

Changing the Focus on Originality in Part III Works - Moving from 'Authoring' to 'Undertaking the Creation or Production'

CAMLA Essay Competition Finalist, Felicity Young considers a different approach to originality under the Copyright Act.

Discussion about the requirement of originality under section 32 of the *Copyright Act 1968* (Cth) (**Copyright Act**) has been largely in abeyance in Australia since the late 1990s. Originality requires that a work covered under Part III of the Act emanates from a human author through an application of intellectual effort on his or her behalf. The current concept has struggled to adequately deal with computer-generated works,¹ and has led to heavily criticised decisions.

The originality debate has recently been enlivened as a result of the Full Court of the Federal Court's decision in *Telstra Corporation Limited v Phone Directories Company Ltd* (**Phone Directories**).² In three separate judgments, the court rejected the idea that copyright subsisted in directories generated by a computer system on the basis that they were not an original work emanating from an author. This paper argues that the *Phone Directories* case signals a need for the Copyright Act to be amended to adapt to the digital era. This paper suggests that the amendment

should take the form of that recommended by the Copyright Law Review Committee in 1999.³ The amendment should encompass a new concept of originality across all Part III works, not just computer generated works. The concept of originality should move from a focus on 'authoring' of the work to a focus on 'undertaking the creation or production' of the copyright material.⁴

Part I reviews the current relationship between originality and authorship in Australian Copyright Law. Part II analyses the judgments of Chief Justice Keane and Justice Perram of the Federal Court of Australia in the *Phone Directories* case. Part III proposes an amendment to the Act and includes an analysis of the *Copyright, Designs and Patents Act 1988* (UK).

Part I – Originality and Authorship

The focus of this paper is on Part III works under the Copyright Act being works which encompass literary, dramatic, musical or artistic works.⁵ For copyright to exist in a Part III work, the work must be original.⁶ By

contrast there is no such equivalent requirement for Part IV works.⁷ It is an established principle that originality does not prescribe a requirement of novelty or merit in the work.⁸ Rather, a work is deemed original where it is shown that the work emanates from an author.⁹ For this reason, originality and authorship have to date been seen as correlates of a single idea.¹⁰

The primary objective of copyright law has traditionally been to provide proprietary protection to persons who have expended effort to create an independent work.¹¹ It is only once this primary objective is satisfied that the Act's ancillary objectives of supporting innovation can be achieved.¹² The intention of judges, and subsequent legislators, was to protect the value of the author's commitment to producing the work. As such, copyright protection to date has necessarily been focused on the author.¹³

What constitutes an original work has developed over time. It is generally accepted that originality requires an exercise of 'skill, labour or judgment' by an author in

- 1 See Anne Fitzgerald and Tim Seidenspinner, 'Copyright and Computer Generated Materials – Is it time to reboot the discussion about authorship?' [2013] *Victoria University Law and Justice Journal* 47; Alexandra George, 'Reforming Australia's Copyright Law: an opportunity to address the issues of authorship and originality' (2014) 37(3) *University of New South Wales Law Journal* 939.
- 2 [2010] FCA 44.
- 3 Copyright Law Reform Commission, *Simplification of the Copyright Act: Part 2*, Report No 2 (1999).
- 4 Copyright Law Reform Commission, *Simplification of the Copyright Act: Part 2*, Report No 2 (1999) [5.45].
- 5 *Copyright Act 1968* (Cth) pt 3.
- 6 *Copyright Act 1968* (Cth) s 32(1).
- 7 *Copyright Act 1968* (Cth) pt 4.
- 8 *University of London Press Ltd v University Tutorial Press Ltd* [1916] 2 Ch 601 at 608-9.
- 9 Justine Pila, 'Compilation copyright: A matter calling for a certain... sobriety' (2008) 19 *Australian Intellectual Property Journal* 231, 233.
- 10 Jani McCutcheon, 'When sweat turns to ice: The originality threshold for compilations following IceTV and Phone Directories' (2011) 22 *Australian Intellectual Property Journal* 87, 96 - 98.
- 11 *Baigent v Random House Group Ltd* (2007) 72 IPR195 [141].
- 12 Peter Carey & Ors, *Media Law* (Thomson Sweet & Maxwell, 4th Ed, 2007), 89.

bringing the work into existence.¹⁴ However, how that skill, labour or judgment is measured has differed across cases. These standards were analysed by Chief Justice French, Crennan and Kiefel JJ in their joint judgment in *IceTV Pty Limited v Nine Network Australia Pty Limited*.¹⁵ Their Honours opined that perhaps 'too much has been made of the kind of skill and labour which must be expended by an author.'¹⁶ They opined further that standards such as 'sweat of the brow' or 'creativity' are 'kindred aspects' of the same mental process which produces a Part III work.¹⁷ Their Honours reiterated that all that is required by the Copyright Act is that the work originate with an author from independent intellectual effort.¹⁸

Part II – Telstra Corporation Limited v Phone Directories Company Pty Ltd

Telstra Corporation sued producers of regional telephone directories for copyright infringement of their White and Yellow Pages directories (**Directories**). The Directories were prepared by the Genesis Computer System which imported telephone data from the Telstra system and automatically checked that data pursuant to a code. The code regulated the font, colour schemes, spacing of words and general preparation of the Directories. At first instance, it was accepted by the Trial Judge that the Directories could not be considered 'original works' because there was no human author of the work. The Respondents challenged the initial decision.

The Full Court, constituted by Chief Justice Keane, Perram and Yates JJ rejected the appeal in three independent but concurring judgments. Chief Justice Keane began by distinguishing the printed Directories from the written code underpinning the Genesis database, stating that the Part III work in this case was the Directories.¹⁹ His Honour then focused on how the Directories were prepared, noting that for copyright to be shown to subsist in them, it must be demonstrated that the Directories originated from an individual author or authors through some intellectual effort.²⁰ Chief Justice Keane's decision ultimately turned on the Trial Judge's finding of fact that the Directories were not compiled by individuals but instead the automated processes of the Genesis Computer Systems or its predecessors.²¹ As such, the Directories were not the result of some independent intellectual effort of a human author and therefore not original works.

While Chief Justice Keane was correct to differentiate between the printed Directories and the code underpinning the computer program, it was, in this author's opinion, incorrect to disregard the effort that went into producing the Genesis Computer System. The skill, labour and judgment used to create the program were directly linked to the production of the Directories. It is an inevitable factor of the digital age that computer programs will be employed to speed up a process that was historically time consuming.²²

The use of computers in this manner should not detract from the skill, labour and judgment employed by an author to create a program to assist in the production of a work.

Justice Perram undertook a similar analysis in finding that the Directories were not original works. His Honour began by recognising that the purpose of copyright law was to provide proprietary protection in recognition of the investment of effort, time and skill by an author in reducing it to material form.²³ Justice Perram commented that care must be taken to direct inquiry only toward the efforts of the person in reducing the work into material form.²⁴ Reference was made to situations, such as weather reports, where a person operating a program was not controlling the output, or the form of the materials.²⁵ His Honour drew an analogy between the Genesis Computer System and a plane that is flying itself.²⁶

The plane analogy highlights, for this author, the fundamental flaw in Justice Perram's judgment. It should not be said that a computer program operating automatically does so independent of human processing; automation is a direct result of human programming. While it is correct that the Genesis Computer System was producing the Directories automatically, it was programmed to act in this way by its author. It is this programming that should be seen as part of the skill, labour and judgment that are employed by the author in the

13 Thomson Reuters, *Laws of Australia*, (at 28 November 2016) 23 Intellectual Property, 23.1 Copyright [23.1.240].

14 *Ladbroke (Football) v William Hill (Football) Ltd* [1964] 1 All ER 465.

15 (2009) 239 CLR 458.

16 *IceTV Pty Limited v Nine Network Australia Pty Limited* (2009) 239 CLR 458, [47].

17 *Ibid.*

18 *Ibid.*

19 *Telstra Corporation Limited v Phone Directories Company Ltd* [2010] FCA 4, [56].

20 *Ibid.*, [57]-[58].

21 *Ibid.*, [90].

22 Peter Knight, 'Copyright in databases and computer programs: Why is it so hard to understand?' (2010) 23 *Australian Intellectual Property Law Journal* 118.

23 *Ibid.*, [104] citing *Baigent v Random House Group Ltd* (2007) 72 IPR195 [141].

24 *Ibid.*, [118].

25 *Ibid.*

26 *Ibid.*

pursuant of the work. Had analysis been made along these lines, a clear path emerges for a finding of originality in Telstra's favour.

Part III – Proposal to Amend the Copyright Act

The Copyright Law Review Committee (**CLR Committee**) foresaw the challenges in applying the Copyright Act in the *Phone Directories* case. In February 1999 the *Simplification of Copyright Act Part Two Report*, the majority of the CLRC was concerned that computer-generated works would not receive copyright protection even though those works reflected significant intellectual effort.²⁷ The CLRC recognised that while it was still necessary to connect a work with a human, it would be preferable to understand the connection 'not as one of "authoring" the work, but of "undertaking the creation or production of" the copyright material.'²⁸

The CLRC's recommendation bears a striking similarity to Section 9(3) of the *Copyright, Design and Patents Act 1988 (UK) (CDPA)*. This section provides that where a work is computer generated, the author is taken to be the person who undertakes the arrangements necessary for the creation of the work.²⁹ In the case of the Genesis Computer System, the person would be the designer of the system, Telstra. A computer-generated work is defined by the CDPA as a work generated by a computer in circumstances such that there is no human author of the work.³⁰ 'No human author' has been taken to refer to works which are automated by the machine without a direct human input.

Section 9(3) was applied in *Nova Productions Ltd v Mazooma Games Ltd*³¹ where the work in question was an electronic pool game. The game generated different artistic works (frames) as the game unfolded. Each individual frame was generated automatically by the computer. The Court held that the person who had written the code for the game had undertaken arrangements necessary for the creation of each frame. By casting originality with a focus on the efforts of the person who created the code behind the automation, the CDPA was adapted with foresight for the digital era.³²

The key difference between the CLRC's recommendation and the CDPA provision is the breadth of application. Under the CDPA, the shift away from authorship to the steps necessary to create the work only applied to the narrow concept of computer-generated works. The CLRC recommendation, which is to be preferred, is that the broader focus on the steps necessary for the creation or production of materials should apply to all copyright subject matter, irrespective of whether they are computer generated.³³

The CLRC's recommendation accounts for the increasing variety of works which are created with the assistance of a computer. The Committee recognised that as technology develops, it is difficult to distinguish between material created with the assistance of a computer and material created by a computer.³⁴ Changing the focus of originality across all works, however created, will not materially detract from the objectives of, or application of, copyright law.

The law, with its focus on the application of skill and labour already and necessarily requires an examination of the actions of an author. Amending the Act in the manner proposed simply expands the bounds of examination to the preparatory steps to the expression of an idea which are taken with the assistance of a computer. Further this expanded assessment means that works currently protected will not cease to have protection. Rather, the only effect of the change will be that computer generated work gain protection for the first time.

Part IV – Conclusion

Despite the current Federal Government's commitment to copyright law reform in the near future, there has been little reference beyond making the Copyright Act 'technology neutral.' This paper focused on the role of authorship when determining whether a work is original. As the above analysis suggests, in the author's opinion, the Court's focus on authorship led to the *Phone Directories* case being, incorrectly decided. To pave a path to move away from *Phone Directories*, this paper proposes to follow the CLRC's 1999 recommendations. To adapt to modern times the Copyright Act needs to recognise the steps undertaken by an author in creating or producing a Part III work. Until the Act is so amended, Australia will continue to be behind the eight ball in copyright protection in the digital age.

27 Copyright Law Reform Commission, *Simplification of the Copyright Act: Part 2*, Report No 2 (1999) [5.44].

28 *Ibid*, [5.45].

29 *Copyright, Design and Patents Act 1988 (UK)* s 9(3).

30 *Ibid*, s 178.

31 [2006] EWHC 24 CH.

32 Anne Fitzgerald and Tim Seidenspinner, 'Copyright and Computer Generated Materials – Is it time to reboot the discussion about authorship?' [2013] *Victoria University Law and Justice Journal* 47, 55.

33 Copyright Law Reform Commission, *Simplification of the Copyright Act: Part 2*, Report No 2 (1999) [5.47].

34 Copyright Law Reform Commission, *Simplification of the Copyright Act: Part 2*, Report No 2 (1999) [5.47].

35 George Brandis, 'A practical Look at Copyright Law Reform, (Speech delivered at the Opening of the Australian Digital Alliance Fair Use for the Future, Canberra, 14 February 2014).