



Neutral Citation Number: [2024] EWCA Civ 178

Case No: CA-2023-000521

IN THE COURT OF APPEAL (CIVIL DIVISION)
ON APPEAL FROM THE HIGH COURT OF JUSTICE, BUSINESS AND PROPERTY
COURTS OF ENGLAND AND WALES, INTELLECTUAL PROPERTY ENTERPRISE
COURT

His Honour Judge Hacon
[2023] EWHC 178 (IPEC)

Royal Courts of Justice
Strand, London, WC2A 2LL

Date: 27 February 2024

Before :

LORD JUSTICE LEWISON
LORD JUSTICE MOYLAN
and
LORD JUSTICE ARNOLD

Between :

MARKS AND SPENCER PLC

**Claimant/
Respondent**

- and -

ALDI STORES LIMITED

**Defendant/
Appellant**

Michael Edenborough KC and Thomas Elias (instructed by Freeths LLP) for the Appellant
Douglas Campbell KC and Daniel Selmi (instructed by Stobbs (IP) Ltd) for the Respondent

Hearing date : 23 January 2023

Approved Judgment

This judgment was handed down remotely at 10.30am on 27 February 2024 by circulation to the parties or their representatives by e-mail and by release to the National Archives.

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Lord Justice Arnold:

Introduction



1. This is an appeal by the Defendant (“Aldi”) against an order of His Honour Judge Hacon sitting in the Intellectual Property Enterprise Court dated 24 February 2023 granting the Claimant (“M&S”) relief for infringement of United Kingdom Registered Designs Nos. 6134278, 6134280, 6134282 and 6134284 (“the Registered Designs”) for the reasons given by the judge in his judgment dated 31 January 2023 [2023] EWHC 178 (IPEC). The judge granted Aldi permission to appeal on five grounds and I subsequently granted permission on a further two grounds. M&S has filed a respondent’s notice raising one ground. At the hearing of the appeal we had the benefit of arguments presented by all four counsel.
2. The appeal raises issues of law under the Registered Designs Act 1949 as amended to give effect to European Parliament and Council Directive 98/71/EC of 13 October 1998 on the legal protection of designs (“the Designs Directive”). Neither party suggested that any of the issues was affected by Brexit.

Background

3. The Registered Designs protect a product range for the Christmas market introduced by M&S in the autumn of 2020. This consists of gin-based flavoured liqueurs sold in a festively-decorated bottle containing edible gold flakes which become suspended in the liquid when the bottle is shaken, thereby producing an appearance akin to that of a golden snow globe. In the base of the bottle there is an LED (light-emitting diode) which, when turned on, illuminates the contents of the bottle, and in particular the gold flakes if they have been shaken up. The flavours included clementine.
4. In November 2021 Aldi launched a rival gin-based flavoured liqueur product range sold in a decorated bottle containing gold flakes and an LED. There were two flavours, clementine and blackberry, which were sold in bottles with differently-coloured decoration.

The Registered Designs

5. The Registered Designs are shown below. They were filed on 29 April 2021 claiming a priority date of 15 December 2020. There is no challenge by Aldi to the claim to priority or to the validity of the Registered Designs.

UK Design Number	Illustrations
6134278 ("UK 78")	 Two glass bottles with cork stoppers, each containing a gold-leafed illustration of a forest scene. The left bottle shows a deer in a forest with trees. The right bottle shows a similar forest scene with a tree and a path.
6134280 ("UK 80")	 Two glass bottles with cork stoppers, each containing a gold-leafed illustration of a forest scene. The left bottle shows a deer in a forest with trees. The right bottle shows a similar forest scene with a tree and a path. Both bottles have a significant amount of gold flakes or glitter suspended in the liquid.



The products complained of

6. The products complained of are shown below.



Appeal ground 6 and the respondent's notice: interpretation of the Registered Designs

7. The scope of protection of a registered design depends on the proper interpretation of the registration, and in particular of the images included in that registration: see *Magmatic Ltd v PMS International Group plc* [2016] UKSC 12, [2016] Bus LR 371 at [30] (Lord Neuberger of Abbotsbury). The design must be interpreted objectively. The circumstances pertaining to the conduct of the proprietor of the design, and by

extension the intention of the designer, are not relevant: see Case C-488/10 *Celaya Emparanza y Galdos Internacional SA v Proyectos Integrales de Balizamiento SL* [EU:C:2012:88] at [55].

8. Where, as in the present case, the images are photographs of a product, the design claimed consists of the features of the product - the lines, contours, colours, shape, texture, materials and/or ornamentation (see section 1(2) of the 1949 Act) - visible in the photographs.
9. Aldi's ground 6 and M&S's respondent's notice both concern the judge's interpretation of the Registered Designs. The judge stated at [11] that "[t]he point at issue is whether one of the features of each of the RDs in suit is an integrated light in the base of the bottle". His assessment at [17] was as follows:

"I was pressed by Mr Selmi for M&S to look at the images of the four RDs in suit as they appear online on the ground that the images there more clearly show the integrated light feature. To my eye the two registrations with images created against a dark background, i.e. UK 82 and UK 84, show the integrated light feature, the other two do not."
10. Aldi's ground 6 is that the judge gave no reasons for concluding that UK 82 and UK 84 have "images created against a dark background" and was wrong to do so. As junior counsel for Aldi made clear in his oral submissions on this issue, Aldi's real complaint is that there was an additional issue between the parties which the judge failed to address. Aldi's case is that what UK 82 and UK 84 show are a dark-coloured bottle and/or a dark-coloured liquid. It is not in dispute that this was both a pleaded issue and one pursued by Aldi in its submissions at trial.
11. M&S contends that the judge was at least entitled to find that UK 82 and UK 84 have dark backgrounds; but that, if the Court is justified in reconsidering that finding, then it should reconsider his finding that UK 78 and UK 80 do not show a light. M&S points out that the judge gave no more reasons for reaching this conclusion than he did for concluding that UK 82 and UK 84 have dark backgrounds. Aldi does not challenge the judge's finding that UK 82 and UK 84 do show a light.
12. In my judgment it is necessary for this Court to reconsider both findings. The judge did not address Aldi's case that UK 82 and UK84 show a dark-coloured bottle and/or a dark-coloured liquid. Nor did he give any reasons for finding that UK 82 and UK 84 show a light, but UK 78 and UK 80 do not.
13. In assessing these questions, it is important to bear in mind that, although it is in fact the case that all of the Registered Designs depict the same product, M&S chose to obtain four distinct registrations. Each of those registrations must be separately considered, and it is impermissible to interpret one registration by reference to another, still less to amalgamate them. On the other hand, it is permissible in each case to consider the two images together, since they form part of the same registration and show the same design from different perspectives.
14. Although the judge did not explicitly say that he had taken up the invitation to view the images online (i.e. accessing the illustrations forming part of the register entries

for each of the Registered Designs via the United Kingdom Intellectual Property Office website), I presume that he did so. I have done so myself. This has the advantage that it is possible to see the images more clearly and at an enlarged scale compared to the copies set out above.

15. I shall first consider whether UK 82 and UK 84 show a dark-coloured bottle and/or a dark-coloured liquid, as Aldi contends, or a clear bottle filled with a clear liquid photographed against a dark background, as M&S contends. In my view it is tolerably clear from inspection of the images that M&S is correct. They do not show a dark-coloured bottle because one can see that the glass is clear at the top of the bottle where the stopper has been inserted, at the neck of the bottle and where the dimple in the base of the bottle is. They do not show a dark-coloured liquid in a clear bottle because no gap between the top of the liquid and the stopper is visible and because, at least in the square-on images, the printed scene on the reverse side of the bottle is as crisp as the scene on the obverse. On the other hand, the visual evidence is entirely consistent with the proposition that what one is looking at is a clear bottle filled with a clear liquid photographed against a dark background. Junior counsel for Aldi suggested that this is disproved by the absence of a dark background outside the outlines of the bottle and stopper, but I disagree: it is clear that all of the images have been edited to remove the background outside those outlines.
16. As for whether UK 78 and UK 80 show a light, in my view it is tolerably clear from inspection of the images that they do, particularly in the case of UK 80. The printed band of scenery appears to be continuous, and yet the scenery on the obverse is off-white in colour while the scenery on the reverse is golden in colour. Furthermore, the neck of the bottle has a golden shimmer. And in the case of UK 80, the flakes are illuminated. Taken together, these features suggest an internal source of illumination. Moreover, the images taken from an angled perspective in both UK 78 and UK 80 show a dimple in the base of the bottle which appears to have a light within it, particularly in the case of UK 78. I would add that I find it difficult to understand, based on the visual evidence, why one would conclude that UK 82 and UK 84 had a light, but not UK 78 and UK 80.
17. My conclusion on both of these issues is confirmed by inspection of an example of the M&S products. The judge said at [14] that products manufactured by the proprietor to which design has been applied are “irrelevant to interpretation of the design”, but this is incorrect. The Court of Justice of the European Union held in Case C-281/10 *PepsiCo Inc v Grupo Promer Mon Graphic SA* [EU:C:2011:679] at [73] that “it is not mistaken, in the assessment of the overall impression of the designs at issue, to take account of the goods actually marketed which correspond to those designs”. As the Court of Justice went on to say at [74], it is certainly permissible to use the products “to confirm the conclusions already drawn” from the designs. Consistently with this, in both *Proctor & Gamble Co v Reckitt Benckiser (UK) Ltd* [2007] EWCA Civ 936, [2008] FSR 8 and *Dyson Ltd v Vax Ltd* [2011] EWCA Civ 1206, [2012] FSR 4 the Court of Appeal had regard to physical embodiments of the designs in issue: see *Procter & Gamble* at [12] (Jacob LJ) and *Dyson* at [4]-[5] (Jacob LJ). It is different if the product marketed by the proprietor differs from the design, as Jacob LJ noted in *Samsung Electronics (UK) Ltd v Apple Inc* [2012] EWCA Civ 1339, [2013] FSR 9 at [4]. In the present case, however, the M&S products only differ

from the designs in that the neck of the bottle bears a “watch-strap” label of the same kind as the Aldi products whereas this is absent from the designs.

18. My conclusion on the second issue is reinforced by a further point. When the matter was before the judge, he noted at [15]-[16] that each of the Registered Designs included the words “Light Up Gin Bottle” under the heading “Description”. As the judge explained, the provision of a “description” is optional under the relevant rules, and if provided does not affect the scope of protection. The judge raised, but did not decide, the question whether a “description” could be relied upon to resolve an ambiguity as to what is shown in an image registered as a design. The judge went on to note at [22] that, contrary to the requirement imposed by rule 5(2) of the Registered Designs Rules 2006, corresponding to Article 36(2) of Council Regulation 6/2002/EC of 12 December 2001 on Community designs (“the CD Regulation”), none of the Registered Designs specified the product to which the design was intended to be applied or in which it was intended to be incorporated.
19. By the time of the hearing before this Court, however, the state of the register appeared to have changed: in each case the words “Light Up Gin Bottle” appeared under the heading “Indication of Product”. Upon enquiry, the UKIPO explained that on or around 21 April 2023 it had updated its online registered designs viewing tool because it had become aware that “indication of product” information being provided by applicants was being mislabelled as a “description” on the online viewing service. There is no dispute that, in fact, the applications for each of the Registered Designs included the statement “Light Up Gin Bottle” as an “indication of product”.
20. This leads to a different question to the one considered by the judge at [15]-[16]: can the “indication of product” be relied on to resolve an ambiguity as to what is shown in an image, and in that sense to assist in the interpretation of the design? Article 36(6) of the CD Regulation provides the indication of product “shall not affect the scope of the protection as such”. In *Green Lane Products Ltd v PMS International Group Ltd* [2008] EWCA Civ 358, [2008] FSR 28 Jacob LJ said at [47] that he did not think that Article 36(2) “is intended to affect legal rights at all, whether by way of the definition of scope of protection, or validity, which in a real sense is also part of the protection or otherwise”. On the other hand, Stone, *European Union Design Law* (2nd ed) points out at 15.83 that the purposes of requiring an indication of product are “for classification of the RCD, to enable the right fees to be charged, and *to ensure, as far as possible, that a third party searching for designs in a given product category is able to find it* [emphasis added]”. Mr Stone also notes that the Board of Appeal of what is now the European Union Intellectual Property Office and the General Court have held that the indication of product can be relied on for purposes other than defining the scope of protection (although Mr Stone is critical of these decisions): see Case R 1421/2006-3 *Casio KKK* (unreported, 5 July 2007) at [19]-[22] and Case T-9/07 *Grupo Promo Mon Graphic SA v Office for Harmonisation in the Internal Market* [2010] ECR II-981 at [66]-[70] (affd. Case C-281/10 P [2011] ECR I-10513).
21. In my view the purpose identified by Mr Stone in the italicised passage quoted above leads to the conclusion that, at least in a case such as the present one, the “indication of product” can be relied upon to resolve an ambiguity as to what is shown in the image, and in that sense to assist in the interpretation of the design. If a third party is searching the register for designs of bottles incorporating a light, they may be uncertain purely from inspecting the images in the Registered Designs whether they

depict such a light. If so, the statement that the product to which the designs are intended to be applied is a “light up gin bottle” provides an unambiguous answer to the question.

22. The consequence of my conclusions on these issues is that attention can be focussed on UK 78 and UK 80, since UK 82 and UK 84 add nothing to M&S’s case on this basis. I do not understand it to be in dispute that the difference between UK 78 and UK 80 is that the former shows the product when the gold flakes have settled on the bottom of the bottle, whereas the latter shows the product when the gold flakes have been shaken up.

The judge’s approach to the assessment of infringement

23. Section 7(1) of the 1949 Act gives the proprietor of a registered design “the exclusive right to use the design and any design which does not produce on the informed user a different overall impression”. Thus the issue on infringement is whether the designs of Aldi’s products produce on the informed user a different overall impression to each of the Registered Designs, considered separately.
24. The judge followed the same approach to the assessment of this question which he had previously set out in *Cantel Medical (UK) Ltd v ARC Medical Design Ltd* [2018] EWHC 345 (Pat) based on the authorities discussed in that judgment. This consists of four stages:
 - (1) Identify the sector to which the products in which the designs are intended to be incorporated or to which they are intended to be applied belong.
 - (2) Identify the informed user, and having done so determine (a) the degree of the informed user’s awareness of the prior art and (b) the level of attention paid by the informed user in the comparison, direct if possible, of the designs.
 - (3) Determine the designer’s degree of freedom in developing his design.
 - (4) Assess the outcome of the comparison between the registered design and the contested design, taking into account (a) the sector in question, (b) the designer’s degree of freedom and (c) the overall impressions produced by the designs on the informed user, who will have in mind any earlier designs which have been made available to the public (the “design corpus”), but ignoring (d) features of the designs which are solely dictated by technical function. It should be borne in mind that (e) the informed user may in some cases discriminate between elements of the respective designs, attaching different degrees of importance to similarities or differences. This can depend on the practical significance of the relevant part of the product, the extent to which it would be seen in use, or on other matters.
25. There is no dispute on this appeal as to the correctness of the approach I have set out in the preceding paragraph.
26. As the judge noted, the relevance of the design corpus was explained by Jacob LJ in *Procter & Gamble* at [35] as follows:

- “iii) ... if a new design is markedly different from anything that has gone before, it is likely to have a greater overall visual impact than if it is ‘surrounded by kindred prior art.’ ... It follows that the ‘overall impression’ created by such a design will be more significant and the room for differences which do not create a substantially different overall impression is greater. So protection for a striking novel product will be correspondingly greater than for a product which is incrementally different from the prior art, though different enough to have its own individual character and thus be validly registered.
- iv) On the other hand it does not follow, in a case of markedly new design (or indeed any design) that it is sufficient to ask ‘is the alleged infringement closer to the registered design or to the prior art’, if the former infringement, if the latter not. The test remains ‘is the overall impression different?’”

27. The judge held that, where there was a valid priority date, the comparison of overall impressions was to be undertaken as at the priority date.
28. The judge also held that a disclosure by the designer (or their successor in title) of any design at all in the grace period did not count as a prior disclosure for the purposes of either validity or infringement.

The judge’s assessment

29. The judge’s assessment may be summarised as follows.
30. *The relevant sector.* The relevant sector was, as Aldi contended, spirits and liqueurs in the UK.
31. *The informed user.* It is common ground that the informed user is a consumer. It followed from the judge’s identification of the relevant sector that the informed user was a UK purchaser and consumer of spirits and liqueurs. As an informed user, the user would exercise a relatively high degree of attention compared to the average consumer who is the touchstone in trade mark law.
32. *The designer’s degree of freedom.* If a snow effect was to be used, it had to be created by the use of gold flakes. The aperture of the bottle had to accommodate the injection of the liqueur with gold flakes in it, but there was no reason to suppose that this was much of a limitation. If a design was to be printed on the side of the bottle, it would be simpler to print on a straight side. The more colours the design had, the more expensive production would be. Otherwise, the designer had considerable freedom, particularly with regard to the shape of the bottle and the design to be printed on it.
33. As to the design on the side of the bottle, if gold snow was to be used in the liquid and if a design was to be printed on the side of the bottle, it made sense to have a winter design. But there was almost complete freedom as to how to make a design look wintry.

34. There was no design constraint requiring the liqueur to be illuminated. There would be no other practical place to put a light other than in the base of the bottle, but that required the choice of a light in the first place.
35. *Features solely dictated by technical function.* Although Aldi argued that four features of the designs were solely dictated by technical function, all four features were aspects or consequences of aesthetic choices made by the designer.
36. *The relevance of branding.* The Aldi bottles bear the words “The INFUSIONIST Small Batch”. This was relied on by Aldi as a difference from the Registered Designs in which no words appear. The judge’s assessment was that the word “INFUSIONIST” was clear enough to make an impression, whereas the words “The” and “Small Batch” were less conspicuous and played no significant additional part in the overall impression of the designs.
37. *Effect of the priority date and grace period.* The judge found that a number of designs relied on by Aldi did not form part of the design corpus due to the effect of the priority date (15 December 2020) and the grace period (which started on 15 December 2019).
38. *The design corpus.* The judge reproduced images of 33 bottles in [70] and [71] which represented a small proportion of the totality of the design corpus. Excluding M&S’s products, four bottles with an integrated light were marketed before December 2020, but none with a shape like that of the Registered Designs. Five members of the corpus had a snow effect of some sort, none with a bottle shape similar to that of the Registered Designs. Two had both a snow effect and an integrated light. Saverglass, the manufacturer of the bottles supplied to M&S, had a UK registered design for the shape of those bottles (referred to as the “botanics” shape) which formed part of the corpus. Of the totality of the design corpus, excluding M&S designs made available in the grace period, only the M&S 2019 Snow Globe shown in [33] had the botanics shape and a snow effect (but no integrated light).
39. *Comparison of the overall impressions.* The judge expressed his assessment of the comparison as follows:
 - “80. The features that the informed user would note as being in common between the RDs in suit and the Aldi bottle are these:
 - (1) The identical shapes of the two bottles. The informed user would pay little attention to the fact that both have in part straight sides. That is true of the vast majority of the spirit bottles shown in the evidence. The informed user would take into account that for economic reasons the range of bottle shapes for spirits and liqueurs does not extend to every functional and aesthetic possibility. However, this would not detract from the apparent identity in shape when measured against the design corpus as a whole.
 - (2) What appear to be the identical shapes of the two stoppers.

- (3) A winter scene over the entirety of the straight portion of the side, consisting in one case entirely, and in the other case mostly, of tree silhouettes.
 - (4) In the case of UK 80 and 84, a snow effect.
 - (5) In the case of UK 82 and 84, an integrated light.
81. In my judgment and with the design corpus in mind, each of those similarities would appear significant to the informed user and cumulatively they would be striking.
82. There are differences. Aldi relied on these:
- (1) The winter scene of the RDs in suit is in white only and features a stag and a doe. On the Aldi bottles the scene is in white and a colour with trees only.
 - (2) The Aldi bottle has the “Infusionist” branding. The RDs in suit have none.
 - (3) The foregoing two features of the Aldi bottle give it a front. There is no front to the RDs in suit.
 - (4) The Aldi winter scene is brighter and busier than that on the RDs in suit.
 - (5) The Aldi stoppers have a watch strap label with the Aldi logo on the top, the RDs in suit do not.
 - (6) The Aldi stoppers are darker in shade than those of the RDs in suit.
83. Going back to the statutory test, it is whether the RDs in suit and the Aldi bottles produce a different *overall* impression. In my judgment they do not because of the features they have in common, set out above. The differences to which Aldi points are there, but they are differences of relatively minor detail which do not affect the lack of difference in the overall impressions produced by the Aldi bottles on the one hand and each of the RDs in suit on the other.”

Appeal grounds 1 and 2: the effect of the grace period

40. Ground 1 is that the judge was wrong in law to hold that disclosures by the designer of the registered design during the grace period are to be disregarded when assessing infringement, as opposed to validity. Ground 2 is that, even if disclosures of the same design are to be disregarded, alternatively disclosures of the same design and of designs which do not produce a different overall impression, the judge was wrong to hold that all disclosures by the designer are to be disregarded.
41. Section 1B of the 1949 Act provides, so far as relevant:

“Requirement of novelty and individual character

- (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.
- ...
- (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—
 - ...
 - (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;
 - ...
- (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.”

42. Thus the designer of a registered design is accorded a grace period in which he may disclose his design without such disclosure being considered relevant to the novelty or individual character of that design when registered, provided the application for registration is made no more than 12 months from the date of disclosure. Pursuant to section 1B(7) and section 14(2), where there is a valid priority date, the grace period extends back 12 months from the priority date.

43. The rationale of this provision, which derives from Article 6(2)(b) of the Designs Directive, is to allow the designer (or their successor in title) to test products embodying the design in the market before deciding whether it is desirable to apply to

register the design: see by analogy recital (20) of the CD Regulation and Case T-68/10 *Sphere Time v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:T:2011:269] at [24]-[25].

44. So far as ground 1 is concerned, the judge reasoned as follows:

“61. If one assumes that the test of overall impression in relation to any one registered design will invariably be identical for both validity and infringement, the answer must be that the grace period does apply in the context of infringement.

...

64. If the designer’s disclosure or disclosures during the grace period formed the bulk of designs in the relevant sector made available before the application (or priority) date, this would provide no barrier to a registered design being treated as new and having individual character as of that date. But if those earlier disclosures were to be considered relevant to the assessment of infringement, the protection could be reduced to a narrow scope, liable to be insufficient to cover very similar designs of competitors inspired by the designer’s earlier disclosures. The rationale of the grace period would be substantially defeated. It seems to me, therefore, that the design corpus to be considered when assessing infringement excludes the designs disclosed by the designer during the grace period. This is also consistent with the assumption referred to in paragraph 61 above (see *Procter & Gamble Co v Reckitt Benckiser (UK) Ltd* [2006] EWHC 3154 (Ch), at [26]).”

45. Leading counsel for Aldi submitted that this was wrong. Although elaborated at some length, his argument was at bottom very simple and straightforward. Section 1B(6) provides that a disclosure during the grace period is to be disregarded when assessing novelty and individual character for the purposes of determining registrability of a design, but there is no corresponding provision which applies to the assessment of infringement. It follows that it is illegitimate to exclude such disclosures when considering infringement.

46. I acknowledge that at first blush this appears to be a strong argument. Nevertheless I do not accept it. As the judge explained in [64], the purpose of the grace period would be substantially defeated if disclosures by the designer during the grace period were relevant when considering infringement. Although they would not prejudice the validity of the registered design, they would reduce its scope of protection, potentially to nil. That cannot have been what the legislature intended.

47. I am not persuaded to the contrary by the absence of any express legislative basis for excluding such disclosures when considering infringement because there is no explicit legislative basis for taking the design corpus into account for that purpose in the first place. Recital (13) of the Designs Directive states that the assessment “as to whether a design has individual character should be based on whether the overall impression produced on an informed user viewing the design clearly differs from that produced

on him by the existing design corpus”, but there is no counterpart in the recitals (let alone the operative Articles) when it comes to infringement. The courts have nevertheless concluded that the scope of protection must be affected by the design corpus: see *Dyson v Vax* [2010] EWHC 1923 (Pat), [2010] FSR 39 at [36], [38] and [39]-[41], implicitly approved on appeal at [28] and [31]. The underlying logic, as the judge pointed out, is that a registered design can only create one overall impression on the informed user, whether one is considering validity or infringement. The same point was made by Floyd LJ in *Pulseon Oy v Garmin (Europe) Ltd* [2019] EWCA Civ 138, [2019] RPC 12 at [15]. That being so, disclosures during the grace period must be disregarded for both purposes.

48. Turning to ground 2, the judge reasoned at [66]:

“Going back to the rationale for the grace period identified in *Sphere Time*, it will commonly be the case that a party wishing to see whether its design is a commercial success, before going to the expense of applying for a registered design, will make and disclose successive iterations in the course of the design’s development before finding the most successful iteration and registering that design. There were three possible intentions of the European legislature at the time the rule of the grace period was created. The first was that in such a case the party would be obliged to apply to register every iteration, including all the failures, in order to be protected. The second, proposed by David Stone, see *European Union Design Law*, 2nd ed., at paras. 10.110-111, was that the rule protects the designer from adverse consequences of any disclosure by him (or a successor in title) during the grace period of (a) the registered design or (b) any design which does not produce a different overall impression to that of the registered design. The third was that a disclosure by the proprietor of any design at all in the grace period does not count as a prior disclosure. Mr Stone indicates that this has support from a decision of the OHIM Invalidity Division (Stone at para. 10.112-113) and is likely to be the correct interpretation of art.7(2)”

49. The decision cited in *European Union Design Law* at 10.112 is Case ICD 8538 *Samsung Electronics Co Ltd v Apple Inc* (unreported, 12 June 2013). In that case the Invalidity Division of what is now the EUIPO said at [44]:

“Regarding the designs D1, D1[6] and D24, the Office consider all three disclosures excluded from the assessment for the purpose of Articles 5 and 6 CDR by virtue of Article 7(2) CDR. Design D1 is the graphical interface of an iPhone released on 09/01/2007, as discussed in the news article (the Applicants’ enclosure DAS-2 or, at least on 10/01/2001, the date of disclosure of the said article). Both the dates fall within the grace period preceding the date of priority of the RCD. There is no doubt that the disclosure was made by the RCD Holder. The Applicants, however, argue that the disclosed design is not the same design for which protection is sought, because in the

disclosed interface one icon is missing and some others are in a different order from those in the graphical interface registered as the Community design. The Holder claims that exception applies not only to the registered design but also to the designs disclosed by the designer, his successor in title or a third person, upon the information or action of the designer or his successor in title, in relation to designs which can constitute an obstacle to the novelty or individual character of the RCD. The Office agrees with the Holder. The purpose of the provision is to allow the Holder of the design to disclose it for a 12-month period before the date on which the design has to comply with the conditions of novelty and individual character. Design D1 is excluded from the assessment, pursuant to Article 7(2) CDR.”

50. As Mr Stone says, the Invalidity Division clearly adopted the second of the three interpretations identified by the judge. Mr Stone also expresses the view at 10.111 that a purposive reading of Article 7(2) of the Designs Regulation (corresponding to Article 6(2) of the Design Directive) supports this interpretation. Mr Stone does not say that the Invalidity Division adopted the third interpretation, nor does he support it. The second interpretation also has the support of the editors of *Russell-Clarke and Howe on Industrial Designs* (10th ed) at 2-144.
51. Leading counsel for Aldi submitted that the correct interpretation was the first one, alternatively the second one. Leading counsel for M&S submitted that the correct interpretation was the third one, alternatively the second one.
52. In my view the first interpretation cannot be correct having regard to the purpose of the grace period discussed above. If the designer was only protected against a disclosure of the same design (which includes a design which differs only in immaterial details), and not against a disclosure of a design which creates the same overall impression, then the registered design would lack individual character if the disclosed design created the same overall impression and therefore would not be valid. Thus the choice is between the second and third interpretations.
53. In my judgment the second interpretation is the correct one. The second interpretation protects the designer against invalidation, and against making the registration unenforceable, by disclosures during the grace period. The third interpretation goes further and protects the designer against disclosures which do not invalidate the registered design, or make it unenforceable, but which may in some cases indirectly reduce its scope of protection to some extent by virtue of their effect on the design corpus. It is true that, as leading counsel for M&S pointed out, the designer may wish to test the market with a number of different variants of a design before deciding which, if any, variant to register. On the second interpretation the designer will be fully protected with respect to both validity and infringement if all the variants create the same overall impression. As leading counsel for Aldi pointed out, however, the grace period is a limited exception to the proposition that the overall impression created by the registered design should be assessed as at the filing date or (subject to grounds 3 and 4) the priority date. As such, it should not be extended beyond its purpose. If designers test market a number of distinct designs, but only decide to register one, then they must accept the risk that the other designs may in some cases affect the scope of protection of the registered design.

Appeal grounds 3 and 4: the effect of the priority date

54. As noted above, the judge held that the overall impression of the Registered Designs should be assessed as at the priority date. Aldi appeals against this on two grounds. Ground 3 is that this was procedurally unfair because it was common ground between the parties at trial that the date of assessment was the filing date. Ground 4 is that the judge was wrong in law.
55. Section 14 of the 1949 Act provides, so far as relevant:
- “(1) An application for registration of a design or designs in respect of protection has been applied for in a convention country may be made in accordance with the provisions of this Act by a person by whom the application for protection was made or by his personal representative or assignee: Provided that no application shall be made by virtue of this section until after the expiration of six months from the date of the application for protection in a convention country or, where more than one such application for protection has been made from the date of the first application.
- (2) Where an application for registration of a design or designs is made by virtue of this section, the application shall be treated, for the purpose of determining whether (and to what extent) that or any other application for protection in the convention country or, if more than one such application was made, in the first such application.”

This gives effect to Article 4 of the Paris Convention for the Protection of Industrial Property of 1883 (as subsequently revised and amended).

56. So far as ground 3 is concerned, M&S does not dispute that it was common ground between the parties at trial that the filing date was the relevant date. Moreover, it is common ground that the judge did not raise this question with the parties prior to his judgment. Thus the issue on procedural unfairness is whether Aldi was prejudiced by the judge taking the point in that way when M&S had not done so given that it is a pure point of law. That would only be case if this had affected the evidence or arguments at trial. Leading counsel for Aldi did not press any such suggestion.
57. Turning to ground 4, leading counsel for Aldi accepted that the date of assessment was the filing date as opposed to the date of the alleged infringement for the reasons I gave in *Dyson v Vax* at [44]-[45], but disputed that it was any earlier than that. He argued that it would be illogical to assess infringement at a time when there could be no infringement, and the registered design only had effect from the filing date. Furthermore, a claim to priority was again only relevant to validity and not infringement.
58. I do not accept these arguments. The question is the date at which the overall impression of the registered design should be assessed. There is nothing illogical about holding that the overall impression of the registered design must be assessed at a date which is earlier than the date from it can be infringed. A claim to priority, like

the grace period, is relevant to both validity and infringement because it affects the overall impression of the registered design which, as discussed above, is the same for both purposes. In my view the judge was right, although it would have been better if he had raised the matter with the parties during the course of argument.

Appeal ground 5: the design corpus

59. Appeal ground 5 is premised on the success of grounds 1 or 2, alternatively grounds 3 or 4. Aldi contends that, in that event, additional designs would become part of the design corpus, which would require reconsideration of the overall impression created by the Registered Designs, which in turn would affect the infringement analysis. Although I have accepted ground 2 to the extent of holding that the second interpretation is the correct one rather than the third, this makes no material difference to the judge's assessment.
60. If Aldi had succeeded on ground 1, it would have brought one M&S design marketed in May 2020 and two M&S designs marketed in September 2020 into the design corpus. One of the September 2020 designs is identical to the Registered Designs save that it incorporates a watch-strap label, while the other is very similar. Applying the judge's approach, these designs would create the same overall impression on the informed user as the Registered Designs. Accordingly, they must be disregarded. The May 2020 design is the design referred to by the judge as the 2020 Glitter Globe (see [33]). Although this would not create the same overall impression on the informed user as the Registered Designs, it is less similar to the Registered Designs than the 2019 Snow Globe which the judge accepted was part of the design corpus, and therefore would not affect the perception of the informed user in a way which made any difference to infringement.

Appeal ground 7: the comparison

61. Since the judge's conclusion that the designs of the Aldi products produced the same overall impression on the informed user as the Registered Designs involved a multi-factorial evaluation, this Court can only intervene if he erred in law or in principle: see *Magmatic* at [24] and compare *Actavis Group PTC EHF v ICOS Corp* [2019] UKSC 15, [2019] Bus LR 1318 at [78]-[81] (Lord Hodge) and *Re Sprintroom Ltd* [2019] EWCA Civ 932, [2019] BCC 1031 at [72]-[78] (McCombe, Leggatt and Rose LJ).
62. Aldi contends that, even if it fails on grounds 1-6, the judge did fall into error. Junior counsel for Aldi concentrated his oral submissions on two points. First, he argued that the judge had not properly considered the impact of the absence of the snow effect and the integrated light on the comparison with respect to the Registered Designs which did not include those features. Secondly, he argued that the judge had given undue weight to the shapes of the bottles and stoppers, particularly given that the shape of the bottle was protected by a third party registered design and that the design corpus included bottles with similar stoppers.
63. I do not accept either of these arguments. Given that I have concluded that UK 78 and UK 80 do both include a light, that point falls away. As for the point about the snow effect, at best this would mean that Aldi infringed UK 80 (and UK 84) but not UK 78 (or UK 82). The correct approach, however, must be to compare UK 78 and UK 80

(and UK 82 and UK 84) respectively with the Aldi products in the same states. I think that is effectively what the judge did, although he did not say so explicitly. The weight to be given to the shape of the bottles and the stopper was a matter for the judge as part of his overall assessment. The fact that the shape of the bottle was protected by a third party registered design is irrelevant apart from the fact that the design therefore formed part of the design corpus which the judge took into account. He also took the stoppers in the design corpus into account. He made no error of principle in comparing the overall impressions of the Aldi products with those of the Registered Designs, and his conclusion was one that he was fully entitled to reach.

Conclusion

64. For the reasons given above I would dismiss the appeal.

Lord Justice Moylan:

65. I agree.

Lord Justice Lewison:

66. I also agree.