

**O-344-15**

**REGISTERED DESIGNS ACT 1949 (AS AMENDED)**

**CONSOLIDATED PROCEEDINGS**

**IN THE MATTER OF**

**EIGHT REGISTERED DESIGNS (Nos. 4022554-4022561)  
OWNED BY CHELSEA LIFESTYLE LTD**

**AND**

**APPLICATIONS (No. 41/13 – 48/13) BY STANZE LTD  
TO INVALIDATE THE REGISTERED DESIGNS**

## The claims and the counterstatement

1. The eight registered designs the subject of these proceedings were filed by Chelsea Lifestyle Ltd ("the proprietor") on 26 November 2011. The designs are depicted below:



2. The application form for these multiple designs refers to them as being “rug[s]/cushion[s]”.

3. On 2 October 2013, Stanze Ltd (“the applicant”) requested the invalidation of the designs. The pleaded ground is under section 11ZA(1)(b) of the Registered Designs Act 1949 (“the Act”) on the basis that the designs do not fulfil the requirements of section 1B. The applicant relies on an earlier registered design (and its use) under this Act, namely registration 4007152, which consists of the following design:



4. The above design is owned by Mr Akin Redif, a director of the applicant. That Mr Redif did not himself request invalidation is not an issue because, as provided for by section 11ZB(1) of the Act, “[a]ny person interested” may make an application under the pleaded ground. Stanze Ltd is clearly a (legal) person so interested.

5. The proprietor filed a counterstatement denying the grounds of invalidation. Put at its simplest, the proprietor states that the key features of its rugs are the patterns/colours they use (e.g. the Union Flag), features which are not in Mr Redif’s design.

6. The proprietor is represented by Dr Walther Wolff & Co. The applicant is self-represented. Only the applicant filed evidence (a witness statement from Mr Redif), the proprietor filed written submissions in response. Neither side requested a hearing. Neither side filed written submissions in lieu of a hearing, although, I will take into account of all the arguments that have been made in the papers before me.

### **The evidence and submissions**

7. Mr Redif states that the earlier design is “manufactured with a construction technique which creates a unique repeating pattern”. It consists of “fabric cut in a particular shape, sewn and stuffed to give a 3 dimensional effect which look like pebbles”. He adds that the earlier design is not colour specific, therefore, “any colour variations or colour patterns do not constitute a unique attribute to the overall design”. In relation to the proprietor’s designs, Mr Redif states that they use exactly the same construction technique. He states that the prominent feature of the proprietor’s designs is “a mere replication of the textured repeating pattern” not the additional patterns they contain<sup>1</sup>. Mr Redif provides a copy of the proprietor’s brochure which he says has a focus on the “pattern” [of the earlier mark] as opposed to the designs in their entirety. The front cover of the brochure looks like this:

---

<sup>1</sup> These are my words not the words of Mr Redif.



8. Inside the brochure are depictions of various rugs (or at least partial depictions) some of which correspond to the designs the subject of these proceedings. Mr Redif also provides a photograph of a rug showing “the similarity of pattern which has been copied”. It consists of a close-up of the construction referred to by Mr Redif, although, it is unclear if this is a photograph of the applicant’s rug or the proprietor’s rug. Mr Redif concludes by stating that the proprietor’s designs are not new or unique and infringe the unique prominent feature of repeat pattern of the earlier design.

### **The relevant legislation and case-law**

9. Section 1B of the Act (so far as it is relevant) reads:

“(1) A design shall be protected by a right in a registered design to the extent that the design is new and has individual character.

(2) For the purposes of subsection (1) above, a design is new if no identical design whose features differ only in immaterial details has been made available to the public before the relevant date.

(3) For the purposes of subsection (1) above, a design has individual character if the overall impression it produces on the informed user differs from the overall impression produced on such a user by any design which has been made available to the public before the relevant date.

(4) In determining the extent to which a design has individual character, the degree of freedom of the author in creating the design shall be taken into consideration.

(5) For the purposes of this section, a design has been made available to the public before the relevant date if-

(a) it has been published (whether following registration or otherwise), exhibited, used in trade or otherwise disclosed before that date; and

(b) the disclosure does not fall within subsection (6) below.

(6) A disclosure falls within this subsection if-

(a) it could not reasonably have become known before the relevant date in the normal course of business to persons carrying on business

in the European Economic Area and specialising in the sector concerned.

(b) -

(c) -

(d) -

(e) -

(7) In subsections (2), (3), (5) and (6) above “the relevant date” means the date on which the application for the registration of the design was made or is treated by virtue of section 3B(2), (3) or (5) or 14(2) of this Act as having been made.

(8)--”

10. The relevant case law was conveniently set out by Birss J. in paragraphs 31 to 59 of his judgment in *Samsung v Apple*<sup>2</sup>. The most relevant parts are re-produced below.

#### **“The informed user**

33. The designs are assessed from the perspective of the informed user. The identity and attributes of the informed user have been discussed by the *Court of Justice of the European Union in PepsiCo v Grupo Promer (C-281/10P) [2012] FSR 5* at paragraphs 53 to 59 and also in *Grupo Promer v OHIM [2010] ECDR 7*, (in the General Court from which PepsiCo was an appeal) and in *Shenzhen Taiden v OHIM*, case T-153/08, 22 June 2010.

34. Samsung submitted that the following summary characterises the informed user. I accept it and have added cross-references to the cases mentioned:

i) He (or she) is a user of the product in which the design is intended to be incorporated, not a designer, technical expert, manufacturer or seller (*PepsiCo* paragraph 54 referring to *Grupo Promer* paragraph 62; *Shenzhen* paragraph 46).

ii) However, unlike the average consumer of trade mark law, he is particularly observant (*PepsiCo* paragraph 53);

iii) He has knowledge of the design corpus and of the design features normally included in the designs existing in the sector concerned (*PepsiCo* paragraph 59 and also paragraph 54 referring to *Grupo Promer* paragraph 62);

---

<sup>2</sup> [2012] EWHC 1882 (Pat)

iv) He is interested in the products concerned and shows a relatively high degree of attention when he uses them (*PepsiCo* paragraph 59);

v) He conducts a direct comparison of the designs in issue unless there are specific circumstances or the devices have certain characteristics which make it impractical or uncommon to do so (*PepsiCo* paragraph 55).

35. I would add that the informed user neither (a) merely perceives the designs as a whole and does not analyse details, nor (b) observes in detail minimal differences which may exist (*PepsiCo* paragraph 59).

### **Design freedom**

40. In *Grupo Promer* the General Court addressed design freedom in paragraphs 67-70. In Dyson Arnold J. summarised that passage from *Grupo Promer* as follows:

“design freedom may be constrained by (i) the technical function of the product or an element thereof, (ii) the need to incorporate features common to such products and/or (iii) economic considerations (e. g. the need for the item to be inexpensive).”

### **Effect of differences between the registered design and the design corpus**

51. Apple drew my attention to paragraph 74 of the judgment of the General Court in *Grupo Promer* in which the Court agreed with the ruling of the Board of Appeal that:

“as regards the assessment of the overall impression produced by the designs at issue on the informed user, the latter will automatically disregard elements ‘that are totally banal and common to all examples of the type of product in issue’ and will concentrate on features ‘that are arbitrary or different from the norm’.”

52. Apple submitted that this showed that a design feature need not be unique to be relevant. It is only disregarded if it is totally banal. Thus, Apple submitted, for a feature to be relevant it merely needs to differ from the norm and by logical extension, the greater the difference from the norm, the more weight to be attached to it. The point of this submission is to challenge the manner in which Apple contended Samsung was advancing its case. I do not think Apple's characterisation of Samsung's case was entirely accurate but in any case I accept Apple's submission on the law at least as follows. The degree to which a feature is common in the design corpus is a relevant consideration. At one extreme will be a unique feature not in the prior art at all, at the other extreme will be a banal feature found in every example of the type. In between there will be features which are fairly common but not ubiquitous or quite rare but not unheard of. These considerations go to the weight to be attached to the feature, always bearing in mind that the issue is

all about what the items look like and that the appearance of features falling within a given descriptive phrase may well vary.

### **The correct approach, overall**

57. The point of design protection must be to reward and encourage good product design by protecting the skill, creativity and labour of product designers. This effort is different from the work of artists. The difference between a work of art and a work of design is that design is concerned with both form and function. However design law is not seeking to reward advances in function. That is the sphere of patents. Function imposes constraints on a designer's freedom which do not apply to an artist. Things which look the same because they do the same thing are not examples of infringement of design right.

58. How similar does the alleged infringement have to be to infringe? Community design rights are not simply concerned with anti-counterfeiting. One could imagine a design registration system which was intended only to allow for protection against counterfeits. In that system only identical or nearly identical products would infringe. The test of "different overall impression" is clearly wider than that. The scope of protection of a Community registered design clearly can include products which can be distinguished to some degree from the registration. On the other hand the fact that the informed user is particularly observant and the fact that designs will often be considered side by side are both clearly intended to narrow the scope of design protection. Although no doubt minute scrutiny by the informed user is not the right approach, attention to detail matters."

### **The relevant date**

11. The relevant date is the date on which the proprietor applied to register its designs i.e. 26 November 2011.

### **The informed user**

12. The application form identifies the product as "a rug/cushion". I will focus on the informed user of the former rather than the latter, as this dispute is clearly about rugs. It follows that the relevant informed user is a user of rugs and possesses the characteristics set out in the case-law.

### **Scope of the earlier design and the relevant comparison**

13. Before making the comparison, it is important to decide what the correct comparison should be. The applicant contends that the proprietor's designs copy the earlier registered design's method of construction and resulting appearance, and, so, it does not matter that the proprietor's designs have an additional overlaid pattern. In *Magmatic Ltd v PMS International Ltd* [2013] EWHC 1925 (Pat) (11 July 2013) ("*Trunki*"), Arnold J dealt with a similar issue. The case involved designs for children's suitcases, with the claimed infringing design having additional graphics not contained in the earlier registered design. Arnold J stated:



“67. A similar issue arose in *Procter & Gamble*, where Jacob LJ said at [40]:

“... I should record that [counsel for the defendant], under a little pressure from the Court, abandoned his point about decoration, rejected by the judge at [71]–[73]. He was right to do so. The registration is evidently for a shape. The proper comparison is with the shape of the alleged infringement. Graphics on that (or on the physical embodiment of the design) are irrelevant.”

68. Against this, counsel for PMS relied on what Jacob LJ had said in *Samsung v Apple* at [15]–[20]. As counsel for Magmatic pointed out, however, in that case Apple contended, and it was common ground, that an important feature of the registered design was the absence of ornamentation. In those circumstances Judge Birss held, and the Court of Appeal agreed, that the informed user would take the presence of Samsung's trade mark on the alleged infringement into account, but would only give it slight weight.

69. In my judgment, the position in the present case is the same as in *Procter & Gamble*. The CRD is evidently for the shape of the suitcase, and the proper comparison is with the shape of the Kiddee Case.”

14. The *Trunki* case was appealed to the Court of Appeal<sup>3</sup>. The leading judgment was given by Lord Justice Kitchen. I note the following guidance:

“36. On appeal to this court (*Procter & Gamble Co v Reckitt Benckiser (UK) Ltd* [\[2007\] EWCA Civ 936](#), [\[2008\] FSR 8](#)), the defendant abandoned the point, as recorded by Jacob LJ:

“40. Before going on to consider this argument in detail, I should record that Mr Carr, under a little pressure from the Court, abandoned his point about decoration, rejected by the Judge at [71–73]. He was right to do so. The registration is evidently for a shape. The proper comparison is with the shape of the alleged infringement. Graphics on that (or on the physical embodiment of the design) are irrelevant.”

37. If I might respectfully say so, this observation of Jacob LJ seems to me to be entirely right in the context in which it was made. Before carrying out any comparison of the registered design with an earlier design or with the design of an alleged infringement, it is necessary to ascertain which features are actually protected by the design and so are relevant to the comparison. If a registered design comprises line drawings in monochrome and colour is not a feature of it, then it cannot avail a defendant to say that he is using the same design but in a colour or in a number of colours. As Lewison J observed, were it otherwise, the practical effect of not claiming a colour would be to limit the scope of protection to the colour white, and that would defeat the purpose of not claiming a colour in the first place.”

---

<sup>3</sup> *Magmatic Ltd v PMS International Ltd* [2014] EWCA Civ 181



15. The Court of Appeal overturned the judgment of Arnold J on this point, principally because his assessment as to the scope of the earlier registered design did not include two aspects: i) that it was intended to represent a horned animal and, ii) that although colour was not a feature of the earlier design, its colour contrast was. Both these factors contributed to the overall impression of the earlier registered design and, thus, it was wrong to have conducted the comparison purely on the basis of the outline shape of the earlier registered design (compared to the outline shape of the alleged infringing design).

16. The *Trunki* case has been further appealed to the Supreme Court. I have considered whether these proceedings should be suspended to await the outcome of that appeal. I do not consider it necessary to do so. I accept that the current state of the law is that if the scope of the earlier registered design is for shape and configuration only, the correct test is to compare that with the shape and configuration of the proprietor's designs, essentially disregarding the overlaying patterns. However, the scope of the earlier registered design, and whether it covers shape and configuration only, is a factual question for the tribunal to consider.

17. The earlier design looks like this:



18. On the form of application Mr Redif states “[t]he design does not include any particular colour”. The actual colours shown in the earlier design are, therefore, not part of its scope. This means that a different colour in the proprietor's designs would not, in and of itself, provide the designs with a novel character. Mr Redif describes his design as a “[p]ebble chamois rug”. He states that it is a pattern, indeed he states that it is a repeating surface pattern<sup>4</sup>. He goes on to state:

“Fabric is cut and sewn as a small tube which is stuffed and elevates the texture. Multiple shades are used to enhance the pebble effect”

19. In the *Trunki* case the Court of Appeal took into account the colour contrast in the earlier design. Whether this interpretation was right may well be the subject of further guidance by the Supreme Court. However, whatever the Supreme Court may say on this point will not impact on these proceedings because Mr Redif made an explicit statement that “multiple shades are used to enhance the pebble effect”. It is

---

<sup>4</sup> Mr Redif stated “YES” to the following question on the form of application: “Write RSP if this is the design of a pattern which repeats across the surface of a product, for example, wallpaper”.

the pebble effect that Mr Redif considers to be the key part of the earlier design. Thus, the multiple shades/contrasts must be taken into account as part of the scope of the earlier design. The scope of the earlier design is, therefore, not just its shape and configuration, but also its contrasting shades, the whole producing a pebble effect. It is the whole of the earlier design that must be taken into account and, accordingly, this must be compared with the whole of the proprietor's designs.

### **Design freedom**

20. Whilst rugs will often have the same outline shape (normally squares/rectangles or circles/ovals), the designer has a very free hand in what design is actually used in terms of patterning etc. There is a wide degree of design freedom.

### **The differences between the earlier design and the design corpus**

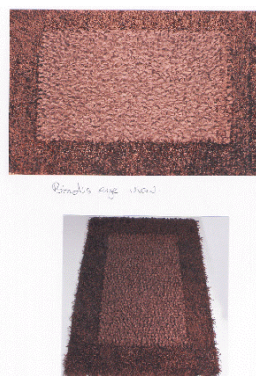
21. There is no evidence either way on this point. The applicant has not shown that the earlier design stands out from the crowd, the proprietor has not shown that the earlier design is surrounded by others of a kindred spirit. Any formal finding from me would, therefore, be nothing more than speculation. This factor, therefore, has a neutral influence on the findings I make.

### **Overall impression and comparison**

22. I have already touched upon the overall impression of the earlier design. I consider the informed user will characterise it thus:

- i) A rug with a heavy shag effect, the shag being made up of large individual pockets of filed material.
- ii) Contrasting shades are applied to the individual pockets in a non-uniform manner.
- iii) The combination of i) and ii) creates a pebble like effect.

23. For reasons that will become apparent, I will focus, initially, on the following of the proprietor's designs:



24. In terms of the proprietor's design, the applicant contends that it is dominated by the appearance created by the construction method as opposed to the pattern that is overlaid upon it. It has provided evidence of the proprietor's brochure which features

the heavy shag/pocket effect on the front cover. The proprietor contends that the pattern is more prominent than the look created by the method of construction.

25. The overall impression must be based on the perception of the informed user. They must be taken to have viewed the rug as a whole in accordance with the way in which it is recorded on the register. I consider the informed user will characterise the proprietor's design thus:

- i) A rug with a heavy shag effect, the shag being made up of large individual pockets of filed material<sup>5</sup>.
- ii) Two contrasting colour shades applied in a uniform manner so as to create an inner rectangle surrounded by a thick rectangular border.
- iii) The combination of i) and ii) creates a heavy shag/pocketed rug with a plain simple rectangular pattern.

26. Notwithstanding the proprietor's submission that the look created by the method of construction is not particularly apparent, I accept that there is similarity in this aspect, what I have described as the heavy shag/pocketed effect. However, there is a clear and noticeable difference in the other characteristics of the designs which have a significant impact upon the respective overall impressions. The overall impressions differ. Therefore, I hold that the proprietor's design is valid.

### **Other designs**

27. The analysis for the other designs will be similar. Whilst they may all coincide on point i) above, they all have different points ii) and iii) which create a different overall impression from the earlier design. Indeed, I consider the difference between most of the other designs to be even starker. All of the proprietor's designs are valid.

### **Costs**

28. The application(s) having failed, the proprietor is entitled to an award of costs. I take into account that although multiple counterstatements were filed, a degree of economy would have been made in their preparation in view of the overlapping issues. The same applies to the written submissions. The award I give below covers all 8 cases together.

Considering the applications for invalidation and filing counterstatements:  
£500

Considering the applicant's evidence/written submissions in response:  
£500

**Total:**  
**£1000**

---

<sup>5</sup> Although this aspect may not be particularly clear from the above representation, it is clearer on the form of application.

29. I therefore order Stanze Ltd to pay Chelsea Lifestyle Ltd the sum of £1000. Subject to appeal, the above sum should be paid within 14 days of the end of the period allowed for appeal or, if there is an appeal, within 14 days of the conclusion of these proceedings.

**Dated this 28<sup>th</sup> day of July 2015**

**Oliver Morris  
For the Registrar,  
The Comptroller-General**