

Neutral Citation Number: [2007] EWHC 1372 (Ch)

Case No: HC07C00178

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION

Royal Courts of Justice
Strand, London, WC2A 2LL

Date: 14/06/2007

Before :

THE HONOURABLE MR JUSTICE RIMER

Between :

	THE FLASHING BADGE COMPANY LIMITED	<u>Claimant</u>
	- and -	
	BRIAN DAVID GROVES (t/a FLASHING BADGES BY VIRGO AND VIRGO DISTRIBUTION)	<u>Defendant</u>

Mr Henry Ward (instructed by **Ahmud & Co**) for the **Claimant**
Mr Jeremy Reed (instructed by **M.D. Furber & Co**) for the **Defendant**

Hearing date: 23 April 2007

JudgmentMR JUSTICE RIMER :

1. This is a claimant's application for summary judgment under CPR Part 24. The claimant is The Flashing Badge Company Limited. The defendant is Brian David Groves, who trades as Flashing Badges by Virgo and Virgo Distribution. The claim is in respect of alleged copyright infringement. Until shortly before the hearing it appeared that almost everything was in dispute. By the time of the hearing, however, almost nothing was save an issue as to whether this is a claim to which section 51 of the Copyright, Designs and Patents Act 1988 ("the 1988 Act") affords the defendant a defence. That was a new point raised for the first time during the week before the hearing.
2. The undisputed facts are that the claimant commissioned Symon Dingley, a freelance graphic designer, to design a number of badges that would be formulated into so-called flashing badges. The claimant proposed to sell them to the public. Mr Dingley designed

some 25 such badges, together with backing cards to which the badges would be attached when sold, the cards giving such instructions and warnings as were necessary for the safe operation of the badges. The badges would be attached to a garment by magnets. The claim is of alleged copyright infringement in respect of 21 of the badges and their respective backing cards.

3. The badges are novelty badges bearing messages of a familiar type: for example, “Happy Birthday” (a message in banner form above five lit candles sitting on a lavishly iced and decorated cake), “Princess” (the dot on the “i” of “Princess” being in the form of a star, the word itself being in flamboyant script and set within the design of a simple crown), “Little Monster” (in large, ostensibly freehand letters), “13 at last” (a large number above the “at last”), “16 TODAY” (in similar format), “21 TODAY” (a design set within the shape of a key), “40 Today” (a large 4, a smaller 0, on top of the “Today”, all set under three balloons), “Lets Party” (a flamboyant “Party” beneath a less flamboyant “Lets”), “Birthday Girl”, “World’s Best Dad”, “Best Nan In The World”, and so on in similar vein. Each badge is in a distinctive style, with colours selected by Mr Dingley. Each was designed to have six flashing, battery powered LEDs, which he positioned so as to give the most effective glow to the particular badge. Each LED has a particular colour. Mr Dingley designed the placement of the LEDs so that their colours did not clash with the colours of the badge designs.
4. On 13 October 2006 Mr Dingley assigned the copyright in the designs for all the badges and backing cards to the claimant for £1. He had charged £2,000 for their design. The claimant has since engaged in the sale of such badges.
5. There is no dispute that the defendant has imported from China and offered for sale virtually identical copies of the claimant’s badges and backing cards. The only apparent differences are that (i) whereas the front of the claimant’s backing card describes the item as “Flashing Badge”, the front of the defendant’s card describes it as “Flashing Badge by Virgo”; and (ii) whereas the reverse of the claimant’s backing card carries the claimant’s email address, the reverse of the defendant’s card is headed “Flashing Badges by Virgo”, followed by an email address. The reverse of each backing card otherwise gives identical instructions for the use of the badge.
6. The claimant asserts copyright in both the badge design and the backing card designs. The claim in respect of the backing cards (both front and reverse) is admitted and the defendant submits to judgment in respect of that part of the claim.
7. The claim for copyright infringement in respect of the badge designs is disputed, although there is no dispute that the designs are artistic works in which copyright subsists. In particular, it is admitted that the message on each badge is a “graphic work”, which is an “artistic work” within the meaning of section 4 of the 1988 Act. The defence is based exclusively on section 51 of the 1988 Act. It is in a part of the Act headed “Designs” and provides:

“51. Design documents and models

(1) It is not an infringement of any copyright in a design document or model recording or embodying a design for anything other than an artistic work or a typeface to make an article to the design or to copy an article made to the design.

(2) Nor is it an infringement of the copyright to issue to the public, or include in a film or communicate to the public, anything the making of which was, by virtue of subsection (1), not an infringement of that copyright.

(3) In this section –

‘design’ means the design of any aspect of the shape or configuration (whether internal or external) of the whole or part of an article, other than surface decoration; and

‘design document’ means any record of a design, whether in the form of a drawing, a written description, a photograph, data stored in a computer or otherwise.”

8. Before coming to the arguments, I should say a little more about the design drawings in respect of which the claimant sues. A key feature of the design of each badge is that its outline shape follows, and is dictated by, the outline of the artistic design which forms the subject matter of the face of the badge. Thus, for example, in the case of the “16 TODAY” badge, the outline of the shape of the badge follows the distinctive outline of the graphic design of the “16 TODAY”, the design also indicating the particular points at which the LEDs are to be placed and the colour of each. If the graphic design on the badge were removed, the same outline for the shape of the badge would remain. The issue is whether in these circumstances the effect of section 51 affords the defendant a defence to the claim for infringement of the claimant’s admitted copyright in the graphic design.
9. Mr Ward’s submission, for the claimant, is that it does not. He said that section 51 operates at the interface between design right and copyright. What is necessary in considering the possible application of a defence under section 51 is a careful analysis of the difference between the copyright work in question and any design right in question. In a case such as the present it is necessary to consider whether one is looking at the design of an article or of a copyright work which has been applied to that article. He accepts that the design or configuration of each badge, *apart* from the artistic work on its face, is a design in respect of which section 51 provides a defence to any claim for copyright infringement. It does not, however, provide a defence to claim for copyright infringement of the artistic work on the face of the badge. The placing of the LEDs may perhaps be regarded as part of the configuration of the badge as well as of the artistic

design on its face, and so may give rise to an element of overlap. But that does not detract from the right to protection for copyright infringement in respect of a copying of the artistic work on the face of the badge.

10. Mr Ward illustrated his submission by a case in which a claimant has a design document for the shape of a mug (“the mug design”). He then produces a drawing of a cow which is to adorn the side of the mug (“the cow design”), and applies it to the side of 10,000 mugs made to the mug design. The defendant copies the mug design, including the cow design. He is not liable for copyright infringement of the mug design (although he may be infringing design rights in the shape of the mug) because he has the protection of section 51. He is, however, liable for copyright infringement of the cow design, which is an artistic work in respect of which he enjoys copyright: section 51 will provide no defence.
11. Applying that to the present case, Mr Ward said that whilst the evidence refers to Mr Dingley as having designed the badges, the correct analysis is that he designed an artistic work with a particular outline; and a badge which followed the outline of that artistic work and to the face of which that work was to be applied. He also designed the location of the coloured LEDs. Mr Ward submitted that the only reason why the present case presents any arguable difficulty is because the outline shape of the design of the badge takes on the outline of the artistic work. He said that if, for example, the badges were of a uniform circular shape, with the graphic designs simply superimposed upon them, no question of the claimant’s right to copyright protection could arise. But he said the mere fact that the outline of the artistic design provides the outline of the shape of the article does not bring the case within section 51.
12. The case against the claimant is that the outline of the artistic work is part of the configuration of the badge, which is sufficient to entail the application of section 51. But Mr Ward said that it is essential to a defence under section 51 that the design is for something *other* than an artistic work or a typeface. In the present case the design was for an artistic work of a particular shape (the shape being part of the artistic work); and the configuration of the badge simply follows that shape. Section 51(3) shows that the definition of “design” as used in section 51(1) does not include “surface decoration” and the section 51 protection extends only to the making or copying of an article to “the design”. The artistic work on the face of each badge is plainly in the nature of “surface decoration”, it is admittedly a work in respect of which copyright subsists and the defendant’s acts plainly amounted to an infringement of that copyright. As it is not part of the “design”, section 51 provides the defendant with no defence.
13. Mr Reed, for the defendant, whilst accepting that the drawings on the face of the badges are artistic works, namely graphic works within section 4 of the 1988 Act, submitted that section 51 does provide the defendant with an exemption from liability for infringement of the copyright which he admits exists in the drawings. His submission was that none of the designs was a design *for* an artistic work for the purposes of section 51(1). Each was simply a design for something other than an artistic work, namely a *badge*, which is not

an artistic work. He said it is not enough that the design itself is an artistic work. The critical question is: what is the design *for*?

14. In particular, Mr Reed submitted that the relevant question is whether each drawing in respect of which the claimant sues is a “design document” within the meaning of section 51(1). The starting point is section 51(3). The drawings made by Mr Dingley are plainly designs for badges, including the edge of the badges, and show the configuration of where the LEDs are to go. The drawing on the face of each badge is “surface decoration” within the meaning of section 51(3) and is admittedly in the nature of a graphic design. This is the drawing upon which the claimant sues. But the drawing is not a design *for* that graphic design. It is a design for an article, namely a badge, and is a drawing of the shape of that article, including as part of its configuration the location of the LEDs. It follows that section 51 provides a defence to the copyright claim. If, by contrast, each drawing had been merely of the surface decoration intended to be applied to other articles, it would not be a section 51 design document, and section 51 would provide no defence to an infringement of the copyright in the drawings. Mr Reed pointed out that in relation to one of the drawings, namely the drawing of the outline of a star, there is in fact no surface decoration on it at all and so even if the claimant has a copyright claim in respect of the other badges, it cannot have one in respect of this one.
15. Approaching the matter apart from authority, I would broadly prefer Mr Ward’s submissions. It appears to me that each drawing is a “design document” within the meaning of section 51(3). Apart from the star drawing, each drawing incorporates (a) a design for an artistic work; and (b) a design for something other than an artistic work, namely an article in the nature of a badge in the same outline shape as the artistic work. Section 51 has no relevance to claims in respect of the first element of the design, because it is a design for an artistic work. It is, however, relevant to the latter element of the design, because that is a design for something *other* than an artistic work, namely a badge whose shape follows the shape of the artistic work. As regards the latter element, section 51(3) makes it clear that the only “design” in respect of which the section 51(1) defence can apply is a design for the shape or configuration of the whole or part of an article *other* than the surface decoration. It follows that the section 51(1) defence applies, if at all, only to a copyright claim in the design minus the surface decoration. It provides no defence in respect of any infringement of the copyright in (in this case) the graphic design which provides the surface decoration of the badges. Those graphic designs are as much entitled to copyright protection as Mr Ward’s cow design.
16. As for authority, I was referred to the decision of the Court of Appeal in *Lambretta Clothing Co Ltd v. Teddy Smith (UK) Ltd* [2005] RPC 88. The case concerned the design of a tracksuit top by Lambretta’s Mr Harmer, his contribution being not to the shape of the garment, but to the choice and placing on it of the colours of the Union flag. The claim was for (inter alia) alleged infringement of artistic copyright by the defendant. Etherton J had upheld a section 51 defence in respect of the copyright claim. Jacob LJ, who delivered the main judgment, upheld that decision, saying this at paragraph 39:

“Now, apart from the colourways, there is no doubt that Mr Harmer’s drawing is a ‘design document’. Does the fact that ‘surface decoration’ is excluded from the definition of ‘design’ for the purpose of s.51 make any difference? I think not. For these colourways are not just colours in the abstract: they are colours applied to shapes. Neither physically nor conceptually can they exist apart from the shapes of the parts of the article. It is not as though this surface decoration could subsist on other substrates in the same way as, for instance, a picture or logo could. If artistic copyright were to be enforced here, it would be enforced in respect of Mr Harmer’s whole design drawing. But that is not allowed by s. 51. I think the judge put it elegantly when he said ([74]):

‘Such an approach ... would appear to give rise ... to an impossible task. It would require the Court to consider the existence and infringement of copyright in respect of the juxtaposition of colourways divorced from the shape or configuration of the article in question, even though the shape and configuration of Lambretta’s garment provide the borders of the colourways and the means by which the colourways are juxtaposed.’”

17. Mr Ward’s submission was that, whilst in that case Jacob LJ upheld the section 51 defence, his reasoning turned on the special facts that the colourways the subject of the copyright claim were in the nature of surface decoration applied to the shapes of the article that could not exist apart from those shapes. It was, therefore, a case in which the design of the surface decoration could not be divorced from the design of the shape of the article, and section 51 provides a defence in respect of a design of such a shape. Mr Ward pointed out that it was, however, apparent that Jacob LJ was contrasting the circumstances of that case with one in which, for example, the surface decoration on the design document was in the nature of an artistic work such as a picture or logo that could have an independent existence of its own on other substrates – for example, Mr Ward would say, his cow design applied to mugs. It is apparent, said Mr Ward, that Jacob LJ recognised that in a case such as that section 51 would afford no defence to the claim for copyright infringement in respect of the cow design. He submitted that the present case is analogous to Jacob LJ’s “picture or logo” case.
18. The next judgment was that of Mance LJ, who differed from Jacob LJ on the section 51 issue. At paragraph 80 he offered an explanation of section 51 which I interpret as being in line with my own summary of its operation. The crux of his dissent from Jacob LJ’s view is in paragraph 83, where he said:

“The position regarding surface decoration appears to me consistent with my conclusion as to the law. Surface decoration can have no design right protection under s. 213 [of the 1988 Act], but is excluded by s.51(3) from the concept of design for the purposes of s.51(1). So copyright in a drawing showing an article with surface decoration may still be infringed, if (putting aside any copying of the design of the shape or configuration of the article) there has, by virtue of the copying of the surface decoration, been copying of a substantial part of the drawing. I do not see

any basis for limiting the copyright protection in case of surface decoration to a situation where the surface decoration could be said itself to constitute a separate drawing.”

19. That passage reflects that Mance LJ did not agree with the distinction that Jacob LJ had made in paragraph 39 of his judgment. But he can of course at least be taken to have agreed with Jacob LJ’s apparent view that section 51 would provide no defence to the infringement of copyright in a picture or logo on the design document, being surface decoration of a type which could subsist separately on substrates other than the design document.
20. The third judgment was that of Sedley LJ. As to the difference between Jacob and Mance LJ on the section 51 issue, he was satisfied that the preferable view was that of Jacob LJ. He said at paragraph 88:

“It seems to me, however, that the issue comes down to the essentially factual question whether the colourways on this design are part of the shape or configuration of the garment or are no more than its surface decoration. I think these colourways are part of its configuration.”

21. Jacob LJ had in fact held in paragraph 29 of his own judgment that the “mere choice of colourways of a standard track top was not ‘an aspect of the shape or configuration of an article or part of an article.’” It cannot, therefore, have been that view that Sedley LJ regarded as the preferable one, since whatever the precise nature of the distinction that Jacob LJ was making in paragraph 39, I presume it did not involve any retraction of what he had said in paragraph 29. It may, therefore, be that Sedley LJ was expressing a preference for a view that Jacob LJ had rejected. But it anyway appears that his approach was that, again on the special facts of the case, the colourways were part of the shape or configuration of the garment which did not fall to be ignored as mere “surface decoration” for the purposes of section 51(3), with the consequence that section 51 afforded a copyright infringement defence.
22. The decision of the majority in *Lambretta* on the section 51 point therefore appears to have turned on its special facts. In my judgment the facts of the present case fall squarely on that side of the line on which are to be found Jacob LJ’s “picture or logo”. It is true that the design of the shape of the badge follows the outline of the design for the artistic work on the face of each badge. But the latter design is in the nature of a graphic design which is in no sense something which (unlike the *Lambretta* colourways) can only exist as part of the shape of the badge. It is a design which can be applied to any other substrate and which, if so applied, would enjoy copyright protection for the infringement of which section 51 would afford no defence.
23. I hold, therefore, that section 51 affords the defendant no defence to this claim save in

respect of the star design. I will hear counsel as to the form of the order I should make.