



**Hilary Term  
[2016] UKSC 12**

*On appeal from: [2014] EWCA Civ 181*

## **JUDGMENT**

### **PMS International Group Plc (Respondent) v Magmatic Limited (Appellant)**

**before**

**Lord Neuberger, President  
Lord Sumption  
Lord Carnwath  
Lord Hughes  
Lord Hodge**

**JUDGMENT GIVEN ON**

**9 March 2016**

**Heard on 3 November 2015**

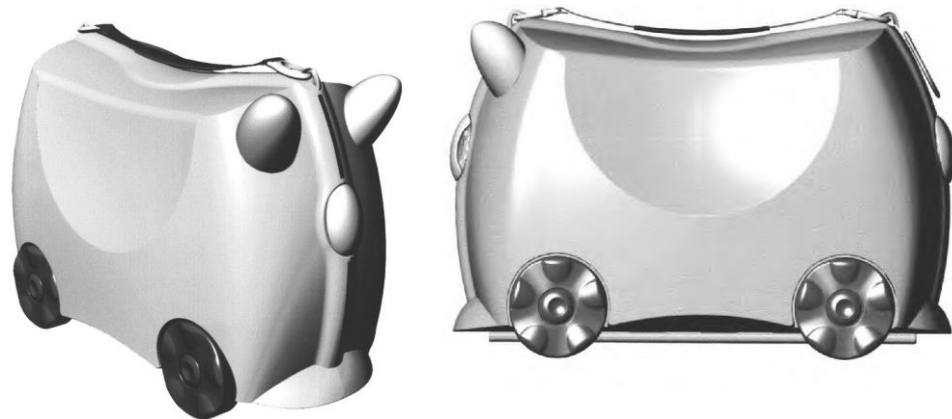
*Appellant*  
Michael Hicks  
Jonathan Moss  
(Instructed by Briffa)

*Respondent*  
Mark Vanhegan QC  
Chris Aikens  
(Instructed by Gordons  
Partnership LLP)

*Intervener (Comptroller  
General of Patents,  
Designs and Trademarks)*  
Brian Nicholson  
(Instructed by The  
Government Legal  
Department)

**LORD NEUBERGER: (with whom Lord Sumption, Lord Carnwath, Lord Hughes and Lord Hodge agree)**

1. This appeal concerns an alleged infringement of Community Registered Design No 43427-0001 (the CRD), which is owned by the appellant, Magmatic Ltd. The CRD consists of six images prepared by a 3D Computer Assisted Design (CAD) program, in monochrome, with grey-scale shading and distinct tonal contrasts. These are two of those images:



Although it might appear from these images that the horns, and possibly the front and rear clasps, are differently shaded from the body, it is clear from the six images, viewed collectively, that they are the same light grey shade as the rest of the body, whereas the wheels and spokes, the strap on the top and the strips in the front and the rear are shaded black.

2. Magmatic's founder, Robert Law, won a prize in 1998 for a design of a ride-on suitcase for children. It had four wheels and a handle, and was known as the "Rodeo". He updated the design, which he then applied to register at the Office for Harmonization in the Internal Market (OHIM), who published it on 28 October 2003 as the CRD, with the express indication that the product depicted in the six images is for use as "suitcases".

3. Since May 2004, Magmatic has (initially through a licensee and since 2006 by itself) manufactured and sold ride-on suitcases for children under the trade mark "Trunki", whose shape is very similar indeed to that shown on the CRD. The Trunki case was initially marketed with the body and strap one colour, the horns and wheels another colour, and the strips, clasps and wheel-spokes a third colour, but without ornamentation. Subsequent models had slightly different colouring and included ornamentation. Two examples of such subsequent models, which are based on

images which are contained in Community Registered Designs, applied for in 2010 by Magmatic, are shown below. The images included in these later registrations included both coloured CADs with markings and drawings with markings. Two of those registered designs included CADs shown below:



The first example has a red body, with black horns, nose, spots, bottom front, strip, handles, and wheels, and a white centre to the nose and white spokes. The second example is coloured orange, with horns, front feet, nose and wheels which are white, but with black markings, nose centre, spokes, handles and strip.

4. In February 2013, Magmatic issued proceedings seeking damages and an injunction against the respondent, PMS International Group plc, alleging that PMS was importing into, and selling in, the United Kingdom and Germany a “Kiddee Case” which infringed the CRD. These are two examples of a Kiddee Case:



5. It will be noted that in each example, the Kiddee Case is a suitcase with a number of features similar to the CRD; for instance, it is designed to look like an animal, with a wheel at each of its four bottom corners, and has a clasp at the front, and a saddle-shaped top so that it can be ridden on. On the other hand, it has

differences from the CRD, such as being brightly coloured (in the first example it has two main colours, namely, red and black, and in the second example it is orange), and with eyes in the front, and (in the first example) a group of large spots or circles towards the rear and (in the second example) stripes and whiskers, and having an unsculptured ridge and covered wheels. There are some aspects of the Kiddee Case which can be said to cut both ways in terms of similarity with the CRD: for instance it has two protuberances at the front, but they are antennae or ears rather than horns, and, while it has a ridge along the front, centre and rear, the ridge has a different shape from that of the CRD.

### *Community Design Right*

6. Community Design Right is governed by Council Regulation (EC) No 6/2002 (“the Principal Regulation”). Recital (14) of the Regulation mentions that “a design has individual character” if “the overall impression produced on an informed user viewing the design clearly differs from that produced on him by the existing design corpus, taking into consideration the nature of the product to which the design is applied ....” Recital (24) states that it is “a fundamental objective” that the procedure for registering a design “should present the minimum cost and difficulty to applicants”.

7. Article 4(1) of the Principal Regulation explains that a design “shall be protected ... to the extent that it is new and has individual character”. The word “design” is defined in article 3(a) as “the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation”. Article 6 explains that 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.” Article 10(1) states that “[t]he scope of the protection ... shall include any design which does not produce on the informed user a different overall impression.” Article 10(2) states that, when “assessing the scope of protection”, “the degree of freedom of the designer in developing his design” is to be “taken into consideration”.

8. Article 36(1) of the Principal Regulation sets out the requirements of a valid application for registration of a design, which include “a representation of the design suitable for reproduction”. Article 36(2) also requires an application to “contain an indication of the products in which the design is intended to be incorporated or to which it is intended to be applied”. Article 36(3) states that an application “may contain” various things, including “(d) the classification of the products in which the design is intended to be incorporated or to which it is intended to be applied”. Article 36(6) states that “[t]he information contained in the elements mentioned in

paragraph 2 and in paragraph 3(a) and (d) shall not affect the scope of protection of the design”.

9. Commission Regulation (EC) No 2245/2002 (“the Implementing Regulation”) implements the Principal Regulation. Article 4(1) of the Implementing Regulation states that the “representation of the design shall consist in a graphic or photographic reproduction of the design, either in black and white or in colour”. Up to seven different views of the design are permitted. Reflecting article 36 of the Principal Regulation, article 4(1)(c) of the Implementing Regulation states that “no explanatory text, wording or symbols, other than the indication ‘top’ ... may be displayed”. And article 4(1)(e) provides that the images accompanying an application to register a design “shall be of a quality permitting all the details of the matter for which protection is sought to be clearly distinguished ... for entry in the Register of Community Designs”.

10. As Jacob LJ said in *Procter & Gamble Co v Reckitt Benckiser (UK) Ltd* [2008] FSR 8, para 3:

“The most important things in a case about registered designs are:

- (1) the registered design;
- (2) the accused object; and
- (3) the prior art.

And the most important thing about each of these is what they look like.”

And at para 27, he said that “[t]he point of protecting a design is to protect that design *as a design*. So what matters is the overall impression created by it: will the user buy it, consider it or appreciate it *for its individual design*?”

*The proceedings: first instance*

11. Magmatic alleged that the Kiddee Case infringed the CRD on the ground that the Kiddee Case did not “produce on the informed user a different overall

impression” from the CRD within article 10(1) of the Principal Regulation. Magmatic also contended that the Kiddee Case infringed certain other IP rights of Magmatic, including United Kingdom unregistered design rights and copyright. PMS’s defence included a classic “squeeze”, namely the contention that, if, which it denied, the CRD covered the Kiddee Case then it also must extend to the Rodeo, and therefore it was invalid as it did not have “individual character” because it did not produce a “different overall impression” from the existing “design corpus” within article 4(1) of the Principal Regulation. The matter came on for hearing before Arnold J, and after a trial which lasted four days, he gave a reserved judgment, in which he found that the CRD was not invalid over the Rodeo, but that the Kiddee Case infringed the CRD and the UK unregistered design rights, but not the copyright - [2013] EWHC 1925 (Pat).

12. After setting out the facts, Arnold J made a number of initial findings before turning to the crucial issue of whether the Kiddee Case “produce[s] on the informed user a different overall impression” from the CRD.

13. At para 52, he rightly said that “the most important thing about each of (i) the registered design [the CRD], (ii) the accused design [the Kiddee Case] and (iii) the prior art [the Rodeo] is what they look like”. At para 55, he identified “the informed user” primarily as the parent, carer or relative of a three to six-year-old child. And at para 56, Arnold J mentioned that the only item of prior art relied on by PMS was the Rodeo which had been publicly disclosed in 1998. However, that disclosure was, he said, on too limited a basis to be part of the design corpus, which, he held in para 57, was limited to “a range of adult clamshell suitcases”. He went on at para 61 to say that, as the CRD “represents a substantial departure from the design corpus and that the designer of the CRD had considerable design freedom, it follows that, subject to the impact of the Rodeo, the CRD is entitled to a broad scope of ... protection”. Having compared the CRD with the Rodeo, Arnold J said that “PMS was right not to challenge the validity of the CRD except as part of its squeeze argument” (para 64).

14. In paras 66-69 of his judgment, Arnold J addressed the question whether, when comparing the Kiddee Case with the CRD, “the graphical designs on the surface of the Kiddee Case are to be ignored” and concluded that they were, because, as he put it in para 69, the “CRD is evidently for the shape of the suitcase, and the proper comparison is with the shape of the Kiddee Case”. In paras 70-75, he then identified and discussed the detailed similarities and differences between the CRD and the Kiddee Case. In particular, he identified 11 items of similarity including “[t]wo horns/protrusions located at the top of the front of the case”, and six features of the Kiddee Case which were absent from the CRD, although he said that two of the six, namely “[p]rominent animal markings” and “[e]yes at front” were to be ignored, as the registration in this case “was for a shape”, as he had explained in para 69. At para 76, Arnold J said that “the informed user would notice both

similarities and differences”, but that what mattered was “how those similarities and differences would affect the informed user’s overall impression”, and identified the differences as being “(i) the more rounded contours of the Kiddee Case around the seating area ..., (ii) the covered wheels of the Kiddee Case, ... (iii) the more flared areas ... around the clasps and (iv) the absence of [a] lip [at the bottom of front and rear]” in the Kiddee Case.

15. At para 77, having said that, were it not for the Rodeo, he would have had “little hesitation” in holding that the Kiddee Case “produced the same overall impression” as the CRD, Arnold J described himself as “rather more doubtful”, given that the scope of protection to be afforded to the CRD was reduced by the prior art of the Rodeo. Nonetheless, he concluded that:

“Despite the differences between the Kiddee Case and the CRD, the overall impression the Kiddee Case creates shares the slimmer, sculpted, sophisticated, modern appearance, prominent ridge and horn-like handles and clasps looking like the nose and tail of an animal which are present in the CRD, but which are absent from the Rodeo. Moreover, neither the Kiddee Case nor the CRD have anything like the handle which is a prominent feature of the Rodeo.”

*The proceedings: the Court of Appeal*

16. PMS appealed to the Court of Appeal solely on the issue of whether the Kiddee Case infringed the CRD. For reasons given by Kitchin LJ, with which Moses and Black LJ agreed, the appeal was allowed - [2014] RPC 24. Kitchin LJ considered that Arnold J had erred in two respects, and he gave his reasons in paras 47-48. Because Kitchin LJ’s reasoning in those two paragraphs is particularly reliant on what he had said in paras 41-42, it is appropriate to quote from all four paragraphs.

17. In para 41, Kitchin LJ began by saying that he thought that the judge had made two errors; he then explained that the CRD images were not “simple line drawings”, but “three dimensional images which ... show the effect of light upon [the suitcase’s] surfaces”. He continued:

“41. ... Further and importantly, the suitcase looks like a horned animal with a nose and a tail, and it does so both because of its shape and because its flanks and front are not adorned with any other imagery which counteracts or interferes



with the impression the shape creates. As Mr Vanhegan submits, the CRD is, in that sense, relatively uncluttered and it conveys a distinct visual message. Here then the first of the judge's errors can be seen: he failed to appreciate that this is a design for a suitcase which, considered as a whole, looks like a horned animal."

18. In para 42, Kitchin LJ accepted that, as the CRD images were "shown in monochrome", the design claimed "is not limited to particular colours", so that "PMS cannot point to the colour of the Kiddee Case as being a point of distinction". He continued:

"42. ... That is not the end of the analysis, however, because each of the representations shows a distinct contrast in colour between the wheels and the strap, on the one hand, and the rest of the suitcase, on the other. I have given anxious consideration to whether this is simply an artefact of the computer generation process or a visual cue to indicate that the wheels and the strap are each separate components. However, I do not find either of these alternative explanations convincing. The clasps are also separately functioning components and they are not shown in a contrasting colour and it seems to me that the wheels could perfectly well have been shown and depicted as separate components in the same colour as the rest of the body. Moreover, depicted as they are and standing as they do at the four corners of the animal, the wheels are, to my eye, a rather striking aspect of the design as a whole."

19. Kitchin LJ next discussed Arnold J's analysis, and then at para 47, he returned to his first criticism, which involved a fuller discussion of what he had said in para 41, namely:

"47. First and most importantly, it seems to me the judge failed to carry out a global comparison having regard to the nature of the CRD and the fact that it is clearly intended to create the impression of a horned animal. This is plainly one of its essential features. Necessarily, therefore, a global assessment of the CRD and the accused designs requires a consideration of the visual impression they each create and in so far as that impression is affected by the features appearing on their front and sides, it seems to me those other features must be taken into account. Thus taking the insect version of the Kiddee Case, I believe that the impression its shape creates is clearly influenced by the two

tone colouring of the body and the spots on its flanks. As a result it looks like a ladybird and the handles on its forehead look like antennae. Overall the shape conveys a completely different impression from that of the CRD. It was, in my judgment, wrong for the judge to eliminate the decoration on the accused design from his consideration entirely because it significantly affects how the shape itself strikes the eye, and the overall impression it gives. At least in the case of this particular registered design, the global comparison necessarily requires account to be taken of the context in which the accused shape appears. ...”

20. In para 48 of his judgment, Kitchin LJ identified the “second error”, as being the judge’s failure to take account of “the colour contrast between the wheels and the body of the CRD”, which Kitchin LJ had explained in para 42. He described this contrast as “a fairly striking feature of the CRD” which was “simply not present in the accused designs”, and which “was another matter which the judge ought to have taken into account in carrying out the global comparison.”

21. Although Kitchin LJ said that he had identified two errors, it is convenient, in order to understand the arguments on this appeal, to treat him as raising three criticisms. The first, discussed in para 41 and (more fully) in para 47, is that Arnold J failed to give proper weight to the overall impression of the CRD as an animal with horns, which was significantly different from the impression made by the Kiddee Case, which, in the examples shown in para 4 above, were either an insect with antennae or an animal with ears. The second criticism, also considered in para 41 and, again more fully, in para 47, is that the judge failed to take into account the effect of the lack of ornamentation on the surface of the CRD. The third criticism, in para 42 and, more summarily in para 48, is that the judge ignored the colour contrast in the CRD between the body and the wheels.

22. Given his conclusion that the judge had gone wrong in the respects he had identified in his paras 47 and 48, Kitchin LJ explained in para 49 that the Court of Appeal was free to form its own view on the central issue of whether the Kiddee Case infringed the CRD. He then turned to address that issue, and concluded, at para 53, that “the overall impression created by the two designs is very different”, and therefore decided that the Kiddee Case did not infringe the CRD. Accordingly, PMS’s appeal succeeded.

23. Magmatic now appeals to this court.

### *The appellate court's function*

24. Where it falls to a judge to determine whether an item infringes a Community Registered Design, the decision to be made is whether the item “produce[s] on the informed user a different overall impression” from the design. That is an issue which involves a “type of judgmental conclusion that often has to be reached in intellectual property cases ... [in respect of] which appellate courts should be slow to interfere with the judgment of the trial judge” - *Lucasfilm Ltd v Ainsworth* [2012] 1 AC 208, para 45 (Lord Walker and Lord Collins). To the same effect, Lord Hoffmann said in *Designers Guild Ltd v Russell Williams (Textiles) Ltd (trading as Washington DC)* [2000] 1 WLR 2416, 2423: “because the decision involves the application of a not altogether precise legal standard to a combination of features of varying importance, ... an appellate court should not reverse a judge’s decision unless he has erred in principle.”

25. Kitchin LJ was therefore right to imply in para 49 of his judgment that it was only because he had concluded that Arnold J had gone materially wrong in his approach to the issue whether the Kiddee Case infringed the CRD that the Court of Appeal could reconsider that issue. Once they had reached the conclusion that there had been material errors, it was, at least in principle, open to the Court of Appeal to consider and determine the issue for itself. In this case, correctly in my view, Magmatic does not suggest that, if, contrary to its submission, the judge erred as Kitchin LJ held, the Court of Appeal was not entitled to consider and determine the issue for itself. The Court of Appeal found that there was no infringement, and this court could only interfere with that conclusion, if we considered that Kitchin LJ had gone materially wrong in his approach - see para 24 above.

26. In these circumstances, the arguments of substance before us have been limited (and rightly so) to the questions whether the Court of Appeal’s criticisms of Arnold J’s approach, as set out in paras 41-42 and 47-48 of Kitchin LJ’s judgment, were correct. Subject to one point, if we consider that those criticisms were justified, then Magmatic’s appeal should be dismissed and the Court of Appeal’s order upheld; and if we consider that they were unjustified, Magmatic’s appeal must be allowed and Arnold J’s order restored.

### *The possibility of a reference*

27. However, although its primary argument is that its appeal should be allowed, Magmatic alternatively contends that the issues raised by what I have identified in para 21 above as the second and third criticisms, involve a point of EU law which is not *acte clair* or *acte éclairé*, and which therefore should be referred to the Court of Justice of the European Union, the CJEU. The Comptroller General of Patents,

Designs and Trade Marks, in his capacity of Registrar of Designs, while very properly taking no other position in relation to the issues on this appeal, supports the argument that there are questions which ought to be referred to the CJEU.

28. There is no doubt that, if we are of the view that this appeal could only be resolved by determining a point of EU law which has not already been determined by the CJEU (ie is not *acte éclairé*) or whose determination nonetheless leaves room for reasonable doubt (ie is not *acte clair*), then, as the final court of appeal in the United Kingdom, we would be obliged to refer it to the CJEU pursuant to article 267 of the Treaty for the Functioning of the European Union - see *CILFIT Srl v Ministero della Sanità* (Case 283/81) [1983] 1 CMLR 472. It is rightly common ground that no question of *acte éclairé* arises, so the issue in this connection is whether this appeal raises an issue of EU law which is not *acte clair* and ought to be referred.

29. I turn then to the three criticisms made by Kitchin LJ of Arnold J's judgment. The first concerns the impression created by the shape of the CRD as against the Kiddee Case. The second criticism concerns the effect on that impression of the respective presence and absence of decoration on the body of the Kiddee Case and of the CRD. The third concerns the effect of the allegedly contrasting colours of the CRD. I shall discuss these criticisms in turn, but, before doing so, it is right to consider the proper approach to the images of a community registered design as it has a significant bearing on all three criticisms.

### *The images incorporated in a Community Registered Design*

30. Article 3(a) of the Principal Regulation identifies what is meant by "design", and, unsurprisingly, it refers to the appearance, which is expressed to include a number of different factors, all, some or one of which can be included in a particular registered design. It is, of course, up to an applicant as to what features he includes in his design application. He can make an application based on all or any of "the lines, contours, colours, shape, texture ... materials ... and/or ... ornamentation" of "the product" in question. Further, he can make a large number of different applications, particularly as the Principal Regulation itself provides that applications for registration have to be cheap and simple to make. As Lewison J put it in *Procter & Gamble Co v Reckitt Benckiser (UK) Ltd* [2007] FSR 13, para 48, "[t]he registration holder is entitled to choose the level of generality at which his design is to be considered. If he chooses too general a level, his design may be invalidated by prior art. If he chooses too specific a level he may not be protected against similar designs". So, when it comes to deciding the extent of protection afforded by a particular Community Registered Design, the question must ultimately depend on the proper interpretation of the registration in issue, and in particular of the images included in that registration.

31. Accordingly, it is right to bear in mind that an applicant for a design right is entitled, within very broad limits, to submit any images which he chooses. Further, in the light of article 36(6), an applicant should appreciate that it will almost always be those images which exclusively identify the nature and extent of the monopoly which he is claiming. As Dr Martin Schlötelburg, the co-ordinator of OHIM's Designs Department, has written, "the selection of the means for representing a design is equivalent to the drafting of the claims in a patent: including features means claiming them" – *The Community Design: First Experience with Registrations* [2003] EIPR 383, 385. And, as Dr Schlötelburg went on to explain, an applicant is free to indicate which, if any, aspects of the images of a Community Registered Design are disclaimed:

"Where an applicant wishes to exclude features which are shown in the representation for explanatory purposes only, but do not form part of the claimed design, he may disclaim those auxiliary features by depicting them in broken lines (for drawings) or by means of colouring them (for black and white drawings or photos) or encircling them (for any drawing or photo)."

32. This is entirely consistent with what is stated in paragraph 4.3 of OHIM's *Manual Concerning Proceedings Before the Office for Harmonization in the Internal Market (Trade Marks and Designs), Registered Community Designs, Examination of Applications* (2nd ed, in force at the relevant time for present purposes). Over and above these considerations, it is also worth remembering that an applicant is entitled to make any number of applications. More broadly, it is for an applicant to make clear what is included and what is excluded in a registered design, and he has wide freedom as to the means he uses. It is not the task of the court to advise the applicant how it is to be done. That it may be said is a matter of practice rather than law, and if further guidance is needed it can be sought from other sources, such as OHIM.

33. So far as the presence or absence of colouring in any image is concerned, in para 32 of his judgment on this case Kitchin LJ explained that:

"[a]n application for a Community Registered Design may be filed in black and white (monochrome) or in colour. If colour forms no part of the design then it is conventional to file the design in black and white. Similarly, if a particular colour does form part of an aspect of a design then it may be filed wholly or partly in that colour. So also, if monochrome colours are a feature of the design, this can be shown by placing the design against a background of a uniform but different colour."

34. That this has long been well established is supported by Dr Schlötelburg's article, in which he wrote that "where a design is shown in colours, the colours are claimed, while a black and white drawing or photo covers all colours" - [2003] EIPR 383, 385. Accordingly, as Kitchin LJ observed at para 42 of his judgment, "the various representations [in the CRD] are shown in monochrome, and so it must be concluded that this design is not limited to particular colours", and therefore "PMS cannot point to the colour of the Kiddee Case as being a point of distinction". There is, rightly in my judgment, no challenge to that conclusion, which is consistent with what was said by the Fourth Chamber of the General Court in *Sphere Time v OHIM* (Case T-68/10) [2011] ECDR 20, para 82.

35. However, there is disagreement between Kitchin LJ and Arnold J as to the effect of the monochromatic nature and the shading on the CAD images included in the CRD in this case. In that connection, there are two disagreements. The first concerns the absence of ornamentation (which gives rise to Kitchin LJ's second criticism of Arnold J's judgment). The second disagreement is about the effect of the two tone colouring on the CRD images - mainly grey but some black (which gives rise to Kitchin LJ's third criticism of Arnold J's judgment).

36. I now turn to address the three criticisms which the Court of Appeal made of the first instance judgment.

*The Court of Appeal's first criticism: the horned animal appearance*

37. So far as the first criticism mentioned in para 21 above is concerned, Kitchin LJ's statements in paras 41 and 47 of his judgment that the overall impression given by the CRD is that of a horned animal is clearly right. Further, it is not a factor to which Arnold J specifically referred when carrying out the exercise of comparing the CRD and the Kiddee Case. Having conducted a detailed analysis of the similarities and differences between the CRD and the Kiddee Case in paras 70-75 of his judgment, he rightly focussed on "the overall impression" in para 76. In that paragraph, he identified specific items of difference, but, crucially, he did not mention the horns on the images of the CRD, let alone the horned animal appearance of those images.

38. In addition, while he rightly referred to "the overall impression" in para 77, Arnold J did not mention in that paragraph the fact that the CRD images present as a horned animal. It is true that he observed that the Kiddee Case "shares" the "horn-like handles" of the CRD, which may at first sight appear to undermine the criticism. However, it appears to me that this observation actually supports the view that the judge did not consider the horned animal impression of the CRD as being particularly distinctive for present purposes, because he wrongly seems to have

treated the antennae and ears of the Kiddee Case as “horn-like”. It is also true that, as Magmatic argues, Arnold J observed, at para 64, that the horns form an important part of the CRD’s appearance and that the clasps look much more like the nose and tail of an animal, but these were comments made when comparing the CRD with the Rodeo not with the Kiddee Case, and, in any event, they were directed to detail, not to overall impression.

39. It is unrealistic for an appellate court to expect a trial judge in every case to refer to all the points which influenced his decision. As Lord Hoffmann said in *Pigłowska v Pigłowski* [1999] 1 WLR 1360, 1372, “reasons should be read on the assumption that, unless he has demonstrated the contrary, the judge knew how he should perform his functions and which matters he should take into account”. He also rightly said that an “appellate court should resist the temptation to subvert the principle that they should not substitute their own discretion for that of the judge by a narrow textual analysis which enables them to claim that he misdirected himself”, and that applies equally to an assessment such as that required by article 10(1) of the Principal Regulation. However, when a judge has given a full and careful judgment, conscientiously identifying and specifying a significant number of points which weigh with him, an appellate court can properly conclude that his failure to mention a significant point means that he has overlooked it. That conclusion is particularly valid here, given that the point in question is more significant than many of the points which the judge mentioned, because it goes to the overall impression of the image rather than detailed features, and it is with the “overall impression” with which one is ultimately concerned - see article 10 of the Principal Regulation. And, while it is important that an appellate court should not be over-critical of any judgment, it is equally important to bear in mind that one of the main purposes of requiring a judge to give reasoned judgments is to ensure that the parties and an appellate court can see why he reached the conclusion which he did, and can assess whether he made any errors of law or fact. Accordingly, while I am in full agreement with Lord Hoffmann’s observations, I consider that the Court of Appeal was justified in its first criticism of the trial judge.

#### *The Court of Appeal’s second criticism: decoration of the Kiddee Case*

40. As he explained in paras 41 and 47 of his judgment, Kitchin LJ disagreed with Arnold J when it came to the question of the decoration on the Kiddee Case. Kitchin LJ was of the view that the fact that the CRD image was “not adorned with any ... imagery” reinforced the impression it gave of “a horned animal with a nose and a tail”. By contrast, he said, “the impression” which the shape in the first example of the Kiddee Case in para 4 above creates is “clearly influenced by the two tone colouring of the body and the spots on its flanks”, so that “it looks like a ladybird and the handles on its forehead look like antennae”. This, he said, effectively reinforced the conclusion that the Kiddee Case produced on the informed user a completely different overall impression from the horned animal embodied in

the CRD design. The same conclusion, he said, applied to the second example of the Kiddee Case, as “[t]he stripes on its flanks and the whiskers on either side of its nose immediately convey to the informed user that this is a tiger with ears. It is plainly not a horned animal.”

41. In my view, the point which Kitchin LJ was making in this second criticism was that the absence of decoration on the CRD reinforced the horned animal impression made by the CRD. In other words, he considered that it supported what I have called his first criticism of Arnold J’s judgment. In my view, there is limited force in this point, in that, unless the decoration had been positively distracting in nature, such as flashing lights, it would have been unlikely to have much effect in diluting the horned animal impression made by the CRD. However, I accept that the point has some force, in the sense that, unless it included items such as eyes and a mouth, any decoration could well detract from the animal impression, and, even if it consisted of such items, it could be said to distract the observer’s attention from the horns.

42. Magmatic, however, argued that this second criticism raised a significant question of principle, namely whether the absence of ornamentation can, as a matter of law, be a feature of a registered design, and, if so, whether it was a feature of the CRD in this case. Magmatic further argued, with the support of the Comptroller General, that this question is one which should be referred to the CJEU as it is neither *acte clair* nor *acte éclairé*. I do not agree with either argument.

43. As I have sought to explain, when making his second criticism, Kitchin LJ was not raising a free-standing contention that a feature of the CRD was that it contained no decoration. In the first place, that is not what Kitchin LJ said. Secondly, if it had been what he had intended, it would not have been expressed as part of the first criticism. Both points appear clear from what he said in para 47 of his judgment, namely that it would be wrong “to eliminate the decoration on the accused design from ... consideration entirely because it significantly affects how the shape itself strikes the eye, and the overall impression it gives. At least in the case of this particular registered design, the global comparison necessarily requires account to be taken of the context in which the accused shape appears.”

44. In those circumstances, anything I say as to whether a Community Design can include an absence of decoration, would be obiter. Nonetheless, it is worth expressing some views on the topic, as it was fully canvassed. First, despite Magmatic’s argument to the contrary, it seems plain to me that absence of decoration can, as a matter of principle, be a feature of a registered design. Simplicity or minimalism can notoriously be an aspect of a design, and it would be very curious if a design right registration system did not cater for it.



45. Secondly, whether absence of ornamentation is a feature of a particular design right must turn on the proper interpretation of the images on the registered design. Thirdly, I accept that it may sometimes be hard to decide if absence of ornamentation is a feature of a particular registered design, because article 36(3) of the Principal Regulation and article 4(1) of the Implementing Regulation preclude any verbal descriptions (see paras 8 and 9 above). Fourthly, if absence of ornamentation is a feature of a registered design, that does not mean that because an item has ornamentation, it cannot, for that reason alone, infringe the registered design in question: it merely means that the fact that an allegedly infringing item has ornamentation is a factor which can be taken into account when deciding whether or not it does infringe that design.

46. Two domestic cases are worth mentioning in this connection. In *Procter & Gamble*, the registered design was illustrated by line drawings, which were clearly concerned purely with external shape. Both Lewison J ([2007] FSR 13) and the Court of Appeal held, as Jacob LJ put it at [2008] FSR 8, para 40, that “[t]he registration is evidently for a shape. The proper comparison is with the shape of the alleged infringement. Graphics on that (or on the physical embodiment of the design) are irrelevant.” Many line drawings simply show a physical shape, as in *Procter & Gamble*, but while they can show colouring and decoration, they are generally less appropriate for that purpose than photographs or CAD images, which can easily show subtle shadings and contours, as well as decoration, such as colours and ornamentation. Accordingly, while each Community Registered Design image must be interpreted in its own context, a line drawing is much more likely to be interpreted as not excluding ornamentation than a CAD image. That is consistent with what Dr Schlötelburg wrote in the article from which I have already quoted, namely that “[b]asically, the broadest claims can be achieved by drawings showing only the contours of the design. In contrast, a photo specifies not only the shape, but the surface structure and the material as well, thereby narrowing the scope of protection accordingly” - [2003] EIPR 383, 385.

47. The notion that absence of ornamentation can be a feature of a registered design, even where the images consist of line drawings, was accepted by His Honour Judge Birss QC and the Court of Appeal (albeit that it was not in dispute between the parties in the case) in *Samsung Electronics (UK) Ltd v Apple Inc* [2013] ECDR 1 and [2013] FSR 9. In that case, the line drawings included one or two small features (an opening catch and a rim around the edge), and the natural implication was that no other ornamentation was intended, a view supported by the fact that the plainness and transparency of the surface was subtly indicated by a few pairs of short lines suggesting the incidence of light on that surface. As Jacob LJ put it at para 18 in that case, “If an important feature of a design is *no* ornamentation, as Apple contended and was undisputed, the judge was right to say that a departure from no ornamentation would be taken into account by the informed user”.

48. I note that the same view was taken of the same Community Registered Design by the Düsseldorf Court of Appeal (I-20W, 141/11, 24 July 2012, pp 2, 22, 26 - “without a pattern” and “without any patterning”), and the Hague Court of Appeal (Case number 200.094.132/01, *Apple Inc v Samsung Electronics Co Ltd*, 24 January 2012, paras 5.1B and 5.3B1 and 6.4 - “without any embellishment” and “without any ornamentation”). Further, the Sixth Chamber of the General Court of the CJEU also appears to have taken the same view in the context of a different design in *H & M Hennes & Mauritz BV & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (Cases T-525/13 and T-526/13), 10 September 2015, GC, para 37, when contrasting one design’s “formal simplicity” with another’s “surface ... which is adorned with ornamental motifs”.

49. Thus, in summary, while the observations in paras 44-48 above are obiter, I consider that the Court of Appeal’s second criticism of the first instance judgment was correct, although it amounted to a relatively minor point which simply reinforced the first criticism.

50. It is right, however, to address the argument whether absence of ornamentation was a feature of the CRD in the present case. There are powerful practical arguments against such a conclusion, namely the absence of any apparent reason for such a limitation and the inherent unlikelihood of the design of a child’s ride-on suitcase positively requiring no ornamentation. On the other hand, there is the elegant uncluttered appearance of the CRD with the play of light on the product’s surface as described by Kitchin LJ, the use of a CAD rather than a line drawing, the existence of some specific limited colour differentiation (the strap, strips, wheels and spokes), and (in so far as admissible) the initial unornamented product and the contrast with Magmatic’s subsequent registered designs (see para 3 above). Given that the Court of Appeal did not (despite Magmatic’s suggestion to the contrary) resolve this issue in the present case and it is unnecessary for us to do so in order to resolve this appeal, I would prefer to leave it open. It is not as if a decision whether the absence of ornamentation in this particular CRD would be of much assistance in other cases; it is, I think, enough that we have decided (albeit on a strictly obiter basis) the point of principle that absence of ornamentation can be a feature of a Community Registered Design.

*The Court of Appeal’s third criticism: the two-tone colouring of the CRD*

51. Kitchin LJ’s third criticism of Arnold J’s judgment was that he failed to take into account the fact that the CRD image, as exemplified in para 1 above, was in two colours, one, shown grey, for the greater part of the body (including the horns), and the other, shown black, for the wheels and spokes, the strap and the strip. As mentioned in para 14 above, Arnold J described the CRD as constituting a claim “evidently for the shape of the suitcase” and that decorations on the Kiddee Case

were therefore to be ignored. On the other hand, Kitchin LJ's view was that the colouring contrasts on the CRD and the allegedly infringing articles represented a potentially significant difference, as the wheels and handles (ie horns) on the CRD rather stood out as features, whereas on the Kiddee Case the wheels were very largely covered, and the handles (at least on the first of the two examples in para 4 above) had the same colour as the body.

52. If, as in the case of the CRD, an applicant for a Community Registered Design elects to submit CADs of an item, whose main body appears as a uniform grey, but which has a black strip, a black strap and black wheels, the natural inference is that the components shown in black are intended to be in a contrasting colour to that of the main body. That conclusion is reinforced by the short passages from Dr Schlötelburg's article cited in paras 31 and 46 above. It is also supported, as Kitchin LJ pointed out, by the fact that other features such as the clasps or the horns are not shown in a contrasting colour. It was argued by Magmatic that the wheels were shown black because they had a specific function, but I find that unconvincing: there is no logical connection between the colour and the function, and it does not explain the black strip.

53. Accordingly, I consider that Kitchin LJ was right in concluding that the CRD claimed not merely a specific shape, but a shape in two contrasting colours - one represented as grey and the other as black on the images, and that Arnold J was correspondingly wrong in holding that the CRD was a claim simply for a shape. Once one concludes that a registered design claims not just a three dimensional shape, but a three dimensional shape in two contrasting colours, one colour for the body and another colour (or possibly other colours) for specified components, then it seems to me that it must follow that, when one compares the allegedly infringing article with that design on a "like for like" basis, one must take into account the colouring on that article. If the predominant colour of the first example of the Kiddee Case shown in para 4 above was the front part and was coloured red, then one would presumably compare it with the CRD on the basis that the CRD was principally coloured red, but that the wheels and spokes, strap and strips of the CRD were in a contrasting colour, and the Kiddee Case was differently coloured.

54. I therefore consider that Kitchin LJ was right in his third criticism of the judge. I should perhaps add that counsel for Magmatic pointed out that Arnold J rightly took into account that the wheels on the Kiddee Case were substantially covered by wheel arches whereas the wheels on the CRD were not. That is plainly correct, but Kitchin LJ's criticism was that the judge nowhere referred to the fact that the wheels of the CRD were shown having a different colour from the rest of the image (other than the strap and the strip).

## *Conclusions*

55. The effect of this analysis is that the Court of Appeal was right to hold that the design claimed in this case was for a wheeled suitcase in the shape of a horned animal, but that it was not a claim for the shape alone, but for one with a strap, strips and wheels and spokes in a colour (or possibly colours) which contrasted with that of the remainder of the product.

56. Given that the Court of Appeal was right to hold that Arnold J misdirected himself in the respects discussed above, I consider that they were, to put it at its lowest, entitled to hold that the judge materially misdirected himself, and that the Court of Appeal should reconsider the question of infringement for itself. For the reasons given in para 25 above, because the Court of Appeal addressed the question of infringement on the correct basis in law, this court should be very slow indeed to interfere with their conclusion that the Kiddee Case did not infringe the CRD. I see no grounds for questioning Kitchin LJ's conclusion, even if I considered that another judge (or even I) might have reached a different conclusion.

57. I should perhaps add that, while it may be little comfort to Magmatic, I think I would have reached the same conclusion. It is a conclusion I would have reached with some regret, as the conception of the Trunki, a ride-on wheeled case which looks like an animal, seems to have been both original and clever; as Arnold J said at para 16 of his judgment, "[t]here is no dispute that the Trunki was an innovative design" and it "has won numerous awards and has been a significant commercial success." Furthermore, it appears clear that Mr Beverley of PMS conceived the idea of manufacturing a Kiddee Case as a result of seeing a Trunki, and discovering that a discount model was not available. Unfortunately for Magmatic, however, this appeal is not concerned with an idea or an invention, but with a design.

58. That leaves the question of a reference to the CJEU, discussed in paras 27-28 above. Even if one accepts that it is arguable whether the criticisms made by the Court of Appeal were correct, the mere fact that an issue involving Community Registered Design is not beyond argument does not mean that it has to be referred pursuant to article 267. Such a conclusion is mandated only where the issue raises a point of EU law.

59. Despite the fact that the Comptroller General supports the contention that there should be a reference, I do not consider that this appeal raises any issue which should be referred to the CJEU. All the criticisms made by the Court of Appeal raise the question of how to interpret particular images on a particular Community Registered Design. I do not consider that these criticisms raise a point of EU law, or indeed a point which is suitable to be referred to the CJEU. If we were to refer such

an issue to the CJEU, it appears to me that they would say that we should interpret the images on a Community Registered Design by reference to how it would appear to a reader in the light of the terms of the Principal Regulation, the Implementation Regulation and the practice of OHIM.

60. It is appropriate in this context to refer back to Magmatic's contention that absence of ornamentation cannot be a feature of a Community Registered Design. I accept that that contention raises a point of EU law. However, I would not refer the point for two reasons. First, as explained in para 43 above, it does not arise on this appeal; secondly, as explained in paras 44-48 above, while the Comptroller suggests that the contention may be right, I cannot regard it as arguable. Minimalism can self-evidently be an important aspect of a design just as intensive decoration can be. It would be extraordinary if absence of ornamentation could not be a feature of a design, and, unsurprisingly, no authority has been cited to support such a proposition. On the contrary.

61. For these reasons, I would not make a reference to the CJEU and would dismiss Magmatic's appeal.