

Oxford International Intellectual Property Moot 2024

Instructions

The 2024 moot concerns *Velocitas Shoes Ltd v No Limits plc* [2023] HCE 418. A copy of this case is included in the pages that follow, along with relevant statutory provisions and a list of the cases referred to by Justice Armour.

At first instance in the High Court of Erewhon, Justice Armour held that:

1. The 787 Patent is invalid for want of novelty.
2. If the 787 Patent had been valid, it would have been infringed by No Limits through its OrthoShoe 'rejuvenation' service.
3. An unregistered design right subsists in the lacing system on the OrthoShoe trainer. The exclusion for designs that are dictated solely by technical function does not apply.
4. The unregistered design right was infringed by No Limits through the lacing system on its 'Rave Sneaker'. The unregistered design right does not require copying for infringement. Even if copying is required, it is permissible to draw an inference of copying from the circumstances. This was not rebutted by No Limits.

The claimant was granted leave to appeal from this judgment in relation to the conclusion on novelty; and the defendant was permitted to file a cross-appeal in relation to the conclusions on patent infringement and the unregistered design right. The Court of Appeal upheld (without releasing a substantive opinion) the decision of Justice Armour. It dismissed the appeal and cross-appeal. The parties have been granted leave to bring a further appeal to the Supreme Court of Erewhon.

It is your task to prepare written and (for teams that are invited to the Oral Proceedings in March 2024) oral submissions for this appeal.

Some points to consider:

- a. Appeals to the Supreme Court are on points of law only, although it is permissible to challenge the legal conclusions that arise from findings of fact.
- b. Each submission must cover all issues on appeal, i.e. all the matters in Items 1 to 4 above. That is, your submissions for each of Velocitas (the claimant/appellant) and No Limits (the defendant/respondent) should cover all four grounds. Do not worry about the presence of an appeal and a cross-appeal. Present the arguments in the order that you consider to be most logical.
- c. While you are encouraged, within the grounds of appeal, to present arguments and authorities not mentioned by Justice Armour, you should not seek to

introduce entirely new causes of action, press arguments that have been conceded or that were never ventilated in the original proceedings, or raise matters outside the appeal. For instance, you may not seek to argue that the invention was obvious or that Paul had an obligation of confidence. Please see the questions appealed at the end of Justice Armour's judgment.

- d. Erewhon is a common law jurisdiction, and the opinion of Justice Armour includes reference to a number of cases. For the purposes of the written submissions, it is expected that you will deal with these cases as appropriate, and you risk missing out on credit if you omit any analysis of them. However, these references are **not** intended to constitute your sole authorities for the moot, and indeed you are expected to rely on other primary and secondary materials. The emphasis you give to any particular authority (including those cited by Justice Armour) is up to you, although the Panel will not look favourably upon strong reliance on an unduly narrow spectrum of authorities.
- e. Although the moot is held in the UK, this is an international competition and you are not limited in the jurisdictions from which you use authority. You may therefore use cases from around the world. Ensure you make it clear why any given case is relevant to the legal issues in dispute. It is also permissible to cite academic commentary in support of your legal arguments.
- f. Erewhon is not a member of the European Union. It is a party to the Paris Convention and is a member of the World Trade Organization and signatory to the TRIPS Agreement. Treaties are not self-executing in Erewhon.
- g. Requirements for your written submissions are contained in §14 of the Rules. The following is some additional guidance:
 - i. You do not need to include such things as a table of contents, statement of jurisdiction, statement of facts, index of authorities, etc. Submissions should focus on the substantive matters raised in the appeal.
 - ii. When marking your submissions, the Panel will not give extra credit for court headings and other flourishes that merely give the submissions the superficial 'look' of an official court document. Credit may be awarded for a presentation style that facilitates the arguments being made (for instance, in the content and number of headings, the use of a logical paragraph numbering system, and so forth). You should not, therefore, be worried about purely stylistic matters when writing your submissions.
 - iii. The word count includes all the text in the footnotes. It is recommended that footnotes are used primarily for citation purposes, and that you minimise the amount of substantive text that appears in the footnotes.

- iv. There is no prescribed style guide for the submissions. Teams should, however: (i) maintain consistency of style throughout each submission; (ii) include full citations for sources on which they rely (at least the first time any given source is cited); and (iii) ensure that whenever they *quote* from a source, a pinpoint reference is included to the relevant page number and/or paragraph.
- v. Justice Armour is a man. You may refer to him as 'Armour J' and 'His Honour' in your written submissions.

Any requests for clarifications of or corrections to the moot problem should be directed to the Moot Secretary at moot@oiprc.ox.ac.uk by **9.00am** on **Friday 24 November 2023** (Oxford time). Requests should note the paragraph number to which they relate and explain why the requested information is expected to have legal significance for the problem. If any clarifications or corrections are deemed necessary by the Organising Committee (OC), these will be released on the moot website by 5.00pm on **Thursday 30 November 2023**. The OC will not respond individually to any requests for clarifications or corrections, nor will it respond to requests that are seeking assistance with substantive aspects of the moot.

Your submissions must be received by the Moot Secretary (at the email address above) by **9.00am** on **Monday 18 December 2023**, Oxford time; see further §15-§16 of the Rules. As noted there, within their written submissions, teams must identify themselves **only** by use of the anonymous identifier given to them in advance by the Moot Secretary. To apply for this identifier, you should email the Moot Secretary **well before** the submission deadline.

The registration process will not open until *after* invitations have been issued to compete at the oral rounds. These invitations will be issued in mid-late January 2023. **Only those teams who are invited to the oral rounds will need to register and pay the registration fee.**

To keep apprised of announcements and news in relation to the moot (#OxIPMoot), please follow us on X/Twitter: **@OxIPMoot**.

Before:

THE HONOURABLE JUSTICE ARMOUR

Between:

Velocitas Shoes Ltd

- and -

No Limits plc

Justice Armour:

[1] The claimant, Velocitas Shoes Ltd (**'Velocitas'**), is an Erewhonian manufacturer of trainers. Although its range includes shoes for everyday and casual use, its focus is on the athletic and sports markets. The standing of its product is reflected by the fact that Velocitas has been the official shoe partner of the Erewhonian Institute of Sport for over two decades, supplying shoes for athletes in a range of disciplines. In early April 2022, Velocitas launched its new OrthoShoe trainer, to which this case relates.

[2] The defendant is No Limits plc (**'NL'**). It runs the fast fashion and beauty chain, No Limits. There are over fifty No Limits stores in Erewhon, each selling clothing, accessories and footwear under a variety of house brands including 'No Limits', 'No Limits Basics' and 'No Limits Athletic'. The products sold by NL are available at a lower price-point than equivalent items in other high street stores.

[3] Velocitas makes two claims against NL. The first is that NL infringed Velocitas's patent in the OrthoShoe midsole technology by offering a service to 'rejuvenate' OrthoShoe trainers. I have found that this claim is not made out, as the invention was not novel. The second claim is that NL infringed Velocitas's unregistered design right in the lacing system on the OrthoShoe trainer through the lacing system used on NL's 'Rave Sneaker'. This claim is brought under Erewhon's new unregistered design regime, and in fact this is the first judgment to consider that regime. I have found in favour of Velocitas in relation to this claim.

The claimant's OrthoShoe technology

[4] The OrthoShoe trainer was developed by Velocitas between 2015 and 2021, and first marketed in Erewhon in early April 2022. Until the release of this new shoe, all Velocitas shoes had removable insoles. These insoles could therefore be taken out and replaced with an orthotic insole by users who needed to adjust the fit of the shoe, for

instance because of issues with pronation or supination, or high or fallen arches. However, market research conducted by Velocitas suggested that most ordinary consumers never visited a podiatrist to be fitted with orthotics. Velocitas saw a gap in the market for an adjustable shoe that could be specially fitted and personalised in a retail environment, without the need to see a medical specialist. It instructed its product development team to create technology that would enable this. This led to the development of the OrthoShoe technology that is at the heart of this case.

[5] To understand how the OrthoShoe technology works, it is necessary to know something about the makeup of the typical sole of a trainer (a matter explained to me by Dr Molloy, expert witness for Velocitas). At the bottom there is the outsole: this is the bit that makes contact with the ground. There is then a middle layer – the midsole – which provides most of the support and cushioning. Finally, there is an insole, which is the part the wearer’s foot sits on. As noted above, many trainers have removable insoles. The OrthoShoe technology relates to the midsole. Within the midsole of an OrthoShoe trainer there are ten chambers. These chambers can be individually filled with a thick, gel-like fluid to change the fit of the shoe and provide support and shock absorption where it is required by that wearer. For instance, a person with high arches might require a shoe with greater support in the midfoot area, so more fluid will be added to the chambers in that region. The insole in an OrthoShoe trainer is not removable, as it has been designed to be flexible and mould to the personalised shape of each shoe.

[6] Fitting for an OrthoShoe trainer occurs in-person at Velocitas stores. First, the prospective purchaser is asked to stand on, and walk barefoot over, a trackpad; this is primarily to assess foot shape and weight distribution. Second, they are given a neutral pair of shoes and asked to walk (and possibly run) on a treadmill. The movement is filmed from a number of angles in order to assess the person’s gait, stride length, foot placement, and so forth. The data from these tests are analysed by software developed by Velocitas in order to create a three-dimensional model of that person’s ideal shoe bed. This model is translated to an actual shoe by injecting a specified amount of fluid into each chamber in the midsole of the shoe. The injection process takes place on the spot, using handheld equipment. Each needle is inserted through a tiny channel located on the outsole of the shoe. It pushes through a one-way valve at the bottom of the midsole so that the liquid, once injected into each chamber, will not escape. Once the needle has been removed, the channel in the shoe also closes, so that it is not readily visible to the naked eye.

[7] Because the inner structure of an OrthoShoe trainer can change, Velocitas designed the outer aspects to accommodate this. It selected materials for the upper that are lightweight and flexible, but also sufficiently firm to ensure that the shoes are robust and can withstand high-intensity use. There is an elaborate lacing system that allows the shoe to fit snugly, even if the arch height, heel height, and so forth, have been altered. Finally, the heel counter extends higher than many running shoes, and

there is a high (but light and flexible) collar and tongue, so that the wearer's feet are well enclosed, even if the shoe has been adjusted in ways that increase the heel height.

[8] Velocitas sells its shoes via a number of channels: in its own stores; at department stores, sports stores and shoe retailers; and online on the Velocitas website. It does not sell its shoes at No Limits stores or have any other relationship with NL. Because of the nature of the technology required to fit an OrthoShoe trainer, this service is available only at Velocitas stores. However, once a person has been fitted with an OrthoShoe trainer, they can order new OrthoShoe trainers online, specifying the new shoes to be filled in accordance with their personalised shoe profile (this information being retained by Velocitas but not available to customers). Since June 2022, Velocitas has offered a service in which owners of OrthoShoe trainers can have the chambers topped up with fluid. The physical structures of a trainer can lose some of their cushioning and support through ordinary use. This loss will occur more rapidly if trainers are used regularly for high impact activities. The top-up service is intended to help customers regain some of this lost functionality. Where a customer uses this service, the Velocitas employee uses that person's shoe profile to help determine which chambers need to be topped up and by how much. The injection process is the same as that used for a new pair of shoes.

[9] Velocitas obtained a patent in relation to its OrthoShoe technology in 2021. It did not, in contrast, apply for any registered designs under Erewhon's Designs Act 1968. Instead, its claim for infringement of its design is brought under the new Unregistered Designs Act 2021. I shall deal first with the claim in relation to the patent.

Alleged infringement of the patent

[10] Velocitas is the holder of Erewhonian patent number E 1 234 787: 'expandable shoe midsole containing injectable fluid chambers' ('**787 Patent**'). The application for the 787 Patent was filed on 15 November 2019. It was granted on 9 February 2021. The description in the patent includes the following statements:

The present invention relates to a midsole for a shoe that contains chambers that are injected with fluid, thus changing the shape of the upper parts of the midsole. ...

It is observed that trainers on the retail market are sold with a removable insole. This insole can be replaced with an orthotic insole in order to improve the fit and support of the shoe. However, most consumers are never personally fitted for an orthotic insole, and either use the insole that came with the shoe or buy a generic replacement insole. This means that most consumers do not enjoy the benefits of a personalised orthotic. ...

It is an object of the present invention to develop a midsole that can be personalised through the injection of fluid into expandable chambers. ...

The midsole in a preferred embodiment contains ten expandable chambers. Fluid is injected into each chamber to change the size of that chamber. The lower portion of each chamber is flexible but non-expandable and contains an injection port featuring a one-way valve that permits the injection of fluid but prevents leakage once the needle has been removed. The upper portion expands as fluid is introduced into the chamber. The degree of expansion depends on the amount of fluid injected...

[11] The patent contained the following claim:

Claim 1: A midsole for a shoe containing a plurality of fluid-filled chambers, characterised in that the upper portions of the chambers are expandable and the lower portions are non-expandable; each chamber containing an amount of fluid injected into said chamber through a one-way valve in the non-expandable bottom portion of said chamber.

[12] The patent contained drawings setting out the internal structure of the midsole and the arrangement of the chambers. For avoidance of doubt, Velocitas did not make any claims in relation to the fluid injected into the shoes, or the injecting equipment, both of which are standard technology and were acquired from an external supplier.

[13] Velocitas claims that NL infringed the 787 Patent by offering a 'rejuvenation' service for OrthoShoe trainers at No Limits stores. NL rejects this allegation on the basis that: (i) the patent is invalid; and (ii) in any event, it did not make the invention.

Validity of the 787 Patent

[14] NL's arguments on validity focused on the requirement, in section 3(1)(a) of the Patents Act 1980, that to be patentable, an invention must be new. The meaning of novelty is elaborated upon in subsection 4(1), where it is said that: 'An invention shall be taken to be new if it does not form part of the state of the art.' In assessing the state of the art, one must have regard to all matter that has been made available to the public anywhere in the world before the priority date (in this instance, 15 November 2019): subsection 4(2).

[15] NL points to two purported disclosures of the OrthoShoe technology which it says are each novelty-destroying. I shall describe them in turn.

[16] *Alleged disclosure in April 2019:*

[a] This disclosure was said to have occurred at the Velocitas campus. The site has three buildings, one of which houses the research laboratories in which Velocitas's shoe technology is developed. This is a two-storey building with large windows and (on the ground floor) doors around the perimeter. The glass used in the windows and doors is tinted in such a way that those outside the building cannot see in. The research laboratories in which the OrthoShoe technology was developed are on the ground floor and face onto a narrow side street. There is a

wire fence alongside the street that is approximately two metres in height. This fence is one metre from the building. In 2019, there were hedges planted alongside the fence – these were dense, and were pruned regularly to keep them at one and a half metres in height.

[b] During April 2019, there was an issue with the thermostat in the research building, such that temperatures inside were exceeding 27 degrees. There was a one-week period in which researchers opened the windows of the laboratories whenever anyone was present to let in cool air. During that week, Dr Padley, leader of the team which developed the OrthoShoe midsole, gave a one-hour presentation to management describing how the technology worked. She explained it by reference to an image of a cut-away midsole, with a syringe injecting fluid into one of the chambers; this was projected onto the wall opposite the windows. Dr Padley and the two other researchers who were present said in written evidence that the street is quiet, and had they noticed anyone watching from outside they would have closed the windows. I accept this evidence.

[17] *Alleged disclosure on 20 June 2019:*

[a] Children from a local primary school were participating in an excursion to the Velocitas campus. At one point the students attended a hands-on session hosted in a large meeting room at the front of the research building. However, an eight-year-old child by the name of Paul managed to escape and ran through the building, ending up in a laboratory where research on the OrthoShoe technology was taking place.

[b] Security footage taken from the corridor adjoining that laboratory shows Paul walking through the (open) door at 10:51:30. At 10:52:45, Mr Allen, a member of Velocitas’s public relations team, is seen walking up the corridor. He pauses outside the laboratory for ten seconds, seemingly talking to someone through the open door. He then continues. At 10:53:05, Paul is led out of the laboratory by Dr Dybisz, one of Velocitas’s research scientists. She and Paul then walk down the corridor towards the front of the building.

[c] Later that day, Paul’s teacher, Ms Amiconi, posted a photograph of some student artwork on her public Instagram account (being artwork her students had created at the Velocitas excursion). The caption to the photograph read: ‘Thank you, Velocitas Shoes, for hosting my third graders today – they had a wonderful time doing all your activities. Sorry one of them did a runner – he loves tech wizardry and wanted to see what you’re working on!’

[d] Dr Dybisz gave evidence that, on 20 June 2019, she and three other Velocitas employees were working on fitting the OrthoShoe midsole into a prototype trainer (being a plain trainer without any of the lacing or embellishments on the external part of the shoe). She said that she recalled talking with Mr Allen through the door of the laboratory. Her evidence was that Mr Allen said words to the

effect, 'have you seen a boy come through here', to which Dr Dybisz replied, 'no, but we'll keep an eye out'. Moments later, Dr Dybisz noticed Paul playing quietly with an OrthoShoe midsole and a fluid-injector, injecting fluid into one of the chambers. She immediately returned him to the large meeting room.

[e] Dr Dybisz was asked a number of questions about this in cross-examination. This included whether Paul said anything to her about the OrthoShoe technology. Dr Dybisz answered that he asked some questions about the 'big bubble wrap'. When asked some further questions about this, she admitted that there was, at the desk where Paul was playing, a midsole that had been cut longways such that the internal chambers were visible. She said that she answered Paul's question vaguely, simply saying that they made the shoes more comfortable. I took Dr Dybisz to be a credible witness who answered questions to the best of her ability.

[f] It was not possible to track down either Paul or Ms Amiconi to give evidence. Velocitas was able to produce the written correspondence between itself and the school in which the excursion arrangements were agreed. This included a plan for the day and instructions to students in relation to what to bring. Teachers and students were not, however, asked to sign any paperwork in the form of a non-disclosure or confidentiality agreement.

[18] The definition of the 'state of the art' is set out in section 4(2) of the Patents Act. That definition is incredibly broad, covering all matter which has been made available to the public before the priority date 'by written or oral description, by use or in any other way'. One matter I need to decide is whether there can be a disclosure without evidence of access. This is relevant to the alleged disclosure in April 2019 by opening the windows of the laboratories: we know that a person standing on the street had a view of what was happening inside, and Mr Tiny SC, representing Velocitas, accepted that such a person (if they existed) would have seen Dr Padley's image which disclosed all the features of the claim. However, we do not know whether anyone actually saw what was taking place inside the laboratory.

[19] Ms Jam SC, counsel for NL, submitted that evidence of access is not required – it is sufficient that a member of the public *could* access the information, if that person wanted to. She referred me to the following passage from *Lux Traffic Controls Limited v Pike Signals Limited* [1993] RPC 107 (Ch):

It is settled law that to invalidate a patent a disclosure has to be what has been called an enabling disclosure. That is to say the disclosure has to be such as to enable the public to make or obtain the invention. Further it is settled law that there is no need to prove that anybody actually saw the disclosure provided the relevant disclosure was in public. Thus an anticipating description in a book will invalidate a patent if the book is on a shelf of a library open to the public, whether or not anybody read the book and whether or not it was situated in a dark and dusty corner of the library. If the book is available to the public, then

the public have the right to make and use the information in the book without hindrance from a monopoly granted by the State. (Aldous J at p. 133)

[20] Mr Tiny made three related submissions on behalf of Velocitas. First, he argued that a bright-line rule that evidence of actual access is unnecessary is too broad. He gave the example of a person orally disclosing information in an empty public square – such an act cannot be taken to have been making available to the public just because it occurred in a public location. Second, Mr Tiny pointed me to *E Mishan and Sons Inc (t/a Emson) v Hozelock Ltd* [2019] EWHC 991 (Pat). In that case, the named inventor, Mr Berardi, developed an expandable garden hose. He did this at his own home, originally in the kitchen, and later in the garden. One issue was whether, by experimenting in his garden, Mr Berardi had made the invention available to the public. The house was in a small cul-de-sac in a residential area. Mr Berardi gave evidence, which Nugee J accepted, that (i) it would have been obvious if anyone was watching him from the road; and (ii) if he had noticed anyone watching, he would have packed up his materials. Nugee J concluded that there was no disclosure, as no member of the public could have observed what was happening. Mr Tiny said that the same reasoning can be applied here. Finally, Mr Tiny said that even if there was a passer-by who saw some activity in the laboratory, this disclosure can be disregarded because the circumstances in which the information was imparted (i.e. by looking into an obviously private location) put the viewer under an obligation of confidence, and therefore did not make the information ‘available to the public’. That is, where an invention is imparted in confidence, to someone who is *not* free in law and equity to use the relevant information, the recipient cannot be regarded as ‘the public’.

[21] I am not sure whether I agree with the reasoning of Nugee J in *Hozelock*, but even if it is correct, the facts before me are different. While I accept that Dr Padley and the other Velocitas researchers would have closed the windows *if they noticed* anyone watching from the street, I do not think it would be obvious to them if someone was doing so. Instead, by opening the windows, the researchers knowingly placed the activities of the laboratory in the view of anyone on the street. They rendered public that which was previously private, also negating any argument grounded in an obligation of confidence. As such, this was a disclosure that forms part of the state of the art for the purposes of section 4(2) of the Patents Act, irrespective of whether anyone walked past.

[22] I now turn to the school visit on 20 June 2019. NL argues that there has been a disclosure to Paul. Given the lack of evidence, it did not seek to argue that there were any further novelty-destroying disclosures by Paul to anyone else. However, it says that this is not problematic, as disclosure to a single person is enough to put matter into the state of the art. NL says that the evidence reveals that Paul played with a midsole that contained the finalised OrthoShoe technology as well as a fluid injector. It also argues that his reference to ‘bubble wrap’ means he must have seen the midsole that had been cut open.

[23] Velocitas argued that there can be no act of ‘making available’ if the single recipient is an eight-year-old child. To emphasise the point, Mr Tiny asked what would happen if a baby had ‘seen’ the material. He argued that there has to be some capacity as a matter of fact for the recipient to meaningfully understand the matter.

[24] I think that the concern about Paul’s capacity misunderstands the nature of the novelty inquiry. Novelty does not ask what *that recipient* gleaned from the matter that has been made available. Once we accept, as a matter of fact, that matter forms part of the state of the art, we ask what the *person skilled in the art* would understand that matter to mean (the ‘enablement’ limb of the ‘enabling disclosure’ test). As such, all I need to determine is whether Paul was a member of the public, and I can see no reason why he was not. Mr Tiny suggested that the notional skilled person would know not only the technical detail of what Paul saw, but also the circumstances in which he saw it; and although Paul as a child may not have appreciated that what he saw was confidential, the skilled person would appreciate this. I do not accept this submission. As such, the disclosure of matter to Paul is also part of the state of the art.

[25] Turning to the question of whether the invention is novel, the evidence was that the technology in the midsole did not change after March 2019 – during that year, scientists were completing their tests on the midsole, finessing the injection procedure, and working with the shoe designers to fit the midsole in a trainer. Thus, the matter disclosed in April 2019 to passers-by, and the matter viewed and handled by Paul, was the finished invention in claim 1 – there was no gap between the matter and the invention. Furthermore, there were no issues with the disclosure not being enabling, as the nature of the invention is such that the person skilled in the art would have been able to work the invention from the information in the presentation and from inspecting the product. As such, I have concluded that the patent was not new and should be invalidated.

[26] For completeness, I note that had I held that these were not novelty-destroying disclosures, I would have held that the patent is valid, as NL’s argument rested solely on self-disclosure. It accepted that, in the absence of this disclosure, the invention was novel and involved an inventive step.

Infringement of the 787 Patent

[27] Given my conclusions on validity, the question of infringement does not arise. However, given this was the subject of lengthy submissions by the parties, I shall indicate what I would have found.

[28] The alleged infringement by NL related to its ‘rejuvenation’ service for OrthoShoe trainers. The service is available at No Limits stores and was launched in late August 2022. Customers bring their OrthoShoes trainers to the store. They can choose between having a ‘part’ or ‘full’ service. If they choose the former, the technician will add a small amount of fluid to each chamber to improve the overall cushioning and support. If they want the latter, the technician will drain the gel fluid from the shoe

and then refill the chambers in accordance with the requested profile (these being standardised profiles developed by NL). The most popular profile is the 'maximum height' fit, in which chambers in the heel are injected with the maximum amount of fluid possible, in essence to give the wearer high-heeled trainers. The service provided by NL costs between a fifth and a third of that offered by Velocitas.

[29] Velocitas argued that, by offering the service, NL has 'made' the patented product contrary to section 100(1)(a) of the Patents Act 1980. NL, on the other hand, said that its activities fall within the right to repair. In the absence of a repair defence in the statute, NL had to locate this 'right' elsewhere. It outlined a number of inter-related possibilities, including that it did not make the invention, it was acting within the scope of an implied licence to repair, and that I should recognise a doctrine of exhaustion. In the course of arguments, Ms Jam drew my attention to the decision of the High Court of Australia in *Calidad Pty Ltd v Seiko Epson Corporation* [2020] HCA 41. That case related to Epson printer cartridges. The cartridges were sold in a form that only permitted them to be used once; that is, once the ink ran out it was necessary to replace the entire cartridge. The appellants were involved in the importation into Australia, for the purpose of sale, of cartridges that had been modified and refilled so they could be re-used. The High Court held that there was no infringement. The approach of the majority was to apply a doctrine of exhaustion in which the patent owner's rights in relation to *that article* are exhausted when the article is sold. This gives the purchaser full rights to use and sell the article (although not to make the patented invention). Ms Jam pointed me to the following statements from the judgment of Kiefel CJ, Bell and Keane JJ at [67], emphasising that on the facts, there was a continuation of use and not a re-making:

When a small hole was made in the printing material container of the original Epson cartridge to enable it to be refilled with ink, the cartridge did not cease to exist, and it was not made anew when the two holes were sealed. The product did not cease to exist when the memory chip was substituted. An argument that an article has been "unmade" and then "remade" might have some weight in a circumstance such as [United Wire Ltd v Screen Repair Services (Scotland) Ltd [2001] RPC 24]. However, it is somewhat artificial in cases where parts are changed so as to permit continuation of use. ...

[30] Their Honours continued at [70]:

The modifications to the original Epson cartridges were consistent with the exercise of the rights of an owner to alter an article to improve its usefulness and enable its re-use. Both English and United States authority accept the prolonging of the life of a product to be within an owner's rights of use of a patented product. Regardless of whether it is said to be something done which is closer to "repair" than "making", it clearly does not involve a manufacture or making. ...

[31] In considering what if anything I should take from *Calidad*, I found compelling the statements of Lord Hoffmann in *United Wire*, cited above, that concepts like implied licence and exhaustion ‘have no part to play’ when the claim is for making the patented product: RPC at [70]. Lord Hoffmann drew a distinction between repair and making, i.e. repair may share a boundary with making, but one cannot seek to make a patented product under the guise of repair. Lord Hoffmann observed at [71] that:

in an action for infringement by making, the notion of an implied licence to repair is superfluous and possibly even confusing. It distracts attention from the question raised by section 60(1)(a), which is whether the defendant has made the patented product. As a matter of ordinary language, the notions of making and repair may well overlap. But for the purposes of the statute, they are mutually exclusive. The owner’s right to repair is not an independent right conferred upon him by licence, express or implied. It is a residual right, forming part of the right to do whatever does not amount to making the product.

[32] In *United Wire*, the House of Lords held that there was a making and not a repair when the defendants sold reconditioned screens made from the frames of screens sold by the plaintiffs. Central to Lord Hoffmann’s reasoning was that the patented invention was a screen comprising ‘the combination of frame and meshes pre-tensioned by attachment with adhesive’: [73]. During the process of so-called repair by the defendants, the meshes on the original screens were removed and various acts performed on the frames to create new screens. Lord Hoffmann observed at [73] that: ‘What remained at that stage was merely an important component, a skeleton or chassis, from which a new screen could be made.’ I agree with Mr Tiny that the same reasoning applies here. The invention is not just a midsole with chambers; it is a midsole with chambers *into which fluid is injected*. The fluid is a central part of the invention, as it gives the shoes their shape. When NL drains the gel fluid as part of its ‘full’ service, it is left with the ‘skeleton or chassis’ from which a new sole is made. Indeed, it refills the chambers to create a midsole that might be very different to that which had been personalised for that purchaser. This cannot be thought of as extending the product’s usefulness – it is making a new product. Furthermore, I agree with Mr Tiny that the same logic applies to the ‘part’ service. There is no evidence that the gel fluid itself degrades, such that it could be considered a consumable. Rather, NL adds fluid in order to change the fit of the midsole, and thereby makes the invention. As such, had the patent been valid, I would have held that it was infringed by NL.

Alleged infringement of the unregistered design

[33] Velocitas’s second claim was that NL infringed its unregistered design by making a part of an article to the design, namely, the lacing system of the Rave Sneaker. The Rave Sneaker was launched by NL in early July 2022. Velocitas identified the relevant design as that resulting from the lacing system on the OrthoShoe trainer, this being the ‘appearance of ... a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation’: section 1 of the Unregistered Designs Act 2021.

[34] Velocitas provided me with images of the design, which it says comprises:

(i) Six eyelets on each eyestay of the shoe, being twelve eyelets in total. (*Eyelets are the holes through which the laces are threaded; the eyestay is the region of the shoe on either side of the tongue, extending from the toe to the collar, that houses the eyelets.*)

(ii) Two fabric loops on the tongue through which the laces are threaded in order to prevent the tongue slipping.

(iii) A shoelace that threads through the twelve eyelets and two loops, and which can be manually tightened and tied by the wearer to secure the shoe to their foot – this is always laced. The OrthoShoe uses one (unremarkable) lacing pattern for the shoelace.

(iv) Additional lacing on each side of the shoe, this lacing comprising an elasticated cord that is threaded between five fabric hooks at the top of the shoe (there being four hooks in the eyestay, each overlaid on an eyelet, and one in the collar) and four fabric hooks located immediately above the sole. This lacing can be separately adjusted by pulling in order to further improve the fit of the shoe.

[\(v\) The shoelaces, lacing and hooks are neon pink.](#)

[35] NL challenged the validity of the unregistered design on the basis that the lacing system is excluded by section 5(1) of the Unregistered Designs Act, which applies to ‘features of appearance of a product which are solely dictated by its technical function’. NL says that the lacing system was designed to ensure that an OrthoShoe trainer fits well irrespective of the shape of the midsole. As such, the placement was dictated by technical function. It conceded that if the lacing system is *not* excluded, the design is novel and has individual character.

[36] I have held that this exclusion does not apply. I was not swayed by Mr Tiny’s argument that the exclusion applies only where there is only one configuration that satisfies the technical needs of the design (with the result that the exclusion does not apply if the designer has a choice between different configurations, even if these are all purely functional). However, I was persuaded that the word ‘solely’ needs to be taken seriously. In that regard, I agree with the Court of Justice of the European Union in *DOCERAM GmbH v CeramTec GmbH* (C-395/16) [2018] ECDR 13 that the relevant question is whether ‘the technical function is the only factor which determined [the features of appearance of a product]’: [32]. If other considerations also played a role, for instance if features were also designed to enhance the visual appearance of the product, then the exclusion will not apply. This assessment is made by reference to ‘all the objective circumstances relevant to each individual case’: [38]. That is, it is not necessary for me to attempt to step into the minds of the actual designers when assessing whether the lacing system was solely dictated by technical function.

[37] I have looked at the design and considered objectively the reasons dictating the choice of features of appearance of the lacing system on the OrthoShoe trainer. The primary (indeed, dominant) considerations were that the lacing system must allow an OrthoShoe trainer to fit properly and must be easy for users to tighten and do up. However, as an objective matter, I have held that aesthetic considerations, even though minor, were also present. In particular, the eyelets are not visually obtrusive; placing the additional side lacing on the outside of the trainer gives the shoe a cool, industrial aesthetic; and the colour of the shoelaces, lacing and hooks serves as an accent to the other colours on the shoe. The presence of these visually-oriented considerations means that section 5(1) does not bite.

[38] This brings me to the question of whether there has been infringement. The Rave Sneaker has twelve eyelets at the top of the shoe (being six on each eyestay), and four metal hooks on each side of the shoe, just above the sole (being eight hooks in total). Unlike the OrthoShoe, the Rave Sneaker uses a single shoelace to thread the upper and side components of the shoe. However, because of the positioning of the eyelets and hooks, when the shoe is threaded, it creates the same pattern as the lacing system on the OrthoShoe trainer. NL therefore accepted that there is a high degree of visual similarity between the lacing system on the OrthoShoe trainer and that on the Rave Sneaker, and further that this would give the same overall impression on the informed user. However, it says that any similarity is coincidental, as the Rave Sneaker was independently created by designers who never had access to the OrthoShoe trainer.

[39] An initial question for me is whether copying is, in fact, required for there to be infringement. Under section 20(1)(a) of the Unregistered Designs Act, the holder has the exclusive right 'to make an article to the design', and there is no express mention of the need for copying. NL says that it cannot be right that the unregistered design right does not require copying. Ms Jam identified a number of arguments in support of this. First, she said that as a matter of statutory interpretation, the language 'make an article to' is plain and indicates that derivation is required. She said that the words 'make ... to' show that an appreciation of the earlier design is required. Second, she said that if the words are ambiguous, the statutory context and the nature of an unregistered right both support the view that copying is required. Ms Jam's principal argument was that it is inappropriate for protection of an unregistered right to be absolute, as it is registration that gives members of the public notice of the existence of the right and what to avoid. For instance, Ms Jam pointed me to the rules governing the unregistered design right in EU law, as set out in Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs. She drew me to Article 19 of that Regulation and to Recital 21, the latter of which provides:

The exclusive nature of the right conferred by the registered Community design is consistent with its greater legal certainty. It is appropriate that the unregistered Community design should, however, constitute a right only to prevent copying. Protection could not therefore extend to design products which are the result of a design arrived at independently by a second designer.

...

[40] While I see can see Ms Jam's point about the significance of registration, I cannot avoid the conclusion that had the Erewhonian legislature intended a qualified right, it would have used language similar to Article 19(2). I also believe that concerns about the unregistered right being too strong must be weighed against the requirements for protection and the short duration of the right (three years). As such, I have concluded that copying is not required, meaning that NL has infringed Velocitas's unregistered design right.

[41] Even if I am wrong about this and copying is required, I would be prepared to infer that copying took place. The evidence presented by NL in relation to the creation of the Rave Sneaker was as follows:

(i) The design process for the Rave Sneaker commenced in January 2022. The two individuals at NL who designed the Rave Sneaker were Ms Vinnicombe and Mr Mould. They were briefed to create a flat shoe to be marketed as ideal for dance parties – one that was cool and urban but with plenty of comfort and support. They decided to work on a sneaker with a thick sole (sometimes referred to as platform sneakers), as this would meet the brief for a flat shoe.

(ii) Preliminary sketches showed some different ideas for the lacing system, including having laces that were off-centre or that covered a large part of the top of the shoe. Mr Mould, who drew these sketches, indicated that they wanted a lacing system that would (1) differentiate the Rave Sneaker from existing sneakers on the market; and (2) help provide support and stability, especially given the thickness of the sole.

(iii) In March 2022, Mr Mould was looking at a pair of Converse trainers and noticed that there are two holes on each side, in the lower portion of the shoe. He did some internet-based research, where he saw articles and videos suggesting that in addition to providing ventilation, these holes could be used when lacing the shoes. This caused him to think about designs in which laces also covered the sides of the shoes, although he did not actually produce any sketches or write down any ideas. That said, evidence from Mr Mould's work computer indicates searches for Converse, and that he accessed articles and videos in relation to lacing those shoes.

(iv) In late April 2022, Mr Mould and Ms Vinnicombe were working on the Rave Sneaker. Mr Mould mentioned his idea for a lacing system with elements on the side, and produced a sketch of what he had in mind. This sketch is in evidence, and resembles closely the final design that was used on the Rave Sneaker. Mr Mould and Ms Vinnicombe, working together, made some revisions to Mr Mould's design. They both testified that they were not aware of the OrthoShoe trainer until after the Rave Sneaker was launched.

(v) There was no evidence that Mr Mould or Ms Vinnicombe accessed an OrthoShoe trainer, despite NL turning over a huge amount of material during

discovery. For instance, there was no mention of 'Velocitas' or 'OrthoShoe' in any of their email communications, correspondence, diary entries or records of meetings. There were no images of the OrthoShoe trainer in their files, or evidence that they had purchased a pair for inspection (as was the case for other shoes). Records from their work computers show that throughout the period of design they neither searched for nor visited any websites in relation to Velocitas or the OrthoShoe trainer. Velocitas even reviewed their social media posts, but could not find anything to suggest access.

(vi) Neither Ms Vinnicombe nor Mr Mould had anything to do with individuals that were responsible for devising the OrthoShoe rejuvenation service. Those individuals worked in a different location to Ms Vinnicombe and Mr Mould. There is no evidence they were ever at the same meetings or staff events, or that they had been in touch with or even knew one another. The documentary evidence disclosed by NL in relation to the development of the rejuvenation service all post-dated the conclusion of the design work on the Rave Sneaker.

[4142] Whether there has been copying is a question of fact to be determined on the evidence. The starting point is that the onus is on the claimant to establish copying. However, given it is rare for there to be direct evidence of copying, it is permissible to infer copying where (i) there is sufficiently similarity between the designs of the claimant and defendant; and (ii) the defendant had the opportunity to access the claimant's design. In such a case, the onus will then be on the defendant to prove that it did *not* copy the work, i.e. there was independent creation. See generally *Rothy's Inc v Giesswein Walkwaren AG* [2020] EWHC 3391 (IPEC).

[4243] In this case, I accept as a matter of fact that Mr Mould and Ms Vinnicombe had nothing to do with the individuals at NL who worked on the rejuvenation service. I also accept that NL was comprehensive in making discovery, meaning that I can be confident that Mr Mould and Ms Vinnicombe did not, for instance, purchase an OrthoShoe trainer as a sample. However, the evidence presented by Velocitas showed that the OrthoShoe trainer was launched in early April 2022 with a large promotional campaign involving mainstream and social media. Mr Tiny argued that Mr Mould (as the moving spirit behind the design) and Ms Vinnicombe had the opportunity to access the design throughout April, for instance in online and print advertising, and if they passed by or entered a shop selling the OrthoShoe trainer; and furthermore, that it was not fatal to his case if either could not consciously recall accessing the design.

[4344] Given the high degree of similarity of the designs, I am willing to accept this submission, and therefore make an inference of copying. At this point, it is for NL to show that the design was in fact the product of independent creation. I have concluded that this was not made out. The case of NL appears to be that the design somehow 'came to' Mr Mould, inspired loosely by the Converse shoes. But there was no further evidence to particularise this process. Given the level of similarity of the lacing on the Rave Sneaker, the only available conclusion is that there was copying.

Justice Armour made orders allowing the designs claim but dismissing the patent claim.

The claimant was granted leave to appeal to the Court of Appeal of Erewhon in relation to the conclusion that:

- 1. there was no disclosure to the public for the purpose of section 4(2) of the Patents Act through the events in April 2019 and 20 June 2019.*

The defendant was granted leave to cross-appeal to the Court of Appeal of Erewhon in relation to conclusions that:

- 2. there was an infringement of the 787 Patent by making through NL's OrthoShoe 'rejuvenation' service;*
- 3. the unregistered design right was not excluded by section 5(1) of the Unregistered Designs Act (designs dictated solely by technical function); and*
- 4. copying is not required to establish infringement of the unregistered design right; and even if it is, an inference of copying can be drawn from the circumstances of the case, and this was not rebutted by NL.*

Oxford International Intellectual Property Moot 2024

Patents Act 1980 – extracts

Section 3 Patentable inventions

Subject to section 10 (exclusions from patentability), a patentable invention is one that satisfies the following conditions:

- (a) the invention is new;
- (b) it involves an inventive step; and
- (c) it is capable of industrial application.

Section 4 Novelty

- (1) An invention shall be taken to be new if it does not form part of the state of the art.
- (2) The state of the art in the case of an invention shall be taken to comprise all matter (whether a product, a process, information about either, or anything else) which has at any time before the priority date of that invention been made available to the public (whether in Erewhon or elsewhere) by written or oral description, by use or in any other way.

...

Section 8 Priority date

- (1) For the purposes of this Act, the priority date of an invention to which an application for a patent relates and also of any matter (whether or not the same as the invention) contained in the application is, except as provided by the provisions of this Act, the date of filing the application.

...

Section 100 Infringement

- (1) Subject to the provisions of this section, a person infringes a patent for an invention if, but only if, while the patent is in force, he or she does any of the following things in Erewhon in relation to the invention without the consent of the proprietor of the patent:
 - (a) where the invention is a product, he or she makes, uses, offers for sale, sells, or imports the product for one of these purposes;

- (b) where the invention is a process, he or she uses, offers for sale, sells, or imports for these purposes at least the product obtained directly by that process;
- (c) where the invention is a process, he or she uses the process or he or she offers it for use in Erewhon when he or she knows, or it is obvious to a reasonable person in the circumstances, that its use there without the consent of the proprietor would be an infringement of the patent.

Unregistered Designs Act 2021 - extracts

Section 1 Dictionary

...

'design' means the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation

...

Section 2 Requirements for protection

- (1) A design shall be protected by an unregistered design to the extent that it is new and has individual character.

...

- (4) A design shall be considered to be new if no identical design has been made available to the public before the date on which the design for which protection is claimed has first been made available to the public.

...

- (6) A design shall be considered to have individual character if the overall impression it produces on the informed user differs from the overall impression produced on such a user by any design which has been made available to the public before the date on which the design for which protection is claimed has first been made available to the public.

- (7) In assessing individual character, the degree of freedom of the designer in developing the design shall be taken into consideration.

Section 5 Exclusions

- (1) An unregistered design shall not subsist in features of appearance of a product which are solely dictated by its technical function.

...

Section 9 Scope of protection

- (1) The scope of the protection conferred by an unregistered 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 their design shall be taken into consideration.

Section 10 Term

- (1) A design which meets the requirements under Section 2 shall be protected by an unregistered design for a period of three years from the date on which the design was first made available to the public within Erewhon.

...

Section 12 Right to the unregistered design

- (1) Subject to the provisions of this section, the right to the unregistered design shall vest in the designer or their successor in title.
- (2) If two or more persons have jointly developed a design, the right to the unregistered design shall vest in them jointly.
- (3) Where a design is developed by an employee in the execution of their duties or following the instructions given by their employer, the right to the unregistered design shall vest in the employer, unless agreed otherwise.

Section 20 Rights conferred by the unregistered design

- (1) An unregistered design shall confer on its holder the exclusive right:
 - (a) to make an article to the design; and
 - (b) to offer, put on the market, import or export an article to which paragraph (a) applies, or stocking such an article for those purposes.
- (2) The rights conferred by an unregistered design shall not be exercised in respect of:
 - (a) acts done privately and for non-commercial purposes;

- (b) acts done for experimental purposes; and
- (c) acts of reproduction for the purpose of citation and teaching, provided that such acts are compatible with fair practice and do not unduly prejudice the normal exploitation of the design, and that mention is made of the source.

...

Oxford International Intellectual Property Moot 2024

Cases cited by Justice Armour

Lux Traffic Controls Limited v Pike Signals Limited [1993] RPC 107 (Ch)

E Mishan and Sons Inc (t/a Emson) v Hozelock Ltd [2019] EWHC 991 (Pat)

Calidad Pty Ltd v Seiko Epson Corporation [2020] HCA 41

United Wire Ltd v Screen Repair Services (Scotland) Ltd [2001] RPC 24 (HL)

DOCERAM GmbH v CeramTec GmbH (C-395/16) [2018] ECDR 13

Rothy's Inc v Giesswein Walkwaren AG [2020] EWHC 3391 (IPEC)