

O-016-16

CONSOLIDATED PROCEEDINGS

REGISTERED DESIGNS ACT 1949 (AS AMENDED)

**IN THE MATTER OF REGISTERED DESIGN NOS 4025832, 4025833, 4025834
AND 4024639
IN THE NAME OF SCHAYANE DAWD**

AND

**THE REQUESTS TO INVALIDATE (NOS. 34-37/13)
BY SHENGWEI JIAO**

Background and pleadings

1. The registered designs which are the subject of this dispute were filed by Schayane Dawd on 4 May 2012. The designs are described on the application forms as “Its a Snowing Christmas tree with a flower pot base with the patterned skirt. Inside the flower pot base there is a snowing machine fitted”. The registered designs are shown below:

4025832



4025833



4025834



4024639



2. The applications included disclaimers to various aspects as forming no part of the design: the colour of the trees, the colour of the flower pot base, the colour of the skirt, the colour of the LED light string, the colour of the Christmas decorations, the colour of the top beacon, the pattern on the skirt, and the snow.

3. On 13 August 2013, Shengwei Jiao requested that the designs be declared invalid. The application forms were filled in by Amish Shah, acting as agent to Mr Jiao. The claim is based upon section 11ZA(2) of the Registered Designs Act 1949 (as amended) (“the Act”), which provides for claims to be brought because the registered proprietor is not actually the proprietor of the design. The statements of case begin:

“I, Amish Shah of 433 High Road Finchley, London, N12 0AP, am the acting agent of Mr Shengwei Jiao of Room 1805, Changan International Centre, 218 East Zhongshan Road, Nanjing City, China who owns Nanjing Red House Gift Co., Ltd, Huashang Road #5, Konggang Industrial Zone, Jiangning District Nanjing, Jiangsu 211113.

Mr Shengwei Jiao is the registered owner and copyright holder [of the designs].”

4. Attached to the statements of case are several documents which I will describe below in the evidence summary¹.

5. Mr Dawd filed notices of defence on Forms DF19B for each of the designs, attaching a single-page letter which denies the ground. I will reproduce the letter in the evidence summary below.

6. The proceedings were consolidated at this stage. Neither side chose to avail themselves of the opportunities given by the Tribunal to file further evidence (in addition to the documents attached to the applications and defences). The parties were given the choice of being heard or filing written submissions in lieu of a hearing. Neither chose to be heard and neither filed written submissions in lieu of a hearing. Therefore, I make this decision from the notices of application and defence and the documents attached thereto, which are the only papers which have been filed in these proceedings.

Evidence

7. Mr Jiao’s evidence consists of the following:

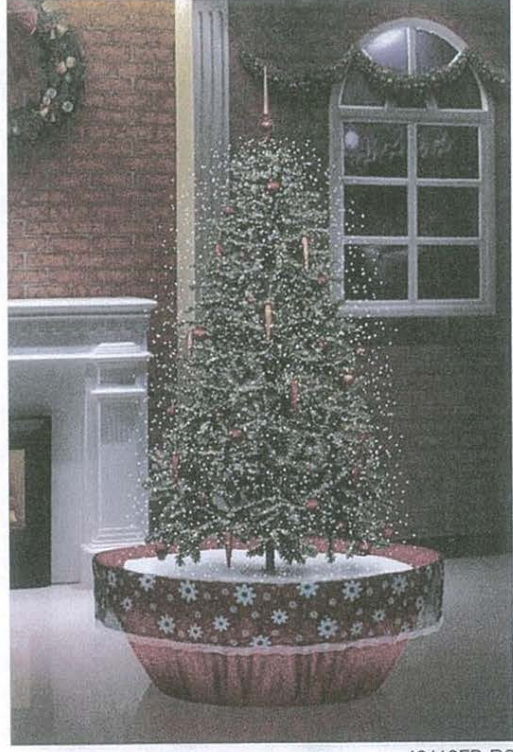
- A copy of a copyright ownership registration certificate from the Jiangsu Provincial Copyright Bureau, together with a certified translation. The certificate is date-stamped 17 October 2011: this is the date copyright was registered. The certificate states that the work was created on 15 October 2010. The title is “Snow-Blowing Christmas Accessories Series19”. It bears Mr Jiao’s name and address. Attached are eight pictures bearing various model numbers beginning with 40110FB. This number is also referred to in the description of the work. The pictures are shown below:

¹ Documents attached to a statement of case or a counterstatement constitute evidence in accordance with rule 21(1)(a) of the Registered Designs Rules 2006.

19 17-2



40110FB-RW



40110FB-RS



40110FB-GW



40110FB-GS

10 11

(5) 17-4



40110FB-SW



40110FB-SS

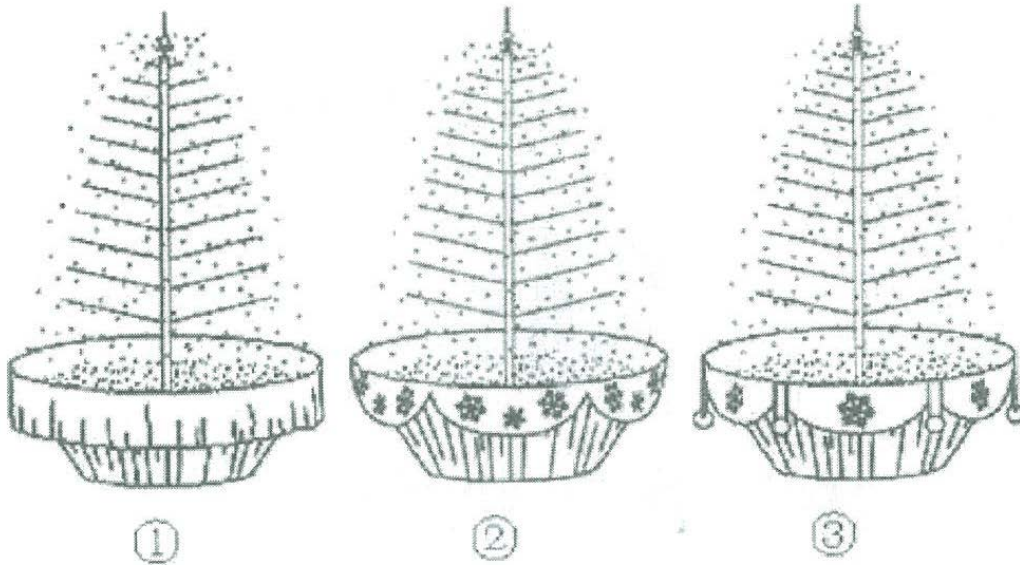


40110FB-HW



40110FB-HS

- A patent certificate which states that a patent was granted on 18 January 2012 by the State Intellectual Property Office of the People's Republic of China, together with a certified translation. The patent is called "A Frame-style Base for Simulating Snowfall". The inventor is Shengwei Jiao and the patentee is recorded as "Nanjing Red House Gift Co., Ltd.; Jiao, Shengwei". Three line drawings are shown in the patent certificate:



- A letter which is shown below, on Nanjing Red House headed notepaper:



Declaration and Authorization

Date: Nov. 22, 2012

To whom it may concern,

I, Mr. Shengwei Jiao, as the Director of manufacturer Nanjing Red-House Gifts Co., Ltd., give full permission and authority to Mr. Amish Shah to sell and distribute my snowing Christmas trees which are found on our website www.red-house.cn to any one worldwide in this year and next year.

I, Mr. Shengwei Jiao, am the legal patent owner and copyright holder of the following but not only the following:

- Snowing Christmas tree (various series),
- Snowing Christmas tree with Umbrella-shaped Base (U075 series and 40110U series),
- Snowing Christmas tree with Frame-supported Base (40110FB series),
- Snowing Christmas tree with Frame-supported Dome (40110FD series),
- Snowing Christmas tree with Frame-supported Dome and Cake-shaped Base (40110FDC series).

Meanwhile I declare that I have not given any one authority to register such designs or copyright in the UK.

Best regards,

Shengwei Jiao

8. Although this letter is a 'to whom it may concern letter', and is hearsay because the writer is not a witness in these proceedings, it would not appear to have been solicited for the purpose of the proceedings because it predates the applications for cancellation.

9. Mr Dawd's evidence is shown below:



M3-IP0-NEWPORT
11 / OCT / 2013

Red House UK Ltd
12 Havelock Road
Birmingham
B11 3RG - UK
T: +44 121-605562
M: +44 777 1747772
office@red-houseuk.com
www.red-houseuk.com

www.caketinsmith.co.uk
www.caketinsmith.com
www.sdemporio.co.uk
www.sdemporio.com
www.snowingchristmastree.co.uk
www.snowingchristmastrees.co.uk

Intellectual Property Office
Concept House
New Port
South Wales
NP108QQ

Date: 10 October 2013

Your Ref: Design 35 /13/TS/NS - Design 37 /13/TS/NS - Design 34 /13/TS/NS- Design 36 /13/TS/NS

Our Ref: SCT 2012

Design Numbers: 4024639 - 4025833 – 4025834 - 4025832

Subject: Counter statement for the Invalidation of 4 design numbers requested by Mr Amish Shah.

Dear Sir,

“Red House UK Trading Limited and Nanjing Red House Gift Company Limited China works in partnership in terms of creating and conceptualising new designs, manufacturing, wholesale and online retail distribution for certain designs for UK and European Market - For each parties interest and commercial protection in our own countries we have jointly agreed an arrangement to Design Right certain design’s in each of our own jurisdiction”.

As for Mr Amish claims there was a misunderstanding as he fails to understand our joint agreement and arrangement in terms of Design Rights .We will request the authority to reject Mr Amish claims regarding this matter. If require Nanjing Red House Gift Company Limited China will provide confirmation to above details in writing.

Schayane Dawd (Director)
Red House UK Trading Limited



Red House UK Trading Limited. Registered in England and Wales. Registration Number 08034006

Decision

10. Section 11ZA(2) of the Registered Designs Act 1949 (as amended) states:

“The registration of a design may be declared invalid on the ground of the registered proprietor not being the proprietor of the design and the proprietor of the registered design objecting”.

11. The relevant part of Section 2 of the Registered Design Act 1949 (as amended) reads:

“2. Proprietorship of designs

(1) The author of a design shall be treated for the purposes of this Act as the original proprietor of the design, subject to the following provisions.

(1A) ...

(1B) ...

(2) Where a design becomes vested, whether by assignment, transmission or operation of law, in any person other than the original proprietor, either alone or jointly with the original proprietor, that other person, or as the case may be the original proprietor and that other person, shall be treated for the purposes of this Act as the proprietor of the design.

(3) In this Act the “author” of a design means the person who creates it.

(4)...”

12. Mr Dawd does not deny that the artistic works in which Mr Jiao owns the copyright, reproduced in paragraph 7, are the same as the designs under attack. They clearly are the same and they pre-date the UK design applications. The entire focus of Mr Dawd’s defence is that the company of which he is a director, Red House UK Trading Limited, has an agreement with Mr Jiao’s company in China, Nanjing Red House Gift Company Limited, so that Mr Dawd’s company is permitted to register certain designs in his company’s jurisdiction (i.e. the UK). He claims that Mr Shah (he calls him Mr Amish) misunderstands the agreement. Crucially, Mr Dawd says “If require [sic] Nanjing Red House Gift Company Limited China will provide confirmation to above details in writing.”

13. No further evidence was filed by either party. Mr Jiao did not ask to see the purported agreement, and Mr Dawd did not file it. I wrote to Mr Dawd on 16 November 2015 to direct, under rule 19(3)(a) of the Registered Designs Rules 2006, that he provide written confirmation of the agreement referred to in his letter of 10 October 2013, attached to his notices of defence, by 17 December 2015. Mr Dawd did not reply.

14. On the facts presented, Mr Jiao would appear to be the author of the copyright and hence, also, the author of the design of the product. There does not appear to

be any dispute about this. He is therefore the original proprietor (Section 2(1) of the Act). However, under section 2(2), a valid agreement could mean that Mr Dawd or his company shall be treated for the purposes of the Act as the proprietor of the design. Mr Dawd states that the purported agreement has been made between two companies, yet the designs are registered to his personal name. This would appear to preclude him from relying upon the provisions of section 2(2) of the Act, even without having provided evidence of the agreement with Mr Jiao's company. As it is, Mr Dawd has not provided confirmation of the purported agreement, despite my direction. The only agreement which is in evidence is between Mr Shah and Mr Jiao, which specifically excludes permission for anyone to register the designs in the UK. (I note, that the agreement, signed in November 2012 was for "this year and next year".) Mr Dawd is not the true proprietor of the designs which means that they are invalid. The ground under section 11ZA(2) of the Act succeeds.

15. The wording of section 11ZA(2) – “..may be declared invalid..” - suggests that even where the specified grounds for invalidation exist there is a discretion to let the registration stand. However, I note that the relevant part of article 11 of Directive 98/71/EC on the harmonisation of design law in the EU reads as follows:

“1. A design shall be refused registration, or, if the design has been registered, the design right shall be declared invalid:

- (a) -
- (b) -
- (c) if the applicant for or the holder of the design right is not entitled to it under the law of the Member State concerned;”

16. The wording of the national law is plainly intended to implement these provisions, and under European law they must be interpreted consistently with the Directive, so far as it is possible to do so. The position is clear under article 11(1). A design registered in the name of someone who is not entitled to it under national law “shall be declared invalid”. Accordingly, the inclusion of the word “may” in section 11ZA(2) provides no discretion to refuse to invalidate a design registered contrary to the terms of those sections.

17. Mr Jiao's successful applications to have the designs declared invalid means that they have never been valid, *ab initio*. The consequence of this is that the designs cannot be assigned either to Mr Jiao or to Mr Shah, and neither Mr Jiao nor Mr Shah can now apply to register the designs because they have been disclosed for more than 12 months.

Outcome

18. Design registrations 4025832, 4025833, 4025834 and 4024639 are invalid under section 11ZA(2) of the Act because, at the date of application, the registered proprietor was not the proprietor of the designs, and the proprietor has objected.

Costs

19. Mr Jiao has been successful and is entitled to a contribution towards his costs from the published scale (Tribunal Practice Notice 4/2007). I have borne the scale in mind when determining what award of costs to make. I must, though, also take into account that Mr Jiao was effectively self-represented as Mr Shah is not a professional legal representative. Mr Jiao's costs would not, therefore, have included any professional legal fees. I therefore reduce by a half (except in relation to expenses) what I would otherwise have awarded. The amount of the award is calculated as follows:

Preparing statements and considering the proprietor's statements	£400
Expenses – fees for filing Form DF19A	£200
Total	£600

20. I hereby order Schayane Dawd to pay Shengwei Jiao the sum of **£600** which, in the absence of an appeal, should be paid within fourteen days of the expiry of the appeal period.

Dated this 14TH day of January 2016

Judi Pike
For the Registrar,
The Comptroller-General