations. What matters is whether it is in fact taken as descriptive.
27. I think the answer to all these points is that at root there was only one principal issue in relation to the Defendants' case under section 5(4) of the 1994 Act: whether cryptoback was distinctive of Global's services at the Filing Date. The parties had the opportunity to file evidence on that issue and did so. The point was fully argued at trial. The background evidence made it plain that cryptoback was a neologism – Mr Hill drew attention to that fact in his skeleton argument – and it was self-evident that the word is a contraction of “cryptocurrency cashback”. Those facts were relevant to the principal issue and the parties were free to address them directly if they so wished. They are in any event facts which must be taken into account by the court when considering the principal issue. Ultimately, however, whether cryptoback was distinctive of Global's services at the Filing Date turns on the evidence directed to that issue. I deal with that evidence below.
28. The *Linoleum* case, like all other authorities, not least those concerning passing off, turned on its own facts. But it provides an illustration of an obvious possibility: a neologism, especially where used in relation to a new product or service, *may* be taken by the public to be a new word for that type of product or service.
29. Finally, I do not accept that because a word is new it must be inherently non-descriptive. The nature of the word and the goods and/or services in relation to which it is used will govern where it lies on the spectrum of descriptiveness.

#### **Uses of “cryptoback” before 28 April 2018**

30. The following are the documents on which Mr Hill relied in closing as evidence of the Defendants' use of “cryptoback” before the Filing Date.

#### *Email campaigns*

31. In paragraph 38 of his witness statement Mr Manuel gave evidence about email campaigns. This was substantially corrected by an email from the Defendants' solicitors sent at 18:35 on the day before the trial.
32. In the corrected version Mr Manuel asserted that an email campaign was conducted by Global and its licensees during January and February 2018 which was sent to more than 700,000 email addresses, of which 114,667 were specifically marked as UK users in what he called “the Infusionsoft software”. To support the figure of 114,667 Mr Manuel exhibited a three page document with the number 114,667 on the first page but with no explanation of what the



number meant. It listed just 20 names marked “Country: United Kingdom”. There was no record in the document of anything having been sent to these 20 individuals. Mr Manuel also exhibited an 8 page document headed “Email Broadcasts”. It provided no indication as to whom any of the broadcasts were sent. None of the emails referred to by Mr Manuel in this first part of paragraph 38 was exhibited.

33. In the same paragraph Mr Manuel went on to say that between 1 November 2017 and the Filing Date the email campaigns were primarily focussed on building recognition of the new cryptocurrency CCRB. He referred to two emails, one dated 12 January 2018 and the other 12 February 2018 which, he said, expressly referred to the cryptoback service. He asserted that the first was sent to 22,806 email addresses and was opened 5,533 times and clicked 740 times (by those who wished to make a purchase from an affiliate retailer). The second, he said, was sent to 382,719 email addresses and was opened 22,414 times and clicked 1,206 times. Mr Manuel also claimed that 57,650 UK recipients received one or both the emails and inferred that a proportion of them would have opened the emails and a smaller proportion would have clicked the emails. There was no documentary proof of any of this – documents exhibited in the original version of paragraph 38 purporting to support Mr Manuel’s numbers were struck out in the amended version, I think for good reason. Further, as Mr Norris pointed out, it was to be expected that if anyone clicked on either of the emails they would have given their address. The Defendants must have a record of those addresses, in particular UK addresses. No such record was provided in either version of paragraph 38.
34. In the original version of Mr Manuel’s paragraph 38, having referred to the emails of 12 January 2018 and 12 February 2018 Mr Manuel cited a reference to two pages in the trial bundle which shows one undated email. That reference was struck through in the amended version of Mr Manuel’s paragraph 38 and I assume that he no longer relies on those two pages of his exhibit as establishing anything. It is not possible to know how the word “cryptoback” was presented in any of the emails Mr Manuel refers to in his paragraph 38 and therefore how it would probably have been interpreted by recipients.

*“Shopping is Mining” Article*

35. Mr Manuel referred to a web article published by Global entitled “Shopping is Mining – How CCRB is redefining the cryptocurrency model with ‘Cryptoback’”. He said it was published on 12 January 2018 and on the next day he shared the article on his LinkedIn page which has over 10,000 followers. The article was picked up by a cryptocurrency website and republished on 13 March 2018.
36. A copy of the article was in the evidence. It refers to traditional cryptocurrency mining and says:

“This is where CCRB’s Shopping is Mining concept is so radically different.”

37. It has a section headed “How ‘CryptoBack’ Works”. It explains the difference from traditional cashback models:

“But of course the key difference is that we have set up a reward program where you receive 25% of the value of whatever you purchase on the affiliate site in CCRB cryptocurrency, according to the High Internet Value – and this is what we like to term ‘Cryptoback’ – the rewards for the consumer are that they get immediate and risk-free entry into a sure-fire way to mine cryptocurrency, without any equipment or technical knowledge required whatsoever – they simply shop and mine.”

38. Notwithstanding the upper case C, it seems to me that a reasonable reader would on balance probably interpret this to mean that “Cryptoback” was a term for a new type of cashback service, now being offered where the cashback rewards are paid in CCRB cryptocurrency. I think it is safe to assume that some people read the article before the Filing Date but there is no way knowing how many, if any, were in the UK.

#### *CCRB FAQs*

39. The Defendants served a bundle of cross-examination documents on the opposing parties at 12:53 on the day before the trial. For the most part Wirex and the Defendants to the Counterclaim did not object. However, objection was taken at trial, and more strenuously by an email to the court on the day after the trial, with regard to a page taken from an archive of one of the Defendants’ websites, headed “CCRB FAQ’s”. The Defendants had obtained this using the Wayback machine. Pursuant to CPR 63.23(2) such a document was admissible only in exceptional circumstances and none were suggested by the Defendants. On that ground alone I find that the document is inadmissible.
40. However I did look at it and it was discussed. The heading suggests that it was taken from an archive of the website dated 10 April 2018. It consists overwhelmingly of questions and answers about the Defendants’ cryptocurrency CCRB. There is, however, a section headed “Cryptoback” which was partially obscured. It appears to explain that cryptoback is a cashback system using cryptocurrency. Had this document been admissible, I would not have regarded it as providing sufficient evidence that the word would be seen as anything more than a word for a new type of service. Further, assuming these FAQs were read by some people, there is no way of knowing how many paid attention to the Cryptoback section and of those, how many were in the UK.

#### *Account summaries*

41. The Amended Defence and Counterclaim, signed by Mr Manuel, contained the following paragraph:

“8. Materials evidencing the foregoing assertions [of use of “cryptoback”] are annexed hereto at Annex 1. This collection of

materials is not comprehensive and further materials will be adduced in evidence.”

42. Annex 1 has 62 pages of documents that were not further explained in the Amended Defence and Counterclaim or in Mr Manuel’s witness statement. The pages included what Mr Hill told me were 50 samples of summaries of accounts held by customers, possibly customers of Global or Bee-One. Mr Manuel had not so identified them. They were dated 10 September 2019 (or 9 October 2019 possibly) and were difficult to read. Mr Hill submitted that it was possible to make out cryptoback payments in dollars on dates preceding the Filing Date and the name of the trader from whom the account holder had made a purchase, such as Asda and Lidl. The payments made by the customer are recorded and some of them are shown as having been paid in sterling. Mr Hill submitted that those customers must have been in the UK. Mr Manuel did not say that they were.
43. Assuming Mr Hill was right, these account summaries merely establish that in the autumn of 2019 the payments were recorded under a column marked “Cryptoback \$”. They prove nothing about whether and if so how, the word “cryptoback” was presented to the customers at the relevant time. Still less do they show that such use would have been perceived by the customers as a badge of origin.

*Global Invoice to Bee-One*

44. I was shown an invoice dated 9 April 2018 from Global to Bee-One recording cryptoback sales, using that term. This shows nothing about how the term was presented to the public.

*Shop & Mine*

45. Mr Hill took me to a webpage headed “CCRB – CryptoCarbon – Shop & Mine”. On it are names and logos of various traders. I was told that the recipient of this webpage would click on the name or logo of the preferred trader. I was then taken to a page which the viewer would see if they clicked on “Active Wills”. Neither page is dated. There were no recorded numbers for viewers of the page or how many of those were in the UK.
46. The first page was not explained in Mr Manuel’s evidence. The Active Wills page was identified by him and it included links marked “Get Cryptoback” and a section headed “How Does Cryptoback work?”. The page is headed with the CCRB logo and CCRB in fancy script. In my view, the use of the word cryptoback on the Active Wills page was, on balance, probably taken to have been a name for a new type of service, here offered using CCRB cryptocurrency.

*A different word for the Defendants’ cryptocurrency cashback*

47. “Cryptoback” was not the only term used by the Defendants to describe their cryptocurrency cashback system. In the evidence there were archive pages

from the CCRB website nominally dated 23 April 2019. It refers to the new CCRB reward system and states:

“The platform enables users to mine cryptocurrency by receiving ‘CcrbBack’, a unique alternative to cashback programs where users receive cryptocurrency rewards rather than Fiat payments.”

48. This implies that from some point before 23 April 2019 the Defendants had been using an alternative term to describe their cryptocurrency cashback service, namely “CcrbBack”.
49. The pages refer to a new version of the CCRB platform:

“The new version of the platform is scheduled to be live on their website on 1<sup>st</sup> May 2018 ...”
50. It appears that these pages must have appeared online before 1<sup>st</sup> May 2018. If so, the Defendants’ use of an alternative term for their cryptocurrency cashback service, CcrbBack, will have started before the Filing Date.
51. If, as seems likely, the Defendants were using both “cryptoback” and “CcrbBack” in relation to their new cashback service before the Filing Date, of the two “CcrbBack” is the more likely to have been perceived as referring to the service where payment is in CCRB, which would tend to relegate “cryptoback” to the status of a generic term for the new service.

## **Discussion**

52. Of the documentary evidence of use of “cryptoback” filed by the Defendants, only the account summaries provided possible proof that the word “cryptoback” was presented to the public in the UK and even then only by an inference which Mr Hill invited me to draw; Mr Manuel did not say that this was the case. The evidence about the account summaries did not reveal the manner of presentation and therefore whether it was likely to have been perceived as a trade name.
53. Of the remaining admissible evidence, only in relation to the “Shopping is Mining” article and the “Shop & Mine” webpage was it possible to know how the word cryptocurrency was presented to the public. In neither case was it established that the article or webpage had been seen by anyone in the UK. The Shop & Mine webpage was not dated. In both cases it was more likely than not that cryptoback would have been taken to be the word for a new type of service, not a trade name.
54. In the few months of use before the Filing Date, that service was also presented by the Defendants as “CcrbBack”. This increased the likelihood that “cryptoback” was seen as the generic word for a new type of service, in contrast to “CcrbBack” which was the CCRB version of that service.
55. In my view the evidence does not establish that at the Filing Date Global owned goodwill which was associated with a trade name “cryptoback”.

## Conclusion on Trade Mark Infringement

56. The allegation of invalidity of the Trade Mark pursuant to section 5(4)(a) of the 1994 Act fails. It was accepted by the Defendants that if that allegation failed, the allegation of bad faith under section 3(6) could not succeed. Accordingly the Trade Mark is valid and was infringed by the Corporate Defendants.

## Liability of Mr Manuel for the acts of Bee-One

57. In *MCA Records Inc v Charly Records Ltd* [2001] EWCA Civ 1441 the Court of Appeal expressly considered the question whether an officer of a company may be held jointly liable for the tort of the company. Chadwick LJ gave the leading judgment. Having considered some of the authorities he said (there were two paragraphs 37):

“[37] The judge observed, at para. 12 of his judgment, that:

‘It has ... long been recognised that a director or other officer of a company may in certain circumstances be personally liable for the company's torts, although he will not be liable merely because he is an officer: he must be personally involved in the commission of the tort to an extent sufficient to render him liable. Whether he is sufficiently involved is a question of fact, requiring an examination of the particular role played by him in the commission of the tort.’

[37] With the qualification that, if he is liable for the company's tort, it is because he is liable with the company as a joint tortfeasor – so that the relevant enquiry is whether he has been personally involved in the commission of the tort to an extent sufficient to render him liable as a joint tortfeasor – I would accept that as a correct statement of the law.”

58. Chadwick LJ then continued his review of earlier authority and at [53] repeated his qualified approval of the test set out at first instance, rephrasing it in this way (Mr Young was a director of and alleged to be jointly liable with the company referred to as CRL):

“[53] In the light of the authorities which I have reviewed I am satisfied that no criticism can be made of the test which the judge applied. But, in my view, the test can, perhaps, be expressed more accurately in these terms: in order to hold Mr Young liable as a joint tortfeasor for acts of copying, and of issuing to the public, in respect of which CRL was the primary infringer and in circumstances in which he was not himself a person who committed or participated directly in those acts, it was necessary and sufficient to find that he procured or induced those acts to be done by CRL or that, in some other way, he and CRL joined together in concerted action to secure that those acts were done.”

59. Mr Manuel is the sole shareholder of Bee-One and is one of its directors. I will quote Mr Manuel's evidence on his relationship with Bee-One, on which he was not cross-examined:

“46. I do not accept that at all material times I have been the controlling mind of Bee-One. Bee-One's key business decisions have at all material times been taken collectively by the individuals who have been members of its management team at the relevant time. That team has always included not only me but others, including, after his arrival in June 2017, RF [Roger Ferguson] who was also a company director from 9 November 2018 to 27 January 2020. The others in the team were Akhil Antony and David Mclean, as mentioned above.

47. RF was engaged by Bee-One through a recruitment specialist, Thomas Brown, in June 2017. He started on a salary of £50,000 and Bee-One paid £10,800 in respect of his recruitment (being 18% of his base salary plus value added tax). At a salary of £50,000, he was an important employee (being referred to as ‘National Sales Director’) and later on, in November 2018, he was appointed as a de jure director of Bee-One.

48. Throughout his time with Bee-One, RF assisted me and the rest of the management team in making key business decisions. One of his roles was in respect of the marketing and promotion of Bee-One, tasks which involved the expansion of the mark to the Bee-One Website and other platforms and websites.”

60. I am not satisfied that Mr Manuel has been shown to have been personally involved in the acts of infringement of the Trade Mark by Bee-One to an extent sufficient to render him liable as a joint tortfeasor. It has not been shown that he either procured or induced those acts to be done or that, in some other way, he and Bee-One joined together in concerted action to secure that those acts were done.
61. Mr Manuel is jointly liable for the infringements of the Trade Mark carried out by Global and Cryptocarbon UK, but not those carried out by Bee-One.