

O-345-13

REGISTERED DESIGNS ACT 1949 (AS AMENDED)

IN THE MATTER OF REGISTERED DESIGN NO. 4022782

IN THE NAME OF TOM CABLE

FOR THE FOLLOWING DESIGN:



AND

A REQUEST TO INVALIDATE (NO. 11/12)

BY TECHGALERIE GMBH

The background and the pleadings

1) These proceedings concern the novelty of a design that was registered under the Registered Designs Act 1949 (“the Act”). I say “was” because the proprietor of the design, Mr Tom Cable, voluntarily surrendered the registration on 21 January 13, some ten months after the filing of these invalidation proceedings. However, notwithstanding the surrender, the applicant for invalidation requested, as is its right, that the proceedings continue so as to secure a formal ruling on whether the design was validly registered. The design, according to the application form, is of a “wireless communications device” and is further described as a “Bluetooth communications device in the style of a vintage telephone handset”. The design was filed on 20 December 2011 and its certificate of registration was granted on 12 January 2012.

2) The applicant for invalidation is Techgalerie GmbH (“Tech”). Tech requested the invalidation of the design on 1 March 2012, relying on section 1B(1)¹ of the Act. A summary of its claim is that:

- The design has been available for purchase from different Chinese factories for at least 18 months;
- That there is evidence regarding availability of the product dating back to at least April 2011;
- That Tech has been selling the product since November 2011.

3) In an accompanying letter Tech claims that Mr Cable sells similar products to the registered design but, he has a “strategy” whereby he files for the registration of new designs that enter the market in order to block sales of the competitor’s product. Tech claims that this is what has happened to it.

4) Mr Cable filed a counterstatement denying the claims. It is a detailed counterstatement but, in essence, he denies that he undertakes the “strategy” referred to, he states that his design differs from what has gone before, and that he is the legitimate owner of his design.

5) Both sides filed evidence to support their case. Neither side requested a hearing. Mr Cable filed written submissions in lieu of a hearing, Tech did not; I will, though, bear in mind all of the arguments made in the papers before me.

The legal background

6) Section 1B of the Act reads:

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

- “(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.”

7) In terms of the legal principles, guidance on the various relevant issues can be seen in the decision of Mr Justice Arnold in *Dyson Ltd v Vax Ltd* [2010] F.S.R. 39 (“*Dyson*”). Some of the key points from this are that:

- a) In terms of functional aspects, the fact that there may be another way of realizing the same technical function does not mean that that functional aspect contributes to the design characteristics, but, if that aspect has been designed for both its function and its aesthetic qualities then it may still play a part in the assessment.

- b) In terms of design freedom, this 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). The more restricted a designer is, the more likely it is that small differences will be sufficient to produce a different overall impression on the informed user.

c) In terms of the existing design corpus, it is more likely that smaller differences will be sufficient to produce a different overall impression on the informed user when the prior art and registered design are both based on common features of the type of article in question. Smaller differences are less tolerable when striking features are involved.

d) In terms of overall impression, Mr Justice Arnold stated:

“46 It is common ground that, although it is proper to consider both similarities and differences between the respective machines, what matters is the overall impression produced on the informed user by each design having regard to the design corpus and the degree of freedom of the designer. In this regard both counsel referred me to the observations of Mann J. in *Rolawn Ltd v Turfmech Machinery Ltd* [2008] EWHC 989 (Pat); [2008] R.P.C. 27 :

“123. ... A catalogue of similar features was relied on by Rolawn, but that exercise is a useful one only so far as it assists to verbalise a visual impression.

125 ... As Jacob LJ indicates, consideration has to be given to the level of generality to be applied to the exercise - the concept is inherent in the concept of ‘overall impression’ - but generality must not be taken too far. Just as, in his case, it was too general to describe the bottle as ‘a canister fitted with a trigger spray device on the top’, in the present case it is too general to describe either product as ‘a wide area mower, with rigid arms carrying cutters, and whose arms fold themselves up at a mid-way point’, and so on. One of the problems with words is that it is hard to use them in this sphere in a way which avoids generalisation. But what matters is visual appearance, and that is not really about generalities. ...”

126 ... In every case I come to the clear conclusion that a different overall impression is produced by the Turfmech machine. In each case it would be possible to articulate the differences in words, but the exercise is pointless, because the ability to define differences verbally does not necessarily mean that a different overall impression is given any more than a comparison of verbalised similarities means that the machines give the same overall impression. ...”

8) An appeal was made against Mr Justice Arnold’s decision which was dismissed by the Court of Appeal (case [2011] EWCA Civ 1206). Worth mentioning here is some additional commentary provided by Sir Robin Jacob in the Court of Appeal’s judgment, namely that:

“30.....Moreover the list of nine features relied upon by Dyson is far too general. Thus it is no good saying "both have transparent bins through

which the cyclone shroud is visible" when the reality is that both the bins and shrouds are very different in shape. You cannot take features of a design, turn them into general words and then treat those words like a patent claim."

and

"34. I would only add one matter, irrelevant in this case. In *P&G* I drew attention to the difference between Recital 14 and Art. 6 of the Design Regulation (EC 6/2002). The former uses the expression "the design clearly differs" whereas the latter merely says "differs." "Clearly" does not reappear. I thought the difference was deliberate and so had some significance. I was wrong, though that does not affect the main reasoning in *P&G*. The difference in wording is merely the result of sloppy drafting as has been pointed out by Dr Alexander von Mühlendahl in *Design Protection in Europe, 3rd Edn.* (2009 at pp.232-3). The same of course applies to the identical wording in the Directive (Recital 13 and Art. 9)."

9) Matters must be judged from the perspective of an informed user. In case C281/10 P, *PepsiCo, Inc. v Grupo Promer Mon Graphic SA, OHIM*, it was stated:

"It should be noted, first, that Regulation No 6/2002 does not define the concept of the 'informed user'. However, as the Advocate General correctly observed in points 43 and 44 of his Opinion, that concept must be understood as lying somewhere between that of the average consumer, applicable in trade mark matters, who need not have any specific knowledge and who, as a rule, makes no direct comparison between the trade marks in conflict, and the sectoral expert, who is an expert with detailed technical expertise. Thus, the concept of the informed user may be understood as referring, not to a user of average attention, but to a particularly observant one, either because of his personal experience or his extensive knowledge of the sector in question."

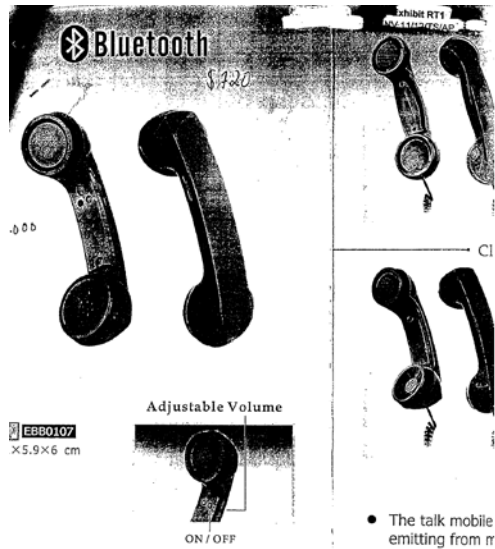
10) The informed user is not, therefore, a casual user of wireless handsets, but must instead be deemed to be a knowledgeable/particularly observant user of wireless handsets and will possess those characteristics (knowledge/experience) set out in the preceding case-law.

The evidence

11) In assessing the evidence filed by the parties I must bear in mind that the relevant date in these proceedings is 20 December 2011, as per section 1B(7) of the Act. Any claimed prior art must have been made available to the public before this date. Tech has provided a number of witness statements in these proceedings, the first (and main) of which is from Mr Ralf Tuennermann, Tech's managing director. Mr Cable has also provided a witness statement in support of his case much of which (but not all) is in the nature of a critique of Tech's

evidence. I will therefore introduce Mr Cable points of critique when I summarise Tech's evidence.

12) Mr Tuennermann states that he first encountered the design at the Global Sources Gifts & Premium Sourcing Fair in Hong Kong on 20 April 2011. At Exhibit RT1 of Mr Tuennermann's witness statement there is a (partial) copy of a catalogue of Depo Manufacturing Corp ("Depo") which he states was collected at the trade fair and which shows on page one the following image:



Attached in the same exhibit is the following page which includes the business card of the manufacturer:



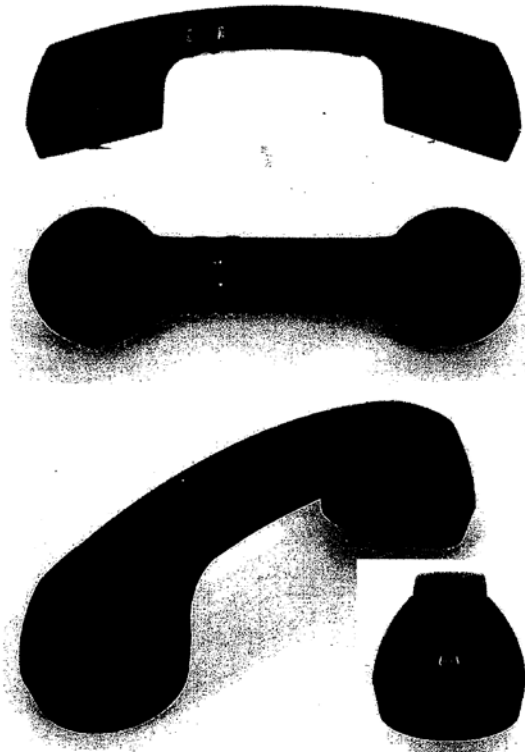
13) Mr Cable states that this should not count as a disclosure as it was not made in the UK or the EEA, he highlights that the catalogue itself is not dated, and he states that it is not clear whether this was the actual catalogue distributed at the trade fair. He states that it is not clear if the two pages provided are from the same catalogue or not. He adds that the product in the catalogue has a gloss finish, not a matt finish as per his registered design.

14) Mr Tuennermann provides in Exhibit RT2 a series of emails between himself and Crick Chang of Depo regarding the shipment of product samples to Tech. The email exchange begins in June 2011. The subject matter contains the words "Retro Handsets". In one of the emails reference is made to product EBB0107 which is the same product code as the handset in the catalogue mentioned above. Mr Cable states that the email is very unclear and should be struck out, however, I can adequately read the emails so this request is rejected.

15) Exhibit RT3 of Mr Tuennermann's witness statement is a proof of delivery document (from UPS) for a parcel with the tracking number M3174271487; this matches a tracking number provided in one of the emails from Mr Chang. The delivery took place on 22 June 2011 to an address in Dusseldorf, Germany, which is where Tech is based. Exhibit RT4 is a witness statement of Claudia Tigges an office manager working for Tech. She attests to receiving the shipment referred to above; I note that the proof of delivery document states "Signed By: Tigges". Ms Tigges also attests that the shipment contained item EBB0107 which is shown on page 1 of the catalogue (mentioned above).

16) Mr Cable states that the fact that a delivery was received “which may bear a passing resemblance to my own registered design” does not establish that an identical or substantially similar item was published in the UK or EEA prior to the relevant date.

17) Exhibits RT5 & RT6 of Mr Tuennermann’s witness statement relate to a photograph (RT5) of the product sample which Mr Tuennermann states was taken on the day of receipt. The photograph was taken by Steffan Sturm, an independent photographer, who has provided a witness statement (RT6) confirming that he took the photograph; he refers to the photograph as being in Exhibit 7 rather than Exhibit RT5 – this is because the evidence initially provided by Tech was in an incorrect format and was subsequently resubmitted with new exhibit numbering – so Mr Sturm referred to the old exhibit number rather than the new. The photograph is shown below:



18) As can be seen, the detail in this photograph is not great. Mr Cable picks up upon this point and questions what can be taken from this and why evidence of such poor quality was filed. He also considers that the letter from Mr Sturm should be excluded because of his reference to the wrong exhibit number.

19) Exhibits RT7 & RT8 of Mr Tuennermann’s witness statement are two letters headed as “affidavits”; neither are affidavits because they are not sworn by a commissioner for oaths or other authorised person. They are, therefore, treated as hearsay. The first is from a copyrighter named Nicole Langenbeck (RT7), the second is from a translator called Carolyn Boheme (although for some reason Mr

Tuennermann gives her the surname “Moore”). Ms Lagenbeck states that she produced part of a manual for a product called “Retocall @ 1970 – Bluetooth Telefonher fur Handys” and that she finished her work on 2 November 2011; during her work she had a physical sample which she states, to the best of her knowledge, is shown in the above photograph exhibited to Mr Tuennermann’s evidence (RT5). Ms Boheme states that she translated parts of the manual for the product “Retocall @ 1970 – Bluetooth” and she finished her work on 9 November 2011. Mr Cable considers that this evidence is not relevant as it does not show when the product was disclosed in the UK or the EEA.

20) Mr Tuennermann states that on 2 December 2011 Tech received its first production batch of articles made to the design. He refers to a “goods receiving fax” in Exhibit RT9, but this is actually a “commercial invoice”. It is dated 11 November 2011. There is then a handwritten date of 2 December 2011 which, presumably, relates to Mr Tuennermann’s claimed date of receipt. The invoice is issued by Depo to Tech and lists, amongst other goods, “PRODUCT EBB0107 (500 pieces)”.

21) Mr Cable states that the commercial invoice does not prove that anything was received and, even if the goods were received, it does not establish the date of receipt. He questions why it was possible to obtain a proof of delivery for the sample but not the production batch. He states that the handwritten date could have been added at any time. He states that the time it would have taken to ship items from Depo’s factory to Tech via the shipping port in China would have been quite long – he estimates that between 37-44 days would have been taken for delivery when customs clearance and onward transmission is taken into account – he suggests that the 22 days claimed by Tech is unlikely.

22) Mr Tuennermann states that sales commenced on the day of receipt of the production batch (2 December 2011) and that the product was displayed on its website on this date. A website print is provided in Exhibit RT10 which shows a product called “Retocall @ 1970 – Bluetooth Telefonher fur Handys”; it appears to be the same product as outlined earlier in the evidence, but the website print lacks detail and all that can really be seen is the outline of the product. The print itself is not dated. However, also provided is a print of the home page which, whilst the print was clearly taken after the relevant date (because there is a list of five products regarded as being the top 5 from “30.05.2012”), also includes a number of products listed as being new and which all include a date – the handset is from “02.12”. It should be noted that these web pages are in German and no translation has been provided, but the information I have extracted is reasonably easy to comprehend.

23) Mr Cable picks up on the fact that the webpage is from after the relevant date. He states that the date of the product is not clear as it could mean February 2012. He also states that as the website is in the control of Tech, it could easily

have been fabricated. He also highlights, as I have done, that the print is very unclear.

24) Mr Tuennermann does not believe that Mr Cable developed the design. He states that in the unlikely event that Mr Cable did spend development time on it, the design had already been made available a long time before the relevant date. At Exhibit RT11 he provides an email exchange with Mr Chang of Depo. In the exchange Mr Chang is given the background to the dispute and is asked when the item was first made. Mr Chang responds:

“..We started to sell this product since Sep. 2010.
As far as I know, we did not sell this product to any customer exclusively.
However, there are some types which are very much similar with ours in the market...”

25) Mr Chang’s email is not evidence as such given that he has not provided direct evidence himself; it will be treated as hearsay evidence. Although I note that Mr Tuennermann offered to obtain an affidavit if more time were allowed and if it were deemed necessary, it is up to the parties to decide upon the evidence it files and the fact remains that Mr Chang has provided nothing in evidential form. Mr Tuennermann adds that when Depo started selling the product in September 2010 it was also displayed on its website (which would have been viewable in the EEA), but where Mr Tuennermann gets this information from is not clear. He adds that he also saw the design on Depo’s website on his return from the trade fair in April 2011.

26) Mr Cable states that because the email from Mr Chang is not in evidential form then it should be excluded; I will not exclude it, but it will be regarded only as hearsay. He also highlights that the actual design being referred to is not disclosed and he highlights Mr Chang’s reference to other types of design on the market.

27) Mr Tuennermann comments on Mr Cable’s counterstatement. I shall deal with this briefly as it is more submission than fact. In summary he considers that:

- Mr Cable’s claim to have produced similar designs is not relevant;
- Mr Cable’s claim that his design is novel is false;
- An internet search at the relevant date would have revealed the design on many different websites (including the website of Tech);
- If Mr Cable did not conduct a search then his statement that his design is novel is untrue because he would not have known if this were the case;
- If Mr Cable did conduct a search [which is claimed would have revealed the design] he nevertheless pursued the design so his claims of novelty are false;
- Mr Cable may try to rely on further images of the design showing additional (and possibly fabricated) additional aspects - Mr Tuennermann

asks that any comparison be made on the basis of the image as was registered.

28) Mr Tuennermann makes reference to a request made by Mr Cable to Amazon.co.uk in which he asked for Tech's product to be deleted from the website due to the existence of Mr Cable's design (Exhibit RT12). Mr Tuennermann claims that Mr Cable uses different names including Mockia and Mockia Strange Telecom which he says are an infringement of the Nokia trade mark. A copy of the Mockia website is provided in RT13 which Mr Tuennermann states includes no way of identifying the responsible business which he says is a violation of UK and EC Regulations (which he does not specify). Mr Tuennermann also refers to a letter (RT13) from Mr Cable's lawyers which he considered to be threatening and escalating of the issue.

29) Mr Cable states that the comments and evidence referred to in paragraphs 27-28 are not relevant and should be struck out. He does though comment in response claiming that his lawyer's letter was trying to sort the matter out and not escalate matters and that there is nothing wrong in his use of Mokia and that Nokia has no problem with this.

30) To support his point that Tech may not have made the product available for sale until after the relevant date, Mr Cable provides evidence in Exhibits TCO1 and TC02 showing that the product was offered for sale on the German Amazon website on 26 December 2011 and on the UK Amazon website on 14 January 2012; both these dates are after the relevant date. He states that Mr Tuennermann's claim that the product was available to see on websites (such as Amazon) prior to the relevant date is not true and that it was probably not on Tech's own website either. He also highlights an inconsistency in terms of Tech's claimed date of first use/sale – in its statement of case Tech refers to November 2011 whereas in Mr Tuennermann's evidence the date claimed is 2 December 2011. Mr Cable makes further submissions including that:

- Whilst Tech may have received or been in development of a product sample from outside the EEA or UK which bears a resemblance to his own design, this is just co-incidental and, also, not relevant because Hong Kong is not in the UK or EEA;
- Tech's evidence is not convincing and comes from employees and others with a vested interest;
- Tech's unjustified assumptions about Mr Cable's business are not relevant;
- The handset design is loosely based on a 50 year old handset design and many similar designs exist which means that the fine detail of the competing designs is important;
- That he can supply his original design drawings if required.

31) Mr Cable provides an extract from Depo's website which he says shows no sign of the EBB0107 product. He provides a web page print showing another product but as this has a different product number there is little point in detailing it here, or detailing Mr Cable's comments that this design differs.

32) Mr Cable also provided a comprehensive set of written submissions running to 21 pages. Much of what he submits mirrors the points made in his evidence so I do not consider it necessary to detail them further. One point I should highlight is that whilst Mr Cable still denies that his design has been disclosed, he states that he did disclose his design to manufacturers in early 2011 which may have led to copies of his design being made and, thus, if there has been a relevant disclosure then it was made by a person other than the designer (him) during the period of 12 months immediately preceding the relevant date in consequence of information provided or other action taken by the designer (him).

33) Tech filed evidence in reply to that of Mr Cable, although, most is by way of submission. An affidavit is provided by Mr Sturm in which he provides similar information to his witness statement, but this time he mentions the correct exhibit number (RT5); this, though, is treated as hearsay evidence as it is not in proper evidential form. A witness statement is also provided by Ms Sonja Raatz, a "Key Account Manager" at Tech. She mainly makes submissions, but provides some further factual evidence. She notes:

- That Mr Cable has provided no evidence concerning the development of the design before the relevant date – she believes this is due to the "strategy" that Tech alleges that Mr Cable undertakes;
- That the catalogue at RT1 was brought back from the trade show and that the two pages provided are both from the catalogue;
- That the difference between a matt and gloss finish is immaterial;
- That the font in RT2 is legible;
- That the product sample was duly received and was identical to Mr Cable's design;
- That the photograph taken by Mr Sturm is the same as Mr Cable's design and is clear;
- That the statements in RT7 & RT8 assist to establish when the product was published;
- That Mr Cable's estimate of likely delivery is wrong. She attests to speaking to the warehouse on the claimed day of receipt confirming that the goods were received. She also provides further factual evidence of an invoice from Tech's freight forwarding company dated 5 days after the claimed delivery date (which she says is common practice), although there is nothing specifically to link the invoice to the commercial invoice issued by Depo. Also provided is a document from German Customs showing that a shipment was processed on 30 November 2011 (again, it is difficult to specifically tie this to the claimed shipment.)

- She attests that the website print has not been modified and that the product was placed for sale on 2 December 2011;
- That the email from Mr Chang should not be struck out given that Mr Tuennermann attests to its authenticity and it has not been modified in any way;
- That the evidence relating to Mr Cable himself is not irrelevant and should be considered;
- That the evidence of sales on Amazon only taking place after the relevant date is accepted, but Tech still published the product on its own website on 2 December 2011 and it is common to only add items to other websites later.

Other points are made but they add little to the above.

Factual findings in relation to the evidence

34) In relation to Tech's claim that Mr Cable adopts a strategy of applying for new designs which enter the market so as to prevent competition with the product he does sell, **this is rejected**. Other than the claims and counterclaims, there is little evidence directed at this point. The mere fact that there may (I stress "may" at this stage) be an identical design which has been disclosed to the public falls well short of proving the serious allegation made. There is no similar fact evidence to show that the "strategy" was in play, so the claim is nothing more than conjecture. That Mr Cable may have run a business called Mokia is neither here nor there. **The claim is rejected.**

35) Irrespective of the above finding, it does not follow that the design was not disclosed. The matter needs to be assessed objectively on the basis of the evidence presented to the tribunal. Before moving on, I should highlight one matter for the benefit of both parties. Reference has been made to disclosures within the UK or the EEA. However, the Act does not limit a disclosure to geographical origin. A disclosure to the public can, potentially, be anywhere in the world. What has no doubt confused the issue is section 1B(6)(a) of the Act. This excludes prior publications which "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". In other words, if the disclosure could not reasonably have become known by persons in the business of handsets in the EEA, the disclosure does not count. I will come back to this point later, the first task is to assess what has been disclosed and when.

36) There are two potential disclosures to the public. The first is the disclosure at the trade fair in Hong Kong in April 2011, the second is the making available for sale on the website of Tech on 2 November 2011. The other aspects covered by

the evidence do not, in themselves, count as disclosures to the public, but they nevertheless demonstrate the surrounding chronology.

37) Mr Cable has questioned the veracity of Tech's evidence, he has called it into question and has given various reasons for doing so. I have looked at the evidence and Mr Cable's comments. Mr Cable has attempted to pick apart the individual pieces of evidence, so attempting to undermine the whole story. However, and as I will comment further, his points seem weak, and they appear even weaker when the totality of the evidence is considered, evidence which paints a very plausible, realistic and corroborated explanation as to how the design they say was publically disclosed reached the market. Therefore, whilst I will comment further on Mr Cable's points, I do not consider the evidence to be seriously undermined and I do not detect, in any way, shape or form, a fabrication of evidence or any attempt to mislead the tribunal.

38) In terms of the first disclosure, Mr Tuennermann states that he encountered the design at the trade show in Hong Kong. He has provided extracts from a catalogue which he states was obtained at the trade show. To meet a point raised by Mr Cable, it was subsequently explained (by Ms Raatz) that the two pages exhibited were both from the catalogue and she confirms that it was obtained from the trade show. Although, as Mr Cable points out, the catalogue is not dated, I see no reason to disbelieve the commentary of the witnesses. The design in the catalogue has the same product code as items subsequently ordered. I am satisfied that a design was disclosed at the trade fair in Hong Kong. The design was disclosed in April 2011, well before the relevant date.

39) I return now to whether the disclosure could not reasonably have become known by persons specialising in the sector concerned in the EEA. Mr Justice Arnold has handed down a judgment in *Magmatic Limited v Pms International Limited* [2013] EWHC 1925 which deals with similar issues. Although this was only handed down quite recently, I have included what Mr Justice Arnold has stated in order to provide the parties with guidance as to what the relevant issues are:

“33 By virtue of Articles 4, 5 and 6 of the Regulation, a Community registered design must be novel and have individual character having regard to any design “which has been made available to the public”. Article 7(1) sets out the ways in which a design may have been made available to the public. In short, any disclosure which makes the design public in any part of the world will suffice. This is subject to two exceptions, however. These may conveniently be labelled “obscure disclosures” and “confidential disclosures”. Only the first of these is relevant for present purposes. This applies where “these events could not reasonably have become known in the normal course of business to the circles specialised in the sector concerned, operating within the Community”.

34 Although it was not directly in issue, the obscure disclosures exception was considered by the Court of Appeal in *Green Lane Products Ltd v PMS International Group Plc* [2008] EWCA Civ 358, [2008] FSR 28. Jacob LJ, with whom Ward and Rimer LJJ agreed, said:

“66. ... How then did the exception to absolute novelty come about? The *travaux* are clear about this. It came about by reason of a specific piece of lobbying by the textile industry. It was a concern about counterfeiting and nothing to do with an intention that prior art, obscure in the field of intended use, should be discounted.

67. The Economic and Social Committee opinion of 1994 said this when considering the novelty provision:

‘3.1.2 This provision, as worded, would be difficult to apply in many fields, and particularly in the textiles industry. Sellers of counterfeit products often obtain false certification stating that the disputed design had already been created in a third country.

3.1.3 In these circumstances, the aim should be dissemination to interested parties within the European Community before the date of reference.

3.1.4 In the light of the above considerations, article 5(2) might be worded as follows: “A design shall be deemed to have been made available to the public if it has been published following registration, exhibited, used in trade or otherwise disclosed, unless this could not reasonably be known to specialist circles in the sector in question operating within the Community before the date of reference.”

68. This is clearly the forerunner of the exception in article 7. The Economic and Social Committee's suggestion was taken up, extended also to the individual character test and became the law. It is worthwhile quoting the Commission's explanation for the proposed exception contained in its 1996 amended proposal:

‘... article [6] has furthermore been amended in accordance with the wishes of the European Parliament and the Economic and Social Committee through the introduction of what is commonly known as the “safeguard clause”. Its aim is to protect the design industry from claims that a design right is not valid because there was an earlier design in use somewhere in the world where the European industry could not possibly have been aware of it. The intention of this provision is to avoid the situation where design

rights can be invalidated by infringers claiming that antecedents can be found in remote places or museums.’

69. As Mr Hacon observes, for the exception to work as intended the sector concerned had to be that of the cited prior art. His example demonstrates this:

‘If the registered Community design was in respect of a design for, say, teapots and the alleged prior art was for Columbian textiles, it would be the textiles circles in Europe who would be in a position to know whether the “certification” was genuine. *Ex hypothesi* the teapot circles would never know.’

70. Moreover the exception was clearly conceived as narrow — it was aimed at obscure prior art only: it meant that forging this would not help an infringer.

71. Although there were further *travaux* before the ultimate Regulation, there was no significant relevant further change.”

35 There is a helpful discussion of this exception, which includes references to some more recent case law elsewhere in Europe, in Stone, *European Union Design Law: A Practitioners' Guide* (OUP) at §§9.22–9.66. As the author comments, the wording of the exception gives rise to a number of questions of interpretation which may require resolution by the Court of Justice of the European Union. In Case C-479/12 H. Gautzsch Grosshandel GmbH v. Münchener Boulevard Möbel Joseph Duna GmbH the Bundesgerichtshof has referred a question concerning the interpretation of the exception to the CJEU, but neither side suggested that I should defer judgment in the present case until after the CJEU has given its judgment. Nor was it suggested that I should refer questions myself. Accordingly, I must interpret the exception as best I can in the light of the guidance that is currently available. There are a number of points to consider.

36 First, the exception refers to “these events”. The “events” are the events constituting disclosure referred to earlier in the first sentence of Article 7(1) – publication, exhibition, etc. Counsel for PMS submitted that the exception did not apply if the relevant event could reasonably have become known, even if the design itself could not reasonably have become known as a result of that event. I do not accept that submission. The purpose of the exception is to prevent obscure designs from being relied upon to attack the novelty and individual character of a Community registered design. If a design could not reasonably have become known, it cannot matter that the event could have become known. In most cases, of course, one will follow from the other.

37 Secondly, what is “the sector concerned”? In Green Lane the Court of Appeal held that it was the sector from which the prior design came, not the sector from which the registered design came. The Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) came to the opposite conclusion in Case R 84/2007-3 Ferrari SpA v Dansk Supermarked A/S (unreported, 25 January 2008) and Case R 9/2008-3 Crocs Inc v Holey Soles Holdings Ltd [2010] ECDR 11. An appeal to the General Court in the latter case was not pursued. In those circumstances, I am bound by the Court of Appeal's decision in Green Lane . Furthermore, I agree with it.

38 Thirdly, who are “the circles specialised in” that sector? In Green Lane Lewison J (as he then was) held at first instance that this comprised all individuals who conducted trade in relation to products in that sector, including those who designed, made, advertised, marketed, distributed and sold such products in the Community ([2007] EWHC 1712 (Pat), [2008] FSR 1 at [34]-[35]). This point was not addressed by the Court of Appeal. In Case R 552/2008-3 Harron SA v THD Acoustics Ltd (25 July 2009, unreported) the Board of Appeal held that the circles included experts and all businesses involved in the trade including importers. Thus it seems clear that the words are to be broadly interpreted.

39 Fourthly, the test is whether the events “could not reasonably have become known in the normal course of business”. It is common ground that this is an objective test. Counsel for PMS emphasised that the question was whether the events *could not* have become known, not whether the events *would not* have become known. I accept that, but subject to the qualification that the test is whether the events could not *reasonably* have become known *in the normal course of business* . The wording must be interpreted as a composite whole.

40 It is common ground that the events in question must have occurred prior to the filing or priority date of the registered design. Counsel for PMS accepted that it was theoretically possible for a design to have become sufficiently obscure as a result of the passage of time that it could not reasonably have become known in the normal course of business at the filing or priority date even if it could have become known at the date of the event, although he submitted that this was unlikely to occur in practice.

41 Fifthly, who bears the burden of proof? Counsel for PMS submitted that the burden of proving that the exception applied rested on the party who relied on it, here Magmatic. He argued that this interpretation was supported by both the wording and purpose of the exception and by the case law of the Board of Appeal, in particular Case R 1516/2007-3 Normanplast snc v Castrol Ltd (unreported, 7 July 2008) at [9]. Counsel for Magmatic submitted that the burden of proving that the disclosure was

made available to the public rested on the party challenging the validity of the registered design, and that included proof that the design could reasonably have become known as result of the event relied on. In the alternative he submitted that, if the burden of proof lay on the proprietor of the design, nevertheless the evidential onus could shift if on its face the disclosure was an obscure one. In support of these submissions, he relied on the decision of the Board of Appeal in Case R 1482/2009-3 *Termo Organika Sp. z.o.o. v Austrotherm GmbH* (unreported, 22 March 2012) at [38]-[44]. As counsel for PMS submitted, however, there is no indication in that decision that the question of burden of proof was argued or that the Board of Appeal was addressing its mind to the question. In my judgment the burden of proving that the exception applies rests on the party relying on the exception. I accept, however, that the evidential onus may shift to the other party once it is shown that the disclosure relied on appears to be an obscure one.”

40) Countries in the far East are notoriously popular for traders in the EEA to acquire new goods. Traders often travel to trade fairs with a view to obtaining products at low cost. The disclosure took place at one such trade fair. Hong Kong is in no way an obscure location. A representative of Tech, a person engaged in the field, attended and saw the disclosure. I do not need to find that Mr Cable attended the trade show – whether he did or not does not matter. However, I am satisfied that the disclosure should not be excluded – the nature of the disclosure at such an event means that it could reasonably have (and in fact did, at least by Tech) become known by persons in the field. There is no evidence from Mr Cable that the trade event was particularly obscure. **The disclosure in Hong Kong counts as a relevant disclosure to the public.**

41) This does not mean that I accept that an identical design was disclosed. The proof of the pudding can only be in the eating and the tribunal must make that assessment. The assessment will be based upon the image depicted in the catalogue. I will make the assessment later.

42) Only one disclosure is required but, in case I am wrong that the Hong Kong disclosure should be counted, I will go on to the second potential disclosure which is the disclosure of the design when it went on sale via the website of Tech. I am more than satisfied that the paper trail, together with the commentary of the witnesses, demonstrates that what was disclosed at the trade fair is the same product that Tech subsequently sold on its website. This is important because if the design was a different one Tech would have been in some difficulty because the images they have provided in relation to the subsequent disclosure lack detail. As I have said, I am satisfied that this was not to mislead the tribunal but just a poor copy being provided to the tribunal, it does not undermine the case.

43) I must be satisfied that the design was disclosed prior to the relevant date. Mr Cable thinks it may have been disclosed later. However, even though it is not

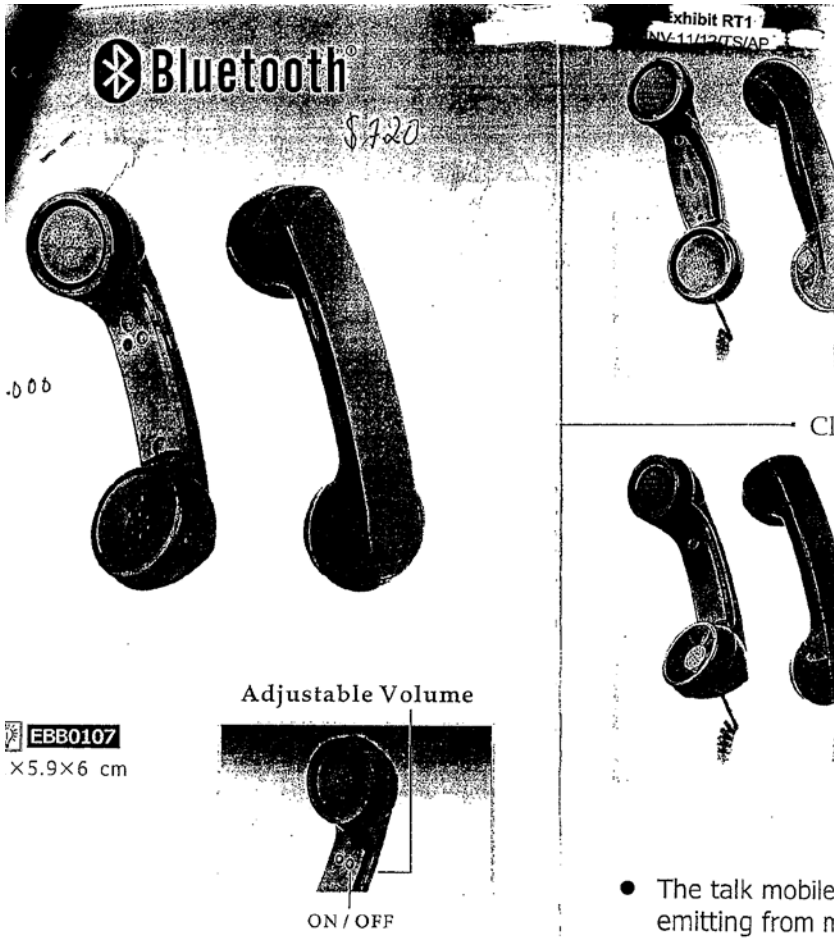
possible to cross-reference each document in the paper trail, the overall explanation and the documents provided are compelling. Mr Cable's suggestion that the shipping would have taken longer is not accepted in the face of this documentary evidence and the clear commentary of the witnesses. The fact that the design appeared on Amazon after the relevant date does not mean that it was not disclosed on Tech's website at an earlier point. Further, the print from Tech's website supports this. Even though as a self standing piece of evidence it is possible to say that it is ambiguous, when all of the evidence is considered, it provides corroboration and removes some of the ambiguity. The evidence from the photographer, the copywriter and the translator all adds to the collective picture. **I am satisfied, on the basis of the evidence before the tribunal, that the design first disclosed in Hong Kong was subsequently disclosed by Tech on its website on 2 December 2012.** The design is the same as the Hong Kong design so the comparison need only be made once. This disclosure is not undermined by the fact that Tech's first claim was that they sold the product in November 2011; it is often the case that when a party starts to put its actual evidence together, slight discrepancies of this sort come to be.

44) Mr Cable claims in his written submission that he disclosed his design in the early part of 2011 to manufacturers and, so, the design used by Depo could be a copy and, thus, he can rely on the exclusion in section 1B(6)(d). This claim is rejected. Not only did Mr Cable fail to adequately plead this defence, he has provided no evidence to support it. If the defence was to be pursued the tribunal would have needed evidence of when Mr Cable designed his design, when he disclosed it, and to whom; without such evidence the defence is doomed.

45) In summary, I am satisfied that two relevant disclosures took place before the relevant date, albeit in respect of the same design. I do not need to make a formal finding in terms of whether there were any earlier disclosures (as per Mr Chang's email), but my brief view is that the evidence provided would not have been sufficient in this regard. I will now make the comparison.

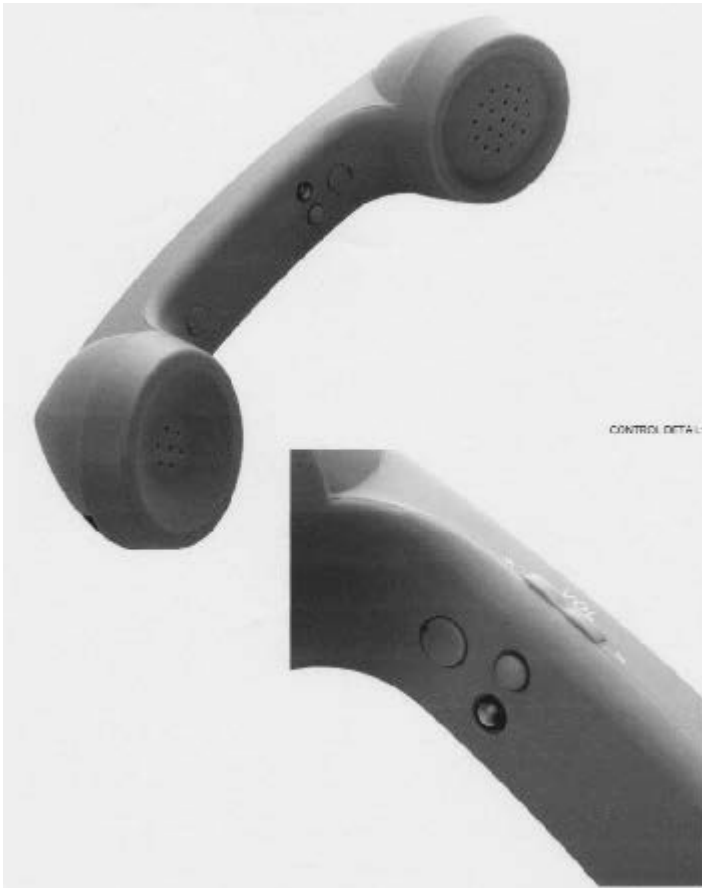
Comparison of designs

46) The prior art is of the following design:



47) Mr Cable's design is:





48) The representation of the prior art is not the best, although, it is slightly better in the paper representation before me. I am satisfied that the clarity is sufficient to make a fair and reasonable comparison. Having made the comparison, it is my view that the designs are identical. The outline of the handset is either identical or any difference in profile is so small so as to be immaterial. Each design has three buttons on the inside of the handset which appear to be of the same size and configuration. There is a volume up and down button on the side of the handset in the same configuration and location. There is a further button on the inside (towards the bottom) which is also shared. The ear and mouth cups appear to be of the same dimensions and shape, the ear cups being less shallow and flatter than the mouth cup. If there are any differences that I have failed to notice then my lack of noticing them is indicative that they are immaterial. Mr Cable's reference to a matt finish against a gloss finish is borne in mind, but such features are not readily apparent in the designs and, furthermore, would be immaterial (as Tech suggests). **In view of all this, the application for invalidation succeeds. Two disclosures have taken place before the relevant date in respect of an identical design (or one differing only in immaterial features). Even if I am wrong on that, I struggle to see how on any realistic comparison the informed user would come to the view that the designs differ in overall impression. The request for invalidation succeeds.**

Costs

49) Tech has been successful and is entitled to a contribution towards its costs. In considering costs I must take into account that Tech was not legally represented so would not have incurred any legal costs. I hereby order Mr Tom Cable to pay Techgalerie GmbH the sum of £800. This sum is calculated as follows:

Preparing a statement and considering the other side's statement	£150
Filing evidence and considering Mr Cable's evidence	£600
Official fee for filing invalidation	£50

50) The above sum should 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 28th day of August 2013

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