

Case closed on the Trunki saga

THE CASE:

Magmatic v PMS International Group

Supreme Court of the UK

9 March 2016

The long-awaited Trunki decision was handed down last month – was it simply bad news for one UK entrepreneur or, as **Rachel Cook** explores, bad news for the wider creative industries too?

After over three years of litigation, the Supreme Court has handed down its decision in *Magmatic v PMS International Group*. The outcome of the litigation has been billed as being of key importance for creative industries.

On one side is the Trunki children's ride-along suitcase and its designer, Rob Law. Law said that unless Magmatic's infringement claim was successful, innovative British design and its contribution to the economy would be placed under threat. On the other side is PMS International Group (PMS) and the ladybird and tiger variation of its Kiddee suitcase. PMS accepted that it had taken inspiration from samples of the Trunki suitcase, but said that it was perfectly entitled to do so, adding that its Kiddee case had moved far enough away.

The story so far

Initially, things had gone well for Magmatic. The company's claim was for infringement of a Community Registered Design (CRD) filed in June 2003. The depictions of the design in the registration had been produced on a computer-aided design (CAD) program.

In order to succeed in an action for CRD infringement the article complained about must form the same overall impression on the informed user as the registration, while making a different overall impression to designs that had been available before it was registered. PMS did not argue that the registration was invalid but relied upon a design created by Law, the designer of the Trunki, for a design competition in 1998. This design was the precursor of the Trunki, the Rodeo.

PMS said that the court needed to look at the extent of difference between the registered design and the Rodeo. If the differences between the Kiddee case and the registered design meant that the overall impression between the two was the same distance or further away, then the Kiddee case could not infringe.

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The Rodeo design did concern the first instance judge, although separately he stated it was not part of the design corpus due to it being an obscure disclosure. However, having weighed up the similarities and differences between the designs, he found that in any event the Rodeo lacked the animal features of

the registration and the Kiddee case.

The first instance judge Mr Justice Arnold found in Magmatic's favour and held that the Kiddee case was an infringement. That was the last piece of good news for Magmatic in the story. On appeal, the Court of Appeal found that the first instance judge had sufficiently misdirected himself that it could reconsider the question of infringement. It then proceeded to reverse the first instance decision and find for PMS.

Judgment of the Supreme Court

The Supreme Court, in its first judgment in relation to the CRD regime, has confirmed the decision of the Court of Appeal. It also rejected the submissions of Magmatic and the Comptroller General of Patents, Designs and Trade Marks that a reference should be made to the Court of Justice of the European Union, meaning that the Supreme Court is the end of the line for the case.

But what will be the impact of the judgment for designers and will it lead to the predicted consequences?

Review of the criticisms of the Court of Appeal

The Court of Appeal made three criticisms of the first instance judgment. If the Supreme Court disagreed with the Court of Appeal then it was open to them to reinstate the first instance finding or substitute its own view.

Need for an overall impression

The first criticism was that Arnold J had not given proper weight to the overall impression

created by the registered design. The Court of Appeal's view was that the registration was clearly intended to create the impression of a horned animal.

Arnold J had reviewed and noted the similarities and differences between the registration and the Kiddee case and mentioned the "horn-like handles". However, crucially, he had not sufficiently stated what overall impression the two designs made.

The Supreme Court considered that the failure to set out an overall impression was a justified criticism. Separately, Supreme Court Justice Lord Neuberger confirmed that he would have reached the same 'horned animal' view as the Court of Appeal.

The horned animal impression will now take its place in the pantheon of impressions created in registered design cases. Previously, there has been a snake like aerosol design (*Reckitt Benckiser v Proctor & Gamble*), rugged vacuum cleaner design (*Dyson v Vax*) and the infamous 'cool' tablet design (*Samsung v Apple*). Following *Magmatic*, we can expect more, as the implication is that as a part of weighing up a design an overall position needs to be reached, which can then be contrasted to the alleged infringement and the prior art.

Decoration – to take account or not take account?

One of the aspects of the Kiddee case relied upon by PMS as making the difference was the colouring and patterns on the case – black and red for the ladybird version and orange and black stripes and whiskers for the tiger variation.

Magmatic's submission throughout was that the registered design was for a shape and decoration should not be included in the overall impression. The absence of ornamentation was not being claimed by Magmatic as a feature of the registration, in contrast to the case of *Samsung v Apple*.

The Court of Appeal's view was that the lack of other decoration enhanced the overall horned animal impression of the registration. Lord Justice Kitchin did then note that the two-tone colouring and spots of the ladybird-style Kiddee case significantly affected the impression of its shape – that of an insect with antennae. The same followed for the tiger version, which conveyed that it was a tiger with ears.

The Supreme Court's view was that the Court of Appeal's references to decoration were of limited import and their inclusion was to reinforce the point on the overall horned animal impression.

The judgment notes that whether the absence of ornamentation is or is not a feature of a registration will depend on the proper

interpretation of the depictions included in the registration. However, the court appeared to be of the view that decoration would need to be positively distracting to dilute an overall impression.

The inclusion of ornamentation in the assessment of the overall impression has been seen by designers as a copyists charter. This judgment reaffirms that every case must be viewed on its own facts and so it should be and, while in principle correct, does not draw the line under the point that designers might have wished for.

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Two-tone colouring – the end of the CAD?

The Court of Appeal also reassessed the first instance judge's views on the effect of the CAD depictions in the registration and their impact on the scope of the design. The body and 'horns' of the CAD are grey, whereas the wheels, strap and strip are black. These differences in colouring had been disregarded by the first instance judge as a part of his conclusion that the registration was simply for a shape.

The Court of Appeal's view was that the difference in colouration of aspects of the CRD made these aspects stand out as features. On that basis the Court of Appeal assessed the registration as for a shape in two contrasting colours. The Supreme Court concurred that this was the right approach.

The effect of this approach is that rightsholders that filed CAD depictions may have unintentionally claimed features as a part of shape registrations. As with decoration, the impact will be different on a case-by-

case basis. The Supreme Court referred to comments made by the European Union Intellectual Property Office (formerly the Office for Harmonization in the Internal Market), which compared the selection of depictions to drafting the claims of a patent. In practice the distinction between CADs, photographs and line drawings may not have been fully appreciated by designers when filing registrations – or even practitioners.

Conclusions and lessons for the future

This case is perhaps a reflection of one of the main principles of intellectual property. Protection is not afforded to the general concepts or ideas – it is given to the expression of those ideas. The Supreme Court accepted that the idea of a Trunki, a ride-on suitcase that looks like an animal, was an innovative design. However, the court was comparing Magmatic's actual registration, not the general concept.

It emphasises that in IP claims, the key question will always be what each of the designs in issue and the prior art look like. In such a fact-specific assessment, general principles can only ever give overall guidance. The *Magmatic* case may suggest that the extent of difference needs to be less than previously thought to avoid infringement, but IP claims do not have a one size fits all approach.

Following the comments in *Magmatic*, it can be expected that any person registering a design will be advised to use line drawings in its depictions. The fee for an application for a single CRD is €350. However, if up to 10 designs are filed at the same time, the fee reduces to €115 for each of the second to tenth designs. Therefore, provided all variations of the designs are filed at the same time, an applicant could consider filing separate applications for a line drawing depiction and a CAD depiction. Then, in the case of an infringement, they could rely on the registration that is closest to the product in issue.

Learning the practical lessons of *Magmatic*, if you intend to make one application, then a monochrome line drawing is likely to be the best choice and provide the widest protection possible.

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