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Case Comment

Flashing Badge Co Ltd v Groves: a step forward in the clarification of the copyright/design interface

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*E.I.P.R. 251 Although s.51 of the Copyright, Design and Patents Act 1988 (CDPA) was meant to clarify the respective scope of copyright and unregistered design right (UDR), as Professor Cornish said early on, “a degree of uncertainty infects the penumbra of section 51, as can be seen if each of its requirements are further examined”.¹ Does this statement still hold true after Flashing Badge Co Ltd v Groves,² the most recent case reinterpreting s.51 after the confusing decision of the Court of Appeal in Lambretta Clothing Co Ltd v Teddy Smith (UK) Ltd?³

As is known, s.51 regulates the copyright/UDR interface. It was included after the British Leyland Motor Corp Ltd v Armstrong Patents Co Ltd decision,⁴ in the new Copyright Act, in 1988, to prevent the protection of industrial articles such as exhaust pipes by copyright and instead provide protection by the shorter and less protective UDR. As a reminder, s.51 provides:

“(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 … to make an article to the design or to copy an article made to the design … (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.”

There are therefore three conditions to verify: first, whether there is a design document; secondly, what this document embodies, i.e. either a design for an artistic work or a design for something other than an artistic work; and finally, “to make an article to the design or to copy an article made to the design”. As can readily be seen:

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Facts and ruling

What were the facts in Flashing Badge v Groves? The claimant, as its name itself indicates, designed flashing badges to be attached to garments by magnets. As can be seen on the claimant’s website http://www.flashingbadge.co.uk, each badge bears messages such as “Happy Birthday”, “World’s Best Dad”, “21 TODAY”, etc., with different colours, decorations (e.g. a birthday cake) and coloured LEDs which make the badges flash. The defendant (Mr Groves) imported and offered for sale virtually identical copies of the badges and argued that by doing so, he did not infringe because s.51 of the CDPA 1988 applied. Rimer J., when applying s.51 to the facts of the case, relied exclusively on Lambretta.

The claimant sought to distinguish Lambretta from this case because contrary to the facts of the Lambretta case, the surface decoration on the badges could be separated from the configuration or shape of the badge, leaving s.51 applying only to the contour of the badge but not to its decoration (e.g. the content of the drawing, its colours and the position of the LEDs). As the shape of a mug is clearly separable from a drawing of a cow applied to it, or to take the example given by Jacob L.J. in Lambretta, a logo or picture applied to an object is separable from its shape, the decoration of the badge is also separable from its shape. Although it is true that part of the decoration espouses the precise contours of the badge (article), the decoration (everything besides its external contour) can
exist separately from the shape of the badge. To arrive at this conclusion, the judge established that there was a design document (a drawing) depicting a design for an artistic work and 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”. Therefore, by analogy with the picture or logo example, s.51 could only apply to the shape of the badge not its surface decoration, according to s.51(3) which excludes surface decoration from the definition of design. The defendant therefore only had a defence as to the shape of the badge but not its surface decoration. According to Rimer J., this decision is consistent with the ruling in Lambretta. In Lambretta, the surface decoration could not be separated from the shape of the object (as a reminder, it dealt with the copying of the colourways (position of the coloured stripes) of a track top). The colourways could not make sense in the abstract, i.e. removed from the jacket. Therefore the picture or logo analogy used by Jacob L.J. could not apply.

Rimer J. interpreted the three speeches in the Lambretta appeal in a congruent way. For him, Mance L.J., who was dissenting, must have at least been agreeing with Jacob L.J.’s view that s.51:

“… would provide no defence to the infringement to 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.”

For Rimer J., Sedley L.J. agreed with Jacob L.J.’s conclusion (i.e. that s.51 applied to the colourways) even though he decided that the colourways were configuration rather than surface decoration inseparable from the shape or configuration of the track top. Accordingly, the facts of Flashing Badge fell clearly in Jacob L.J.’s picture or logo analogy. Even if the design of the shape of the badge followed the outline of the design for the artistic work on the face of each badge, the latter could exist outside the shape of the badge, unlike in Lambretta. It could be applied to any other substrate and if so would enjoy copyright protection and s.51 afforded no defence.

Comment

Rimer J. concluded that the decision in Lambretta turned on its special facts. This finding meets with the statement of the Court of Appeal in Dyson Ltd v Qualtex (UK) Ltd that circumstances similar to those of Lambretta will be rare. That is also the author’s view and the judge has happily and elegantly clarified the apparent confusion derived from Lambretta because of the specific and difficult facts it involved. It is submitted that the way Rimer J. reconciled the three speeches is not mistaken; what Mance L.J. disagreed with is Jacob L.J.’s view as to the inseparability of the colourways from the shape in this specific case. The combined teachings of Lambretta and Flashing Badge are that when surface decoration cannot exist in the abstract, as detached from the object to which it is applied, s.51 applies to it as well, in addition to applying to the shape or configuration of the object. But when, as in the Flashing Badge case, the surface decoration is separable, then s.51 applies only to the shape or configuration of the object and not the surface decoration. It is probably better, to avoid confusion and overbroad application of s.51, to adopt Jacob L.J.’s approach (that the colourways were surface decoration) than that of Sedley L.J. (the colourways were configuration). There will be many cases where surface decoration will be separable from the shape of the article. Think for instance of a repetitive pattern (e.g. flowers) applied to a dress design; a good example is the wallpaper design in Designers Guild Ltd v Russell Williams (Textiles) Ltd. If such patterns were categorised as configuration because the flowers are arranged on the dress, then s.51 would apply to it. This is certainly not what the legislature intended. It is probably also not what Sedley L.J. meant by configuration but the danger exists that the current broad definition of configuration would lead to an overbroad application of s.51 in these types of cases.

This interpretation of the Flashing Badge decision is not approved unanimously. S. Clark believes that in Lambretta, Jacob L.J. meant that when a design incorporates not only a shape but also surface decoration, s.51 applies to both in all cases. In our view, and respectfully, this is misreading Jacob L.J.’s speech. Returning to Flashing Badge, Clark thinks that Rimer J.’s interpretation that Lambretta turned on its special facts and that they could be distinguished from the facts at hand (the surface decoration of the badges could be divorced from the design of the shape of the badge) is not convincing. The author agrees in part. In many cases, the decoration of the badge can be very different even if the shape remains the same. For instance, there are a myriad ways of deciding which colours and stripes should appear on a birthday cake even if the shape of the cake remains the same. But the colours and drawing of the eyes and smile chosen for the Smiley Face Flashing Badge cannot arguably be divorced from the external contours of the badge. So perhaps the judge should have distinguished between the different badges. However, this does not detract from the fact that the
ruling is in itself to be applauded. Another criticism of _Lambretta_, which _Flashing Badge_ now perpetuates, was that it left a gap in protection for instances where the surface decoration is inseparable from the shape or configuration of the article. But this is only half-true because, as Jacob L.J. himself noted, it is anyway filled by *E.I.P.R. 253* the Community unregistered design right (CUDR)—at least partially, as the requirements for protection are higher than under copyright law and it lasts only for three years. In addition, the design can be registered to lengthen its protection period for up to 25 years. Despite this, it is true, however, that in some cases, real gaps in the protection may occur. What about a non-commonplace combination of a commonplace pattern with a commonplace shape? One can for instance think of an old design for the shape of a chair whose back is decorated with an old chequered design. Beside the application of s.51, neither copyright nor UDR will subsist in any aspect of the chair. Only registered design right (and CUDR) may, as the whole aspect of the chair may be claimed and may be looked at in its entirety. As the design is looked at as a whole, it has a chance to pass the hurdles of novelty and individual character. The moral of the story is that, now even more than before, designers are well advised to register their design. An added advantage is that the right is a monopoly right rather than an anti-copying one like copyright, UDR and CUDR.

### Outstanding issues

Almost 10 years after its coming into force, s.51’s meaning has become a little clearer. The first and third conditions do not generally pose any specific problem. The broad interpretation of the first condition in _Mackie Designs Inc v Behringer Specialised Studio Equipment (UK) Ltd_ has not (yet) been rejected, although arguably the term “configuration” was stretched to its limit in that case. The third condition has also been generously interpreted in both _BBC Worldwide Ltd v Pally Screen Printing Ltd_ and _Mackie_ and not been disagreed with surely because it posed problems neither in _Lambretta_ nor in _Flashing Badge_. These constructions seem in line with the legislature's intention of cutting down copyright protection for industrial articles. But while _Flashing Badge_ has clarified one important issue in the application of s.51, others that are as important still remain unclear and this leaves s.51, and more generally the concept of artistic work, in need of further clarification in the future.

The core and yet unresolved issue lies in the application of the second condition. In _Flashing Badge_, the judge simply stated that the badge was not an artistic work while the decoration was, and he did not address the question why the badge was not an artistic work. More or less the same gloss over this second step occurred in the early cases dealing with s.51, namely _BBC_ and _Mackie_. The first case dealt with designs for puppets for a children’s television programme (“The Teletubbies”), the other with circuit diagrams for circuits boards. The two judges (respectively Laddie J. and Pumfrey J.) gave s.51 a broad interpretation by allowing the defence to apply. In these cases, as in _Lambretta_ (in which s.51 applied to the track top) and _Flashing Badge_, s.51's second condition is, correctly in the author's view, broadly construed, leaving UDR a greater role. Only one case, _Hi Tech Autoparts Ltd v Towergate Two Ltd (No.2)_ is at odds on this point with all the other cases. The case dealt with infringement of copyright in drawings and an engraved metal plate used to produce rubber mats for use in cars. The drawings were for an artistic work, i.e. an engraving which included both the metal plate and the rubber mats. The judge cannot strictly be reproached for this interpretation as he merely interpreted the CDPAs broad notions of artistic work, which for engravings, as for most artistic works, is irrespective of artistic quality, and of originality, which is low, being simply sufficient skill, judgment and labour. Arguably therefore it is not s.51 itself which poses a problem but the originality requirement as applied to artistic works. While this problem should not occur with works of artistic craftsmanship because it is clear that artistic character is needed in addition to originality the application by judges of the criterion of originality to all other three-dimensional artistic works creates uncertainty especially in the application of s.51. Recent cases such as _Metix (UK) Ltd v GH Maughan (Plastics) Ltd_ and _Creation Records Ltd v News Group Newspapers Ltd_ seemed to have dispelled these doubts, because they gave to the term “sculpture” its ordinary meaning, thereby excluding industrial articles. But these doubts came back with _Hi-Tech Autoparts_ where the concept of “engraving” was not restricted to those one hangs on one’s wall for aesthetic enjoyment. A radical way to exclude once and for all purely industrial articles from copyright protection would be to change the originality criterion for artistic works and align it to the “author’s own intellectual creation” already used for databases *E.I.P.R. 254* and, implicitly, for computer programs. This would not leave a gap in the law as it is filled by UDR, CUDR and Community registered design right. One easier way of clarifying the respective scope of copyright and UDR is, of course, the current one, namely judicial interpretation. However, the reality shows that it is a highly uncertain course and this is good neither for claimants nor for defendants. Judges are not to
blame, as they simply follow precedents on the meaning of originality as they have no indication in the Act about what for instance an “engraving” is.

Another unsolved and related issue is the meaning of the word “for” in s.51(1). This term is ambiguous in that it is unclear whether the intention of the designer when recording the shape or configuration of the article is relevant. The BBC ruling seems to imply that the intention of the designer is important.13 The literature is divided.14 This is important as, if intention is relevant, s.51 applies in fewer cases than if it is not. There is no space here to discuss this issue at length but what is clear is that because of this ambiguity, designers are advised to register their design rather than rely exclusively on their copyright (which may be trumped by s.51), UDR or CUDR (whose protection is less lengthy).

In conclusion, Flashing Badge has clarified one important issue which Lambretta had left ambiguous, but Professor Cornish’s statement is otherwise still in the most part true. Further judicial, if not legislative, guidance will therefore continue to be necessary to lift the penumbra of s.51.

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2. Flashing Badge Co Ltd v Groves (t/a Flashing Badges by Virgo and Virgo Distribution) [2007] EWHC 1372 (Ch); [2007] F.S.R. 36, Ch D.


9. Note that in doing so, Sedley L.J. met with the broad definition given by Pumfrey J., in Mackie Designs Inc v Behringer Specialised Studio Equipment (UK) Ltd[1999] R.P.C. 717 at 721, of configuration, i.e. the way elements are arranged or assembled.

10. Dyson Ltd v Qualtex (UK) Ltd [2006] R.P.C. 31 at [76]: “So, broadly, surface decoration will not be excluded from ordinary copyright protection but correspondingly is excluded from UDR. There are exceptional cases where what is sought to be protected may fall between the two [see Lambretta Clothing Co Ltd v Teddy Smith (UK) Ltd[2005] R.P.C. 6 where the shape of the article was unoriginal and so not within UDR and the colourways had no independent notional existence from the article and were not surface decoration], but they will be rare” [emphasis added].


14. It is probably not original in the copyright sense anyway.


16. The author wishes to thank Simon Clark for this example.


18. The arrangements of parts or elements of an article (here a circuit board) were held to be part of its configuration. Thus “configuration” is a broader term than “shape”. Sedley L.J. restated this definition in Lambretta [2004] EWCA Civ 886 at [88].


22. Pictures of the Teletubbies can be seen at http://www.bbc.co.uk/cbeebies/teletubbies [Accessed March 27, 2008].

23. While Pumfrey skipped the second condition altogether, Laddie J. was not in a position to decide this issue as neither the claimant nor the defendant had argued that the Teletubbies were or were not artistic works. But he was convinced that the drawings were for something other than an artistic work as they were not prototypes for a cartoon series but were “from the outset, for use in deciding the shape and appearance of the three-dimensional Teletubby puppets”: BBC Worldwide [1998] F.S.R. 665 at 672.


25. The “small projections into the third dimension” produced by the engraving were not surface decoration but were part of the configuration of the article and provided its non-slip characteristic. Hi-Tech Autoparts [2002] F.S.R. 16 at [10].


28. Creation Records Ltd v News Group Newspapers Ltd [1997] E.M.L.R. 444, Ch D. See also the earlier but somewhat contradictory case of Breville Europe Plc v Thorn EMI Domestic Appliances Ltd [1995] F.S.R. 77 ("sculpture" should be given its ordinary dictionary meaning; however deciding that copyright could subsist in moulds to be used in toasted sandwich makers).


30. For G. Dworkin and R. Taylor, "By accident or design? The meaning of 'design' under section 51 Copyright, Designs and Patents Act 1988" [1990] E.I.P.R. 33, the designer's intention is relevant but for A. Christie, "The United Kingdom design copyright exemption" [1987] E.I.P.R. 253, it is not.