

# **Lifestyle Equities C.V. and another (Respondents) v Ahmed and another (Appellants)**

**Case ID: 2021/0147**

## **Case summary**

### **Issue**

What is the nature and extent of the liability of a director, or senior executive employee, for causing a company to commit a civil wrong, for which a claim can be brought without a finding of fault by the wrongdoer (e.g. a 'strict liability tort')? Here, the strict liability tort was trademark infringement.

If a director is legally responsible for the tort, can they be ordered to pay profits made as a result of the tort to the wronged part (e.g. a 'account of profits'), even if those profits were not personally received? Does this extend to the director paying back the portion of their salary that was attributable to the tort?

### **Facts**

The respondents, "Lifestyle", brought a claim for infringement of registered trademarks. The trademarks include word marks for BEVERLY HILLS POLO CLUB and devices based on horse-riding polo players. The proceedings were brought against a group of sixteen defendants associated with the use of a sign SANTA MONICA POLO CLUB, together with images of horse-riding polo players. The first appellant, Mr Ahmed, and his sister, Ms Ahmed (the "Ahmeds"), the second appellant, were named defendants.

The Ahmeds were alleged to be legally responsible for the torts committed by companies of which they were directors. At the first trial in October 2017, the court found that the defendants (including the eleventh defendant, of which the Ahmeds were directors) had committed trade mark infringement and misrepresented the goods as being the goods of someone else. The Ahmeds themselves, however were not found liable, because this trial did not materially concern their involvement in the matter. Lifestyle made a claim against the third and eleventh defendant companies seeking payment of the profits made from the tort but both companies became insolvent.

There was then a second trial concerning the Ahmeds' accessory liability. The Ahmeds were each found to be liable and each ordered to pay money to Lifestyle to account for profits made from the tort.

Both parties appealed to the Court of Appeal. Lifestyle's appeal was dismissed but the Ahmeds' appeal was allowed in part. Both parties now appeal to the Supreme Court.

### **Judgment appealed**

[\[2021\] EWCA Civ 675](#)

### **Parties**

#### **Appellant(s)**

Mr Kashif Ahmed and Ms Bushra Ahmed

#### **Respondent(s)**

Lifestyle Equities C.V., Lifestyle Licensing B.V.

## **Appeal**

### **Justices**

Lord Lloyd-Jones, Lord Kitchin, Lord Leggatt, Lord Stephens, Lord Richards

### **Hearing start date**

20 February 2023

### **Hearing finish date**

21 February 2023

### **Watch hearing**

20 February 2023 [Morning session](#) [Afternoon session](#)

21 February 2023 [Morning session](#) [Afternoon session](#)

## **Judgment details**

### **Judgment date**

15 May 2024

### **Neutral citation**

[2024] UKSC 17