
Designer Guild Limited v. Russell Williams (Textiles) Limited (Trading As Washington Dc) [2000] UKHL 58; [2001] 1 All ER 700; [2000] 1 WLR 2416 (23rd November, 2000)

HOUSE OF LORDS

Lord Bingham of Cornhill Lord Hoffmann Lord Hope of Craighead Lord Millett Lord Scott of Foscote

OPINIONS OF THE LORDS OF APPEAL FOR JUDGMENT

IN THE CAUSE

DESIGNER GUILD LIMITED

(APPELLANTS)

v.

RUSSELL WILLIAMS (TEXTILES) LIMITED (TRADING AS WASHINGTON DC)

(RESPONDENTS)

ON 23 NOVEMBER 2000

LORD BINGHAM OF CORNHILL

My Lords,

In common with all of your Lordships I agree that this appeal should be allowed and the judge's order restored, and I would order that the appellants have their costs before the House and in the Court of Appeal. But since there are some differences of approach among my noble and learned friends most expert in this field I venture to summarise, very shortly and simply, my own reasons for reaching the conclusion I do. For that purpose I gratefully adopt the account given by my noble and learned friend Lord Scott of Foscote of the facts and background of the case and of the judgments delivered by the judge and the Court of Appeal.

The law of copyright rests on a very clear principle: that anyone who by his or her own skill and labour creates an original work of whatever character shall, for a limited period, enjoy an exclusive right to copy that work. No one else may for a season reap what the copyright owner has sown.

It is not now disputed that DGL's *Ixia* design was an original product of DGL's skill and labour. That is not to say that DGL drew no inspiration from elsewhere: "there is no new thing under the sun". But the design was sufficiently original to earn copyright protection.

DGL complained that RWT, in its *Marguerite* design, had copied the *Ixia* design and so infringed its copyright. RWT strongly contested that accusation at trial, seeking to show that it had not and could not have copied the *Ixia* design. That, as I infer, was the central issue at the trial. But the judge rejected RWT's evidence. Relying in the main on similarities, which he listed, between the *Marguerite* and *Ixia* designs, he concluded in round terms that the one had been copied from the other.

That finding did not conclude the case in favour of DGL. For, realistically recognising that no real injury is done to the copyright owner if no more than an insignificant part of the copyright work is copied, section 16(3) of the Copyright Act 1988 provides that, to infringe, an act must be done "in relation to the work as a whole or any substantial part of it". So the judge had to consider whether RWT had copied DGL's work as a whole or any substantial part of it. Since the judge had based his finding of copying largely on the similarity between the two designs it would have been very surprising if he had found that RWT had not copied a substantial part of DGL's *Ixia* design, but it was necessary for the judge to consider that question, and he did. He found that there had been copying of a substantial part.

While not accepting the judge's finding of copying, RWT recognised the virtual impossibility of dislodging it in the Court of Appeal and did not challenge it. RWT's challenge was accordingly directed to the judge's finding that a substantial part of the *Ixia* design had been copied. The Court of Appeal upheld this challenge. But in doing so, as it seems to me, it fell into error. First, by analysing individual features of the two designs and highlighting certain dissimilarities the Court failed to give effect to the judge's conclusion, not challenged before it, that the similarities between the two designs were so marked as to warrant a finding that the one had been copied from the other. While the finding of copying did not in theory conclude the issue of substantiality, on the facts here it was almost bound to do so. Secondly, the Court of Appeal approached the issue of substantiality more in the manner of a first instance court making original findings of fact than as an appellate court reviewing findings already made and in very important respects not challenged. It was not for the Court of Appeal to embark on the issue of substantiality afresh, unless the judge had misdirected himself, which in my opinion he had not.

There was, I conclude, no ground for interfering with the judge's conclusion.

LORD HOFFMANN

My Lords,

I have had the advantage of reading in draft the speech of my noble and learned friend Lord Bingham of Cornhill. I agree with it, but in view of the fact that we are differing from the Court of Appeal, I shall give my reasons in rather greater detail.

1. The Issues

There is no dispute that the plaintiff was entitled to copyright in the artwork for the fabric design *Ixia*. The infringement of which the plaintiff complained was that for the purpose of creating its own design *Marguerite* the defendant had copied a substantial part of *Ixia*. There were accordingly two main issues at the trial. First, what, if anything had the designers of *Marguerite* copied from *Ixia*. Secondly, did what had been copied amount to "the whole or a substantial part" of *Ixia*?

2. *The findings of the judge* [1998] F.S.R. 803.

On the first issue, the position taken by the defendant at the trial was that its designers had copied nothing. Mrs. Aileen Williams, the director in charge of design, and Miss Ibbotson, who produced the art work under her direction, each said in evidence that they were not aware of *Ixia* at the relevant time. The judge did not believe them. He found them unsatisfactory witnesses and decided that they must have copied. In coming to this conclusion, he relied first upon similarities in the design which went "far beyond the similarities which would be expected simply from both being based on an impressionistic style or from both being based on a combination of stripes and scattered flowers and leaves." He listed these similarities as follows, at p. 813:

1. Each fabric consists of vertical stripes, with spaces between the stripes equal to the width of the stripe, and in each fabric flowers and leaves are scattered over and between the stripes, so as to give the same general effect.
2. Each is painted in a similar neo-Impressionistic style. Each uses a brushstroke technique, i.e. the use of one brush to create a stripe, showing the brush marks against the texture.
3. In each fabric the stripes are formed by vertical brush strokes, and have rough edges which merge into the background.
4. In each fabric the petals are formed with dryish brushstrokes and are executed in a similar way (somewhat in the form of a comma).
5. In each fabric parts of the colour of the stripes show through some of the petals. [Technically called the "resist effect"].
6. In each case the centres of the flower heads are represented by a strong blob, rather than by a realistic representation.
7. In each fabric the leaves are painted in two distinct shades of green, with similar brush strokes, and are scattered over the design."

Secondly, the judge relied upon the inferences to be drawn from the fact that the defendant's designers had given a false explanation of the provenance of their design. Thirdly, he relied as similar fact evidence upon the fact that they had, as he found, copied the design of another competitor and falsely denied doing so.

On the second issue, the judge summarised the submissions of counsel for the defendant. This took the traditional form of dissecting the *Ixia* design into its component elements, assigning reasons why each element (such as "stripes," "flowers" etc.) lacked originality or had in some respects not been copied and concluding that those elements which had been copied were not a substantial part. The judge rejected the submission. He said, at p. 828, that the whole work should be considered:

"It is the combination of the flowers and the stripes, the way in which they relate to each other, the way in which they were painted, and the way in which there was a 'resist' effect which makes the overall combination the copying of a substantial part."

3. *The Court of Appeal*

In the Court of Appeal Mr. Fysh Q.C., for the defendant, conceded that he could not challenge the judge's findings on copying. Only the issue of substantiality therefore remained alive. The Court of Appeal said that substantiality was a question of judgment on which they

were in as good a position to form a view as the judge. They disagreed with him for three reasons:

(a) Visual comparison

Morritt L.J. said that when he compared the two designs, it appeared to him that the one did not involve the copying of a substantial part of the other. "They just do not look sufficiently similar." (paragraph 30) Clarke L.J. agreed.

(b) Dissection

Morritt L.J. (with whom Auld and Clarke L.J.J. agreed) analysed the component parts of the design. Although both had stripes and flowers, the layout of the flowers in *Marguerite* was different and the flowers themselves were not copies. That left only the idea of stripes and flowers, which was not original. The brushwork and resist effect involved the use of "comparable techniques" but the visual results were in certain respects different. The effects which were the same did not add up to a substantial part.

(c) Ideas rather than expression.

Morritt L.J. said, at paragraph 37, that the plaintiff was not entitled to a monopoly in ideas. The defendant copied "the idea of *Ixia*", they "adopted the same techniques" but did not copy a substantial part of the expression of the idea.

My Lords, I must examine each of these three reasons.

4. Visual comparison

Mr. Fysh was the author of the suggestion that the question of substantiality could be resolved by a visual comparison between the two fabrics. He said that the question of substantiality was one of impression. That, in a sense, is true. When judges say that a question is one of impression, they generally mean that it involves taking into account a number of factors of varying degrees of importance and deciding whether they are sufficient to bring the whole within some legal description. It is often difficult to give precise reasons for arriving at a conclusion one way or the other (apart from an enumeration of the relevant factors) and there are borderline cases over which reasonable minds may differ. But the first step in trying to answer any question (whether of impression or otherwise) is to be clear about what the question is. In the present case, it is whether the features which the judge found to have been copied from *Ixia* formed a substantial part of *Ixia* as an artistic work. That is certainly a question of judgment or impression. But why, in answering that question, should it be relevant to consider whether *Ixia* did or did not look like *Marguerite*?

The similarities between *Ixia* and *Marguerite* were of course highly relevant to the question of whether there had been copying and, if so, what features had been copied. They were the foundation upon which the judge constructed his conclusion that the features I have enumerated had been copied. But once those features have been identified, the question of whether they formed a substantial part of the plaintiff's design cannot be decided by revisiting the question of whether it looks like the defendant's. The more I listened to Mr. Fysh's

submissions as to why it was relevant to compare *Ixia* with *Marguerite*, the more it seemed to me that he was skilfully trying to undermine his concession that he could not challenge the judge's finding that certain features of the design had been copied. Mr. Alastair Wilson Q.C. met this submission on its own ground by producing two artistically draped samples of the two designs in similar colourways. I am bound to say that, at some distance, they looked remarkably similar to me. But, in a case in which there is no longer an issue over what has been copied, I do not regard this as a relevant exercise. In my respectful opinion the Court of Appeal erred in principle by allowing itself to be distracted from the statutory question, which was whether the elements found as a fact to have been copied formed a substantial part of *Ixia*.

5. Dissection

The exercise in dissection also, as it seems to me, involved two errors. First, it ignored substantial parts of the judge's findings on what had been copied and, secondly, it dealt with the copied features piece-meal instead of considering, as the judge had done, their cumulative effect. Thus the judge's findings on copying were by no means confined to the notion of stripes and flowers. There are many ways of depicting both stripes and flowers and the judge was obviously impressed by the fact that the defendant had been unable to find any other stripe and flower pattern which resembled *Ixia* or *Marguerite* in anything like the degree to which they resembled each other. With the assistance of the expert evidence of Mr. Victor Herbert, a design consultant, the judge identified the additional visual similarities as arising from such matters as the brush-work, the resist effect and the loose arrangement of freely drawn leaves and flowers. These features, he found, had been copied and cumulatively constituted a substantial part of the work.

My Lords, here again it seems to me that Mr. Fysh's invitation to the Court of Appeal to reduce the copied elements to the mere notion of stripes and flowers amounted to an attempt to withdraw his concession that he could not challenge the judge's findings on copying. The Court of Appeal dismissed some of the elements which the judge found to have been copied as "technique." That is true. The creation of artistic work involves having ideas and using technique to express them. But that cannot detract from the fact that the results of the use of the techniques were visual effects forming part of the artistic work. They were what produced the distinctive impression of looseness and boldness combined with lightness and fragility which the designer wished to achieve.

The Court of Appeal also dismissed the significance of these copied elements on the ground that the visual effects they produced as applied to the two designs were in certain respects different. For example, the underlying stripe colour showing through the petals in *Ixia* made them look translucent whereas in *Marguerite* they looked perforated. But this seems to me the same fallacy as that involved in visual comparison. When one is considering the question of substantiality, it is no longer relevant to examine in what respects the two designs are different. The difference between translucency and perforation may have led to the conclusion that the defendant did not copy its resist effect from the plaintiff. But once it is concluded that it did, the only question is whether the resist effect as such, together with all the other copied elements, added up to a substantial part of the plaintiff's work.

If there had been no finding that anything had been copied except the notion of flowers and stripes, the conclusion of the Court of Appeal would have been unexceptionable. But this involved ignoring the findings of fact, both in their detail and their cumulative effect.

6. Ideas and expression

It is often said, as Morritt L.J. said in this case, that copyright subsists not in ideas but in the form in which the ideas are expressed. The distinction between expression and ideas finds a place in the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) (O.J. 1994 L. 336 p. 213), to which the United Kingdom is a party (see article 9.2: "Copyright protection shall extend to expressions and not to ideas..."). Nevertheless, it needs to be handled with care. What does it mean? As Lord Hailsham of St. Marylebone said in *L.B. (Plastics) Ltd v. Swish Products Ltd*. [1979] R.P.C. 551, 629, "it all depends on what you mean by 'ideas'."

Plainly there can be no copyright in an idea which is merely in the head, which has not been expressed in copyrightable form, as a literary, dramatic, musical or artistic work. But the distinction between ideas and expression cannot mean anything so trivial as that. On the other hand, every element in the expression of an artistic work (unless it got there by accident or compulsion) is the expression of an idea on the part of the author. It represents her choice to paint stripes rather than polka dots, flowers rather than tadpoles, use one colour and brush technique rather than another, and so on. The expression of these ideas is protected, both as a cumulative whole and also to the extent to which they form a "substantial part" of the work. Although the term "substantial part" might suggest a quantitative test, or at least the ability to identify some discrete part which, on quantitative or qualitative grounds, can be regarded as substantial, it is clear upon the authorities that neither is the correct test. *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd*. [1964] 1 W.L.R. 273 establishes that substantiality depends upon quality rather than quantity (Lord Reid at p. 276, Lord Evershed at p. 283, Lord Hodson at p. 288, Lord Pearce at p. 293). And there are numerous authorities which show that the "part" which is regarded as substantial can be a feature or combination of features of the work, abstracted from it rather than forming a discrete part. That is what the judge found to have been copied in this case. Or to take another example, the original elements in the plot of a play or novel may be a substantial part, so that copyright may be infringed by a work which does not reproduce a single sentence of the original. If one asks what is being protected in such a case, it is difficult to give any answer except that it is an idea expressed in the copyright work.

My Lords, if one examines the cases in which the distinction between ideas and the expression of ideas has been given effect, I think it will be found that they support two quite distinct propositions. The first is that a copyright work may express certain ideas which are not protected because they have no connection with the literary, dramatic, musical or artistic nature of the work. It is on this ground that, for example, a literary work which describes a system or invention does not entitle the author to claim protection for his system or invention as such. The same is true of an inventive concept expressed in an artistic work. However striking or original it may be, others are (in the absence of patent protection) free to express it in works of their own: see *Kleeneze Ltd. v. D.R.G. (U.K.) Ltd*. [1984] F.S.R. 399. The other proposition is that certain ideas expressed by a copyright work may not be protected because, although they are ideas of a literary, dramatic or artistic nature, they are not original, or so commonplace as not to form a substantial part of the work. *Kenrick & Co. v. Lawrence & Co.* (1890) 25 Q.B.D. 99 is a well-known example. It is on this ground that the mere notion of combining stripes and flowers would not have amounted to a substantial part of the plaintiff's work. At that level of abstraction, the idea, though expressed in the design, would not have represented sufficient of the author's skill and labour as to attract copyright protection.

Generally speaking, in cases of artistic copyright, the more abstract and simple the copied idea, the less likely it is to constitute a substantial part. Originality, in the sense of the contribution of the author's skill and labour, tends to lie in the detail with which the basic idea is presented. Copyright law protects foxes better than hedgehogs. In this case, however, the elements which the judge found to have been copied went well beyond the banal and I think that the judge was amply justified in deciding that they formed a substantial part of the originality of the work.

7. The appellate function

The question of substantiality is one of mixed law and fact in the sense that it requires the judge to apply a legal standard to the facts as found. It is, as I said, one of impression in that it requires the overall evaluation of the significance of what may be a number of copied features in the plaintiff's design. I think, with respect, that the Court of Appeal oversimplified the matter when they said that they were in as good a position to decide the question as the judge. I say this for two reasons.

First, although the question did not depend upon an assessment of the credibility of witnesses, there seems to me no doubt that a judge may obtain assistance from expert evidence in identifying those features of an artistic work which enable it to produce a particular visual effect. The plaintiff's expert Mr. Herbert described his expertise as "the art of visual literacy." This seems to me to be right. So I think that the judge, having heard Mr. Herbert, was well placed to assess the importance of the plaintiff's designer's brush strokes, resist effect and so forth in the overall artistic work. The Court of Appeal, on the other hand, adopted a reductionist approach which ignored these elements.

Secondly, 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: see *Pro Sieben Media A.G. v. Carlton U.K. Television Ltd.* [1999] 1 W.L.R. 605, 612-3. I agree with Buxton L.J. in *Norowzian v. Arks Ltd. (No. 2)* [[20001 F.S.R. 363](#), 370 when he said:

"...[W]here it is not suggested that the judge has made any error of principle a party should not come to the Court of Appeal simply in the hope that the impression formed by the judges in this court, or at least by two of them, will be different from that of the trial judge."

In my opinion the judge made no error of principle. His decision that the copied features formed a substantial part of the work should therefore not have been reversed. I would allow the appeal.

LORD HOPE OF CRAIGHEAD

My Lords,

I have had the advantage of reading in draft the speech of my noble and learned friend Lord Bingham of Cornhill. I agree with it, and for the reasons which he has given I too would allow the appeal.

LORD MILLETT

My Lords,

Both parties design and sell fabrics and wallpapers. The plaintiffs brought proceedings against the defendants for infringement of the copyright in one of their designs. The trial judge (Mr. Lawrence Collins Q.C.) found that the defendants had prior access to the copyright work and that their design reproduced many of its features. He rejected the defendants' evidence of independent origin, and found that their design was copied from and reproduced a substantial part of the copyright work. He accordingly gave judgment for the plaintiffs.

The defendants appealed to the Court of Appeal, but they did so on a very narrow ground. They abandoned most of the grounds in their notice of appeal, and did not challenge the Judge's findings of fact, in particular that the defendants' design was copied from and reproduced features of the copyright work. They contented themselves with challenging his conclusion that what they had taken was a substantial part of the copyright work.

The Court of Appeal began by making a visual comparison of the two designs. Their initial reaction was that it did not look as if the defendants' design involved the copying of a substantial part of the copyright work. As Morritt LJ put it at para. 30:

"On the broadest level they just do not look sufficiently similar."

Recognising that it would not be right to reach a concluded view "on so subjective and unanalytical approach alone", they proceeded to conduct a detailed analysis of the judge's findings of fact and recorded the many differences of detail in those features of the defendants' design which the judge had found to have been copied from the copyright work. This only served to confirm their initial impression. They concluded that, while the defendants had copied the idea of the copyright work and adopted the same techniques, they had not copied a substantial part of the expression of the idea. They accordingly allowed the defendants' appeal.

It is difficult to avoid the impression that the Court of Appeal were not persuaded that the defendants had copied the copyright work at all. Unable to reverse the judge's unchallenged findings that they had, they thought that if the defendants had copied any features of the copyright work they could not have copied very much. By adopting this approach they not only went behind the judge's unchallenged findings of fact, which they were not entitled to do, but rejected his finding of substantiality which, being essentially a matter of impression, an appellate court should always be very slow to do.

If this were all, I doubt that I would have wished to add anything to what my noble and learned friends have said. But I think that the Court of Appeal erred in principle in the approach which they adopted. In particular, I think that they misunderstood the function of a visual comparison of the two works in a case concerned with artistic copyright and the stage at which such a comparison should be undertaken.

It must be borne in mind that this is an action for infringement of copyright. It is not an action for passing-off. The gist of an action for passing off is deceptive resemblance. The defendant is charged with deceiving the public into taking his goods as and for the goods of

the plaintiff. A visual comparison of the competing articles is often all that is required. If the overall impression is that "they just do not look sufficiently similar" then the action will fail.

An action for infringement of artistic copyright, however, is very different. It is not concerned with the appearance of the defendant's work but with its derivation. The copyright owner does not complain that the defendant's work resembles his. His complaint is that the defendant has copied all or a substantial part of the copyright work. The reproduction may be exact or it may introduce deliberate variations - involving altered copying or colourable imitation as it is sometimes called. Even where the copying is exact the defendant may incorporate the copied features into a larger work much and perhaps most of which is original or derived from other sources. But while the copied features must be a substantial part of the copyright work, they need not form a substantial part of the defendant's work: see *Warwick Film Producers Ltd. v. Eisinger* [1969] Ch. 509. Thus the overall appearance of the defendant's work may be very different from the copyright work. But it does not follow that the defendant's work does not infringe the plaintiff's copyright.

The first step in an action for infringement of artistic copyright is to identify those features of the defendant's design which the plaintiff alleges have been copied from the copyright work. The court undertakes a visual comparison of the two designs, noting the similarities and the differences. The purpose of the examination is not to see whether the overall appearance of the two designs is similar, but to judge whether the particular similarities relied on are sufficiently close, numerous or extensive to be more likely to be the result of copying than of coincidence. It is at this stage that similarities may be disregarded because they are commonplace, unoriginal, or consist of general ideas. If the plaintiff demonstrates sufficient similarity, not in the works as a whole but in the features which he alleges have been copied, and establishes that the defendant had prior access to the copyright work, the burden passes to the defendant to satisfy the judge that, despite the similarities, they did not result from copying.

Even at this stage, therefore, the inquiry is directed to the similarities rather than the differences. This is not to say that the differences are unimportant. They may indicate an independent source and so rebut any inference of copying. But differences in the overall appearance of the two works due to the presence of features of the defendant's work about which no complaint is made are not material. In the present case the disposition of the flowers and (except in one instance) the colourways of the defendants' design are very different from those of the plaintiffs' design. They were not taken from the copyright work, and the plaintiffs make no complaint in respect of them. They make a significant difference to the overall appearance of the design. But this is not material where the complaint is of infringement of copyright and not passing off.

Once the judge has found that the defendants' design incorporates features taken from the copyright work, the question is whether what has been taken constitutes all or a substantial part of the copyright work. This is a matter of impression, for whether the part taken is substantial must be determined by its quality rather than its quantity. It depends upon its importance to the copyright work. It does not depend upon its importance to the defendants' work, as I have already pointed out. The pirated part is considered on its own (see *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd.* [1964] 1 W.L.R. 273, 293 *per* Lord Pearce) and its importance to the copyright work assessed. There is no need to look at the infringing work for this purpose.

The Court of Appeal were concerned only with this second stage. They were not entitled to reverse the judge's finding that the defendants' design reproduced features of the copyright work, nor his identification of the features in question. The only issue was whether those features represented a substantial part of the copyright work. A visual comparison of the two designs was not only unnecessary but likely to mislead.

My noble and learned friend Lord Scott of Foscote has drawn attention to the differences between the copying of a discrete part of the copyright work and the altered copying of the whole, or the copying with or without modifications of some but not all the features of the copyright work. The distinction is not material in the present case. Whether or not it is alleged that a discrete part of the copyright work has been taken, the issues of copying and substantiality are treated as separate questions. Where, however, it is alleged that some but not all the features of the copyright work have been taken, the answer to the first question will almost inevitably answer both, for if the similarities are sufficiently numerous or extensive to justify an inference of copying they are likely to be sufficiently substantial to satisfy this requirement also.

For these reasons, as well as those given by my noble and learned friends Lord Hoffmann and Lord Bingham of Cornhill, I would allow the appeal.

LORD SCOTT OF FOSCOTE

My Lords,

Both the appellant, Designer Guild Ltd. ("DGL") and the respondent, Russell Williams (Textiles) Ltd. ("RWT"), design and sell fabrics. The issue in this litigation is whether RWT's *Marguerite* design is an infringing copy of DGL's *Ixia* design. The trial judge, Mr. Lawrence Collins Q.C., sitting as a deputy judge of the Chancery Division, held that it was. The Court of Appeal held that it was not.

The Ixia design

Of the two designs *Ixia* came first. It was produced in 1994, in art form, by Helen Burke, a designer employed by DGL. From Helen Burke's design the *Ixia* fabric was produced. The design, in its artwork form, consisted of vertical stripes of alternating pink and pale yellow and with flowers scattered haphazardly across the stripes. The flowers consisted of four, and sometimes three, white petals with a centre stamen in a bold deep red and with green leaves in the vicinity of, but not actually connected to, each set of white petals. The stripes were painted with rough edges and rough brushwork. The flower petals and the leaves were painted in an impressionistic style with the colour of the stripes showing through the petals. Indeed the design as a whole was impressionistic in character. When the artwork design was transposed on to fabric there were some differences. Three distinct versions of stripes were produced. One version alternated pink with pale yellow as the artwork had done. The other two alternated deep blue stripes with very pale blue stripes and turquoise stripes with very pale blue stripes. The pale yellow and the pale blue stripes on the fabric do not, unlike the artwork pale yellow stripes, show the brushwork. But there were no other significant differences between the stripes on the fabric and the stripes on the artwork. The fabric stripes, whichever of the three colourways, pink, blue or turquoise, one looks at, give the impression as do the artwork stripes of rough, impressionistic brushwork, with the underlying colour of the fabric showing through and with rough edges to the stripes. The flower petals, the stamen

and the leaves on the fabric have no significant differences from their artwork counterparts, save that on the blue colourway design the stamen are turquoise instead of red. It is accepted, that the *Ixia* design is, for copyright purposes, an original artistic work and that the copyright is owned by DGL.

Fabric with the *Ixia* designs was included by DGL in its 1995 Orientalis collection. DGL distributed pattern books of its collection, some 1500 or thereabouts, to its wholesale and retail customers and the *Ixia* fabrics went on sale at DGL's shop in the King's Road, London, on 1 September 1995. The fabrics were shown at a trade fair in London on 1 October 1995. The trade fair was attended by Mrs. Williams, a director of RWT. Mrs. Williams works with RWT's designers on the design of their textile patterns. The evidence of the marketing of the *Ixia* fabrics led the judge to conclude that, by October or November 1995 when RWT's *Marguerite* design was created, RWT had had the opportunity to copy.

The litigation

In September 1996 DGL was alerted to the presence at a trade fair in Utrecht of fabrics with the *Marguerite* design. An examination of these fabrics led DGL to believe that the *Marguerite* design was a copy of the *Ixia* design. Letters passed between the parties' respective solicitors and litigation then followed.

The deputy judge, in a conspicuously careful judgment [1998] F.S.R. 803, came to the conclusion that the *Marguerite* design had been copied from the *Ixia* design. His conclusion of copying was not challenged in the Court of Appeal and is not challenged before your Lordships. The point taken in the Court of Appeal, successfully as it turned out, was a substantiality point. Section 16(3) of the Copyright Act 1988 provides that:

"References in this Part to the doing of an act restricted by the copyright in a work are to the doing of it?

- (a) in relation to the work as a whole or any substantial part of it, and
- (b) either directly or indirectly."

The Court of Appeal was persuaded that although there had been copying - as I have said, the deputy judge's finding of fact to that effect was not challenged - the copying did not extend to the copying of a substantial part of *Ixia*. Morritt L.J., who gave the leading judgment in the Court of Appeal, succinctly stated RWT's case thus:

"[RWT's] case on this appeal is quite simply that notwithstanding such copying and notwithstanding such similarities the claim that RWT infringed the copyright of DGL in the painting of *Ixia* fails because there was no copying of the whole of the painting of *Ixia* and such copying as there was of part of the painting of *Ixia* did not extend to a substantial part." (paragraph 12 of the judgment)

In assessing the manner in which this issue of substantiality should be approached and whether the Court of Appeal's answer on the issue was right, it is necessary, in my opinion, to start with the judge's finding that copying was established. What was it that he found to have been copied? Clarity as to the answer to that question must precede the question as to whether what was copied was the whole or a substantial part of the copyright work.

The finding of copying

The judge came to the conclusion of copying via a consideration of the similarities between the two designs, a recognition of the opportunity to copy that RWT had had, and a consideration of RWT's evidence as to the independent provenance of the *Marguerite* design.

The *Marguerite* design, like the *Ixia* design, is based on vertical stripes in alternating colours and with flowers and associated stalks and leaves scattered across the stripes. The flower petals, like those on the *Ixia* design, are white. The stalks and leaves are two-tone green. As with the *Ixia* design, the *Marguerite* design was reproduced on fabric in different versions with different colourways. Each version has pale yellow stripes. The stripes that alternate with the pale yellow stripes are either pink, blue, green or orange. A difference between the *Ixia* fabric and the *Marguerite* fabric is that on *Marguerite* the pale yellow stripes, as well as the alternate stripes, show brushwork lines. On the *Ixia* fabric it is only the alternate colour stripes that show the brushwork lines. The *Marguerite* flower petals and stalks and leaves show, when compared with those on *Ixia*, both similarities and differences.

On *Marguerite* the white petals are painted more boldly, or less delicately, than those on *Ixia* but, still, like those on *Ixia*, the underlying stripe colour shows through the petals. The *Marguerite* stamen on the pink colourway design are of a somewhat deeper shade of red than those on the *Ixia* pink colourway design. On the *Ixia* fabric with a blue colourway the stamen are turquoise; on the fabric with a turquoise colourway, the stamen are the same shade of red as on the pink colourway fabric. On each of the *Marguerite* fabrics, other than that with a pink colourway, the stamen are biscuit coloured. The leaves on the *Ixia* fabric are two-tone green. The stalks and leaves on the *Marguerite* fabric, too, are two-tone green of much the same shades. But the latter are more firmly and less impressionistically drawn than the former.

The judge came to the following conclusion on similarity, at p. 815:

"In my judgment, [DGL] has clearly shown relevant similarity. The similarities are apparent. They go far beyond the similarities which would be expected simply from both being based on an impressionistic style or from both being based on a combination of stripes and scattered flowers and leaves."

He identified seven similarities which led him to that conclusion. He described them as follows, at p. 813:

1. Each fabric consists of vertical stripes, with spaces between the stripes equal to the width of the stripe, and in each fabric flowers and leaves are scattered over and between the stripes, so as to give the same general effect.
2. Each is painted in a similar neo-Impressionistic style. Each uses a brushstroke technique, i.e. the use of one brush to create a stripe, showing the brush marks against the texture.
3. In each fabric the stripes are formed by vertical brush strokes, and have rough edges which merge into the background.
4. In each fabric the petals are formed with dryish brushstrokes and are executed in a similar way (somewhat in the form of a comma).
5. In each fabric parts of the colour of the stripes show through some of the petals.
6. In each case the centres of the flower heads are represented by a strong blob, rather than by a realistic representation.

7. In each fabric the leaves are painted in two distinct shades of green, with similar brush strokes, and are scattered over the design."

He referred also to the differences between the two designs:

"The overall impression is very similar, but there are differences. The *Ixia* design is smaller and more delicate and the detail is different. In *Marguerite* the effect of the stripes showing through the petals is not as marked as it is in *Ixia*. The leaves in *Marguerite* are distinctly less impressionistic than those in *Ixia*. The impression of similarity is more marked on a comparison of the pink colourways."

Having expressed his conclusion on the rival fabrics' similarities and having found that RWT personnel had had an opportunity to copy *Ixia*, the judge turned his attention to RWT's evidence as to the independent provenance of their *Marguerite* design. This evidence was given by Miss Ibbotson, the designer of the *Marguerite* design, and Mrs. Williams, a director of RWT who had worked with Miss Ibbotson in producing the *Marguerite* design. Their evidence was that the *Marguerite* flowers had been derived from an artwork design, referred to as "Open Cherry Blossom", created by Miss Ibbotson in October 1995. Variations had been incorporated into the Open Cherry Blossom flower design which had led to the *Marguerite* flower design. This flower design had then been added to a number of colourways of which Mrs. Williams had chosen the four to which I have already referred. Both Miss Ibbotson and Mrs. Williams said that at the time the *Marguerite* design was being developed they were not aware of the *Ixia* design. The judge summed-up the position as follows, at p. 818:

"The essence therefore of the defence is that (a) neither Mrs. Williams nor Miss Ibbotson knew of the *Ixia* design when the *Marguerite* design was produced and executed; (b) any similarities between *Ixia* and *Marguerite* are coincidental; and (c) the *Marguerite* design evolved from the floral part of the Open Cherry Blossom design being copied onto the acetate for use on muslin, or to show how Open Cherry Blossom would work with white flowers."

But the judge rejected the evidence of Miss Ibbotson and Mrs. Williams. He described Miss Ibbotson, at p. 819, as "a very unsatisfactory witness" and said that:

"she and Mrs. Williams, far from being helpful and frank, were content to deny the obvious."

They had given evidence that the origin of *Marguerite* was an acetate floral design that, in October 1995, had been copied from Open Cherry Blossom in order to enable the floral motif on Open Cherry Blossom to be used for printing white flowers on to muslin.

The judge had been troubled about this evidence, both because of differences between the flowers on the acetate design and the Open Cherry Blossom flowers and also because the flowers on the acetate had certain characteristics which appeared on the *Ixia* flowers but not on the Open Cherry Blossom flowers. He expressed the conclusion, at p. 820, that:

"the explanation was designed to provide a false provenance for the floral part of the *Marguerite* design, and to distance it from the creation of the striped artwork."

The judge rejected, therefore, the evidence that Miss Ibbotson and Mrs. Williams had given of the provenance of the *Marguerite* design. He rejected also Mrs. Williams' evidence that she had been unaware of the *Ixia* design. He said:

"In my judgment the effect of the (1) many and obvious similarities; (2) the opportunity to copy; (3) the complementary nature of the acetate and the striped artwork; and (4) the false provenance given to the acetate, is that [DGL] has convincingly discharged the burden of proving that [RWT] copied *Ixia*."

The judge's finding of copying, accepted before the Court of Appeal and before your Lordships, and the manner in which that finding was arrived at, are, in my opinion, of fundamental importance in reviewing the reversal by the Court of Appeal of his decision. The finding of copying cannot be accurately described as a finding of the copying of a part of *Ixia*. In the passage cited above the judge said that DGL had proved that RWT "copied *Ixia*". He did not find that the *Ixia* stripes had been copied, or that the *Ixia* flowers or leaves had been copied or that the colours of the ingredients of the design had been copied, or that any specific feature of *Ixia* had been copied. He simply found that the *Ixia* design had been copied. The *Ixia* design had incorporated features that, by themselves, were not original. There was nothing original about vertical stripes. Helen Burke had based her vertical stripes on fabrics appearing in various pictures painted by Matisse. But she had brought flowers, leaves and vertical stripes together in a design that was accepted to be an original artistic work. The judge, rejecting the evidence of Miss Ibbotson and Mrs. Williams, found that the acetate, with the flowers, stalks and leaves, and the vertical stripe work of the *Marguerite* design had been created together for the purpose of producing the *Marguerite* design as a copy of the *Ixia* design. So, in a case of this sort what part does the concept of substantiality have to play?

Substantiality

Section 16(3) of the 1988 Act says that copying a copyright work is a copyright infringement if the copying is of "the work as a whole or any substantial part of it". Section 16(3) may come into play in two quite different types of case. One type of case is, obviously, where an identifiable part of the whole, but not the whole, has been copied. For example, only a section of a picture may have been copied, or only a sentence or two, or even only a phrase, from a poem or a book, or only a bar or two of a piece of music, may have been copied (see the examples given at pp. 88/89, para. 2-102 of *Laddie, Prescott & Vitoria, The Modern Law of Copyright and Designs*, 2nd ed. (1995) (which, for convenience, I will refer to as '*Laddie*'). In cases of that sort, the question whether the copying of the part constitutes an infringement depends on the qualitative importance of the part that has been copied, assessed in relation to the copyright work as a whole. In *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd.* [1964] 1 W.L.R. 273 Lord Reid said at p. 276, that:

"the question whether he has copied a substantial part depends much more on the quality than on the quantity of what he has taken."

The present case is not a case of that type. The judge did not identify any particular part of *Ixia* and hold that that part had been copied. His finding of copying related to *Ixia* as a whole.

The other type of case in which a question of substantiality may become relevant is where the copying has not been an exact copying of the copyright work but a copying with

modifications. This type of copying is referred to in *Laddie* as "altered copying". A paradigm of this type of case would be a translation of a literary work into some other language, or the dramatisation of a novel. The translation, or the play or film, might not have a single word in common with the original. But, assuming copyright existed in the original, the "copy" might well, and in the case of a word-by-word translation certainly would, constitute an infringement of copyright.

The present case is an "altered copying" case. Helen Burke put together a number of artistic ideas derived from various sources in order to produce her *Ixia* design, an original artistic design as it is accepted to be. Miss Ibbotson and Mrs. Williams, as the judge found, copied the *Ixia* design in order to produce their *Marguerite* design. But they did so with modifications. The *Marguerite* design is not an exact copy of *Ixia*. Nor is any specific part of the *Marguerite* design an exact copy of any corresponding part of the *Ixia* design. It is an altered copy.

The question, then, where an altered copy has been produced, is what the test should be in order to determine whether the production constitutes a copyright infringement. If the alterations are sufficiently extensive it may be that the copying does not constitute an infringement at all. The test proposed in *Laddie* (pp. 92/93, para. 2-108) to determine whether an altered copy constitutes an infringement is:

"Has the infringer incorporated a substantial part of the independent skill, labour etc. contributed by the original author in creating the copyright work. . .?"

My Lords, I think this is a useful test, based as it is on an underlying principle of copyright law, namely, that a copier is not at liberty to appropriate the benefit of another's skill and labour.

My noble and learned friend Lord Millett has made the point that once copying has been established, the question of substantiality depends on the relationship between what has been copied on the one hand and the original work on the other, similarity no longer being relevant. My Lords, I respectfully agree that that would be so in the first type of case. But in an altered copying case, particularly where the finding of copying is dependant, in the absence of direct evidence, upon the inferences to be drawn from the extent and nature of the similarities between the two works, the similarities will usually be determinative not only of the issue of copying but also of the issue of substantiality. And even where there is direct evidence of copying, as, for example, where it is admitted that the copier has produced his 'copy' with the original at his elbow, the differences between the original and the 'copy' may be so extensive as to bar a finding of infringement. It is not a breach of copyright to borrow an idea, whether of an artistic, literary or musical nature, and to translate that idea into a new work. In 'altered copying' cases, the difficulty is the drawing of the line between what is a permissible borrowing of an idea and what is an impermissible piracy of the artistic, literary or musical creation of another. In drawing this line, the extent and nature of the similarities between the altered copy and the original work must, it seems to me, play a critical and often determinative role. In particular, this must be so where there is no direct evidence of copying and the finding of copying is dependant on the inferences to be drawn from the similarities. In the *Little Spanish Town* case, *Francis Day and Hunter Ltd. v. Bron* [1963] Ch. 587, Wilmer L.J. said:

"I do not think it could be doubted that there was material on which to base the inference that the composer of "Why" deliberately copied from "Spanish Town". Were that the right inference, I am satisfied that the degree of similarity would be sufficient to constitute an infringement of the plaintiffs' copyright." (p. 610)

and Diplock L.J. said:

"... it is well established that to constitute infringement of copyright in any literary, dramatic or musical work, there must be present two elements: first, there must be sufficient objective similarity between the infringing work and the copyright work, or a substantial part thereof, for the former to be properly described, not necessarily as identical with, but as a reproduction or adaptation of the latter; secondly, the copyright work must be the source from which the infringing work is derived." (p. 623)

The same principles apply to artistic copyright as to literary, dramatic or musical copyright. Both Wilmer L.J. and Diplock L.J. treated similarity as being relevant to the substantiality issue. *Laddie* cites the Little Spanish Town case as an example of altered copying (p. 93, para. 2.109).

In the present case, the similarities between *Ixia* and *Marguerite*, as found by the judge, play, in my judgment a determinative role. If the similarities between *Ixia* and *Marguerite* were so extensive and of such a nature as to justify a finding that, in the absence of acceptable evidence of an independent provenance for *Marguerite*, *Marguerite* was copied from *Ixia*, it must, in my opinion, follow that the *Marguerite* design incorporated a substantial part of the *Ixia* design. It must follow also that, in designing the *Marguerite* design, the designers incorporated a substantial part of the skill and labour of Helen Burke. The judge's finding of copying made it, in my opinion, unnecessary for him to go on to ask whether the copying was of a substantial part. But both the judge and the Court of Appeal engaged in that enquiry.

The judge did so in order to deal with arguments that had been addressed to him by Mr. Geoffrey Hobbs Q.C., counsel for RWT at the trial. Mr. Hobbs, as I read the judge's description of his argument, was arguing that the *Marguerite* white flowers had not been copied from *Ixia* but had been derived, via the acetate, from the Open Cherry Blossom design, and that, accordingly, the white flowers should be set to one side when considering whether the *Marguerite* design had copied a substantial part of the *Ixia* design. Counsel pointed out, correctly, that the *Ixia* vertical stripes were not original but had been derived from Matisse and that the *Marguerite* vertical stripes differed geometrically and in colour from the *Ixia* stripes. It followed, counsel submitted, that the copying of whatever was original in the *Ixia* design could not be said to be a substantial part of that design.

The judge, in rejecting that argument, said, at p. 828: "In my judgment there has been copying of a substantial part." He went on to emphasise that it was "the whole work" that had to be looked at "to determine whether the alleged infringing material [had] adopted the essential features and substance of the original". He said:

"The right approach is to look at the end result of the acetate, the striped artwork, the modifications made by Mrs. Williams (especially making the stripes less harsh) and her selection of colourways, and the printed fabric. That end result is an infringement of the painting on which *Ixia* was based."

In my opinion, the judge's approach in comparing *Ixia* ("the whole work") with *Marguerite* ("the end result") was correct. And having made the comparison he expressed his conclusion that: "It is the design which was copied and has been reproduced" (emphasis added). So, what had been copied was the design, and the design was a substantial part. In dealing in this way with the "substantial part" argument that had been addressed to him by counsel, the judge was re-affirming his conclusion that the *Ixia* design had been copied.

The Court of Appeal's approach to the 'substantial part' issue

In paragraph 12 of his judgment, Morritt L.J. recorded that counsel for RWT had accepted that he could not challenge the judge's findings on copying and that the similarities between the two fabrics described by the judge did exist. He recorded counsel's argument that "notwithstanding such copying and notwithstanding such similarities" DGL's claim should fail "because there was no copying of the whole of the painting of *Ixia* and such copying as there was of part of the painting of *Ixia* did not extend to a substantial part". This submission was not, in my view, consistent with the judge's findings of copying. Moreover, I think, with respect to counsel, that it introduced a confusion. Counsel was arguing the case as if it were one in which only a part of *Ixia* had been copied. But that was not what the judge had held.

This approach led the court into attempting a dissection of the rival designs in an attempt to identify the part or parts of *Ixia* that had been copied. It led Morritt L.J., at paragraph 25, to formulate as the question of fact to be determined: "Did the production of *Marguerite* involve the indirect copying of a substantial part of the painting of *Ixia*?"

At paragraph 29 of his judgment Morritt L.J. referred to "... those features of the painting of *Ixia* which the judge considered to have been copied into *Marguerite*". He summarised them as:

- "(a) the combination of the flowers and the stripes;
- (b) the way in which the flowers and stripes are related to each other;
- (c) the way in which the flowers and stripes were painted;
- (d) the resist effect."

This was a fair and accurate summary of the respects in which the judge had found there to be similarities between the two designs. They were the similarities that, with other indicia, had led him to the conclusion that the designers of *Marguerite* had copied the *Ixia* design. But the judge had not expressed his finding of copying as being limited to those features. Morritt L.J. then went on to consider in turn each of the features and to ask himself whether a copying of that feature constituted an infringement. He concluded in each case that it did not. As to the combination of the flowers and stripes, he regarded that as the copying of an idea, rather than the copying of the expression of an idea. As to the relationship between the flowers and the stripes, he said that counsel for DGL had accepted that the layout or disposition of the flowers in *Marguerite* was not an infringement of copyright in that it had been derived from an independent source. He said, also, that the flowers in *Marguerite* were not copies of those in *Ixia*. As to the concession, I think there may have been some misunderstanding. Certainly before your Lordships no such concession has been made. Moreover the judge had rejected RWT's evidence as to the provenance of the *Marguerite* flowers and had made a finding of copying that extended to the design as a whole. As to the way in which the flowers and stripes were painted, i.e. the brushwork, Morritt L.J. agreed that comparable painting techniques had been used, but said, at paragraph 33, that "the visual

result is not the same." And as to the "resist" effect i.e. the technique by which an impression is given that an undercolour is showing through, here again, the Lord Justice discerned visual differences between the rival designs. He expressed his conclusion in paragraph 35:

"Accordingly having sought to analyse the similarities between the two works I find that *Marguerite* adopted the same idea and in three respects, the brushwork on the stripes, the formation of the petals and the resist effect, used the same techniques as were used in *Ixia*. But though the same techniques were used in those respects their use produced different visual effects and the subject matter of their use, the stripes and the flowers, were not copied from *Ixia* into *Marguerite*. This analysis supports the outcome of my visual comparison but does not coincide with the judges conclusion."

and, in paragraph 37:

"The designers of *Marguerite* certainly copied the idea of *Ixia*, they also adopted the same techniques but they did not copy a substantial part of the expression of the idea."

Auld L.J. and Clarke L.J. agreed, and, consequently, the appeal was allowed.

Conclusion

In my opinion, there are two respects in which the Court of Appeal's approach went wrong. First, the conclusions seem to me to contradict the judge's finding of copying. More important, however, the approach whereby the constituent features of the rival designs were isolated from the whole and compared with one another was, in my judgment, in a case where copying had been found established and the finding was not under challenge, wrong in principle. The *Marguerite* design was an altered copy. The question whether the copying constituted an infringement did raise a question of substantiality, but a question that had to be determined by comparing *Marguerite* as a whole with *Ixia* as a whole. Did *Marguerite*, incorporate a substantial part of the skill and labour expended by the designer of *Ixia* in producing *Ixia*?

The judge had found that it did. He could not otherwise have made his finding of copying. There had been no direct evidence of copying and the judge's finding had been based on the extensive similarities between *Ixia* and *Marguerite*. These similarities, coupled with the opportunity to copy and in the absence of any acceptable evidence from RWT as to an independent provenance for *Marguerite*, had led the judge to conclude, on a balance of probabilities, that *Marguerite* had been copied from *Ixia*. If the similarities between the two works were sufficient to justify the inference that one had been copied from the other, there was, in my judgment, no further part for the concept of substantiality to play. The thrust of Morritt L.J.'s judgment in the present case suggests that he disagreed with the basis on which the judge had arrived at his finding of copying. If the judge's finding of copying had been challenged in the Court of Appeal on the ground that the similarities between *Ixia* and *Marguerite* were not sufficiently substantial to justify the inference that *Marguerite* had been copied from *Ixia*, the challenge would, I think, have been sympathetically received. And if asked whether the similarities on which the judge had based his finding of copying showed that *Marguerite* had incorporated a substantial part of Helen Burke's skill and labour in designing *Ixia*, I think that the Court of Appeal, in disagreement with the judge, would have said that it did not.

But the finding of copying was not challenged, and, in any event, findings on such matters are particularly the province of the trial judge. In *Biogen Inc. v. Medeva Plc.* [\[1997\] R.P.C. 1](#) my noble and learned friend, Lord Hoffmann, commented that:

"Where the application of a legal standard such as negligence or obviousness involves no question of principle but is simply a matter of degree, an appellate court should be very cautious in differing from the judge's evaluation." (p. 45)

The same caution should, in my view, be employed in relation to evaluations about similarities and substantiality. (see also the remarks of Buxton L.J. in *Norowzian v. Arks Ltd.* (No. 2) [\[2000\] F.S.R. 363](#), 370).

For these reasons, and those given by my noble and learned friend, Lord Bingham of Cornhill, whose speech I have the advantage of reading in draft, I would allow the appeal.