

Designer Beware

Supreme Court finds good product design, bad Registered Designs

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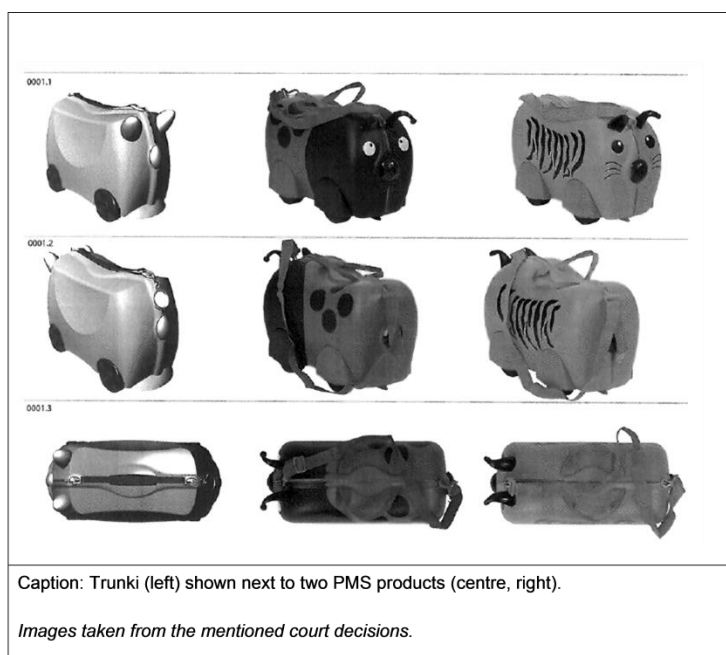


Supreme Court finds good product design, bad Registered Designs

Case comment: PMS International Group plc (Respondent) v Magmatic Limited (Appellant) [2015] UKSC 12

The Supreme Court has dismissed an appeal filed by Magmatic Ltd seeking to enforce a Community Registered Design (CRD) for its popular children's ride-on suitcase, the TRUNKI®. The decision confirms that a rival ride-on suitcase created by PMS International Ltd **does not infringe** Magmatic's CRD because, even though it copied Magmatic's idea, it creates a different overall impression to the CRD. The judgement has been maligned for failing to protect British innovators, and for introducing "uncertainty, chaos and confusion among Britain's design community," but focusing on such commentary risks ignoring an important and timely health warning to the creative industries: registered designs will not automatically cover an idea or concept.

Responding to increasing consumer demand for discount shopping, copy-cat product producers have stronger incentives than ever to create "me-too" products. Technologies like 3D printing also increase the ease with which such products can be brought to market. Designers facing these challenges are right to look for robust design protection strategies. This decision underlines that careful consideration of the images which make up a CRD is crucial, as is anticipating how third parties may try to circumvent design protection.



Registered Designs - the test of infringement

The validity and scope of protection enjoyed by a CRD is not examined until an owner seeks to enforce it. This assessment requires consideration of (i) the images which comprise the registered design; (ii) the accused object; and (iii) any similar earlier designs.

Firstly, the validity of the design is considered. The CRD must be **new** and have **individual character** when compared to any existing designs to be valid. Any elements of the design which are not "new" or which do not possess "individual character" when compared to existing designs or products must be disregarded during the comparison of the CRD and accused product.

Then, the CRD is compared with the accused product. A court will find infringement only if the accused product does not produce **a different overall impression** to the CRD, judged from the perspective of an "informed user". The informed user is deemed to be knowledgeable about the relevant area of design, and will place less emphasis on aspects of the design which are similar to any earlier designs. As a rule of thumb, if an informed user can tell the accused product apart from the CRD during a side-by-side comparison, there is unlikely to be design infringement even if the accused product is reminiscent of the CRD.

The first instance decision

In the [first instance decision](#), the High Court concluded that Magmatic's CRD was valid. This aspect of the decision was upheld by the Court of Appeal and Supreme Court. The court acknowledged that the CRD shared design elements with the Rodeo, a prototype ride-on suitcase exhibited by Magmatic at a design competition 5 years before the CRD was filed. If the CRD produced the same overall impression as Rodeo, it was no longer "new" and would be invalid. However, since Magmatic's CRD was more sculpted and modern, it was held to produce a different overall impression to the Rodeo, and thus met the validity threshold.

The High Court then compared the Magmatic CRD to the accused product, **disregarding the design aspects which the CRD shared with the Rodeo** (since these were not 'new'). The High Court found that the accused product and the CRD shared a number of prominent similarities (including a more sculpted and rounded design, and "animal-like" features) which were not featured in the Rodeo. Due to these shared features, the High Court held that PMS' product did not create a different overall impression from - and therefore infringed - Magmatic's CRD.

PMS appealed to the Court of Appeal, which reversed the decision of the High Court on a number of points. Magmatic then appealed to the Supreme Court, which agreed with the Court of Appeal.

The appeals

The Supreme Court agreed with the Court of Appeal's analysis of the CRD, and rejected claims by Magmatic that the Court of Appeal decision had erred in three respects. Taking each aspect of Magmatic's appeal in turn, the Supreme Court held:

1. The overall impression conveyed by the CRD was not just "animal-like" but that of a horned animal, which the first instance judge had failed to correctly identify. By contrast, the overall impression of the accused product was that of an insect with antennae or an animal with floppy ears.
2. The absence of decoration on the CRD reinforced the impression of the design as being that of a horned animal. The Court of Appeal was correct to conclude this, but the Supreme Court found this was a relatively minor aspect of the Court of Appeal's decision on the above point, not a standalone point. The Supreme Court preferred not to conclude whether the Magmatic CRD was specifically claiming a lack of surface decoration, as it was not necessary to determine the outcome of the appeal.
3. The CRD had to be understood on the basis of the filed images comprising the design. Since these images used contrasting colours for the wheels and other components, the design had to be interpreted as claiming that the contrast in colour between the main body and the differently-shaded components was a 'feature'. The lack of this colour scheme on the PMS product was a factor helping to differentiate the two.

The Supreme Court found no faults of law with the Court of Appeal decision, and accordingly would not overturn it. For completeness, the other factors leading the Court of Appeal to conclude there was no infringement were that the accused product: (i) had a different, and asymmetric profile to the CRD; (ii) lacked a cutaway area along the top of the case; (iii) had filled-in wheel arches; and (iv) took a softer and more rounded form.

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Analysis

Two factors severely limited the scope of protection that Magmatic's CRD conferred.

1. Magmatic released a prototype model of its ride-on suitcase 5 years prior to filing the CRD. This meant that some features of the CRD were not unique, and narrowed the scope of its overall impression.

The earlier prototype design was also a ride-on animal-shaped suitcase, so the CRD couldn't be said to produce that overall impression (or it would have been invalid for not being "new"). This was problematic because once the overall impression of a CRD is determined, only products which visually create the same overall impression will infringe. This excludes from infringement any products that create an overall impression which is different, even if that impression is one which is thematically linked to that of the CRD. In this case, because the CRD produced the overall impression of a horned animal (rather than just a generic animal) the PMS products (which produced the impression either of an insect or an animal with ears) avoided infringement.

2. The images that dictate the features of the CRD conveyed that the design did not cover just the shape of the product, but covered that shape in combination with specific colour contrasts. This created a further point of difference between the CRD and the alleged infringement.

Magmatic argued that the CRD should cover the shape of the product in any colour combination because it was filed in monochrome. However, unlike other designs for which this interpretation has been accepted, Magmatic's CRD was illustrated not by line drawings, but by images taken from computer aided design software. The images show certain parts of the design (including its wheels and strap) in darker shades than the main body. Magmatic contended that this was simply because computer design software shows components which are removable or replaceable in a different shade. However, the Supreme Court ruled that these differences in shade should be interpreted as a feature of the design. Accordingly, the design was in fact limited to a shape in a particular colour configuration and as a result, when comparing the CRD and the accused product it was correct to take into account the differences between the colouring schemes of each.

Conclusions

This decision shows that the scope of protection afforded by a registered design is not necessarily commensurate with the inventiveness of the corresponding product. The Supreme Court stresses the importance of appropriate design drawings and reiterates (albeit in obiter) that the use of simple line drawings is often best to protect a product's shape. However, practitioners and innovators should be cautious of concluding that this outcome would have been avoided if the CRD had consisted of simple line drawings. Although this would have removed one difference between the PMS product and CRD (the lacking colour contrasts) it is possible that the other differences (the tiger stripes, whiskers, wheel coverings and differences in shape) could still have been taken into account if the court considered the design one that claimed an absence of decoration. These features could have produced a different overall impression than that of a horned animal, thus still avoiding infringement.

Whilst design law will continue to play an important (and cost-effective) role in protecting creative ideas, it must be borne in mind that similarity is assessed visually, and intended to protect against exact or very similar designs. This makes it challenging to protect the concepts and ideas that make successful products attractive to consumers and copy-cats alike.

Would-be infringers are becoming increasingly sophisticated, and in some cases specifically look for flaws in design protection before deciding to produce copy-cat product lines. To best defend against this growing threat, designers will need to adopt a robust and strategic design protection strategy; working with skilled attorneys to analyse the aspects of a design which hold value, and to pre-empt ways that design ideas may be adapted, changed or mimicked by those looking to side-step design protection.

Take away points

- The strength of design law protection will not necessarily follow the strength or value of your product's design. In particular, designs do not automatically protect ideas or concepts, and protect visually similar products only.
- Rights holders seeking to maximise protection should put themselves in the mind of a potential copy-cat and consider how any underlying concepts could be mimicked, adapted or tweaked.
- The earlier disclosure of the Rodeo design significantly narrowed the scope of protection of the CRD. Design right holders should carefully consider the impact of how and when they exhibit design ideas or prototypes.
- Ideally, bespoke images should be created for registered designs - the images are as important as the claims in a patent as they must unequivocally communicate any features which are (and are not) claimed in the design. Line drawings, showing only the contours of a design, are often the simplest way to protect a shape in any decorative format, but this may not be appropriate for all designs. Design conventions such as dotted lines can also be used to either highlight important aspects of designs, or to exclude features from the claimed scope of the design.
- Rights holders should be prepared to file multiple designs to best protect products, and these should include obvious variations. Significant savings can be realised by filing a number of designs simultaneously.

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