

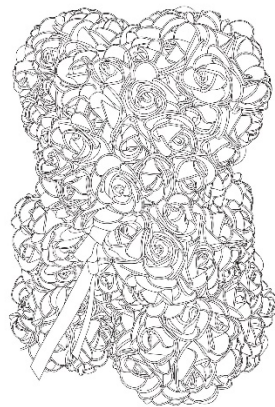
**O/522/22**

**REGISTERED DESIGNS ACT 1949**

**IN THE MATTER OF:**

**REGISTERED DESIGN NO 6092575**

**IN THE NAME OF YIWU HONGYU TRADING COMPANY  
IN RESPECT OF THE FOLLOWING DESIGN**

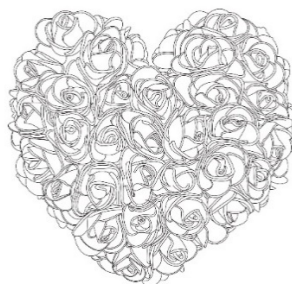
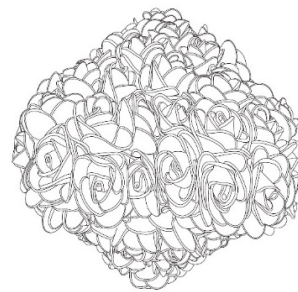
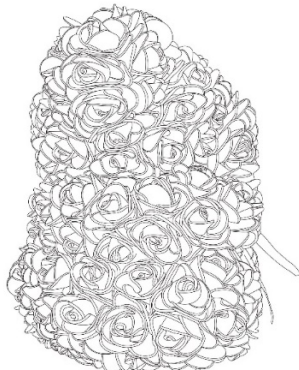
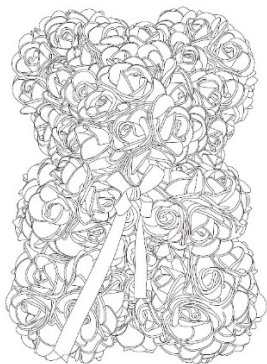
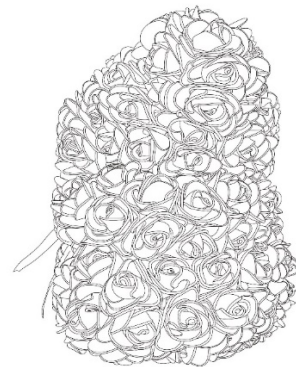
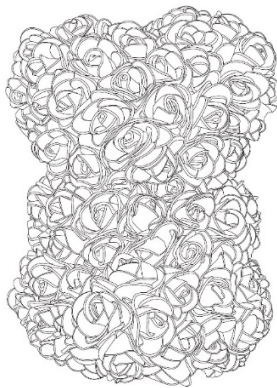


**AND**

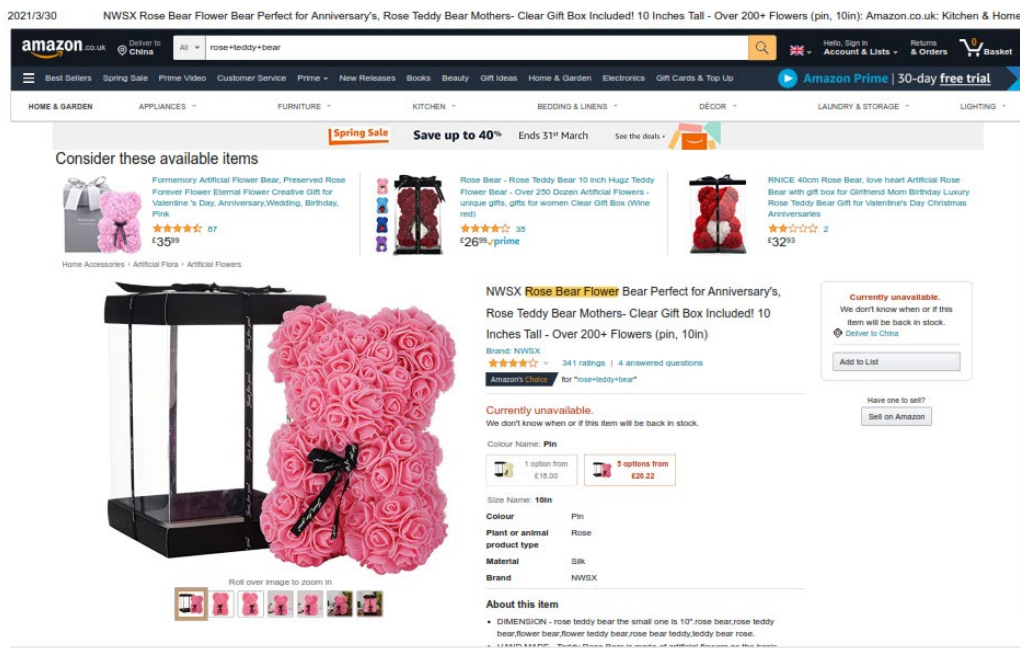
**AN APPLICATION FOR INVALIDATION (NO 21/21)  
BY ZHI YAO**

## Background and pleadings

1. Yiwu Hongyu Trading Company (“the registered proprietor”) filed application no. 6092575 for a registered design for a rose bear in Class 11, Sub class 04 of the Locarno Classification (Articles of Adornment/Artificial flowers, fruit and plants) on 18 June 2020. It was registered with effect from that date and is depicted in the following representations:



2. On 6 May 2021, Zhi Yao (“the applicant”) applied for the registered design to be invalidated under section 11ZA(1)(b) of the Registered Designs Act 1949 (“the Act”), on the grounds that the design was not new and/or did not have individual character, as required by section 1B of the Act. The applicant claims that an identical or similar design had already been made available to the public before the filing date. The claimed prior art had, the applicant said, been available on the Amazon website since 23 June 2019. The listing is reproduced below:



3. The registered proprietor filed a counterstatement to the application for invalidation on 16 July 2021. It does not deny the claim that the designs are identical or similar but contends that the prior disclosure was a permitted disclosure under section 1B(6)(d) of the Act as it had been made during the period of 12 months preceding the filing date by a third party in consequence of information it had itself provided. It states that the alleged prior disclosure was made by another party whose business name is recorded on the platform as yiwushikehuidianzishangwuyouxiangongsi.<sup>1</sup> The proprietor states that the English name of this company is Yiwu Kehui Electronic Commerce Co., Ltd., and that they are partner companies.

<sup>1</sup> Registered proprietor’s defence, page 2.

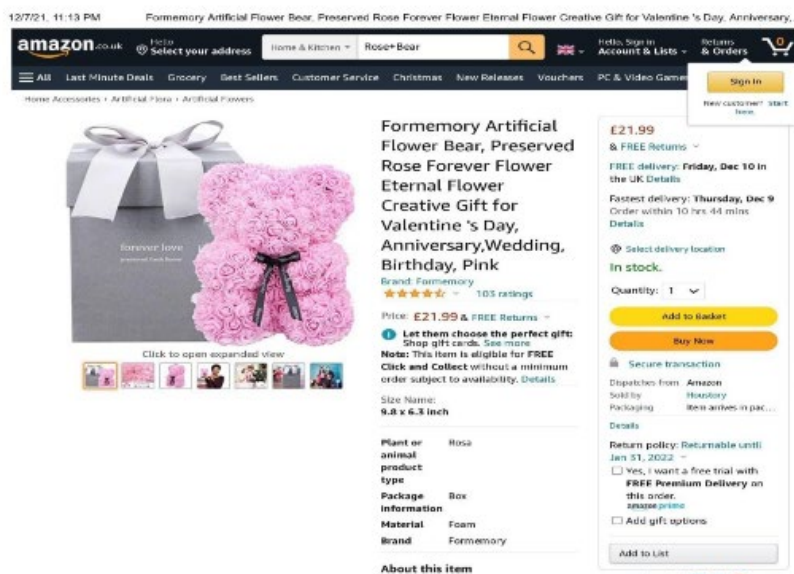
4. The evidence of a relationship between the parties is a document entitled “Statement of Partnership” which has been submitted with the registered proprietor’s defence. The document was signed by representatives of each company on 5 July 2021 and states:

“The both Parties declare that Party A and Party B are partner companies, which means they share same supply chains, selling channels, warehouses, staffs and intellectual property as well.

Especially, the both Parties declare that the disclosure of the product of ASIN B0895DG53J4 was made by Party A since **23 June 2019** at the earliest in consequence of information provided by Party B. And, Party B filed the UK design application 6092575 on **18 June 2020** according to the design of the product of ASIN B0895DG5J4.”

5. The proprietor also provides copies of what it states are business licences for the two companies, along with uncertified translations.

6. On 21 January 2022, the applicant filed evidence stating that it had been selling the Formemory Artificial Flower Bear in the UK since 15 December 2018:<sup>2</sup>



<sup>2</sup> Exhibit ZY1.

7. The applicant also filed written submissions on the same day. I shall refer to these where appropriate during the course of my decision.

8. The proprietor filed written submissions on 28 February 2022 reiterating its defence and requesting that the Tribunal ignore the additional evidence shown above as the Formemory Artificial Flower Bear had not been mentioned in the original pleadings and so in its view this evidence did not comply with proper procedure. I shall return to this point later if necessary.

9. Neither side requested a hearing and so I have taken this decision after a careful consideration of the papers before me. In these proceedings, the applicant is represented by Brealant Limited and the registered proprietor by Monyin Lin Chien.

## **Decision**

10. Section 11ZA(1)(b) of the Act states that:

“The registration of a design may be declared invalid–

...

(b) On the ground that it does not fulfil the requirements of sections 1B to 1D of this Act”.

11. Section 1B of the Act is as follows:

“(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 or no 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 geographical area comprising the United Kingdom and 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 conditions 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 period of 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.

...”

12. Section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Registered Designs Act 1949 relied on in these proceedings are derived from an EU Directive. This is why this decision makes reference to the design case law of EU courts.

13. I have already noted that the proprietor has not denied that the registered design and the design sold on Amazon are either identical or similar. “Similar” is, of course, not a term that is used in section 1B of the Act, but I note that the proprietor has made no attempt to mount a claim that the designs create a different overall impression on the informed user. Instead, its defence rests purely on the claim that the earlier disclosure was a permitted disclosure under section 1B(6)(d). This is in my view tantamount to an acceptance on the part of the proprietor that the registered design is not new and/or did not have individual character when compared with the claimed prior art. In case I am wrong in this view, I shall consider, first, whether the registered design meets the requirements of section 1B(1) of the Act.

14. Section 1B(2) of the Act states that a design has novelty if no identical design or no design differing only in immaterial details has been made available to the public

before the relevant date. In *Shnuggle Limited v Munchkin, Inc & Anor* [2019] EWHC 3149 (IPEC), HHJ Melissa Clarke, sitting as a Judge of the High Court, said:

“‘Immaterial details’ means ‘only minor and trivial in nature, not affecting overall appearance’. This is an objective test. The design must be considered as a whole. It will be new if some part of it differs from any earlier design in some material respect, even if some or all of the design features, if considered individually, would not be.”<sup>3</sup>

15. The features of the registered design are as follows:

- The shape is that of a seated teddy bear, with its front paws directly above its back paws;
- All four legs are short;
- There is a very slight curve down the back of the bear;
- The ears of the bear are large and rounded and appear to be placed along the full side of the head;
- The length of the head is between 1 and 1.5 times the length of the body;
- At its widest point, the width of the head is around the same as the length of the body;
- Viewed from above, the shape protrudes at the centre of the front (presumably being the snout) and the back;
- Viewed from below, the design has the shape of a heart;
- The bear is made from tightly packed opened rosebuds, with the tops of the flowers pointing in different directions; and
- There is a ribbon at the centre of the neck, tied in a bow, with one end longer than the other.

16. The representations of the registered design are line drawings, so when I compare it to the disclosure shown in paragraph 2 above, it is the shape alone that I am to consider. Features such as colour are not relevant. I only have one view of the

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<sup>3</sup> Paragraph 26.



disclosure. While there are some thumbnails, these are very small and do not cover all the angles shown in the representations of the registered design.

17. In *Framery Oy v European Union Intellectual Property Office (EUIPO)*, T-373/20, the General Court (“GC”) said:

“It should be noted that, as regards the assessment of disclosure for the purposes of Article 7 of Regulation No 6/2002, it is not apparent from that regulation that the representation of the earlier design at issue must include views reproducing it from all possible angles, so long as that representation allows the shape and the features of the design to be identified (see, to that effect, judgment of 29 April 2020, *Bergslagernas Järnvaru v EUIPO – Scheppach Fabrikation von Holzbearbeitungsmaschinen (Wood-splitting tool)*, T-73/19, not published, EU:T:2020:157, paragraph 42 and the case-law cited).”<sup>4</sup>

18. While I note that this judgment was given after the end of the Brexit transition period, I find it persuasive. The bear in the prior disclosure shares the same proportions and shape as the registered design, as well as being made of roses and sporting a ribbon tied in a bow. One tail of the bow does not appear to be longer than the other, but in my view this is a trivial detail that would go unnoticed by the user of the product. The back of the bear is not visible, but I consider that the product would generally be displayed with the front showing. I find that the designs are identical or, if I am wrong in this, differ only in immaterial details and so the registered design is not new (and therefore invalid), unless it can be shown that the disclosure was a permitted one.

19. The applicant submits that the proprietor’s claim that the prior disclosure was a permitted disclosure under section 1B(6)(d) of the Act, as it had been made during the period of 12 months preceding the filing date by a third party in consequence of information it had itself provided, is “*untenable*”. It continues:

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<sup>4</sup> Paragraph 23.

“The ‘grace period’ provisions set out above refer to and provide protection against acts done by ‘the designer or any successor in title’. While there is no explicit requirement that the applicant for registration must be the designer or a successor in title to the design, the Applicant believes that it is necessary that a proof from the designer or its successor in interest authorizing the Proprietor to register the design. When an authority is absent in the registration of the design, an interpretation may be drawn by anyone, who professes to be the designer, that it has been wrongfully registered.

Moreover, the Applicant believes the Statement of Partnership provided by the Proprietor does not in any way grant authority to the Proprietor to register the design. Being partner in a company does not automatically entitles the company to register its IP assets under another party’s name.”<sup>5</sup>

20. While the exact nature of the applicant’s challenge is not entirely clear to me, I understand the applicant to be submitting that the proprietor was not the author of the design and – in the absence of evidence of authority from the author or its successor in title – the proprietor was not entitled to register it.

21. In the words of Mr Martin Howe QC, sitting as the Appointed Person in *Kailijumei Limited v Egidius Sipavicius (JELLY LIPSTICK)*, BL O-062-20, the provisions of section 1B(6) “*faithfully replicate*” the wording of the EU Directive from which they are derived.<sup>6</sup> In *Sphere Time v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-68/10, the GC interpreted the corresponding provisions of the Community Designs Regulation (EC) No. 6/2002 as follows:

“24. In relation, firstly, to the applicability of Article 7(2) of Regulation No 6/2002 to this case, it should be noted that the objective of that provision is to offer a creator or his successor in title the opportunity to market a design, for a period of 12 months, before having to proceed with formalities of a filing.

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<sup>5</sup> Written submissions, page 2.

<sup>6</sup> Paragraph 23.

25. Thus, during that period, the creator or his successor in title may ascertain that the design concerned is a commercial success before incurring the costs relating to registration, without fear that the disclosure that takes place at that time may be successfully raised during any invalidity proceedings brought after the possible registration of the design concerned.

26. It is apparent from the foregoing that, for Article 7(2) of Regulation No 6/2002 to be applicable in the context of invalidity proceedings, the owner of the design that is the subject of the application for invalidity must establish that it is either the creator of the design upon which that application is based or the successor in title to that creator.”

22. Section 17(8) of the Act states that:

“The register shall be prima facie evidence of anything required or authorised by this Act to be entered into it and in Scotland shall be sufficient evidence of any such thing.”

23. There is no material evidence that leads me to disturb the *prima facie* presumption that Yiwu Hongyu Trading Company was entitled to make the application for registration, as either the creator of the design or its successor in title, and to be entered in the register as the proprietor of that design. Certainly, no alternative claim has been made as to ownership.

24. While the proprietor claims that the prior disclosure was made in consequence of information it gave to Yiwu Kehui Electronic Commerce Co., Ltd, nowhere does it state what this information was supposed to have been or give any contemporaneous evidence of a connection between the two companies. The statement of partnership was, as I have already noted, signed on 5 July 2021, and so after the application to invalidate the design had been filed. In the absence of supporting contemporary documentary evidence, its probative value is limited. I am unable to find that the earlier disclosure was a permitted disclosure and so the design is invalid because it was not new and did not have individual character over that prior art. Therefore, I do not need to consider the applicant’s evidence referred to in paragraph 6 above.

## **Conclusions**

25. Design no. 6092575 is declared invalid.

## **Costs**

26. The applicant has been successful and is entitled to a contribution towards the costs of the proceedings in line with the scale of costs set out in Tribunal Practice Notice 2/2006. I award the applicant the sum of £248 as a contribution towards the costs of the proceedings. As the applicant's evidence played no part in my decision, I decline to award a contribution to the costs of preparing it.<sup>7</sup> The sum is calculated as follows:

*Preparing a statement and considering the other side's statement: £200*

*Official fees: £48*

*Total: £248*

27. I order Yiwu Hongyu Trading Company to pay Zhi Yao the sum of £248. This sum is to be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings if the appeal is unsuccessful.

**Dated this 17<sup>th</sup> day of June 2022**

**Clare Boucher**

**For the Registrar,**

**The Comptroller-General**

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<sup>7</sup> As well as the images of the Formemory bear, the applicant's evidence included extracts from the Chinese Law on Partnership.