



Neutral Citation Number: [2022] EWHC 3295 (Ch)

Case No: IL-2022-000010

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

Rolls Building
Fetter Lane, London, EC4A 1NL

Date: 21/12/2022

Before:

CHIEF INSOLVENCY AND COMPANIES COURT JUDGE
(Sitting as a Deputy High Court Judge)

Between:

(1) ENTERTAINMENT ONE UK LIMITED
(2) ASTLEY BAKER DAVIES LIMITED

Claimants

- and -

(1) CÔNG TY TNHH ĐẦU TƯ CÔNG NGHỆ VÀ DỊCH VỤ SCONNECT VIỆT NAM also known as SCONNECT CO. LTD. (a limited liability corporation incorporated under the laws of the Socialist Republic of Vietnam)

Defendants

(2) SCONNECT MEDIA LLC (a corporation incorporated under the laws of the State of Delaware, United States of America)
(3) SCN MEDIA LIMITED (a limited company incorporated under the laws of England and Wales)
(4) MANH HOANG TA

Michael Edenborough KC, Gwilym Harbottle and John Eldridge (instructed by Brandsmiths) for the Claimants
Jacqueline Reid (instructed by EP Legal Limited) for the Defendants

Hearing dates: 22 July 2022 and 3 November 2022
(Final written submissions filed on 1 December 2022)

Approved Judgment

I direct that pursuant to CPR PD 39A para 6.1 no official shorthand note shall be taken of this Judgment and that copies of this version as handed down may be treated as authentic.

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**If this Judgment has been emailed to you it is to be treated as ‘read-only’.
You should send any suggested amendments as a separate Word document.**

This judgment was handed down remotely with circulation to the parties' representatives by email. It will also be released to the National Archives for publication. The date and time for hand-down is deemed to be 10:00 hrs on 21 December 2022.

Chief ICC Judge Briggs:

1. There are two applications before the Court. The first application is made by the Claimants (the “C Application”) and is dated 27 April 2022. By the C Application the Claimants seek a declaration that service on the Defendants of a Claim Form and Particulars of Claim made by e-mail on 24 January 2022 was effective. If it was not effective the Claimants seek an order for service of the Claim Form by an alternative method pursuant to CPR 6.15 and 6.27. The C Application is made as the Defendants assert that a failure to comply with Practice Direction 6A (“PD6A”) paragraph 4.2, is fatal to valid service. In the Defendants’ supplemental skeleton argument, it is submitted, relying on a recent authority, that a second fatal failure of service occurred because the solicitors acting for the Defendants provided more than one e-mail address for service in contradiction to PD6A, paragraph 4.1.
2. The Defendants’ application notice precedes the C Application and is dated 23 February 2022 (the “D Application”). The D Application seeks a declaration that: “the English court has no jurisdiction to try the claims brought against each of the Defendants, alternatively [it] should not exercise any jurisdiction which it may have.” The reason for the declaration is (i) “the service is defective”; and (ii) “the Defendants do not target the UK market”.
3. It is worth mentioning that the arguments developed and grew during the hearing (and after). The original time estimate was one day. Many of the arguments raised by the Defendants (who opened) were not foreshadowed until the exchange of skeleton arguments and the Defendants took most of the first day to set out their case. The combination led to an adjournment. A second day was required. New evidence, new authorities and new arguments were introduced, and the Claimants took most of the second day. The reply was necessarily short, and due to a lack of court time, I directed final written submissions.

The Claim

The parties

4. Peppa Pig was created by Mark Baker and Neville Astley in around 2000 and launched four years later in the United Kingdom.
5. Peppa Pig is described as an anthropomorphic pig who is four years old, lives with her parents and her younger brother George who is 18 months old and has many friends. Episodes of Peppa Pig are created using British English and broadcast over the internet on various channels including YouTube, Amazon, NickJr and Milkshake! (Channel 5).
6. The First Defendant is incorporated under the laws of the Socialist Republic of Vietnam. The Second Defendant is incorporated in the State of Delaware. The First and Second Defendants are concerned in the production of educational and entertainment videos and have admitted responsibility for the production and transmission of Wolfoo.
7. The Third Defendant has been struck off the register of companies and plays no substantive part in these proceedings. The Fourth Defendant, Mr Manh Hoang Ta (“Mr Ta”) is the founder and CEO of the First Defendant and concerned in the Second Defendant. He is the registrant and administrator of the Sconnect website.

8. In his first witness statement Mr Ta explains that the educational and entertainment videos and cartoons produced by the First Defendant are aimed at children between the ages of 3-8 in Vietnam and the United States. He presents “the basis for the creation of the Wolfoo characters” which followed research about the popularity of wolf characters in fairy tales and American culture:

“Wolf is essentially an animal that represents intelligence, self-control, courage and teamwork...the 1st Defendant’s working team and I chose the Wolfoo character, who is close to nature and is easily associated with Scout’s qualities such as courage, strength and solidarity, intelligence, curiosity, inquisitiveness and nature exploration.”

9. The Wolfoo character is not intended to be villainous but mischievous, kind, brave and inquisitive. A character, says Mr Ta, that is intended to win over its audience.

The intellectual property of the Claimants

10. The Particulars of Claim state that the Claimants are owners of original artistic works (the “Artistic Works”) “in all countries that are parties to the Berne Convention and/or members of the World Trade Organisation”. The Artistic Works include:
 - 10.1. the visual representations of the Peppa Pig character such as representations of the character jumping in muddy puddles (a frequent theme in Peppa Pig videos and merchandising); and
 - 10.2. the scenery and backgrounds to each Peppa Pig episode.
11. The Claimants assert ownership of copyright in individual audio clips repeated in Peppa Pig episodes (the “Audio Clips”) in all countries that are parties to: (i) the Rome Convention; (ii) the WIPO Performances and Phonograms Treaty but not the Rome Convention; and (iii) further countries that are listed in a schedule to the Particulars of Claim (defined there as the “Pleaded Countries”).
12. It is pleaded that the Artistic Works are original, created in the UK by a UK resident or citizen and qualify for copyright protection in all the Pleaded Countries.
13. Between them the Claimants are the proprietors of three UK registered trade marks, and three EU registered trade marks.
14. The UK marks are: (i) UK trade mark no. 2340356 PEPPA PIG registered on 12 August 2003 in respect (amongst other things) of “cartoons” in Class 9 and “film production of radio and television programmes ... television entertainment” in Class 41; (ii) UK trade mark no. 910186261 registered on 27 February 2012, also for entertainment in Class 41 and (iii) UK trade mark no. 2340700 registered on 13 August 2003 in Class 9 (cartoons) and Class 41 (film production of radio and television programmes ... television entertainment).
15. The three registered EU trade marks are (i) no. 010186179 PEPPA PIG registered on 7 December 2011 for “entertainment” in Class 41; (ii) EU trade mark no. 016518151 PEPPA PIG registered on 14 July 2017 in Class 41 for “entertainment services”; and (iii)

EU trade mark no. 010186261 registered on 27 February 2012 in Class 41 for “entertainment”.

Matters complained of

16. The date on which the matters complained of commenced, is 31 May 2018. As at this date, Peppa Pig claims to have had over 11 million subscribers to its YouTube channels worldwide. The figures increased and by the time the Claim Form was purportedly served in January 2022 Peppa Pig had 84 million subscribers worldwide of which 1.85 million were from the United Kingdom. At the date of the Particulars of Claim episodes of Peppa Pig had been viewed over 33 billion times (over 6 billion in Europe of which 3 billion have been in the United Kingdom). The Claimants had produced some 9 series (485 episodes).
17. It is pleaded that the Defendants are liable for the breaches of the Claimants’ copyright in the Pleded Countries by:
 - 17.1. Communicating part of the Claimants’ works through YouTube channels and other platforms that broadcast Wolfoo videos;
 - 17.2. Reproducing the whole or substantially the whole of the Claimants’ works in the Wolfoo videos; and
 - 17.3. The importation, possession, sale, offering or exposing for sale and distributing articles that the Defendants knew were infringing copies of the Claimants’ works.
18. The Particulars of Claim include two schedules of infringement by representation, two schedules of reproductions of the Artistic Works and a schedule in respect of the Audio Clips.
19. It is pleaded that the Defendants were “well aware” of the infringements of copyright, as the reproductions of the Audio Clips are identical to the Audio Clips. It is said that this demonstrates beyond doubt that the Defendants (a) have at all material times had access to the Peppa Pig videos and (b) deliberately extracted protected Audio Clips directly from the Peppa Pig videos with the intention of reproducing them exactly and completely. There was some debate at the hearing about whether the pleaded case had a prospect of success, but as pleaded, this is not a “sound-alike” case that infringes the principle enunciated in *Norwozian v Arks Ltd* [1998] FSR 394.
20. Notwithstanding that some videos were removed following the letter before claim, it is pleaded that the Defendants have “continued to create new allegedly infringing Wolfoo episodes and to communicate them and existing Wolfoo episodes to the public and to sell the merchandise complained of in this claim.”
21. The claim in respect of the trade mark infringement concerns the signs pleaded, including “Peppa Pig” and “Peppa Pig Toy”. The target is said to be the United Kingdom and the EU 27 Countries. Using the signs is said to contravene honest practices, give rise to confusion and damage: “The Defendants’ Signs are identical with or similar to the Trade Marks as the case may be and have been used in relation to the Wolfoo or Peppa Pig videos”.

22. Lastly, there is a claim for passing off. The Claimants rely on elements of the signs and images used by the Defendants who purportedly copied or mimicked the Peppa Pig indicia so there has been a deception practised on the average consumer. It is said that there have been “misrepresentations that Wolfoo comes from the same commercial source as Peppa Pig or is otherwise commercially connected with the makers of Peppa Pig”, and that the “false association with Wolfoo”, has damaged the goodwill of the Claimants.

Evidence

23. Trung Nam Nguyen is a solicitor at EP Legal Limited in Birmingham (“EP”). He makes two witness statements. His first statement is made in support of the Defendants’ challenge to service within the jurisdiction. He refers to his letter dated 31 December 2021 confirming that EP would accept service by e-mail where two e-mail addresses are provided. He refers to the purported e-mail service on 24 January 2022 that listed the documents served including the “Claimants’ Initial Disclosure List”. His evidence is that he could not access the videos listed in schedule 4 of the Particulars of Claim via links that had been provided, and concludes that service was not effected.

24. On the issue of forum his instructions (“I have been informed”) are that Wolfoo videos are created in Vietnam and promoted in Vietnam, the USA and Canada. The “Wolfoo videos do not target the UK market”. He makes the point that just because the videos use the English language that does not mean that they are targeted at the UK. In fact, the allegation is that the language used is British English which is more specific in tone and intonation. His evidence concludes:

“On the basis that service is defective and the Defendants do not target the UK market, I submit that English courts do not have (or otherwise should not exercise) the jurisdiction over the First, Second, Third and Fourth Defendants.”

25. In his second witness statement he addresses some of the matters raised in the first statement of Mr Lee (see below for Mr Lee’s evidence). In particular, he amplifies a matter mentioned by Mr Lee at paragraph 52 saying that Defendants served the D Application by e-mail and by hard copy through the post. Nothing much turns on the correction.

26. Mr Ta has produced three witness statements. He acknowledges that the claim was *filed* on 24 January 2022 and that he is the sole director of the First and Second Defendants. Having explained how he researched the Wolfoo character, and planned for its implementation, he says that the First Defendant targets the US and Vietnam.

27. Mr Ta says that EP forwarded the Claim Form and Particulars of Claim but that he still could not access the video links (the “Links”). He does not state so, but it may be inferred that the words “EP Legal sent me the Claim Form” mean that EP forwarded the e-mail dated 24 January 2022. If I am wrong about that EP would have downloaded the Claim Form and attached it to a new e-mail (there being no suggestion it was sent by post).

28. His second statement is intended to address the C Application. In short, Mr Ta challenges the allegation that the Defendants target the UK and attributes the number of viewings of

Wolfoo in the UK to the Claimants' use of the word "Wolfoo" as a keyword they have chosen, and various other factors.

29. In his third witness statement he says that in percentage terms the UK represents only 3% of total Wolfoo viewers. The level of views in the UK, he asserts, is not sufficient to "focus all of our mining resources." I observe that the Claimants do not plead or otherwise claim that all of the mining resources are focussed on the UK.
30. Mr Lee is a solicitor and partner at the firm Brandsmiths ("Brandsmiths") that act for the Claimants. In his first witness statement he explains:

"The Claim was duly served by email upon the two named individuals on 24 January 2022...The Claim Form and Particulars of Claim were attached to the service email along with a Response Pack. The Annexes to the Particulars of Claim were attached to the service email. Those annexes contained certain links to a Google Drive cloud storage site at which downloads of videos of the Defendants' publicly available YouTube videos could be found, along with links to the videos on YouTube. EP Legal confirmed receipt 2 days later. The videos were put on the cloud to be in one, readily accessible, place for those involved in the litigation, and to ensure that everyone concerned was working on the same material."

31. In respect of service of the Claim Form (2MB in size) and Particulars of Claim (413KB in size) Mr Lee says that service was effected in accordance with the instructions provided by EP:

"Indeed, in many years of practising IP litigation, I do not recall many (if any) instances where firms serving documents by email have made any reference to the specific practice direction. Typically, a sensible approach is taken whereby confirmation that email service is (or is not) acceptable is given and, where it is acceptable, the usual requirement is that specific email addresses and/or fee earners must be included. That is particularly the case given that firms (from my experience) use standard email servers, email programmes and almost exclusively documents which are in a standard format i.e. PDF, Word etc"

32. Mr Lee says that the total size of the e-mail attachments was about 14MB. He observes that this is the same size as the e-mail sent by EP to the Claimants when serving the D Application. In other words, the Defendants cannot argue that the format of the documents or maximum size of attachments precluded effective service.
33. In any event it is not argued that the attachments received by EP were too large for their server or that the format of documents meant that they were unreadable. An e-mail receipt was issued for both e-mail addresses provided by EP and Ms Akkurt later confirmed receipt by telephone.

34. Mr Lee says although that some videos have been removed by the Defendants, the delay of this claim prevents the Claimants' ability to pursue the removal of infringing content via YouTube and that the Defendants' activities are causing the Claimants significant harm. His evidence is supported by Yannick Ferrero who provides a statement for the First Claimant. He is the senior vice president of Digital, YouTube and Ad-Funded Video-On-Demand in the First Claimant.
35. Mr Lee's second statement is a response to the second witness statement of Mr Nguyen and the second witness statement of Mr Ta.

The challenge to service in detail

36. The outline chronology of events is as follows. On 24 January 2022 the Claim Form was issued and sent by e-mail to EP. Service on EP was purportedly effective on 26 January 2022. The fourteen-day period for acknowledging service expired on 9 February 2022. On 9 February 2022 the Defendants acknowledged service ticking box 3. Box 3 states that the Defendants intend to contest jurisdiction. I shall now turn to the detail.
37. On 8 November 2021 Brandsmiths wrote a detailed pre-action letter to EP, providing information about the alleged actionable infringements, attaching links to videos on the YouTube platform and demanding that the Defendants cease any and all purported infringements, remove the alleged infringing material from YouTube and other platforms, and provide an undertaking by 4pm on 22 November 2021. The deadline was extended to 13 December 2021.
38. By a letter dated 13 December 2021 EP asked for the deadline to be pushed out to 21 December 2021 as the case "is clearly not straightforward" and there "are more than one hundred pages of attachments, and more than 30 videos are needed to be watched." Brandsmiths responded in a letter dated 13 December 2021 asking EP to accept service of proceedings on behalf of the Defendants.
39. On 15 December 2021 Brandsmiths wrote to a second letter before action with reference to *Sea Shepherd UK v Fish & Fish Ltd* [2015] UKSC 10. This concerned the liability of Mr Ta as joint tortfeasor. The time for a response was given as 4pm on 21 December.
40. EP wrote on 17 December 2021:

"We confirm that EP Legal Ltd acts for Sconnect Limited (Vietnam); Sconnect Media LLC; SCNMedia Ltd. We confirm that we are instructed to accept service of any proceedings on behalf of above-mentioned clients."
41. On 21 December 2021 EP gave a substantive response to the letter before action saying, among other things, that Woolfoo was created independently of Peppa Pig, the claimed infringements of the trade marks were admitted but unintentional, products were sold on Amazon on a global basis, "in two videos referred in Annex 5 of the Letter" the Peppa Pig image was shown, and that "similar" Artistic Works is not an act of copying and infringement. Although the letter does not explicitly state so, it is implicit in the response that the "one hundred pages of attachments" had been read and considered, and the Links to the videos opened and watched.

42. By a letter dated 31 December 2021 EP confirmed that they would accept service of proceedings on behalf of Mr Ta. Accordingly, by the end of 2021 Brandsmiths had confirmation that EP were instructed to accept service of proceedings within the jurisdiction against all Defendants.
43. In the same letter EP confirmed that they would accept service by e-mail where the e-mail was directed to *two* specified e-mail addresses.
44. By e-mail to the specified addresses, Brandsmiths purported to effect service under cover of a letter (by e-mail) dated Monday 24 January 2022:

“We attach, by way of service, the following:

1. Letter to EP Legal dated 24 January 2022;
2. Sealed Claim Form dated 24 January 2022;
3. Particulars of Claim dated 24 January 2022;
4. Schedules 1 - 5 to the Particulars of Claim;
5. Response Pack; and
6. Claimants’ Initial Disclosure List.

Please note the documents referred to in the Initial Disclosure List can be accessed here.”

45. The following week EP responded:

“I refer to the above matter and to your letter of the 24 January 2022.

Following the links set up in the Schedule 4, we have an issue accessing the Cloud Storage.

The system requires the following: - “Additional permissions required to list objects in this bucket. Ask a bucket owner to grant you ‘storage.objects.list’ permission”.

Kindly advise us as a matter of urgency.

We thank you for your assistance and look forward to hearing from you.”

46. Referring to the two specified e-mail account addresses provided for service, Brandsmiths responded within a few hours:

“The email account Tony.nguyen@eplegal.uk should now have access to the Cloud Drive. Please confirm.

We understand from our clients that the email account zhanna.akkurt@eplegal.uk will need to create a Google account before access can be granted.”

47. On 1 February 2022 Mr Lee e-mailed EP stating that the Claimants “has confirmed you both should have access” and that they should copy and paste the link rather than clicking directly. Two hours later Zhanna Akkurt of EP responded: “I have now managed to open the storage” and asked for access to be provided to counsel that had been instructed. Later the same day EP wrote stating that they and counsel were experiencing problems accessing the videos and asked for a USB containing the videos to be sent to their office.
48. Mr Ta says that on 2 February 2022, after he received the Claim Form, he instructed EP to withdraw its consent to electronic service and asked them to respond to Brandsmiths requesting service in the respective jurisdictions. Subsequently Mr Ta instructed EP not to accept service by electronic means.
49. By an e-mail dated 2 February 2022 EP wrote to Brandsmiths stating that the Defendants are not able to access “any of the files sent via links” and that due to the:

“burden of dealing with documents you sent via links and the complete unfair position in accepting service in this manner, we have been instructed by our client that they request the services (sic) of the claim to be made directly to them.”

50. The e-mail went on to say that EP was:

“no longer instructed to deal with the documents sent by you at 19:04 hrs dated 24 January 2022 until further instruction by our Clients.”

51. A few hours later Brandsmiths responded by providing a link to the Google cloud where a further folder had been created. The newly created folder contained the Links. Brandsmiths provided instructions for access to the folder and informed EP that counsel instructed by the Defendants had been sent the same Links.
52. EP wrote a more detailed letter the following day. The letter raises at least two issues relevant to the applications:

“On 27 January 2021 via email, we received the following documents from the Claimants’ solicitors ... (the total size of the email and its attachments are 14 MB)...in your email of 27 January 2021, it also states that “the documents referred to in the Initial Disclosure List can be accessed here.” Further, in your email dated 2 February 2022, you again stated that your client created a further folder which contains the 91 videos listed in schedule 4 by the Wolfoo Video number in schedule 4 of the Particulars of Claim, the videos can be downloaded/viewed by clicking on the link and then buttons on such popped up screen...*We hereby reject the service of all documents and materials submitted by way of email, links of access either within the Claimants’ Emails or contained in the*

attachments to Claimants' Emails...Essentially, the service via the links is non-compliant with the email service we accepted previously. Upon the paragraph 4.2 of the PRACTICE DIRECTION 6A "4.2..." We have not received any communication from the Claimants as to our limitations to our agreement to accept service by email. Our expectation has been that all documents if served via email shall:

- i. be either contained within such emails or attachments with reasonable size for us and for our clients (which is normally 10MB for each email, in fact our Clients will reject receiving emails with the size larger than 10MB); and
- ii. not served by way of links contained in the documents.
- iii. not require the recipient or another person designated by them to click and register or make any further steps to get access to and to download from a cloud or similar source.

We are not obliged to, and therefore are not in a position to, accept service by any means not compliant with the above limitations..." (sic) (emphasis added)

53. EP explained that there had been prejudice in seeking to serve "a huge number of files (i.e. nearly hundred videos) via those links."

54. It is apparent that the EP was accepting that they accepted e-mail service "previously" and sought to reject service because there was a difficulty accessing the Links to the videos or accessing the cloud. As EP stated in the letter, the limitations were an afterthought and imposed after service of the Claim Form and Particulars of Claim.

55. On 7 February 2022 Brandsmiths wrote (I set out its substance):

"1. The Claim Form and Particulars of Claim were sent to you by email on Monday 24 January 2022 to the email addresses you had provided to us for that express purpose. It was therefore deemed served on Wednesday 26 January 2022. Accordingly, the deadline for your clients to file an Acknowledgment of Service is this Wednesday 9 February 2022.

2. *Your clients now seek to dispute service of the Claim in its entirety. That appears to be on the basis that you say that you (and your clients) have not been able to access some of the links contained in the Schedules to the Particulars of Claim, and the documents accompanying the initial Disclosure List. However, it is clear that your firm has received, and indeed engaged with, the Claim Form and Particulars of Claim.*

3. *Specifically, the Claim Form, which contained no links and which was a small file, was served upon you.* There can be no doubt whatsoever that the service of this document has been effected fully.

...

5. Should your clients fail to file an Acknowledgement of Service by the deadline this Wednesday, your clients are at risk of Default Judgment being sought and entered against them.

...

11. We did not hear from you for some 7 days after you had confirmed receipt of the Claim Documents. You first raised an issue with access to the links 7 days after the date you confirmed receipt of the Claim Documents, on 31 January 2022 (timed 11:30). Your email stated that you had an issue accessing the links in Schedule 4 to the Particulars of Claim, contained in Cloud storage (the "Links"). In that email you included an extract of a message stating that additional permissions were required in order to grant you access to those documents. You were silent as to whether you could access the Videos via the YouTube URLs.

12. *It is clear that by 31 January 2022, you had engaged with the Claim Documents served on you given that you were attempting to access documents referred to in the Particulars of Claim, access to which was provided both by way of YouTube URLs and via the Links.*

13. We responded on 31 January 2022 (timed at 12:56) with confirmation that Tony.nguyen@eplegal.uk should have access to the Links, but that the email account zhanna.akkurt@eplegal.uk would need to create a Google account before access could be granted. In that email we also asked whether your clients had instructed counsel, so that we could arrange for access to the Links.

14. You responded the next day on 1 February 2022 (timed 10:22). You said that you still could not access the videos via the Links, and that you would revert regarding counsel shortly. We note that at no stage did you indicate any difficulty in accessing the videos via the YouTube URLs which were also provided and by which it was, and remains, perfectly possible for you and your clients to review the allegations made in respect of the 91 Videos. Further, your comment that you would revert regarding counsel indicates that you had engaged with the Claim Documents.

...

16. We refer you to our subsequent email of 2 February 2022 setting out the timeline of obtaining permission to serve each of your clients. In that email we asked you to confirm which material you were having problems accessing. Given your email mentioned that you could not access the files sent via Links, our email confirmed we were willing to continue to assist you to resolve any issues, for example by providing a USB drive or compressed folder.

17. We subsequently provided a new link to a folder on 2 February 2022 with further instructions on how to access the videos contained at those new links (the “New Links”). For the avoidance of doubt, there was no new material that could be accessed via the New Links; rather they merely duplicated the material you and your clients could, and still can, access via the YouTube URLs.

18. *Rather than taking a sensible approach and engaging with us to ensure that you could successfully access the Links, either the original ones or the New ones, you have instead proceeded to try to withdraw retrospectively the instructions that were confirmed to us on 31 December 2021.*

...

23. Your position can therefore be distilled from your letter as follows. Your firm: (i) received the Claim Documents served on 24 January 2022 (numbered 1-6 above) at a time when you were instructed to accept service of the Claim by email, served at each email address provided in accordance with your instructions on 31 December 2021; (ii) however, your firm has faced issues in accessing the 91 Videos and documents from the Initial Disclosure List.” (emphasis added)

56. The chronology and correspondence I have set out adequately sets up the factual background that formed the basis of the arguments heard by the Court. I now turn to the effect of failing to comply with paragraph 4.2 of the service PD6A in advance of service (and the Defendants providing more than one e-mail address contrary to paragraph 4.1 of PD6A).

Legal analysis

The Rules

57. Part 6 of the CPR provides the rules for service. Part 6.7(1) governs service on a solicitor or within the United Kingdom, so that:

“where a solicitor acting for the defendant has notified the claimant in writing that the solicitor is instructed by the defendant to accept service of the claim form on behalf of the defendant at a business address within the jurisdiction, the

claim form must be served at the business address of that solicitor”.

58. The method of service is governed by Part 6.3 and Part 6.3(1)(d) provides that a claim form may be served by:

“fax or other means of electronic communication in accordance with Practice Direction 6A”

59. PD6A materially provides (in relation to service by e-mail):

“4.1 Subject to the provisions of rule 6.23(5) and (6), where a document is to be served by fax or other electronic means—

(1) the party who is to be served or the solicitor acting for that party must previously have indicated in writing to the party serving—

(a) that the party to be served or the solicitor is willing to accept service by fax or other electronic means; and

(b) the...e-mail address...to which it must be sent...

4.2 Where a party intends to serve a document by electronic means (other than by fax) *that party must first ask the party who is to be served whether there are any limitations to the recipient’s agreement to accept service by such means* (for example, the format in which documents are to be sent and the maximum size of attachments that may be received).”
(emphasis added)

Authorities

60. First, reliance is made on *Brett v Colchester Hospital University NHS Foundation Trust* [2014] EWHC B17 (Costs) Master O’Hare held ([6]) that para 4.2 PD6A is a recommendation of good practice only. The judgment was given extempore, no doubt in a busy list, and in circumstances where no authority appears to have been cited to the Court.

61. Secondly, reliance is placed on *LSREF 3 Tiger Falkirk Limited I S.a.r.l. v Paragon Building Consultancy Ltd* [2021] EWHC 2063 (TCC) at [26], where Fraser J expressed doubt that:

“a failure to ask a party to be served about format and size of attachment would be considered sufficiently fundamental to represent an obstacle to effective service”.

62. It is accepted that this is an obiter comment but, it is submitted by the Claimants that it is the correct approach and correct in law.

63. Fraser J was faced with two applications that he described as “effectively two sides of the same coin”. They concerned a challenge to service of a Claim Form and Particulars of

Claim by e-mail on the basis that there had been a failure to comply with CPR 6.7 and PD6A. The submission made to him was that paragraph 4.2 of PD6A is directed at “sizeable attachments” that may not be transmitted by e-mail. On the facts of the case the defendant had received the claim form and particulars of claim. After receiving many detailed arguments on the issue of service, Fraser J commented:

“Indeed, the longer that these points were the subject of submissions, the more convinced I became that all of these myriad issues are precisely why the Rules Committee themselves have, very clearly, set out exactly what is required for service of proceedings upon solicitors; and for service by electronic means. If the requirements of the relevant parts of CPR Part 6, and the Practice Direction 6A, had been followed, there would have been no difficulty”

64. I echo that sentiment. As he recognised, and I agree, the fact of non-compliance with the letter of PD6A means that the Court is left to grapple with prickly issues that are likely to lead to a delay and encourage unnecessary litigation.

65. A very recent case (handed down between the time of the first and second hearing in this matter) concerning PD6A was decided on a judicial review: *R (on the application of Tax Returned Ltd v Commissioners for His Majesty's Revenue and Customs* [2022] EWHC 2515 (Admin). The Defendants applied to set aside the Claim Form on the ground that it had not been validly served: “The question is whether emailing the claim form to Mr Sheikh, but not to the new proceedings email address, constituted good service”. In answering the question Mrs Justice Heather Williams said [74]:

“Counsel informed me that they had not found any authorities that had considered the requirements of PD 6A para 4 in this regard. The terms of PD 6A para 4.1 refer to “email address” in the singular. Ms Clement accepted that the singular can be read as including the plural where the context so admits, but she submitted that it did not do so here. She pointed out that the authorities I have cited earlier emphasise the importance of clarity and certainty in respect of service; whereas permitting a party to require that for electronic service to be valid the communication had to be sent to more than one, and potentially several, email addresses would be a recipe for confusion. I accept the force of this point. Service of the Claim Form under the rules is generally a single event. Accordingly, I agree that PD6A para 4.1 contemplates that the party who agrees to accept electronic service will provide one fax number, email address or other electronic identification at which they may be served. Plainly the situation would become absurd if parties could submit multiple email addresses to which documents were to be sent before good service had been effected.”

66. Applying a literal interpretation to the language of PD6A the Judge found that if a party offers to accept service by e-mail and provides more than one e-mail address for the purpose, service is incapable of being effected in accordance with PD6A [76]:

“In my judgement the consequence of the other party failing to provide a single email address (or fax number or other electronic identification) is not to give rise to a right to elect between two or more addresses that have been provided, as Ms Clement suggests. The purpose of PD 6A para 4.1 is not to mandate a form of service (by fax or other electronic means), rather it is to provide an option of effecting service in this way if the stipulated information is provided. Where the other party gives more than one email address for service, para 4.1 has not been complied with, in that the stipulated information has not been properly provided. In these circumstances the serving party cannot, as matters stand, undertake good service by electronic means. They have two options: either they can serve the Claim Form by one of the prescribed means in CPR Part 6 or they can ask the other party to clarify which is the one email address that they may use to effect service, so that para 4.1 is then satisfied. No clarification of that kind was sought in this case.”

67. The result is understandable if the approach to interpretation focusses on the meaning of words which is a matter of dictionaries and grammars, and given the case concerned judicial review particular factors will have been important to have regard to, such as limitation. However, the facts of this case demonstrate that from this authority springs an unfortunate and unjust outcome in commercial cases. On 24 December 2021 Brandsmiths wrote to inform EP:

“given current Government restrictions regarding office working, in respect of court documents that may be served, we confirm that we will accept service of documents via email...”

68. Five e-mail addresses were provided.

69. EP responded on 31 December 2021:

“We confirm that we will accept service of proceedings...we confirm that we will accept service of documents on behalf of our clients via email to the following email addresses.”

70. Given the serious events of 2020 and 2021, there was good sense in providing more than one e-mail address. The Defendants, however, rely on their provision of more than one e-mail to support the contention that there was no effective service as service “is a single event”.

71. Mr Edenborough KC submitted that the treatment given by the court to the interpretation of paragraph 4.1 of PD6A does not stand scrutiny, is illogical and was reached by using the wrong method of interpretation for a statutory instrument.

72. It does not stand scrutiny, he says, because the Interpretation Act 1978, section 6(c) applies so that singular words include the plural. I note that the learned Judge accepted this to be the case in her reasoning.

73. It is illogical as the provision of more than one e-mail address does not make service uncertain: e-mail receipts are common practice.
74. There will be no confusion when several e-mail addresses are proffered by a defendant. A defendant (including the solicitor) is better placed than the court or claimant to decide which e-mail address or e-mail addresses are best used to receive documents that will ultimately satisfy the main purpose of service: to serve the Claim Form and thereby bring it to the attention of the defendant. Unless it is said that a solicitor will be confused when accessing a designated e-mail account there will be no confusion.
75. It is also illogical as in practice it is common for more than one e-mail address to be provided so that lawyers working together on a project or case receive the documents at the same time and the provision of more than one e-mail provides a safeguard if one address is not accessed due to an unexpected event, such as illness.
76. These are powerful arguments. In my judgment the Judge was properly concerned that the rules of court identify certain steps that must be taken to effect service, and that the “single event” is important to determine when time runs for the taking of further steps including an application for default judgment: *Barton v Wright Hassall LLP* [2018] UKSC 12 [16].
77. In *Barton v Wright Hassall* the appellant was acting in person. He had brought a negligence action against the law firm Wright Hassall. A day before expiry of limitation of action the appellant purported to serve the claim form on the respondent’s solicitors by email. They had not stated that they were prepared to accept service by that means. It was common ground that that was not good service. Lord Sumption said that the Rules of Court must identify some formal step which can be treated as making a defendant aware of the Claim Form and that making a defendant aware of the content is not sufficient as that would not fulfil “the other purposes of serving originating process[es]”.
78. The appellant applied for service to be validated under r.6.15(2). The application was refused. The Supreme Court had to decide whether there was a “good reason” to validate the mode of service used, which was a matter of factual evaluation.
79. The answer was provided by a narrow majority in the Supreme Court with Lord Briggs and Lady Hale dissenting. In the dissenting judgment Lord Briggs clearly identified three purposes of service. The most important purpose of service is to ensure that the contents of the Claim Form (or other originating document) are brought to the attention of the person to be served, the second most important purpose 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, and the third is concerned with the timing for other actions as articulated by Lord Sumption.
80. Lord Briggs commented that it was unusual for the Supreme Court to consider procedural matters and this was the second time it had been asked to review a service procedure. The first occasion was 5 years earlier: *Abela and Others v Baadarani* [2013] 1 WLR 2043
81. In *Abela*, proceedings were commenced against a defendant domiciled in Lebanon. Permission to serve out of the jurisdiction was granted but attempts to locate the defendant at the named address for service failed. Untranslated documents were served personally on an attorney who had acted for the defendant in different Lebanese

proceedings. That did not work either as the attorney was not instructed to accept service. There exists no bilateral agreement with Lebanon and it is not a signatory to the Hague Convention. The claimants resorted to the court seeking an order that delivery to the attorney was good service. The Supreme Court found that although the defendant knew of the claim form and content that was not sufficient [36]. The most important purpose is service [37]. The making of a retrospective order pursuant to CPR 6.15 required a good reason and that is an evaluative exercise to be carried out by the Judge who should not spend too much time analysing decisions of judges in previous cases which have depended on their own facts [23-24, 33, 35].

Interpretation of statute

82. The Civil Procedure Act 1997 provides for the making of rules by committee who endeavour it is “to make rules which are both simple and simply expressed”: section 2. They are brought into force by way of a statutory instrument to which the Statutory Instruments Act 1946 is to apply: section 3. Section 9, interpretation: “”practice directions” means directions as to the practice and procedure of any court within the scope of Civil Procedure Rules.”
83. From the foregoing one may discern: (i) the Civil Procedure Rules and the accompanying practice directions are made by secondary legislation and (ii) practice directions are intended to provide directions as to practice and procedure.
84. In 1969, the Law Commission of England and Wales recommended the adoption of a purposive approach to the construction of statutes: *The Interpretation of Statutes*, Law Com. No. 21 (1969). Since that recommendation the courts have moved away from the literal interpretation approach: *Hurstwood Properties (A) Limited & Ors v Rosendale Borough Council & Ors* [2021] UKSC 16. There are numerous authoritative statements in modern case law which emphasise the central importance in interpreting any legislation by first identifying its purpose: *Hurstwood Properties* [10]. Lord Briggs and Lord Leggatt referred to Lord Mance’s statement in *Bloomsbury International Ltd v Department for Environment, Food and Rural Affairs* [2011] UKSC 25 where he said [10]:
- “In matters of statutory construction, the statutory purpose and the general scheme by which it is to be put into effect are of central importance...In this area, as in the area of contractual construction, ‘the notion of words having a natural meaning’ is not always very helpful (*Charter Reinsurance Co Ltd v Fagan* [1997] AC 313, 391C, per Lord Hoffmann) and certainly not as a starting point, before identifying the legislative purpose.”
85. The Court’s task, within the permissible bounds of interpretation, is to give effect to Parliament’s purpose (which in this case is also the purpose of the Civil Procedure Rules Committee).
86. In *Civil Practice and Procedure* (Professor Peter Hibbert, 4th ed) the authors explain that the Rules are a means to an end:

“When looking at the detailed rules under all of the different procedures, the reader should consider whether, and in what way, they are designed to assist the parties and the court in

achieving the aims set out above. By focusing on the “end” they are trying to achieve, this will help to provide a universal approach to understanding them.”

87. The purposive approach is evident in the approach and reasoning of the Supreme Court in *Barton v Wright Hassall and Abela*.

Mandatory language

88. When determining whether language used in a statute is mandatory the court should look to the purpose behind the legislation and the consequences of failure.

89. In *R v Soneji* [2005] UKHL 49 Lord Steyn explained a recurrent theme [14]:

“in the drafting of statutes is that Parliament casts its commands in imperative form without expressly spelling out the consequences of a failure to comply. It has been the source of a great deal of litigation. In the course of the last 130 years a distinction evolved between mandatory and directory requirements. The view was taken that where the requirement is mandatory, a failure to comply with it invalidates the act in question. Where it is merely directory, a failure to comply does not invalidate what follows. There were refinements. For example, a distinction was made between two types of directory requirements, namely (1) requirements of a purely regulatory character where a failure to comply would never invalidate the act, and (2) requirements where a failure to comply would not invalidate an act provided that there was substantial compliance.”

90. He referred to *Wang v Commissioner of Inland Revenue* [1994] 1 WLR 1286 and *Project Blue Sky Inc v Australian Broadcasting Authority* (1998) 194 CLR 355 which he, Lord Steyn, said provides “an improved analytical framework for examining such questions” by focusing on the consequences of failure.

91. As to the purpose, in *Barton v Wright Hassall* the Supreme Court observed:

“The third particular purpose behind the specific provisions in paragraph 4 of Practice Direction 6A regulating service by e-mail, namely to ensure that recipients or their solicitors have the opportunity to put in place administrative arrangements for monitoring and dealing with what was then a new mode of service before being exposed to its consequences. Paragraph 4.1(2)(b) permits service by e-mail on the recipient's solicitors once they advertise their readiness on their headed paper. Paragraph 4.2 requires a prior inquiry of the intended recipient whether there are any relevant technical constraints. Now that issue and filing is required to be carried out online, by legally represented parties in the Business and Property Courts in London...it may be questioned for how long these constraints upon service upon solicitors by e-mail will continue to serve a

useful purpose, but any relaxation of them is of course a matter for the Civil Procedure Rule Committee.”

92. The overriding objective is intended to enable the court to deal with cases justly and at proportionate cost. Dealing with a case justly and at proportionate cost includes enforcing compliance with rules and practice directions and ensuring that it is dealt with expeditiously and fairly: CPR 1.1. In my judgment the task of the court is to decide the requirement imposed by the Rules, or practice directions as a first step and then enforce that compliance within the framework of the overriding objective.
93. There is no argument in this case that all three purposes were achieved by e-mail (as opposed to merely informing the Defendants of the Claim Form) served on 24 January 2022.

Assessment

94. I have regard to the following: (i) Brandsmiths did not ask EP about any restrictions when serving by e-mail; (ii) EP agreed to accept service without imposing any limitations; (iii) EP received an e-mail from Brandsmiths attaching the Claim Form, the Particulars of Claim and its schedules and a Response Pack; and (iv) EP acknowledged they received these documents during a telephone conversation, read the Particulars of Claim and forwarded the documents received to their client.
95. The language used in PD6A is mandatory but the task for the Court is to focus on the consequences of failure. PD6A does not spell out the consequences of a failure to comply. It would, in my judgment, be wrong to imply into the wording that a failure to inquire about limitations would be fatal. As Fraser J observed, such a failure cannot be properly categorised as fundamental.
96. The inquiry should, in my view, advance another next step to ascertain if the three purposes of service had been achieved. To fail to advance to the second step will risk frustrating the purpose of the service provisions. The receiving party needs to know they are served with, rather than just informed about, the Claim Form for all the reasons aired in *Barton v Wright Hassall*. In this case there is no doubt that the purposes were met.
97. The Defendants raised the issue after: (i) e-mail service was agreed; (ii) service was made to the e-mail addresses provided and (iii) receipt of the e-mail with its attachments was acknowledged. Following which there had been an admission that service had been accepted. Simply put, injustice would be caused if service was invalidated, and the purposes frustrated. This is a very different situation to a unilateral act where a claimant acts without knowledge of whether a mode of service would be acceptable.
98. In my judgment the reaction of Frazer J in *LSREF 3 Tiger Falkirk Limited I S.a.r.l.* is fully justified when having regard to the correct interpretation of PD6A and the language used in the PD, namely that a failure to ask a party to be served about format and size of attachment would not be considered sufficiently fundamental to represent an obstacle to effective service. In my judgment where a solicitor is on the record and signals acceptance of service by electronic means without providing any limitation, it is reasonable to infer that there are no limitations that are out of the ordinary.

99. If there has been a failure to ask about limitations, the risk of service not being achieved is firmly on the shoulders of the serving party.
100. In my judgment it would be wrong to reach the same conclusion reached in *Tax Returned Ltd* which concerned judicial review. In this case there was an agreement or request by the receiving party to the serving party that more than one e-mail address be used. To force the parties to use just one e-mail address may have unintended consequences. The e-mail address may not work on the day, the person to whom the documents are sent may not be working or unavoidably unable to monitor e-mails. It seems to be understood by lawyers that to provide just one e-mail address is to take an unnecessary risk. To reduce the risk solicitors often provide the e-mail address of more than one fee-earner who is working for the same client and on the same piece of litigation.
101. In my judgment confusion is no more likely to arise when two fee earners receive a Claim Form than one. Certainty that the purposes of service have been achieved is reached in the same way as when a single e-mail address is provided. The time the e-mail is received will be time marked. It is the same “single event”. In this case Brandsmiths received a receipt e-mail from both e-mail addresses served. It is submitted that to use more than one e-mail address may give rise to confusion. That is not this case. In any event any risk of confusion is easily assuaged: a fee-earner at Brandsmiths phoned a fee-earner at EP who confirmed receipt and correspondence was entered into regarding the documents following receipt.
102. If the consequence of serving two e-mail addresses (or more) rather than a single e-mail address despite an agreement is to invalidate service the three purposes of service would be frustrated, causing delay, an increase in costs and in some circumstances injustice.
103. In the context where the Supreme Court in *Barton v Wright Hassall* questioned the utility of the constraints stated in PD6A (accepting that this is a matter for the Rules Committee), the insistence that service can only be effected by one e-mail address represents on any view an over-technical interpretation that pays insufficient regard to the Interpretation Act. It may be argued that due regard should be had to the overriding objective, which is undoubtedly true. Enforcement is important where there has been a breach but the breach and its significance needs to be identified and considered in the first place. The Rules of Court identify formal steps for service by e-mail that the court will take cognisance of: *Barton* [8]. In this case the steps taken, namely (i) asking if EP represented all Defendants (ii) asking EP if they would accept service by e-mail (iii) EP agreeing to e-mail service to identified addresses (iv) the attachments being sent in accordance with EP’s instructions and (v) receipt being acknowledged, are sufficient for the bright line to have been illuminated and the exact point of service known: *Barton* [16]
104. In addition the letter sent by EP on 3 February 2022 admitted that “email service we accepted previously” [para 54 above]. Once the Claim Form, Particulars of Claim and Response Pack had been served and accepted it is too late to reject. The service of Links is distinct from service of the Claim Form and Particulars of Claim.
105. In my judgment there was service of the Claim Form and Particulars of Claim that achieved the three purposes. There has been valid service.

Alternative service

106. If my assessment in respect of service is wrong, that contrary to the approach taken in *Barton* and *Abela* the service Rules call for a strict interpretation, and compliance is to be enforced in accordance with the overriding objective, I shall grant the alternative relief sought in the C Application and make an order pursuant to CPR 6.15. My reasons follow.
107. The rule for service out of the jurisdiction where a bilateral treaty or convention exists is anchored in interference with the sovereignty of the state, and service on a party to the Hague Convention, by an alternative method under CPR r 6.15 should be regarded as exceptional and be permitted in special circumstances only. In *Abela* the court rejected the notion that there would be interference with the sovereignty of a state, but the case concerned service in Lebanon where there was no bilateral treaty. There is no doubt that in a case not involving the Hague Service Convention or any bilateral service treaty, the Court should simply ask whether, in all the circumstances, there is good reason to order that steps taken to bring the Claim Form to the attention of the defendant is good service.
108. Focusing on the difference between cases where there is a bilateral service treaty and the relevant state regards the treaty as exclusive and cases where there is no bilateral treaty, the respective tests are clear. This is a case where there are bilateral service treaties, but they do not provide the exclusive means for service.
109. In my judgment where a bilateral service agreement is in force, but service is permitted by other means (it is not treated as exclusive) the rationale for the exceptional circumstance test falls away and the appropriate test is “good reason”.
110. In *Cesfin Ventures LLC v ADCB* [2021] EWHC 3311 Master Kaye, in my judgment, rightly found [30]:
- “... when one considers the authorities in the round, including the decision in *Abela v Baadarani* [2013] UKSC 44, that when the Treaty does not make service by the Diplomatic Channels exclusive the court may not need to go as far as exceptional circumstances even if the appropriate test is exceptional circumstances rather than good reason.
111. In my judgment the facts of this case satisfy the good reason test. As I have mentioned this is not a case like *Barton* where there was no attempt to serve the claim form [21]. Service was made following correspondence and the mode of service was agreed.
112. EP was able to receive service by electronic means *Barton* [17], able to receive attachments in one e-mail of at least 14MB, and able to accept, download and read documents in the format sent by the Claimants.
113. Reasonable steps were taken. The Defendants accept in correspondence that service was effected. Once it is recognised that EP acknowledged and accepted service of the Claim Form and Particulars of Claim, that they engaged in the process and then sought to reject service due to issues with the Links, it is possible to conclude, and I do conclude, that no prejudice arises by retrospective validation: *Barton* [9] [10] [16].
114. The parties agree that an order for service by an alternative method within the jurisdiction against a defendant who is resident outside of the jurisdiction can only be

made if the court has satisfied itself that the case is a proper one for service out of the jurisdiction: *Abela*

115. For service out of the jurisdiction the Court needs to be satisfied that the claim falls within one of the gateways set out in PD6B, there is a serious issue to be tried and that England is the appropriate forum for the claims made.

116. There is a clear jurisdictional gateway: paragraphs 3 and 4A of PD6B.

117. As regards a serious question to be tried, many criticisms have been made of the Particulars of Claim such as it does not identify the Artistic Works as graphic works within section 4 of the Act and the Audio Clips do not expressly state that they are sound recordings within Section 5A of the Act. The Defendants argue that the works have not been identified. It is argued that there are only *de minimis* instances of merchandising and the pleading is limited to the videos contained in the Links. There is something in the *de minimis* argument, but I exercise caution as the proceedings are not advanced and disclosure is yet to take place.

118. The function of a statement of case is to state with sufficient clarity the case that must be met. In this way, pleadings serve to ensure the basic requirement of procedural fairness and assist in defining the issues for decision (although these often narrow nearer to trial). The Particulars of Claim, in my judgment take care to set out the factual allegations necessary to support the case for infringement of intellectual property rights. The Defendants know that the Claimants make a claim for breach of the copyright and trade marks (of which there appear to be no complaints). In my judgment infringements of the Artistic Works and Audio Clips (Article 3(b) of the Rome Convention) are validly pleaded. The Scenery and Background Works are pleaded and depicted in Schedule 2 which shows “Peppa Pig Scene” and the “Wolfoo Scene”. The scenes look remarkably similar. Schedules 3A and 3B give examples of the Claimants’ and Defendants’ uses. Identification of the protected copyright is made by way of samples in Schedule 4. Paragraph 25 of the Particulars of Claim provides:

“In the interests of proportionality, these Particulars of Claim only refer to a sample of 91 Wolfoo episodes selected from the seven English-language Wolfoo channels and to the Peppa Pig works from which they have been copied. All such Wolfoo episodes are listed in Schedule 4, where the sampling process is explained.”

119. There is a “Summary of Findings” in respect of the samples and detailed infringements are time framed.

120. The Defendants made an attack by asserting that the Claimants are advancing a claim based on an infringement of film copyright. That is entirely an invention of the Defendants. No such claim is made.

121. I do not see it necessary to plead that English law applies: *Brownlie v FS Cairo (Nile Plaza) LLC* [2022] AC 995 [114, 119, 126]. In any event, in respect of the European trade marks it is “reasonable to expect that the applicable foreign law is likely to be similar to English law” due to the commonality and harmonisation that stretches back for many decades before 2016. In any event I do not understand that it is contended that the

Claimants cannot take advantage of the conventions pleaded so that national treatment may be employed. Nor do I see it necessary to plead targeting. For conclusions in respect of targeting see para 126 *et seq.*

122. In my judgment there is a serious issue to be tried in relation to the infringements pleaded.
123. I shall go on to deal with forum conveniens [151]. For the purpose of service out I find that England is the appropriate forum.
124. There are no adverse factors. On the other hand, service in Vietnam would have caused serious delay in circumstances where new infringements are alleged. I am told that the estimate of service if diplomatic channels were to be used is approximately 9 months.
125. In all the circumstances, there is good reason, and if necessary exceptional circumstances, to find that the steps taken (mode of service) to bring the Claim Form to the attention of the Defendants amounts to effective service: CPR 6.15(2).

To target

126. Intellectual property law is territorial. Those who are doing business exclusively outside the UK should not have their dealings subjected to the laws of the UK.
127. Determining whether a trader performs any relevant acts in the UK is therefore important. The determination is more complex where a trader uses websites that are accessible outside of the state. In *Argos Ltd v Argos Systems Inc* [2018] EWCA Civ 2211 Floyd LJ explained that to “target” a jurisdiction where intellectual property is protected will infringe the rights in that jurisdiction. The problem of infringement in a foreign territory is particularly acute when internet platforms are used:

“Targeting is the criterion which the law has adopted for determining whether a foreign website which is accessible from the state in which the trade mark is protected should be treated as using a sign in the course of trade in relation to goods or services in that state”

128. In *Lifestyle Equities CV v Amazon UK Services Ltd* [2022] EWCA Civ 552 at [44] Arnold LJ explained the difficulties that may arise with internet-based businesses or those businesses that have an internet presence when intellectual property rights are in issue:

“The internet is global. Users in the UK and the EU can, in the absence of geo-restriction, access websites hosted, and content posted on such websites, from anywhere in the world. Intellectual property rights, however, are territorial. At least in the case of copyright (and similar rights) and trade marks, the CJEU has held that mere accessibility of a website from a Member State of the EU is not sufficient to give rise to an infringement of rights conferred by the law of that State or of the EU, and that the relevant act must be “directed” or “targeted” at that State or at the EU: see Case C-324/09 L’Oréal SA v eBay International AG [2011] ECR I-6011 (trade marks), Case 5-/11 Donner

[EU:C:2012:370] (copyright) and Case C-173/11 Football Dataco Ltd v Sportradar GmbH [EU:C:2012:642] (database right).”

129. At paragraphs [45-46] of *Lifestyle Equities* Arnold LJ noted that:

“The law has twice been reviewed by this Court in the trade mark context: *Merck KGaA v Merck Sharp & Dohme Corp* [2017] EWCA Civ 1834, [2018] ETMR 10 and *Argos Ltd v Argos Systems Inc* [2018] EWCA Civ 2211, [2019] Bus LR 1728. In *Merck v Merck* Kitchen LJ, with whom Patten and Floyd LJJ agreed, summarised the relevant principles by reference to an advertisement of goods as follows”

130. The summary that followed was made in the context of an advertisement of goods bearing a trade mark. Kitchen LJ said at paragraphs [167] – [170]:

“First, in determining whether an advertisement of goods bearing a trade mark on the website of a foreign trader constitutes use of the trade mark in the UK, it is necessary to assess whether the advertisement is targeted at consumers in the UK and in that way constitutes use of the mark in relation to goods in the course of trade in the UK.

Secondly, the mere fact that a website is accessible from the UK is not a sufficient basis for concluding that an advertisement displayed there is targeted at consumers in the UK.

Thirdly, the issue of targeting is to be considered objectively from the perspective of average consumers in the UK. The question is whether those average consumers would consider that the advertisement is targeted at them. Conversely, however, evidence that a trader does in fact intend to target consumers in the UK may be relevant in assessing whether its advertisement has that effect.

Fourthly, the court must carry out an evaluation of all the relevant circumstances. *These may include any clear expressions of an intention to solicit custom in the UK by, for example, in the case of a website promoting trade-marked products, including the UK in a list or map of the geographic areas to which the trader is willing to dispatch its products.* But a finding that an advertisement is directed at consumers in the UK does not depend upon there being any such clear evidence. The court may decide that an advertisement is directed at the UK in light of some of the non-exhaustive list of matters referred to by the Court of Justice in *Pammer* at paragraph [93]. *Obviously the appearance and content of the website will be of particular significance, including whether it is possible to buy goods or services from it.* However, *the relevant circumstances may extend beyond the website itself and include, for example, the nature and size of the trader's business, the characteristics of the goods or services in issue*

and the number of visits made to the website by consumers in the UK.”
(emphasis added)

131. What was said by the CJEU in *Pammer v Reederei Karl Schluter GmbH & Co. KG and Hotel Alpenhof GesmbH v Heller* [2010] ECR I-12527 at [93] was as follows:

“The following matters, the list of which is not exhaustive, are capable of constituting evidence from which it may be concluded that the trader's activity is directed to the Member State of the consumer's domicile, *namely the international nature of the activity, mention of itineraries from other Member States for going to the place where the trader is established, use of a language or a currency other than the language or currency generally used in the Member State in which the trader is established with the possibility of making and confirming the reservation in that other language, mention of telephone numbers with an international code, outlay of expenditure on an internet referencing service in order to facilitate access to the trader's site or that of its intermediary by consumers domiciled in other Member States, use of a top-level domain name other than that of the Member State in which the trader is established, and mention of an international clientele composed of customers domiciled in various Member States.* It is for the national courts to ascertain whether such evidence exists.”
(emphasis added)

132. Arnold LJ cited Kitchin LJ's observations about the average consumer and subjective intention [165]:

“...I agree that if, viewed objectively from the perspective of the average consumer, a foreign trader's internet activity is targeted at consumers in the UK, the fact that, viewed subjectively, the trader did not intend this result will not prevent the impugned use from occurring in the UK. But that is not to say that the actual intention of the website operator is irrelevant. If the foreign trader does intend to target its internet activity at consumers in the UK then it seems to me that this is a matter which the court may properly take into account. After all, a trader may be expected to have some understanding of the market it intends to penetrate and it may not be difficult to infer that this intention has been or is likely to be effective...”

133. Finally, I observe that the term “targeting” is recognised as unhelpful. Arnold LJ made the observation in *Lifestyle v Amazon* [51]: “The issue is whether there is “use” of the sign in the relevant jurisdiction. In making that assessment, it is important not to be distracted by the label of “targeting””. I have regard to the guidance set out above when making my evaluation.

The arguments

134. Mr Ta's evidence is that the Defendants target a different age group: age 3-8. I observe that there is an obvious overlap with the group targeted by the Claimants: 2–5-year-olds.

135. Mr Ta says that the target countries are Vietnam and the USA, “both markets are outside of the UK” and “we have very clearly defined focus on the US and Vietnam”. This is supported by his explanations about how content is uploaded to “the US server” and “Google’s YouTube channel”. He says that “all the alleged channels have addresses in the US” and by contrast “the Defendants do not have any channels named UK or located in the UK or posted in the UK.”

136. The Claimants answer the statements by reference to guidance published by YouTube. They say Mr Ta’s evidence is wrong. The guidance permits conditions to be added that will block viewers in a country.

137. Mr Ta says that when posting videos on YouTube a setting is used by the First Defendant who applies “SEO optimisation in the US market”. The evidence of the Claimants is that “SEO” does not and cannot determine where content is shown.

138. Other features of the postings include the use of landmarks in the UK such as London Bridge (as shown in a schedule to the Particulars of Claim) and the characters adopting an English accent. Mr Ta’s evidence is that the use of English and well-known landmarks is not evidence that the UK is a target market:

“images of the UK landscape and attractions are very famous and spread all over the world. And Wolfoo's videos are not the only one using such themes. Britain also promotes its image of these places all over the world. Children's books with pictures of the London bridge are easy to find in [different sources].

The language Wolfoo uses the style and intonation of the Anglo-American language, not British English.”

139. One may observe that Britain may promote its images because it wishes to attract tourists. Nevertheless, Mr Ta states that the advertisements used by Wolfoo are not controlled by the Defendants.

140. The evidence that merchandise is sold to the UK is also answered. The only purchase from the Redbubble website where the order was sent to the UK was made by the Claimants. Similarly, only two orders have been sent to the UK from the Wolfoo World Store and one was to the Claimants.

141. The following factors are relied on (in particular) to support the submission that there is targeting of or in the UK:

141.1. The evidence is that Sconnect operate the sconnect.edu.vn/en website for the Sconnect animation training academy.

141.2. A webpage on the Sconnect international animation training academy website includes an article stating that the animated short series appearing on YouTube has a billion monthly views and that the channel attracts audiences from the UK.

141.3. Screenshots of the website demonstrate one audio clip having 1,039,910 views and its accessibility from the UK.

141.4. Screenshots of the YouTube channel demonstrates advertising aimed at a UK audience such as onepeloton.co.uk.

- 141.5. The channel carries advertisements where the currency mentioned is British pounds and banner advertisements are aimed at a UK audience.
 - 141.6. An online article sponsored by Sconnect published in “The List” (said to be a UK focussed online magazine) and entitled “Wolfoo is dominating YouTube for kids” was posted on 25 March 2021. By publishing in the List the Defendants were deliberately speaking to a UK audience. The List has 1.9 million users every month.
 - 141.7. In an article sponsored by Sconnect posted on WFMZ-TV, a virtual channel based in the United States, titled “Wolfoo - Vietnamese animation taking the world by storm”, Mr Ta is recorded as saying that he wishes to capture international market share. The use of the progressive verb “capturing” is suggestive of targeting-pushing not pulling.
 - 141.8. Wolfoo has been dubbed into French, Spanish and Japanese. It would only be dubbed into those languages if there was intent to “capture” or target the audience in those countries. This is inconsistent with Mr Ta’s evidence that the target audience is confined to the US and Vietnam.
 - 141.9. A recently published YouTube channel in Malaysia is also inconsistent with Mr Ta’s evidence that the US and Vietnam are the targets for the Defendants.
 - 141.10. The videos make use of audio, recorded in British English accents used by the Peppa Pig Characters, which has been directly copied and is used by Wolfoo characters.
 - 141.11. Some videos have UK-themes, for example, its episode “Wolf Family Wolfoo Makes DIY London Bridge Is Falling Down from Cardboard Kids Videos”, which features the scenery of Tower Bridge (although the episode title refers to this as London Bridge).
 - 141.12. The Claimants estimate that Wolfoo receives over 100 million views per month in the UK.
 - 141.13. Wolfoo merchandise is available on websites accessible in the UK. It is pleaded (paragraph 30.4 of the Particulars of Claim) that the Defendants sell Wolfoo Merchandise in the UK through Wolfoo World Store, Redbubble and amazon.com
 - 141.14. The Defendants have not added conditions to the YouTube channel to block viewers from countries outside of the US and Vietnam and in particular do not block the UK. The natural inference is that the Defendants are content for viewers based in the UK to view Wolfoo.
142. It is submitted by the Defendants that the YouTube viewing figures show the UK has only 2-3.45% of total worldwide viewers and this is less than the Claimants have stated. Depending on whether the billion is counted using the American or British definition, 3% remains 30 million viewers in a small population. This is likely to be significant.

Assessment

143. Focusing on whether there is and/or was at the times pleaded “use” in the UK as viewed through the eyes of the average consumer, there is clear evidence to answer the issue in the affirmative.
144. The factors I have set out above in my judgment provide evidence that the factual assertions made regarding non-use in the UK or not targeting the UK are not on balance factually accurate and where they are accurate not sufficient to persuade me that the UK is not a target.

145. The contemporaneous documents in the form of online articles disclose an intent to target the UK. The appearance and content of the Wolfoo character in its setting, using British-English is of significance. The nature and size of viewings in the UK (even if they are 20 million), and the characteristics of Wolfoo that has at times used the name Peppa Pig in its episodes is indicative of targeting.
146. In my judgment, an average consumer would conclude that Mr Ta's contention that Wolfoo is only broadcast and used in the jurisdictions of the US and Vietnam is not substantiated. The Defendants have not added conditions to the YouTube channel to block viewers from the UK.
147. Merchandise is *available* online to UK consumers from at least three sources known to the Claimants.
148. The average consumer would conclude that the Defendants themselves consider the market for their creative works is multijurisdictional where targeting includes countries such as Malaysia, France, Spain, Canada, and the UK.
149. This is not a case where the accused infringing party attracts occasional interest from consumers in the UK.
150. In my judgment the courts of England and Wales are seized of jurisdiction.

Forum conveniens

151. Having found that the courts of England and Wales are seized of jurisdiction, if the Defendants show there is another court, with competent jurisdiction which is clearly or distinctly more appropriate the court has the power to stay the current proceedings.
152. It is not clear from the evidence what forum would provide a better alternative. Mr Ta, in his first witness statement, says that the claim form should be served "in the respective jurisdictions". He does not expand on this in his second statement. The Defendants argue that the Claimants have showed their willingness to litigate in different jurisdictions, for example Russia and there is no reason why they should not litigate in Vietnam and the US since the challenged activities emanate from those countries. Other factors are said to be in favour of Vietnam such as the witnesses of the Defendants speak Vietnamese and are located in Vietnam. It would appear, therefore, that the Defendants contend that Vietnam is the better alternative (not the US).
153. Mr Lee for the Claimants says that one important consideration is that Peppa Pig was created and implemented in the UK:

"the protection of the Claimants' UK goodwill can only realistically be accomplished within the UK. The same applies to the Claimants' UK copyright and trade mark claims. In respect of the claims concerning the EU27, the law that this court applies to its corresponding domestic rights, is either the same or substantially the same given the large degree of harmonisation across the EU (including the UK when it was a member until recently) of copyright and trade mark law that

took place over a number of decades and which the retained UK law continues to apply.”

154. In his evidence, Mr Lee points to the following factors. First, the Claimants are entities registered in England. Secondly, the Claimants may call many witnesses of fact. These witnesses will give testimony about the creation of Peppa Pig, its development, animation, sounds and features. Thirdly, the witnesses of fact are likely to be located in the UK. Fourthly, the directors of the Claimants are English speaking, as are the witnesses of fact. Lastly the “internal YouTube team” are based in the UK. In respect of the last of these it is said that much may turn on the evidence provided by the YouTube team, making them important witnesses.

155. The principles relating to jurisdiction are provided by Lord Goff in *The Spiliada* [1987] 1 AC 460 as explained by HHJ Jonathan Richards in *Al Assam v Tsouvelekakis* [2022] EWHC 451 (Ch) at [12] (where relevant):

“i) There are two limbs to the test set out in *Spiliada*. Under limb 1 of the test, the Defendant must establish that the courts of Cyprus are both (i) "available" and (ii) are clearly or distinctly more appropriate than the English courts as a forum for determining the dispute.

ii) The burden of proof on limb 1 of *Spiliada* lies with the Defendant. It is not enough for him just to show that England is not the natural or appropriate forum for the trial. He must also establish that the courts of Cyprus are clearly or distinctly more appropriate. This involves something more than an examination of "mere practical convenience".

iii) If limb 1 of *Spiliada* is not satisfied, then the enquiry should stop there. Lord Goff found it difficult to imagine circumstances in which a stay would be granted without another available forum, which is clearly or distinctly more appropriate, being identified and it is not suggested that any such circumstances are present in these proceedings.

iv) If the Defendant can establish that limb 1 of *Spiliada* is satisfied, it becomes necessary to consider limb 2. Limb 2 requires a consideration of whether, even if the courts of Cyprus are an available forum that is clearly or distinctly more appropriate for the trial of the action than the courts of England, justice nevertheless requires that a stay of the English proceedings should not be granted. One factor that might support such a conclusion is if it is established objectively, by cogent evidence, that there is a real risk that the Claimants would not obtain justice in Cyprus. (In his formulation of limb 2 in *Spiliada* itself, Lord Goff framed the question at 478D of the reported judgment as being whether "the plaintiff will not obtain justice in the foreign jurisdiction". However, in the later case of *Altimo Holdings and Investment Ltd and others v Kyrgyz Mobil Tel Ltd* [2011] UKPC 7, Lord Collins spoke of a

"real risk that justice will not be obtained" and the parties were agreed that I should follow the latter formulation of the test).

v) The burden of proof on limb 2 of Spiliada lies with the Claimant.”

156. In my judgment the Defendants have not discharged the burden in respect of limb 1. It has not been shown that the courts of Vietnam are “available” in the requisite sense or that Vietnam is clearly or distinctly more appropriate. That, according to Judge Richards, is an end to the matter. I have heard no argument that the analysis of Judge Richards is wrong in any way.

157. Looking at the matter from the other end of the telescope there is good reason to find that England and Wales is appropriate.

158. The Claimants’ case is that the Claimants’ goodwill, copyright and trade marks cannot realistically be protected outside of the UK; the EU 27 apply the same or substantially the same laws due to decades of harmonisation; the Claimants’ entities are registered in England and Wales; and Woolfoo and the Peppa Pig Audio Clips use English.

159. In addition to these submissions, which I accept, in my judgment the courts in England and Wales are available in the requisite sense. At the date the Claim Form was issued it was open for the Claimants to institute proceedings in England and Wales. England and Wales is appropriate as (i) the proceedings have not only been issued but served on the Defendants in England and Wales; (ii) the Defendants have a legal team acting for them that are situated in England and Wales; (iii) the Claimants have a legal team acting for them that are situated in England and Wales; (iv) the Claimants conceived and implemented the Audio Clips and Artistic Works in England and Wales; (v) damage to goodwill and other losses claimed have occurred in England and Wales (as opposed to Vietnam) since the Claimants are registered and located in England and Wales; (vi) there are witnesses situated in England and Wales; (viii) the presumption arises that in the absence of evidence to the contrary, foreign law is presumed to be the same as English law. It is reasonable to expect that the EU registered trade marks are governed by foreign law that is significantly similar to English law; and (vii) use of the intellectual property owned by the Claimant is alleged to have been created in England and Wales, thus a significant act has happened in England and Wales.

Conclusion

160. The Claim Form and Particulars of Claim were validly served on the Defendants. Service was effected on 26 January 2022.

161. If I am wrong as to validity of service, I would be willing to make an order for alternative service: CPR 6.15(2).

162. The Defendants target the UK.

163. England and Wales is the appropriate forum.

164. I invite the parties to agree an order and directions to advance the case.

