Is Forwarding an Email an Infringement of Copyright?

Richard Pascoe and Mia Garlick take a timely look at the status of emails in light of the recent *Digital Agenda Act*.

Australia's copyright laws were finally updated for the Information Age on Sunday 4 March 2001 when the *Copyright Amendment (Digital Agenda) Act 2000* (**Digital Act**) came into effect. The Digital Act's commencement date was delayed by 6 months from the day it received Royal Assent to allow business to prepare for it. Clearly this did not happen.

To publicise the Digital Act's coming into effect, Government representatives made statements to the press that:

> *"It is quite possible that the forwarding of an email could be a technical infringement of copyright..... ....Emailing something is a "communication" under the Digital Agenda Act and so is putting something up on a website." Sunday Telegraph, 4 March 2001*

This caused many businesses to seek legal advice on potential exposure arising out of the forwarding of an email.

The Government then tried to calm the ripples it had caused by stating that:

> *"Forwarding a personal email is unlikely to breach copyright laws. A court would need to find that the contents of an email were an "original literary work" For example, if the email was simply a joke that everyone had been rehashing for years, it is doubtful it would have the necessary originality to be protected by copyright. Similarly a casual exchange or personal information or office gossip would probably not be original enough to have copyright in it." Attorney-General, News Release, 4 March 2001*

The humour or casualness of an exchange, or lack therefore, has never before been cited as a reason to deny copyright protection.

This article provides critical legal analysis of the process of creating and sending an email to determine its status under copyright laws.

SUMMARY

Despite the enactment of the Digital Act, the legal status of email remains substantially the same.

The Digital Act is being promoted by the Government as updating copyright laws for the internet and the digital age. As a result, internet related issues and practices and their relationship to copyright are now being considered in more detail.

The position is and always has been that, without the permission of the creator of an email, both the permanent copying and forwarding of an email are potentially infringements of copyright.

In the case of emails, certain types of copying and forwarding may be authorised under an implied licence from the owner of copyright in the email. Where there is an express prohibition against certain uses of the email or the email contains infringing content, copying and forwarding will be infringing.

BACKGROUND

The Digital Act is intended to update Australia's copyright laws for the internet and other new emerging technologies. Consequently, many of the amendments are designed to apply to internet practices.

However, practically speaking these changes have little impact on emails. This is because the existing provisions of the *Copyright Act 1968* applied to materials such as email.

Before the enactment of the Digital Act, owners of copyright in email enjoyed the exclusive rights of reproduction and diffusion (among others). The right of diffusion had been interpreted to apply to internet transmissions in the wake of the High Court's decision in *Telstra v APRA* in 1997. This is despite the fact that the diffusion right was drafted with the intention of applying to the retransmission of broadcast over cable networks. By virtue of the wording of the statutory provisions relating to the diffusion right, it was considered capable of applying to internet transmissions.

The Digital Act replaced the right of diffusion with the communications right. The communications right is designed to apply to internet transmissions but also to be technologically neutral to encompass all current and future technological means of distributing copyright protected material. However, the introduction of the communications right has had little practical effect on most content which is transmitted electronically.

COPYRIGHT AND EMAILS

It is axiomatic that the rights in an email will only be infringed if it is protected copyright. Most emails will be protected by copyright, even jokes. Copyright protection arises where original text or graphics, which are in material form. The majority of emails will satisfy these criteria and be protected by copyright.

Ownership

Generally, copyright in emails will be owned by:

- the individual sender where they are not sending the email as part of their employment or under a contract;
- the employer where the sender is an employee; or
- the contractor (where the recipient is contracting their services without an agreement transferring all rights in materials created by the contractor as part of their services and the email relates to those services) or the recipient (where such an agreement is in place).

Is there an infringement?

Sending and receiving emails exposes network facilitators (including employers and ISPs) to the risk of infringing two of the exclusive rights, the right of reproduction and the right of communication.

Temporary copies of email

Four copies of an email are made in the course of sending and receiving an email.

At the sender's end, a local temporary copy is created in the RAM of the sender's computer. Another copy is made in a semi-permanent form on the mail server for a networked sender or the local hard drive where the sender is accessing the internet through a dial-up service.

At the recipient's end, a semi-permanent copy is made by the receiving mail server, which will be operated either by or on behalf of an ISP (where the user is accessing email via a dial up service) or an employer. Another local temporary copy will be made in the RAM of the actual recipient's computer.

A semi-permanent copy is one which is permanent either until it is transferred for permanent storage in an email folder or is marked for deletion. If an email is marked for deletion, it will remain on the system until it is overwritten by new data.

All of these copies are part of the technical process of communicating by email. Prior to the Digital Act, it was considered that these copies were authorised under an implied licence from the owner of copyright in that email. This is because the very act of emailing requires these copies to be made.

Under the Digital Act, a new exception has been introduced which confirms that temporary copies made as part of the technical process of making a communication are not an infringement of copyright (**section 43A(1)**). This exception was designed to protect "certain caching", primarily that of ISPs when transmitting online information.

It is likely that the temporary copies exception would also apply to the local temporary and the semi-permanent copies and render them non-infringing.

However, the temporary copies exception expressly does not apply where the making of the original communication is itself infringing. This means that where an email is not authorised, copies of the email which are made as part of its transmission will also be infringing.

The temporary copies exception will also not apply to permanent copies of emails which are stored in email folders. These permanent copies will sit, at the sender's end either on their local hard drive, where the sender is using a dial-up internet service, or on the mail sever where the sender is networked. At the recipient's end, these permanent copies will sit on the mail sever, which is operated either by an ISP or an employer.

Permanent copies of emails

An email which is permanently stored falls outside the temporary exception

precisely because it is not temporary and does not occur as part of the technical process of making the communication. This potentially exposes operators of mail servers, such as ISPs and employers, to copyright infringement by making copies of emails without the consent of the owner of copyright in those emails.

It is arguable that permanent copies of emails are not infringing because the sender impliedly licenses the recipient to make a permanent copy (including a print hard copy). For example, a lawyer sending an email containing legal advice will assume that the recipient client will stored the advice. Similarly, participants in a business transaction arguably will assume that all parties concerned are permanently storing the emails.

It is possible for the sender of an email to expressly rebut this implied licence. E-mails which contain an express prohibition on storage should be deleted.

It is also likely that where the sending of the email is itself infringing, there is no implied licence to send or store the email. The greatest risk for employers and ISPs therefore is in relation to personal emails where online content is more likely to be transmitted without regard to the legality of the transmission.

When is a communication permitted?

Communications will be infringing where a person, for example an employee, sends or receives unauthorised material in an email. For example, illegal music files or material which is contrary to a corporate email policy. In a situation where the employee sends or receives infringing third party content, the employer is potentially at risk of copyright infringement by virtue of the semi-permanent copies which sit on their mail server. Employers and other organisations which provide the facilities to send and receive emails will also be at risk of authorising infringing emails.

A communication may also be infringing where an email is forwarded without the permission of the sender.

Generally, it is likely that there is an implied licence from the sender for the recipient to be able to forward emails. However, it will depend on the circumstances as to whether that implied licence exists.

A consultant, contracted to write a report for a company, can probably expect that the director to whom they email the report, will forward that email on to the other directors of the company and thus impliedly licences those communications.

On the other hand, publishers may (and often do), for example, by including an express prohibition against the redistribution of their online newsletter.

What should you do?

The ease with which emails can be created and sent belies the legal ramifications which result from improper email use.

From a copyright perspective, email recipients should respect any restrictions which the sender places on their use of an email, such as a prohibition on redistribution or confidentiality. For an employer, staff can be made aware of this through training and an Email Policy.

Senders of emails should be mindful of the number of retrievable copies of emails which are made in the course of communicating an email. As a result, they should choose the contents of their email carefully. Employers should ensure that their Email Policy includes restrictions on employee use of email to limit their liability in case an employee uses it to swap copyright infringing material, such as music or picture files.

Exposure to copyright infringement liability from improper email use has not changed since the enactment of the Digital Agenda Act. However, the Government's comments have brought this issue into relief and organisations which facilitate email access would be wise to consider how they can limit their potential exposure.

The views expressed in this article are those of the author and not necessarily those of the firm or its clients

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Personality Rights in Australia

Ann Slater looks at possible avenues for Australians to protect performance rights and rights in personalities.

The need to protect performance rights and rights in personality is likely to increase as technology remasters, recreates or impersonates an actor or celebrity. There is little protection from film studios creating "virtual actors" using computer technology to create convincing humans based on images of celebrities. This technology, seen in films from "Roger Rabbit" to "Jurassic Park", has already been used to complete the films "The Crow" and "Gladiator", when actors died during production.

THE US APPROACH

In the United States, there is a concept of an individuals' right of publicity. However, there is no such basic right or concept in Australia.

The US right of publicity is the right of all individuals, but principally celebrities, against the misappropriation by another of the commercial value of their own identity or performance. The right affords a financial interest in controlling the use of their identity.

AUSTRALIAN REGULATION

The principal legislative regime in Australia to protect personality is a series of intellectual property acts and common law remedies namely, *the Trade Marks Act 1995(Cth), the Copyright Act 1968(Cth),* the *Trade Practices Act 1974(Cth)* and the common law actions of passing off, defamation and unjust enrichment. Arguably the new Moral Rights legislation may also be used the protect personality.

Copyright Act

The *Copyright Act 1968* (Cth) is the principal form of protection.

An author (eg. an actor) has the capacity to exploit their work (eg. a character or artificial personality) or material without others being able to copy that work. Copyright owners are entitled to monetary remuneration upon the use by others of their particular work. It also specifies the remedies available to an author in the event of the unauthorised exploitation of the subject matter of the copyright. These provisions allow the owner of a copyright to bring an action for infringement and to seek relief in the form of an injunction, award of damages or account of profits.

Performance is protected under the *Copyright Act* and arguably a character or personality created in the performance is also capable of protection and monopolisation under the *Copyright Act*. Tribute bands are excluded from infringement under the *Copyright Act*.

Trade Marks

Trade marks may include, amongst other things, devices, labels , names, sound, smell and aspects of packaging.

Aspects of packaging as a trade mark is particularly relevant to personality insofar as the external representation of an actor or personality's character or image may be a registrable trade mark e.g. the colour pink for the late Barbara Cartland, the external clothes and general get up of the characters Bob Downe and Dame Edna Everage.

Trade Practices

Whilst not strictly concerned with the protection of personality, Part V of the *Trade Practices Act 1974* (Cth) has the effect of enabling commercial competitors to bring actions for misrepresentation of association with, or endorsement of, a particular product. The provisions do not require a trader to show that they actually possess a well-known name, image or reputation, providing that the false representation of an association with the plaintiff's product by the defendant can be established.

The *Trade Practices Act* is designed to protect consumers from buying goods or services that have been falsely associated with another product or personality and serves to protect against the unauthorised exploitation of reputation or personality.

Passing Off

The common law action of passing off requires the plaintiff to establish that a misrepresentation has been made in the course of trade or business to customers or prospective customers and that it is reasonably foreseeable that this misrepresentation will injure the plaintiff's own business or goodwill.

In *Henderson v Radio Corp Pty Ltd,* passing off was applied to the practice of character merchandising. The Court did so by relaxing the "common field of activity" requirement, previously imposed by the English courts in relation to passing off actions.

In the *Henderson* case this allowed the plaintiff ballroom dancers to be characterised as "competitive in a broad