

Neutral Citation Number: [2012] EWCA Civ 1339

Case No: A3/2012/1845

IN THE COURT OF APPEAL (CIVIL DIVISION)
ON APPEAL FROM THE HIGH COURT OF JUSTICE
CHANCERY DIVISION PATENTS COURT
HHJ BIRSS QC
HC 11 C03050

Royal Courts of Justice
Strand, London, WC2A 2LL

Date: 18/10/2012

Before:

LORD JUSTICE LONGMORE
LORD JUSTICE KITCHIN
and
SIR ROBIN JACOB

Between:

Samsung Electronics (UK) Limited

**Claimant/
Respondent**

**- and -
Apple Inc**

**Defendant/
Appellant**

Mr Henry Carr QC and Miss Anna Edwards-Stuart (instructed by Simmons & Simmons LLP)
for the Claimant/Respondent

Lord Grabiner QC, Mr Michael Silverleaf QC and Richard Hacon
(instructed by Freshfields Bruckhaus Deringer LLP) for the Defendant/Appellant

Hearing date: 28 September 2012

Judgment

Sir Robin Jacob (giving the first judgment at the invitation of Longmore LJ):

1. HHJ Birss QC sitting as a Deputy Judge of the Patents Court, gave two judgments in favour of Samsung (I shall use “Samsung” variously to mean Samsung Electronics (UK) Ltd., the UK subsidiary of the Korean company Samsung Electronics Co. Ltd, “SEC”, or the entire Samsung Group. The context will make it clear which). The judgments are under appeal by Apple. By the first, of 9th July 2012, [2012] EWHC 1882 (Pat), Judge Birss held that three Samsung Galaxy tablet computers, the 10.1, the 8.9 and the 7.7 did not infringe Apple’s registered Community Design No. 000181607-0001. By the second, of 18th July 2012, [2012] EWHC 2049 (Pat), he held that Apple should be compelled to publicise the fact that it had lost in manners specified in the consequential order.
2. Apple’s appeal in respect of the non-infringement judgment was argued by Mr Michael Silverleaf QC and Mr Richard Hacon. Its appeal in respect of the publicity order was argued by Lord Grabiner QC and Mr Hacon. In respect of both appeals, Samsung’s case was argued by Mr Henry Carr QC and Miss Anna Edwards-Stuart.
3. Because this case (and parallel cases in other countries) has generated much publicity, it will avoid confusion to say what this case is about and not about. It is not about whether Samsung copied Apple’s iPad. Infringement of a registered design does not involve any question of whether there was copying: the issue is simply whether the accused design is too close to the registered design according to the tests laid down in the law. Whether or not Apple could have sued in England and Wales for copying is utterly irrelevant to this case. If they could, they did not. Likewise there is no issue about infringement of any patent for an invention.
4. So this case is all about, and only about, Apple’s registered design and the Samsung products. The registered design is not the same as the design of the iPad. It is quite a lot different. For instance the iPad is a lot thinner, and has noticeably different curves on its sides. There may be other differences – even though I own one, I have not made a detailed comparison. Whether the iPad would fall within the scope of protection of the registered design is completely irrelevant. We are not deciding that one way or the other. This case must be decided as if the iPad never existed.
5. Other disputes between the parties in other countries have concerned other intellectual property rights. We are not concerned with any of them. So far as this registered design and the three Samsung tablets is concerned I simply (I will have to say more about the August German decision) record the position:

The Netherlands

On June 27th 2011 Apple applied for a preliminary injunction in respect of all three Samsung tablets. It was refused at first instance and on appeal. Apple has an outstanding petition to the Supreme Court on a point of law. On 8th September 2011 Samsung issued a claim for a declaration of non-infringement which is on-going.

Spain

Samsung issued a claim for a declaration of non-infringement on 8th September 2011. The claim is ongoing. Apple are challenging jurisdiction. How far that can get is perhaps questionable given that before it did so it entered a defence on the merits. It may well be that the proceedings have now been overtaken by events in that there is a European-wide declaration of non-infringement granted by HHJ Birss and upheld by this judgment. No preliminary injunction has been sought in Spain and none is in force.

Germany

On 4th August 2011 Apple applied *ex parte* for a preliminary injunction in relation to the 10.1. It was granted without Samsung having an opportunity of being heard. Moreover it was granted on a pan-European basis. The defendants were SEC and its local German subsidiary. Subsequently the injunction was restricted to Germany as regards SEC.

On 24th October 2011 the Landgericht Düsseldorf granted a pan-European injunction (excluding Germany) which included the 7.7 but not the 10.1 against SEC's German subsidiary but refused such an injunction as against SEC in respect of the 7.7. Apple appealed the decision to refuse pan-European relief against SEC.

The registered design injunctions in respect of the 10.1 and 8.9 were set aside on appeal in January 2012.

Apple issued a main action in respect of all the Samsung tablets on 25th November 2011. I interpolate that in Germany proceedings for an interim injunction are regarded as separate, whereas here an interim injunction is granted within a main action or, in very urgent cases, a main action which the plaintiff undertakes to commence immediately. The part of the main action concerning alleged infringement of the Apple registered design was withdrawn on 24th February 2012.

Notwithstanding the withdrawal of the main action, and then HHJ Birss's final decision on the merits on 9th July 2012, Apple persisted in its appeal from the refusal on 24th October 2011 to grant a pan-European injunction against SEC in respect of the 7.7. On 24th July 2012 the German Court of Appeal, the Oberlandesgericht, allowed the appeal and granted a pan-European interim injunction in respect of the 7.7 against SEC, and its German subsidiary.

In the course of argument before us, as I shall recount later, Apple undertook to apply forthwith to the German court for that injunction to be completely withdrawn so far as it related to infringement of the registered design.

The USA

In the Californian proceedings where a number of patents (both design and invention software patents) were in issue, we were told the jury held that

Samsung's products did not infringe the design patent corresponding to the registered design we are considering ("design patent" is the US terminology for what in Europe is called a "registered design"). The laws as to infringement differ somewhat.

6. The upshot of all this is that there is now no injunction anywhere based on the registered design or its equivalent.

The non-infringement appeal

7. The Community Design involved was registered on 24th May 2004 – an aeon ago in terms of computers. It consists of seven views. The product in which the design is intended for incorporation is a "handheld computer". Annex A to this judgment show the views.
8. The Samsung 10.1, 8.9 and 7.7 are shown in Annex B. There is also a helpful same scale drawing of the side view of the registered design and the Samsung products which I reproduce below.
9. The legal test for infringement – the scope of protection - is set out in Art. 10 of the Community Design Regulation EC 6/2002:

Article 10 Scope of protection

1. The scope of the protection conferred by a Community design shall include any design which does not produce on the informed user a different overall impression.

2. In assessing the scope of protection, the degree of freedom of the designer in developing his design shall be taken into consideration.

10. The notional character whose attributes the court has to adopt is the "informed user." The Judge dealt with these attributes:

[33] The designs are assessed from the perspective of the informed user. The identity and attributes of the informed user have been discussed by the Court of Justice of the European Union in *PepsiCo v Grupo Promer* (C-281/10P) [2012] FSR 5 at paragraphs 53 to 59 and also in *Grupo Promer v OHIM* [2010] ECDR 7, (in the General Court from which *PepsiCo* was an appeal) and in *Shenzhen Taiden v OHIM*, case T-153/08, 22 June 2010.

[34] Samsung submitted that the following summary characterises the informed user. I accept it and have added cross-references to the cases mentioned:

He (or she) is a user of the product in which the design is intended to be incorporated, not a designer, technical expert, manufacturer or seller (*PepsiCo* paragraph 54 referring to *Grupo Promer* paragraph 62; *Shenzen* paragraph 46).

However, unlike the average consumer of trade mark law, he is particularly observant (*PepsiCo* paragraph 53);

He has knowledge of the design corpus and of the design features normally included in the designs existing in the sector concerned (*PepsiCo* paragraph 59 and also paragraph 54 referring to *Grupo Promer* paragraph 62);

He is interested in the products concerned and shows a relatively high degree of attention when he uses them (*PepsiCo* paragraph 59);

He conducts a direct comparison of the designs in issue unless there are specific circumstances or the devices have certain characteristics which make it impractical or uncommon to do so (*PepsiCo* paragraph 55).

[35] I would add that the informed user neither (a) merely perceives the designs as a whole and does not analyse details, nor (b) observes in detail minimal differences which may exist (*PepsiCo* paragraph 59).

11. Subject to two minor criticisms to which I will come, Mr Silverleaf on behalf of Apple accepted this summary of the law. Note that it includes reference to the *Grupo Promer/Pepsico* case, both before the General Court of the CJEU and before the CJEU itself (the case name is different but it is the same case). And note further that the CJEU expressly approved what the General Court had said about the informed user:

[53] It should be noted, first, that Regulation No 6/2002 does not define the concept of the 'informed user'. However, as the Advocate General correctly observed in points 43 and 44 of his Opinion, that concept must be understood as lying somewhere between that of the average consumer, applicable in trade mark matters, who need not have any specific knowledge and who, as a rule, makes no direct comparison between the trade marks in conflict, and the sectoral expert, who is an expert with detailed technical expertise. Thus, the concept of the informed user may be understood as referring, not to a user of average attention, but to a particularly observant one, either because of his personal experience or his extensive knowledge of the sector in question.

[54] It must be held that it is indeed that intermediate formulation that was adopted by the General Court in paragraph 62 of the judgment under appeal. This is, moreover, illustrated by the conclusion drawn from that formulation by the General Court in paragraph 64 of the judgment under appeal, in identifying the informed user relevant in the present case as capable of being a child in the approximate age range of 5 to 10 or a marketing manager in a company that makes goods

which are promoted by giving away ‘pogs’, ‘rappers’ or ‘tazos’.

...

[56] Therefore, the General Court cannot reasonably be criticised as having erred in law on the ground that it assessed the overall impression produced by the designs in conflict without starting from the premise that an informed user would in all likelihood make a direct comparison of those designs.

12. I draw attention to this because, as will be seen below, one of the reasons the Dusseldörf Oberlandesgericht gave for disagreeing with Judge Birss was that the *Gruper Promo* General Court judgment had been superseded by the decision in *Pepsico*, though the Oberlandesgericht did not say in what way. The implied suggestion was that HHJ Birss had applied the wrong test. I think the Oberlandesgericht was wrong: the CJEU endorsed the General Court. I note further that Apple did not before us suggest that the CJEU had altered the test as laid down by the General Court in *Gruper Promo*.
13. Apple’s first criticism of the Judge’s approach in law was this: it submitted that the informed user, noting that the design was from 2004, would know and expect that advances in technology would make thinner tablets possible. Hence, it suggested, the informed user would give little significance to the thickness of the design as registered.
14. I do not agree for two reasons. First is that the scope of protection is for the design as registered, not some future, even if foreseeable, variant. Second is that Apple’s point cuts both ways: if the informed user could foresee thinner tablets ere long so could Apple whom the informed user would take to have the same prevision. Thus the informed user would take the thickness to be a deliberate design choice by Apple.
15. The second criticism was based on the fact that the Judge took account of the fact that the Samsung products had the trade mark Samsung on both their fronts and backs. It was submitted that the informed user would disregard the trade mark altogether as being a mere conventional addition to the design of the accused product.
16. Actually what the Judge said about the trade mark being on the front of the Samsung tablets was said in the context that Apple was contending that a feature of the registered design was “A flat transparent surface without any ornamentation covering the front face of the device up to the rim.” He said:

[113] All three tablets are the same as far as feature (ii) is concerned. The front of each Samsung tablet has a tiny speaker grille and a tiny camera hole near the top edge and the name Samsung along the bottom edge.

[114] The very low degree of ornamentation is notable. However a difference is the clearly visible camera hole, speaker grille and the name Samsung on the front face. Apple submitted that the presence of branding was irrelevant

However in the case before me, the unornamented nature of the front face is a significant aspect of the Apple design. The Samsung design is not unornamented. It is like the LG Flatron. I find that the presence of writing on the front of the tablet is a feature which the informed user will notice (as well as the grille and camera hole). The fact that the writing happens to be a trade mark is irrelevant. It is ornamentation of some sort. The extent to which the writing gives the tablet an orientation is addressed below.

[115] The Samsung tablets look very close to the Apple design as far as this feature is concerned but they are not absolutely identical as a result of a small degree of ornamentation.

17. So what the Judge was considering was the fact that unlike the design, the front face had some sort of ornamentation which happened to be a trade mark (plus speaker grill and camera hole). Little turned on it in his view, he called it “a small degree of ornamentation.” But it was a difference.
18. I think the Judge was correct here. 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. Where you put a trade mark can influence the aesthetics of a design, particularly one whose virtue in part rests on simplicity and lack of ornamentation. The Judge was right to say that an informed user would give it appropriate weight – which in the overall assessment was slight. If the only difference between the registered design and the Samsung products was the presence of the trade mark, then things would have been different.
19. Much the same goes for the Samsung trade mark on the back of the products. Apple had contended that a key feature was “a design of extreme simplicity without features which specify orientation.” Given that contention the Judge can hardly have held that an informed user would completely disregard the trade marks both front and back which reduce simplicity a bit and do indicate orientation.
20. There was no error of law here – and in any event the point was not one on which the case turned as the Judge made clear. The Oberlandesgericht said it disagreed with Judge Birss on this point. It said, erroneously in my view, that how the trade mark affected the appearance should be ignored altogether. Moreover it missed how minor a point it was in Judge Birss’s overall assessment (“small degree of ornamentation”).
21. There is one other point about how the informed user would assess the registered design, a point decided by the Judge adversely to Samsung. Views 0001.1 and 0001.3 show the front of the tablet. There is a rectangular dotted line shown. Apple submitted, and the Judge accepted, that the dotted line indicated a frame below a glass face – of the kind now familiar on all sorts of touch-screen devices. Samsung ran a complicated point based on the guidelines for examination. It submitted these would lead the informed user to conclude that the dotted lines were there to indicate that a feature was not protected: thus the fact that the Samsung device does have a “frame” is to be disregarded.

22. This is faintly absurd: a bit like the notice-board reading “Ignore this notice.” For if there were no dotted rectangular line, the front face of the design as registered would be entirely plain. So it would then be for the informed user to form a judgment as to whether a tablet with a frame created a different overall impression. In short, on Samsung’s contention if there were no dotted lines the position would be the same as if they were there.
23. The Judge rejected the contention [10-11]. He was right to do so. The simplest explanation, obvious once one says it, was provided to us by Mr Silverleaf at the instigation of Mr Hacon. It is this: the drawings have hatching which clearly indicates a flat, shiny, surface. This goes over the dotted line. So the latter is there to show a border below the shiny transparent surface.
24. Mr Silverleaf submitted further that the informed user would know about flat screens with “frames” under the glass. They were known and the frames had a known, technical purpose of providing space for the necessary electronics. This, the informed user would readily see, is what is being shown here, that with which he is familiar. I agree. The point has repercussions, however, on the scope of protection.
25. Having got these minor skirmishes out of the way, I turn to the main question, was the Judge wrong in his assessment of a different overall impression to the informed user?
26. Such an assessment will not be disturbed on appeal unless, as I said with the other members of the court concurring in *Procter & Gamble v Reckitt Benckiser* [2008] FSR 8:

[36] ...the Judge has gone wrong in principle, see, e.g. *Designers Guild v Russell Williams* [2001] FSR 113 where Lord Hoffmann said, speaking of the closely analogous question of substantiality in relation to copyright infringement:

“because the decision involves the application of a not altogether precise legal standard to a combination of features of varying importance, I think that this falls within the class of case in which an appellate court should not reverse a judge’s decision unless he has erred in principle.”

It is noticeable that the Court of Justice adopted a similar, if not exactly the same, approach on the appeal to it in the *Grupo Promer/Pepsico* case, see e.g. [45].

27. So did the Judge go wrong in principle? Mr Silverleaf submitted he did: that he approached the design corpus wrongly and failed properly to consider the designs as a whole. The heart of the latter submission was that the Judge went about the comparison exercise piecemeal, feature by feature, and failed to have regard to the overall impression of the registered design as compared with any of the items of prior art contained within the design corpus. Mr Silverleaf expressed it this way:

what you cannot do, in my submission, is pick out features from the prior art and say, “Those articles have that feature, these articles have this feature, those articles have a third feature and, therefore, those features do not really count.” If

you do that, you immediately see that what you end up with is a situation in which you cannot have a design that has individual character if it happens to be made up from a novel and unique combination of features which are all individually known in the prior art.

28. I accept that submission as a matter of law. But I do not think the Judge remotely did that. The Judge was entirely aware of the need to consider the overall impression of the design as it would strike the informed user bearing in mind both the design corpus and the extent of design freedom. He said so both at the outset and at his conclusion:

[31] I start by reminding myself that what really matters is what the court can see with its own eyes (per Jacob LJ in *Dyson v Vax* [2012] FSR 4 at paragraphs 8 and 9, emphasising a passage from his judgment in *Procter & Gamble v Reckitt Benckiser* [2008] ECDR 3 (paragraphs 3 and 4)). The most important things are the registered design, the accused object and the prior art and the most important thing about each of these is what they look like.

[32] I also remind myself that while the exercise is a visual one, judgments have to be written and reasons necessarily expressed in words. However I must bear in mind that it is the overall impression which counts and not a verbalised list of features, see paragraph 46 of the judgment of Arnold J at first instance in *Dyson v Vax* [2010] FSR 39 and his reference there to the observations of Mann J in *Rolawn Ltd v Turfmech Machinery Ltd* [2008] EWHC 989 (Pat); [2008] R.P.C. 27 (paragraph 123, 125 and 126). As Mann J said, “*one of the problems with words is that it is hard to use them in this sphere in a way which avoids generalization. But what matters is visual appearance, and that is not really about generalities.*”

And, when he came to consider the overall impression of the Apple design having considered the various features of the design:

[178] Having gone through the various features individually it is necessary to pull it all together and consider the overall impression of the Apple design on an informed user.

29. It is of course the case that, of necessity, the Judge had to go through a “verbalised list of features.” Apple can hardly complain about that since the Judge used the very list of seven features it had identified and invited him to use.
30. I do not think it worthwhile or correct to consider each feature in all the meticulous detail which the Judge, of necessity, had to undertake. I shall concentrate on the most important.

31. However before I do so it should be noted that Samsung did not contend that any of these features were “dictated solely by function.” Such a feature is excluded from consideration by virtue of Art. 81. It means a feature which is purely functional, not to some degree chosen for the purpose of enhancing the product’s visual appearance (see *Lindner Recyclingtech v Franssons Verkstäder* (Case R 690/2007-3 [2010] ECRD 1) and Arnold J in *Dyson v Vax* at [31].
32. However Samsung did submit, and the Judge accepted, that in some respects there is only a limited degree of freedom for any designer of a tablet computer, particularly in relation to the appearance of the front and rather more for the back.
33. I turn to the front first. For it is obviously the most important feature of all, that which strikes the eye and would strike the eye of the informed user as most important. Its features are verbalised by the first four features identified by Apple:
- (i) A rectangular, biaxially symmetrical slab with four evenly, slightly rounded corners;
 - (ii) A flat transparent surface without any ornamentation covering the entire front face of the device up to the rim;
 - (iii) A very thin rim of constant width, surrounding and flush with the front transparent surface;
 - (iv) A rectangular display screen surrounded by a plain border of generally constant width centred beneath the transparent surface.

I would add one other feature, that the edges of the front as shown on the representations are sharp. The sides are at 90° to the plane of the front face. So the thin rim has only its side visible on a front view.

34. I propose to consider design restraint first. The Judge held that:
- [104] The rectangular display screen is totally banal and determined solely by function. Apart from that there are some other design constraints applicable to this feature but they do not account for the identity between the Samsung tablets and the Apple design. These devices do not need to have biaxial symmetry nor be strictly rectangular. Nevertheless the significance of this identity is reduced by the fact that there are other designs in the design corpus which are very similar too.
35. So you could have a front face of somewhat different shape, but the general shape (rectangular with rounded edges) is not that significant. I do not see how that assessment can be criticised.
36. As to item (ii) (transparent and flat over the entire face with no ornamentation), the Judge found that flatness was common and transparency essential. He held that there was a certain amount of design freedom (you could have a bezel or raised frame). Touch screen technology meant you did not need a raised frame to protect the screen. The degree of ornamentation of the front was a matter of designer choice.

37. As to the thin rim:

[119] As before, this aspect of the design is the product of trade offs by the designer which include functional considerations but also include aesthetics. The designer can choose to have a flush rim or a bezel, can choose the rim thickness and whether it is constant around the device. Within a general overall constraint, the designer has significant aesthetic design freedom.

38. And as to the border within the frame:

[126] I find that there is a degree of design constraint applicable here. The devices need some kind of border. The border need not be as described in feature (iv) but there are limits on design freedom.

The Judge added this:

[127] Irrespective of the matter of design freedom, to my eye, feature (iv) would strike the informed user as a rather common feature.

39. All of this appears to be a proper assessment of the degree of design freedom. In overall terms for a hand-held tablet (1) you need a flat transparent screen, (2) rounded corners are unremarkable (and have some obvious functional value in a hand-held device), and (3) you need a border of some sort for functional reasons. There is some design freedom as regards ornamentation, the rim, the overall shape (rectangular or with some curved sides) but not a lot. And the main thing, the screen itself was something with which the informed user would be familiar as indeed Mr Silverleaf acknowledged when arguing the “dotted line” point.

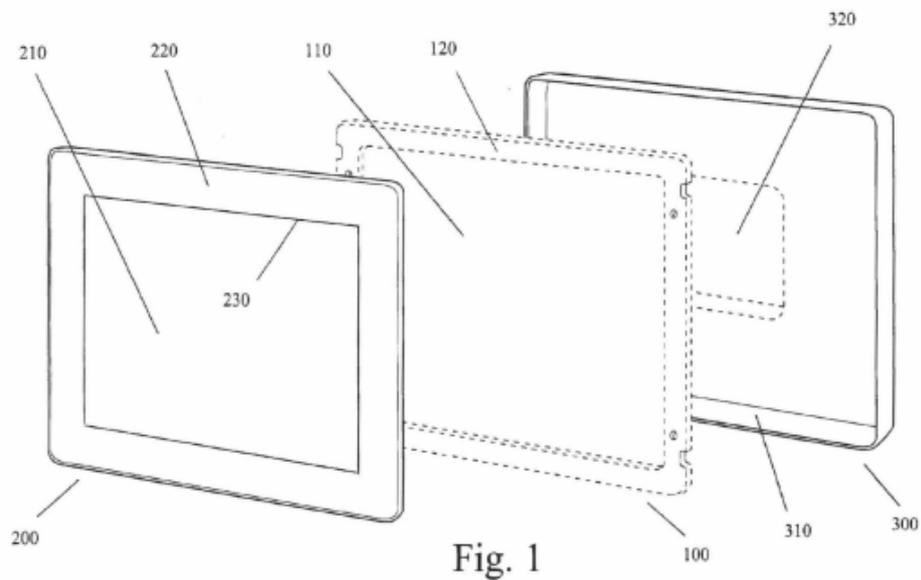
40. The Judge also cannot be faulted in his assessment of the design corpus in relation to the front of hand-held computers. Of particular relevance are the following:

The Flatron

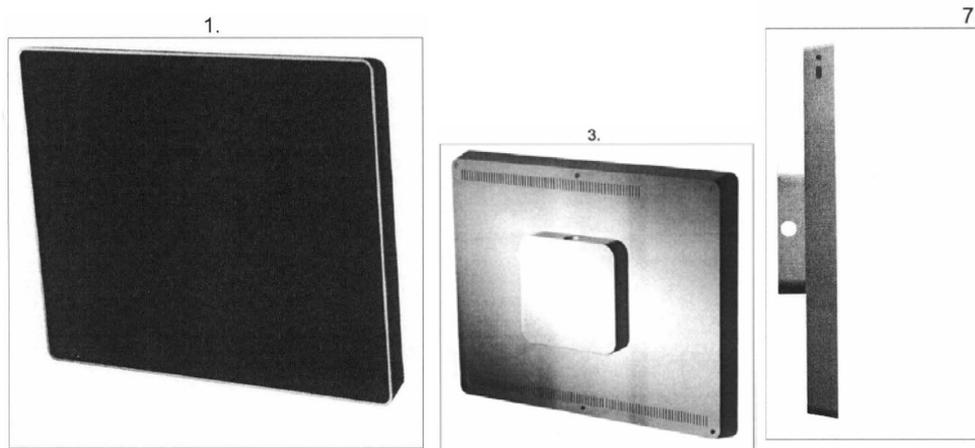


We were shown a physical example of this. The front is very close to that of the registered design, save that it departs from lack of orientation by a little LG logo. The back is rather different, as I shall come to.

Ozolins. US Patent Appn. 2004/0041504 A1



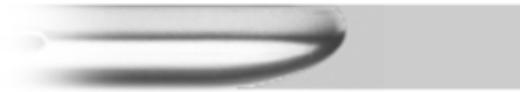
Bloomberg (A Community RD of 2003)



41. There was a debate, entirely sterile as far as I can see, about whether other Bloomberg publications showed the same thing or something similar. I do not go into it, for there was no suggestion that the appearance of the front of the registered design was commonplace. The fact remains that other items of the design corpus show fronts very close to the Apple design.
42. Mr Silverleaf complained that the judge referred to a “family” of designs having similar fronts. But I see no significance in that. He clearly recognised that fronts of this sort were not commonplace, and so, whether one called the above three designs a “family” is immaterial.
43. As to the sides, it is rather apparent that the Apple design has the 90° sharp edge to which I have referred. It matters because the informed user (indeed any user) would notice it. It gives the Apple design a sharp outline. The Judge called it a “crisp edge.” The Samsung products are very different in relation to this and the sides generally. Before us Apple put in an exhibit (without complaint from Mr Carr) which illustrates this vividly because it has been enlarged and shows the side views of the registered design and the three accused products on the same scale:



RCD '607
thickness = Y



SGT 7.7
thickness approx. (0.74)Y



SGT 8.9
thickness approx. (0.67)Y



SGT 10.1
thickness approx. (0.65)Y

By contrast with the crisp edge of the design, all three of the Samsung products have a side which curves a little outwards (so a bit bezel-like) before curving back in and under. And none of them have a vertical portion.

44. Apple's features (v) and (vi) related to the back and sides of the design:
- v) A substantially flat rear surface which curves upwards at the sides and comes to meet the front surface at a crisp outer edge;
 - vi) A thin profile, the impression of which is emphasised by (v) above.

45. The Judge said of feature (v):

[150] There is one serious design constraint applicable to this feature. The back needs to be generally flat. Apart from that there is considerable design freedom. The sides are very similar but these kinds of sides for products are not unusual. The informed user would recognise the Apple design in this respect as belonging to a familiar class of products with somewhat curved sides and a fairly crisp edge. The Samsung tablets are members of the same familiar class.

I cannot see how there could be any complaint about this. Actually to my eye what he said was if anything too favourable to Apple. For there is surely a real design difference between Apple's sharp edge, vertical side followed by a nearly circular arc of rounding and each of Samsung's products. Members of the same "family" perhaps, but cousins or second cousins at most.

46. As to the back, as the Judge said it had to be flat. No complaint was made about that. But the design shows more: a pure flat surface without embellishment of any kind.

The Samsung products are altogether busier in ways described by the Judge and can be seen in Annex B

[13] The backs of Galaxy Tabs 10.1 and 8.9 have what Samsung call a clutch purse feature. The backs have two colours. There is a gray/black combination and a gray/white combination. In both cases the gray region forms a rim around the whole back surface and has a thicker part along one side. This thicker part carries the camera. The main part of the back is either black or white as the case may be.

[14] The back of the Galaxy Tab 7.7 has three zones. The zones at the two ends are a smooth silvery gray coloured plastic. The central zone is a silvery gray metal with a rougher texture.

47. The Judge assessed the significance of these differences in a manner which I do not see can be bettered:

[173] The backs of the Galaxy tablets have prominent visual features. The Tab 10.1 and Tab 8.9 are the same. They have the so called “clutch purse” feature. It is a unique feature which distinguishes those tablets from the Apple design and from the design corpus. To my eye the clutch purse feature is a little less visually prominent in the white and gray version than in the black and gray version.

[174] The back of the Tab 7.7 is different from the backs of the other two. The Tab 7.7 is has a two tone arrangement. There is a visible difference in texture between the two end zones and the central zone. This is also different from the Apple design. In my judgment the difference between the Tab 7.7 and Apple is less significant than the difference between the “clutch purse” back designs on the other Samsung tablets and the Apple design. In other words the Tab 7.7 product is the closest to the Apple design.

48. As to Apple’s final feature, “Overall, a design of extreme simplicity without features which specify orientation”, the Judge accepted that accurately applied to the registered design. As I have said he noted that the Samsung products did have features which specified orientation (notably the trade mark but also the camera and speaker) and the other matters which made them more complicated design-wise.

49. Mr Silverleaf had another complaint. He submitted that insofar as there were items of the design corpus which had fronts very similar to that of the registered design, those items had very different backs – nothing like the flat back and the sides of the registered design. So if you looked at the designs as whole – in the round – the design corpus products produced a very different impression whereas the impressions produced by the Samsung products and the registered design produced were much the same.

50. Thus, for instance, although the Flatron had a large front face looking very close to the design (and Samsung) the back was different. It looked like this:



- The stand (shown in dark grey) could be optionally fitted to the silvered computer which could be hand-held. So it is irrelevant. But the lump on the back of the screen was integral with it. No doubt it contained functional electronics and the like. We were shown a physical example of the Flatron – it is much bigger than any of the Samsung products (or an iPad for that matter). Just about hand-holdable.
51. I do not accept Mr Silverleaf’s criticism for three reasons. First, whilst of course the statutory question requires the court to consider the reaction of the informed user to the “overall impression,” any sort of user, informed or not, would be apt notionally to consider the front and back rather separately. Secondly at least to my mind the Flatron in particular, looks very much like a two-part construction – like a large tablet with something stuck on to its back. And thirdly even if Mr Silverleaf were right, the implication is that the back matters rather a lot. Assuming that to be so it would lead the notional informed user to notice how different the backs of the Samsung products are as compared with the registered design (much thicker, even in the case of the 7.7, quite different curvatures, no sharp edge, and busier flat portion). True the Flatron is further away than the Samsung products because the Samsung products are proper tablets, but that does not mean that the Samsung products produce the same impression as the registered design, either as regards the backs or as a whole.
52. There is also this – a point I have touched on before and which the Judge rightly thought important. The Samsung products are all significantly and immediately noticeably thinner than the registered design. Even the 7.7 which, being the smallest is relatively thicker than the other two, is visually significantly thinner. Doubtless that is why it was contended, wrongly as I have said, that the informed user would pay little attention to thinness. I think the Judge would have been wrong if he had not held that the informed user would consider the relative thinness of the product as forming a significant part of the overall impression.
53. Overall I cannot begin to see any material error by the Judge. He may have been wrong about how many Bloomborgs there were or how another piece of the design corpus, Stevenson was to be understood, but that in no way impairs his overall conclusion, arrived at by using his own eyes and taking into account both the design corpus and the extent to which there was design freedom:

[190] The informed user's overall impression of each of the Samsung Galaxy Tablets is the following. From the front they belong to the family which includes the Apple design; but the Samsung products are very thin, almost insubstantial members of that family with unusual details on the back. They do not have the same understated and extreme simplicity which is possessed by the Apple design. They are not as cool. The overall impression produced is different.

54. I would add that even if I were forming my own view of the matter, I would have come to the same conclusion and for the same reasons. If the registered design has a scope as wide as Apple contends it would foreclose much of the market for tablet computers. Alterations in thickness, curvature of the sides, embellishment and so on would not escape its grasp. Legitimate competition by different designs would be stifled.
55. Finally I should say something about the 24th July decision of the Oberlandesgericht which held that the 7.7 infringed and granted a pan-EU injunction against SEC from selling it.
56. Firstly I cannot understand on what basis the Court thought it had jurisdiction to grant interim relief. I do not think it did for several reasons.
57. Firstly it is common ground that no German court was "first seized" of the claim for a declaration of non-infringement. Indeed given that Apple withdrew its claim for infringement in Germany, no German court appears even now to be seized of a claim for infringement. It is true that Samsung applied for declarations of non-infringement on the same day, 8th September 2011 in Spain, the Netherlands and England and Wales and there could be (but I think rather overtaken by events given that the trial and appeal are over here) a dispute about which case started first in point of time. After all there is now a Community-wide decision on the point, now affirmed on appeal. One would think that ought to put an end to all other litigation about it.
58. Secondly I cannot see any basis for an interim injunction. The UK court had already granted a final declaration. Moreover it was sitting not just as a UK court but as a Community Court. Interim injunctions are what you grant in urgent cases where there is not enough time to have a full trial on the merits. That was not this case. Lord Grabiner told us that the Oberlandesgericht had jurisdiction pursuant to Art. 31 of the Brussels Regulation EC/44/2001. But that relates to "provisional, including protective measures." There was no room for "provisional" measures once Judge Birss, sitting as a Community Court had granted a final declaration of non-infringement.
59. Further Judge Birss was not sitting as a purely national court. He was sitting as a Community design court, see Arts. 80 and 81 of the Designs Regulation 44/2001. So his declaration of non-infringement was binding throughout the Community. It was not for a national court – particularly one not first seized - to interfere with this Community wide jurisdiction and declaration.
60. The Oberlandesgericht apparently also thought it had jurisdiction because the party before it was SEC whereas the party before the English court was SEC's UK

subsidiary. With great respect that is quite unrealistic commercially – especially as I shall recount below, Apple at least took the view that SEC would be liable for the subsidiary’s actions. They were all one “undertaking”. I use the word of EU law for this sort of situation.

61. Finally I regret to say that I find the Oberlandesgericht’s reasoning on the merits sparse in the extreme. Firstly, for the reasons I have given, I think it was wrong to say that the General Court decision in *Grupo Promer/Pepsico* was “outdated” when the decision on appeal affirmed the General Court. Secondly the Court wrongly assumed that the trade mark point was critical to Judge Birss’s decision when it was not. And for the reasons I have given I think it was wrong in law to say that the positioning of a trade mark was irrelevant where it interfered with one of the key features of the design (simplicity and plainness).
62. What the Oberlandesgericht did not do was to consider Judge Birss’s decision in detail. It gave only meagre reasons for saying “The Court cannot concur with the interpretation of the High Court”. I regret that. In *Grimme v Scott* [2010] EWCA Civ 1110, this Court said:

[63] Broadly we think the principle in our courts – and indeed that in the courts of other member states - should be to try to follow the reasoning of an important decision in another country. Only if the court of one state is convinced that the reasoning of a court in another member state is erroneous should it depart from a point that has been authoritatively decided there. Increasingly that has become the practice in a number of countries, particularly in the important patent countries of France, Germany, Holland and England and Wales. Nowadays we refer to each other’s decisions with a frequency which would have been hardly imaginable even twenty years ago. And we do try to be consistent where possible.

[64] The Judges of the patent courts of the various countries of Europe have thereby been able to create some degree of uniformity even though the European Commission and the politicians continue to struggle on the long, long road which one day will give Europe a common patent court.

63. That principle was not followed by the Oberlandesgericht. If courts around Europe simply say they do not agree with each other and give inconsistent decisions, Europe will be the poorer.

The Publicity Appeal

64. As a result of his second judgment, Judge Birss ordered that:

Within seven days of the date of this Order [18th July 2012] [Apple] shall at its own expense (a) post in a font size no smaller than Arial 11pt the notice specified in Schedule 1 to this order on the homepage of its UK website ... as specified in

Schedule 1 to this Order, together with a hyperlink to the Judgment of HHJ Birss QC dated 9th July 2012, said notice and hyperlink to remain displayed on [Apple's] websites for a period of six months from the date of this order or until further order of the Court (b) publish in a font size no smaller than Arial 14pt the notice specified in Schedule 1 to this Order on a page earlier than page 6 in the Financial Times, the Daily Mail, The Guardian, Mobile Magazine and T3 magazine.

65. The material part of the notice specified in Schedule 1 reads:

On 9th July 2012 the High Court of Justice of England and Wales ruled that Samsung Electronic (UK) Limited's Galaxy Tablet Computer, namely the Galaxy Tab 10.1, Tab 8.9 and Tab 7.7 do not infringe Apple's registered design No. 0000181607-0001. A copy of the full judgment of the High court is available on the following link [link given]

66. Apple was immensely concerned about this order. Quite apart from the public grovel which it would involve, it had the further concern that this notice on its homepage would substantially interfere with the design and layout of its important marketing tool, its homepage. So Apple immediately applied to this court (Kitchin LJ and Sir Robin Jacob) for the order to be suspended pending this appeal.

67. We acceded to this application 26th July 2012, EWCA Civ 1223. This was in part because it proved possible to list this appeal shortly so the effect of suspension would be limited if in the end a publicity order was made but mainly because both of HHJ Birss's judgments had already received massive publicity. Kitchin LJ said:

[44] ... Public humiliation formed no part of the judge's reasoning in deciding to make the order and I do not think it would be right to condemn Apple to such a fate before it has had an opportunity to argue its case on appeal.

68. As I indicated in my Judgment we considered the matter *de novo* because we had lots of new material. To consider whether the Judge had exercised his discretion properly merely on the basis of the material before him therefore made no sense. We had to exercise our discretion on all the material.

69. The same applies now. And we have much more material than we had in July. I propose to consider whether there should be a publicity order on the basis of all the material before us. It is quite unnecessary to consider whether or not HHJ Birss exercised his discretion properly on the much more limited material before him. In saying this I am far from saying that publicity orders of this sort should be the norm. On the contrary I rather think the court should be satisfied that such an order is desirable before an order is made – otherwise disputes about publicity orders are apt to take on a life of their own as ancillary satellite disputes. They should normally only be made, in the case of a successful intellectual property owner where they serve one of the two purposes set out in Art. 27 of the Enforcement Directive and in the case of a successful non-infringer where there is a real need to dispel commercial

uncertainty in the marketplace (either with the non-infringer's customers or the public in general).

70. Before I proceed however, I should first consider whether or not there is power to grant a publicity order of this sort – publicity by an intellectual property claimant that he has failed in his action for infringement. Publicity orders in intellectual property cases are quite a new thing at least in this jurisdiction. Prior to the Enforcement Directive 2004/48/EC they were, so far as I am aware, unknown here. The nearest one came to such an order was a recognition that a plaintiff could be entitled to the costs of obtaining an order for an injunction in open court even though the defendant consented for the sake of the publicity that such an order afforded, see *Fox v Luke* (1925) 43 RPC 37.
71. The Enforcement Directive changed that, providing expressly for publicity orders where the IP right holder has been successful. The purpose (Recital 27) was to act as a “supplementary deterrent to future infringers and to contribute to the awareness of the public at large.” The Directive does not provide for publicity orders the other way round - where a party has successfully defended an unjustified claim of infringement or has obtained a declaration of non-infringement.
72. Mr Carr accepted that the Directive was limited to publicity where an IP right holder was successful. So jurisdiction to grant the order could not stem from the Directive. Mr Carr contended that jurisdiction stemmed from s.37 of the Senior Courts Act 1981:

37(1) The High Court may by order (whether interlocutory or final) grant an injunction ... in all cases in which it appears to the court to be just and convenient.”

The provision replaces identical legislation going back to at least the Judicature Acts of 1873-5. As is set out in *Spry on Equitable Remedies*, 7th Edn. (cited by Apple) the exercise of the power is not entirely unfettered. It is limited to inter alia “the enforcement of an equitable right” and “to restrain unconscionable conduct, such as conduct which would interfere with the due process of the court.”

73. Lord Grabiner did not actually contest that s.37(1) gave the court in principle a power to grant a publicity order in favour of a successful non-infringer. He referred us, as did Mr Carr, to what Lord Nicholls said in *Mercedes Benz v Leiduck* [1996] AC 284 at page 308:

“...the jurisdiction to grant an injunction, unfettered by statute, should not be rigidly confined to exclusive categories by judicial decision. The court may grant an injunction against a party properly before it where this is required to avoid injustice, just as the statute provides and just as the Court of Chancery did before 1875. The court habitually grants injunctions in respect of certain types of conduct. But that does not mean that the situations in which injunctions may be granted are now set in stone for all time. The grant of Mareva injunctions itself gives the lie to this. As circumstances in the world change, so must the situations in which the courts may properly exercise their jurisdiction to grant injunctions. The exercise of the jurisdiction must be

principled, but the criterion is injustice. Injustice is to be viewed and decided in the light of today's conditions and standards, not those of yester-year"

74. Lord Grabiner made two points about the exercise of the s.37 power:

(1) That because it is a non-harmonised power (unlike the powers under the Enforcement Directive), it would be wrong to use the criteria for a s.37 injunction which might not be replicated elsewhere in Europe. He said:

When Sir Robin Jacob goes to his conferences in Europe to try to harmonise these arrangements, he wants achieve a common result. He does not want individual nation states going off and doing their own thing and judges in different courts possibly arriving at different results. That is a very laudable objective.

(That is a bit ironic given Apple's application to the German court asking it to "do its own thing" after Judge Birss's final Community wide order).

(2) In any event the exercise of the power should be proportionate – and given the massive amount of publicity which this case had got – and would get – there was simply no need for an order requiring Apple to publicise its defeat.

75. I have no doubt that the court has jurisdiction to grant a publicity order in favour of a non-infringer who has been granted a declaration of non-infringement. A declaration is a discretionary, equitable, remedy. The injunction is an adjunct to the declaration. It will not always be appropriate to grant it. Whether or not it is depends on all the circumstances of the case – as I said earlier where there is a real need to dispel commercial uncertainty. It is that test I propose to apply here.

76. As to Lord Grabiner's point about harmonisation, it is not helpful. The power to grant declarations of non-infringement itself is not harmonised (see e.g. the recognition of that in Art 81(b) of the Designs Regulation). So one can hardly expect the power to grant an injunction to make the declaration effective to be harmonised either. Moreover the point does not lead anywhere. Indeed it leads rather the other way. A declaration of Community wide effect (as is the declaration of non-infringement here) will prevent "individual nation states going off and doing their own thing and judges in different courts possibly arriving at different results." And if that has been happening in the Community before the declaration (as Apple itself caused here) then I see no reason why an injunction should not be granted to compel the party which caused the confusion and uncertainty to dispel it.

77. As to Lord Grabiner's point that the power to grant a non-infringer's publicity order should be exercised only where it was proportionate, I accept it. The test is the need to dispel commercial uncertainty.

78. It is to that I now turn. I begin by summarising the position factually:

i) The pan-European injunction in respect of the 10.1 and later the 8.9 and 7.7 obtained ex parte by Apple on 4th August 2011 received massive publicity. Even though these injunctions as regards design infringement were later first limited to Germany and even later discharged altogether as regards the 8.9

and 10.1 Samsung says that its market share of tablets in the UK plummeted from 10% to 1% and has only recovered to 3%. Lord Grabiner submitted that this has never been tested, but Apple have not presented any contrary evidence. I do not see why Samsung's evidence should not be accepted for present purposes. (Whether or not Samsung has any claim in the German courts for all the losses it has suffered as a result of preliminary measures which proved to be unjustified is obviously not a matter for us. I hope it does. If the position were the other way round, that the unjustified preliminary measures had been granted by the English and Welsh courts, the "injured" party would have a remedy under the cross-undertaking in damages which the English court normally requires as a condition of granting a preliminary measure which is not ultimately vindicated in a main trial).

- ii) In Holland where Apple are suing Samsung in respect of patent infringement, Apple is seeking a publicity order which requires Samsung if it loses to give publicity to that on its website. So Apple consider that website publicity by the loser is proportionate. It may also be noted that Apple claimed a publicity order in general terms in its counterclaim in these proceedings, again showing it thought a publicity order appropriate.
 - iii) Following Judge Birss's "not as cool" judgment, which did receive massive publicity, Apple obtained the Oberlandesgericht order banning SEC from selling the 7.7 throughout Europe. That order received massive publicity in the press too.
 - iv) Apple took steps to enforce that injunction. Its German lawyers wrote a letter to SEC's lawyers on 14th August complaining that the 7.7 was being advertised on Samsung's websites throughout Europe. The complaint extended to the UK. It threatened German proceedings to punish Samsung for breaching the Oberlandesgericht order. It took the position that SEC was responsible for the actions of its subsidiaries. That was in clear conflict with Judge Birss's declaration.
 - v) The letter was followed by an application to the German Court for measures to enforce the injunction.
 - vi) On 17th September Apple backtracked but only partially. It wrote to Samsung's solicitors saying the application to the German court had been withdrawn, that no further steps in relation to breach of the order were contemplated and that "for the avoidance of doubt whatsoever, and subject to its being discharged or varied on appeal, our client will do nothing which is inconsistent with the effect of the declaration and order of Judge Birss."
79. But of course Apple had been doing and was continuing to do something inconsistent with the declaration of Judge Birss. It had obtained and was keeping in force the order of the Oberlandesgericht. That said the 7.7 could not be sold throughout Europe. Judge Birss's order said it could.
80. As the matter developed before us through questioning, Apple first offered to apply to the German court to have the effect of its order limited so as expressly not to apply to the UK. It became evident that was not good enough. Judge Birss's order (which at

that point was assumed to be correct, we had not yet decided the appeal) applied throughout the EU because he was sitting as a Community Court. So eventually, but only in Lord Grabiner's reply speech, Apple accepted that the German injunction should be discharged altogether and undertook to this court forthwith to apply to the German court for it to be discharged.

81. How then does all of that affect the decision as to whether or not there should be a publicity order? The grant of such an order is not to punish the party concerned for its behaviour. Nor is it to make it grovel – simply to lose face. The test is whether there is a need to dispel commercial uncertainty.
82. Given the massive publicity of HHJ Birss's "not as cool" judgment, if there had been nothing else I would not have let the order he made come into force. Events had made it unnecessary.
83. But I have come to the firm conclusion that such an order is necessary now. The decision of the Oberlandesgericht received much publicity. What was the ordinary consumer, or the marketing department of a potential Samsung customer to make of it? On the one hand the media said Samsung had won, on the other the media were saying that Apple had a German Europe-wide injunction. Real commercial uncertainty was thereby created. A consumer might well think "I had better not buy a Samsung – maybe it's illegal and if I buy one it may not be supported". A customer (and I include its legal department) might well wonder whether, if it bought Samsung's 7.7 it might be in trouble before the German courts. Safest thing to do either way is not to buy.
84. Of course our decision fully understood actually lifts the fog that the cloud of litigation concerning the alleged infringement of the Apple registered design by the Samsung Galaxy 10.1, 8.9 and 7.7 tablets must have created. And doubtless the decision will be widely publicised. But media reports now, given the uncertainty created by the conflicting reports of the past, are not enough. Another lot of media reports, reporting more or less accurately that Samsung have not only finally won but been vindicated on appeal may not be enough to disperse all the fog. It is now necessary to make assurance doubly so. Apple itself must (having created the confusion) make the position clear: that it acknowledges that the court has decided that these Samsung products do not infringe its registered design. The acknowledgement must come from the horse's mouth. Nothing short of that will be sure to do the job completely.
85. I turn to the form of the publicity order. No more than that which is proportionate is necessary. As regards the newspaper publicity we had no complaint about the detail of that and, subject to the wording, I would affirm Judge Birss's order. As regards publicity on the Apple home web page, Mr Carr realistically recognised that Apple had a genuine interest in keeping it uncluttered. He proposed that instead of requiring the notice to be on the web page itself, it would be sufficient if there were a link provided from that to the notice. There are some links already provided. All that need be added is a link entitled "Samsung/Apple UK judgment." I think that would be appropriate and proportionate.
86. As regards the period for which the link should appear, Mr Carr recognised that a one month period would probably suffice. So I think it should be required for a month

from the date the order of this Court is made. But for the fact that Apple have agreed to obtain discharge of the order of the Oberlandesgericht I would have considered a longer period necessary.

87. Finally I should say something about the notice itself. We heard no discussion about that. Plainly Judge Birss's Schedule has been overtaken by events. Subject to anything that may be submitted by either side I would propose the following:

On 9th July 2012 the High Court of Justice of England and Wales ruled that Samsung Electronic (UK) Limited's Galaxy Tablet Computers, namely the Galaxy Tab 10.1, Tab 8.9 and Tab 7.7 do not infringe Apple's registered design No. 0000181607-0001. A copy of the full judgment of the High court is available on the following link [link given].

That Judgment has effect throughout the European Union and was upheld by the Court of Appeal on A copy of the Court of Appeal's judgment is available on the following link [...]. There is no injunction in respect of the registered design in force anywhere in Europe.

88. In the result I would dismiss both appeals but vary the publicity order as indicated or in such other way as may be agreed or settled by further argument. I would hope that any such argument (and any other consequential) arguments can be resolved by written submissions.

Lord Justice Kitchen:

89. I agree.

Lord Justice Longmore:

90. I also agree.

Annex A – The Apple registered design

Image 0001.1 (front):



Image 0001.2 (rear):



Image 0001.3 (front):

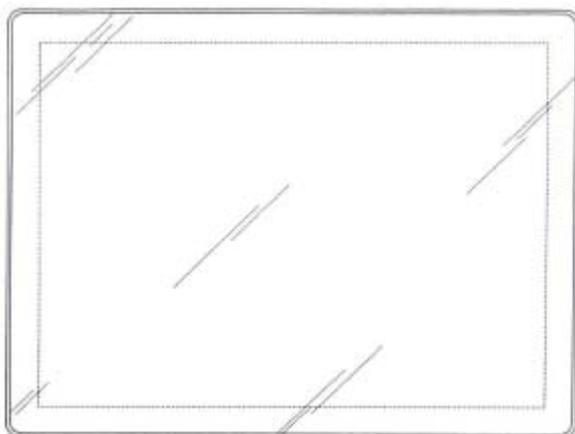


Image 0001.4 (rear):



Image 0001.5:



Image 0001.6:



Image 0001.7:



Annex B – Samsung tablets

Galaxy Tablet 10.1





Samsung Galaxy 8.9





Samsung Galaxy Tab 7.7



