

SHERIFFDOM OF LOTHIAN AND BORDERS AT EDINBURGH

[2024] SC EDIN 35

EDI-CA35/23

JUDGMENT OF SHERIFF K J CAMPBELL

in the cause

JEPUSON UK LIMITED

Pursuer

against

E & A INTERNATIONAL LIMITED

Respondent

Pursuer: Whyte, adv, (MBM Commercial LLP, Solicitors, Edinburgh)

Respondent: Ridley (Nisbets, Solicitors, Edinburgh)

Edinburgh, 23 July 2024

Introduction

[1] In this commercial action, the pursuer seeks interdict against the defender from infringing the pursuer's unregistered design right in a mini satchel, which is a square shaped satchel style bag having a swatch of Harris Tweed cloth on its forward facing sloping flap. On 31 August 2023, this court pronounced interim interdict in terms of an amended version of crave 1 of the Initial Writ. Thereafter, through a series of case management hearings, the action was proceeding towards proof. At a case management hearing on 3 June 2024, parties were able to advise the court that a substantial measure of agreement had been reached in resolving parties' dispute, however, there remained an issue about infringement of the interim interdict pronounced on 31 August 2023. The pursuer produced a Minute for breach, and following sundry procedure, the defender produced

Answers and parties entered into a Joint Minute setting out a number of agreed facts. In consequence, parties were at one that I should hear a debate on the Minute for breach and Answers, on the basis of the facts agreed in the Joint Minute. Following a false start on 19 June 2024, the matter proceeded to debate on 3 July 2024. Having heard parties' submissions, I made avizandum.

[2] In order to put parties' submissions in context, it is convenient to set out the terms of the interim interdict contained in the court's order of 31 August 2023, which is as follows:

grants interdict, ad interim against the Defender from infringing the Pursuer's unregistered design right in the Mini-Satchel being a square-shaped, satchel style bag having a swatch of Harris Tweed cloth on its forward facing, sloping flap secured by a front clasp, with two decorative leather bands or straps across the front flap fixed by metal studs, covering a front pocket on the outside of the body in addition to an internal pocket within the body and with a further strap or handle fixed to the top of its body, and having the following proportions being approximately 20.5 cm in width, approximately 9 cm in depth when closed and approximately 14 cm in height; by manufacturing, supplying for sale, selling or exposing or advertising for sale copies of the said Mini-Satchel or authorising others to do the same; until further orders of court;

[3] It is also convenient to set out the scope of the parties' agreement of the facts contained in the Joint Minute:

1. In relation to the productions contained within the pursuer's third Inventory of Productions: (a) All copy documents shall be held as equivalent to principals; (b) All documents are what they bear to be; (c). In the case of any letter, email or other document, it was prepared on or about the date that it bears; (d) In the case of

any letter or other written communication (including electronic message) addressed to or intended for another person or persons, it was duly sent and received or presented on or about the date and/or time that it bears; and (e) Said documents can be admitted into evidence without the necessity of being spoken to by a witness.

2. The images of satchels found at page 17 of production 5/42 depict a satchel whose outer flap is covered in patterned lambswool fabric.

3. The pursuer does not offer any bag or satchel for sale to the public which includes an external patterned fabric other than authentic Harris Tweed.

4. Harris Tweed is a particular, tweed fabric whose manufacture, design and authenticity is defined and protected by statute, namely the Harris Tweed Act 1993.

5. Patterned lambswool is not a tweed fabric.

6. The images of satchels found at page 17 of production 5/42 depict a satchel whose design features, with the exception of the form of fabric used on the outer flap, are otherwise the same as those found in production 5/12.

7. Productions 5/40 and 5/41 show the defender's stand at the Birmingham Trade Fair and contain examples of the bags depicted at page 17 of production 5/42.

Pursuer's submissions

[4] For the pursuer, counsel invited me to find that breach of interdict was established, and to sustain the pursuer's plea in law and to repel the defender's plea in law. Counsel submitted that breach of interdict is a species of contempt of court for which proof is required beyond reasonable doubt. That appeared to be common ground. The issue between parties was in the interpretation of the interim interdict, and its application to the

second iteration of the defender's mini satchel. In order to establish breach of interdict, the pursuer required to demonstrate a number things:

- (1) The defender's knowledge of the interdict;
- (2) Proof of the acts said to constitute breach of interdict;
- (3) Whether those acts do in fact fall within the scope of the prohibition in the interdict; and
- (4) The presence of mens rea, or wilful conduct.

[5] Taking each of these in turn. It was not disputed that the defender was and is aware of the interim interdict. Reference was made to paragraphs 2, 3 and 4 of the Minute for Breach; these were admitted in the defender's Answers.

[6] The factual basis on which parties proceed is also agreed in the Joint Minute. At the time of the hearing on the interim interdict in August 2023, two sample bags were available to the court (5/12 and 5/13). The pursuer's product has not changed in the interim.

However, the defender's product has changed, and the details are set out in the Joint Minute. Counsel invited the court to have regard to the two bags produced, from which it would be evident that the defender's first version was not a perfect carbon copy. For example, the clasps are of different sizes and the sizing of the straps at the front of the bag is different. However, the pursuer's position was that the design is so similar as to fall within the design right. The pursuer's position is that the second iteration of the defender's bag (examples of which may be seen on page 17 of 5/42) is also sufficiently similar to amount to a breach of interdict. The defender's position is that it is not. The defender accepts that the second iteration has been marketed, and so the question for the court is whether the second iteration of the defender's bag is within the scope of the interdict. Parties are agreed that the

focus is on the fabric covering of the defender's second iteration. Parties are agreed that the material has changed, and that is the only change in the defender's bag.

[7] The third and most substantial question was whether the second iteration of the defender's product falls within the scope of the interdict. It was necessary in counsel's submission to consider the terms of the interdict and the authorities about interpretation. Counsel submitted that whilst the starting place was that an interdict should be strictly construed, that was not the whole story. Counsel referred to *Arlidge Eady and Smith on Contempt* (5th ed) at paragraph 16.228. Counsel also referred to *McIntyre v Sheridan* 1993 SLT 412 at page 417 and 418. Counsel accepted there was good reason to be cautious but that the principle of a strict construction should not force the court into a corner. It was not appropriate to take an expansive approach, but nor should the court take a restrictive approach. Rather the natural and ordinary meaning of the words was to be preferred. In the context of this case, counsel submitted the interim interdict should be considered by reference to the pursuer's design right and the whole assembly of features sought to be protected.

[8] The design right is derived from section 213 of the Copyright Patents and Design Act 1988. "Design" is defined in section 213(2). Primary infringement is the subject of section 226. Infringement comprises the making of articles (see section 226(1)). Further, the test for infringement was whether these were "exactly or substantially" to the design. Counsel submitted that the defender's products were not a carbon copy, but are a substantial copy. Counsel submitted that the second iteration of the defender's bag is the same as the first except for the substitution of patterned lambswool for Harris Tweed. The pursuer submitted that the defender had in effect substantially copied the overall design of the pursuer's satchel, the matter is one of overall impression. The pursuer accepted that if

the defender had substituted vinyl or canvas the satchel would not be a substantial copy and would not fall within the scope of the interim interdict. The distinction lay in the distinctive woollen fabric and the crosshatching found, for example in photograph LB02 on page 17 of 5/42. The pursuer submitted the court should not be unduly bound by the words “Harris Tweed” in the interim interdict; the point was that the pursuer’s design is protected and has been infringed by a substantial copy. Accepting that Harris Tweed had not been used in the second iteration, the pursuer nonetheless submitted that the type of fabric used did not take the defender far enough away from the protected product. Counsel accepted, however, that a tartan canvas cover would create a different impression in terms of the fabric and would take the production sufficiently far away from the pursuer’s articles.

[9] Turning to the fourth and final element, counsel submitted that the authorities require deliberate intent. Counsel referred to *Easdale v Henry* 2024 SLT 545 at paragraph 16. Counsel submitted that the defender’s Answers indicated that the defender has made a deliberate effort to make a revised bag. Counsel submitted that was sufficient. *Transocean Drilling UK Ltd v Greenpeace Ltd* 2020 SLT 825 describes the approach to corporate liability.

[10] Drawing the points together, counsel submitted that three of the four elements were undisputed in their essence, and that the issue for the court was whether the second iteration fell within the scope of the interdict. Counsel submitted that it did. In that event the court would require to consider what punishment would be appropriate, and counsel referred to the Contempt of Court Act 1981. On the basis of the court’s approach in *Transocean*, it would not be appropriate for the pursuer, as the complainer in the Minute for breach, to make submissions about punishment. In the event that the court found the breach established, the pursuer sought expenses together with sanction for junior counsel.

Defender's submissions

[11] For the defender, Ms Ridley accepted that there was really only one issue in dispute between the parties, namely the choice of fabric in the second iteration of the defender's bag. She submitted that the consequences of the defender being found to be in breach are serious, and accordingly the wording of the interim interdict required to be very specific so as to leave as little chance as possible of infringement. That was, she submitted, a well-established and uncontroversial principle. The defender's position was that it was fundamental that the interdict refers to a swatch of Harris Tweed being included in the pursuer's design. It was agreed that the second iteration of the defender's bag uses lambswool and not Harris Tweed. Harris Tweed has a rough feel, whereas lambswool has a soft touch. Further, Harris Tweed is protected in terms of the Harris Tweed Act 1993 and requires a specific label to be attached to the item. The interim interdict pronounced by the court refers to Harris Tweed specifically and the pursuer only manufactures and sells products with Harris Tweed. The defender submitted it was a fundamental element if not the fundamental element of the interdict. It was accepted that the defender had deliberately changed the design, and that had been done so as not to breach the interdict from August 2023.

[12] Ms Ridley submitted that the pursuer's approach to alternative fabrics amounted to a departure from its position in the Minute for breach. She directed the court's attention to statement 11 and the averment "the only difference from its previous, allegedly infringing design is the substitution of a different tweed fabric". Ms Ridley submitted that the pursuer was relying on tweed fabric which is distinct in its touch. She submitted the pursuer could have sought to amend its action to include "patterned or tartan material". It had not done so. Had it done so, the defence would have been very different. The defender submitted it

would take the matter too far if the pursuer's claim extended to patterned material.

Ms Ridley invited the court to refuse the Minute and to sustain the defender's plea in law.

In the event that the defender was successful, the defender sought the expenses of the Minute procedure.

Pursuer's reply

[13] In a brief reply, counsel addressed the terms of statement 11 of the Minute. Counsel explained that had initially been framed by what was thought to be a tweed fabric. The position in that respect was superseded by the agreed facts in the Joint Minute. The remainder of statement 11 asserts substantial copying and the pursuer stood by its position outlined in submissions.

Analysis and decision

[14] As counsel submitted, section 213 of the Copyright Designs and Patents Act 1988 is the origin of the pursuer's unregistered design right. So far as material, that provides:

213. Design right.

(1) Design right is a property right which subsists in accordance with this Part in an original design.

(2) In this Part "*design*" means the design of the shape or configuration (whether internal or external) of the whole or part of an article.

...

Primary infringement (which is what this action has as its subject matter) is dealt with in section 226. So far as material, that provides:

226. Primary infringement of design right.

(1) The owner of design right in a design has the exclusive right to reproduce the design for commercial purposes —

(a) by making articles to that design, or

(b) by making a design document recording the design for the purpose of enabling such articles to be made.

(2) Reproduction of a design by making articles to the design means copying the design so as to produce articles exactly or substantially to that design, and references in this Part to making articles to a design shall be construed accordingly.

...

[15] Counsel submitted that the court should consider the interim interdict by reference to the pursuer's design right, and the design as a whole: the whole assembly of features, as he put it in argument. While the design right conferred by section 213 is, on the face of it, wide in scope, in infringement proceedings, in my view, it is important to identify with precision which aspects of shape or configuration are relied on in seeking to establish breach. There are two reasons for that. First, as already mentioned, the width of the right, which has to be considered subject to the general principle that as intellectual property rights confer a monopoly, the policy of the common law is that those are to be construed within boundaries, and not extended unduly. Secondly, precision is required because of the way in which the court requires to approach the remedy of interdict.

[16] It is a well-established principle of the law of interdict that a conclusion or crave for interdict requires to be specified with precision. As it is put in Macphail *Sheriff Court Practice* (4th ed):

The terms of the crave for interdict must be directed to the illegal actings complained of and the method or methods required to prevent their recurrence, and should be so precise and clear that the defender is left in no doubt what he is forbidden to do.

(para 21.50; under reference to *Kelso School Board v Hunter* (1874) 2R 228, at 232 per L Deas, and at 235 per L Ardmillan; *Murdoch v Murdoch* 1973 SLT(N) 73; *Webster v Lord Advocate* 1985 SC 173.).

The reasons for that approach are equally clearly established, and are succinctly expressed by Lord Deas in *Kelso School Board v Hunter*:

It is essential to keep in view the very peculiar nature of a process of interdict, which differs materially from every other civil suit, and may not inaptly be termed quasi-criminal. If the party interdicted fails in any particular to observe the interdict he is liable to be brought to the bar, and subjected summarily to censure, fine and imprisonment, or any of these punishments, as well as mulcted in expenses... If granted at all, it must be in terms so plain that he who runs may read. The responsibility of making it so lies upon the party asking the interdict...

[17] While issues of construction of the terms of an interdict may sometimes arise, in my opinion, the observations of Lord Deas continue to be a sound articulation of the need for clarity in a crave for interdict, and the very obvious reason for that. I am not persuaded that *McIntyre v Sheridan* is an indication of a departure from that approach. Rather, the passage to which I was directed (p418C-D) seems to me to show the court construing the words used by their ordinary and natural meaning, rather than an unduly narrow construction which had been urged on it in submissions. I do not detect any suggestion that clarity and precision of drafting no longer remain cardinal principles.

[18] It was common ground that the central issue between parties is the effect of the use of patterned lambswool in the second iteration of the defender's mini satchel. It was a matter of agreement that a lambswool covering is softer to the touch than tweed. There are of course a range of tweeds, but I consider on the material before me, I am entitled to conclude that tweed generally has a rougher texture to the touch than lambswool. Patterned

lambswool is not tweed, and in particular it is not Harris Tweed, which is of course specifically protected by statute. Those two propositions are a matter of agreement in paragraphs 4 and 5 of the Joint Minute.

[19] Section 226 of the 1988 Act speaks of infringement by “copying the design so as to produce articles exactly or substantially to that design”. Plainly, the designs are not exactly the same, because they feature different fabric on the covering. Nor do I consider the defender’s second iteration is substantially the same as the pursuer’s bag. It is true that the second iteration of the defender’s mini-satchel has similarities to the pursuer’s mini-satchel in terms of the overall dimensions of the bag, and the layout and general dimensions of the straps. However, in my view of equal, if not greater importance, is the prominence of the fabric covering of the triangular front flap. Both are patterned fabric. The pursuer’s is Harris Tweed, the defender’s is patterned lambswool. The interim interdict is very clearly directed against the use of Harris Tweed as the fabric covering. Both 5/12 and 5/13 feature a patch of Harris Tweed, and both display the Harris Tweed registered trademark. I consider that the approach to construction which appeared to be being urged on the court by counsel for the pursuer was in effect to read the terms of the interdict either to the effect of overlooking the reference to Harris Tweed as an essential component in the overall assembly, or alternatively to read in the words “or any similarly patterned woollen cloth” after the words “Harris Tweed.” I do not consider that either of those is a legitimate approach to construing the court’s order of 31 August 2023. The pursuer has accordingly not established that the second iteration of the mini-satchel, as displayed on page 17 of 5/42, is produced in breach of the interim interdict pronounced on 31 August 2023.

Conclusion

[20] It follows that I will repel the pursuer's plea in law, sustain the defender's plea in law and refuse the Minute. I will find the defender entitled to the expenses of the Minute and Answers procedure except insofar as I have already dealt with those.