

O-137-14

REGISTERED DESIGNS ACT 1949 (AS AMENDED)

**IN THE MATTER OF REGISTERED DESIGN NO. 4032451
IN THE NAME OF KOBELL LTD
IN RESPECT OF THE FOLLOWING DESIGN:**



AND

**A REQUEST TO INVALIDATE (NO. 1/14)
BY MARION GIGLIO**

The claims and the counterstatement

1) The registered design the subject of these proceedings was filed by Kobell Ltd (“Kobell”) on 23 October 2013, with its certificate of registration being granted on 11 November 2013. The design is depicted below:



2) Ms Marion Giglio has requested the invalidation of the design under section 1B(1)¹ of the Registered Designs Act 1949 (“the Act”), which relates to the requirement that designs must be novel in comparison to designs which have already been made available to the public. Ms Giglio relies on sales which have been made on the eBay auction website of cloth coin bags matching the design. The sales are claimed to have been made by Kobell, the earliest of which dates from 27 October 2010. Other claims were made under sections 11ZA(1)(A) and 11ZA(2), but these were struck out because Ms Giglio provided no information in support of them.

3) Kobell filed a counterstatement defending its registration, stating:

“We at Kobell have been supplying our “Cloth Coin Bags” to the banking and cash handling industry worldwide since 1996, for use in conjunction with our high speed coin counting machines.

We have included with this counter statement a photograph of our specially designed coin bags, and a copy of our suppliers invoice dated Jan 10th 1996.

We cannot find any evidence of Ms Marion Giglio being involved in the manufacture, or supply of similar bags prior to February 2007 when she began selling on eBay.

So as you will see by the attached invoice from our supplier, our bags predate any claims on design rights by Ms Giglio by eleven years.”

Attached to the counterstatement is a photograph of a coin bag which appears to be identical to the design the subject of these proceedings and a supplier’s invoice for coin bags from 1996.

¹ Which is relevant in invalidation proceedings due to the provisions of section 11ZA.

4) The material attached to Ms Giglio's statement of case and the material attached to Kobell's counterstatement counts as evidence in these proceedings in accordance with rule 21 of the Registered Designs Rules 1996. Given this, it is clear that the design the subject of these proceedings has been in the public domain since 1996.

The relevant legislation

5) Section 1B of the Act 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) it was made to a person other than the designer, or any successor in title of his, under condition of confidentiality (whether express or implied);
 - (c) it was made by the designer, or any successor in title of his, during the period of 12 months immediately preceding the relevant date;
 - (d) it was made by a person other than the designer, or any successor in title of his, during the period of 12 months immediately preceding the relevant date in consequence of information provided or other action taken by the designer or any successor in title of his; or
 - (e) it was made during the 12 months immediately preceding the relevant date as a consequence of an abuse in relation to the designer or any successor in title of his.
- (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) For the purposes of this section, a design applied to or incorporated in a product which constitutes a component part of a complex product shall only be considered to be new and have individual character –
- (a) if the component part, once it has been incorporated into the complex product, remains visible during normal use of the complex product; and
 - (b) to the extent that those visible features of the component part are in themselves new and have individual character.
- (9) In subsection (8) above “normal use” means use by the end user; but does not include any maintenance, servicing or repair work in relation to the product.”

Is there a basis for the defence?

6) The nub of Kobell’s defence is that it has been supplying articles made to its design since 1996, some 17 years before the relevant date (23 October 2013). It considers this to be relevant because this pre-dates any rights that Ms Giglio may

have. However, such a defence, on the face of it, is misconceived for two reasons. Firstly, Ms Giglio has not relied upon any rights of her own and, in any event, it is not a matter of who got there first. Secondly, the novelty of a design can potentially be destroyed not just by the disclosure of a design by a third party, but by the disclosure of the design itself (in this case Kobell's own design), by its designer. There are, though, certain exceptions to what I will call self-disclosure (including disclosures made with some involvement of the designer). These are set out in section 1B(6) as follows:

“(c) it was made by the designer, or any successor in title of his, during the period of 12 months immediately preceding the relevant date;

(d) it was made by a person other than the designer, or any successor in title of his, during the period of 12 months immediately preceding the relevant date in consequence of information provided or other action taken by the designer or any successor in title of his; or

(e) it was made during the 12 months immediately preceding the relevant date as a consequence of an abuse in relation to the designer or any successor in title of his.”

7) As can be seen, the above exceptions apply only in relation to disclosures made in the 12 month period before the relevant date. The exceptions provide what is often regarded as a grace period of 12 months, the operative effect being that from the date on which the designer discloses the design, he/she may file an application for registration of the design without the prior disclosure counting against its novelty. However, in the case before me, the disclosure, on Kobell's own evidence, took place 17 years before the relevant date. The consequence of this is that the above exceptions do not apply. There are two further exceptions in section 1B(6), these relate to confidential disclosure or obscure disclosure, but there is nothing whatsoever to suggest that these apply.

8) Given the nature of its counterstatement, I wrote to Kobell indicating my view that its own evidence confirmed Ms Giglio's claim that the design was invalid; effectively, Kobell has no tenable defence. I indicated that it was my intention to issue a summary decision on this basis, but before doing so, Kobell was afforded the opportunity to make submissions and/or to request a hearing. No response to this letter was made. Consequently, this decision stands as my summary decision. The claim for invalidation succeeds on the basis of both side's evidence and that no tenable defence has been presented.

Costs

9) Ms Giglio has been successful and is entitled to a contribution towards her costs. Ms Giglio has asked for costs amounting to £1060 due to lost income. However, whilst I have a wide discretion in relation to costs, the tribunal operates,

ordinarily, on a system of contribution rather than full compensation. I also take into account that the proceedings have been disposed of relatively early, with limited paperwork, and that Ms Giglio was not legally represented so would not have incurred legal fees. My assessment of costs is as follows:

Preparing a statement (and initial evidence) and considering the other side's statement	£175
Official fee	£50
Total	£225

10) Kobell Ltd is ordered to pay Ms Marion Giglio the sum of £225. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 24th day of March 2014

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