

O-318-16

REGISTERED DESIGNS ACT 1949 (AS AMENDED)

IN THE MATTER OF REGISTERED DESIGNS

**4031656, 4031657, 4031658, 4031659, 4031660, 4031661, 4031662, 4031663,
4031664, 4031665, 4031666, 4031667, 4031668, 4031669 and 4031670**

AND

**APPLICATIONS BY DRAGON 007 LIMITED
TO INVALIDATE THE DESIGNS, NOS 44/14 TO 58/14**

Background and pleadings

1. The fifteen registered designs which are the subject of this dispute were filed as a multiple application by Jeffery Francis Angel Shenstone on 31 August 2013. The designs are all for pop-up cards, which is how they are described in the application form; for example, 4031656 is described as a “3 candle birthday cake + butterfly pop up card”:



No claim is made for the colour or colours shown in the designs.

2. Dragon 007 Ltd (the applicant¹) has requested the invalidation of the design registrations under section 1B(1)¹ of the Registered Designs Act 1949 (as amended) (“the Act”). The applicant claims that the designs are not novel and that they lack individual character in comparison to other designs that have been made available to the public.

3. Mr Shenstone filed counterstatements² denying the claims and putting the applicant to proof of its claims.

4. Both sides have represented themselves. Only the applicant filed evidence. Neither party requested a hearing, although they were given the option of a hearing if they wished, prior to this decision being made. Neither party filed written submissions in lieu of a hearing. I make this decision on the basis of the papers filed.

Evidence

5. Documentation was attached to the application for invalidation which may be treated as evidence in accordance with rule 21(1)(a) of the Registered Designs Rules 2006. This takes the form of a witness statement by Yun Long, dated 27 August 2014. The applicant filed a second witness statement, dated 8 December 2014. The deponent for the second statement is identified as Yun Long Zhang. Yun Long Zhang is named in the invalidation form for all the registered designs as the person who completed the form, and is named in the register of companies as the director of the

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

² Statutory form DF19B.

applicant³. I will therefore refer to the deponent for both witness statements as Mr Zhang.

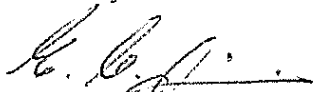
6. Mr Zhang has been the applicant's director since incorporation on 1 October 2013. Mr Zhang has worked with his uncle, Kim Xuebin Sun, in Jubilee Market, Covent Garden, since 2004. In or around 2011, Mr Zhang and Mr Sun began selling three-dimensional paper sculpture greetings cards and souvenirs, sourced from Beijing Foreign Trade Co., Ltd, in China. Mr Zhang states that these cards are now commonly available across Europe, Australia and Southeast Asia. Mr Zhang attaches as Schedule YL1 images of the applicant's cards compared to Mr Shenstone's designs. I will set these out in more detail later in this decision.

7. Page 2 of exhibit YL2 consists of a letter on the headed notepaper of Jubilee Market Hall Ltd Covent Garden. It is undated, and has clearly been solicited for these proceedings because it is addressed to "Tribunal Section Casework Examiner, Intellectual Property Office". The signatory is unidentified, and the signature is illegible:

We write this letter in support of the Applicant to opposed the above Design Registrations by the above proprietor. We have read the Witness Statement of Yunlong Zhang dated 27th August 2014 together with the Exhibit "YL 1" ("the Statement") and agree to have this letter used in evidence.

Mr Kim Xuebin Sun commenced trading in Jubilee Market, Covent Garden from 2004. Mr Yunlong Zhang started working with his uncle from around 2008. In or around 2011, they started selling three-dimensional paper sculpture greetings cards and souvenirs. The market notes what product is being sold by whom in order to balance the traders within the market. Mr Zhang incorporated his business as Dragon 007 Limited has been trading since October 2013, selling the same stock to them as they had previously done five years previously. Any person claiming that stock was new or novel as of August 2013 would be incorrect.

Yours faithfully



Jubilee Market Hall

8. Page 3 of exhibit YL2 consists of a letter, shown below, also solicited for the proceedings. There is a date stamp of 8 December 2014, but the signature is illegible and the signatory is unidentified.

³ Referred to in the witness statements as company number 08712521.

BEIJING FOREIGN TRADE CO.LTD

149 GUANGMING ROAD, LONGKOU, SHANDONG PROVINCE, CHINA
TELEPHONE: +86-13287976747

Tribunal Section Casework Examiner
Intellectual Property Office
Concept House
Cardiff Road
Newport
South Wales
NP10 8QQ

Your Ref: Design INV 44/14/TS/CW

Dear Sirs,

Design Registrations: 4031656 to 4031670 inclusive.
Registered Proprietor: Jeffery Francis Angel Shenstone
Invalidity No: 44/14
Applicant: Dragon 007 Limited – Yunlong Zhang

We write this letter in support of the Applicant to oppose the above Design Registrations by the above proprietor. We have read the Witness Statement of Yunlong Zhang dated 27th August 2014 together with the Exhibit "YL 1" ("the Statement") and agree to have this letter used in evidence.

We have developed over 200 three dimensional designs and we sell these pop-up cards to numerous businesses across Europe, Australia and Southeast Asia. We have selling these card since 2008. In or around 2011, we started supplying, Mr Kim Xuebin Sun, with the products as outlined in the Statement. We continue to supply these cards to Dragon 007 Limited since October 2013, selling the same stock to them as they had previously done five years . Any person claiming that stock was new or novel as of August 2013 would be incorrect.

Yours faithfully



Beijing Foreign Trade Co., Ltd. LIMITED

2014.12.08

9. The final page of exhibit YL2 comprises copies of two photographs taken in October 2014, after the date of application of the attacked registered designs. The photographs are of market stalls laden with various three-dimensional pop-up cards.

Decision

10. Section 11ZA of the Act provides the capacity for a registered design to be invalidated on the ground (section 1B) that it was not new or that it did not have individual character. Section 1B 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)

(9)”.

11. According to section 1B(7) of the Act, prior art can only be relied upon to invalidate a registered design if it has been disclosed to the public prior to the application date of the registered design(s) being attacked, unless the exceptions in subsection (6) apply. This means that the relevant date for my assessment is 31 August 2013. Mr Zhang states in his second witness statement that Mr Shenstone has not provided any evidence at all. There is no evidence that he is the creator of the designs. The initial evidential burden is on the applicant to prove the existence of prior art, not on Mr Shenstone to prove that he created the designs.

12. The relevant case law in this respect was conveniently set out by Birss J. in paragraphs 31 to 59 of his judgment in *Samsung v Apple* [2012] EWHC 1882 (Pat). The parts which are most relevant to these proceedings are reproduced below.

“The informed user

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

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

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

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

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

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

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

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

[...]

Design freedom

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

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

[...]

Effect of differences between the registered design and design corpus

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

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

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

[...]

The correct approach, overall

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

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

13. Schedule YL1 to Mr Zhang's first witness statement is the only pictorial evidence which can be taken into account. The two photographs of market stalls (Exhibit YL2) were taken after the relevant date, so do not establish disclosure of designs prior to the relevant date.

14. There are no representations of any alleged prior art in relation to five of the contested designs: 4031660 (purple and white plant), 4031661 (red tree), 4031667 (St Paul's Cathedral), 4031668 (Buckingham Palace) and 4031669 (Westminster Abbey). Designs are fundamentally about appearance, so failing to provide any evidence which shows the appearance of alleged prior art means that the applications fail.

15. An example of one of the contested registered designs is shown at the start of this decision. All of the registered designs include not only the three dimensional pop up centre of the card (and various views thereof), but also the front cover, just as in the example. Schedule YL1 provides pictures of what Mr Zhang claims are prior designs and pictures of what he states are the comparable contested registered designs. Some of the alleged prior art shows both a front cover (when the card is closed) and the internal pop-up design (when the card is opened). However, two of the applicant's representations of alleged prior art do not show the front cover. There is no representation of a front cover in the alleged prior art for registered designs 4031657 (gift box) and 4031666 (London phone box)

16. Section 1(2) of the act provides for designs to be registered for the appearance of the whole or a part of a product. The application forms for the contested registered designs include representations of the front of the product (the card) and also the

internal pop-up part. The registered designs must be construed as consisting of the parts which are visible in the representations filed in the applications. This means that both the front and the internal parts contribute to the design and its overall impression. The applicant's claim that the designs lack novelty and individual character must be considered on the basis of the whole of the registered designs.

17. Since there is an absence in the alleged prior art of any representation of a front cover in relation to the two designs identified in paragraph 15 above, the registered designs must differ in their overall impressions from the prior art because the front cover must be taken into account as it forms part of the registered designs. The absence of a front cover in the alleged prior art is material because this is the part of the product which will first be encountered by the informed user.

18. As the two designs differ in their overall impressions from the alleged prior art, the consequential finding is that they were new and had individual character on the date on which Mr Shenstone made his applications compared with what had (allegedly) already been publicly disclosed. As a result, the applications for invalidation also fail in relation to registered designs 4031657 and 4031666.

19. I turn now to the other eight designs, for which the alleged prior art includes a representation of the front of the card: 4031656, 4031658, 4031659, 4031662, 4031663, 4031664, 4031665 and 4031670.

Can the alleged prior art be relied upon?

20. The applicant's evidence is very light and consists chiefly of repetitive narrative. Although I do not disbelieve the applicant's narrative, it is still necessary to examine what has been said for sufficiency. This includes looking at the evidence said to support the witness statement. The two photographs, in Exhibit YL2, were taken after the relevant date. They cannot, therefore show what the position was at the relevant date. The only other documents are the two letters. These have not been adduced via witness statements by the writers of the letters; indeed, it is not possible to say who the writers are or how they come by their knowledge. The first paragraphs of the letters are identical. One of them is undated. This evidence is both hearsay and has been solicited for the proceedings, both of which affects their evidential weight⁴.

21. Hearsay evidence is admissible under rule 21(1)(b) of The Registered Designs Rules 2006, but its weight has to be assessed according to the various factors set out in section 4 of the Civil Evidence Act 1995:

"4.— Considerations relevant to weighing of hearsay evidence.

(1) In estimating the weight (if any) to be given to hearsay evidence in civil proceedings the court shall have regard to any circumstances from which any inference can reasonably be drawn as to the reliability or otherwise of the evidence.

(2) Regard may be had, in particular, to the following—

⁴ See Tribunal Practice Notice 5/2009.

- (a) whether it would have been reasonable and practicable for the party by whom the evidence was adduced to have produced the maker of the original statement as a witness;
- (b) whether the original statement was made contemporaneously with the occurrence or existence of the matters stated;
- (c) whether the evidence involves multiple hearsay;
- (d) whether any person involved had any motive to conceal or misrepresent matters;
- (e) whether the original statement was an edited account, or was made in collaboration with another or for a particular purpose;
- (f) whether the circumstances in which the evidence is adduced as hearsay are such as to suggest an attempt to prevent proper evaluation of its weight."

22. The writers of the letters (one is not even identified) cannot be cross-examined as to the veracity, or otherwise, of the content of the letters. The filing of a hearsay statement inherently comes with the risk that the tribunal may assess its weight at a lower level than that which the party considers it should carry. Hearsay evidence might assist if it corroborates other documentary evidence; if, for example there were also contemporaneous documents. Relying only upon evidence where the signatories are unidentifiable and where the first paragraphs of the two letters are identical, which suggests the applicant had written the content before passing the letters to the individuals to sign, has affected the weight of the evidence to such an extent that it does not support the applicant's narrative. These letters make the bold assertion that all of the designs were previously sold. It is questionable how accurate such a statement can be when there are fifteen designs involved, with front and back covers.

23. Whilst I do not disbelieve that the applicant has been selling certain pop up cards since 2011, it does not follow that it has been selling the exact versions of even versions which have the same overall impression (in particular, see paragraph 24 of this decision). The applicant has failed to establish that the designs were not new at the relevant date. The evidence lacks sufficiency and presents too flimsy a basis upon which to invalidate the registered designs (which includes the invalidations which I have already found failed).

24. I will just say a word about the alleged prior art in respect of design numbers 4031656 (two tier cake), 4031658 (fairground wheel), 4031662 (three tier cake), 4031663 (shrub), 4031665 (wedding) and 4031670 (Big Ben). The front covers of both the alleged prior art and the corresponding registrations are shown in the annexe to this decision. Without conducting a thorough analysis of the respective front covers (because I have already found that the applications for invalidation all fail for other reasons), it is plain to see that the front covers of the alleged prior art are materially different to those of the registrations, bearing in mind my findings in paragraphs 16 to 18 of this decision. This means that the registered designs differ in their overall

impression from the alleged prior art. This is a further reason why the applications must fail in respect of the designs listed in the first sentence of this paragraph.

Outcome

25. The applications for invalidation all fail.

Costs

26. Mr Shenstone has been successful and is entitled to a contribution towards his costs from the published scale (Tribunal Practice Notice 4/2007). I must, though, also take into account that Mr Shenstone has not been legally represented in these proceedings and that his costs would not, therefore, have included any professional legal fees. I will therefore halve what I would otherwise have awarded.

27. Mr Shenstone filed only a counterstatement, and this contained the briefest of denials. The application included evidence. The applicant's further evidence contained little more than the first set of evidence, filed with the application. I award Mr Shenstone £200 for considering the application, the evidence and for filing the counterstatement.

28. I hereby order Dragon 007 Ltd to pay to Jeffery Francis Angel Shenstone the sum of £200 which, in the absence of an appeal, should be paid within fourteen days of the expiry of the appeal period.

Dated this 5th day of July 2016

**Judi Pike
For the Registrar,
The Comptroller-General**

Annexe

Registration 4031656:

DESIGN 1 PHOTO 1 FRONT VIEW 4031656



No claim is made for outline or colour shown

Alleged prior art:



Registration 4031658:



Alleged prior art:



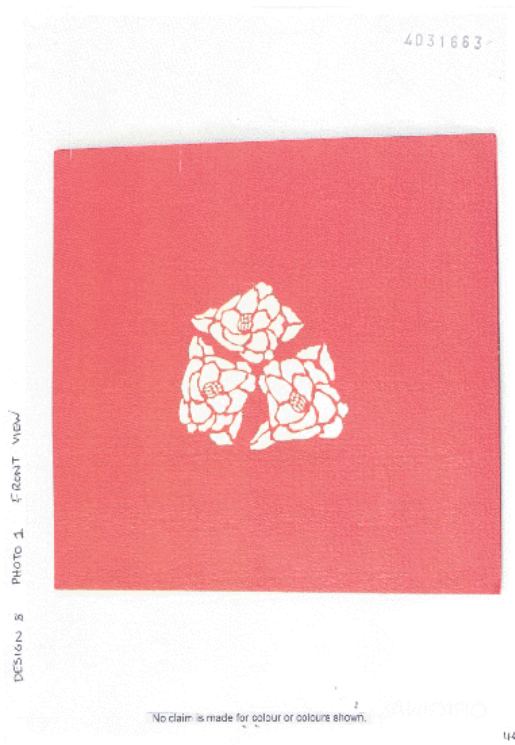
Registration 4031662:



Alleged prior art:



Registration 4031663:



Alleged prior art:



Registration 4031665:



Alleged prior art:



Registration 4031670:



Alleged prior art:

