Design Infringement Cases
Designs Special Module, Magister Lvcentinvs
EUIPO, Alicante

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What we will cover

1. The applicable law
2. Infringing and non-infringing acts, defences
3. Determining the design in suit
   1. Pictures
   2. Other material
4. Determining the infringing design
5. Comparing the overall impression
6. Combining validity and infringement
7. Infringement cases
8. Unregistered Community Designs
The Law – Regulation 6/2002

Article 1 – defines “design”
Article 8 – excludes functional features
Article 10 – specifies the scope of a design
Article 36 – defines factors not affecting scope
Article 19 – defines infringing acts
Articles 20-23, 110 – list:
  • Non-infringing acts, and
  • Defences
Recital 14 – introduces “design corpus”
Article 85 – presumptions of validity, counterclaims
The Law – Other

• Enforcement Directive 2004/48/EC
  • Remedies
  • Procedural measures

• Customs Regulation No 608/2013
  • Seizure of pirated and counterfeit goods

• Brussels Regulation 1215/2012 - jurisdiction

• National Law
  • Procedure
  • Ancillary civil wrongs, criminal offences
What is infringement?

- Of RCD (CDR Art 19.1)
  - Any “use” of the design
- Of UCD (CDR Art 19.2)
  - Same, but must also result from *copying*
- Including any design which does not create a different “overall impression” (Art 10)
  - Depends on design freedom, prior art
  - No narrower scope for unregistered designs – in theory
Acts of infringement (Art 19)

Include the following in relation to products to the design:

- **Making** (but not merely making parts?)
- **Putting on the market** (selling or hiring out)
- **Importing**; see *SABAF v. MFI and Meneghetti* [2005] RPC 209 [10] HL; Italian sender who had no title was not importer
- **Exporting** (unlike patents)
- **Using** (unlike copyright or UK UDR)
- Or **stocking** for any of the above purposes (but not “mere warehouseman” as in *SKF v. Harbottle* [1980] RPC 363?)
What does not infringe (Art 20)?

- Private & non-commercial acts
- Experimental purposes
- Making citations and teaching,
  - provided that it is all fair and non-prejudicial, AND the source is acknowledged
  - Cases C-24/16 & C-25/16 *Nintendo v Bigben* - “citation” = “illustration” – allows depictions of product to sell accessories
- Use on ships & aircraft temporarily in EU space
What defences exist (Arts 21-22)?

- **Invalidity** (Art 85) – but there is a presumption of validity
  - For an RCD, you need a counterclaim except for prior national right
  - For a UCD, you can plead a defence or make a counterclaim
- **Prior Use** (Art 22) – narrow in scope; *Lubrizol v. Esso* [1998] RPC 727 (CA), German patent cases
- **EEA-wide exhaustion** (Art 21); not international exhaustion (*Sony v Pacific* [2006] EWHC 2509 (Pat))

**NOT DEFENCES**

- Good faith/innocence – **Not** a defence to RCD infringement but limitation of damages in some countries
- “Own later design” – **Not** a defence: Case C 488/10 *CEGASA*
Repair Clause (Art 110)

• “...protection as a Community design shall not exist for a design which constitutes a component part of a complex product used within the meaning of Article 19(1) for the purpose of the repair of that complex product so as to restore its original appearance.”

• Not an infringement to make, import, sell, use etc for repair purposes

• No positive right to use trade marks (C-500/14, Ford v Wheeltrims)
C-435/16 Audi/Porsche v Acacia

- Recital (13) CDR: “[upon whose appearance the design is dependent]” not to be “read in” - applies to all component parts not just “must match” ones.
- Reproduction must be identical for defence to apply
- Obligations on manufacturer to impose downstream use conditions if defence is to apply – the spare parts must stay in the repair channel all the way (no plain packaging)
What’s in a Registered Design?

- Pictures
- Bibliographic information
- Optionally, a little text
- NO CLAIMS
Start with the pictures

Directive Recital (11)

Whereas protection is conferred by way of registration upon the right holder for those design features of a product, in whole or in part, which are shown visibly in an application and made available to the public by way of publication or consultation of the relevant file;

• Does not exist in the Regulation – presumably because of unregistered designs?
Determining the design

“... a broader principle which is that the scope of the protection must be discerned from the graphical representation and the information it conveys.”

Kitchen LJ, Magmatic Ltd v PMS International Group Plc, referring to Recital 11
Voluntary principle – *Magmatic* (SC)

- “[t]he registration holder is entitled to choose the level of generality at which his design is to be considered. If he chooses too general a level, his design may be invalidated by prior art. If he chooses too specific a level he may not be protected against similar designs”. Lewison J, *Procter & Gamble v Reckitt Benckiser*, approved by the Supreme Court in *Magmatic*

- “Accordingly, it is right to bear in mind that an applicant for a design right is entitled, within very broad limits, to submit any images which he chooses.” *Magmatic*, para 31
Legal Certainty principle

• “it is for an applicant to make clear what is included and what is excluded in a registered design, and he has wide freedom as to the means he uses.” Magmatic, Para 32
Case C-217/17 P Mast-Jägermeister SE v EUIPO

53 ... the entry of a design in a public register has the aim of making it accessible to the competent authorities and the public, particularly to economic operators. ...

54 ... economic operators must be able to acquaint themselves, with clarity and precision, with registrations or applications for registration made by their current or potential competitors and thus to obtain relevant information about the rights of third parties (see, by analogy, judgments of 12 December 2002, Sieckmann, C-273/00, EU:C:2002:748, paragraph 51, and of 19 June 2012, Chartered Institute of Patent Attorneys, C-307/10, EU:C:2012:361, paragraph 48). Such a requirement, as the General Court points out, in essence, in paragraph 47 of the judgment under appeal, is intended to ensure legal certainty for third parties.

55 It follows that the Community design system arising from Regulation No 6/2002 confirms the interpretation that results from the wording of Article 36(1)(c) of that regulation by requiring that the representation of a design for which registration is sought makes it possible to identify that design clearly.
RCD  Trunki  Infringement

Magmatic

“Rodeo” prior art
Magmatic - UK Supreme Court

• “It is, of course, up to an applicant as to what features he includes in his design application …

• … each Community Registered Design image must be interpreted in its own context …

• we should interpret the images on a Community Registered Design by reference to how it would appear to a reader in the light of the terms of the Principal Regulation, the Implementation Regulation and the practice of OHIM.” (Lord Neuberger)
Magmatic – UK Court of Appeal

• “The CRD consists of six monochrome representations of a suitcase. These representations are not simple line drawings, however. Rather, they are computer generated three dimensional images ...”
“Second, ... the various representations are shown in monochrome, and so ... this design is not limited to particular colours. ... PMS cannot point to the colour of the Kiddee Case as being a point of distinction. That is not the end of the analysis, however, because each of the representations shows a distinct contrast in colour between the wheels and the strap, on the one hand, and the rest of the suitcase, on the other. I have given anxious consideration to whether this is simply an artefact of the computer generation process or a visual cue to indicate that the wheels and the strap are each separate components. However, I do not find either of these alternative explanations convincing. The clasps are also separately functioning components and they are not shown in a contrasting colour and it seems to me that the wheels could perfectly well have been shown and depicted as separate components in the same colour as the rest of the body. Moreover, depicted as they are and standing as they do at the four corners of the animal, the wheels are, to my eye, a rather striking aspect of the design as a whole.”
“Accordingly, I consider that Kitchin LJ was right in concluding that the CRD claimed not merely a specific shape, but a shape in two contrasting colours - one represented as grey and the other as black on the images, and that Arnold J was correspondingly wrong in holding that the CRD was a claim simply for a shape.”
Which conventions are used in designs?

- **Technical conventions**
  - Technical standards
  - Textbooks
  - CAD program output formats

- **Legal conventions**
  - EUIPO Guidelines/Common Practice
  - US and other foreign conventions

- Problems when same technique used in both, e.g. dashed lines
Line Drawings and Shape Designs

• “[b]asically, the broadest claims can be achieved by drawings showing only the contours of the design. In contrast, a photo specifies not only the shape, but the surface structure and the material as well, thereby narrowing the scope of protection accordingly” Martin Schlötelburg, OAMI, approved by the UK Supreme Court in Magmatic
Unprotected features (Art 8 CDR)

1. A Community design shall not subsist in features of appearance of a product which are solely dictated by its technical function.

2. A Community design shall not subsist in features of appearance of a product which must necessarily be reproduced in their exact form and dimensions in order to permit the product in which the design is incorporated or to which it is applied to be mechanically connected to or placed in, around or against another product so that either product may perform its function.
Other elements

Examine the publication and file for:

- Indication of product
- Locarno Class
- Disclaimer
- Description
Description

**CDR Art 36.3:** In addition, the application may contain:

(a) a description explaining the representation or the specimen

**CDR Art 36.6:** The information contained in the elements mentioned in ... paragraph 3(a) ... shall not affect the scope of protection of the design as such.

**CDIR Art 1.2:** The application may contain:

(a) a single description per design not exceeding 100 words explaining the representation of the design or the specimen; the description must relate only to those features which appear in the reproductions of the design or the specimen; it shall not contain statements as to the purported novelty or individual character of the design or its technical value;

**CDIR Art 4.1(c):** no explanatory text, wording or symbols, other than the indication "top" or the name or address of the applicant, may be displayed

Effect – virtually zero, see GC Cases T 90/16, *Thomas Murphy v EUIPO – Nike Innovate*, 4 July 2017 (Electronic Watch Bracelet), T 9/15 *Ball Beverage Packaging Europe Ltd v EUIPO – Crown Hellas Can SA (Cans).*
**T-9/15 Ball**

"Group of cans for drink, all having a sleek but high appearance with reduced neck, preferably made of thin sheet metal, especially for filling volumes of 250 ml, 300 ml or 330 ml, respectively."
German priority applications

1. Can for a drink, with a slim but highly effective appearance, with a reduced neck. Preferably made from thin sheet, and regardless of the lateral surface, suitable for 250 ml of beverage.

2. Can for a drink, with a slim but highly effective appearance, with a reduced neck. Preferably made from thin sheet, and regardless of the lateral surface, suitable for 300 ml of beverage.

3. Two drink cans immediately next to each other. The left can is slim in appearance, with a weaker neck. Their height-to-diameter ratio is particularly noticeable in comparison to a conventional can (right). Dark logos, logos and lines are considered not available. White represents any color and presentation.

4. Pair of drink cans as a design, for lateral comparison of aspect ratios (h / d).

5. Drink can group as a design group. The dark logos and logos are not valid. White represents any color and presentation.

6. Drink can group, all with a slim, but highly effective appearance, with a reduced neck, preferably of thin sheet metal, in particular for quantities of 25 cl, 30 cl or 33 cl.

7. The beverage can is slender and high in appearance; pronounced neck. Their height-to-diameter ratio and their neck formation make the subject matter of the design.

8. Essentially cylindrical can for a beverage, with a sleek, highly effective appearance, ...
Verbal Disclaimers

**CDR Art 26.6:** "Maintenance" in an amended form may include registration accompanied by a partial disclaimer ....

(INTER)NATIONAL LAW – may allow disclaimer on filing

QUESTION: Can you disclaim particular products, in addition to parts of a design?

*Green Lanes v PMS* (UK Court of Appeal): No.
Visual disclaimers and descriptions

• “Brief description” not published – has no effect on scope of protection
• But may explain drawings
• OHIM Guidelines indicate that you can indicate parts of a product as relevant using:
  • Dashed lines
  • Red rings
  • Blue wash
Case T-68/10 *Sphere Time*

- Lanyard design had clip part in dashed lines
- Prior art had a different clip
- General Court referred to OHIM Guidelines in ignoring the clip – design invalid
- But dashed lines could have other meanings – *Apple v Samsung*
**Samsung v Apple**

- Dashed line was not a disclaimer but hidden screen edge
- Shading interpreted as indicating unadorned surface
Products and product classes

**CDR Art 36**

2. The application shall further contain an indication of the products in which the design is intended to be incorporated or to which it is intended to be applied.

3. In addition, the application may contain:

   (d) the classification of the products in which the design is intended to be incorporated or to which it is intended to be applied according to class;

6. The information contained in the elements mentioned in paragraph 2 and in paragraph 3... (d) shall not affect the scope of protection of the design as such.

**CDIR Art 3.2:** The classification of products shall serve exclusively administrative purposes.
In addition, it should be noted that, in accordance with Article 10(1) of Regulation No 6/2002, the protection conferred by a Community design is to include ‘any design’ which does not produce on the informed user a different overall impression.

Accordingly, it must be held that if ESS’s position that a design’s protection depends on the nature of the product in which that design is incorporated or to which it is applied were to be accepted, such protection would be limited only to the designs belonging to a specific sector. Such a position cannot therefore be accepted.

In addition, as the General Court was right to hold in paragraph 115 of the judgment under appeal, it follows from both Article 36(6) and Article 19(1) of Regulation No 6/2002 that a registered Community design confers on its holder the exclusive right to use the relevant design in all types of products, and not only in the product indicated in the application for registration.

Under Article 36(6), the information referred to, inter alia, in paragraph 2 of that same article is not to affect the scope of protection of the design as such. Consequently, that information, consisting of an indication of the products in which the design is intended to be incorporated or to which it is intended to be applied, cannot limit the protection of that design, as is provided for, in particular, in Article 10 of Regulation No 6/2002.

With regard to Article 19(1) of that regulation, the reference to ‘a product’ in which the design is incorporated or to which it is applied, does not permit the conclusion that the scope of protection of the Community design will be limited to the product in which the design is incorporated or to which it is applied.
Green Lane v PMS

- D imported and sold “massage balls” since 2002
- P registered for "flatirons and washing, cleaning and drying equipment" in 2004.
- D changed marketing of their balls to “ laundry dryer balls, hand exercisers, easy-catch toys and dog trainer balls” in 2006
- P threatened them
- Preliminary question taken on effect of product
Green Lane v PMS

- Green Lanes RCD 0002171817

PMS Massage Ball prior art/laundry ball
Green Lane conclusion

- **Q:** would the “massage balls” prior sold by D have come to the attention of the sector concerned? What was that sector?
- **A:** the sector of the disclosure (i.e. massage balls), not the sector of the design (i.e. laundry balls).
- **Reason:** Design extends to all products – the other approach would allow P to re-monopolise “massage balls”, leaving only a prior use right for D.
- **CJEU reached exactly the same conclusions in C-361/15 P, C-405/15 P Group Nivelles v EUIPO – Easy Sanitary Solutions**
What is the infringing design?

- BGH decision I ZR 211/08 of 24.03.2011, Schreibgeräte (Writing Implements)
- “Like for like” comparison
  - Relevant parts
  - Relevant features

“[62] If there is protection for the appearance of part of a writing instrument ..., the examination of the overall impression, even in the attacked embodiment, should only be based on the spiral part (...). The court of appeal was therefore not allowed to include the clip in the assessment of the overall impression of the accused design.”
Comparing “Overall Impression”

Structured approach 1: T-666/11 Budziewska v OHIM - Puma (leaping cat) – determine:

• first, the product sector;
• second, the informed user of the products according to their purpose and, with respect to this informed user, the degree of knowledge of the prior art as well as the level of attention in the direct comparison, if possible, of the designs;
• third, the degree of freedom of the designer in making the design;
• fourth, the result of the comparison of the designs concerned, taking into account the sector concerned, the degree of freedom of the designer and the overall impressions produced on the informed user by the contested design and [the other design]
Comparing “Overall Impression” 2

*Procter & Gamble v Reckitt Benckiser (UK CA)*

- Identify the “informed user” (“may be problems” where the design and the infringement are different products)
- Identify what he would know about the “design corpus” – is there a lot of close prior art?
- Identify any “design freedom” limitations (objective, not subjective)
Comparison

• “Don the spectacles of the informed user”
• Identify the “overall impression” created by the design
  • i.e. what struck the mind of the informed user when the design was carefully viewed
  • Imperfect recollection might have a role, but is not decisive
  • The degree of novelty will affect the overall visual impact (pioneer designs have broader scope)
  • Less design freedom means less scope: smaller differences required to escape infringement
• Do the same for the alleged infringement
• Ask whether the two are the same
Compared with trade mark infringement

• “Things which may infringe a registered trade mark may not infringe a corresponding registered design. I cannot think of any instance where the reverse might be so.” (because “informed user” is more informed than “average consumer”)

KEY QUESTIONS

- Who is the “informed user”? 
- Product nature, use and sector 
- What does “informed user” know about prior designs? 
  - Close designs 
  - “Crowded field” 
- What is the “design freedom”? 
  - Range of other designs
How to use the factors

• “a low level of knowledge and a low level of attention, bringing an informed user towards the average consumer user and away from the person skilled in the art, reinforce the conclusion that designs with no significant differences produce the same overall impression on the informed user and, accordingly, the disputed design is invalid for lack of individual character, or if necessary, the allegedly infringing design violates the exclusive rights of the holder. A high degree of knowledge and a high level of attention from the informed user reinforce the opposite conclusion.” (Case T-666/11, Budziewska v OHIM)

• “the greater the designer’s freedom in developing the challenged design, the less likely it is that minor differences between the designs at issue will be sufficient to produce a different overall impression on an informed user. Conversely, the more the designer’s freedom in developing the challenged design is restricted, the more likely minor differences between the designs at issue will be sufficient to produce a different overall impression on an informed user. Therefore, if the designer enjoys a high degree of freedom in developing a design, that reinforces the conclusion that the designs which do not have significant differences produce the same overall impression on an informed user.” (Cases T-10/08, T-11/08, Kwang Yang v OHIM)
Use of Design Freedom

“a factor which makes it possible rather to qualify the assessment of the individual character of the contested design and not an autonomous factor determining the distance required between two ... In other words, the factor relating to the degree of freedom of the creator can reinforce or, conversely, nuance the conclusion as to the overall impression produced by each design in question”

T-210/18 Porsche v EUIPO/Autec
“Saturation”, “Density” and the “Crowded Field”

- T-0083/11, T-0084/11 - Radiators. Although design freedom was not limited, neither the Invalidity Division nor the Board of Appeal had expressly considered the “crowded field” argument put forward by the applicant.
Crowded Art, “pioneer” designs

“Next is not a proposition of law but a statement about the way people (and thus the notional informed user) perceive things. It is simply that if a new design is markedly different from anything that has gone before, it is likely to have a greater overall visual impact than if it is "surrounded by kindred prior art." (HHJ Fysh's pithy phrase ...). It follows that the "overall impression" created by such a design will be more significant and the room for differences which do not create a substantially different overall impression is greater. So protection for a striking novel product will be correspondingly greater than for a product which is incrementally different from the prior art, though different enough to have its own individual character and thus be validly registered.” Jacob LJ, Procter
Putting Infringement and Prior Art Together

• “Closest prior art” in determining scope of design
• “Thickets, “forests” and “families” of prior art in determining scope of features
• Range of prior art in demonstrating design freedom
Magmatic

RCD

Trunki

Infringement

“Rodeo” prior art
“If it were not for the Rodeo, I would have little hesitation in saying that the Kiddee Case produced the same overall impression on the informed user having regard to the broad scope of protection to which the CRD would otherwise be entitled. I am rather more doubtful as to whether it can be said the overall impression produced by the Kiddee Case is the same as the CRD and yet the overall impression produced by the Rodeo is different. Nevertheless, I have come to the conclusion that that is the correct assessment.” (Arnold J – overturned on appeal – now in Supreme Court)
Reverse situation?

• “Pioneering designs” have broader scope

• **Distance from prior art** may indicate wide *design freedom* => broad protection, **BUT**

• Not **sufficient** to be closer to the infringement than the prior art – still need to determine a definitive scope (*P&G v R-B, Dyson v Vax*)
Relative distance

**No infringement:**
if the prior art is “closer” to the design than is the alleged infringement

Essentially a “squeeze” play
“Banal” features – Pepsico (GC)

- "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'.” (citing BoA)

- “Two designs for cars do not produce the same overall impression simply because they have four wheels, headlamps, red lights at the back, a windscreen and side and rear windows and so forth.” (Pepsico BoA judgment, obiter example)
The “spectrum of banality”

• “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” Birss, Samsung v Apple

• “the exercise of considering where on the spectrum discussed by HHJ Birss in Apple v Samsung any particular feature belongs” Ian Purvis, Mainetti v Hangerlogic”
“Next is not a proposition of law but a statement about the way people (and thus the notional informed user) perceive things. It is simply that if a new design is markedly different from anything that has gone before, it is likely to have a greater overall visual impact than if it is "surrounded by kindred prior art." (HHJ Fysh's pithy phrase ...). It follows that the "overall impression" created by such a design will be more significant and the room for differences which do not create a substantially different overall impression is greater. So protection for a striking novel product will be correspondingly greater than for a product which is incrementally different from the prior art, though different enough to have its own individual character and thus be validly registered.” Jacob LJ, Procter
2.7 *Pram I, Pram II* – German Supreme Ct
**Pram I, Pram II**

- No counterclaim to invalidate, but prior art cited on scope
- Infringement found in both cases at first instance in Dusseldorf
- Supreme Court upheld first, denied second
I ZR 23/10 – Pram I

• “A great concentration of designs and, thus, only little freedom of the designer will lead to a narrow scope of protection of the design so that minor differences in appearance may produce a different overall impression on the informed user. In contrast, a low concentration of designs and, therefore, a great freedom of the designer will lead to a broad scope of protection of the design so that even major differences in appearance may not produce a different overall impression on the informed user.”

• “Therefore, the scope of protection of a design depends on its distance to the prior art, which also represents the relevant criterion for assessing the scope of protection of a Community design pursuant to Article 10 (2) CDR.”
“The scope of protection of the asserted design is determined by

- the concentration of designs on the one hand and
- the actual use of the degree of freedom of the designer, realized in the corresponding distance to prior art, on the other.”
Effect of later designs in the market

• Should be no effect – infringement is judged at date of filing, no “dilution”

• E.g. Philips v Fritel, Belgium Dec 2017
Procter & Gamble v Reckitt Benckiser

Reckitt Benckiser product

Procter & Gamble RCD 97969-0001
Procter & Gamble litigation

- 12 decisions in 6 member states
- 2 decisions on the merits (UK first instance + UK Appeal) – UK had jurisdiction for that
  - First Instance: [2007] EWHC 1712 (Pat), 2007
- 10 interim decisions (first and appellate)
- Commercial victory to P&G – RG product dropped after settlement
P&G – cited prior art

- Swiss riot spray patent
- UK Contico sprayer patent
- Chinese design
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Apple v Samsung

- Litigation concerning iPad (and iPhone) vs Samsung Galaxy equivalent products
- RCD 181607-0001 (equivalent to US D504,889)
- In DE, ES, NL, AU, US, KR, JP etc
**Samsung v Apple/Apple v Samsung**

- Concerned Galaxy 10 tablet
- Samsung brought OHIM invalidation action
- Samsung brought Declaration of Non-infringement proceedings in GB, ES, FR, NL
- Apple brought infringement proceedings in DE, GB, NL
- GB Court was seized of the infringement issue
- German, Netherlands Courts heard interim cases
**Samsung v Apple tablet results**

- GB: no infringement at 2 instances
- NL: no infringement at 2 instances
- DE: injunction at 1\textsuperscript{st} instance, eventually injunction maintained only for unfair competition
- Other litigation involved copyright, patents and designs for iPhones – some still running.
Apple design

- Declaration, so validity NOT in issue – except at OHIM
- Found valid there, 2 years on
Samsung Tab 10.1v (boven) en 10.1 (onder)
Apple - Corpus
Apple v Samsung legal points

- Comparison is with *design*, not iPad *product*
- Even minimalist, high-tech designs are not necessarily excluded as “functional”
- Necessary to take distance from prior art into account (see also *Procter & Gamble* (UK), I ZR 71/08 Untersetzer/Table Mat (DE))
- Effect of illustrative dashed lines – not understood and ignored in NL and US as not in line with OHIM Guidelines, and no disclaimer.
Apple – feature by feature

• “The rectangular display screen is totally banal ... there are some other design constraints applicable to this feature but they do not account for the identity between the Samsung tablets and the Apple design. ... Nevertheless the significance of this identity is reduced by the fact that there are other designs in the design corpus which are very similar too.”

• There are modest design constraints applicable to this feature but they do not account for the close similarity between the Samsung tablets and the Apple design. Setting aside the design corpus, the close similarity between Apple and Samsung would be very striking. However the design corpus contains some identical and very close designs albeit that many other more ornamented design are available too, as well as designs incorporating a bezel. Overall the informed user's knowledge of the design corpus reduces the significance of this similarity somewhat.

• It is clear that using a curve or cut-away between the side edge and the back to enhance the appearance of thinness is an expedient found in the design corpus. A number of examples are given in feature (v) above. It is not banal but it is a common technique.

• Are these two differences enough to overcome the similarity at the front and the similarity in overall shape? ... there is a very obvious visual similarity at the front. In my judgment the key to this case is the strength or significance of that similarity. As I have said the significance of the near identity of the front surfaces of these products is reduced to a degree by the existence of similar fronts in the design corpus. The question is – to what degree? “
Apple conclusion

- This case illustrates the importance of properly taking into account the informed user's knowledge and experience of the design corpus. When I first saw the Samsung products in this case I was struck by how similar they look to the Apple design when they are resting on a table. They look similar because they both have the same front screen. It stands out. However to the informed user (which at that stage I was not) these screens do not stand out to anything like the same extent. The front view of the Apple design takes its place amongst its kindred prior art. There is a clear family resemblance between the front of the Apple design and other members of that family (...). They are not identical to each other but they form a family. There are differences all over these products but the biggest differences between these various family members are at the back and sides. The user who is particularly observant and is informed about the design corpus reacts to the Apple design by recognising the front view as one of a familiar type. From the front both the Apple design and the Samsung tablets look like members of the same, pre-existing family. As a result, the significance of that similarity overall is much reduced and the informed user's attention to the differences at the back and sides will be enhanced considerably.
CROCS v the world

1. Certified and ergonomically certified and proven to reduce muscle fatigue up to 62.6% more than standing barefoot.

2. Portholes offer plenty of breathing room and whoosh away dirt, debris and water.

3. Odor and bacteria resistant, eliminating “stinky feet paranoia.”

4. Footbed circulation nubs stimulate blood flow.

5. Low-maintenance - just sterilize in water and bleach.
A huge commercial success

- One of the biggest products of the last decade
- Sold in 129 countries
- 2005 Brand of the Year, Footwear News
- 2007 Brand of the Year, Drapers Footwear Awards
Crocs RCD

- RCD 257001-0001
- Line drawings, no colour or material
- No “brief description”
- Claims US priority, from Design Patent which itself claims priority from patent
History - 1

2001 - Foam plastic clogs with holes sold by Foam Creations in Canada, through several suppliers

Nov 2002 – One of them, Western Brands Inc of Colorado, adds a heelstrap and launches at an International Boat Show, selling 1,000 pairs

June 2003 – WB files US patent application

May 2004 – WB files US design, claiming priority

2004 – WB buys FC, stops supply to competitors, tools up for mass production
History - 2


2005 – WB rebrands as CROCS™.

2005 – Sues 11 companies in the US ITC. Starts huge program of Customs enforcement and civil litigation in the EU.

2006 – Initial ITC finding against Crocs

2007 – Crocs Canadian design revoked
History - 3

12/12/2007 – OHIM revokes the Crocs RCD.
24/12/2007 – Crocs file CTM (shoe plus tiny logo).
Feb 2008 – Crocs file EU appeal, continue customs enforcement.
April 2008 – ITC final decision against Crocs: patent invalid, designs not infringed.
2008 - Partenaire Hospitalier International intervene in OHIM appeal, having had goods seized by customs
2008 – Crocs enforce “unfair competition” – with mixed success.
Many companies settle.
History - 4

2008-2009 – Litigation running in almost every major EU country, plus Switzerland, Malaysia, Australia, Israel, South Africa, US etc.

February 2009 – Crocs write to EU distributors to say that they have spent “significant time, money and resources” on IP, and will now cease enforcement.

Feb 2010 – US CAFC reverses ITC, finds infringement, following Egyptian Goddess.

March 2010 – OHIM BoA upholds revocation of RCD.

July 2010 – CROCS appeal to General Court
History - 5

2012 - Invalidation withdrawn – appeal therefore dismissed - design not revoked (T-302/10)

2013 - Gifi Diffusion file invalidation action

2014 - Invalidity Div’n reject action, uphold design

2016 - BoA find design invalid (R 853/2014-3)

2018 – GC find design invalid (T-651/16)

Appeal pending as C-320/18 P - Crocs v EUIPO
# First EUTM Application

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**Second EUTM Application**

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IP Lessons from CROCS

• A design registration is an incredibly effective weapon against importers
• Even if invalid – provided you appeal!
• But do try to file within a year of marketing.
• When it fails, a CTM may have enough use to stand.
• Unfair competition and copyright proved patchy, but were often the only shot left.
How do you prove the issues?

- **Claimant's rights**
  - easy for RCD, harder for UCD
- **Defendant's activities** – trap purchase, internet
  - Difficult with imported “knockoffs”
  - Use *seizie*, information measures from Enforcement Directive
  - Customs seizures
- **Similarity** - depends on case
  - If a judge cannot see it directly, you have trouble!
- **Copying** - for UCD
  - Depends on similarity
  - May also use disclosure of documents, cross-examination of infringer
- **Invalidity and scope**
  - Brochures, catalogues
  - Old prior art?
  - Expert evidence on technical constraints?
Who can sue who?

- **Claimant**
  - Owner; *and* (CDR Art 32):
  - Exclusive Licensee – if the owner does not act
  - Non-exclusive licensee – with permission, or as intervenor

- **Defendant**
  - Maker
  - Importer
  - Seller
Where do you take action?

- CDCs - for infringement (Art 81)
  - Forum shop, depending on the parties
- OHIM - for invalidation (Art 52)
  - Or counterclaim before CDC (Art 84)
- Customs - for seizure (Reg 1383/2003)
  - Pan-European notification scheme
  - Have to take civil action within short period
- Criminal enforcement authorities?
Forum shopping

• Complex rules determine which Court can hear actions (as for CTM)
  • Can sue in country of infringement (Art. 82(5))
    • Court can only grant remedies in that country (Art. 83(2)).
    Or,
  • Can sue based on domicile rules (Art. 82(1)-(4))
    • Court can grant remedies for whole EU (Art. 83(1))

• Court not seized can grant interim relief (Art. 90)
Which law applies?

- CDR - for substance
- Enforcement Directive 2004/48/EC - for remedies
- National law - for procedure (CDR Art 88)
Unregistered Community Designs

Differences from RCD:

• No registration, so you can choose design of part of product only
• Shorter life, so quick litigation or interim measures are needed
• Need to prove copying, or infer it
• Need to:
  • Show date of first disclosure in the EU
  • Indicate areas of individual character
First disclosure in the EU?

• German Supreme Court held that there is no UCD if first disclosure is outside the EU: I ZR 126/06 - Gebäckpresse II (BGH) [2009] GRUR 79 II

• Now a referral to the CJEU: Beverly Hills Teddy Bear Co v PMS [2019] EWHC 2419 (IPEC)
Examples of UK designs where unregistered design succeeded

Woodhouse v Architectural [2005] EWPCC (Des)

Copying of Community Designs

Art 19 applies to UCD except that copying is also needed:

2. An unregistered Community design shall, however, confer on its holder the right to prevent the acts referred to in paragraph 1 only if the contested use results from copying the protected design.

The contested use shall not be deemed to result from copying the protected design if it results from an independent work of creation by a designer who may be reasonably thought not to be familiar with the design made available to the public by the holder.

3. Paragraph 2 shall also apply to a registered Community design subject to deferment of publication as long as the relevant entries in the register and the file have not been made available to the public in accordance with Article 50(4).
... the onus of proving that the contested use results from copying that design rests with that holder, whereas, in the second subparagraph of that provision, the onus of proving that the contested use results from an independent work of creation rests with the opposing party.

As Regulation No 6/2002 does not provide any express rules on producing evidence, it follows from Article 88 of that regulation that such rules are to be determined according to the national law of the Member States. However, ... the Member States must, in accordance with the principles of ... effectiveness, ensure that such rules ... do not make it in practice impossible or excessively difficult for individuals to exercise rights conferred by EU law.

Therefore... if the Community design court finds that the fact of requiring the holder of the protected design to prove that the contested use results from copying that design is likely to make it impossible or excessively difficult for such evidence to be produced, that court is required, in order to ensure observance of the principle of effectiveness, to use all procedures available to it under national law to counter that difficulty... Thus, that court may, where appropriate, apply rules of national law which provide for the burden of proof to be adjusted or lightened.
What is “copying”? 

- **Derivation** from the design in suit
- **Use** of derived material
- **Intention**? Not necessarily!
UK Example - *John Kaldor v Lee Ann*

**Above:** P’s “JK” fabric.

**Right:** D’s “LA” fabric
John Kaldor v Lee Ann

(1) **Conscious** copying - D knowingly copied the JK Fabric, either from a sample of it or from a dress made from the fabric.

(2) **Subconscious** copying - D had seen the JK Fabric at Lee Ann's premises, either as a sample or made into a dress and subconsciously copied it when she was designing the LA Fabric.

(3) **Indirect** copying - D never saw the JK Fabric but the instructions she was given by X were sufficiently detailed to amount to an oral description of the JK Fabric and thus a substantial part of the design of that fabric became incorporated into the design of the LA Fabric.
Karen Millen v Dunnes

• UK fashion designer sued in Dublin under UCD in women’s tops

• Copying denied – then admitted after discovery

• Only subsistence & validity were in issue
Karen Millen v Dunnes - judgment

- [2007] IEHC 449, upheld by CJEU, also Irish Supreme Court
- Onus of proof in UCD cases:
  - Proprietor has to prove first publication and indicate the innovative areas
  - Does not have to show design is valid
  - Defendant has to disprove validity
- Procter & Gamble followed as to informed user: “a woman with a keen sense of fashion, a good knowledge of designs of women’s tops and shirts previously available to the public, alert to design and with a basic understanding of any functional or technical limitations on designs for women’s tops and shirts.”
- Evidence from purported “informed users” neither necessary nor relevant.
**Knowledge of copying - J Choo v Towerstone**

- ‘Bucket’ bag with four panels and a double layer of threaded eyelets around the top

- Oxford St retailer was sued under UCD

- Inference of copying was deemed to be overwhelming

- Differences included texture and the number of eyelets featured

- *Procter & Gamble applied*

- **Summary Judgment granted**
Proof Issues

• Presumption of validity applies CDR Art 85(2) if you:
  • Prove date of first disclosure and
  • “Indicate” (not prove) individual character, Case C345/13 Karen Millen

• No necessary presumption of ownership by discloser: BGH I ZR 23/12 "Bolerojäckchen" ("Bolero Jackets")

• Burden of proving copying may be mitigated or reversed by substantial similarity: Case C-479/12 Gautzsch Großhandel

• Scope of protection is actually the same, but proving copying may require closer similarity than for RCD
Questions?

David Musker
Maucher Jenkins