

THE HIGH COURT

2010 11125 P

BETWEEN

BAYERISCHE MOTEREN WERKE AKTIENGESELLSCHAFT

PLAINTIFF

AND

EDWARD RONAYNE T/A BMW CARE

DEFENDANT

JUDGMENT of Mr. Justice Gilligan delivered on the 14th day of December, 2011

1. These proceedings relate primarily to an allegation that the defendant has infringed a number of the plaintiff's trademarks and the plaintiff seeks an order pursuant to s. 18 of the Trademarks Act 1996 (as amended) and/or Article 102 of the Council Regulations 207/2009 restraining the defendant or persons acting on his behalf from infringing the plaintiff's community trademarks.

2. I have had the benefit of reading and considering the pleadings herein and the various notices for particulars and replies thereto.

3. The particular aspect before the court at this stage is a notice of motion seeking five categories of discovery and in this regard three categories identified as (b)(c) and (e) have been agreed.

4. The documents in dispute comprise category (a) being:-

"All documents evidencing the defendant's use of the name BMW Care and/or the Plaintiff's Trade Marks by the Defendant in Ireland since 2005 (the alleged time when the Defendant began to trade as BMW Care.)"

and category (d) being:-

"All documents and audio recordings relating the defendant's radio campaign which it was pleaded by the defendant in his defence and counterclaim was scheduled for broadcast in November, 2010 and or any other documents and audio recordings relating to advertising campaigns of any sort whether in the past or intended in the future for promotion of the defendant's business."

5. In my view, the legal principles as set out in *Schneider (Europe GmbH) v. Conor Medsystems Ireland Limited* [2007] IEHC 63, and *Medtronic Inc. and Others v. Guidant Corporation and Others* [2007] IEHC 37 apply. Order 31, r. 12 of the Rules of the Superior Courts sets out that an applicant for discovery has to demonstrate that the documents sought are both relevant and necessary for the fair disposal of the case or to save costs. Further, the onus of establishing relevance and necessity for the purposes mentioned in the rule is on the moving party and the general principles applicable to discovery apply as in any other case to patent and trademark actions. The only dispute between the parties hereto is as to the proper application of the principles to the present proceedings and the documents sought in categories (a) and (d).

6. As regards category (a) it is contended on the plaintiff's behalf that at para. 5(c) of the defendant's defence he alleges lawful use of the BMW roundel device mark (in the course of his trade providing specialist BMW maintenance and repair services including such use on his website, stationery and invoices). Furthermore, the defendant relies upon s. 15(2) of the Trademarks Act 1996, at para. 6 of this defence, being the defence of honest practice in industrial and commercial matters. Specifically it is contended that the plaintiff's states that its use of the plaintiff's trademarks are "combined with express denials of affiliation and/or statements or independence from the plaintiff's business".

7. It is contended on the plaintiff's behalf that this category of documents as sought is principally important to the issue of infringement at trial given that the defendant accepts that it used the plaintiff's iconic roundel mark but refuses to accept that it was unlawful use.

8. Furthermore, it is contended that the defendant alleges at para. 2 of his defence that he has established substantial good will in the BMW Care mark since commencing trading in 2005 and further alleges that the plaintiff, its servants or agents have acquiesced in the defendant's use of the said mark and it is "unconscionable that plaintiff maintains these proceedings against the defendant".

9. In essence, the plaintiff contends that it needs to know the extent of the documentation upon which no express denials of affiliation or statement of independence from the plaintiff's business was set out, notwithstanding that in category (c) which has been agreed, the defendant is to make discovery of all documentation where an express denial of affiliation with or statements of independence from the plaintiff's business are set out.

10. It is contended on the defendant's behalf that the plaintiff's application in respect of category (a) is a speculative claim, not particularised and is in essence, a fishing expedition.

11. In the plaintiff's solicitor's letter of the 3rd August, 2011, reference is made to category 1 and to the defendant's solicitor's characterisation that the category is too broad. In essence, the plaintiff maintains that the defendant has been using both the name BMW Care and the plaintiff's trademarks on, amongst other things, his envelopes and "with compliments slips", and so it is not unreasonable for the plaintiff's to be concerned that the defendant may also have extended such use to other documents (whether trivial or not) related to his business and as such, this aspect is very relevant to the plaintiff's case to establish the extent as well as the mere fact of such use of the name BMW Care and of the plaintiff's trademarks and it is contended that this directly relevant to the question of the quantum of damages and hence, should be available to the plaintiffs in the present circumstances.

12. It is contended on the defendant's behalf that the other categories of discovery as agreed including category (d) will adequately deal with the discovery aspect and that, in essence, the fulfilment of discovery of category (a) documentation would place a very serious burden on the defendant who is a sole trader in a small way of business, against the background where the defendant accepts that he has used the trademarks concerned but alleges that he has not done so unlawfully.

13. I am inclined to the view in the overall context of the case as pleaded and the defence and counterclaim as delivered thereto that the situation herein is somewhat analogous to the situation that arose in *Framus Ltd v. CRH Plc* [2004] 2 I.R. 20 as per Murray J. at p. 40 wherein, in the course of discussing the subject matter of discovery he states:-

"The plaintiffs complain that they effectively put out of business by the abuse of a dominant position on the relevant markets by the defendant and in particular by their concerted action in relation to such matters and the terms and condition of sale of the products in question to buyers of those products. The fact is that they have been in a position to plead specific contracts and projects which were the subject of these alleged anti-competitive practices and which affected their businesses. However, what the plaintiffs in fact seek in this context is access to all documents concerning all transactions within the relevant periods for the relevant markets because they believe that among them that they will find evidence of anti-competitive practices of which they suspect the defendants. Apart from its speculative element this particular application is more akin to an investigative process rather than a discovery process and perhaps more appropriate to, as the High Court Judge pointed out, the exercise of a public investigatory power by a competent authority."

14. I accept that clearly each application for discovery must turn on the particular circumstances of the case in question. Taking into account the fact that there will be discovery of categories (b), (c), (d) and (e) and further the reasoning for discovery of category (a) as advanced in particular the concern as expressed that the plaintiff may also have extended such use to other documents is very relevant to the plaintiff's case to establish the extent of such use and that this aspect is directly relevant to the question of the quantum of damages against the background where the plaintiff concedes his use of the subject matter of the plaintiff's alleged trademarks is, in my view, speculative, too broad and would place too great an onus on the plaintiff in respect of compliance with any such order from 2005 to date.

15. Accordingly, I refuse the application in respect of category (a).

16. As regards category (b) there is, in essence, no real difficulty, the defendant only being concerned to exclude unsolicited marketing material as received from agencies by way of promotional literature and thus, I will accede to the request for discovery of category (d) and make the appropriate order in respect of all documents and audio recordings (excluding unsolicited marketing material received by the defendant) relating to the defendant's radio campaign which it was pleaded by the defendant in his defence and counterclaim was scheduled for broadcast in November, 2010 and/or any other documents and audio recordings (excluding unsolicited marketing material received by the defendant) relating to advertising campaigns or any sort whether in the past or intended in the future for promotion of the defendant's business.