

The President of the commercial court of Brussels
Judging as in summary proceedings

Claim for injunctive relief

A.R. 2011/264

In the case of:

The company incorporated under Austrian laws, **RED BULL GMBH**, with registered offices at Am Brunnen 1, A-5330 Fuschl am See, Austria, registered with the Landsgericht of Salzburg under number FN 56247t;

The claimant;

Represented by Messr PAUL MAEYAERT and Messr JEROEN MUYLDERMANS,

Attorneys with offices at 1000 Brussels, Havenlaan 86C, box 414;

Against:

NV KONINGS, with registered offices at Beringersteenweg 98, 3520 Zonhoven, Belgium and registered under number 0434.680.160;

The defendant;

Represented by Messr DASCHA MENGELS loco Messr JAN PEETERS;

Attorneys with offices at 3500 Hasselt, Gouverneur Roppesingel 131;

The court renders the following judgment:

1. THE PROCEEDINGS

1. The claim was introduced by writ of summons served upon the defendant on 3 January 2011.
2. The court issued an interlocutory judgment on 29 July 2011.
3. The parties have presented their arguments and conclusions at the public hearing of 5 September 2012 after which the debates were closed. The court then took the matter into deliberation on 12 September 2012.
4. The provisions of the law of 15 June 1935 on the use of languages in legal proceedings have been respected.
5. The verdict is rendered contradictory.

2. THE FACTS

6. The facts relevant to examination of the case have been summarized by the court in its interlocutory judgment of 29 July 2011.

3. THE CLAIMS OF THE PARTIES

3.1 The claimant requests the court:

“In addition to the interlocutory judgment of 29 July 2011, declare the claims of Red Bull admissible and well-founded to the following extent and therefore,

- *declare that Konings as a service provider – by filling the can under the sign “BULLET” with energy drink for the purpose of the export from the Benelux by a third party – provides services as an intermediary used by third parties to infringe the trademark rights of Red Bull and consequently order the cessation thereof in the Benelux in accordance with Article 2.22.6 BTIP under a penalty payment of € 1,000 per single infringement, starting as from 24 hours after the serving of the judgment;*
- *in accordance with Article 1357, 1° C.C., impose the following decisive declaration to be made in lieu of oath:*

“We, authorized to duly represent KONINGS NV, declare that the companies incorporated under the laws of the United Kingdom, namely (i) SUN MARK

LIMITED and (ii) SEA, AIR & LAND FORWARDING LIMITED both with registered offices at 428 Long Drive, Greenford, Middlesex UB6 8UH (UK) are the only companies known to us which have, other than KONINGS NV itself, also been responsible for the export from the Benelux of the BULLET can”;

In subsidiary order, if Konings refuses to make the declaration in lieu of oath:

- *order Konings to reveal the identity, mentioning the names and addresses, of the physical persons or legal entities responsible for exporting of the can of energy drink under the sign “BULLET” from the Benelux, supported by copies of cargo bills, invoices, accountancy documents and export documents and to provide these documents to Red Bull within 10 working days following the servicing of the judgment, under payment of a penalty of € 1,000 per day that Konings fails to comply,*
- *As the case may be, authorize Red Bull to have this information be verified by an independent court-appointed expert, under payment of penalty of € 1,000 per document which the expert is not allowed to examine;*
- *to adjourn the case to a further hearing;*

In any case,

- *to condemn Konings to pay the costs of the present proceedings, including the costs for the serving of the writ of summons estimated at EUR 214.69, as well as the procedural indemnities estimated by Red Bull at € 4,000”;*

3.2 The defendant requests the court:

“Further to the interlocutory judgment;

declare the claim of the claimant unfounded with respect to the alleged filling services provided as an intermediary by Konings and used by a third party to infringe the trademark rights of Red Bull in the sense of Article 2.22.6 BTIP and the request to order the cessation thereof under payment of a penalty of € 10,000 per single infringement within 24 hours from the serving of the decision;

declare that the claim to reveal the identity of the exporter no longer has an object, considering the notification provided by Konings;

reject the claim for an increased amount of procedural indemnities due to the alleged complexity of the case and to divide the costs and indemnities between the parties”;

4. THE GROUNDS OF THE DECISION

7. In its brief after the interlocutory judgment, the defendant has not raised any particular defence against the merits of the claim that it should be regarded as an “intermediary” in its capacity of filler. The defendant alleges that the court has already rejected this part of the claim in the interlocutory judgment and that this falls under the *res judicata* of that judgment. The defendant cannot be followed on this.

8. In its decision, the court held the following:

“The court declares the claim of the claimant admissible and well-founded to the following extent:

The court declares that the export by the defendant of the energy drink under the sign “BULLET”:



as well as the advertising thereof and any use of the sign “BULLET” in business papers infringes the Bullit Mark in the sense of Article 2.20.1.b) BTIP and orders the cessation thereof under a penalty payment of EUR 10,000 per single infringement starting from 24 hours after the serving of the decision with a maximum of EUR 100,000.

The court refers the part of the claim with respect to the filling by Konings of the can of energy drink under the sign “BULLET” to the general docket awaiting the decision of the European Court of Justice in case C-119/10.

The court reserves the decision on the costs.

The court declares the decision provisionally enforceable”;

9. With respect to the filling, the claimant requested the following:

“To declare the claims of Red Bull admissible and well-founded and therefore,

declare that the filling by Konings of the can under the sign “BULLET” as depicted in point 9 of the present brief constitutes an infringement of the Bullit Mark in the sense of Article 2.20.1.b) BTIP as well as of the Red Bull Mark in the sense of Article 9(1)(c) and 9(1)(b) CTMR;

As the case may be, refer this part of the claim to the general docket awaiting the outcome of the ECJ's ruling in case C-119/10;

10. The claim of the claimant with respect to the filling is consequently based upon, on the one hand, trademark law and in particular Article 2.20.1.a) BTIP and, on the other hand and in subsidiary order, the services provided as an intermediary in the sense of Article 2.22.6 BTIP. The court can of course only examine the claim in subsidiary order after it has passed a ruling on the main claim. The court in this case held that it could not rule on the main claim and had to postpone awaiting the upcoming decision of the European Court of Justice. The claim in subsidiary order can only be examined in a useful way if the European Court of Justice, as in the present case (see below) answered the preliminary referrals in the negative. The answer to the question whether or not the defendant acts as an intermediary is only relevant, and has a purpose, when those filling services cannot be considered as a trademark law use.

11. The court has not yet examined that part of the claim.

12. On 15 December 2011 the European Court of Justice issued its ruling in case C-119/10:

“24 It should be noted at the outset that it is apparent from the decision to refer that the signs at issue on the cans filled by Winters are, at most, similar to the protected signs of Red Bull and not identical to them. In those circumstances, it is clear that Red Bull may not, on the basis of Article 5(1)(a) of Directive 89/104, which requires the identity of the signs concerned, prohibit Winters from filling those cans. Consequently, it is for the Court, in the context of this case, to rule exclusively on the interpretation of Article 5(1)(b), for which similarity of those signs is sufficient.

25 Pursuant to Article 5(1)(b) of Directive 89/104 a trade mark proprietor is entitled to prohibit a third party from using, without the proprietor's consent, a sign identical with or similar to his trade mark when that use is in the course of trade, is in relation to goods or services which are identical with, or similar to, those for which that trade mark was registered and, due to a likelihood of confusion on the part of the public, affects, or is liable to affect, the essential function of the trade mark, which is to guarantee to consumers the origin of the goods or services (see, inter alia, Case C-533/06 O2 Holdings and O2 (UK) [2008] ECR I-4231, paragraph 57 and the case-law cited).

26 In the main action, it is established that Winters carries out a business activity and seeks to obtain an economic advantage when it fills, as a service provider, under an order from and on the instructions of Smart Drinks, cans which were supplied to it by that undertaking which has already affixed to them signs which are similar to Red Bull's trade marks.

27 *It is also established that the affixing of signs to the cans in advance, filling them with fizzy drinks and the subsequent exportation of the finished product, namely the filled cans bearing those signs, took place without the consent of Red Bull.*

28 *Although it is clear from those factors that a service provider such as Winters operates in the course of trade when it fills such cans under an order from another person, it does not follow, however, therefrom that the service provider itself ‘uses’ those signs within the meaning of Article 5 of Directive 89/104 (see, by analogy, Google France and Google, paragraph 55).*

29 *The Court has already held that the fact of creating the technical conditions necessary for the use of a sign and being paid for that service does not mean that the party offering the service itself uses that sign (Google France and Google, paragraph 57).*

30 *It must be stated that a service provider who, in circumstances such as those in the main action, merely fills, under an order from and on the instructions of another person, cans already bearing signs similar to trade marks and therefore merely executes a technical part of the production process of the final product without having any interest in the external presentation of those cans and in particular in the signs thereon, does not itself ‘use’ those signs within the meaning of Article 5 of Directive 89/104, but only creates the technical conditions necessary for the other person to use them.*

31 *Moreover, a service provider in Winters’ situation does not, on any view, use those signs ‘for goods or services’ which are identical with, or similar to, those for which the trade mark was registered, within the meaning of that article. Indeed, the Court has already stated that that expression generally applies to goods or services of third parties who use the sign (see Case C-48/05 Adam Opel [2007] ECR I-1017, paragraph 28 and 29; O2 Holdings and O2 (UK), paragraph 34, and Google France and Google, paragraph 60). It is established that in the main action the service provided by Winters consists of the filling of cans and that this service does not have any similarity with the product for which Red Bull’s trade marks were registered.*

32 *It is true that the Court has also held that that expression may, under certain conditions, include goods and services of another person on whose behalf the third party acts. Thus, the Court considered that a situation in which the service provider uses a sign corresponding to the trade mark of another person in order to promote goods which one of its customers is marketing with the assistance of that service is covered by that same expression when that use is carried out in such a way that it establishes a link between that sign and that service (see, to that effect, Google France and Google, paragraph 60; Case C-324/09 L’Oréal and Others [2011] ECR I-0000, paragraphs 91 and 92; and UDV North America, paragraphs 43 to 51).*

33 *However, as the Advocate General stated at point 28 of her Opinion, the filling of cans bearing signs similar to trade marks is not, by its very nature, comparable to a*

service aimed at promoting the marketing of goods bearing those signs and does not imply, inter alia, the creation of a link between the signs and the filling service. The undertaking which carries out the filling is not apparent to the consumer, which excludes any association between its services and those signs.

34 *Since it follows from the foregoing that the conditions set out in Article 5(1)(b) of Directive 89/104 are not fulfilled in a situation such as that at issue in the main action and, therefore the proprietor cannot, on that basis, prohibit the service provider from filling cans bearing signs similar to its trade marks, the question whether the filling constitutes affixing signs to the goods or to their packaging within the meaning of Article 5(3)(a) is irrelevant.*

35 *Inasmuch as such a service provider enables its customers to make use of signs similar to trade marks, its role cannot be assessed under Directive 89/104 but must be examined, if necessary, from the point of view of other rules of law (see, by analogy, Google France and Google, paragraph 57, and L'Oréal and Others, paragraph 104).*

36 *Furthermore, contrary to the concerns of Red Bull and the Commission, the finding that a trade mark proprietor cannot act, solely on the basis of Directive 89/104, against a service provider does not have the consequence of allowing the customer of that service provider to circumvent the protection given to the proprietor by that directive, by dividing the production process and by awarding different elements of the process to service providers. In that regard, suffice it to state that those services may be attributed to the customer who therefore remains liable under that directive.*

37 *Having regard to the foregoing considerations, the answer to the first question is that Article 5(1)(b) of Directive 89/104 must be interpreted as meaning that a service provider who, under an order from and on the instructions of another person, fills packaging which was supplied to it by the other person who, in advance, affixed to it a sign which is identical with, or similar to, a sign protected as a trade mark does not itself make use of the sign that is liable to be prohibited under that provision”;*

13. The operative part reads as follows:

“Article 5(1)(b) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks must be interpreted as meaning that a service provider who, under an order from and on the instructions of another person, fills packaging which was supplied to it by the other person who, in advance, affixed to it a sign which is identical with, or similar to, a sign protected as a trade mark does not itself make use of the sign that is liable to be prohibited under that provision”;

14. The filling services provided by the defendant to Sun Mark Ltd. are, as also noted by the ECJ, to be considered as technical requirements rendering the trademark law infringement (and the corresponding use such as sale, export, etc.) possible on the account

of the principal. The defendant consequently acts as an “intermediary” in order to commit the trademark infringements by the principal.

15. Article 2.22.6 BTIP provides the following:

“The judge may on the request of the trademark owner impose an injunction against the services provided by intermediaries where those services are used by third parties to infringe the trade mark rights of the owner”;

This Article transposes Article 11 of Directive 2004/48/EC of the European Parliament and the Council dated 29 April 2004 on the enforcement of intellectual property rights (‘Enforcement Directive’), which provides that Member States shall ensure that effective measures are available to safeguard the protection of intellectual property rights.

A precise definition of the concept intermediaries is not given by the Directive n° 2004/48. The intermediaries are defined as the persons “*whose services are used by a third party to infringe an intellectual property right*”, or as the persons who are found “*to be providing on a commercial scale services used in infringing activities*”. It relates to services provided in the numerical context as well as the providing of physical services, regardless of their nature.¹

16. This broad interpretation implies that the intermediary can be faced with an injunction even if he would not commit any trademark infringement himself and/or would not make use of the sign in course of trade and also when the intermediary was unknowing of the alleged infringement of the intellectual property right of the right holder.

17. This is an independent claim which can be introduced against the intermediary even when the latter is neither guilty of nor liable for the trademark infringement.

18. In its opinion of 14 April 2011 on the preliminary referral cited above, the Advocate General held the following:

“36. Admittedly, the Commission fears that to exclude the possibility of a trade mark infringement where a filling service acts on the instructions of another will invite abuse as undertakings seeking to infringe the marks of others will commission third parties to commit acts of infringement.

37. However, the fear of abuse can be countered by the third sentence of Article 11 of Directive 2004/48. That provision allows injunctions to be obtained against intermediaries whose services are used by a third party to infringe an intellectual property right.

¹ B. MICHAUX and E. DE GRUYSE, “De handhaving van intellectuele rechten gereorganiseerd”, *T.B.H.* 2007, 623. Also see B. MICHAUX, “Les nouvelles dispositions procédurales relatives aux injonctions à l’encontre des intermédiaires (articles 8,9 et 11 de la directive 2004/48)”, in M.-C. JANSSENS (ed.), *Sancties en procedures in intellectuele rechten*, Brussel, Larcier, 2008, 264-265.

38. *Although such an injunction also presupposes the infringement of rights associated with a mark, it suffices that the use of the sign displayed on the cans can be attributed to the client of the intermediary. Subject to the answer to be given to the second question, that appears to apply in the present case, as the client, Smart Drinks, selected the signs in question and used them to identify its goods.*

39. *Although, in contrast to the sanction applicable where an intermediary infringes a trade mark, the third sentence of Article 11 of Directive 2004/48 does not provide for damages, these can be obtained in accordance with the national provisions governing participation in a tort or delict – in particular as accessory – in the trade mark infringement committed by the client. However, as a rule, negligence alone is unlikely to suffice for the purposes of establishing participation.*

40. *Thus, the answer to Question 1(a) must be that the mere ‘filling’ of packaging which bears a sign is not to be regarded as using that sign in the course of trade within the meaning of Article 5(1)(b) of Directive 89/104, if that filling represents only a service provided to and on the instructions of another person.*

(...)

44. *The Hoge Raad asks Question 2 only in the case that the filling service provider itself infringes the mark of Red Bull as that court appears to presume that claims against the service provider presuppose such an infringement. However, it is incorrect to make that presumption as in accordance with the third sentence of Article 11 of Directive 2004/48, the proprietor of the mark can prevent further filling activities and, in certain circumstances, may claim damages on the basis of delictual participation in the trade mark infringement where the client of the filling service provider, in this case Smart Drinks, infringes the trade mark within the meaning of Article 5 of Directive 2004/48. Therefore, notwithstanding the answer I have proposed to Question 1(a), it is necessary also to answer Question 2 in order to provide the referring court with an answer which is of use”;*

20. In the interlocutory judgment the court held that the export of the BULLET can was a trademark infringement. The filling is an indispensable requirement for the later infringement of the BENELUX Bullit Mark in the sense of Article 5.1.b Trademark Directive, by exporting it or either by selling the finished can.

21. The conditions of Article 2.22.6 BTIP have therefore been satisfied and this part of the claim is well-founded.

22. The claimant also requests the court to impose a declaration to be made in lieu of oath by the defendant, in the presence of Red Bull or its counsels, relating to the issue on the identity and number of the exporters of the BULLET can which the defendant is aware of. That request is worded as follows:

“We, authorized to duly represent KONINGS NV, declare that the companies incorporated under the laws of the United Kingdom, namely (i) SUN MARK LIMITED and (ii) SEA, AIR & LAND FORWARDING LIMITED both with registered offices at 428 Long Drive, Greenford, Middlesex UB6 8UH (UK) are the only companies known to us which have, other than KONINGS NV itself, also been responsible for the export from the Benelux of the BULLET can”;

23. The defendant has accepted to make the declaration. The parties therefore agree on this point.

24. Considering the above, the remaining claims or facts are not relevant to the assessment of the case.

5. THE COSTS

25 Further to the Royal decree of 26 October 2007 implementing the procedural indemnities of Article 1022 J.C., the basic amount of indemnities is € 1,320.

26. The claimant requested the court to increase this amount to € 4,000 considering the complexity of the case *“demonstrated by the preliminary referral before the ECJ and the different written submissions and hearing dates”*. The preliminary referral to the ECJ was made in another case. Furthermore, the claimant itself requested the court to suspend these proceedings awaiting the ruling of the ECJ. In the court’s opinion, this case was not overly complex compared to the average trademark law case. Hence, there is no reason to increase the amounts of procedural indemnities.

6. THE OPERATIVE PART

On the basis of the above consideration, the court renders the following decision.

The court declares the claim of the claimant admissible and well-founded to the following extent:

The court declares that the defendant acts as an intermediary – by filling the can under the sign “BULLET” with energy drink for the purpose of the export from the Benelux by a third party – and that these services are used by third parties to infringe the trademark rights of Red Bull

Consequently, the court orders the cessation thereof in the Benelux in accordance with Article 2.22.6 BTIP under payment of a penalty of € 1,000 per single infringement, with a maximum of € 250,000.00 starting as from 24 hours after the serving of the judgment.

The court orders the defendant to make the following declaration in lieu of oath in accordance with Article 1357 C.C.:

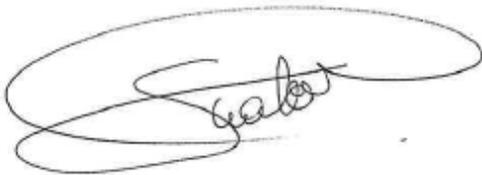
“We, authorized to duly represent KONINGS NV, declare that the companies incorporated under the laws of the United Kingdom, namely (i) SUN MARK LIMITED and (ii) SEA, AIR & LAND FORWARDING LIMITED both with registered offices at 428 Long Drive, Greenford, Middlesex UB6 8UH (UK) are the only companies known to us which have, other than KONINGS NV itself, also been responsible for the export from the Benelux of the BULLET car”;

And summons the physical persons authorized to duly represent the defendant in accordance with its acts of incorporation, together with the other parties or their counsels, to appear at the hearing of Wednesday 21 November 2012 at 09:00.

This decision also serves as the notification.

The court declares the decision provisionally enforceable, notwithstanding any appeal or bail.

Rendered and proclaimed by Ms Natalie Swalens, judge in the commercial court of Brussels and in replacement of the President, judging as in summary proceedings, assisted by clerk Ms Martine Vanden Eycken, in the public and extraordinary hearing of the chamber of cessation claims, Room E of the commercial court of Brussels on **26 SEP 2012**



Mevr. Natalie Swalens



Mevr. Martine Vanden Eycken