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IN THE HIGH COURT OF JUSTICE QUEEN'S BENCH DIVISION



ATC19/0289

Thomas More Building <u>The Strand</u> London, WC2A 2LL

Monday, 15 July 2019

Before:

MR JUSTICE MURRAY

<u>BETWEEN</u>:

CHELSEA FOOTBALL CLUB LIMITED

<u>Claimant</u>

- and -

CORRIGAN

Defendant

MR E. ROWNTREE (instructed by Kerman & Co) appeared on behalf of the Claimant

THE DEFENDANT did not appear and was not represented.

J U D G M E N T

MR JUSTICE MURRAY:

- These are two applications dated 21 June 2019 made by Chelsea Football Club Limited
 ("CFCL") against Mr Stephen Corrigan in relation to his alleged activities as a ticket tout.
 The applications are:
 - i) for an order for judgment in default under CPR 12.3(1) against Mr Corrigan in respect of the claim issued by CFCL against him on 16 April 2019; and
 - ii) for an order for committal of Mr Corrigan for contempt of court for breaching an order made by Stewart J on 15 April 2019 ("the Order").
- 2 CFCL is the corporate body through which the business operations of Chelsea Football Club are run.
- 3 The factual background is set out in a witness statement dated 21 June 2019 provided by Ms Emma Shaw, a solicitor at Kerman & Co, CFCL's solicitors, and in an affidavit of the same date. In brief, Mr Corrigan sold a match ticket for a Chelsea Football Club match to an agent of CFCL on 8 April 2019, in breach of the terms and conditions of the tickets, which cannot (save in circumstances not relevant for present purposes) be sold or transferred at above face value.
- 4 Master Thornett gave permission to CFCL to issue proceedings against Mr Corrigan in the High Court on 12 April 2019, and CFCL issued an application without notice for injunctive relief on that day. The application was heard on 15 April 2019 by Stewart J, who was satisfied that injunctive relief was appropriate and made his order, which included a penal notice. Stewart J fixed a return date of 24 April 2019.
- 5 Stewart J's order and accompanying documents were served personally on Mr Corrigan on 16 April 2019. The Particulars of Claim and a response pack were sent to him by first class post on 16 April 2019.

- 6 Mr Corrigan did not attend the hearing on the return date on 24 April 2019. Waksman J continued Stewart J's order and ordered that Mr Corrigan pay costs of £12,674.25 to CFCL by 8 May 2019. Those costs have not been paid.
- 7 The order required Mr Corrigan to serve a witness statement on Kerman & Co making disclosure of various matters, including details of tickets to any matches that he had obtained or purchased, details of his dealings with any such tickets and details of any tickets to Chelsea Football Club matches that came into his possession with the written consent of CFCL.
- Mr Corrigan telephoned Kerman & Co on 29 April 2019 and told Mr Thorndyke of that firm that he had received the paperwork and did not have the funds to pay the costs order. Mr Thorndyke advised him to seek assistance from the Citizens' Advice Bureau and that he should focus on paragraphs 1 to 3 of the order. On 5 June 2019 Kerman & Co sent Mr Corrigan a letter noting his failure to comply with the order, noting that CFCL had the option to make an application seeking his committal to prison and enclosing a draft committal application. Kerman & Co sent him a third and final letter on 14 June 2019 affording him a further opportunity to comply with the order, reminding him that CFCL could seek his committal, which could result in a custodial sentence, and that he should seek legal advice. Mr Corrigan did not respond to that letter.
- 9 The committal application was served personally on Mr Corrigan on 27 June 2019. On 5 July 2019 Mr Corrigan was sent the hearing bundle for this hearing. The cover letter, which I have reviewed, made it clear to Mr Corrigan that he might be eligible for legal aid and advised him to seek assistance.
- 10 Dealing first with the default judgment application, Mr Corrigan has not responded to the proceedings and has not filed an acknowledgement of service, an admission or a defence within the relevant time limits. The order CFCL is seeking is:
 - i) judgment in default of filing an acknowledgement of service or a defence;

- permission for the claimant to apply before 15 January 2020 for an inquiry as to damages or an account of profits;
- iii) an order that Mr Corrigan pay the costs of the action and the application, such coststo be summarily assessed by the court at this hearing; and
- iv) a permanent injunction in the terms set out in the draft order supplied with the application notice.
- 11 The conditions in CPR 12.3(1) are satisfied, and therefore default judgment shall be entered against Mr Corrigan on the terms proposed.
- 12 Turning to the committal application, it seems clear to me that CFCL has done all that it could do to make it clear to Mr Corrigan what he needs to do to comply with the order. He has been given multiple chances to do that. He has been left in no doubt, it seems to me, as to the consequences of failing to comply with Stewart J's order. It is clear that he has been given notice of this committal application and this hearing today. There is the possibility that he did not receive the letter that was posted to him last Friday by Kerman & Co telling him the time and court number for this morning's hearing, but I am satisfied that he had notice of the committal application and that the hearing was listed for today. There is no excuse for him not to be here.
- 13 Mr Corrigan is not here, and so he cannot help himself by offering any kind of defence to the allegation that he has breached Stewart J's order. Therefore the contempt has been established by the evidence of Miss Shah in her first affidavit and its supporting documents.
- 14 In those circumstances, it is clear in my judgment that the contempt has been established, and the question is therefore what the appropriate sentence should be.
- 15 I have four choices. I can do nothing, impose a fine, impose a suspended custodial sentence or impose an immediate custodial sentence. It would be wholly inadequate to do nothing or merely to impose a financial penalty. Without excuse and without having sought an adjournment, Mr Corrigan is not present despite having been given notice of the order, the

committal application and this hearing. He has not complied with Stewart J's order, and he has not made any effort to comply or to apologise to the court for his contempt. CFCL has done all it could to make clear to Mr Corrigan what he was required to do and the consequences should he fail to comply.

- As to sentencing, Mr Rowntree of counsel for CFCL has referred me to the judgment of HHJ Gore QC in *The All England Lawn Tennis Club v Miller & Smith* [2017] EWHC 2876 (QB), which also concerned sentencing for contempt of court in relation to an order made against a ticket tout. I have also had regard to CPR Part 81. In terms of appropriate sanctions for contempt I have also had regard to a decision of Zacaroli J in *Corbiere Limited & Xu* [2018] EWHC 1650 (Ch), which sets out a helpful summary of the principles that apply to sentencing for contempt. That case refers to the Court of Appeal judgment in *JSC BTA Bank & Solodchenko (No. 2)* [2011] EWCA Civ 1241 (Jackson LJ) at [45] to [57], to which I have also had regard.
- 17 I remind myself that the burden of proof in establishing contempt is on the claimant, in this case, Chelsea Football Club Limited. As I have already indicated, that burden has been discharged. The standard of proof is the criminal standard, because of the potential consequence of loss of liberty. I am satisfied to the criminal standard that the contempt has been committed, on the basis of the evidence of Miss Shaw to which I have already referred.
- As to sentence, I have ruled out doing nothing. I have no information on Mr Corrigan's financial circumstances, but it does not seem to me that a fine would meet the requirements of justice in this case, so a custodial sentence is appropriate. As to the length of the custodial sentence, the breach is flagrant. There has been absolutely no engagement whatsoever, apart from one phone call to a colleague of Miss Shaw's. So, in the circumstances a starting point of six months or 26 weeks seems appropriate.
- 19 Sentencing for contempt is fact-specific. Every case is different. But I note that six months was the starting point adopted by HHJ Gore QC in the *AELTC* case to which I referred

earlier. The circumstances of that case were somewhat different, but nonetheless six months seems to me the appropriate sentence in this case. The question then is: do I suspend that for a short period to allow him to comply? Or do I simply impose a sentence of immediate custody and have a bench warrant issued for his arrest?

I bear in mind that when sentencing for contempt, we are concerned with punishment, but we are also concerned with coercion, because the most desirable outcome is that Mr Corrigan ultimately purges his contempt and complies with the order. So, it seems to me that it is appropriate to suspend the sentence for a short period of time, to allow him to seek legal advice if he has not done so already, and to comply.

MR JUSTICE MURRAY: Mr Rowntree, will you draft an appropriate----

MR ROWNTREE: Of course.

MR JUSTICE MURRAY: -- text? And in terms of a period of suspension, are you proposing, did you say, fourteen days?

MR ROWNTREE: I proposed seven days, but (inaudible) because of where we are: we're the 15th July today.

MR JUSTICE MURRAY: Yes.

- MR ROWNTREE: I am not sure when the in-term stops, but it certainly won't be after the 31st July.
- MR JUSTICE MURRAY: It is the 31st July is the last day of term, yes.

MR ROWNTREE: Well, perhaps, my Lord, if one said, "By the 26th".

MR JUSTICE MURRAY: Yes, yes.

MR ROWNTREE: Such that if there's any dispute about whether or not he has complied, that can be dealt with before the vacation starts.

MR JUSTICE MURRAY: Yes.

MR ROWNTREE: On an urgent basis.

MR JUSTICE MURRAY: Yes.

- MR ROWNTREE: That gives him nearly a fortnight assuming we can serve it today.
- MR JUSTICE MURRAY: Yes. (Pause, associate speaks sotto voce). So, shall we look a little bit more at the form of the order?

MR ROWNTREE: Yes, your Honour.

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