

COMPILATIONS AND COPYRIGHT PRINCIPLES AND POLICY

by

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Introduction :

Compilations as a group, the general type of 'fact' works such as almanacs, encyclopaedias, catalogues, directories, etc., are within the scope of the *Copyright Act* 1968 (Cth.) through the operation of two sections in the definition portion of the Act: the extended meaning given to 'literary work' by the amended definition and case law; and in the case of charts and maps, as drawings within clause (a) of 'artistic works'. The purpose of this paper is not to attempt to give the current law on any specific area of compilations; the law of headnotes, telephone directories, etc., but to examine the principles and precepts which the Courts have developed in the course of deciding whether a compilation does or does not have copyright protection, and if so, was it infringed. While many of these precepts are common to all facets of copyright, there are some significant differences in regard to these 'fact' works.

Many of the questions which to this day dominate discussions involving compilations, had their origins close to two centuries ago. These early cases set out the principle that an idea or topic involving natural phenomena, facts, etc., was open to all; the first in the field could not monopolize it.¹ All who followed could take from the common stock of human knowledge and use another's work as a reference tool; but they must do their own work.² While certain facts are in the public domain, this does not mean that you could appropriate your predecessor's expression of these facts.³ The beginning of the nineteenth century also saw the application of a common law 'fair use' doctrine to compilations; then as now the problem has been to determine the line which separates 'fair use' from infringement.⁴ Later the questions came to involve concepts such as 'originality', 'skill', and the amount of effort or expense

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- 1 *Sayre and Others v. Moore* (1785) 1 East, 359, 102 E.R. 139 (n.) (K.B.); also see *Matthewson v. Stockdale* (1806) 11 Ves. 270, 33 E.R. 103 (Ch.). Not only does this reluctance cover ideas, it also will not protect an author's 'style' of writing: *McMahon v. Prentice-Hall Inc.*, 486 F. Supp. 1296 (E.D. No. 1980) (a psychology text book written in a 'light' style).
- 2 *Cary v. Faden* (1799), 5 Ves. 23, 31 E.R. 453 (Ch.); see also *Longman v. Winchester* (1809) 16 Ves. 2693 33 E.R. 987 (Ch.).
- 3 *Baily v. Taylor* (1829) 1 Russ. and M.73, 39 E.R. 28 (Ch.).
- 4 *Cary v. Kearsley* (1801) 4 Esp. 168, 170 E.R. 679 (K.B.); also *Wilkins v. Aikin* (1810) 17 Ves. 422, 34 E.R. 163 (Ch.).

needed before copyright would subsist when the final result or article was very simple in character, but represented the culmination of a long and expensive development process.

In the last section, I will examine the impact that the growth in the number of computers has had on compilations: this specifically in the policy debate concerning the wisdom of allowing the computer operators to have 'unrestricted input' of copyright protected works. The question is really one of balance: the rights of society versus the rights of copyright owners. The dispute here is between those who advocate liability only upon 'output' or actual copying of a work, in the name of advancing the frontiers of science; and the other group, the 'traditionalists', who oppose any limitation or erosion of the present scope of copyright on the grounds that such action will eventually lead to a situation where authors will feel exploited and refuse to publish new works. In the end, both society and the data base operators will lose; if nothing of merit is published, the right of 'unrestricted input' to the computers would be worthless.

Not Protect Subjects :

The concept that no one holds title to a topic is compilation's manifestation of the idea/expression dichotomy. Lord Mansfield C.J. held in the early map case of *Sayre and others v. Moore*,⁵ decided in 1785, that although the defendant had made extensive use of the plaintiff's four maps, that was allowed since the defendant had then gone on to correct and improve the plaintiff's work, and that the field was open to all; the plaintiff's maps had only given him copyright to those: not the area they illustrated:

The Act that secures copy-right [*sic*] to authors guards against the piracy of the words and sentiments; *but it does not prohibit writing on the same subject*. As in the case of histories and dictionaries; in the first, a man may give a relation of the same facts, and in the same order of time; in the latter an interpretation is given to the identical same words.⁶

In 1806 a case involving an extensive appropriation of the plaintiff's directory, an *East India Calendar* of the Indian establishment, came before the Lord Chancellor, Lord Erskine: *Matthewson v. Stockdale*.⁷ In dismissing the application to dissolve the interim injunction Lord Erskine held that the extent of the copying here was too great to allow sales to continue before the matter came to trial; the expense and labor

5 *Sayre and Others v. Moore* (1785) 1 East., 102 E.R. 139 (n.) (K.B.).

6 *Ibid* at p. 140 (Emphasis added). This philosophy has been recently questioned by an American commentator. Hopkins makes the argument that in today's society, when most individuals will never own anything of value aside from their entitlement to funds from either the government or private companies, *i.e.* salaries and pensions, people should be allowed to protect their one chance of economic betterment, ideas, for a limited period: David B. Hopkins, 'Ideas, Their Time Has Come: An Argument And a Proposal for Copyrighting Ideas', *Albany Law Review* 46 (1981-82): 443-473.

7 *Matthewson v. Stockdale* (1806) 12 Ves. 270, 33 E.R. 103 (Ch.).

of the plaintiff's would be protected, 'though there could be no copyright in an Indian Calendar, generally'.⁸ Lord Eldon, L.C., in the *Court Calendar case* (a directory of the leading members of the Royal Court as well as the City of London), *Longman v. Winchester*,⁹ held that the defendants' work showed extensive use of the plaintiff's, and therefore failed to meet his 'fair fruit' test which would allow copyright in any topic, as long as you did your own work: '[B]ut I have said nothing, that has a tendency to prevent any person from giving to the public a work of this kind; if it is the fair fruit of original labor: the subject being open to all the world'.¹⁰

Use of Pre-existing Works :

In these compilation cases, map-books, directories, almanacs, etc., what the Courts are protecting is the time, expense and labour that the author has expended upon his work. That an earlier work formed part of the foundation for the new work did not matter in most cases; this for two reasons. The first was that most of the works explored topics which were part of the common stock of human knowledge — etc. — and mathematical charts, histories, etc., and therefore were open to all to discuss. In these cases, all that an author could protect was his 'expression' of the material and because of the very nature of the subject matter, his scope was severely limited. The result is that while a 'factual' work may be protected by copyright, the protection in most cases will be an extremely thin veil: not a shield.¹¹ The second is that from the earliest cases, i.e. *Sayre and others v. Moore, supra*, the Courts have allowed subsequent authors considerable latitude in their use of previous works, as long as

8 Ibid at pp. 105-6.

9 *Longman v. Winchester* (1809) 16 Ves. 269, 33 E.R. 987 (Ch.).

10 Ibid at p. 988. Two later cases dealing with the artistic aspect of copyright gives particular emphasis to this problem. Here, the concepts were so simple and the drawings so elementary, that to allow the first author copyright would be to give him a virtual monopoly on the field: *McCrum v. Eisner* (1917) 87 L.J. Ch. 99 (Ch.). (Peterson J.), a postcard of a harried military recruit in basic training; and *Kenrick v. Lawrence and Co.* (1890) 25 Q.B.D. 99 (Wills J.), the voting card case — a small card illustrating the voting process for the illiterate. Here Wills J., held that while copyright may exist in the plaintiff's design, the drawing being so basic, only an exact copy would infringe; at p. 103:

'If he has a copyright in the *subject* there is a colorable imitation, because the subject is not altered by changing the position (the hand and adding the indication of a shirt sleeve). But it is clear that there is no copyright in a subject. As far as the manner of treating the subject, there can be no copyright in that, for if they are to be represented at all, it is impossible to treat it in any other way.' [Emphasis in original].

11 Just how thin this can sometimes be is shown in the 'voting card' case of *Kenrick and Co. v. Lawrence and Co.* (1890) 259 B.D. 97 (Ch.), where Wills J., held that while the plaintiff's card may be protected by copyright, the idea/expression problem was so close in this case that the scope of the expression was practically limited to the plaintiffs design: therefore, infringement would require almost exact duplication: at p. 104.

'[T]he degree and kind of protection given must vary greatly with the character of the drawing, and that with such a drawing as we are dealing with the copyright must be confined to that which is special to the individual drawing over and above the idea — in other words, the copyright is of the extremely limited character which I have endeavoured to describe. A square can only be drawn as a square, a cross can only be drawn as a cross, ...'

they then apply a sufficient amount of corrections, or arrangement, to improve, for some particular use, the pre-existing work:

The same principle holds with regard to charts; whoever has it in his intention to publish a chart may take advantage of all prior publications... If an erroneous chart be made, God forbid it should not be corrected even in a small degree, if it thereby became more serviceable and useful for the purposes to which it is applied. But here you are told, that there are various and very material alterations... *The defendant therefore has been correcting errors, and not servilely copying.*¹²

The concept of correcting and improving the work of earlier authors was applied by Lord Erskine L.C. in *Matthewson v. Stockdale*, *supra*, in the *India Calendar case*. In making an analogy to the map cases, he found only servile copying, nothing in the nature of an improvement to the original which would confer a new copyright.¹³ In *Lewis v. Fullarton*,¹⁴ Lord Langdale M.R. found only 'habitual' copying, no improvements or corrections which would invest the defendant's gazetteer with copyright.¹⁵ While in the cases of maps and charts it was clear that one could actually take the pre-existing work and use this as a base for one's corrections and alterations, in the case of directories and lists, this field

12 *Sayre and Others v. Moore* (1785), 1 East. 359, 102 E.R. 139 (K.B.) per Lord Mansfield C.J. (Emphasis added). The defendant there had redrawn the previous work and based it upon the Mercator projection system, thereby making the older work suitable for use in navigation.

In 1984, Mr Justice Whitford had the opportunity to re-affirm these early principles in a case which saw the plaintiff charge substantial copying of his *Daily Telegraph* map by the appropriation of the plaintiff's selection and spelling of minor features, and colour. This was enough to infringe, in their view, even though it was agreed that the third defendant had the right to use Geographia's map as one of his sources, and also despite the fact that the defendants' map looked nothing like the plaintiffs': *Geographia Ltd. v. Penguin Books Ltd. and others*, [1985] F.S.R. 208 (Ch.D.). As no errors were copied (p. 219), the plaintiff was compelled to base his case upon the proposition that while it was agreed that any 'map of the world' would show identical major features, the same selection of many towns of minor or no significance does indicate a strong probability of copying. The third defendant cartographer explained this choice of the same 'minor' features by showing that many had, since the making of the plaintiffs' map, become significant because of the construction there of airfields, railroads, etc. As to the use of identical 'incorrect' spelling of certain obscure names, in most cases there appeared to be general uncertainty as to just what the proper usage in fact was. The only aspect on which substantial copying could be shown was in the use of colour; there the same shades for 100 of 133 countries. However His Honour was unable to find for the plaintiffs on this basis alone as he felt that the observation by Lord Reid in *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd.*, [1964] 1 W.L.R. 273 (H.L.), required much more: *i.e.* that 'substantial' refers more to the quality of what is taken than the quantity. In this case, Penguin had not crossed the quality threshold as it was admitted by the plaintiff that the mere use of identical hues to distinguish countries 'is not really of any great significance' (pp. 218-9).

In the final paragraph of his judgment, Mr Justice Whitford sets forth his assessment of the approach to be adopted in cases of this nature (p. 219): 'In the map case, even if, on a close examination, there be some apparent similarity in the finer features the question is always going to remain as to whether having regard to the quantity and quality of the information taken there has been any real prejudice to the interests of the copyright owner.'

13 *Matthewson v. Stockdale* (1806) 12 Ves. 270, 33 E.R. 103 at p. 105 (Ch.).

14 *Lewis v. Fullarton* (1839) 2 Beav. 6, 48 E.R. 1080 (Rolls Ct.).

15 *Ibid.*, at p. 1081.

was also open to all, but the newcomer here had to do more than merely correct earlier works; he had to go to the primary sources and compile his own list from scratch — not merely update an earlier one.¹⁶ In the words of Lord Eldon L.C. in *Longman v. Winchester*,¹⁷ an exact duplicate may be made, because of the nature of the material, but it will only infringe if it is a mere copy of the other, not the result of mining the original sources: ‘... two men perhaps might make the same selection: but that must be by resorting to the original authors, not by taking advantage of the selection, already made by another’.¹⁸

In those cases where you do build on pre-existing works, the new material that you add in the form of corrections or additional material will be protected, though the original base material may be the subject of another’s copyright or in the public domain. In *Cary v. Longman and Rees*,¹⁹ Lord Kenyon C.J., took pains to make clear the point that copyright will subsist in this new material even though the author may have no claim to other material or sections of the work. In denying an application for a new trial, Lord Kenyon was satisfied copyright could exist in part of a work, and that in this instance, the defendant had infringed this copyrighted portion when he appropriated verbatim 9/10ths of the plaintiff’s alterations and additions to the original Road Book.²⁰ In these cases where the Court does find that the amount and use made of the plaintiff’s work does indeed infringe, it can follow one of two possible courses if it decides to enjoin distribution. If the infringing material forms only a minor part of the offending work then only the offending part will be restrained. However, should the nature of the appropriated material be such that if it is removed, ‘there would be nothing left to publish except a few broken sentences...’,²¹ then the work itself will be restrained.

Use of Errors :

After the plaintiff had shown that he was entitled to copyright in his directory or map, etc., the problem then became: how do you determine if a copy is original work or an infringing copy? One obvious solution is to compare the works for common errors, or for material that originally existed only in the plaintiff’s work and in none of the other pre-existing common sources. This use of common errors had an early application by Lord Loughborough L.C. in *Cary v. Faden*,²² the early *Road-Book case*. In determining that there had been extensive copying of the plaintiff’s ‘India Directory’ in *Matthewson v. Stockdale*,²³ Lord Erskine L.C. approved of this method of Lord Loughborough’s and gave the following example of its utility:

16 *Cornish v. Upton* (1861) 4 L.J. (N.S.) 862 (Ch.).

17 *Longman v. Winchester* (1809) 16 Ves. 269, 33 E.R. 987 (Ch.).

18 *Ibid*, at pp. 987-8.

19 *Cary v. Longman and Rees* (1801), 1 East. 357, 102 E.R. 138 (K.B.).

20 *Ibid*, at p. 139.

21 *Mawman v. Tegg* (1826), 2 Russ. 385, 38 E.R. 380 (Ch.), per Lord Eldon, L.C., at pp. 385-6.

22 *Cary v. Faden* (1799), 5 Ves. 23, 31 E.R. 453 (Ch.).

23 *Matthewson v. Stockdale* (1806), 12 Ves. 270, 33 E.R. 103 (Ch.).

... the roads, and every memorable place in England, being open to both parties, the one had made use of the other's work, as information, which he was to add to, or improve; not to make a servile copy. It turned out in these cases, that the very errors were copied. The charts, representing 25 fathoms of water, where there was dry land, would have wrecked the mariner. In the Road-Book, where Mr. Justice Grose's beautiful seat, The Priory, is noticed, an error in printing his name was exactly copied.²⁴

Three years following that application by Lord Loughborough L.C., in *Cary v. Faden*, *supra*, Lord Ellenborough used the same system and detected common errors in another Road-Book case; there both used Filmer Hill for Farmer's Hill and called the Duke of Beaufort's Arms the Duke of Boulton's Arms.²⁵ The defendant's works in *Jarrold v. Houlston*²⁶ (*The Reason Why* — a science text for young people which had infringed the plaintiffs copyright in *The Guide to Science*), contained as one of its headings under 'heat', the word 'convection'. The Court found this unusual as that word was not employed in a like capacity in any of the source material other than the plaintiff's work; a work which the defendant denied using: not conclusive in itself but of considerable weight.²⁷ The search in these cases is for what Lord Langdale in *Lewis v. Fullarton*²⁸ called *animus furandi*, the intent to appropriate the work of another.²⁹

24 *Ibid*, at p. 105.

25 *Cary v. Kearsley* (1802) 4 Esp. 168, 170 E.R. 679 (K.B.). In *Cornish v. Upton* (1869) 4 L.T. (N.S.) 862 (Ch.), V. C. Wood noted the use of errors in finding the defendant printer guilty of infringing the plaintiff's *Directory for Birmingham*; i.e. 'Air gun trigger manufacturer' instead of the correct 'hair trigger gun manufacturer' as a trade description. This presumption of copying which the finding of common errors creates is such a desirable feature that some data base authors have begun to purposely include errors in their works to facilitate such a situation: John Palmer, 'Copyright and Computer Data Bases', *Industrial Property and Copyright Law* 14 (1983): 200 (Note 17).

26 *Jarrold v. Houlton* (1857), 3 K. and J. 708, 69 E.R. 1294 (Ch.).

27 *Ibid*, at p. 1298, per Sir W. Page-Wood V.C.

28 *Lewis v. Fullarton* (1839), 2 Beav. 6, 48 E.R. 1080 (Roll Ct.).

29 *Ibid*, at p. 1081. The consequence of a finding of identical errors and omissions will be a very strong presumption of copying. In *Weatherby and Sons v. Galopin Press Ltd.* (1928-35) Mac G. Cop. Gas. 297 (Ch.D.) (1931), Eve J., held that for the defendant to rebut this presumption of copying from the plaintiff's *The General Stud Book*, it was essential for him to be able to produce his original notes to confirm that he went to the original sources. In this instance, the defendant gave evidence that he had destroyed his original notes as they were typed; in the words of the report at p. 299: 'Commenting on the evidence, the learned judge said it was a piece of suicidal folly, if, in fact, he had resorted to independent sources for his information, for the defendant to destroy the material which would have done so much to free him from the aspersion which was now cast upon him of copying and making use of the plaintiff's work for his own purpose.'

This indicia of infringement was again considered in *Geographia Ltd. v. Penguin Books Ltd. and others*, [1985] F.S.R. 208, 219, by Mr Justice Whitford; there the errors in the plaintiff's map were found not to be copied into the Penguin map. Note in this statement that the absence of errors in the defendant's work is at best a partial defence and does not prove innocence: 'The fact that no errors were copied from one map to the other cannot prove that there was no copying, though if such errors had been taken from one map to the other that might indeed have required some very convincing explanation.'

Defences :

This period also saw the emergence of the 'fair use' doctrine and 'non-substantial' copying, as defences. Although the scope of 'fair use' appears to have been quite wide at first, over the years this has narrowed considerably.³⁰ In *Cary v. Kearsley*,³¹ the 'Road-Book case' containing the highway maps and charts of distances for England and Wales, Lord Ellenborough allowed a wide use of copyrighted material in those cases dealing with facts, figures, lists, etc., as long as the defendant went on to improve the original, to make the necessary corrections and to include enough additional material that would evidence sufficient effort and labour to make the new work his own and not just a colorable attempt to reproduce the plaintiff's work.³² This duel between the private proprietary right of the individual author given by copyright and the right of society to knowledge, is shown in his concluding words: '... while I shall think myself bound to secure every man in the enjoyment of his copy-right, *one must not put manacles on science*'.³³ Lord Eldon L.C. in *Wilkin v. Aikin*,³⁴ recognized the defendants' right to quote from copyrighted works, but severely limited this right, lest it became a mere ruse for appropriating a previous work.³⁵ In that case the defendants' essay on 'Doric Architecture', consisting of twenty-three pages and seven plates, only copied three of the plaintiff's seventy-four pages. In his opinion this was a matter of degree in each case, and depended not only upon the quantity copied, but also the use to which

30 In *Leslie v. J. Young and Sons* (1894) A.C. 335 (H.L. (Sc.)), their Lordships found four pages out of forty, an 'excursion guide', taken from the plaintiff's pocket railway guide, to infringe as an unfair use. In the current act, such a consideration would come within the ambit of S. 14 as a substantial part, as now fair dealing is limited primarily to research and study; *i.e.* s. 40. Also, it would appear that since s. 40 speaks of such 'fair dealing' as not constituting an infringement, other dealings involving a like quantity must be an infringement. As this section also speaks of 'reasonable portion', s. 40 (3) (6) — and this is defined (albeit for other purposes) in s. 10 (2) as less than 10 per cent of the whole, or in some cases more as long as it is limited to a chapter. For simplicity then, a non-research or study copying of 10 per cent of a book will surely be an infringement: therefore, a non-substantial use will of necessity be less than that amount. While other factors may still be a consideration, in the case of a printed work, the quantity aspect must by implication be considerably less than 10 per cent.

31 *Cary v. Kearsley* (1804), 4 Esp. 168, 170 E.R. 679 (K.B.).

32 *Ibid*, at p. 680.

33 *Ibid*.

34 *Wilkin v. Aikin* (1810), 17 Ves. 422, 34 E.R. 163 (Ch.).

35 *Ibid*, at p. 164. The recent decision by Whitford J. in the High Court has once again shown the narrow view that Courts can take of this exemption in a case involving television schedules: *Independent Television Publications v. Time Out Ltd.* and *The British Broadcasting Corp. v. Time Out Ltd.* (1984) F.S.R. 64-76 (H.Ct).

it is put.³⁶ In using an analogy of a book on the history of the maps of the county of Middlesex, he opined that the copyrighted maps used therein may not constitute an infringement if it was felt that such a use would not affect the market for the original maps;³⁷ an early application of a principle which is now part of the U.S. Copyright law³⁸ and a consideration in determining if a use be a 'fair dealing' within the 'research and study' exemption in the Australian Act.³⁹ The science text case, *Jarrold v. Houlston*, *supra*, was also significant in that Sir W. Page-Wood V.C. extended the application of 'fair use' beyond the conventional; *i.e.* access to all material in the public domain and to some use of copyrighted material — depending upon quantity and the use it was put to. Now you could use the original in correcting your final product. Note that in the following passage, it appears to be implied that you may use all the common sources, and perhaps the plaintiff's as a guide, but the only detailed use of the plaintiff's work is to take place *after* your research is completed:

It would be a legitimate use of a work of this description if the author of a subsequent work, *after getting his own work with great pain and labor into a shape approximating to what he considered*

36 The 'fair use' concept for the purposes of research and study within the 1911 *Copyright Act* was examined by Peterson J. in *University of London Press Ltd. v. University Tutorial Press Ltd.* [1916] 2 Ch. 601 (Ch.). Here the Court held that the infringement of taking three of the plaintiff's exams was not protected under the doctrine simply because the final use of the product was for the instruction and study of students. The statutory defense was only concerned with the use the defendant makes of the material, not how the end product is used. Here the defendant had copied for the purpose of writing his book and then selling it at a profit. At that point in time, the time of the infringement, there was no research or study by anyone and the fact that it was later used for such a purpose was irrelevant. (P. 613).

37 *Wilkin v. Aikin* (1810), 17 Ves. 422, 34 E.R. 163 at p. 164. (Ch.). This non-direct competition idea of Lord Eldon, L.S., has not found wide acceptance; see *B.B.C. v. Wireless League Gazette Publishing* (1921) Ch. 433, Astbury J., enjoining a non-competing work (a radio program schedule), and *Weatherby and Sons v. International Horse Agency* [1910] 2 Ch. 297 (Ch.), where Parker enjoined the publication and sale of a work infringing the plaintiff's stud book. After noting that copyright is a right in the nature of property, he said that it is infringed whenever used, and that competition is not a relevant factor. While the defendants' use may have been non-competing, he makes the point that it does deprive the plaintiff of his natural advantage should he have decided to enter that field in the future; at p. 305:

'In so doing [copying] they have appropriated the result of this labour and expense to their own use, and even if they have injured the plaintiffs in no other way, they have at any rate deprived them of the advantage, which their copyright conferred upon them, of being able to publish such a book as the defendant's book at much less labor and expense than any one else.'

See also the decision of Upjohn J., in *Football League v. Littlewood Pools Ltd.* [1959] 1 Ch. 637 (Ch.), the 'league fixture schedule' case, where this passage of Parker J., was cited with approval.

38 *Copyright Act of 1976*: Title 17, U.S.C. ss. 107 (4).

39 *Copyright Act 1968*, s. 40 (2) (d). Also a factor in the finding of a 'substantial use' of 4 of 40 pages in *Leslie v. P. Young* [1894] A.C. 335 (H.L. (Sc)), per Lord Ashbourne at pp. 344-5 and Lord Herschell at pp. 341-2.

a perfect shape, should go through the earlier work to see whether it contained any heads which he had forgotten.⁴⁰

The 'non-substantial' copying defense received an early start in *Baily v. Taylor*,⁴¹ where the Court refused an injunction on the grounds of laches, a nine year delay, and more importantly, the appropriation was in the words of the Court 'a very insubstantial part' of the offending work.⁴² Not only that, it was an insubstantial part of the plaintiff's book, which was really the proper question. However, Sir John Leach M.R. considered this one of the plaintiff's mathematical tables which showed the values of annuities over different periods, to be insufficient to justify an injunction *even without* a defense of laches. Expert evidence had put the value of these tables at a mere £7.19. and the Court was told that they could have been calculated by the defendant over a matter of a few hours.⁴³ Unlike the present Act however, the application of the 'non-substantial' idea did not offer a complete defense — all that was refused was the injunction to restrain the sale of the offending book — and the Court acknowledged the plaintiff's right in Law and directed him there, should he desire damages. Today s. 14 of the *Copyright Act*, 1968, would offer a complete defense in this situation.⁴⁴

Originality :

As we have seen, many of the early cases were concerned with establishing just what types of works could be protected under the rubric of compilations: directories, catalogues, road-books, etc. In the latter part of the nineteenth century the arguments began to change; while conceding the issue of whether a directory was or was not a compilation, defendants began to base their defense upon the issue of originality and the level of skill applied, etc. The assertion that novelty, such as was required by the various *Patent's Acts*, was also put forward. In these

40 *Jarrold v. Houlton* (1857), 3 K. and J. 708, 69 E.R. 1294 (V.C.) at p. 1297. This use of a previous work only for correction purposes was to find application in the later directory cases: *Kelly v. Morris*, 1 Equity 697, 701-2 (1866) and *Moffat and Paige Ltd. v. Gill and Sons* 86 L.Q.R. (N.S.) 465, 471 (C.A.) (1902).

41 *Baily v. Taylor* (1829) 1 Russ. and M. 73, 39 E.R. 28 (Ch.).

42 *Ibid.*, at p. 30.

43 The low economic value of the infringed material seemed in this case, to be the main factor in the Court's thinking. The economic consideration was again the major factor in *Leslie v. P. Young and Sons* [1894] A.C. 335, when the House of Lords reversed a decision of the Scottish Court of Sessions, and restored in part the injunction of the Lord Ordinary, Lord Low. While their Lordships agreed that the main railway schedule, taken from the book in question, was unprotected for want of sufficient skill and labor, they did find that the 'excursion guide' was invested with an adequate level of effort to justify protection. Its use, a mere four pages from the whole, was a substantial use since all the pocket railway guides were much the same, the inclusion in the plaintiff's of this 'excursion guide' could well be its most important sales feature: Lord Herschell at p. 342 and Lord Ashbourne at p. 344.

44 A 'substantial' use can be a cumulative process. In both the 'league fixture' case and the 'Bingo' case the offending material used each week was a very small part of the whole and would probably never have infringed if the publication in each case had only been a one time occurrence; *Football League v. Littlewood Pools Ltd.* [1959] 1 Ch. 637 and *Mirror Newspapers v. Queensland Newspapers Pty. Ltd.* [1982] Qd. R. 305 (S.Ct.).

cases and those which have followed, such arguments, aside from the argument of a minimal level of skill, have been consistently rejected by the Courts. In *Walter (The Times) v. Lane*⁴⁵ the House of Lords dismissed an analogy to the *Patent's Act* which would require a degree of novelty.⁴⁶ The House also rejected the position of the Court of Appeal in regard to their requirement that for copyright to subsist, it must be an 'original composition', *i.e.* in the novel sense.⁴⁷ Their Lordships (Lord Robertson dissenting) found that each reporter who took down the speech of the Earl of Rosebury, as he then was, had copyright in his version. Nowhere did they find any requirement that the work, to be protected, must originate in the mind of the author. In such cases as this they felt that each reporter exercised skill, labor, and perhaps judgment, in making his shorthand notes of the speech and later preparing those notes for publication. That exercise of skill and labor was sufficient to grant them protection for their individual works.

With the introduction of the *Copyright Act* of 1911,⁴⁸ which included 'original' as a requirement, there could have come a change in the Court's attitude. This did not come to pass. The interpretation of this need for 'original literary' work, etc., was that it was the same as that taken before the 1911 change, in that 'original' just meant that the work was to come from the efforts of the author, and not be copied from another. No Court took the position that this statutory inclusion signalled a change and that for a work to be worthy of protection, it must be original in the sense generally used in respect of literary composition. In one of the earliest decisions dealing with this provision of the 1911 Act, *University of London Press Ltd. v. University Tutorial Press Ltd.*,⁴⁹ Peterson J., in granting an injunction restraining the defendant's publication of three of the plaintiff's examinations in their *London Matriculation Directory*, held this to be the true meaning of original:

The word 'original' does not in this connection mean that the work must be the expression of original or inventive thought. Copyright Acts are not concerned with the originality of ideas, but with the expression of thought, and, in the case of 'literary work', with the expression of the thought in print or writing.⁵⁰

This position of Peterson J. was adopted by the Privy Council in *MacMillan and Co., Lim v. Cooper*,⁵¹ a 1923 case on appeal from India. Lord Atkinson, in the process of reversing the Court of Appeal of

45 *Walter (The Times) v. Lane* [1900] A.C. 539 (H.L. (E)).

46 *Ibid.*, at p. 548 per the Earl of Halsbury L.C., as he was then. See also *Sands and MacDougall Pty. Ltd. v. Robinson* (1917) 23 C.L.R. (Full Ct., H.C.A.), per Isaacs J. at p. 53.

47 *Ibid.*, at p. 547.

48 1 and 2 George 5, C. 46, s. 1 (1).

49 *University of London Press Ltd. v. University Tutorial Press Ltd.* [1916] 2 Ch. 601 (Ch.). Adopted by Megarry J., as he was then, in *British Northrop v. Texteam Blackburn* [1974] R.P.C. 57 (Ch.).

50 *Ibid.*, at p. 608.

51 *MacMillan and Co., Lim v. Cooper* [1924] 93 L.J.P.C. 113 (P.C. India).

Bombay, and reinstating the trial judge's injunction restraining the defendants' use of the plaintiff's notes in their edition of *Plutarch's Life of Alexander*, quoted it in full.⁵²

This interpretation of originality has allowed the Courts to protect works that have contained some very basic items, ones that at first inspection one would think were just too elementary, but as long as the plaintiff has done his own work in respect of these catalogues or drawings, they will be protected by copyright. In *Purefoy Engineering Co. v. Sykes Boxall and Co. Ltd.*,⁵³ Sir Raymond Evershed M.R., as he was then, in speaking for the Court of Appeal, allowed the injunction which had been refused by Lloyd-Jacobs J., on the grounds that *Collis v. Cater*⁵⁴ had established the principle that a compilation which was only a sales list with quantities and prices included, could be protected.⁵⁵ Here the fact that the plaintiff's catalogue was made up of simple jigs and parts, for use in the metal fabricating trades, did not deprive it of protection. In 1973, *British Northrop v. Text-team Blackburn*⁵⁶ saw Megarry J., as he was then, protect the plaintiff's catalogue and engineering drawings:⁵⁷ some of them describing mere rivets, studs, screws, bolts, metal bars, etc. He held that despite their elementary and simple character, the labor and skill involved in arranging them by size, part number, etc., in the catalogue, was sufficient to give it protection. As to the drawings, while they were of a simple character, it still required time and skill to reproduce them to scale and show the detail and perspective required for engineering purposes:

They are all carefully drawn to scale, with precise dimensions, and I cannot extract from the statute any indication that these drawings should not be able to qualify for copyright. If simplicity were a disqualification, at some point there would come enough complexity to qualify. It is not that I am unable to see exactly where the Act draws the line: *it is that I cannot see that there is any intention to draw any line at all.*⁵⁸

'Literary' and the Need for Meaning :

Like 'originality', the Courts have given the word 'literary' a very low requirement. Peterson J., in *University of London Press v. University Tutorial Press, supra*, held that 'literary work' merely meant that it was in writing; it had no connotation as to the style or merit in the sense of being 'literature'. In his view it could be compared to the way the word is applied in relation to 'political or electioneering literature', in that it

52 *Ibid*, at p. 121.

53 *Purefoy Engineering Co. v. Sykes Boxall Co. Ltd.* [1955] 72 R.P.C. 89 (C.A.).

54 *Collis v. Cater, Stoffell and Fort Ltd.* [1898] 78 L.T. 613 (Ch.).

55 *Purefoy Engineering v. Sykes Boxall* [1955] 72 R.P.C. 89 at p. 95 (C.A.).

56 *British Northrop v. Textteam Blackburn* [1974] R.P.C. 57 (Ch.).

57 The Plaintiff successfully alleged that the defendants' manufacture of those parts violated his artistic copyright in his engineering blueprints; the reproduction in a different dimension per the equivalent of the Australian *Copyright Acts* s. 71 (a).

58 *British Northrop v. Textteam Blackburn* [1974] R.P.C. 57 at pp. 68-69 (C.A.) (Emphasis added).

can be totally devoid of style, taste, or intellectual merit and still be literary as long as it consists of written or printed matter.⁵⁹ Earlier, in the case of *The Times* account of Lord Rosebury's speeches, in *Walter v. Lane*,⁶⁰ the question of 'literary' was also analyzed in respect of any requirement of literary merit. As in the case of 'originality', the idea that copyright should require novelty, literary merit, etc., was rejected by the majority of the House. This passage from the Speech of Lord Brampton typifies this interpretation:

I do not agree that the question of authorship of a book depends upon the literary quality of it. If a person chooses (and may do) to compose and write a volume devoid of the faintest spark of literary or other merit, I see no legal reason why he should not, if he desires, become the first publisher of it and register his copyright, worthless and insignificant as it would be. The statute has prescribed no standard of merit in a book as a condition to entitle its author to become the proprietor of copyright in it.⁶¹

A gloss was put on this approach, to a limited degree, in the 1925 case of *Smith's Newspapers Ltd. v. The Labor Daily*,⁶² when Harvey C.J. in Equity for New South Wales, dismissed an application for an injunction to restrain the defendants from publishing the name of the horse which the plaintiffs had predicted as the winner in the next day's race. The Court held that 'literary' connotated 'something more than mere penmanship' and a compilation of the names of horses, as predicted winners, no more deserved protection than did the name of a single horse.⁶³ In that sense, this reference to 'literary' in that context was not directly on point, since the *University of London Press* case, *supra*, established the mere writing criteria, and what the Court was really doing here was saying that it would not protect the idea (here, predicting winners), and would also not protect a mere list.

This absence of a requirement of 'literary merit' could also be said to extend to the need for 'meaning'. In the early case of *Hollinrake v. Trusswell* (1894),⁶⁴ the Court of Appeal held that while on the whole 'a literary work is intended to afford either information or instruction, or pleasure, in the form of literary enjoyment',⁶⁵ they noted the exception in the case of compilations to this need for 'literary merit'.⁶⁶ As to the other requirement, of instruction or information, it would be difficult to say that compilations did not carry information, since that in the majority of cases is their *raison d'être*.

59 *University of London Press v. University Tutorial Press Ltd.* [1916] 2 Ch. 601; see also *Victoria Park v. Taylor* (1937) 58 C.L.R. 479 at p. 511 (F.C., H.C.A.).

60 *Walter (The Times) v. Lane* [1900] A.C. 539 (H.L. (E)).

61 *Ibid.* at p. 558.

62 *Smith's Newspapers Ltd. v. The Labor Daily* (1925) S.R. (N.S.W.) 593 (S.C.).

63 *Ibid.* at p. 597. See also *Chilton v. Progress Printing and Publishing Co.* (1895) 2 Ch. 29. (C.A.).

64 *Hollinrake v. Trusswell* (1894) 3 Ch. 420 (C.A.).

65 *Ibid.*, per Davey, L.J., at p. 428.

66 *Ibid.*, per Lord Herschell L.C., at p. 424.

The various 'code cases'⁶⁷ have shown that a compilation of words that are meaningless in themselves, in all known languages,⁶⁸ will be protected against infringement: information is still conveyed, albeit only to those who have access to the code. The 'Leiber Code case', *D. P. Anderson and Co. Ltd. v. The Leiber Code Co.*,⁶⁹ saw Bailhache J. enjoin the defendants from using the plaintiff's '5 letter word' Empire Cypher Code after rejecting the argument that 'literary' could not apply to words with no precise meaning.⁷⁰ Recently the Supreme Court of Queensland protected a series of numbers published in the plaintiff's Sunday newspaper as part of a 'Bingo' contest to promote circulation.⁷¹ Connolly J. rejected the claim that 'literary work' necessitated something intrinsically meaningful, citing the 'Lieber Code case', *supra*, as authority for the proposition that if meaning is indeed required, per *Hollinrake v. Trusswell*, *supra*, it is satisfied when combined with other information either held or distributed by the plaintiff. If the arguments of the defendants were accepted, he felt it would cause the death knell to be sounded for crossword puzzles and columns discussing problems involving games such as bridge, chess, etc.

This wide view of 'meaning' taken by Bailhache J. in *Leiber Code supra*, and Connolly J. in *Mirror Newspapers Ltd. v. Queensland Newspapers Pty. Ltd.*,⁷² was recently considered by the Federal Court in *Apple Computer Inc. and Another v. Computer Edge Pty. Ltd. and Another*.⁷³ In the trial decision, Beaumont J. held that while previous compilation cases had seen protection granted to works which might on their surface be meaningless, all had the common feature of conveying meaning to those who possessed the additional material needed to 'decode' that which was in dispute. The distinction in *Apple* was that there was no 'person' involved, only a computer.⁷⁴ On that basis, His Honour declined to protect the plaintiff's programs. Although it was true that the computer received instructions from the coded programs

67 *Ager v. Peninsular & Oriental Steam Navigation Co.* (1884) 26 Ch.D. 637; *Ager v. Collingridge* 2 Times L.R. 291 (1886) (Ch.), and also *D. P. Anderson v. The Leiber Code Co.* [1917] 2 K.B. 469 (Ch.).

68 *D. P. Anderson v. The Leiber Code Co.* [1917] 2 K.B. 469 at p. 471 (Ch.).

69 *Ibid.*

70 *Ibid.*, at p. 471. Note that in 'Lieber Code' it was the compilation which was protected. The *Exxon* case has again demonstrated the difficulty of protecting a single word, especially when it conveys no information; there an invented word which, though the result of the expenditure of considerable time and expense, conveyed nothing as it was devoid of a recognized meaning in any language: *Exxon Corp. v. Exxon Insurance Consultants International Ltd.* (1982) R.P.C. 69 (C.A.).

71 *Mirror Newspapers Ltd. v. Queensland Newspapers Pty. Ltd.* [1982] Qld. R. 305 (S. Ct.).

72 *Ibid.*

73 *Apple Computer Inc. and Another v. Computer Edge Pty Ltd and Another* (1984) 10 F.S.R. 246; (1983) 50 A.L.R. 581 (F.C.); and *Apple Computer Inc. and Another v. Computer Edge Pty Ltd. and Another* (1984) 10 F.S.R. 481; (1984) 53 A.L.R. 225 (F.F.C.). The decision of the full court was applied recently by Reed J. in the Federal Court of Canada in *International Business Machines v. Spirales Computer Inc.* (1985) 12 D.L.R. (4th) 351.

74 *Apple Computer Inc. v. Computer Edge* (1984) 10 F.S.R. 246; (1983) 50 A.L.R. 581 at p. 591.

and that the code could also be read by humans, the fact remained that the instructions only had 'meaning', in the truest sense of the word, for the computer's central processor unit.⁷⁵

This requirement that a person be the recipient of the information was rejected by the full Federal Court.⁷⁶ The Bench there held that what constituted a 'literary work' within the meaning of the phrase '... information or instruction, or pleasure, in the form of literary enjoyment' had never been exhaustively defined and anything which suggested otherwise in *Hollinrake v. Trusswell*⁷⁷ or the *Exxon*⁷⁸ decision, should be confined to the particular facts of those cases.⁷⁹ As long as information or instruction was conveyed, the work was eligible as a 'literary work'. There was no distinction based upon the form or status of the actual user of that information.⁸⁰ The Court then went on to hold that the two operation programs in question were protected as 'literary works' since they began as a program written in source code, which could be understood by programmers, and they conveyed instructions to the computer.

While the programs *per se* could be protected as 'literary works', what had been copied was a coded version of the program in a simple machine readable form known as object code.⁸¹ The problem was that object code is only a pattern which indicates the presence or absence of electrical impulses which in turn tell the computer's central processor how to perform basic housekeeping functions. While the code can be read and understood by skilled programmers when represented in hexadecimal notation, what is seen is not the true code in the form of the electrical impulses, but only a graphic representation. Because of this inability to see the actual object code, Sheppard J. held that a program expressed in object code form could be neither a 'literary work' in its own right

75 Ibid. Note that Beaumont J. also distinguished two previous decisions which had recognised the ability of programs to be protected by copyright. Presumably this was based on the view that those cases involved application programs and as such, would convey information to the computer operator: *Northern Office Micro Computers (Pty) Ltd v. Rosenstein* [1983] F.S.R. 124 (S.C.; S. Africa); and *Sega Enterprises Ltd v. Richards* [1983] F.S.R. 73 (Ch.D.). The decision of Goulding J. in *Sega* was applied by Megarry C.C. in *Thrustcode Ltd v. W.W. Computing Ltd* [1983] F.S.R. (Ch.D.). See also the judgment of Sheppard J. in *Apple Computer v. Computer Edge* [1984] F.S.R. 481; (1984) 53 A.L.R. 225, at p. 279 for support of that view.

76 *Apple Computer Inc. v. Computer Edge* (1984) 10 F.S.R. 481; (1984) 53 A.L.R. 225.

77 *Supra*, note 64.

78 *Supra*, note 70.

79 *Apple Computer v. Computer Edge* (1984) 10 F.S.R. 481; (1984) 53 A.L.R. 225, at p. 235 per Fox J.; at p. 260 per Lockhart J.; and Sheppard J. at p. 274.

80 Ibid, Lockhart J. at p. 260.

81 For a lucid discussion of the technical aspect of computer programs, see Prof. J. Lahore, Prof. G. Dworkin, and Y. M. Smith, *Information Technology: The Challenge to Copyright* (London: Sweet and Maxwell, 1984), at pp. 89-94; and the Laddie text, *The Modern Law of Copyright* (London: Butterworths, 1980), at pp. 92-93.

nor an adoption of such a work.⁸² Therefore it was outside the scope of the *Copyright Act*.

The majority did not agree. Fox and Lockhart J.J. held that the object code versions stored in the ROM (read only memory) silicon chips could be protected as 'adaptations' in the form of a translation of a literary work.⁸³ The copying of the object code from the ROM would therefore constitute an infringement of s. 31 (1) (a) (vii) and (i); *i.e.* the reproduction of an adaptation in material form. In so holding, the majority rejected the argument that the s. 10 (1) definition of adaptation be given a narrow reading, which would confine it to the translation of spoken languages.⁸⁴ Also, this adaptation did not in itself have to be in the form of a literary work which could be seen or heard.⁸⁵ In their view, it was sufficient that the program could be seen and understood in hexadecimal form; one did not have to be able to see the actual impulses themselves. The suggestion that the infringing copy must 'look' the same as either the original or the adaptation was also rejected.⁸⁶ For an infringement to be complete, all that was necessary was that the disputed copy represent the same pattern of electrical impulses as the plaintiff's object code.⁸⁷ The 'look' of the method of storage used was of no concern since the infringement was the same in effect whether the defendant stored the code on a ROM chip or on magnetic tape.

Because of the division of the court on the issue of granting protection to programs expressed in object code and the defendant's decision to appeal to the High Court, the Australian Parliament decided to end this uncertainty and passed the *Copyright Amendment Act 1984*.⁸⁸ This *Act* essentially codified the approach taken by the majority in the *Apple Computer* appeal decision, and does so primarily through the use of alterations and additions to the s. 10 (1) definition section.⁸⁹

82 *Apple Computer v. Computer Edge* (1984) 10 F.S.R. 481; (1984) 53 A.L.R. 225, at p. 276.

83 *Ibid.*, at pp. 235-236 per Fox J. and at pp. 261-262 per Lockhart J.

84 *Ibid.*, at p. 235 per Fox J. and at p. 261 per Lockhart J.

85 *Ibid.* Such a view would have confined the section to adaptations such as films and records.

86 *Ibid.*, at p. 236 per Fox J. and Lockhart J. at pp. 261 and 263.

87 It is of interest to note that if the full court had decided to protect computer programs in the original source code, but to deny protection to the object code version, the computer software industry would have found itself in a position somewhat analogous to that of the music business at the turn of the century. In *Boosey v. Whight* [1900] Ch. 122, the Court of Appeal held that the defendant's 'piano rolls' were not infringements of the plaintiff's music. That decision had the effect of leaving the authors and composers with copyright in the sheet music version, but without a claim to that material when it was 'adapted' into the form of a recording.

88 Assented to on June 15, 1984. While the protection of an author's work was an important consideration *per se*, the welfare of the Australian economy appeared to rank higher. Not only would fewer programs be written in Australia if the author's product was not protected, but foreign authors and firms would probably be quite reluctant to export their programs to a country which would not protect them: Commonwealth Parliamentary Debates, House of Representatives, 8 *Weekly Hansard*, 7 June 1984, at pp. 3143-3144 per Mr Barry Jones.

89 Note that the United Kingdom has followed a similar path: *Copyright (Computer Software) Amendment Act 1985* (1985 c.41), assented to on 16 July, 1985. See comment in 1985 *E.I.P.R.* 240.

The impact of the *Apple* decisions on compilations in particular and copyright in general, can be stated as follows. The protection of computer programs as 'literary works' by statute was the clear result of Beaumont J.'s decision at trial and that of Sheppard J. on appeal. Both judgments were based on grounds which could easily have been adopted by the High Court. The wide approach to 'information or instruction' taken by Bailhache J. in the *Leiber Code* decision, *supra*, has been retained. As long as the data conveys meaning to 'something' and can be read and understood by at least some persons, any distinctions based on differences in language or on the form of storage are of no concern. Finally, one should note that the full court saw copyright as a dynamic area of the law which had never crystallized; it had shown itself capable of evolving to meet new challenges in the past and that ability was alive today.⁹⁰

The Investing Factors :

While the Courts can invest a compilation with copyright in order to protect the author's investment of time, labor, expense, judgment and/or skill, the first three are in many cases the main factors as the level of the application of the latter two are in many cases, quite low. In the case of Lord Rosebury's speeches, *Walter v. Lane*,⁹¹ the majority of their Lordships took the view that the level of skill applied by the various reporters did not have to be high, since it could also be protected under the application of time, labor and judgment.⁹² Also, it would appear, at least by implication, that in regard to the 'originality' argument therein, that the lower the level of the reporter's skill, the more 'original' would be his report of the speech. Lacking today's electronic aids, many reporters would certainly be forced into a position of having to engage in some degree of 'creative' reporting. Therefore, the lower his skills, the more original the report of the speech. In most of the compilation situations, the skill required is that basic to the task: a reporter must be able to write;⁹³ a matriculation examiner, to set exams;⁹⁴ a map-maker, to draw.⁹⁵ The degree of technical excellence is hardly a factor, as long

90 *Apple Computer v. Computer Edge* (1984) 10 F.S.R. 481; (1984) 53 A.L.R. 225 at p. 235 per Fox J. and Lockhart J. at p. 260.

91 *Walter (The Times) v. Lane* [1900] A.C. 539 (H.L. (E)).

92 *Ibid*, see the speeches of Lord Davey at pp. 551-2; Lord James of Hereford at pp. 554-5; Lord Brampton at pp. 557-8; and the Earl of Halsbury, L.C., as he was then, at pp. 549-550; as to the general application of skills, at p. 549:

'My Lords, if I have not insisted upon the skill and accuracy of those who produce in writing or print spoken words, it is not because I think the less of those qualities, but because, as I have endeavoured to point out, neither the one nor the other are conditions precedent to the right created by the statute. That right, in my view, is given by the statute to the first producer of a book, whether the book be wise or foolish, accurate or inaccurate, of literary merit or no literary merit whatever.'

93 *Walter v. Lane* [1900] A.C. 539 (H.L. (E)).

94 *University of London Press v. University Tutorial Press* [1916] 2 Ch. 601.

95 *Sayre and Others v. Moore* (1785) 1 East. 359; 102 E.R. 139 (K.B.).

as one does not copy the report of another or trace a pre-existing design.⁹⁶ Defining the precise combination of these factors which will invest a compilation with protection; labor, skill, expense, etc., is the task that faces the Court in each case. The following portion from the speech of Lord Atkinson, delivering the advice of the Board in *MacMillan and Co., Lim v. Cooper*,⁹⁷ illustrates this act of weighing and calculation that lies at the heart of most compilation decisions:

What is the precise amount of the knowledge, labor, judgment or literary skill or taste which the author of any book or compilation must bestow upon its composition in order to acquire copyright in it within the meaning of the *Copyright Act* of 1911 cannot be defined in precise terms. In every case it must depend largely on the special facts of that case, and must in each case be very much a question of degree . . .⁹⁸

In the intervening period since that decision by the Judicial Board in 1923, the Courts have experienced few problems in determining that level: in the main the cases have just reflected the old reluctance to grant protection to works that are 'mere lists'.⁹⁹ The one area when the Courts have experienced difficulty is in protecting an infringed work which in itself is relatively simple, and on its own would usually be refused copyright because of the lack of a sufficient investment of time, labor, skill, judgment, etc., but is the culmination of a very extensive development process. To avoid this injustice, the Courts have taken the view that the two phases, the development process and the final product design, in appropriate situations, can be considered as one; thereby providing a sufficient level of skill and labor, etc., to allow the work to be protected. The problem with this solution is that in some situations, it is almost tantamount to protecting the idea itself, thereby arousing the idea/expression dichotomy.

The basic requirement for a minimal level of skill or labor is shown in the decision of the House of Lords in *Cramp v. Frank Smythson*.¹⁰⁰ There the plaintiffs had developed and marketed a pocket diary called the 'Liteblue Diary' since 1933. The defendants began to sell their version of the diary in 1942. The issue in question was the inclusion by the defendants' designer (a former manager and salesman of the plaintiff's), of a section containing the same seven charts and tables as had been used by the plaintiff. It was freely admitted by the defendants that they had copied this eight page compilation, as it was their opinion, as commonplace information, *i.e.* postal rates, calendars, etc., its arrange-

96 *British Northrop v. Texteam Blackburn* [1974] R.P.C. 57 at p. 69 (Ch.).

97 *MacMillan and Co., Lim v. Cooper* [1924] L.J. P.C. 113 (P.C. India).

98 *Ibid.*, at p. 121. Applied in *Cramp and Sons v. Frank Smythson* [1944] A.C. 329, at p. 335; 60 T.L.R. 477; [1944] 2 All E.R. 92 (H.L.) per Lord Simon; *Football League Ltd. v. Littlewood Pools* [1959] 1 Ch. 637, at p. 651, by Upjohn J.

99 *Victoria Park Racing v. Taylor* (1937) (F.C., H.C.A.); *Chilton v. Progress Printing and Publishing* [1895], 2 Ch. 28 (C.A.); and *Leslie v. Young* (1894) A.C. 335 (H.L. (Sc.)).

100 *G. A. Cramp and Sons v. Frank Smythson* [1944] A.C. 329; [1944] 2 All E.R. 92 (H.L.).

ment was not of sufficient merit to attract copyright. The plaintiff on the other hand claimed that this was a clear case of infringement; while they claimed no copyright in the actual material, *i.e.* the charts themselves, they did claim that their compilation of these seven charts and tables did require a sufficient level of skill and judgment to warrant protection. Their Lordships rejected this claim to protection by the plaintiffs, holding that Uthwatt J. at trial,¹⁰¹ and Luxmore J. in Appeal,¹⁰² had been correct when they had opined that the work was lacking any degree of skill or judgment which would justify enjoining the defendant. In the words of Lord MacMillan, '[t]o my mind, the collection is of an obvious and commonplace character, and I fail to detect any meritorious distinctiveness in it . . .'¹⁰³

The next step in the process comes from the decision of Sir Raymond Evershed, M.R., as he was then, in *Purefoy Engineering v. Sykes Boxall*.¹⁰⁴ In allowing the appeal from the decision of Lloyd-Jacob J., the Court found that while as a general proposition catalogues issued by competing firms will of necessity be very similar, this inherent similarity will not excuse one's direct copying of attractive features from the other: here specification tables and illustrations. The Court, in rejecting the arguments of the plaintiff when they claimed an almost monopoly position for the first catalogue in the field, made the observation that the skill and labor which goes into deciding what kind of goods one will stock for sale in a business, here parts and jigs for machine tool attachments, is a separate level or type of skill or labour from that which goes into a different object, *i.e.* the production of the parts catalogue: '[n]o doubt skill and labor were employed for the latter purpose [the catalogue], but skill and labor of a different order'.¹⁰⁵ The basic idea is that one decides on the inventory, then, when it comes to composing the catalogue, all that is expended at this stage is the arrangement and format of the catalogue itself: the more extensive investment that went into the primary selection of trade-goods is not a factor in deciding whether the trader has invested sufficient skill, etc., in the catalogue to afford copyright protection.

This proposition was fine so long as one was dealing with two discreet processes: the inventory for trade and then the catalogue which merely illustrated that inventory. Problems arose when the second part of the process was in itself, too lacking in investment of skill and labor to be protected, even though the earlier process, the developing of the idea itself, was quite extensive. This was the situation which came before Upjohn J., as he was then, in 1958 in *Football League v. Littlewood*

101 Unreported.

102 *Frank Smythson Ltd. v. G. A. Cramp and Sons Ltd.* [1943] Ch. 133 (C.A.).

103 *G. A. Cramp v. Frank Smythson* [1944] A.C. 329 at p. 337 (H.L. (E)).

104 *Purefoy Engineering Co. Ltd. v. Sykes Boxall Co. Ltd.* [1955] 72 R.P.C. 89 (C.A.).

105 *Ibid.*, at p. 99.

Pools.¹⁰⁶ There the item sought to be protected was the Football League 'chronological list', a schedule which showed which team played who and when, each weekend, and this was in turn a derivative of the main 'League Fixture Schedule'; this setting out the 2028 matches scheduled in the four English Divisions. The work of composing this 'League Schedule' required a very high degree of skill and labor; the 'chronological list' a mere copying from the 'League Schedule', but copying requiring painstaking accuracy. The defendants, a firm of bookmakers who used portions of the 'chronological list' in composing their betting coupons, argued that while the 'League Schedule' might be the result of applied labor and skill, it was not something that could be protected in that all that it was in fact was the physical manifestation of the creation of 'pure information'. Further, if in fact the 'League Schedule' was protected, the 'chronological schedule', the article actually copied, could not be protected since it was the result of mere copying from the master 'League Schedule' and 'mere lists' are without protection. The Court had little sympathy for these arguments of the defendant. It was the opinion of Upjohn J. that the plaintiff could succeed as they had expended sufficient labor and skill in the creation of the 'League Schedule', which was in his opinion an expression of an idea, not the idea itself nor 'pure information', to warrant copyright in it, and also the 'chronological list' — as it was all part of the same process.¹⁰⁷ With very little discussion on the point, His Honour merely said that he found little help in the earlier authorities and then distinguished *Purefoy Engineering, supra*, on the facts, thereby allowing him to treat the creation of the two

106 *Football League v. Littlewood Pools Ltd.* [1958] 1 Ch. 637 (Ch.).

107 *Ibid*, at pp. 655-6. The question of whether a 'scrambling' of the information, or its re-arrangement, would still be an infringement was raised but left unanswered by Upjohn J., as he was then, at p. 657. Based on two cases since then, it would appear that it may not be a defence. In *Elanco Products v. Mandops (Agricultural Specialists) Ltd.* [1980] 213 (C.A.), Goff L.J., in delivering the main decision allowing the interim injunction, agreed with Whitford J.'s statement in the first instance, that the mere 're-arrangement' of the material on the plaintiff's herbicide label may not be enough to 'cure' the initial copying infringement, at p. 228. From his comments on p. 225, *obiter* to be sure, one gets the impression that while he feels the defendants can make use of information in the public domain, and do not have to do their own testing, they are not allowed to use the plaintiff's label and to just re-work it by applying a different lay-out and style until it becomes sufficiently different from the original as to no longer constitute a substantial copy.

The issue was squarely faced in a recent decision of Legg J. in the British Columbia Supreme Court. There, the defendant had taken material concerning the following day's horse races from the plaintiff's paper, but had rewritten it in his own 'style', had made substantial re-arrangements and had also added new material. The Court rejected the submission that re-arrangement, per Upjohn J.'s *quaere*, was a defense and held that the only question to be that which asked whether a substantial amount of material had been taken which appropriated the plaintiff's labor, skill, judgment, etc. That is what is protected, not the mere 'ordering' of the material: *British Columbia Jockey Club v. Standen* (1983), 73 C.P.R. (2d) 164, at p. 175. (B.C.S.C.).

lists as all part of a single process and the efforts expended applicable to both.¹⁰⁸

In 1964 the House of Lords applied this same reasoning in the 'betting coupon' case of *Ladbroke Ltd. v. William Hill Ltd.*¹⁰⁹ The House put forth the concept of the 'purpose of the object' as the criteria for deciding how much of the prior effort should be allowed in the accounting of the article in question. They distinguished the *Purefoy Engineering* situation on the basis that in those cases, one was dealing with two different things: on the one hand you had the effort of setting-up the business and inventory, and then you had the preparation of the catalogue, to promote the business. In cases such as this, and the earlier *Football League* case, what you have is really a single process. All or part of the development skill, judgment, labor, etc., is directed at the final product. In *Football League* it was the team fixture list and here it is a betting coupon: both were just the final steps in a single process. In such cases as this, it is quite proper for the Court to take account of all efforts invested in the process; the skill and judgment used to decide on the types of wagers offered, the odds and combinations, etc.¹¹⁰ Lord Devlin, in dismissing the appeal from the Court of Appeal and allowing the injunction to stand, illustrated the feelings of their Lordships with the following:

I do not think that it is necessary in this type of case that the work done should have *as its sole, or even as its main*, object the preparation of a document such as a list or catalogue or a race card. It would be sufficient that the preparation of the document *is an object of the work done. If that be so, the work cannot be split up and parts allotted to the several objects.*¹¹¹

Conclusion:

In their application of these principles the Courts have been quite generous in protecting the interests of authors. Aside from the general prohibition against 'mere lists', which has centered mostly in the areas of

108 Upjohn J. also found that the 'chronological list' could be protected on its own. While a 'borderline' case, based on the authority of *Blacklock v. Arthur Pearson Ltd.* [1915] 2 Ch. 376 (Ch.), he felt the copying of the 'chronological list' from the master 'League Schedule' required sufficient effort to qualify as 'it involved a good deal of painstaking hard work with complete accuracy as the keynote' (p. 654).

109 *Ladbroke Ltd. v. William Hill Ltd.* [1964] 1 All E.R. 465 (H.L.). See also *Mirror Newspapers Ltd. v. Queensland Newspapers* [1982] Qd.R. 305 (S.Ct.).

110 While all of their Lordships found the requisite degree of skill and judgment supplied by the preliminary work of deciding upon the type of wagers and various odds and combinations, Lord Evershed also would have protected the 'coupon' on its own merits: the physical layout of the wagers; the headings used; format chosen; etc. (p. 473). Their Lordships also pointed out that in compilation cases such as this, one was not to dissect the article into components and decide the issue upon whether the individual items did or did not deserve protection, but to look at the work as a whole. Has there been sufficient labor and skill invested in the arrangement and selection to warrant protection? (per Lord Reid, at p. 468).

111 *Ladbroke Ltd. v. William Hill Ltd.* [1964] 1 All E.R. 465 at p. 479. H.L.(E). (Emphasis added).

racing information¹¹² and railway schedules,¹¹³ the level of skill and labor required has been quite low.¹¹⁴ While an author may have only limited protection because of the subject matter, allowing him an action only in cases of direct copying,¹¹⁵ in others, while it will be less than awarded an author of a novel, it will still usually be adequate in light of the idea/expression problem.¹¹⁶ On the whole however, the scope of works which the Courts have protected is truly remarkable: lists of bills of sale;¹¹⁷ list of deeds of arrangement;¹¹⁸ list of common stock prices from a stock exchange;¹¹⁹ list of drugs, chemicals, and prices based on quantities;¹²⁰ a history of golfers;¹²¹ a studbook;¹²² an index to a railway guide;¹²³ a law list;¹²⁴ the chronological football list;¹²⁵ a betting coupon;¹²⁶ etc.

In closing this section, it must be said that the inevitable conclusion is that copyright within the realm of compilations is a function of the effort put into the work. Once you have risen above the level of 'mere lists', the more you have invested into your work by way of skill, judgment, labor and expense, the greater will be the level of protection offered. While a 'borderline' case will only be protected against virtually exact copying, a more highly evolved work such as the very detailed studbook in the *Weatherby cases*¹²⁷ or the annotated Shakespeare,¹²⁸ will be protected against infringers who may only copy a portion. Given

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- 112 *Smith's Newspapers v. The Labor Daily* (1925) S.R. (N.S.W.) 593 (S.Ct.), and *Chilton v. Progress Printing and Publishing* [1895] 2 Ch. 28 (C.A.), the names of horses; *Greyhound Racing v. Shallis* [1923-24] Mac G. Cop-Cas. 370 (Ch.D.), the positions of greyhounds in a race; *Oldham Press v. London and Provincial Sporting News Agency* (1935) Ch. 672 (Ch.), a list of horses and the starting odds. (Note other view taken by the Court of Appeal, as dicta, in the decision delivered by Lord Wright, M.R. (1936) 1 All E.R. 217 at p. 223 (C.A.).)
- 113 *Leslie v. J. Young and Sons* [1894] A.C. 335 (H.L. (Sc.)).
- 114 *Walter (The Times) v. Lane* [1900] A.C. 539 (H.L. (E)), reporter's account of a speech.
- 115 *McCrum v. Eisner* (1917) 87 L.J. Ch. 99 (Ch.), the comic postcard and also *Kenrick v. Lawrence* (1890) 25 G.B.D. 99 (Ch.), the voting card.
- 116 *Morris v. Wright* (1870) 5 L.R. Ch. App. 279 (L.J.J.), a text on 'the common phenomena of life' and *Ravenscroft v. Herbert and New England Library Ltd.* [1980] R.P.C. 193 (Ch.).
- 117 *Trade Axillary Co. v. Middlesborough and District Tradesmen's Protection Association* (1889) 40 Ch.D. 425 (C.A.).
- 118 *Cater v. Devon and Exeter Constitutional Newspaper Co.* (1889) 40 Ch.D. 500 (Ch.).
- 119 *Exchange Telegraph Co. Ltd. v. Gregory and Co.* [1896] 1 P.B. W7 (C.A.).
- 120 *Collis v. Cater, Stoffell and Fortt Ltd.* (1898) 78 L.T. 613 (Ch.).
- 121 *Nisbet and Co. v. Golf Agency* (1907) 23 T.L.R. 370 (Ch.).
- 122 *Weatherby and Sons v. International Horse Agency Exchange* [1910] 2 Ch. 297 (Ch.).
- 123 *Blacklock v. Arthur Pearson* [1915] 2 Ch. 376 (C.A.).
- 124 *Cartwright v. Wharton* (1912) 25 O.L.R. 357 (Ch.).
- 125 *Football League v. Littlewood Pools Ltd.* [1959] Ch. 637, [1959] 2 All E.R. 546 (Ch.).
- 126 *Ladbroke Football v. William Hill Football* [1964] 1 All E.R. 465 (H.L. (E)).
- 127 *Weatherby and Sons v. International Horse Agency Exchange* [1910] 2 Ch. 287 (Ch.), and *Weatherby and Son v. Galopin Press Ltd.* [1928-35] MacG. Cop. Cas. 297 (Ch.D.) (1931).
- 128 *Moffat and Paige Ltd. v. Gill and Sons* (1902) 86 L.T. 465 (C.A.).

the inherent limitations of usual subject matter and the ever-present idea/expression dichotomy, perhaps this graduated level of protection is as much as can realistically be expected.¹²⁹

Computers and Policy :

Along with the growth in the number of computers during the past two decades, has been the discussion concerning the nature of the 'input' of copyright works into these electronic data bases. Because of the very nature of the machine, the vast storage space for individual 'facts' and its ability to quickly search its memory and retrieve these facts, it was inevitable that a major portion of its memory would be reserved for the 'compilation' type of work; indexes, abstracts, dictionaries, encyclopaedias, etc. This controversy was initiated by those who felt that the inherent advantages of the computer could only be maximized if it was allowed to operate at its full potential: this meaning that everything desirable which could be 'input' should be allowed; controls should only be placed on the output end, when the material or 'work' was actually reproduced.¹³⁰ The importance of this ready access to information, for serious research and study is frequently cited as the particular need,¹³¹ and of course the benefit to society in general is the basis of the argument itself. The problems which have provided the impetus for this group are: inability to find the copyright owner; refusals to allow the work to be used; demands of too high a price for its use; and sometimes, even if he can be found and is willing to allow its 'input' for a price, these negotiations take much too long.¹³² The traditional view will have none of this; their position is that the computer is nothing more than a very efficient storage and retrieval system, and as such, presents by itself no good reason for changing the fundamental precepts of copyright law.¹³³

The Economic Council of Canada, in their 1971 report, *Report on Intellectual and Industrial Property*,¹³⁴ took the position that the require-

129 The Whitford Committee, in their 1977 report, were quite satisfied with the scope of protection accorded to compilations, and felt 'that no special action is called for'. *Report of the Committee to Consider the Law of Copyright and Design*. Cmnd. 6732 (The Whitford Committee, 1977), p. 220 at para 870.

130 Economic Council of Canada, *Report on Intellectual and Industrial Property*. (Ottawa: Information Canada, 1971), at pp. 167-174, and A. A. Keyes and C. Brunet, *Copyright in Canada: Proposals for a Revision of the Law*. (Hull: Consumer and Corporate Affairs, 1977), at p. 128.

131 *Ibid.*, Economic Council of Canada at pp. 168-9. Also Edward W. Ploman and L. Clark Hamilton, *Copyright*. (London: Routledge and Kegan Paul Ltd., 1980), at pp. 171-2.

132 Steven Allen, et al., 'Project; New Technology and the Law of Computers', *U.C.L.A. Law Review* 15 (1968): 1003.

133 *Report of the Committee to Consider the Law of Copyright and Designs*. Cmnd. 6732 (The Whitford Committee, 1977), p. 131 at para 504. *Reform of the Law Relating to Copyright, Design and Performer's Protection*. Cmnd. 8302 (Green Paper, 1981), 34. 'Working Group on Copyright Problem Arising from the use of Computers', *Copyright Bulletin* (Unesco, Paris) Vol. 13 (1979): 7 John Palmer, 'Copyright and Computer Data Bases', *International Review of Industrial Property and Copyright Law*. Vol. 14 (1983): 212-3.

134 Economic Council of Canada, *supra*, note 130.

ments of research called for a change in the Canadian law, to allow for unrestricted input of published works into data banks. It was their view that once you had purchased a copy of a work such as the *Chemical Abstracts*, etc., you then could place it into a data bank and its use would be just like using the book itself in your own library. If you reproduced the work in 'hard-copy' you would then be liable in the same way as a photocopy may infringe, if it goes beyond a 'fair use' in the case of research and study. If it was a commercial data bank, the charge would be for 'hard-copies' and also video display time, if the operator of the data base received payment for the search or 'browse' time itself. Their view on unpublished works was still open, leaving the matter for further discussion, but they appeared to favor some scheme of direct public regulation to cover the situation.¹³⁵ The next development was that of the study done for the Department of Consumer and Corporate Affairs by Keyes and Brunet in 1977, *Copyright in Canada, Proposals For a Review of the Law*.¹³⁶ They suggested two choices: the first was to introduce a compulsory licencing system governing the terms of input, or in the view of the Economic Councils Report, *supra*, to allow unrestricted input, but with the provision that notice be given to the copyright owner. To enforce this system, they would allow owners to have the right of 'discovery' if they believed that their works had been inserted and no notice given, the point being if payment only comes upon 'output', without knowing if his work had been inserted it would be difficult if not impossible for an owner to protect his rights. They also felt that the law should be clarified, making it clear that the display on a video screen was to be a copy of the work (albeit a fleeting one),¹³⁷ and also felt that the insertion of unpublished works should require permission. In the main their report mirrored the Economic Councils' position of unrestricted input of published works, and payment upon output, both of 'hard-copies' and video display.

This 'unrestricted input' position has been rejected by most commentators. The Whitford Committee felt that under the current law any and all input would infringe and that legislation should be clarified to

135 Ibid, at p. 173.

136 Keyes and Brunet, *supra*, note 130.

137 The Canadian position is controlled by the decision of Cameron J. in the Exchequer Court in *Canadian Admiral Corp. v. Rediffusion Inc.* (1954) X.C. C.R. 382, at p. 397, which held that 'copy' means something durable, and not a fleeting image on a screen; see Keyes and Brunet, *Copyright in Canada, supra*, note 130, at p. 127, and Palmer, 'Copyright and Computer Data Bases', *supra*, note 133 at pp. 200-1. The 'Green Paper' of 1981 — Cmnd 8302, *supra*, note 133, at p. 34 takes this same position.

The other view is that taken by the WIPO/UNESCO Report, *supra*, note 133, at pp. 8-9, that holds that the video display could be a 'public performance' of the work. In light of the decision in *Rank Film Production v. Colin S. Dodds* (1983) A.L.P.C. 90-116, one could use that argument in Australia: the magnetic memory of the work in the computer is an adaptation, and the display of the pages in a video display could be a 'public performance' even though the user/searcher is alone. He is the public the 'work' was aimed at, and the display might even be part of a commercial operation. The Laddie text, *The Modern Law of Copyright*. (London: Butterworths, 1980), at p. 60, also takes the view that under the current English law, video displays should infringe.

remove any doubts.¹³⁸ The Green Paper in 1981 repeated that position and again it was recommended that the definition of reproduction be amended to make that clear.¹³⁹ Like Keyes and Brunet, *supra*, the Committee felt that under the current law output on a video display unit would not infringe, and that the law should be changed to make the display of a work a specific infringement, in the same way that a 'hard-copy' infringes.¹⁴⁰

The World Intellectual Property Organization/UNESCO Report¹⁴¹ also adopted the position that unauthorized input was a direct infringement, and also went on to state that it was their belief that in some cases 'output' could constitute publication¹⁴² of a work and further, that use of the video terminal for display could constitute a 'public performance' infringement.¹⁴³ They also opposed any change of the system to a compulsory license scheme, preferring to wait until it was demonstrated that the present system was inadequate to the challenge.¹⁴⁴

The stand taken by this 'traditionalist' group is founded on the arguments that if one allows an unrestricted input of published works into a data base, in many if indeed not most cases, the actual 'hard-copy' taken may be only a page or two, thereby falling within the 'fair dealing' provisions of the relevant Act. One may access the data bank and scan it on a display unit for an hour or more, but if payment is based on a 'non-fair use' hard copy, the copyright owner would get nothing. In

138 Whitford Committee, Cmnd. 6732, *supra*, note 133, at p. 131, para 507.

139 Green Paper, Cmnd. 8302, *supra*, note 133, at p. 34.

140 *Ibid.*

141 'WIPO/UNESCO Report', *supra*, note 133, at p. 8, para 12.

142 *Ibid.*, at p. 9, para 16:

'The attention of the Working Group was drawn again to the application of the definition of publication according to the provision contained in the multilateral copyright convention. While the fixture in the computer is not a publication, it is the distribution of copies in a sufficient number put at the disposal of the public that constitutes publication. In regard to the concept of publication, it is necessary to include not only the distribution of copies for sale, but also those on loan and even those distributed free of charge.'

In the Australian context, it would appear that this indeed may be the case. If you 'input' an unpublished work into a data base; advertised it as part of your inventory, and offered to supply 'hard copies' by print-out to your customers or users, the only doubt appears to be that concerning just when the infringing publication takes place. Would the operator be liable as soon as the memory unit is accessible to user's terminals, or, would it be necessary for a certain number of copies actually to be printed at the user's terminal? In *Francis, Day and Hunter v. Feldman* [1914] 2 Ch. 728 (C.A.), of the twelve copies sent to England, only six copies went on sale, and none were in fact then purchased. In a 'data base' situation, while no physical copies are printed first and then offered for sale, they are nevertheless available almost instantaneously once the user decides he wants a copy. I believe that once the 'data base' operator inserts the work into the memory unit, it is the equivalent to a 'bookseller' putting a work onto the shelves of his shop; the fact that none are produced in 'hard-copy' until the actual sale is made is of little consequence, as what is important is the ability to meet the demand of the public. In these cases, the ability to satisfy the demand is unlimited, except in that it will be a function of how much paper is available to the printers and how many lines per minute the unit can print.

143 *Supra*, note 137 on video display terminals.

144 'WIPO/UNESCO Report', *supra*, note 133, at p. 9, para 14.

some cases, the search could be for information which did not exist and as no hard copy is ever made, there would be no payment. That particular searcher may have searched fifty or more pages of an abstract¹⁴⁵ on the display unit, clearly going beyond a 'fair-use', but with no print-out taken, there is no payment due. It should also be kept in mind that in many research situations, it may be as valuable to find no information in an area as it is to find a wealth of it.¹⁴⁶

Palmer, in his critique of Keyes and Brunet's *Copyright in Canada*, *supra*, takes the position that the 'discovery' allowed to an owner in their proposal could create serious problems. To stop it from becoming something akin to an 'Anton Pillar' order for data bases, allowing a rival's data bank and trade secrets to be examined, there would have to be some form of independent third party examiners created.¹⁴⁷ Another concern is that of security: with payment only upon 'Output' and given the growth in the number of terminals having potential access to data bases, how can a copyright owner be sure that his work will be protected from unauthorized searches?

145 The situation concerning abstracts has raised some interesting questions. The 'WIPO/UNESCO Report', *supra*, note 133, at p. 7, takes the position that as a general proposition, indexes would be composed by the owners of the data base and 'full texts' by outside authors. Therefore, there is no question of the right to input the index, but also no doubt of the need for permission in the case of the 'full text' of any literary work. For abstracts, be they chemical, sociological or legal, the question first is: Who is the author? If the author of the abstract is the author of the 'work' itself, then again permission will be required in order to 'input'. But, if the abstract is composed by an employee of the data bank operator, or there is an assignment to them from whoever wrote it, the operator may still be unable to 'input' it without the consent of the 'full text' author/owner since the abstract could become a substitute for the original work. It then would be a question of how much is taken from the original, does it take a substantial part of the work? In many cases the abstract may in fact be an abridgement of the work and if sufficiently complete, eliminate the market for the original. Where commercial data bases are involved, the Courts may take the position that no use will be a 'fair use' — since they are competing with the original author — much like the position of the defendant in *University of London Press v. University Tutorial Press*, (1916) 2 Ch. 601 (Ch.).

Also, there remains the problem of the method itself. If in fact the abstract is an abridgement, while as a question of law they are non-infringing, the point is well taken by Roberts in his article, 'The Law on Abridgement of Copyright Literary Material', *Kentucky Law Journal* (Vol. 30) (1941-2), 297, that there has never been a "correctly" decided case, involving a true abridgement, which has failed to find an infringement of the original.

146 It should be noted that while the Franki Committee recognized that computers could be used to produce reproductions of copyrighted works, the Committee felt that this aspect was outside of their terms of reference and therefore declined to make any recommendations: *Copyright Law Committee on Reprographic Reproduction*, Report, October 1976 (The Franki Committee), at p. 5, para 18.

147 Palmer, 'Copyright and Computer Data Bases,' *supra*, note 133, at pp. 209-11. His fear is that unless the use of 'discovery' is rigidly controlled, and preferably implemented by a third party, it could be used by competitors to search for trade secrets or just to inspect the holdings of a rival's data bank. It should not become the information industry's equivalent of the 'Anton Pillar' order (*i.e. Anton Pillar K.G. v. Manufacturing Processes, Ltd.* [1976] Ch. 55; [1976] 1 All E.R. 779 (C.A.)).

The greatest fear of the 'traditionalist' group is that in the end one will see a situation in which there are several large data bases around the country, or perhaps even just one. In the case of Australia, there could be a national data bank at the National University in Canberra. Where in 1960 an author could expect to sell 100 copies of a bibliography on a given subject, in 1990 he may have just one customer; the national data bank which will buy one copy and then 'input' it into their system. Thereupon the 'fair use' doctrine will come into play, and as most users will do so for the purpose of research or study, the possibility is then that the copyright owner will never receive anything since the use will be by video display (which may not infringe at all) or by use of print-outs, but of amounts that will almost always come within 'fair use', per s. 40 (3^b) of the *Copyright Act*. His work will be available to a whole country and may be used quite often; but because it will usually be in small quantities and under 'fair use', the author/owner of the copyright protected work may receive nothing aside from the purchase price of the copy sold to the data bank in Canberra.

It is my opinion that it would be best to leave the present system as it is: let the copyright owner and the data base operator/owner continue to negotiate their contracts as they do today, each taking account of how much he feels the 'work' has cost to produce, and how much it will earn or save the data base owner. Any other approach will likely have the result of compounding the problem, since authors of compilations, encyclopaedias, and the other major types of 'fact' works, will feel that they have certainly lost most, if not all, of their market leverage and will no longer write, or if they still write, refuse to publish. Then, while the operators of the data banks may have unrestricted 'input', this right would be worth little if there was created nothing of worth to 'input'. Allowing the 'free market' forces to dictate the terms of 'input' will avoid that result. Whatever the exact terms, be it a lump-sum payment, a combination of a lump sum and a royalty based on use, in any event the copyright owner will feel that he has received fair treatment and was not at the mercy of the data bank operator.

I do however recognize the problem of not being able to reach authors in order to begin negotiations. Some academics and research scientists are quite mobile. In those cases where the owner of the copyright cannot be reached, then the 'work' could be 'inputted' if an undertaking is given to the Copyright Tribunal to pay the levy it decides upon. This would be an arrangement similar to that used for making sound recordings of musical works in s. 55 (per regulation 12) of the *Copyright Act* and also s. 109 in regard to the broadcast of sound recordings. The difficulty with this solution is that once the owner of the copyright discovers the 'input' and goes to claim his payment, he may also demand that the work be removed from the system. He would still have that right; the data base operator would have to consider that eventuality when he is deliberating the question of the relative advantages of 'inputting' without permission.

In other areas dealing with permission to input, there would be no changes. In all cases unpublished works would require permission before they could be inserted. In cases where the copyright owner refuses either upon principle, or because no financial arrangement can be reached, then 'input' is again denied. Recourse to the Tribunal could only be had when the work was published and the copyright owner unable to be located.

A final matter is that the law should be changed to make it a clear infringement of the work to display it without authorization on a video display terminal. This could be done by making it a clear offence under the 'public performance' section (s. 31 (a) (iii)) or by modifying the definition of reproduction in s. 31 (a) (i) to also include non-permanent displays or writing.¹⁴⁸

If one did decide that 'unrestricted input' was a desirable feature, it should only be allowed within the framework of a compulsory licencing system with all the bureaucracy and infrastructure which that would entail, and not based solely upon negotiation by the parties whenever the work is 'outputted'. Without access to the Copyright Tribunal to settle these disputes, the data bank operator would have the copyright owner in a position where he could virtually dictate his own terms. The major difficulty, as I see it, in the 'compulsory licencing system' is that it would be much more difficult for the Tribunal to set a 'fair' price for the access and use of these works; than it is in the case of musical works (s. 150) and the broadcast of records (s. 152). In the areas presently dealt with by the Tribunal, the use covered is not the 'bread and butter' of the article in question; in these cases the major portion of their market is still free and open to conventional market forces: in the case of a musical work, it is only after the first recording and the author has had a chance to negotiate his best price; in those dealing with the playing in public and the broadcasting of sound recordings, there the major market is sales of records to individuals, not sales to radio stations, etc. But, in the case of literary works, especially in the case of compilations such as legal encyclopaedias, legal and scientific abstracts, etc., the potential market is already a limited one, and the growth of commercial data bases is constricting it more each day. Consider the situation where the only records sold would be to radio stations; the retail market ceasing to exist. In such a situation, for the relatively healthy market of today's music world to continue to exist, the various levels of rewards would have to remain as they are; therefore this would necessitate a radical increase in the price of records sold to the stations and a concurrent increase in the prices charged for advertising time by radio stations.

If a situation analogous to that comes to pass in relation to the market for scientific and legal compilations, abstracts, etc., then it would appear that the power of the Tribunal would have to be significantly broadened. The whole data base industry would be put under the same controls as

148 Video display question, *supra*, note 137.

the privately owned and operated utilities in North America. There the government regulatory bodies set the rates charged and allow the enterprise to earn a fixed amount based on a percentage of the capital invested.

The scenario described above, with a Tribunal with expanded powers and a regulated data base industry, does not appear to be a fair price to pay merely to allow faster access of data into computer memory banks. Only a fundamental change in the philosophy of Australians would justify such a shift in policy. If the industrialized countries of the world continue to expand their economies by emphasizing the technological sectors, then perhaps by the turn of the century those which have become non-competitive will be forced to make radical concessions in the struggle to once again become viable in high technology. Even under those circumstances, the concept of 'unrestricted input'; should be limited to scientific data.¹⁴⁹ Perhaps most countries will develop the equivalent of Japan's Ministry of Trade and Industry, having almost dictatorial powers over the economy. If such does come to pass, when technology becomes the weapon in economic competition between nations, then perhaps the change to 'unrestricted input' would be justified. For the present and near future, I cannot see any possible savings to society which would justify either the loss of some of the copyright owner's powers, or the cost to society in general for the machinery which would be required to administer the new system.

The Problem of Dual Protection :

As a general principle of law it can be said that courts are most reluctant to grant dual protection. While this is especially true in the area of contract and negligence,¹⁵⁰ the question has recently been raised in regards to patents and copyright. In *Catnic Components Ltd. v. Hill and Smith Ltd.*,¹⁵¹ Whitford J. allowed a defence based upon the argument that once an applicant had applied for a patent, copyright was abandoned in all the material and drawings which were filed in support of the application. With no copyright protection in the drawings, once the patent protection ceased, for whatever reason, any user would be considered to have an implied licence from the copyright owner. While this was clearly dictum in light of his earlier finding that the defendant

149 I have limited this scenario to one of economic necessity. A military or national defense situation could probably be handled within the existing provision of s. 183 of the *Copyright Act*, 1968 (Cth).

150 *Photo Productions Ltd. v. Securicor Transport Ltd.* [1980] 1 All E.R. 556 (H.L. (E)). Here their Lordships again rejected the concept of 'fundamental breach' in regard to commercial contracts, and confined the plaintiff's remedies to those found within the ambit of the contract; see also *Ailsa Graig Fishing Co. Ltd. v. Malvern Fishing Co. and Securicor (Scotland) Ltd.* (1981) S.L.T. 130 (1st Div.). In the earlier case of *J. Nunes Diamonds Ltd. v. Dominion Electric Protection Co.* (1976) 26 D.L.R. (3d), 698, the Supreme Court of Canada held that unless an independent tort could be established, falling outside the compass of the contract, the plaintiff must find his remedy in contract.

151 *Catnic Components Ltd. v. Hill and Smith Ltd.* (1978) F.S.R. 405 (H.Ct.).

had not copied the plaintiff's drawings of the steel 'box shape' lintel in question, such an observation by one so experienced in the field of intellectual property law must be treated with great deference. At page 427 of the report, he sets forth the proposition in the following manner:

In my view, by applying for a patent and accepting the statutory obligation to describe and if necessary to illustrate embodiments of his invention, the patentee necessarily makes an election accepting that, in return for a potential monopoly, upon publication, the material disclosed by him in the specification must be deemed to be open to be used by the public, subject only to such monopoly rights as he may acquire on his application for the patent and during the period for which his monopoly remains in force, whatever be the reason for the determination of the monopoly rights. If this be correct, . . . , upon publication, the plaintiffs must be deemed to have abandoned their copyright in drawings the equivalent of the patent drawings.

The statement is on its face quite straightforward, and the only question raised, aside from its validity at law, is over the scope of the words 'drawings the equivalent of the patent drawings'. From the facts of the case I believe that this abandonment would be confined to drawings used in the application and any information which could be inferred from the said design or its intended application;¹⁵² in *Catnic* the dimensions being an obvious function of the number of layers of bricks and mortar that the lintels would support. The fear which some commentators have expressed, that this is meant to extend to cover the more detailed engineering drawings used in the actual production process, is in my opinion unfounded.¹⁵³

While the case later went to the Court of Appeal,¹⁵⁴ its finding that there had indeed been no copying made a consideration of the abandonment argument unnecessary. However, Buckley L.J., in delivering the leading judgment, re-stated the basic proposition and although he considered it 'interesting', declined to 'express any concluded view upon the question'.¹⁵⁵

The years since then have not been kind to this proposition; many learned commentators have declined to support the view and subsequent courts have rejected it. While Ricketson¹⁵⁶ and the authors of *Copinger and Skone James on Copyright*¹⁵⁷ appear to disagree by implication, Cornish has been more forthright: 'However desirable this may seem

152 Alastair Wilson, 'Industrial Copyright versus Patents: Where does the conflict begin and end?' *E.I.P.R.* 1 (1978): 25. Also see Ian C. Baillie, 'Design Copyright Protection in the U.K.', *Intellectual Lawyer* 15 (1981): 101, and the decision of Kearney J. in *Ogden Industries Pty. Ltd. v. K&S (Australia) Pty. Ltd.* (1983) 45 A.L.R. 129 at p. 145 (S.C.N.S.W.).

153 Hugh Laddie, et al., *The Modern Law of Copyright*, (London: Butterworths, 1980), at pp. 364-5, para 10.87.

154 *Catnic Components v. Hill and Smith Ltd.* (1979) F.S.R. 619 (C.A.).

155 *Ibid.*, at p. 628.

156 Stanforth Ricketson, *The Law of Intellectual Property* (Sydney: The Law Book Company, 1984), at pp. 365-6.

157 E. P. Skone James, John F. Mummery, J. E. Rayner James, Alan Latman and Stephen Stilman, *Copinger and Skone James on Copyright*, 12th ed. (London: Sweet and Maxwell, 1980), at p. 120.

[the abandonment of copyright upon application for patent protection], it is a purely judicial gloss which may not survive in an appellate court.¹⁵⁸ The Laddie text, *The Modern Law of Copyright*,¹⁵⁹ has the most complete discussion of the concept and their view is that the argument is wrong in law. It is their opinion that the correct position is that set forth by Byrne J. in 1904 and subsequently upheld by the Court of Appeal: *Werner Motors Ltd. v. A. W. Gamage Ltd.*¹⁶⁰ That case was concerned with a registered design for a motor-cycle frame and later, the same article became the subject of a patent. The defendants who later infringed the design copyright in the frame, argued that the later patent application by the plaintiff had voided their earlier design copyright. Byrne J. rejected that submission and held that the two were mutually exclusive, each protecting different things, and that the granting of the patent did not invalidate the design copyright; both could exist concurrently.

[T]here is nothing inconsistent between a grant for a Patent and a Coincident right and existence of a statutory right to a Design. The object and privilege conferred by Letters Patent are wholly different from the object and privilege conferred by Statute and a Design by registration. They may be co-existent, and the rights conferred do not clash.¹⁶¹

Judicial consideration has based its reluctance to accept this abandonment concept upon four grounds: the fact that the statement of principle by Mr Justice Whitford was dictum and not buttressed by any cited authority; the lack of support in the Court of Appeal in general, and the response of Buckley L.J. in particular; the critical response from learned commentators; and finally, the view of Byrne J. in the *Werner* case, *supra*, which was upheld by a strong bench in the Court of Appeal and which was not argued before Whitford J., but only cited by the plaintiff in his argument before the Court of Appeal.¹⁶² Perhaps the sentiment of the Courts can best be shown from this passage from the decision of Kearney J. in *Ogden Industries Pty. Ltd. and others v. Kis (Australia) Pty. Ltd.*¹⁶³ After allowing the defendant a defence based upon s. 77 of the *Copyright Act* 1968 (Cth.) (because of the plaintiff's failure to register his 'registerable' design for the keys), he went on to state that although he had great respect for Whitford J., he could not accept a

158 W. R. Cornish, *Intellectual Property* (London: Sweet and Maxwell, 1981), at p. 418.

159 Hugh Laddie, et al., *supra*, note 153 at pp. 364-6.

160 *Werner Motors Ltd. v. A. W. Gamage Ltd.* (1904) 21 R.P.C. 137 (Ch.), and (1904) 21 R.P.C. 671 (C.A.).

161 *Ibid*, Ch. at pp. 146-7.

162 *Dennison Manufacturing Company v. Prestige Toys Ltd.* Auckland Registry; A543/80; 5 Sept. 1980. An unreported decision of Speight J. in the High Court of New Zealand). *Wham-O Manufacturing Co. v. Lincoln Industries* (1981) 2 N.Z.L.R. 628 (H.Ct.). *Ogden Industries Pty. Ltd. and Others v. Kis (Australia) Pty. Ltd.* (1983) 45 A.L.R. 129 (S.C.N.S.W.).

163 *Ogden Industries P.y. Ltd. v. Kis (Australia) Pty. Ltd.* (1983), 45 A.L.R. 129 (S.C.N.S.W.).

view which held that the plaintiff's patent application constituted an abandonment of any copyright which may have existed in the drawings of the keys in question:

Thus, whether Whitford J's statement is to be adopted, or a possible legislation hiatus exists, is problematical. Any opinion expressed by one so pre-eminent in this sphere as Whitford J. must command absolute respect. Nevertheless, his Lordship's opinion was expressed after concessions were made by Counsel and without consideration of the earlier Court of Appeal decision [*Werner v. Gamage, supra*]. *On this basis I would have concluded that something more than the existence of the patent would be required to deprive a patentee of his concurrent copyright rights.*¹⁶⁴

This issue has an impact upon the field of compilations and was so noted by Professor Dworkin in his comment on *Elanco Products Ltd. and Another v. Mandops (Agrochemical Specialists) Ltd. and Another*.¹⁶⁵ In that case, the plaintiff had developed a selective herbicide called Trifluralin and on which the patent protection had expired in 1978. The defendant then began to sell this herbicide, but at a discount of twenty-five per cent from the plaintiff's price. The problem arose over the defendant's copying of the plaintiff's sales literature in designing its own label and sales material. The information taken could all be gleaned from public sources, but the defendants copied the plaintiff's. The defendant took the view that it was public information and not protected; also, that the information here was the idea itself — not the expression of the idea. The plaintiff relied on *Ladbroke (Football) v. William Hill Football (Football), supra*, claiming that the expression of information will also be protected even though most of the effort has gone into its ascertainment and not its presentation or layout.

In the course of deciding to allow the appeal and grant the interlocutory injunction, the court made the following points. The first, that while the defendant could not copy the plaintiff's compilation (if it was found to be protected by copyright), it did not have to go so far as to conduct its own experiments. It could also use material in the public domain; reports submitted to regulatory authorities and by implication, material in the patent application which had expired.¹⁶⁶

Also, if it was found that the plaintiff's compilation (label and advertising material or instructions) were the subject of copyright, did the defendants subsequent re-arrangement of the first label, in designing the second and third label (which looked completely different from the plaintiff's although they contained the same information), go far enough to cure the initial infringement? This question was based on the statement of Collins M.R. in *Moffatt and Paige Ltd. v. George Gill and*

164 *Ibid*, at p. 145, emphasis added.

165 *Elanco Products Ltd. and Another v. Mandops (Agrochemical Specialists) and Another* [1979] F.S.R. 46 (C.A.), and case comment by Gerald Dworkin, 'Elanco Products — The ideas-expression dichotomy', *E.I.P.R.* 1 (1979): 117.

166 *Ibid*, per Goff L.J. at p. 54.

*Sons*¹⁶⁷ which held that after the issue of an infringing copy of a protected work, a colorable imitation would not be allowed either.¹⁶⁸

While it appears that the *Mandops* case has been settled between the parties, it did raise some interesting points. On the basis of pure copyright theory and the observations of Goff L.J. at page 54, one would believe that the above situation would never have arisen if the defendant had first applied some effort and set out his own format for the printed material. While he could not copy the plaintiff's, the basic information was readily available in the trade literature, and he could also use the information supplied to the Agricultural Chemical Approval Scheme as well as the Pesticide Safety Precaution Scheme. The fact that his label might have been very much like the plaintiffs, because of the inherent properties of the compound in question, would be irrelevant since no direct copying was involved.

Be that as it may, it would seem that a better view would be that taken by Whitford J. in the *Catnic* case; but here extending the concept from 'drawings' involved in the patent application to all material submitted for the patent as well as any supplied in the process of obtaining regulatory approval for distribution. Thus in the *Mandops* case, even though the defendant had copied the plaintiff's label and instruction material, because it was the result of the inherent nature of the agent protected, and also the subject of reports submitted to the safety and agricultural authorities, it would not be protected after the patent had expired, and not in copyright once the patent application had been filed. On a public policy basis it is just too inefficient to require another entrant into a market to go through the process of designing a label which will not infringe a pre-existing one, this after the first has enjoyed a period of monopoly and supposedly recovered his development costs. While in the *Mandops* case it may have been relatively simple to design a non-infringing label, what would be the case in ten years time when there may be twenty companies selling the same compound and all of them attempting to put the same information onto labels and to do so in a manner that does not infringe that of their competitors. In such instances we could very well see a situation when a chemical company would decide to manufacture and market a compound that is no longer protected by patent; the technical manufacturing conversion being completed in a week, but the whole process being delayed for months because a non-infringing label containing public domain information cannot be designed.

Another argument against copyright protection in these circumstances is that of public safety. While in *Mandops* there was no dispute over the importance of the information, there was certainly some question of whether users in fact ever read it.¹⁶⁹ I believe that in cases dealing with

167 *Moffatt and Paige Ltd. v. George Gill and Sons Ltd.* (1902) 86 L.T. 465, at pp. 471-2 (C.A.).

168 *Elanco Products, supra*, note 165, per Buckley L.J. at pp. 57-8.

169 *Ibid*, per Goff L.J. at p. 49.

potentially lethal agents such as herbicides, the most simple and easy to understand labels and instructions for use should be used; it would be a tragedy for someone to be poisoned or a crop ruined just because the only way to produce an acceptable non-infringing label was to make it so complicated or obtuse that the user will not bother to read it.

Potential plaintiffs could still protect their reputations and markets through the use of passing off and s. 52 of the *Trade Practice Act* (Cth.), should they feel their competitors labels and material confusion.¹⁷⁰ Also, it might create further impetus for the development of the broader concept of the tort of unfair competition, allowing the economics of the whole situation to be considered and not just copyright principles.¹⁷¹ As Professor Dworkin has stated in this context, the reluctance of English courts 'to attempt American style fundamental analysis'¹⁷² in situations such as the *Catnic* case, leads one to conclude that the only realistic solution would be to not only implement the recommendations of the Whitford Committee¹⁷³ and the Green Paper¹⁷⁴ in relation to patents and the copyright in drawings, but to also go further and extend this prohibition to all material that is used for the patent application as well as any subsequent regulatory approval.

Conclusion :

In closing this paper, I propose to briefly recapitulate my assessment of the current situation and recommendations for improvement.

As to the general field of compilations, I do not feel that any changes in basic principles are called for. Given the inherent problems of balancing the idea/expression dichotomy as well as the public's right to knowledge versus the author's right to the fruits of his labour, the present course is probably the best that could be hoped for. The Whitford Committee reached much the same conclusion in their 1977 report,

170 *Hoffman-La Roche and Co. A.G. v. D.D.S.A. Pharmaceuticals Ltd.* (1972) R.P.C. 1 (C.A.), here protecting the 'get-up' of the *Librium* drug capsule from copying by the defendant manufacturing under a compulsory licence scheme. See also *William Edge and Sons v. William Niccolls and Sons Ltd.* (1911) A.C. 693 (H.L. (E)), where their Lordships reinstated an injunction against the defendants imitating the plaintiff's laundry blue 'get-up'; this after the plaintiff's patent had been declared invalid.

171 Gerald Dworkin, 'Unfair Competition: Is the Common Law Developing a New Tort?' *E.I.P.R.* 1 (1979): 241. Regrettably, the recent decision of the Full Court of the High Court of Australia in *Moorgate Tobacco Co. v. Phillip Morris (No. 2)*, [1985] A.L.J.R. 77 at p. 86 (per Deane J.), would appear to deny the existence of any such general tort: if 'unfair competition' has been declared a heresy when used as a shield to defend one's proprietary rights, it is hardly likely to encounter a warmer reception when wielded as a sword against the rights of others.

172 Gerald Dworkin, *supra*, note 165 at p. 117.

173 The Whitford Committee, *supra*, note 133 at p. 220, para 818.

174 The Green Paper, *supra*, note 133 at pp. 60-61, para 15. Note also that the Franki Committee felt that any copyright in a drawing used in a patent or design application should not be infringed by the manufacture of a three-dimensional article after the patent or design has expired: *Report on the Law Relating to Design, 1973*, Design Law Review Committee, First Term of Reference, at p. 54, para 257.

holding that 'adequate copyright protection already exists for tables and lists . . . and that no special action is called for'.¹⁷⁵

In regards to the argument for unrestricted 'input' for computer data bases, I believe that unless a radical change is called for because of economic necessity, the law should remain unchanged in this area. Also, the law in regard to the display of works on video display units should be clarified. If such use is found not to be an infringing use, then copyright owners can take this into account when negotiating the contract allowing the input of the work.

Finally, in regard to the matter of 'dual protection', I believe that serious consideration should be given to the idea of limiting copyright protection in regard to any material used in a patent application as well as any supplied in obtaining subsequent government approval for the sale of the product. In instances where a product receives a patent monopoly for a given period, it hardly makes sense in today's commercial climate to allow the patentee to continue with a *de facto* monopoly under copyright when the legal one has expired. Given the reception granted to Mr Justice Whitford's views in *Catnic*, all that can be hoped for is that the recommendations of the various committees will be heeded.¹⁷⁶ As the matter stands today, this continued copyright protection leads not only to economic inefficiency but also to potentially dangerous situations when applied to the labelling of hazardous products.

175 The Whitford Committee, *supra*, note 129.

176 The Green Paper, *supra*, note 174; The Whitford Committee, *supra*, note 173.