



Neutral Citation Number: [2024] EWHC 1727 (IPEC)

**CLAIM NO. IP-2023-000036**

**IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND & WALES  
INTELLECTUAL PROPERTY LIST (CHD)  
INTELLECTUAL PROPERTY ENTERPRISE COURT**

Rolls Building  
Fetter Lane  
London, EC4A 1NL  
Date: 8th July 2024

**Before:**  
**NICHOLAS CADDICK K.C.**  
(sitting as a Deputy High Court Judge)

**BETWEEN:**

**AGA RANGEMASTER GROUP LIMITED**

Claimant

-and-

**(1) UK INNOVATIONS GROUP LIMITED  
(2) MICHAEL PATRICK MCGINLEY**

Defendants

**DANIEL SELMI** (instructed by **HGF Law LLP**) for the Claimant

**SIMON MALYNICZ K.C.** and **KENDAL WATKINSON** (instructed by **Brandsmiths**) for the Defendants

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Hearing dates: 15<sup>th</sup> and 16<sup>th</sup> April 2024  
Further written submissions on 29<sup>th</sup> May, 5<sup>th</sup> June and 1<sup>st</sup> July 2024  
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## JUDGMENT

**Nicholas Caddick K.C. (sitting as a Deputy High Court Judge):**

### Introduction

1. This is a trade mark and copyright infringement claim brought by the Claimant against the First Defendant as primary infringer and against Mr McGinley (the Second Defendant) as a joint tortfeasor on the basis of his actions as a director and the person in day to day control of the First Defendant. For convenience, I will, in general, refer to the Defendants collectively.
2. The Claimant manufactures and sells the well-known AGA range cookers (“AGA Cookers”), versions of which have been sold in the UK since 1929 and many of which are still operating after more than 50 years.
3. The First Defendant was set up in 2020 to launch a product known as the “Stone Cooker”, a range cooker with an electric control system (the “eControl System”) developed by Mr McGinley. However, the eControl System can also be fitted to AGA Cookers to convert them from running on traditional fossil fuels to running on electricity. In its skeleton argument, the Claimant makes clear that it does not object to the Defendants supplying eControl Systems to be fitted to AGA Cookers in the hands of customers. Its complaint relates to what is described in its skeleton argument as the Defendants’ sale of complete retrofitted AGA Cookers fitted with the eControl System.
4. The Defendants accept that between October 2021 and June 2022 they sold 26 cookers fitted with the eControl System (some having two ovens, others having four ovens). I will refer to these cookers as the “eControl Cookers”. The Defendants say that these were all AGA Cookers that had been obtained from trade suppliers or as trade-ins from customers which they had, where necessary, refurbished and fitted with the eControl System. As sold, the eControl Cookers retained their “AGA” badges and, externally, looked the same as their AGA equivalents save that, in place of the temperature gauge fitted to the original AGA Cookers, the Defendants had fitted an “eControl System” badge. The two badges can be seen in the photographs below which are of an eControl Cooker that was the subject of a trap purchase which the Claimant made from the Defendants in April 2022.



5. The Claimant accepts that there is a legitimate aftermarket in the refurbishment and resale of AGA Cookers.<sup>1</sup> However, it believes that the Defendants' actions in relation to the eControl Cookers went beyond what is permissible and that the extent of the changes made by the Defendants meant that the cookers being sold were no longer the original AGA Cookers. It claims that in marketing and selling these cookers using the AGA name, the Defendants infringed its trade marks. It also claims that the control panels fitted by the Defendants to the eControl Cookers infringed the copyright in its design drawing for the control panel of its own electronically controlled AGA Cookers.
6. The Defendants deny infringement and have counterclaimed seeking to invalidate two of the six trade marks on which the Claimant relies.

### **The witnesses**

7. The Claimant's first witness was David Carpenter. Mr Carpenter has been a Technical Director of the Claimant since 1999 and of its parent company since 2015. He gave evidence relating to the manufacture and use of AGA Cookers and about the strip down analysis that he carried out on the eControl Cooker shown in the photographs above. He explained why, in his view, the work that had been done on that cooker went beyond what he considered to be an acceptable level of refurbishment and why it might be damaging to the AGA brand. He was cross examined and, in closing, Mr Malynicz suggested that a lot of his evidence had been "highly tendentious", that he had been "a little overzealous" in defending the Claimant's position and reluctant to accept that the eControl Cookers might have been better than the original unrefurbished AGA Cookers. I do not accept these criticisms. In my judgment, Mr Carpenter was a good witness doing his best to assist the court.
8. The Claimant also relied on the evidence of Martin Johnson. Mr Johnson was a senior product design and development engineer with the Claimant and gave evidence as to the creation of the design for the control panel on which the Claimant's copyright claim was based. He too was cross examined and I am satisfied that he was a straightforward and honest witness doing his best to assist the court.
9. Finally, the Claimant relied on the evidence of Jennifer Hyatt. As Sales and Marketing Director for the parent company of the Claimant, her role is to cultivate and enhance the reputation of the AGA brand and her evidence dealt in detail with the history of that brand and of AGA Cookers going back to 1922 and to the first sales of such cookers in the UK in 1929. In the event, the Defendants elected not to cross examine Ms Hyatt and her evidence can, therefore, be accepted as unchallenged.
10. The Defendants' sole witness was Mr McGinley. In closing, Mr Selmi questioned Mr McGinley's credibility and it is true that Mr McGinley came across as somewhat more combative than the Claimant's witnesses. However, I think it must be borne in mind that he was a personal defendant and the First Defendant is very much his company. Listening to his evidence, I formed the view that, for the most part, he engaged constructively with the cross


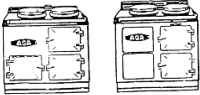

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<sup>1</sup> See Mr Carpenter's first witness statement at [41].

examination and was doing his best to assist the court. This impression was reinforced on reading the transcript of his evidence.

### The trade mark claims

11. The Claimant's principal claims were that the Defendants' activities outlined above had infringed the following trade marks registered in its name:

Trade Mark	Filing date	Number	Services relied on
AGA	11 June 1931	523495	For, inter alia, "cooking apparatus" in class 11
AGA	14 July 1933	543075	For, inter alia, "oil or gas stove burners, all being made of metal or predominantly of metal" in class 11
AGA	14 March 2008	2425088	For, inter alia, "ovens, hobs, cookers, cooking ranges, stoves" in class 11
	21 June 2006	2425089	For, inter alia "ovens; hobs; cookers; cooking ranges; stoves" in class 11
	17 July 1990	1433271	For "Apparatus and instruments for cooking and heating; parts and fittings for all the aforesaid goods; all included in class 11"
	28 February 2015	3044627	For "Cooking, baking, warming, thawing and heating apparatus, installations and appliances namely range cookers, heat storage stoves and cookers, cast iron stoves and cookers; parts and fittings for all the aforesaid goods" in class 11

12. I will refer to these marks collectively as "the Claimant's Marks", to the first three marks as "the AGA Word Marks", to the fourth mark as "the AGA Badge Mark", to the fifth mark as "the 2D AGA Mark" and to the sixth mark as "the 3D AGA Mark".

13. The Claimant's case is that the way in which the Defendants had marketed and sold the eControl Cookers infringed the Claimant's Marks because it had involved:
- (a) Use in the course of trade of signs identical to the registered marks in relation to identical goods – an infringement under s.10(1) of the Trade Marks Act 1994; and/or
  - (b) Use in the course of trade of signs identical or similar to the registered marks in relation to goods which are identical or similar to the goods for which the marks are registered and where there exists a likelihood of confusion on the part of the public - an infringement under s.10(2) of the Trade Marks Act 1994; and/or
  - (c) Use in the course of trade, in relation to goods, of a sign which is identical with or similar to the registered marks where those marks have a reputation in the United Kingdom and the use of the sign, being without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or the repute of those marks – an infringement under s.10(3) of the Trade Marks Act 1994.
14. In their Defence, the Defendants put the Claimant to proof of the reputation and distinctive character of the Claimant's Marks and they denied infringement. The pleaded basis of that denial was that:
- (a) As regards each of the Claimant's Marks, they have a defence under s.12 of the Trade Marks Act 1994 (the exhaustion of rights defence) because the eControl Cookers were AGA Cookers which had previously been placed on the market by the Claimant or with its consent;
  - (b) As regards the AGA Word Marks, they have defences under s.11(2)(b) and/or s.11(2)(c) of the Trade Marks Act 1994 because their use of the word "AGA" had been descriptive and/or to indicate that the eControl System could be used to "convert" genuine AGA Cookers;
  - (c) In relation to the 2D AGA Mark, there could be no infringement under s.10 of the Trade Marks Act 1994 because:
    - i. an image showing an eControl Cooker and/or the appearance of such a cooker is not "a sign", does not distinguish or indicate the origin of goods and is not being used in relation to goods;
    - ii. there was no sufficient similarity between the image or appearance of the eControl Cookers and the 2D AGA Mark; and
    - iii. liability was excluded by the terms of the disclaimer to which the 2D AGA Mark is subject; and
  - (d) In relation to the 2D AGA Mark and the 3D AGA Mark, those Marks are invalid.
15. Accordingly, save as regards the 2D AGA Mark and the non-admission of reputation and distinctive character, the Defence did not deny that the

Defendants' actions fell within s.10(1), (2) or (3) of the Trade Marks Act 1994 in respect of each of the Claimant's Marks. Their skeleton argument adopted the same approach. So too, in closing, did Mr Malynicz. On being asked whether he accepted that there were, in principle, claims under s.10(1), s.10(2) and s.10(3), his response was that:

“MR. MALYNICZ: I must -- 10(3), no, because you have to show that extra damage, detriment and so on. There is a 10(1) claim and that is the end of it. Of course the mark is used on the goods, so it is the end of the matter. There is nothing in my skeleton about these things because they just do not matter at all. What matters is the starting point. Which is the rights are exhausted and as a matter of approach the burden is on the claimant to establish a claim for legitimate reasons to oppose, where it has already realised the economic value of the goods.”

16. As regards s.10(3), Mr Malynicz said that there was no infringement because “[t]here is no unfair advantage, there is no dilution and there is no tarnishment”. This had not been pleaded but, as he pointed out, issues such as dilution and tarnishment are also relevant to the s.12 (exhaustion) defence and, on that basis, he was not going to make any submissions as to whether the case fell within s.10(3).<sup>2</sup> Much the same can be said as regards the s.10(1) and s.10(2) claims as the issues whether the Defendants' activities affected the origin function of the trade marks or gave rise to a likelihood of confusion, issues which arise in relation to those claims, are also relevant to the s.12 defence (see below). Essentially, the Defendants' position was a pragmatic one and was, with the exception of the 2D AGA Mark, to focus on the s.12 defence rather than on the various conditions needed to show infringement under s.10(1), s.10(2) or s.10(3). I will adopt the same approach.
17. I should mention that it appears to have been common ground that the average consumer (the hypothetical person through whose eyes various trade mark issues are assessed) is an ordinary member of the public, perhaps someone who already owns an oil or gas AGA Cooker and who is interested in electric conversion, or is considering purchasing one. Given the relatively high prices charged for new AGA Cookers and for the eControl Cookers, I think that such a person would display a reasonably high degree of attention. It also appears to be common ground that the relevant date for determining the trade mark issues that arise is October 2021, when the Defendants started marketing and selling the eControl Cookers, and that, as a result, the law to be applied has not been affected by the UK's withdrawal from the European Union.

### **The s.12 (Exhaustion) Defence**

18. As set out above, the Defendants assert that, by reason of s.12 of the Trade Marks Act 1994, they have a defence to all of the trade mark infringement claims.

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<sup>2</sup> THE JUDGE: Are you going to address me on that? MR. MALYNICZ: No, that is my submission in relation to that. Those points do not add anything because the rights are exhausted. So the actual trade mark rights, in their full width, are exhausted by the sale of the goods.

19. Section 12 is derived from art.7 of Directive 89/104/EEC relating to trade marks<sup>3</sup> and at the time when the acts complained of took place (between October 2021 and June 2022), it provided that:

“(1) A registered trade mark is not infringed by the use of the trade mark in relation to goods which have been put on the market in the United Kingdom or the European Economic Area under that trade mark by the proprietor or with his consent.

(2) Subsection (1) does not apply where there exist legitimate reasons for the proprietor to oppose further dealings in the goods (in particular, where the condition of the goods has been changed or impaired after they have been put on the market).”<sup>4</sup>

*Exhaustion of rights*

20. The effect of art.7(1) of Directive 89/104/EEC (and therefore of s.12(1)) was summarised by the CJEU in Case C-337/95 *Parfums Christian Dior SA v Evora BV* at [38] (“*Dior*”) as follows:

“... when trade-marked goods have been put on the Community<sup>5</sup> market by the proprietor of the trade mark or with his consent, a reseller, besides being free to resell those goods, is also free to make use of the trade mark in order to bring to the public's attention the further commercialisation of those goods.”

21. This is often referred to as the exhaustion of a trade mark proprietor's rights, meaning that the proprietor cannot object to further dealings with those goods by others using the mark. However, by reason of s.12(2), this exhaustion of rights does not apply where the proprietor has legitimate reasons for opposing such further dealings.

*Legitimate reasons to oppose further dealings*

22. As set out in s.12(2) (and in art.7(2) of Directive 89/104/EEC from which s.12(2) is derived<sup>6</sup>), one example of a case where the proprietor might have legitimate reasons to oppose further dealings in the goods is where the condition of those goods has been changed or impaired after being put on the market by the proprietor. Other examples are where the further dealings might seriously damage the reputation of the trade mark (see *Dior* at [48], Case C-

<sup>3</sup> Later replaced by art.7(1) of Directive 2008/95/EC and most recently by art.15(1) of Directive 2015/2436/EU.

<sup>4</sup> Now, as a result of The Intellectual Property (Exhaustion of Rights) (Amendment) Regulations 2023 (S.I. 2023/1287), regs. 1(b), 5(2), s.12(2) has been amended to read – “(2) *Subsection (1) does not apply where — (a) there exist legitimate reasons for the proprietor to oppose further dealings in the goods for the purpose of protecting the proprietor's property (in particular, where the condition of the goods has been changed or impaired after they have been put on the market), and (b) the opposition to those dealings interferes with the rights of any other person no more than is necessary to achieve that purpose.*”

<sup>5</sup> Under s.12(1), the issue is whether the goods had been placed on the market in the UK, rather than in the Community.

<sup>6</sup> See, now art.15(2) of Directive 2015/2436/EC. Where s.12(2) refers to “further dealings in the goods”, the Directives use the phrase “further commercialisation of the goods”.

588/08 *Portakabin Ltd v Primakabin BV* at [79] and [91] and Case C-46/10 *Viking Gas A/S v Kosan Gas A/S* at [37]) or give the impression that there is a commercial connection between the person responsible for those dealings and the trade mark proprietor and, in particular, the impression that that person's business is somehow affiliated to the trade mark proprietor or that there is a special relationship between them (see Case C-63/97 *Bayerische Motorenwerke AG v Deenik* at [51] and *Portakabin* at [80] and [92]).

23. It is important to note, however, that the test under s.12(2) is not whether the further dealings involve such a change in condition, or serious damage to reputation of the trade mark or give the false impression of a commercial connection between the defendant and the trade mark proprietor. Rather, the test is whether, on the facts taken as a whole, the proprietor has legitimate reasons to oppose the further dealings. Further, the mere fact that customers may be led to believe that there is such a connection (i.e. the likelihood of confusion) will not necessarily satisfy that test. If it did, then the s.12 exhaustion defence could never operate to exclude liability in an infringement case brought under s.10(2), as it is that very likelihood of confusion which gives rise to that liability.<sup>7</sup>
24. In my judgment, in determining whether a case falls within s.12(2) (thereby excluding the operation of the exhaustion defence), the court must strike a fair balance between protecting the trade mark proprietor's interests in a trade mark that has been applied to goods and protecting the interests of others such as the original purchaser and others who deal with those goods in the aftermarket.<sup>8</sup> On this basis, the Claimant readily accepts that people are entitled to refurbish and to sell second hand AGA Cookers using the AGA name. However, it believes that the Defendants' actions (including the fitting of the eControl System) went beyond what is acceptable as they had changed the condition of the AGA Cookers in ways that might result in serious damage to the reputation of the Claimant's Marks and also that the way in which the eControl Cookers were marketed and sold might lead people to believe that there was a commercial connection between the Defendants and the Claimant. On this basis, it argues that it has legitimate reasons to object to the Defendants' activities.
25. I have not found this an easy matter to decide. However, on balance, I have decided that the Claimant does have legitimate reasons to object to the Defendants' activities. This is not because of the extent of the works that the Defendants did on the cookers, or because of the fitting of the eControl System to AGA Cookers, per se. Nor is it because there is a serious risk that what the Defendants had done might damage the image of the Claimant's Marks. Rather it is because of the way in which the Defendants marketed and sold the eControl Cookers.

#### *The works done by the Defendants*

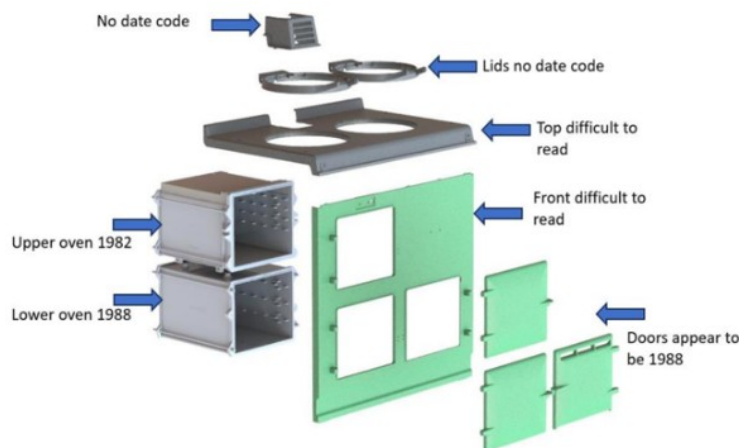
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<sup>7</sup> A similar point may be made where a claim is brought under s.10(1) on the basis that the defendants' activities affected or was liable to affect the origin function of the mark.

<sup>8</sup> The point is even clearer on the current amended wording of s.12(2) – as to which, see footnote 4 above.



26. It is necessary, first, to determine the nature and extent of the works which were done by the Defendants in order to create the eControl Cookers.
27. In this respect, the Claimant relied on the evidence of Mr Carpenter. As that evidence related solely to the works that had been done to create the eControl Cooker that had been the subject of the trap purchase, the Defendants in closing questioned how it could help determine the extent of the work that had been done to the other 25 eControl Cookers. However, Mr McGinley himself had stated in his second witness statement that the trap purchase product “comprised a typical renovated AGA that had had renovation works carried out of the type which is extremely commonplace and representative of the market, with the addition of an eControl conversion kit”. Accordingly, in my judgment, the trap purchase product can be treated as being representative of the other eControl Cookers.
28. The nature of the work done on the trap purchase product was set out in detail in Mr Carpenter’s witness statement and was explored with him in cross examination. His evidence (which I accept) was that the only elements of the trap purchase product that were original AGA parts were those identified in the diagram below:



**Figure 1**

29. Having heard Mr Carpenter’s evidence, I find that the parts shown above in green<sup>9</sup> and the lower (1988) oven were derived from the same AGA Cooker originally placed on the market by the Claimant in around 1988. As regards the other parts shown in the above diagram, Mr Carpenter stated in his witness statement that they had been stripped from other appliances. However, in cross examination, he accepted that they too could be from the same AGA Cooker, with the exception of the upper oven (which was dated 1982 and had been cast in a different foundry and which he concluded had been taken from a different and earlier AGA Cooker) and, on balance, I find that this is more likely.
30. Mr Carpenter’s evidence was that none of the other parts of the trap purchase product was an original AGA part. Instead, they were new replica parts. He

<sup>9</sup> i.e. the front and the three doors.

went on to list 27 such parts (16 external<sup>10</sup> and 11 internal) and to comment on how they compared with the original AGA parts. In many cases, he asserted that the replica part was of a lesser quality than the original part and, in some cases, that it might be unsafe or less safe than the original part. He also identified 8 pieces of electrical equipment that had been added to the cooker – presumably as part of the new eControl System.

31. These works fall into two categories, first, works which may be regarded as renovation or refurbishment works (works to restore the cooker to the sort of condition in which it had originally been placed on the market by the Claimant) and, second, conversion works (works which changed that condition, such as the fitting of the eControl System and, as emerged in the course of cross examination, the removal of the barrel and oil burner that were part of the previous fossil fuel system). I will deal with these two categories separately.

*The refurbishment works*

32. As regards refurbishment works, Mr Carpenter listed what he regarded as an acceptable level of refurbishment as follows:
- (a) Refurbishment of a single original AGA Cooker identifiable by its serial number;
  - (b) Replacement of insulation;
  - (c) Cleaning of the ovens;
  - (d) Cleaning of the boiling and simmering plates;
  - (e) Replacement or repair of any damaged parts with like for like parts including, for instance, replacing a casting which may have cracked with one of the same design; and
  - (f) Re-enamelling of original damaged external parts (e.g. doors or the top or front plates).
33. It seems to me that most of the works done by the Defendants fell within this list. It is true that there were a substantial number of works and I can see that there may come a point when the extent of the works done will mean that the resulting product is no longer a refurbished or renovated version of the original product but is, instead, a new and different product. However, I do not think that this is the case here. Here (as set out above) the main parts of what makes an AGA identifiable as an AGA (i.e. the front and top panels, the doors, both ovens and the dome castings) were genuine AGA parts and, except for the 1982 oven were, as I have found, from the same original AGA Cooker probably placed on the market as long ago as 1988. Further, although a large number of new parts (and the 1982 oven) had been fitted to this cooker, they were for the most part fitted to restore the appearance and/or functionality of

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<sup>10</sup> In fact, as set out later in Mr Carpenter's evidence (and see Annex 2 to the Particulars of Claim), 3 of these parts (the dome casting, top plate and front plate) were not replica parts, but refurbished original AGA parts.

the original AGA Cooker (as is clear from the fact that Mr Carpenter was able to compare them with the original AGA parts) and it is hard to see why the Defendants would have fitted them unless the original parts had needed replacing.

34. Mr Carpenter referred to the need to use “like for like” parts when carrying out refurbishment works. In cross examination, he accepted that it did not matter whether such parts were official AGA parts or were parts sourced from elsewhere. However, he asserted that they should be of the same quality as the originals. I accept that the replacement parts used to refurbish an AGA Cooker should not be of such inferior quality as to seriously damage the reputation of the Claimant’s Marks but, subject to that, it seems to me that there must be some degree of latitude as regards the nature of such parts. In my judgment, with a long lived product such as an AGA Cooker and given that there is a reasonably extensive market in the sale of second hand refurbished AGA Cookers, customers would understand that, if they buy one second hand, it is likely to contain replacement parts and I do not think that those customers would assume that such replacement parts must necessarily be of the same quality as the original parts. I do not think that such issues give the Claimant legitimate reasons to object to further dealings in its AGA Cookers.
35. I mentioned above that there was a reasonably extensive market in the sale of second-hand refurbished AGA Cookers. For the Claimant, Mr Selmi was critical of Mr McGinley’s evidence on this issue. In particular, he criticised Mr McGinley for listing 55 companies as offering such cookers for sale when, as Mr McGinley accepted in cross examination, the websites for a number of those companies did not refer to the sale of refurbished cookers but only to the provision of refurbishment services in customers’ homes. Nevertheless, I am fully satisfied that there is a market in the sale of second-hand refurbished AGA Cookers. As I have mentioned, this was accepted by Mr Carpenter and another of the Claimant’s own witness, Ms Hyatt, exhibited the webpage of Walter Dix and Co Ltd (one of the Claimants own authorised distributors) which offers “Pre-Loved AGA’s” for sale. For the Defendants, Mr McGinley exhibited websites from a number of companies which were clearly offering to sell refurbished or reconditioned AGA Cookers<sup>11</sup> (albeit without giving details of the extent of the refurbishment work involved).
36. Mr McGinley also referred to a Which.co.uk article which contained the following statements:

**“Can you buy a second-hand Aga?”**

Yes. Given the longevity of Aga cookers and the cost, there is an active second hand market.

By Shopping around, it is possible to get a second hand Aga that’s been renovated to look like new but comes at a much cheaper price...”

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<sup>11</sup> Examples of such companies being Abbey Cookers, Avec Cookers, J Westaway, Burtons Reconditioned Agas, Westbrook Cookers, Blake & Bull and Country Cookers.

He also cited a Bloomberg article which stated that “second hand they [i.e. AGAs] can still sell for £5,000” and he gave evidence that he, personally, was aware of businesses “that will sell in excess of 75 renovated AGA cookers per month...”. Given Mr McGinley’s experience in the field, I see no reason to doubt that evidence – particularly in view of the articles and websites to which I have referred.

37. For these reasons, I find that the mere fact that these works were done would not of itself be sufficient to give the Claimant legitimate reasons to object to the refurbishment works carried out by the Defendants.

*The conversion works*

38. More difficult is where the works done have effected a significant change in the condition of the goods. In my judgment, converting a fossil fuel AGA Cooker into an eControl Cooker, by removing the barrel and the oil burner contained in it and fitting the eControl System, is clearly a significant change in the condition of that AGA Cooker. However, as set out above, the fact that there has been such a change is not of itself enough. It must still be shown that the trade mark proprietor has legitimate reasons to object to further dealings in the product in that changed condition.

39. The significant point here is that the Claimant does not object to the Defendants supplying customers with the eControl System to be fitted to existing AGA Cookers. Indeed, it would be hard for it to object if the owner of a fossil fuel AGA Cooker chose to convert that Cookers to electricity. If the Claimant does not object to the supply of eControl Systems for that purpose, then it is hard to see how it could object if those converted cookers were later to come on to the second hand market as a result of being sold by their owners or traded in for new cookers. If those cookers can be accepted on the market, then it is also hard to why the Claimant should object to the Defendants’ actions in fitting eControl Systems to second hand AGA Cookers that it has acquired and then re-selling those cookers - unless, in doing so, the Defendants had led customers or potential customers to believe that the Defendants and/or their eControl System were commercially connected to the Claimant in a way that gave the Claimant legitimate reasons to object.

40. Accordingly, as with the renovation works, it does not seem to me that the conversion works per se gave the Claimant legitimate reasons to object to the Defendants’ activities.

*Are there legitimate reasons based on damage to reputation?*

41. As set out above, the Claimant may have legitimate reasons to object to the Defendants’ activities where the re-sale of the eControl Cookers “risks, in the light of ... their poor quality seriously damaging the image which the proprietor has succeeded in creating for its mark” - see *Portakabin* at [91].
42. In the first place, the Claimant relied on the evidence of Mr Carpenter referring to replacement parts which he said were of inferior quality and, in some cases, unsafe. These claims were hotly disputed by Mr McGinley. Given this conflict

of evidence and the limitations of a two day IPEC trial, I do not feel that I am able to make any findings with regard to these claims. I would note, however, that I am not convinced that customers buying what they would know is a second hand AGA Cooker would necessarily associate the quality issues raised by Mr Carpenter with the Claimant or with the Claimant's Marks. Further, as I have already indicated, I do not think they would necessarily expect all of the components of such a cooker to be of the same quality as the original components.

43. Mr Carpenter also referred to a test which compared (unfavourably) the performance of the trap purchase product with that of an AGA eR7. Mr McGinley rejected the criticisms made in the test report and argued that comparison was unfair as the AGA eR7 was a newer model. He also referred to a successful demonstration by Sarah Whittaker using a cooker featuring the eControl System. Again, I am not sure how I am supposed to resolve this difference (which is in the nature of inadmissible hearsay expert evidence). I am also unsure as to the relevance of this evidence given that the test and demonstration appear to relate to the performance of the eControl System – a system to which, as set out above, the Claimant does not in principle object.
44. Mr Carpenter also referred to a number of negative reviews of eControl Cookers posted on a Facebook Group called “eControl AGA”. Once again, I do not feel able to draw any conclusions with regard to the criticisms made in these reviews. They were unsubstantiated and hearsay and were largely refuted by Mr McGinley, who also argued that some of the complaints related to eControl Systems that had been fitted to customers' AGA Cookers by third parties (a practice to which the Claimant does not object).
45. A particular matter of complaint by the Claimant is that the AGA badge on the trap purchase product was, according to Mr Carpenter, a poor quality replica. Mr Selmi referred to it as a “knock off” AGA badge and argued, on the basis of comments made by the CJEU in *Portakabin*, that this by itself gave the Claimant legitimate reasons to object to the Defendants' activities. I do not agree. As I understand it, the comments of the CJEU in *Portakabin* were in relation to a re-seller's action in concealing the proprietor's trade mark. That is not what the Defendants have done. In any event, it is unlikely that any customer would remove the badge from the cooker and scrutinise it in the careful way that Mr Carpenter has done. Even if they did, it is difficult to see how this badge would cause serious damage to the reputation of the Claimant's Marks.
46. In conclusion, in my judgment, the evidence does not establish that the works done to the eControl Cookers gave rise to a risk of serious damage to the reputation of the Claimant's Marks so as to give the Claimant legitimate reasons to oppose the Defendants' activities.

*Are there legitimate reasons based on the way in which the Defendants marketed and sold the eControl Cookers?*

47. I turn then to the issue whether the Claimant had legitimate reasons to oppose the Defendants' activities on the basis that the way in which the Defendants had marketed and sold the eControl Cookers had given customers or potential

customers the impression that there was some commercial connection between the Defendants (or their products) and the Claimant.

48. In order to establish that there is the requisite commercial connection, the Claimant must show that the Defendants' activities were such that normally informed and reasonably attentive customers would be unable, or would be able only with difficulty, to ascertain whether the goods in question originate from the Claimant (as proprietor of the AGA Marks) or from an undertaking economically linked to it or, on the contrary, originate from a third party, such as the Defendants (see *Portakabin* at [80]-[81] and *Viking* at [40]).
49. If this case was simply about the Defendants selling refurbished second hand AGA Cookers then, in my judgment, it is unlikely that a customer or potential customer would have gained the impression that this was an activity connected with the Claimant. As I have indicated above, there is an active market in refurbishing and in re-selling AGA Cookers and a customer buying a second hand AGA Cooker would understand that it may well have been refurbished and would have no particular reason to think that the Claimant was in any way linked to either the refurbishment or the re-sale.
50. What makes the present case different is the way in which the Defendants went about marketing and selling the eControl Cookers – cookers which were not only refurbished but also fitted with the eControl System. In this regard, the Claimant points to the Defendants' website as it existed in October 2022. That website contained the following words:

“The eControl System

Why even seasoned Aga lovers are flipping the switch

Buy an eControl Aga”

These words were superimposed over a picture of an eControl Cooker on which the AGA badge and a separate “eControl System” badge were clearly visible. Below this were statements referring, inter alia, to a 5 year warranty. Then at the bottom of the page were the words:

**“Why the eControl System?**

With decades of Aga experience and conversions, we've been carefully listening to our loyal customers who wanted a reliable yet more up-to-date conversion than the traditionally utilised 13amp systems.”

On the next page, there was a line drawing of what was clearly an AGA Cooker with the caption “Controllable Aga Cookers” followed by a page showing numerous possible “Aga Colours”.<sup>12</sup>

51. In effect, the website was offering customers the opportunity to “Buy an eControl AGA” (as pictured, with a warranty and, it seems, available in one of

<sup>12</sup> The Defendants' website was subsequently changed to remove the references to “Aga”.

a range of colours) and/or the opportunity to convert an existing AGA Cooker using the eControl System.

52. In my judgment, these statements taken as a whole were likely to give customers the impression that what they were being offered was an AGA product (an eControl AGA, one of a range of AGA products) and this was something about which the Claimant could legitimately object. In this regard, the reference to the “eControl AGA” was likely to be seen, not as descriptive (or not as purely descriptive) but rather as part of the brand for the product being offered for sale (just as “eR7” is used as part of the brand for the “AGA eR7 model mentioned above<sup>13</sup>), and as linked to the “AGA” name which, as set out below, has a highly distinctive character thereby increasing the risk of confusion – see *Iconix Luxembourg Holdings SARL v Dream Pairs Europe Inc* [2024] EWCA Civ 29 at [10(h)]. Similarly, taking these statements as a whole, I find that the references to the eControl System were likely to be taken as references to a system that was connected with the Claimant – certainly in the absence of any statement making clear that what was on offer was not derived from or connected with the Claimant. Accordingly, whilst (for the reasons set out above) I do not think that the Claimant had legitimate reasons to object to the Defendants selling AGA Cookers which they had refurbished and fitted with the eControl System, I find that it did have legitimate reasons to object to the way in which the Defendants went about marketing and selling these cookers. In my judgment, in this context, the interests of the Claimant as a trade mark proprietor outweigh the interests of people (such as the Defendants) dealing with the cookers in the aftermarket.
53. I make this finding notwithstanding Mr McGinley’s evidence that customers buying an eControl Cooker were making a considered and relatively expensive purchase and would have extensive discussions from which they would have known that they were being offered a refurbished (second hand) AGA Cooker to which the Defendants had fitted their own eControl System. In the first place, although Mr McGinley claimed that such discussions were evidenced in the disclosed documentation, I was not taken to any document that clearly corrected the impression created by the website. In fact, the Defendants’ invoices (which, it seems, were often sent out prior to delivery of the products) would have reinforced the impression that there was a commercial connection between the eControl Cookers and eControl System on the one hand and the Claimant on the other. In those invoices, the cookers were variously referred to an “AGA eCONTROL”, the “supply and fit of AGA in white”, an “eControl AGA”, a “Conversion to AGA GC”, an “AGA Cooker eControl”, an “AGA 100” or an “AGA 100 – eControl”, all of which, in my judgment, unfairly sought to link the eControl Cookers and the eControl System to the AGA brand.
54. Ultimately, if the Defendants wished to sell these converted cookers, there was a need for them to ensure that customers were not given the impression that the conversion was somehow connected to the Claimant and even, as suggested by the CJEU in Joined Cases C-427/93, C-429/93 and C-436/93, *Bristol-Myers*

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<sup>13</sup> Other AGA models are called, for example, the “AGA R3”, “AGA eR3”, “AGA ERA” and, in the past, the “AGA Standard Model C” and “AGA Deluxe”.

*Squibb v Paranova A/S* at [79(b)], to take steps to dispel such an impression. As set out above, the website and invoices did the opposite.

55. A point which has concerned me was the extent to which post sales confusion might be relevant to this analysis and this was the subject of further submissions from the parties after my draft judgment was circulated. In this regard, Mr Selmi referred me to *Montres Breguet S.A. v Samsung Electronics Co. Ltd* [2023] EWCA Civ 1478, where Arnold LJ stated that:

“84. .... The fact that a mark is not relied upon, or is invisible, at the point of sale does not mean that it does not function as a trade mark. It still functions as a trade mark because it operates as a badge of origin, and hence quality, after the goods have been sold. It does so not primarily to the purchaser of the goods, who is likely to be aware of their origin, but to third parties who encounter the goods after sale. It is a very old human trait to wish to acquire a product that one has seen worn by a friend or acquaintance or in their home. Furthermore, the goods may be consumed or used by persons other than those who purchased them.

85 For these reasons, it is well established in both EU and domestic case law that it can be relevant to take the post-sale context into account when considering trade mark issues....”

56. Mr Selmi submitted that these words are relevant to the present case because third parties coming across the eControl Cookers in future would see the “AGA” and “eControl System” badges and would assume that the eControl Cookers were “co-branded” AGA Cookers. He argued that the presence of the eControl System badge would, in effect, lead people to believe that there was a commercial connection between the Claimant and the Defendants and that this gave the Claimant legitimate reasons to object to the Defendants’ activities. In this regard, I note that Mr McGinley accepted that third parties in this situation could be confused, albeit that he believed that such confusion would be dispelled when those people carried out the sort of additional research that he regarded as inevitable.
57. Again, I have not found this an easy point. However, I have concluded that the presence of this “eControl System” badge on these eControl Cookers does not of itself give the Claimant legitimate reasons to object to the Defendants’ activities.
58. It seems to me that the presence of the “eControl System” badge on a used cooker could be explained in a number of ways. It is true (as Mr McGinley accepted) that it might lead some people to assume that there was a connection with the Claimant. However, I do not see this as particularly likely in a context where those people are not exposed to statements of the sort made on the Defendants’ website and on their invoices as described above and where (as shown in the above photographs) the badge was positioned quite separately from the AGA badge. In these circumstances, people may well take the badge to be descriptive – an indication that the cooker is fitted with an eControl System. Further, it has to be borne in mind that the issue arises in relation to



AGA Cookers that have already been placed on the market by the Claimant. As I have already said, with a long lived product such as an AGA Cooker, it is foreseeable that works will have been done to maintain, service or update it or even to convert it (e.g. from running on a fossil fuel to running on electricity) and it does not seem to me to be unreasonable for a person who has done such work to put some sort of label on the product – not to obscure or diminish the AGA brand, but to indicate that person’s work on the product. Where the work has involved changes in condition, it may even be preferable that some such indication is provided in order to draw attention to those changes. In this respect, the balancing exercise required under s.12(2) seems to me to come down in favour of people dealing with the product in the aftermarket.

59. In my judgment, therefore, the presence of the “eControl System” badge on the eControl Cookers did not of itself give the Claimant legitimate reasons to object to the Defendants’ activities.

*Conclusion on s.12*

60. For these reasons, whilst I reject aspects of the Claimant’s case, I find that the way in which the Defendants marketed and sold the eControl Cookers would have given customers and potential customers the impression that there was a commercial connection between the eControl Cookers and the eControl System fitted to them and the Claimant and that, in these circumstances, the Claimant had legitimate reasons to object to those activities. On this basis I reject the Defendants’ s.12 defence to the trade mark infringement claim.

**The s.11 Defence**

61. The other defence relied on by the Defendants is s.11(2) of the Trade Marks Act 1994 which, so far as relevant, provides that:

“A registered trade mark is not infringed by –

- (a) ...
- (b) the use of signs or indications which are not distinctive or which concern the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods ... or other characteristics of goods...
- (c) the use of the trade mark for the purposes of identifying or referring to goods ... as those of the proprietor, in particular where that use is necessary to indicate the intended purpose of a product ... (in particular,, as accessories or spare parts),

provided the use is in accordance with honest practices in industrial or commercial matters”.

62. The Defendants say that this applies to the claim in respect of the AGA Word Marks because “AGA” was used to explain the purpose of their products – to indicate that the eControl System could be used to convert AGA Cookers.

63. In my judgment, the Defendants' use of the word AGA on its website and invoices does not fall within s.11(2). Such use was not descriptive use and the implication in phrases such as "eControl AGA", "AGA Cooker eControl" or "Controllable Aga Cookers" was not that the Defendants' own eControl System could be fitted to an AGA Cooker. Rather it was distinctive use; use as part of a badge of origin. It was use that suggested that the eControl Cookers and the eControl System were associated with the Claimant as the proprietor of the AGA Word Marks. Further, to the extent that the word "AGA" was being used to identify the goods being sold as those of the proprietor, such use was not in accordance with honest practices because the goods in question had been significantly altered by the fitting of an eControl System which had nothing to do with the proprietor. Accordingly, in my judgment, neither s.11(2)(b) nor (c) applies.
64. I should note that s.11 was only very lightly touched on in the Defendants' skeleton argument and was not mentioned at all in their closing submissions.

### **Issues relating to s.10**

65. As I have indicated above, the Defendants accept that, save as regards the 2D AGA Mark and the issue of reputation, their activities fell within s.10 of the Trade Mark Act 1994 and, subject to ss.11 and 12, infringed the Claimant's Marks.

#### *The AGA Word Marks and AGA Badge Mark.*

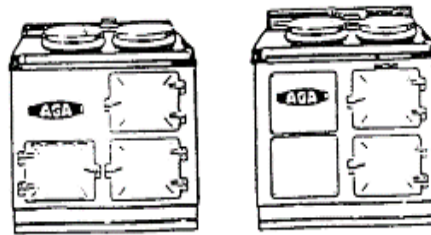
66. As they are not in issue, I will only deal briefly with the s.10 claims insofar as they relate to the AGA Word Marks and the AGA Badge Mark. As Mr Malynicz accepted, the Defendants have clearly used signs that are identical or similar to these Marks and have done so in relation to identical goods. Further, given the factors that led me to reject the s.12 defence, I find that such use had affected or was liable to affect one of the functions of the AGA Trade Marks (a requirement for liability under s.10(1))<sup>14</sup> and/or gave rise to a likelihood of confusion (a requirement for liability under s.10(2)). I will deal separately with the position in relation to s.10(3).

#### *The 2D AGA Mark*

67. The position regarding the 2D AGA Mark is more complicated. The mark comprised two line drawings of AGA Cookers as shown below:

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<sup>14</sup> The principal such function being the so-called "origin" function. See Case C-236/08 *Google France* at [84] where it was stated that a defendant's use of its sign affected or was liable to affect that function where such use, in context, was not such as to enable average consumers, or it enabled them only with difficulty, to ascertain whether the defendant's goods originated from the trade mark proprietor, or from an undertaking economically connected to the trade mark proprietor, or from a third party



68. The Claimant's case is that this Mark was infringed by the Defendants' use of images of eControl Cookers on the Defendants' website as well as by the Defendants' dealings with the physical eControl Cookers.
69. In addition to asserting that the 2D AGA Mark is invalid (see below), the Defendants deny that it has been infringed on three grounds. The first ground is that they had not used the website images of eControl Cookers or the physical cookers as signs in relation to goods – i.e. they had not used them as trade marks for the purpose of distinguishing goods (see *Montres Breguet* at [83]). In the case of the images on the website, I have no hesitation in rejecting this argument. An image can clearly be a sign and given that the website images were being used to advertise the Defendants' eControl Cookers, it is clear that they were being used as signs in relation to goods. The position as regards the eControl Cookers themselves is more difficult but again, I reject the Defendants' argument. Whilst, at first sight, it is not easy to see how something can be said to be a sign used in relation to a product when the thing said to be the sign is the product itself, in Case C-46/10 *Viking Gas A/S v Kosan Gas A/S*, part of the claim was in relation to a trade mark in the shape of a bottle for containing gas and the CJEU proceeded on the basis that dealings with the bottle was use in relation to goods.
70. The second ground on which the Defendants deny liability is that there was no or no sufficient similarity between the signs and the 2D AGA Mark. The Defendants did not expand on this argument at trial and I reject it. In my judgment, the average consumer would have seen the 2 oven versions of the eControl Cookers as identical or at least highly similar to the 2D AGA Mark and the 4 oven version (and the images of it that appear on the website) as similar.
71. The third ground on which the Defendants deny liability is that the 2D AGA Mark is subject to a disclaimer which reads "*Registration of this mark shall give no right to the exclusive use of the device of a cooker*" which they argue excludes the very monopoly the mark purports to confer on the proprietor. I do not agree. In my judgment, the average consumer would understand the effect of this disclaimer to be that registration gave the proprietor an exclusive right in relation to the device of the particular cooker depicted but not in relation to the device of a cooker generally.
72. To show infringement of the 2D AGA Mark under s.10(1) (which probably applies in the case of sales of the 2 oven version of the eControl Cooker), it is necessary for the Claimant to show that the Defendants' use of its signs harmed one of the trade mark functions of that mark. To show infringement under s.10(2) (which otherwise applies in respect of sales of eControl

Cookers), the Claimant would have to show a likelihood of confusion. The Defendants raised no point in this regard and, for the reasons set out above when dealing with s.12, I am satisfied that there was such an effect and/or likelihood of confusion.

73. I find, therefore, that the Defendants' use on its website of images of its eControl Cookers and the eControl Cookers themselves was capable of infringing the 2D AGA Mark under s.10(1) and/or s.10(2). Again, I will deal separately with the application of s.10(3)

*The 3D AGA Mark*

74. It appears that the Claimant's case is that the 3D AGA Mark (shown below) has been infringed in the same way that the 2D AGA Mark was infringed.



75. On the pleadings, the Defendants' denial of liability with regard to the 3D AGA Mark was based solely on s.12 and s.11(2). However, in their skeleton argument, they sought to deny liability on the same three grounds that they denied liability with regard to the 2D AGA Mark - including the same disclaimer argument, even though the 3D AGA Mark does not appear to be subject to that disclaimer.
76. As no oral submissions were made on the point and as no application to amend the Defence was made, I do not think that the Defendants can rely on these arguments as against the 3D AGA Mark. But even if they could, I would have rejected those arguments for the reasons set out in relation to the 2D AGA Mark and because there appears to be no relevant disclaimer with regard to the 3D AGA Mark.

*The s.10(3) claims*

77. Turning to the issues relating to s.10(3) of the Trade Marks Act 1994. As mentioned above, the only pleaded bases for the Defendants' denial of the s.10(3) infringement claim are their s.11 and s.12 defences. No point was taken as to the assertions in paragraph 18 of the Particulars of Claim that the Defendants had used signs identical or similar to the Claimant's Marks, without due cause and in a way that took unfair advantage of, or was detrimental to the distinctive character or repute of the Claimant's Marks. The Defendants did, however, put the Claimant to proof of the claim that the

Claimant's Marks had an enhanced reputation and distinctive character (these being requirements for liability under s.10(3)).<sup>15</sup>

78. The task of showing that a mark has a reputation in the UK is not intended to be particularly onerous. The law in this regard was explained by the CJEU in Case C-375/97 *General Motors Corp v Yplon SA* at paras [24]-[27], cited by Arnold J in *Sky plc v SkyKick UK Ltd* [2018] EWHC 155 at 307, as follows:
- “24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.
25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.
26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.
27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”
79. In order to establish a reputation in its Marks, the Claimant relies on the evidence of Ms Hyatt. That evidence shows extensive use in the UK of the AGA name and of badges that are very similar to the AGA Badge Mark in relation to cookers of the same or similar appearance as those depicted in the 2D and 3D AGA Marks. This evidence goes back to 1929 and there is evidence of the AGA brand being advertised in the 1930s, 1940s, 1950s and 1980s and of some £6.2m being spent on marketing and advertising over the past 5 years. Ms Hyatt also gave evidence of AGA's booklets, brochures, newsletters and “AGA Magazine”, of its online and social media presence (including, inter alia, 67,000 Facebook followers and 55,400 Instagram followers), its sponsorships, its exhibitions at country shows, its paper advertising and the extensive national media coverage relating to its products. Finally, in addition to the numerous entities which, according to Mr McGinley provide refurbishment services for AGA Cookers, Ms Hyatt gave evidence of the Claimant having 11 retail stores, 27 retail partners, 9 distributors and 150+ authorised showrooms.
80. In my judgment, this evidence (which was unchallenged) clearly shows that the Claimant had and has a very considerable reputation in relation to the AGA Word Marks and, it seems to me, also in relation to the 2D and 3D AGA Marks

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<sup>15</sup> See paragraphs 11, 14 to 26 and 31 of the Defence

and the AGA Badge Mark. In the circumstance, it is understandable why, in closing, Mr Malynicz did not refer to the issue of reputation.

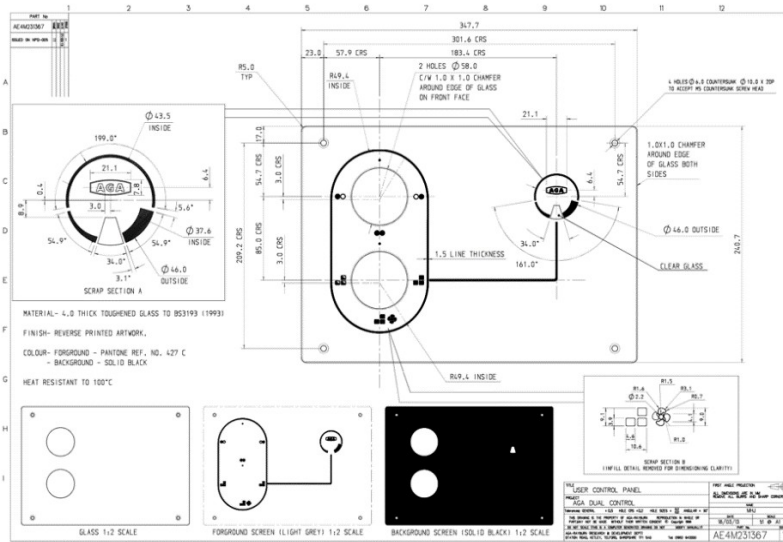
81. Whilst (for the reasons I have set out above when dealing with the s.12 defence) I do not think that the Defendants’ activities were detrimental to the repute of the Claimant’s Marks, I am satisfied that those activities were detrimental to and took unfair advantage of the distinctive character of those Marks and that they were without due cause within the meaning of s.10(3).

**Conclusion on the trade marks issues**

82. To conclude in relation to the trade mark issues, subject to the issue of joint tortfeasance considered below, I find that the Defendants’ activities constituted infringements of the Claimant’s Marks and that the Defendants do not have a defence under either s.11 or s.12 of the Trade Marks Act 1994.

**Infringement of Copyright**

83. The Claimant’s copyright infringement claim relates to a CAD drawing, dated 18 March 2013 and referred to in the action as the “AGA Panel Work 1”.<sup>16</sup> It shows the design of the control panel for the Claimant’s electric AGA Cookers.
84. The Claimant asserts that copyright subsists in this drawing as an original artistic work and was infringed by the Defendants in making the control panels for their eControl Cookers. The drawing is shown below together with photographs of control panels of one of the Claimant’s electric AGA Cookers (below left) and of an eControl Cooker (below right).



<sup>16</sup> A further copyright claim in respect of another design drawing (the “Aga Panel Work 2”), created by a third party called Cambridge Product Design, was not pursued at trial.



85. In their Defence, the Defendants deny that copyright subsisted in the drawing on the basis that the work was entirely dictated by function and was not an expression of the artist's own intellectual creation. If that was wrong, they assert that such copyright as subsists is limited and that the similarities between their control panel and the design drawing are because the designs "are either trite or commonplace, dictated by function or form, or in respect of which a designer would have little creative freedom." Finally, the Defendants assert that they have a defence to an infringement action by reason of s.51 of the Copyright Designs and Patents Act 1988 ("the CDPA 1988").

*Subsistence of copyright*

86. For copyright to subsist in the drawing as an artistic work, it must be original (see s.1(1)(a) of the CDPA 1988). In the case of a 2013 work such as this, this means that the work must have been its author's own intellectual creation. This test is satisfied where, in creating the drawing, its author has expressed his or her creative abilities by making free and creative choices so as to stamp the work created with his or her personal touch. This test is not satisfied where the content of the work is dictated by technical considerations, rules or other constraints which leave no room for creative freedom – see *Lidl Great Britain Ltd v Tesco Stores Ltd* [2024] EWCA Civ 262 per Arnold LJ at [39]-[40]. In the context of a design for a product, the CJEU has made clear that, where an author has expressed his or her creative ability by making free and creative choices in relation to the design of the shape of that product, copyright can subsist even though that shape is, at least in part, necessary to obtain a technical result – see Case C-833/18 *Brompton Bicycle Ltd v Chedech/Get2Get* at [35] and [38]. See also the passages from Case C-683/17 *Cofemel – Sociedade de Vestuário SA v G-Star Raw CV* ("*Cofemel*") referred to in paragraph 96 below.
87. The test to be applied in determining originality is objective, it is not one of artistic merit, the onus of proof is on the Claimant and, particularly in a case concerned with graphic works, a key item of evidence is the work itself (see *Lidl* at [42]).
88. As set out above, the Defendants assert that the drawing was not original on the basis that the appearance of the control panel it depicts was dictated by technical considerations, such that there were no or only very limited creative choices that its author could make. I reject that argument. Although, as Mr Johnson accepted, the design depicted in the drawing was influenced by the function which the panel was intended to perform (namely to control the

operation of the cooker), I do not accept that it was *dictated* by that function. There were numerous designs which could have performed that function.<sup>17</sup> Having heard Mr Johnson's evidence, I have no doubt that he made creative or aesthetic choices driven by his wish to create a design that captured what he called the historic look of the traditional AGA Cookers. The drawing reflects those choices. He chose to create a design drawing featuring rotational dials (rather than push buttons) aligned vertically, to which he chose to add an elongated oval line around the dials and to add a further line running, initially horizontally, away from that oval across and then vertically up to a thermodial positioned on the upper right hand side of the panel.

89. A further point raised by Mr Malynicz in closing, but not pleaded or referred to in the Defendants' skeleton argument, was that the drawing was not original because the relevant features had been contained in design drawings or models created earlier in the design process described by Mr Johnson. These included (inter alia) a sketch, which Mr Johnson said he had created but which has been lost, and certain design drawings dated 8 February 2013, which showed the layout of the dials but not the elongated oval line or the line up to the thermodial. It is, of course, correct, that there is no originality in elements of a work that have simply been copied from an earlier work. However, this is rarely a point taken in a case where the work is created as part of a single, relatively short, creative process. Thus, in most design cases, the claimant will rely on the final design (often embodied in a drawing) rather than on earlier drawings or models created in the design process leading up to that final drawing. Similarly, in the case of a novel or a screenplay which had gone through various drafts, or of a sculpture that was created using design sketches, a claimant will usually rely on the novel as published or on the finished sculpture. A defendant will not usually challenge this unless there is a good reason to do so - such as where the earlier work had had a different copyright owner so that there is an issue as to title to the copyright. However, if a defendant is to raise such a challenge, it must be adequately pleaded so that the claimant has the chance to meet the point and, if necessary, to amend its pleadings to rely on the earlier work. Here, the Defence (at [2]) contains a general statement which puts the Claimant to proof of anything that is not admitted. However, I do not accept that this is sufficient given that the Defence elsewhere specifically denies that copyright subsists solely on the basis of functionality. In particular, I do not think that this is sufficient given that in the IPEC a party is required in its statement of case to set out concisely all the facts *and arguments* upon which it relies – see CPR 63.20 and *Trailfinders Limited v Travel Counsellors Limited* [2020] EWHC 591 (IPEC) at [46] where HHJ Hacon commented:

“It is a feature of this court that the parties are each required to think through their case sufficiently by the time of the CMC such that all issues they wish to raise are clearly pleaded and thereby find their way into the list of issues identified at the CMC.”

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<sup>17</sup> The Claimant could, for example, have used a very different design such as that depicted in AGA Panel Work 2.



90. In my judgment, it would be unfair to allow the Defendants to rely on this challenge to originality. I should say that, even if the Defendants were allowed to rely on the point then, on the evidence, it seems likely that the Claimant was the owner of copyright in the earlier drawings and models in any event.

*Infringement of copyright*

91. Turning to the issue of infringement of copyright. The Claimant's case is that, as evidenced by the similarity in the appearance of the two control panels, the Defendants have infringed its copyright by reproducing the AGA Panel Work 1 or a substantial part of it.
92. The Defendants' response is that any protection for the AGA Panel Work was limited to those features of that work which reflected the creative choices made by the Claimant.<sup>18</sup> More fundamentally, they deny any infringement on the basis that their activities fell within the scope of s.51 of the CDPA 1988.
93. The Defendants do not, therefore, deny that there has been copying. However, it has to be said that Mr McGinley's evidence on this issue was somewhat unclear. In his second witness statement he stated that he had not looked at or copied the Claimant's control panel when he designed the control panel for the eControl Cookers. However, in cross examination, he accepted that the panels were similar and that, in creating the control panel for the eControl Cookers, he had been "influenced by" the Claimant's control panel. Mr Selmi argued that this undermined his credibility. However, it seems to me that Mr McGinley was simply (but possibly rather clumsily) trying to hold the line set out in his Defence – namely that the similarities were in relation to features that were dictated by function and that he should not be taken to have "copied" because (as he put it in cross examination) "there are no two articles between the control panels which are identical".
94. To the extent that it is in issue, I find that the Defendants' control panel was copied from the Claimant's, thereby indirectly copying the design drawing. It is true that there are points of difference. However, on any sensible view, the Defendants' control panel reproduces a substantial part of the Claimant's drawing. Moreover, the features reproduced include those features which were, as set out above, the result of creative choices made by Mr Johnson. In contrast, the main difference referred to by Mr McGinley (the fact that the upper dial on the Defendants' control panel has five settings whereas on the Claimant's control panel it has four) appears to me to be driven by function rather than by creative choices.

*The s.51 defence to copyright infringement*

95. I turn now to the most difficult aspect of the copyright claim – whether the Defendants have a defence to the copyright infringement claim by reason of s.51 of the CDPA 1988.
96. So far as material, s.51 provides as follows:

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<sup>18</sup> See paragraphs 27 to 30 and 33 of the Defence.

“(1) It is not an infringement of any copyright in a design document or model recording or embodying a design for anything other than an artistic work or a typeface to make an article to the design or to copy an article made to the design.”

(2)....

(3) In this section—

“design” means the design of the shape or configuration (whether external or internal) of the whole or part of an article, other than surface decoration; and

“design document” means any record of a design, whether in the form of a drawing, a written description, a photograph, data stored in a computer or otherwise.”

97. It is, I think, fair to say that neither party really addressed the issues arising in relation to s.51 and, in particular, the status of s.51 in the light of the decision of the CJEU in *Cofemel* - a case to which I was referred with regard to the issue of the subsistence of copyright but not with regard to its relevance to the application of s.51. Mr Selmi’s submissions as regards s.51 were limited to asserting that it did not apply because the control panel was an artistic work.
98. Doing the best I can in the absence of any real assistance from the parties, I would analyse the position as regards s.51 as follows:
- (a) The drawing relied on by the Claimant is clearly a design document in that it is a record of the design of the shape or configuration of an article – that article being a control panel.
  - (b) The drawing is clearly a design document *for* a control panel.
  - (c) The control panel is not itself an artistic work, at least not as that term is understood in English law and as it is defined in s.4 of the CDPA 1988.<sup>19</sup> Although the decision in *Cofemel* supports a less restrictive view as to what may constitute a work for the purposes of copyright, I do not think that I can construe s.4 and/or s.51 in a way that permits the control panel to be treated as an artistic work. Contrast, for example, the position in *Response Clothing Ltd v Edinburgh Woollen Mill Ltd* [2020] EWHC 148 (IPEC).
  - (d) Section 51 does not apply to designs for the surface decoration of an article. However, in my judgment this does not apply to any aspect of the design recorded in the drawing in issue in the present case. For example, it seems to me that the oval line surrounding the dials and the

<sup>19</sup> Under s.4 an artistic work is defined as “(a) a graphic work, photograph, sculpture or collage, irrespective of artistic quality, (b) a work of architecture being a building or a model of a building, or (c) a work of artistic craftsmanship.”

line leading from that oval to the thermodial clearly perform a function beyond merely decorating the surface of the control panel. They help inform the user as to its operation.

- (e) In summary, copyright subsisted in the drawing as an artistic work. However, because that drawing was a design document for something (the control panel) which was not an artistic work, s.51 operates. Accordingly, it was not an infringement of copyright in the drawing for the Defendants to make control panels to the design recorded in that drawing.

99. The purpose of s.51 is to limit the role of copyright in relation to the protection of what is usually referred to as industrial designs (i.e. designs for non-artistic articles). It was the result of extensive consultations leading up to the enactment of the CDPA 1988 (see *Copinger & Skone James on Copyright* 18<sup>th</sup> ed. at 13-538 and 13-539) but its status has become the subject of much debate, particularly as a result of the decision in *Cofemel*.
100. In *Cofemel* the CJEU found that, in view of the provisions of Directive 2001/29/EC (the Information Society Directive):
- (a) Where something satisfies the conditions for the subsistence of copyright (i.e. where it is original in the sense that it is the expression of its author's own intellectual creation and is identifiable with sufficient precision and objectivity), then that thing is a work that is entitled to copyright protection – see [30], [32] and [35].
- (b) This applies equally to a work which is a design (see [48]). However, in design cases, particular care must be exercised in assessing whether the design really does satisfy the above test and whether it merits being classified as a work for the purposes of copyright (see [49]-[52]). In this regard, the fact that the design generates an aesthetic effect is not enough. Its author must have exercised creative choices (see [53]-[55]).
- (c) Where a design satisfies this test, it is entitled to a cumulation of protection under both design law and copyright law (see [45], [47] and [52]) and member states are precluded from enacting a provision under which that design would only qualify for copyright if it generated a specific, aesthetically significant visual effect (see [56]).
101. The significance of *Cofemel* with regard to s.51 and how an English court should respond to it are unclear. On the one hand, it could be argued that s.51 does not set any additional requirement for the *subsistence* of copyright; where it applies, copyright subsists in the design document but is simply not infringed by the particular acts specified in s.51. On the other hand, under art.2 of the Information Society Directive, it is an infringement of copyright in a work to reproduce (i.e. to copy) that work and a provision such as s.51 goes far beyond anything which that Directive envisages as a permitted exception to this (see art.5 of the Directive). Moreover, it seems clear that the CJEU in *Cofemel* saw the answer to the problem that s.51 was intended to address (the unwanted

application of copyright protection in the sphere of industrial design) as lying in applying the test for originality rigorously in the case of a design (see paragraph 100(b) above). This would suggest that, once that test is satisfied, a limitation on the scope of the protection provided by copyright would not be permitted.

102. In the absence of any submissions on this issue, I do not think that it is possible for me to reach any final conclusion as to the impact of *Cofemel* on s.51. Instead, like the parties, I will deal with the s.51 issue simply on the basis of its own wording. On that basis, for the reasons set out above, I find that although copyright subsisted in the design drawing, the actions of the Defendants were permitted by reason of s.51. I therefore dismiss the Claimant's copyright infringement claim.

### **Joint Tortfeasance**

103. The final issue raised by the Claimant is whether Mr McGinley is personally liable as a joint tortfeasor.
104. At the end of the hearing, it was common ground that Mr McGinley had been in day to day control of the operations and actions of the First Defendant – including the actions said to be infringements. On this basis and on the basis of the law as it then appeared, Mr Malynicz in closing accepted that Mr McGinley was liable to be found to be a joint tortfeasor unless he was saved by the then awaited decision of the Supreme Court in the *Lifestyle Equities v Ahmed* litigation. Relatively shortly after the end of the hearing, that decision was handed down (see ([2024] UKSC 17). As a result, joint tortfeasance is again in issue and both parties have provided me with further written submissions, although neither has sought to amend their pleaded cases.
105. As I understand it, the Claimant's case against Mr McGinley is one of accessory liability – namely that he had authorised or procured the infringements and/or that he had participated in a common design with the First Defendant to commit those infringements.
106. As a starting point, it is worth noting (as the Supreme Court did in *Lifestyle Equities*) how the test for accessory liability differs from that for primary liability.
107. In a trade mark case, where the person who actually does the acts found to infringe did those acts in his or her capacity as a director or employee of a company, then that person cannot be primarily liable for trade mark infringement. This is because, under s.10 of the Trade Marks Act 1994, a person is only primarily liable for actions done in the course of that person's trade (see *Lifestyle Equities v Ahmed* ([2024] UKSC 17 per Lord Leggatt at [21]-[26]). The company would be primarily liable as the acts were done in the course of its trade. The liability of the director or employee would only be an accessory liability.

108. In a copyright case, the position is significantly different. In order to establish an infringement of copyright, there is no requirement that the act be done “in the course of trade” and a person can be liable as a primary infringer either for doing the infringing act or for authorising it (see s.16(2) of the Copyright Designs and Patents Act 1988). Accordingly, if (which seems to have been the case) Mr McGinley was the person who had actually copied the Claimant’s design for the control panel or even if he authorised someone else to do the copying, he could have been liable as a primary infringer (not merely as an accessory). It was somewhat unclear whether this line was open to the Claimant on the pleadings. However, given that, on my findings above, there was no infringement of copyright, the point is academic.
109. The question, therefore, is whether Mr McGinley is liable as an accessory with regard to the acts which I have found constituted an infringement of the Claimant’s Marks.
110. As appears from *Lifestyle Equities*, procuring an infringement and assisting another to commit an infringement pursuant to a common design are separate and distinct bases of accessory liability (see Lord Leggatt at [137]). However, in both cases, for a person to be liable as an accessory, that person must have had the requisite knowledge. This is the case even where, as in trade mark infringement cases, knowledge is not a requirement for establishing primary liability.
111. In view of the law as clarified in *Lifestyle Equities*, the Defendants now deny accessory liability on the basis that Mr McGinley did not have the requisite knowledge.
112. At [126], Lord Leggatt identified three possibilities as to what might constitute knowledge for the purposes of accessory liability:
- “... One is that the assistant (A) must know that the act intended to be done by the primary actor (B) is unlawful under the law of tort. **A second possibility is that it is sufficient that A knows the essential facts which make B's act tortious.** The third possibility is that all that A need know is that B intends to do an act which is in fact a tort, and that knowledge of the essential facts which make B's act tortious is not required.” (emphasis added).
113. He concluded that the second possibility (highlighted above) is the correct one. On this basis, it is not necessary to show that the alleged accessory knew that the act in question was wrongful. It is simply necessary to show that that person knew the essential facts that made the act unlawful (see *Lifestyle Equities* at [108], [131]-[134] and [137]).
114. The issue, therefore, is whether Mr McGinley had knowledge of the essential facts necessary to establish liability under s.10(1), s.10(2) and/or s.10(3) and also, it seems to me, of the essential facts which I have found brought s.12(2) into play so that the exhaustion of rights defence in s.12(1) did not apply.

115. Of course, a preliminary difficulty for the Claimant is that (unsurprisingly, given the state of the law prior to the decision in *Lifestyle Equities*) its pleadings (like those in *Lifestyle Equities*) do not address the issue of Mr McGinley's knowledge of any of the relevant facts. They assert only that he was the person who was responsible for the day to day management of the affairs of the First Defendant and that he had personally authorised and/or procured and/or together with the First Defendant had participated in a common design in relation to the alleged acts of infringement (see paragraphs [4] and [5] of the Particulars of Claim and paragraphs [1] and [2] of the Reply). There would, no doubt, be an issue as to whether the Claimant should be allowed to amend to plead knowledge at this stage in the action.<sup>20</sup>
116. The second problem is that, again unsurprisingly given the law as it then stood, Mr McGinley was not asked questions about his knowledge of all the relevant facts. A similar difficulty arose in *Lifestyle Equities* and led Lord Leggatt (at [138]) to comment that:
- “138. In a simple case where, for example, a company offers for sale counterfeit goods, it may be obvious that a director who arranged for the manufacture and sale of the goods must have known the facts which made the company's acts infringements of the claimant's trade mark. But the present case is not of this kind. The Santa Monica Polo Club signs used by Hornby Street were different in various ways from Lifestyle's registered trade marks and there was room for argument and honest difference of opinion about the extent of the similarity and whether it gave rise to a likelihood of confusion or otherwise resulted in infringement.”
117. Based on the evidence before me, I think that I can legitimately find that Mr McGinley had some of the requisite knowledge - such as, for example, knowledge of the AGA Word Marks and the AGA Badge Marks (but query the 2D and 3D AGA Marks), knowledge that the Defendants were using those marks or marks that were similar to them in relation to identical goods, and knowledge of the Claimant's reputation and of the distinctive character of its marks. However, it seems to me that there are numerous vital facts which have not been shown to have been known to Mr McGinley, so that the position is similar to that to which Lord Leggatt referred in the passage quoted above. For example, having heard Mr McGinley's evidence, I cannot find that he knew or had reason to believe that the Defendants' activities were liable to affect the origin function of the Claimant's Marks, let alone that they gave rise to a likelihood of confusion, nor that the Defendants' activities would be detrimental to the reputation or distinctive character of the Claimant's Marks. On all of these matters, there would (to use Lord Leggatt's words) be room for argument and honest difference of opinion. On this basis, I find that Mr McGinley did not have the requisite knowledge of the essential facts relating to the Claimant's infringement case, nor of the facts which meant that there was no exhaustion defence.

<sup>20</sup> I note that in *Lifestyle Equities*, the claimant's application to amend its pleadings to allege knowledge was made before the trial of the issue whether the directors were jointly and severally liable (the second trial), but after the trial of the company's liability as primary infringer (the first trial). It was nevertheless refused – see Lord Leggatt at [5], [6] and [142].

118. I should note that in their submissions on this issue, the Claimant argues that Mr McGinley was alive to the risk of confusion in April 2022 – as evidenced by a transcript of messages he exchanged with a Mr Brian Harkin concerning the addition of a disclaimer to the Defendants’ website. I do not think that this or the other (later) documents referred to by the Claimant establishes the knowledge required and certainly not knowledge at the time of the infringing acts which, as I understand it, started in October 2021 and ended in June 2022.
119. For these reasons, I reject the Claimant’s claim that Mr McGinley was a joint tortfeasor.

### **Invalidity of marks**

120. The final issue is the Defendants’ counterclaim. This is for declarations of invalidity in respect of the 2D AGA Mark and the 3D AGA Mark.
121. Under s.47(1) of the Trade Marks Act 1994, a registration of a trade mark may be declared invalid if (inter alia) it was registered contrary to s.3 of that Act. Under s.3(1)(a), a sign cannot be registered as a trade mark if it does not satisfy the definition of a trade mark contained in s.1(1) of the Act, namely:

“..... any sign which is capable —

- (a) of being represented in the register in a manner which enables the registrar and other competent authorities and the public to determine the clear and precise subject matter of the protection afforded to the proprietor, and
- (b) of distinguishing goods or services of one undertaking from those of other undertakings.

A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals, colours, sounds or the shape of goods or their packaging.”

122. Under s.3(2), a sign cannot be registered if it consists exclusively of:
- (a) The shape, or another characteristic, which results from the nature of the goods themselves;
  - (b) The shape, or another characteristic, of goods which is necessary to obtain a technical result; and/or
  - (c) The shape, or another characteristic, which gives substantial value to the goods.

123. The Defendants assert that the 2D and 3D AGA Marks are invalid because they do not satisfy the test in s.1(1) and that the 3D AGA Mark is also invalid because it does not satisfy the test in s.3(2).

*Claim for invalidity of the 2D Mark*

124. The Defendants' argument in relation to the 2D AGA Mark is that it does not satisfy the definition in s.1(1) due to a lack of certainty as to its nature and, in particular because, although it was registered as a 2 dimensional mark, it would be understood as being a 3 dimensional mark.
125. I reject this argument. It is clear from the cases that by reason of s.1(1), the average consumer must be able to identify the mark with clarity and precision. In my judgment, the 2D AGA Mark satisfies his requirement because the average consumer looking at that mark would take it for exactly what it is – a two dimensional representation of a three dimensional object (i.e. of an AGA Cooker of the appearance as depicted). Against this, the Defendants point to the fact that the Particulars of Claim referred (at paragraph 7(c)) to this mark as “the three dimensional mark shown below”. However, the Claimant's response at paragraph 17 of the Reply and Defence to Counterclaim was that that this was a simple typographical error. At the CMC, HHJ Hacon stated that he accepted that response and that, on that basis, “this point falls away”. I agree.
126. The Defendants referred to various cases which deal with the nature of the test in s.1(1) – cases such as Case C-321/03 *Dyson v Registrar of Trade Marks, Fromagerie Bel SA v J Sainsbury Plc* [2019] EWHC 3454 (Ch) and *Société des Produits SA v Cadbury UK Ltd* [2022] EWHC 1671 (Ch) - all of which emphasised that a mark is not registrable if it could take on a multitude of different appearances. However, I do see that this is of any relevance to the 2D AG Mark which, as I have said, is simply in respect of cookers as depicted.

*Claim for invalidity of the 3D AGA Mark*

127. The Defendants' argument with regard to the 3D AGA Mark is that it is uncertain because, the Defendants say, the visual representation of the mark (for convenience copied, again, below) is inconsistent with the verbal representation (also set out below):



“This Trade Mark consists of the 3-dimensional representation of the front and top of a range cooker which in this instance is illustrated in cream, black and silver. The range cooker can be



produced in any colour and so the colour of the product is not an element of the mark. The mark comprises all the features present on this range cooker including: a substantially rectangular front panel; distinctive doors; stylised hinges on one side of the door and a metal catch midway down the door on the other side; two domed hoods for circular hot plates with coiled metal handles at the front of the hoods; a metal rail running horizontally along the top.”

128. In determining whether a mark can be identified with clarity and precision, the average consumer would have regard to both its visual representation and the verbal representation (see *Glaxo Wellcome UK Ltd v Sandoz Ltd* [2017] EWCA Civ 335 at [34] and [63]). In my judgment, the average consumer would not see any inconsistency between the visual representation and verbal representation set out above. In particular, the words quoted above make it clear that the mark relates to “this” range cooker which, in my judgment, the average consumer would take as a reference to the cooker depicted and to no other. The only qualification to this being that the words make clear that colour is not an element of the mark. Other than that, I do not think that the average consumer would take the words as seeking to expand on or alter that nature of the mark as depicted in the visual representation. This is not, therefore, a case like *Glaxo*, where the words made it clear that the visual representation was merely “an illustration of one form the mark may take” (see per Kitchin LJ at [79]). Rather, in the present case, the average consumer would take the words to be an attempt to describe the significant features of the cooker that has been depicted.
129. The Defendants also argue that the 3D AGA Mark is invalid because it did not comply with the requirements of s.3(2). This is because, as they put in their skeleton argument, “range cookers are required by their very nature and purpose to be a certain shape. For example, range cookers must have a flat top surface with round hobs, they must have domed heads to keep in the heat from the hobs, and they must have oven doors on”.
130. I have no hesitation in rejecting this argument. As appears from the *Fromagerie Bel* case (at [48]—[50]), in order to determine a claim under s.3(2) (a) and (c), it is necessary to identify first the essential characteristics of the sign in issue (i.e. its most important elements). Here, Mr Johnson suggests that they include the top plate front profile, the top plate rear upstand, the hot plate insulating cover and polished dome, the hotplate insulating cover and cast iron handle supporting arms, the corner top plate buttons, the door hinge lugs, the door profile and the door handles. I really cannot see that the shape of any of these essential characteristics can be said to be exclusively the result of the fact that the thing depicted is a cooker. Still less do I think that any of these features was necessary to obtain a technical result. Rather, it seems to me that the shape of these features are distinctive of the AGA Cooker and involved aesthetic considerations.
131. I have to say that I do not understand the basis on which it was asserted that the 3D AGA Sign consisted exclusively of a shape or other characteristic which

gave substantial value to the cooker, nor was this explained in the Defendants' skeleton argument or in their closing submissions. I therefore reject that assertion.

*Conclusion on invalidity*

132. For these reasons, I reject the Defendants' counterclaim for declarations of invalidity in respect of the 2D AGA Mark and the 3 D AGA Mark.

**Conclusion**

133. For the reasons set out above:

- (a) I find that the First Defendant is liable for infringement of the Claimant's Marks.
- (b) I dismiss the copyright infringement claim against the First Defendant.
- (c) I find that the Second Defendant is not liable as a joint tortfeasor in relation to the First Defendant's infringing acts;
- (d) I dismiss the Defendants' counterclaim.