

PROTECTION FOR AUSTRALIAN AUTHORS UNDER THE BRITISH COPYRIGHT ACT

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Copyright material by its very nature as an item of intangible property is much more susceptible to infringement than other more tangible items of property. The modern publishing world is such that a work may be known to people in scores of countries throughout the world, and thus be susceptible to misappropriation on an international scale. Even though a work may enjoy copyright protection in its country of origin¹ there will be countries in which it remains totally unprotected. In other countries some copyright protection may be given to foreign works but not of the same depth or breadth as that in the work's country of origin.

As a general rule, such copyright protection as a given country extends to various types of work is limited to infringing acts taking place within that country only. Thus, if a work is to enjoy copyright protection in countries other than its country of origin, there must be some provision made for it, in those countries, as a foreign work capable of being protected under their domestic law.

In Australia, copyright protection stems from the *Copyright Act 1968* (Cth) and is granted generally to works first published in this country or works whose author is an Australian citizen, resident or 'protected person'.² In the United Kingdom, copyright protection stems from the *Copyright Act 1956* and is granted generally to works first published in the United Kingdom or whose author is a United Kingdom citizen resident or 'protected person'.

The purpose of this article is to examine the British provisions and discover the extent of copyright protection given by the United Kingdom Act to works not first-published in the United Kingdom but whose author is an Australian citizen, resident or protected person.³ The term 'work' is used herein to mean any published literary, dramatic or musical work. Where significant differences exist between the protection given to works in Australia by the *Copyright Act 1968* ('the Australian Act') and that given by the *Copyright Act 1956* ('the U.K. Act') these differences will be highlighted. Otherwise, the levels of protection given in each country may be assumed to be substantially the same.

1. The Berne Conventions

The fact that the U.K. Act offers protection to Australian works is due to the operation of the Berne Convention for the Protection of Literary and Artistic Works (hereinafter referred to as 'the Berne Convention'). This came into force on 5 December 1887 and has since been subjected to some seven revisions, of which the most important for current purposes are the Brussels Revision of 1948 (effective 1951) and the Paris Revision of 1971 (effective 1974). Both Australia and the United Kingdom are signatories to the Convention. However whilst Australia has ratified the Paris Revision (effective 1 March 1978) the United Kingdom remains bound largely only by the Brussels Revision (effective 15 December 1957); in the case of the United Kingdom, that country is also bound by Articles 22 to 38 of the Stockholm Revision of 1967 which are of no concern here, and by the contents of the Appendix to the Paris Revision in the case of works of which it is the country of origin when other countries make certain declarations, also of no concern here. The Berne Convention as it applies

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1. The term 'country of origin' is here used to mean country of first publication.
2. Section 32.
3. These will be referred to herein as 'Australian works'.

generally to the United Kingdom (i.e. via the Brussels Revision) provides three basic principles which are to be found in Article 4 of the Brussels Revision. This provides:-

1. Authors shall enjoy, in respect of works for which they are protected under this Convention, in countries of the Union other than the country of origin, the rights which their respective laws do now or may hereafter grant to their nationals, as well as the rights specially granted by this Convention.
2. The enjoyment and the exercise of these rights shall not be subject to any formality; such enjoyment and such exercise shall be independent of the existence of protection in the country of origin of the work. Consequently, apart from the provisions of this Convention, the extent of protection, as well as the means of redress afforded to the author to protect his rights, shall be governed exclusively by the laws of the country where protection is claimed.
3. Protection in the country of origin is governed by domestic law. However, when the author is not a national of the country of origin of the work for which he is protected under this Convention, he shall enjoy in that country the same rights as national authors.
4. The country of origin shall be considered to be:
 - (a) in the case of works first published in a country of the Union, that country; in the case of works published simultaneously in several countries of the Union which grant different terms of protection, the country whose legislation grants the shortest term of protection;
 - (b) in the case of works published simultaneously in a country outside the Union and in a country of the Union, the latter country;
 - (c) in the case of unpublished works or of works first published in a country outside the Union, the country of the Union of which the author is a national, provided that:
 - (i) when these are cinematographic works the maker of which has his headquarters or his habitual residence in a country of the Union, the country of origin shall be that country, and
 - (ii) when these are works of architecture erected in a country of the Union or other artistic works incorporated in a building or other structure located in a country of the Union, the country of origin shall be that country.

The three principles thus fundamental to the Berne Convention are those of national treatment, automatic protection and independence of protection.

The principle of national treatment means that authors enjoy, in respect of works covered by the Convention, in signatory countries other than that from which the work originated, the same rights granted by the copyright laws of those signatory countries to their own citizens, as well as any rights specially granted by the Convention. If the country of origin of the work is a signatory country (in this case Australia) the work is protected by the copyright laws of any other signatory country (in this case the United Kingdom) to the same extent as those laws protect works of the citizens of that country. Thus in the case of an infringement in the United Kingdom, an Australian author will be treated as though he or she is a British author. It should be noted that the entitlement is to the benefit, in this case, of British copyright law; if that law provides less protection than Australian copyright law then only that lesser protection is obtained, not the higher level which might be availed of in Australia. This effect is subject to certain minimum levels of protection having to be afforded by each signatory country i.e. those rights specially granted by the Convention.

The principle of automatic protection is that protection must not be conditional upon compliance with any formal requirements such as registration, payment of fees or deposit of copies.

The principle of independent protection is that the protection afforded by the signatory country concerned is independent of any protection enjoyed by the work in its country of origin. Thus, any formalities applying to protection of the work in its country of origin do not apply when protection is claimed in another signatory country; protection is regulated exclusively by the laws of the country in which it is claimed.

Fundamental to each of these three principles is the concept of country of origin, which depends upon the place of first publication.⁴ Where this occurs in a signatory country that is the country of origin, and where a work is published in two or more signatory countries within 30 days of its first publication, it is deemed to have been simultaneously published in each of those countries with the country whose laws grant the shortest term of protection being the country of origin.

The convention does not define who is the author of a literary work, but it may be presumed, pursuant to Article 15, that the author is the person whose name appears on the work and that this is the person entitled to bring infringement proceedings in signatory countries.⁵ It is interesting to note that, somewhat inexplicably, the right of reproduction of a literary work is *not* an exclusive right of the copyright owner under the Brussels Revision.⁶ However, it is a right protected under the U.K. Act and thus no resort is necessary to the rights specially granted by the Convention.

The U.K. Act gives effect to the Berne Convention via s.32, which provides:-

32(1) Her Majesty may by Order in Council make provision for applying any of the provisions of this Act specified in the Order, in the case of a country to which those provisions do not extend, in any one or more of the following ways, that is to say, so as to secure that those provisions —

- (a) apply in relation to literary, dramatic, musical or artistic works, sound recordings, cinematograph films or editions first published in that country as they apply in relation to literary, dramatic, musical or artistic works, sound recordings, cinematograph films or editions first published in the United Kingdom;
- (b) apply in relation to persons who, at a material time, are citizens or subjects of that country as they apply in relation to persons who, at such a time, are British subjects;
- (c) apply in relation to persons who, at a material time, are domiciled or resident in that country as they apply in relation to persons who, at such a time, are domiciled or resident in the United Kingdom;
- (d) apply in relation to bodies incorporated under the laws of that country as they apply in relation to bodies incorporated under the laws of any part of the United Kingdom;
- (e) apply in relation to television broadcasts and sound broadcasts made from places in that country, by one or more organisations constituted in, or under the laws of, that country, as they apply in relation to television broadcasts and sound broadcasts made from places in the United Kingdom by the Corporation or the Authority.

(2) An Order in Council under this section —

- (a) may apply the provisions in question as mentioned in the preceding subsection, but subject to exceptions or modifications specified in the Order;
- (b) may direct that the provisions in question shall so apply either generally or in

4. See Article 4 of the Brussels Revision for the meaning of publication.

5. Article 1 of the Brussels Revision.

6. Article 8 of the Brussels Revision.

relation to such classes of works, or other classes of cases, as may be specified in the Order.

- (3) Her Majesty shall not make an Order in Council under this section applying any of the provisions of this Act in the case of a country, other than a country which is party to a Convention relating to copyright to which the United Kingdom is also a party, unless Her Majesty is satisfied that, in respect of the class of works or other subject-matter to which those provisions relate, provision has been or will be made under the laws of that country whereby adequate protection will be given to owners of copyright under this Act.

The relevant Order in Council⁷ provides:-

- (3) Subject to the following provisions of this Order, the provisions of Parts I and II of the Act (except section 14) and all the other provisions of the Act relevant to those Parts shall in the case of any country mentioned in Schedules 1 or 2 hereto apply -
- (c) in relation to literary, dramatic, musical or artistic works, sound recordings, cinematograph films or published editions first published in that country, as they apply to such works, recordings, films or editions first published in the United Kingdom;
- (d) in relation to persons who at any material time are citizens or subjects of, or domiciled or resident in, that country, as they apply to persons who at such time are British subjects or domiciled or resident in the United Kingdom; and
- (e) in relation to bodies incorporated under the laws of that country, as they apply to bodies incorporated under the laws of any part of the United Kingdom.

Australia is listed in schedule 1.⁸

2. Rights

The nature of copyright protected by the U.K. Act is set out in s.1, which provides:

- 1(1) In this Act "copyright" in relation to a work (except where the context otherwise requires) means the exclusive right, by virtue of and subject to the provisions of this Act, to do, and to authorise other persons to do, certain acts in relation to that work in the United Kingdom or in any other country to which the relevant provision of this Act extends.

The said acts, in relation to a work of any description, are those acts which, in the relevant provision of this Act, are designated as the acts restricted by the copyright in a work of that description.

- (2) In accordance with the preceding subsection, but subject to the following provisions of this Act, the copyright in a work is infringed by any person who, not being the owner of the copyright, and without the licence of the owner thereof, does, or authorises another person to do, any of the said acts in relation to the work in the United Kingdom or in any other country to which the relevant provision of this Act extends.
- (3) In the preceding subsections references to the relevant provision of this Act, in relation to a work of any description, are references to the provision of this Act whereby it is provided that (subject to compliance with the conditions specified therein) copyright shall subsist in works of that description.

Section 2(2) of the U.K. Act deals with copyright in published works:-

- (2) Where an original literary, dramatic or musical work has been published, then, subject to the provisions of this Act, copyright shall subsist in the work (or, if copyright in the

7. S.I. 1979 No. 1715.

8. It may be noted that a second international convention, the Universal Copyright Convention, to which both the United Kingdom and Australia are signatories, also exists. However, it is in far more general terms and Article xiii(2) of it provides that as between two countries which are signatories to both it and the Berne Convention the latter will prevail.

work subsisted immediately before its first publication, shall continue to subsist) if, but only if, —

- (a) the first publication of the work took place in the United Kingdom, or in another country to which this section extends, or
- (b) the author of the work was a qualified person at the time when the work was first published, or
- (c) the author had died before that time; but was a qualified person immediately before his death.

Section 1(5) of the U.K. defines qualified person as:

(5) For the purposes of any provision of this Act which specifies the conditions under which copyright may subsist in any description of work or other subject-matter, “qualified person” —

- (a) in the case of an individual, means a person who is a British subject or British protected person or a citizen of the Republic of Ireland or (not being a British subject or British protected person or a citizen of the Republic of Ireland) is domiciled or resident in the United Kingdom or in another country to which that provision extends, and
- (b) in the case of a body corporate, means a body incorporated under the laws of any part of the United Kingdom or of another country to which that provision extends.

The duration of copyright provided in the U.K. Act is fifty years from the death of the author.⁹ Section 4 of the U.K. Act deals with ownership of copyright, providing (subject to certain exceptions) that the author of a work is entitled to any copyright subsisting in the work under the Act.

The U.K. Act does not contain any definition of the terms ‘original’ or ‘literary’ as used in s.2(2). As in Australia, the principle is that originality must stem from the author. If a work originates from its author in the sense that it is the result of his skill, labour or expertise, and has not been copied from another, then for copyright purposes it is an original literary work.

What is required is not originality of thought but originality of expression. Copyright law does not as a general rule protect ideas, concepts, facts or opinions themselves but only the particular form in which they are expressed. The classic case on the question of originality is *University of London Press Ltd v. The University Tutorial Press Ltd*,¹⁰ where university examiners had prepared examination papers based upon a common stock of knowledge. Petersen J. explained that:

The word “original” does not in that 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 thought in print or writing. The originality which is required relates to the expression of the thought. The Act does not require that the expression must be in original or novel form, but that the work must not be copied from another work - that it should originate from the author.¹¹

The Australian case of *Sands & McDougall Pty Ltd v. Robinson*,¹² which deals with copyright in a map of Europe, assists in defining the concept of originality. The passage cited above from Petersen J. was approved by the majority of the High Court. The main judgment was delivered by Isaacs J., with whom Gavan Duffy and Rich JJ. agreed. His Honour rejected the argument that the word ‘original’ was used in the same sense that an invention

9. Section 2(3).

10. [1916] 2 Ch. 601.

11. *Ibid.* at 608.

12. (1917) 24 C.L.R. 49.

must be 'novel', and that to be original a work had to be exclusively inventive. His Honour concluded that the map was an original work of which Robinson was the author, saying:

He had unquestionably prepared it by taking the common stock of information in Australia, and by applying to it personal, that is independent, intellectual effort in the exercise of judgment and discrimination, had produced a map which was new in the sense that, in spite of its size and outlines, its contents and arrangement and its general appearance, it presented both in its totality and in specific parts a distinct difference from other existing maps.¹³

The originality required to obtain copyright can exist even in simple selection of non-copyright material which does not originate with the author of the copyright work. In *G.A. Cramp & Sons Ltd v. Frank Symthson Ltd*¹⁴ copyright was claimed in tables (appearing in a diary) which had either been compiled by third parties or compiled by the plaintiff from information in the public domain. Lord Macmillan said:

Now, I do not doubt that, as the annals of literature show, a high degree of skill and knowledge may be displayed and much labour and judgment expended in gathering from the wide fields of non-copyright material at the disposal of the public specialised collections of extracts designed to meet particular needs or particular tastes, but it must always be a question of degree.¹⁵

Lord Porter stated:

Then it is conceded that, if the work, labour and skill required to make the selection and to compile the tables which form its items is negligible, then no copyright can subsist in it. Whether enough work, labour and skill is involved, and what its value is, must always be a question of degree.¹⁶

Thus, what is protected by copyright is the thought, skill, judgment and work as applied to the selection of material actually placed in such a work, rather than the thought required to produce an idea *per se*. What is protected is the form of the work, not its conceptual basis in the abstract.

In the case of a novel or a play it is generally not difficult to apply the concept of originality, though any case will be a question of degree. Even though the theme of the work may be commonplace, the fact that the form of the work is original to the author will usually be apparent, and will more often than not be based on the conclusion that it sprang from the author's own imagination. A complication arises in the case of historical works, for they are not in their entirety sourced from the author's imagination. As previously noted, there can be no copyright in historical facts as such.¹⁷ Nonetheless, even in the case of a news report of an incident it is possible for copyright to exist in the form in which the report is presented rather than the incident itself.¹⁸ The same is true of an account of an historical event.¹⁹ Similarly, a work of historical research, if not copied, can be an original literary work in which copyright may subsist. In the case of the historical novel or play, the facts merely form the background and the plot (either wholly or partially) against which the characters (whether historically real or created by the author) play their roles and speak their words in a manner created by the imagination of the author and expressed in copyright form through his labour and skill.

13. *Ibid.* at 55.

14. [1944] A.C. 329.

15. *Ibid.* at 337.

16. *Ibid.* at 340.

17. *Harman Pictures N.V. v. Osborne* [1967] 2 All E.R. 324.

18. *Walter v. Steinkopff* [1892] 3 Ch. 489.

19. *Pike v. Nichols* (1870) 5 Ch. App. 251.

The term 'literary' is not used in the U.K. Act in the sense of literature. It does not matter whether the work is one of good quality or bad quality. In *University of London Press Ltd v. University Tutorial Press Ltd*²⁰ Petersen J. said:

... it seems plain that it [the phrase literary work] is not confined to ... the sense in which that phrase is applied, for instance, to Meredith's novels and the writings of Robert Louis Stevenson ... In my view the words "literary work" cover work ... irrespective of the question whether the quality or style is high.

The fact that quality or literary taste is not required can be seen from the terms of the inclusive definition of 'literary work' in the U.K. Act,²¹ wherein tables and compilations are encompassed. In *Ladbroke (Football) Ltd v. William Hill (Football) Ltd*²² Lord Evershed, referring to betting coupons which were the subject of the case, said:

When you take one of these coupons in your hand and look at it, the right conclusion is, to my mind, that it falls sensibly and properly within the definition of an original literary compilation. True it is that no question of literary taste or quality is involved that would give to the coupon the mark of literature as normally understood. But, having regard to the introduction of a compilation into the definition, that clearly cannot be a decisive factor, since otherwise such things as lists or catalogues could never have been held to have been properly subject to copyright.

In *Mirror Newspapers Ltd v. Queensland Newspapers Pty Ltd*²³ Connolly J. held that in the selection of bingo numbers there had been sufficient 'skill and ingenuity' to make a list of them a literary work. With respect, it is submitted that in this case His Honour went too far and afforded protection to information *per se*.

It will be apparent from the above that in the context of the U.K. Act the word 'literary' is not to be read in the sense of classical 'literature' but rather as merely a general adjective describing the means whereby a work has come into existence.

3. Infringement

The concept of direct infringement under the U.K. Act is similar to that under the Australian Act. It is a direct infringing act for a person other than the copyright owner to do any act comprised in the exclusive rights of the copyright owner without the licence of the copyright owner.²⁴

The exclusive rights of the copyright owner are set out in s.2 of the U.K. Act as follows:

- (5) The acts restricted by copyright in a literary, dramatic or musical work are –
- (a) reproducing the work in any material form;
 - (b) publishing the work;
 - (c) performing the work in public;
 - (d) broadcasting the work;
 - (e) causing the work to be transmitted to subscribers to a diffusion service;
 - (f) making any adaptation of the work;
 - (g) doing, in relation to an adaptation of the work, any of the acts specified in relation to the work in paragraphs (a) to (e) of this subsection.

An alleged infringing act need not be done in relation to the whole of the copyright work but must be done in relation to a substantial part of it. Section 49(1) of the U.K. Act provides:

Except in so far as the context otherwise requires, any reference in this Act to the doing of an act in relation to a work or other subject-matter shall be taken to include a reference to the doing of that act in relation to a substantial part thereof, and any

20. *Supra* n.10 at 608.

21. Section 48.

22. [1964] 1 W.L.R. 1273 at 1281.

23. [1982] Qd.R. 305.

24. Section 1(2).

reference to a reproduction, adaptation or copy of a work, or a record embodying a sound recording, shall be taken to include a reference to a reproduction, adaptation or copy of a substantial part of the work, or a record embodying a substantial part of the sound recording, as the case may be.

The U.K. Act provides no definition of 'substantial' and any particular case must be determined by all surrounding circumstances.²⁵ What is important is the quality of what is taken in relation to the work as a whole, rather than the quantity, having regard to the essential feature of the work which is protected by copyright.²⁶ In the early case of *Bramwell v. Halcombe*²⁷ Lord Cottenham L.C. said:

When it comes to a question of quantity, it must be very vague. One writer might take all the vital part of another's book, though it might be but a small proportion of the book in quantity. It is not only quantity but value that is always looked to. It is useless to refer to any particular cases as to the quantity.

Thus in *Hawkes & Son (London) Ltd v. Paramount Film Service Ltd*²⁸ it was held that copyright in a musical work had been infringed by a reproduction of only about 12% of it in a newsreel film, as the part reproduced contained the principal theme of the song which would be recognised by all who heard it. This case is representative of the basic test applied by the English Courts in determining the issue of substantiality, that is the importance which the copied part bears in relation to the work as a whole: is it an essential, vital or material part? A short passage taken from a literary or dramatic work may bear a far greater importance than its length might suggest. In *Rees v. Melville*²⁹ Swinfen Eady L.J. explained in relation to a dramatic work:

The situation and incidents, the mode in which the ideas were worked out and presented might constitute a material portion of the whole play, and the Court must have regard to the dramatic value and importance of what, if anything, was taken, even although the portion might in fact be small and the actual language not copied.

Whilst any determination of what is substantial copying is always a question of degree there exist four principles which the courts have looked to for guidance. The first is the originality of the part copied. In the case of a work comprising non-original as well as original portions, if what is copied consists only of non-original portions involving no element of arrangement or selection there will usually not have been taken a substantial part of the copyright even though a large part of the work has been copied. In *Ladbroke (Football) Ltd v. William Hill (Football) Ltd*³⁰ Lord Pearce explained:

Whether a part is substantial must be decided by its quality rather than its quantity. The reproduction of a part which by itself has no originality will not normally be a substantial part of the copyright and therefore will not be protected. For that which would not attract copyright except by reason of its collocation will, when robbed of that collocation, not be a substantial part of the copyright and therefore the courts will not hold its reproduction to be an infringement. It is this, I think, which is meant by one or two judicial observations that 'there is no copyright' in some unoriginal part of a whole that is copyright. They afford no justification, in my view, for holding that one starts the inquiry as to whether copyright exists by dissecting the compilation into component parts instead of starting it by regarding the compilation as a whole and

25. *King Features Syndicate (Inc.) v. O & M Kleeman Ltd* [1941] A.C. 417.

26. *Joy Music Ltd v. Sunday Pictorial Newspapers Ltd* [1960] 2 W.L.R. 645.

27. (1836) 40 E.R. 1110.

28. [1934] Ch. 593.

29. [1911-16] Macg. Cop. Cas. 168.

30. *Supra* n. 22 at 293.

seeing whether the whole has copyright. It is when one is debating whether the part reproduced is substantial that one considers the pirated portion on its own.

Thus, a book as a whole may be entitled to copyright, but copying of non-original portions of it may not constitute substantial copying for the purposes of infringement.³¹ According to Lord Reid in the *Ladbroke Case* one test of substantial copying is to ask whether what has been copied is the novel or striking part of the copyright work, or is merely a commonplace arrangement of ordinary words or well-known data. In *Blackie and Sons Ltd v. Lothian Book Publishing Co Pty Ltd*³² Starke J. expressed a useful guide to substantiality. His Honour said:

It is not for the Courts to make the way of the taker of copyright matter easy. It is a sound principle of copyright law that the Court should not allow one man to take away the result of another man's labour, or, in other words, his property, unless it is satisfied that the part taken is so slight, and the effect upon the total composition was so small, as to render the taking perfectly immaterial, or, what is much the same thing, that the part taken is an insubstantial part . . .

The second principle adopted by the Courts is to determine the object or purpose which lies behind the copying. If the purpose of the copyist is the same as that of the author this may lead to a conclusion that the part taken is substantial, particularly where he is relieved of having to use his own skill and labour. This point is illustrated in the quotation from Starke J. previously cited. Thus if the copyist has copied to save himself time and effort the Courts may more readily, it seems, reach a conclusion of substantial copying,³³ whereas if his use of the original is purely incidental to his main purpose this may not be so. In *Chappell & Co Ltd v. D.C. Thompson & Co Ltd*³⁴ no infringement of a substantial part of a song was found where the first four lines of it had been published at the head of a chapter in a novel.

The third principle is whether the use by the copyist has a degrading effect on the original author's work. In *Kipling v. Genatosan Ltd*³⁵ Petersen J. held that an author should not have to permit use of part of his work to assist in selling the goods of an advertiser.

The fourth principle is whether the copyist's use of the part taken will interfere with sales of the original or otherwise compete with it: as Petersen J. said in *University of London Press Ltd. v. University Tutorial Press Ltd*,³⁶ 'What is worth copying is prima facie worth protecting'. Nevertheless, the right of an author to protect his copyright is not determined by the amount of damage he suffers, nor by any lack of 'mens rea' in an infringer. As copyright is a proprietary right it is no defence to an action for direct infringement for the defendant to say that he did not know he was committing an infringing act;³⁷ lack of knowledge is however relevant on the question of remedies. Neither is it a defence to an action for infringement of copyright that the plaintiff has suffered no damage.³⁸

In addition to the requirement of substantiality it is necessary in the U.K. as in Australia that the infringing work have been copied either directly or indirectly from the original: the word 'copyright' indicates that copying is of the essence. Thus, if an alleged infringer has independently created a work similar or substantially similar to that of the copyright owner, the latter has no rights in relation to the former.³⁹ Unlike a patent which confers an absolute monopoly on the owner, copyright is infringed only where some causal relationship can be

31. *Warwick Film Productions Ltd v. Eisinger* [1969] 1 Ch. 508.

32. (1921) 29 C.L.R. 396 at 404.

33. *Ravenscroft v. Herbert & Anor* [1980] R.P.C. 193.

34. [1928-35] Macg. Cop. Cas. 467.

35. [1917-23] Macg. Cop. Cas. 203.

36. *Supra* n.10.

37. *Francis Day and Hunter Ltd v. Bron* [1963] 1 Ch. 587.

38. *Weatherby & Sons v. International Horse Agency & Exchange Ltd* [1910] 2 Ch. 297.

39. *Francis Day and Hunter Ltd v. Bron supra* n. 37.

seen to exist between the original and the alleged copy. Thus it is not sufficient to show that there is merely a close objective similarity between the defendant's work and a substantial part of the plaintiff's work before infringement is established; it is also necessary to prove that the second work was copied from the first.

For copying to occur, there does not have to be any conscious process: unconscious copying will suffice.

The leading case on this issue is *Francis Day & Hunter Ltd v. Bron*.⁴⁰ The plaintiff was the owner of copyright in a musical work entitled 'In a Little Spanish Town' which it complained had been infringed by the defendant in a later musical work entitled 'Why' in relation to some eight bars. The composer of 'Why' gave evidence, accepted by the trial judge, that he had not consciously copied the plaintiff's work and had not even consciously heard that work, though if he had heard it at all it was probably years ago when he was very young. The trial judge found that there did exist a 'definite' or 'considerable' similarity between the first eight bars of 'In a Little Spanish Town' and the first eight bars of 'Why', and that the first eight bars of the former work were a substantial part of it. He went on however to hold that there had been no conscious copying and that there was insufficient evidence to prove unconscious copying. The Court of Appeal upheld this decision, but their judgments contain important *obiter dicta* on the question of unconscious copying. Their Lordships rejected the plaintiff's argument that, once objective similarity was shown, an irrebuttable presumption of copying arose. They also rejected the argument that infringement could occur only where the copying was consciously done. In the absence of any express admission of copying it was, they said, always a question of what inference could be properly drawn from surrounding circumstances. Close similarity could reasonably lead to an inference of copying, and it was irrelevant whether this was conscious or unconscious. It would however depend very much on the degree of familiarity which the defendant had with the plaintiff's work. Diplock L.J. said:

... The degree of objective similarity is, of course, not merely important, indeed essential, in proving the first element in infringement, namely, that the defendant's work can properly be described as a reproduction or adaptation of the copyright work; it is also very cogent material from which to draw the inference that the defendant has in fact copied, whether consciously or unconsciously, the copyright work. But it is not the only material. Even complete identity of the two works may not be conclusive evidence of copying, for it may be proved that it was impossible for the author of the alleged infringing work to have had access to the copyright work. And, once you have eliminated the impossible (namely, copying), that which remains (namely, coincidence) however improbable, is the truth: I quote inaccurately, but not unconsciously, from Sherlock Holmes.⁴¹

On the other hand, if the defendant has a reasonable degree of familiarity with the plaintiff's work an inference of copying might be made even though the defendant's denial of it be accepted i.e. because it was done unconsciously. Ricketson⁴² suggests five factors which must be taken into account on the issue of unconscious copying:

(1) the degree of access to, and familiarity with, the plaintiff's work which the defendant has had, (2) the degree of objective similarity between the two works, (3) the type of work in question, (4) the likelihood of coincidence and the existence of other sources which may have influenced the defendant and (5) the distinctiveness, and therefore the memorability, of the plaintiff's work.

40. *Ibid.*

41. *Ibid.* at 627.

42. S. Ricketson, *The Law of Intellectual Property*, (1984).

It is not proposed to deal here in any detail with acts which may constitute direct infringements of the exclusive rights of the copyright owner as set out in s.2(5) of the U.K. Act. There is no substantial difference in the law in this area as applied in the U.K. compared to that applied in Australia. Reference to a textbook such as Copinger and Skone James on *Copyright* will provide more than enough English authorities on the subject. One or two definitions in s.48 of the U.K. Act which relate to the exclusive rights set out in s.2(5) do however need to be mentioned, and one or two comments made on those rights. Each right is a separate and distinct right and unauthorized doing of each act is a separate tort.

In relation to the reproduction right, s.48 defines reproduction:

“reproduction”, in the case of a literary, dramatic or musical work, includes a reproduction in the form of a record or of a cinematograph film, and, in the case of an artistic work, includes a version produced by converting the work into a three-dimensional form, or, if it is in three dimensions, by converting it into a two-dimensional form, and references to reproducing a work shall be construed accordingly;

Section 48 also states that the phrase “cinematograph film” has the meaning assigned to it by s.13 of the U.K. Act. This provides (in S.13(10):

“cinematograph film” means any sequence of visual images recorded on material of any description (whether translucent or not) so as to be capable, by the use of that material, —

- (a) of being shown as a moving picture, or
- (b) of being recorded on other material (whether translucent or not), by the use of which it can be so shown;

It would seem that video tape comes within at least one of the two limbs of the above definition. The U.K. Act has no equivalent of the Australian s.21 which deems copies of cinematograph films which infringe the reproduction right to themselves be infringing reproductions.

In relation to the publication right, s.49(2) of the U.K. Act provides:

(2) With regard to publication, the provisions of this subsection shall have effect for the purposes of this Act, that is to say, —

- (a) the performance, or the issue of records, of a literary, dramatic or musical work, the exhibition of an artistic work, the construction of a work of architecture, and the issue of photographs or engravings of a work of architecture or of a sculpture, do not constitute publication of the work:
- (b) except in so far as it may constitute an infringement of copyright, or a contravention of any restriction imposed by section forty-three of this Act, a publication which is merely colourable, and not intended to satisfy the reasonable requirements of the public, shall be disregarded:
- (c) subject to the preceding paragraphs, a literary, dramatic or musical work, or an edition of such a work, or an artistic work, shall be taken to have been published if, but only if, reproductions of the work or edition have been issued to the public;
- (d) a publication in the United Kingdom, or in any other country, shall not be treated as being other than the first publication by reason only of an earlier publication elsewhere, if the two publications took place within a period of not more than thirty days; and in determining, for the purposes of paragraph (c) of this subsection, whether reproductions of a work or edition have been issued to the public, the preceding subsection shall not apply.

The above subsection appears to incorporate by reference in clause (c) the definition of reproduction set out in s.48 noted above. It is not however necessarily an infringement of the

publication right to issue reproductions of a work to the public, though of course it is an infringement of the reproduction right. In *Infabrics Ltd v. Jaytex Shirts Co. Limited*⁴³ the facts concerned alleged publication of an artistic work, in the form of a design printed on garments, which it was argued was an infringement of the publication right in artistic works given under s.3(5)(b) of the U.K. Act. It is submitted that the decision also applies to the publication right under s.2(5)(b) of the U.K. Act in relation to literary dramatic and musical works. The House of Lords decided that publication meant making public in the United Kingdom a work hitherto unpublished in that country, and that the right did not extend to subsequent publications after the first publication. The basis of this decision was the conclusion that s.49 of the U.K. Act is not a definition section but rather a provision dealing with the subsistence of copyright. Lord Wilberforce, with whom Lord Roskill, Lord Edmund-Davies, and Lord Fraser of Tullybelton agreed, said:

The appellants' submission is, for these reasons, prima facie convincing. All through the history of copyright, under the common law, and through the legislation over 280 years, there has been the well known contrast between unpublished works and published works. The distinction lies at the roots of the law. The Act of 1911 was drafted wholly in line with these traditional concepts. Section 1(1) paragraphs (a) and (b) deal respectively with a published work, and an unpublished work. Under section 1(2) the position is clear. Copyright is the sole right to produce or reproduce the work in any material form, etc: and "if the work is unpublished, to publish the work or any substantial part thereof;" and by section 1(3) publication "means the issue of copies of the work to the public . . ." By section 2 infringement is linked to the rights defined in section 1, so publication of an unpublished work is infringement. The position is then perfectly plain: if that Act applied to the present case, the appellants could not be guilty of infringement by publishing. The question is whether the Act of 1956 has changed this. As with all other questions, the complexity and obscurity of the Act makes any answer difficult and a certain answer impossible. It is at least permissible to start from the point that (a) it is unlikely that the law as to and the distinction between published and unpublished works would have been changed without some clear indication; (b) it is implausible that a person who escapes secondary infringement liability through lack of knowledge should be condemned for primary infringement irrespective of knowledge. The result of the respondents' contention indeed would be to take away almost entirely the protection, in respect of lack of knowledge, given by section 5(3) and (4) notwithstanding that these provisions substantially reproduce the terms of section 2(2) of the Act of 1911 conferring similar protection. As against this - and the main difficulty for the appellants - there is the unqualified reference in section 3(5)(b) to "publishing" contrasted with the reference in the Act of 1911, section 1(2) to publishing the work if unpublished.

The explanation of this change suggested by the appellants, and which I accept, is this. There has been a significant change in the Act of 1956, as compared with the Act of 1911, regarding the scope of copyright. Under the Act of 1911 section 1(1), copyright subsisted in a published work only if the work was published within the countries to which the Act extended (the territory). So "publishing" in that context clearly meant making public in the territory a work not previously made public in the territory.⁴⁴

Thus, the publication right is the right only of first publication in the U.K. The speeches in the *Infabrics* case provide no basis for distinction between the various ways in which a

43. [1982] AC 1.

44. *Ibid.* at 16-17.

work might be published. As Lord Scarman said publication refers to a state of affairs i.e. being in the public domain.⁴⁵

In relation to the performance right, s.48 of the U.K. Act defines performance:

“performance” includes delivery, in relation to lectures, addresses, speeches and sermons, and in general, subject to the provisions of subsection (5) of this section, includes any mode of visual or acoustic presentation, including any such presentation by the operation of wireless telegraphy apparatus, or by the exhibition of a cinematograph film, or by the use of a record, or by any other means, and references to performing a work or an adaptation of a work shall be construed accordingly.

In relation to the broadcasting and ‘diffusion service’ transmission rights set out in s.2(5) of the U.K. Act, reference should be made to the meaning of the phrases ‘television broadcast’ and ‘sound broadcast’ in s.14. It is not proposed to set out or discuss those provisions here. It will be recalled that the order in Council implementing the Berne Convention exempts s.14 from the extension of the operation of the U.K. Act to foreign works.

In relation to the adaptation right, s.2(6) of the U.K. Act defines adaptation as:

(6) In this Act “adaptation” –

- (a) in relation to a literary or dramatic work, means any of the following, that is to say, –
- (i) in the case of a non-dramatic work, a version of the work (whether in its original language or a different language) in which it is converted into a dramatic work;
 - (ii) in the case of a dramatic work, a version of the work (whether in its original language or a different language) in which it is converted into a non-dramatic work;
 - (iii) a translation of the work;
 - (iv) a version of the work in which the story or action is conveyed wholly or mainly by means of pictures in a form suitable for reproduction in a book, or in a newspaper, magazine or similar periodical; and
- (b) in relation to a musical work, means an arrangement or transcription of the work,

so however that the mention of any matter in this definition shall not affect the generality of paragraph (a) of the last preceding subsection.

Section 48 defines dramatic work as:

“dramatic work” includes a choreographic work or entertainment in dumb show if reduced to writing in the form in which the work or entertainment is to be presented, but does not include a cinematograph film, as distinct from a scenario or script for a cinematograph film.

Adaptations may be regarded as a species of reproduction in a material form. Thus, as with reproductions, infringement occurs where the adaptation, despite the change of medium, bears such a substantial similarity to the work from which it was derived that it can be said to be a copy of at least a substantial portion of the original. In the case of one non-dramatic work being copied by another it will often be easy enough to decide the case solely upon the question of copying of expression. However even in that type of case the courts have granted recognition in more recent cases to the principle of protecting the constituent elements of the work as distinct from its words. For example in *Ravenscroft v. Herbert & Anor*⁴⁶ Brightman J. held that infringement of the plaintiff’s historical account of the ‘Hofburg Spear’ had

45. *Ibid.* at 23.

46. *Supra* n. 33.

been committed by the defendant who, in writing a detective thriller, had adopted wholesale many of the identical incidents of documented and occult history which the plaintiff had used to support his theory of the ancestry and attributes of the famous spear, including Hitler's obsession with it and also that of General Patton. Although the defendant had also, in a number of places, copied the language of the plaintiff, there was no doubt, in Brightman J.'s view, that this appropriation of detailed incident and situation from the plaintiff's work was sufficient to constitute infringement.

In protecting non-dramatic works from infringing dramatisations, and in protecting dramatic works from similar infringements, the English courts have been as a whole, and necessarily so, even more willing to look beyond the mere copying of expression to the fundamental constituent elements of the work. In cases of adaptation specifically, copying will relate to plots, themes, incidents and characters rather than actual language (except in the case of verbatim copying of dialogue). To the extent that the courts are willing to protect these 'ideas' it is wrong to say that copyright can exist only in the form in which ideas are expressed. For example, in *Corelli v. Gray*⁴⁷ Sargent J. at first instance said that copying of a dramatic work from a novel could be established without showing that there was a substantial similarity in the language used in both works. In the Court of Appeal,⁴⁸ Cozens-Hardy M.R. affirmed this view, saying that the effect of the U.K. Act was 'to give protection not merely to the form of the words in a novel but to the situations contained in it'. His Lordship went on, however, to say that 'stock' incidents might not be subject to protection in themselves but when copied in combination they might be protected. By 'stock' incidents is meant the common stock of authors and dramatists, ordinary unoriginal situations such as a drunk arriving home or newly-weds on their honeymoon. His Lordship said:

No doubt it was still open to this defendant to say that he had not infringed the copyright, because he had only taken from the book something which was not the subject of copyright; but when it appeared that not merely one, two or three stock incidents had been used, but a combination of stock incidents, every one of which had been taken from the plaintiff's book, it would be narrowing the law beyond what was reasonable to say that the plaintiff was not entitled to be protected.⁴⁹

Similarly, in *Rees v. Melville*⁵⁰ Swinfen Eady L.J. said that situations, incidents and the way in which ideas were worked out and presented could be the subject of copyright and it was not necessary before there could be an infringement that the words of the original had to be copied. On the facts of the case however it was held that no infringement had occurred as all that was copied was the general theme without anything more than superficial similarity and certainly no substantial copying. Cozens-Hardy M.R. in the same case elaborated on his comments in *Corelli v. Gray*⁵¹ saying:

In order to constitute an infringement it was not necessary that the words of the dialogue should be the same, the situations and incidents, the mode in which the ideas were worked out and presented might constitute a material portion of the whole play and the Court must have regard to the dramatic value and importance of what if anything was taken, even although the portion might in fact be small and the actual language not copied.⁵²

47. (1913) 29 T.L.R. 570.

48. (1913) 30 T.L.R. 116 at 117.

49. *Ibid.*

50. *Supra* n.29.

51. *Supra* n.48.

52. *Supra* n. 29 at 174.

His Lordship went on however to distinguish between those matters which could be protected by copyright as outlined above and the 'fundamental idea' of a work which could not if arrived at in a later work separately and 'on independent lines'. Thus, whilst situations and incidents in a work can be protected, the Courts are not so much concerned with these things *per se* but rather the way in which they have been worked out and related to each other by the author as a plot or series of dramatic devices. This is explained by Scrutton L.J. in *Sutton Vane v. Famous Players Co. Ltd*⁵³ when he says 'the copyright protected is not the idea or motive of the play but the words and dramatic incidents in which that idea is expressed.'

There may well be cases where the working out or development of incidents or situations will almost inevitably be the same in successive works. For example, in *Poznanski v. London Film Production Ltd*⁵⁴ it was alleged that the plaintiff's play 'La Petite Catherine' was infringed by the defendant's film 'Catherine the Great'. Both dealt with the same subject matter, namely events in the lives of certain historical characters including Catherine the Great, the Empress Elizabeth and Peter the Third. However, in view of the defendant's denial of copying, Crossman J. was not prepared to hold that infringement occurred, saying:

... in so far as the selection of incidents, chronology and characterization for the film and the treatment of the selected material resemble the selection and treatment for the play, such resemblance may well be due to the fact that the incidents, chronology and characterization selected for the film, and the treatment of such selected material for the film, are the most suitable for the film.

On the other hand, where the combination and development of incidents and situations in a work is original or represents a substantial part of the work, similarities of incidents or situations in a later work will constitute *prima facie* evidence of copying. This conclusion was reached on the facts of *Ravenscroft v. Herbert & Anor.*⁵⁵

One question which emerges from the above is the extent to which characters can be protected by copyright. In the American case of *Warner Bros Pictures Inc. v. Columbia Broadcasting System Inc.*⁵⁶ it was said:

It is conceivable that the character really constitutes the story being told, but if the character is only the chessman in the game of telling the story he is not within the area of protection afforded by the copyright.

Thus as a general rule characters cannot be protected unless they form part and parcel of a wider situation which is protected i.e. insofar as they are bound up in an author's development and working out of the incidents and events of his plot. In *Kelly v. Cinema Houses Ltd*⁵⁷ Maugham J. was of the view that protection could not be granted even to novel and distinctive characters. His Honour said:

If, for instance, we found a modern playwright creating a character as distinctive and remarkable as Falstaff, or as Tartuffe, or (to come to a recent classic) as Sherlock Holmes, would it be an infringement if another writer, one of the servile flock of imitators, were to borrow the idea and make use of an obvious copy of the original? I should hesitate a long time before I came to such a conclusion. I should feel the same doubt in reference to the taking of an ingenious situation, for instance an improvement on the screen scene in "The School for Scandal" or a new device for turning the tables on the villain, provided that it was an unimportant incident in the play. But whatever the answer may be to these questions, I am strongly of the opinion that there can be

53. [1923-28] Macg. Cop. Cas. 6.

54. [1936-45] Macg. Cop. Cas. 362.

55. *Supra* n. 33.

56. (1951) 216 F. (2d) 945.

57. [1928-35] Macg. Cop. Cas. 362 at 368.

no infringement in such a case if the character or the situation is devoid of novelty. There can, in my judgment, be no copyright in the idea of a woman, even if she be beautiful as well as jealous. One might almost as well claim a monopoly for a brave and handsome hero, a lovely blonde heroine or an unprepossessing villain with dark moustaches. Anyone may introduce into his show Harlequin, Pierrot, Columbine and Pantaloon, or their modern and more complex exemplars, just as anyone may use the invention of machine levers, toothed wheels, racks and pinions, connecting rods and other well-known mechanical parts. It is the use which the author of play or film makes of these well-known characters in composing his dramatic scenes that the Court has to consider in a case of alleged infringement: in other words, the plaintiff has to show that the combination or series of dramatic events in the infringing work have been taken from the like situations in the plaintiff's work.

Before leaving the exclusive rights vested in the copyright owner by s.2(5) of the U.K. Act some comment is warranted on clause (g). This gives to the copyright owner the exclusive right to do, in relation to any adaptation of his or her literary dramatic or musical work, any of the other acts comprised in his or her exclusive rights with respect to the original work, save that of adaptation. Thus, only restricted copyright exists in infringing adaptations of works i.e. restricted to those acts not reserved to the owner of the copyright in the original work from which the adaptation was made. But for s.2(5)(g) the maker of an infringing adaptation would own unlimited copyright in it subject only to the requirement that the adaptation be sufficiently original for copyright to subsist in it at all. In most cases of adaptation such originality would exist due to input by the copyist of sufficient labour and skill in the transposition of the original work from one medium to another.

It should be stated that not all textbook writers are in apparent agreement with the view just expressed of the effect of s.2(5)(g) of the U.K. Act, which is in the same terms as s.31(1)(a)(vii) of the Australian Act. Whilst Lahore⁵⁸ does appear to adopt the view, Ricketson⁵⁹ does not, at least in the case of adaptations which have been authorised by the owner of copyright in the original work; here Ricketson says the exclusive rights of the copyright owner vest in the adapter. With respect this is true but only by reason of the licence given and not due to s.2(5)(g). Ricketson makes no mention of the position where the adaptation is an infringement of the adaptation right. However it is submitted that to deny protection to the copyright owner in the original work in such circumstances would be manifestly unjust and outside the intention of the Act. In *Redwood Music Ltd v. Chappell & Co. Ltd*⁶⁰ it was argued that s.2(5)(g) of the U.K. Act meant that the owner of copyright in the first work also owned copyright in the adapted work. This argument was rejected in that it leads to the conclusion that the owner of copyright in the first work would be able to exploit an adaptation which he had licensed. It is true that s.2(5)(g) deals with certain exclusive rights rather than with ownership of copyright *per se*. The subsection is clear however in its statement that certain rights in an adaptation are reserved to the owner of copyright in the work adapted. Thus it is contended that copyright in a work does include as restricted acts the rights in relation to an adaptation of the work set out in s.2(5)(g).

Apart from the exclusive rights of the copyright owner set out in s.2(5) (i.e. acts constituting direct infringement) the U.K. Act in s.5 specifies a number of acts which constitute indirect infringement of copyright. Section 5(3) provides:

- (3) The copyright in a literary, dramatic, musical or artistic work is infringed by any person who, in the United Kingdom, or in any other country to which this

58. J. Lahore, *Intellectual Property in Australia - Copyright*, (1977).

59. *Supra* n.42.

60. [1982] R.P.C. 109.

section extends, and without the licence of the owner of the copyright, —

(a) sells, lets for hire, or by way of trade offers or exposes for sale or hire any article, or

(b) by way of trade exhibits any article in public,

if to his knowledge the making of the article constituted an infringement of that copyright, or (in the case of an imported article) would have constituted an infringement of that copyright if the article had been made in the place into which it was imported.

In *Hawkes & Son (London) Ltd. v. Paramount Film Service Ltd.*⁶¹ it was held that a public showing of a cinematograph film is an exhibition in public by way of trade. Section 5(4) of the U.K. Act includes distribution of articles in the concept of sale. It provides:—

(4) The last preceding subsection shall apply in relation to the distribution of any articles either —

(a) for purposes of trade, or

(b) for other purposes, but not to such an extent as to affect prejudicially the owner of the copyright in question,

as it applies in relation to the sale of an article.

In *Albert v. Hoffnung and Co. Ltd.*⁶² Harvey J. thought the knowledge required by provisions such as s.5(3) was no more than notice of facts such as would suggest to a reasonable man that a breach of copyright law was being committed and would put him on enquiry. In the later N.S.W. case *R.C.A. Corporation v. Custom Cleared Sales Pty. Ltd.*⁶³ the Court of Appeal in that State held that, rather than looking at what a reasonable man might infer, the better approach is to look at the particular defendant and his circumstances. The Court said:

A judge is entitled in inferring knowledge to use his assessment of the person with whom he is concerned; facts from which knowledge would readily be inferred in the case of an adult may well not be sufficient in the case of a child. It seems to us that the principle is more accurately put by saying that a court is entitled to infer knowledge on the part of a particular person on the assumption that such a person has the ordinary understanding expected of persons in his line of business, unless by his or other evidence it is convinced otherwise. In other words, the true position is that the court is not concerned with the knowledge of a reasonable man but is concerned with reasonable inferences to be drawn from a concrete situation as disclosed in the evidence as it affects the particular person whose knowledge is in issue. In inferring knowledge, a court is entitled to approach the matter in two stages; where opportunities for knowledge on the part of the particular person are proved and there is nothing to indicate that there are obstacles to the particular person acquiring the relevant knowledge, there is some evidence from which the court can conclude that such a person has the knowledge. However, this conclusion may be easily overturned by a denial on his part of the knowledge which the court accepts, or by a demonstration that he is properly excused from giving evidence of his actual knowledge.⁶⁴

It would seem that this latter test is the one now applied in English Courts. Once a warning has been given however, providing details are given of the plaintiff's copyright, the defendant cannot deny after that date that he was acting without knowledge.⁶⁵ The

61. [1934] 1 Ch. 593.

62. [1921] SR N.S.W. 75.

63. (1978) 19 A.L.R. 123.

64. *Ibid.* at 126.

65. *Merchant Adventures Ltd v. M Grew & Co. Ltd* [1972] Ch. 242.

defendant must however have a reasonable opportunity of ascertaining if the article infringes copyright or not if before the warning he had hitherto acted in good faith and without knowledge.⁶⁶ In *Hooi v. Brophy*⁶⁷ Hooi imported into Australia a video cassette of the film 'Breaker Morant' for the purpose of hiring this film out to members of the public through his video shop business. The video cassette bore a notice printed on a label affixed to it which stated, *inter alia*, that the cassette was sold on the condition that the purchaser undertook not to hire or offer for hire the video cassette without proper licence from the copyright owner. The label also stated that copyright exists in the material recorded on the cassette. The cassette which was imported by Hooi from England into Australia was clearly an infringing copy and Hooi was prosecuted before a court of summary jurisdiction in Adelaide for letting this film for hire knowing that it was an infringing copy, contrary to the provisions of s.132(1)(b) of the Australian Act. Various fines, court fees and costs were ordered against Hooi who was also ordered to return the infringing copy of the film. Before the date of the alleged offence Hooi received a circular from the South Australian Film Corporation that stated that video cassettes of the film 'Breaker Morant' were being sold by persons other than the authorised distributors. The circular also pointed out that certain specified companies were the only companies with the rights to distribute that film and that any other copies were illegal copies. Four days before the alleged offence, Hooi had a telephone conversation with a solicitor acting on behalf of the South Australian Film Corporation in the course of which Hooi was told, in effect, that he was breaching copyright owners' rights by importing the film 'Breaker Morant' from England. Hooi was also advised to seek independent legal advice. After his conviction Hooi appealed, and the sole question was whether there was sufficient evidence for the special magistrate who convicted Hooi to find beyond reasonable doubt that Hooi knew that the video cassette that he had imported from England and had hired out was an infringing copy.

Matheson J. held that as the videotape in question bore the copyright notice and as Hooi had received the circular from the film corporation and had the telephone conversation with the solicitor it had been proved beyond reasonable doubt that Hooi had actual knowledge that the tape was an infringing copy. In the course of his judgment, His Honour applied the principles from *R.C.A. Corporation v. Custom Cleared Sales Pty Ltd*⁶⁸ previously referred to on the determination of the state of knowledge of the defendant.

Section 5(5) of the U.K. Act provides:-

- (5) The copyright in a literary, dramatic or musical work is also infringed by any person who permits a place of public entertainment to be used for a performance in public of the work, where the performance constitutes an infringement of the copyright in the work:-

Provided that this subsection shall not apply in a case where the person permitting the place to be so used -

- (a) was not aware, and had no reasonable grounds for suspecting, that the performance would be an infringement of the copyright, or
 (b) gave the permission gratuitously, or for a consideration which was only nominal or (if more than nominal) did not exceed a reasonable estimate of the expenses to be incurred by him in consequence of the use of the place for the performance.

Section 5(2) of the Act provides:

- (2) The copyright in a literary, dramatic, musical or artistic work is infringed by any person who, without the licence of the owner of the copyright, imports an article

66. *Van Dusen v. Krutz* [1936] 2 K.B. 176.

67. (1985) 3 I.P.R. 16.

68. *Supra* n. 63.

(otherwise than for his private and domestic use) into the United Kingdom, or into any other country to which this section extends, if to his knowledge the making of that article constituted an infringement of that copyright, or would have constituted such an infringement if the article had been made in the place into which it is so imported.

Finally, it may be noted that s.1(2) of the U.K. Act makes it an infringement of copyright, without the licence of the owner, to authorise another to do any of the acts comprised in the exclusive rights set out in s.2(5).

In *Falcon v. Famous Players Film Co.*⁶⁹ 'authorise', which is not defined in the U.K. Act, was said to mean 'sanction, approve or countenance'. This has been approved in later cases. However, a person cannot authorise an act unless he has power to prevent it i.e. unless he has some power over the person committing the act or the means whereby it is committed.⁷⁰ In *Performing Rights Society v. Cyril Theatrical Syndicate*⁷¹ it was held that the owner of a hall does not authorise infringements of copyright through public performance of musical works if he has no control over the contents of the programme to be performed. By analogy it could also be said that the owner of a cinema leased for operation by others does not authorise infringements of copyright through public screening of films if he or she has no control over the films to be screened.

4. Remedies

Subject to the provisions of the U.K. Act, the legal owner of copyright may bring an action for infringement of that copyright. An equitable owner may commence proceedings and obtain interlocutory relief, but to obtain final relief must join the legal owner to the action, or obtain an assignment from him and issue fresh proceedings in the capacity of legal owner himself.

Both equity and the common law provide a number of remedies for infringement of copyright, i.e.

- (i) injunctions, either interlocutory or final
- (ii) account of profits
- (iii) damages, both for infringement and conversion of property
- (iv) orders for delivery up of infringing copies, or destruction of such copies.

Each of the above will be now discussed in general terms. Only civil remedies will be examined however: s.21 of the U.K. Act also creates a number of criminal offences. It might be noted at this stage that the appropriate forum in which to bring proceedings for infringement in the U.K. is the High Court of Justice, with the trial usually taking place before a single judge of the Chancery Division of that Court.

It might also be noted at this stage that a person intending to bring some kind of action for breach of copyright might first seek what has become known as an Anton Pillar order,⁷² so as to obtain and preserve vital evidence before the defendant has a chance to remove or destroy it after receiving warning of the action through service of a writ. These orders for entry and inspection of premises and removal of evidence are obtained *ex parte*. The conditions precedent for them to be granted were listed by Ormrod L.J. in the *Anton Pillar Case*,⁷³ and they are threefold. Firstly there must be an extremely strong *prima facie* case. Secondly the actual or potential damage for the plaintiff must be very serious. Thirdly, there must be clear evidence that the defendant has incriminating material in his possession and

69. [1926] 2 K.B. 474.

70. *Adelaide Corporation v. Australasian Performing Right Association* (1928) 40 C.L.R. 481.

71. [1924] 1 K.B. 1.

72. So named from the first case in which one was approved by the Court of Appeal, *Anton Pillar KG v. Manufacturing Processes Ltd* [1976] Ch. 55.

73. *Ibid.*

that there is a real chance that he might destroy it. Anton Pillar orders have proved valuable in a number of intellectual property actions,⁷⁴ however any detailed discussion of them is beyond the scope of this article.

(i) **Interlocutory Injunctions**

An injunction in the context of intellectual property cases will invariably be a court order directing a person to refrain from doing something. Injunctions are discretionary, as they are an equitable remedy, and are made pursuant to s.17(1) of the U.K. Act. Interlocutory injunctions are granted before trial of the matters in issue in order to preserve the *status quo* between the parties until the final determination on the merits is made. In many cases however interlocutory injunctions provide permanent relief as the parties decide to treat the outcome of the interlocutory application as settling the dispute between them; an interlocutory injunction continues in force until the delivery of final judgment in the action. In Australia the leading case on the principles for granting an interlocutory injunction is *Beecham Group Ltd v. Bristol Laboratories Ltd*,⁷⁵ a patent case in which the High Court set out in a joint judgment two principal criteria. Firstly, the plaintiff must make out 'a prima facie case in the sense that if the evidence remains as it is there is a probability that at the trial of the action the plaintiff will be entitled to relief'.⁷⁶ Secondly, the plaintiff must establish that 'the inconvenience or injury which [he] would be likely to suffer if an injunction were refused outweighs . . . the injury which the defendant would suffer if an injunction were granted.'⁷⁷ The first requirement of a *prima facie* case does not mean that the plaintiff must show that it is more probable than not that he will succeed at the trial. In the *Beecham Case* Kitto J. explained that '. . . it is enough to show a sufficient likelihood of success to justify in the circumstances the preservation of property',⁷⁸ and the joint judgment of the Full Court points out that '. . . the Court does not undertake a preliminary trial, and give or withhold interlocutory relief upon a forecast as to the ultimate result of the case'.⁷⁹ Nonetheless, the plaintiff must show a case which is more than 'in some sense arguable'⁸⁰ or that there is more than 'merely a rough chance of success'.⁸¹ In the *Beecham Case* the High Court recognised that the strength of case the plaintiff must display will vary with 'the nature of the right which he is seeking to assert and the consequences which will flow from the making of the interlocutory order'. Thus, if 'merely pecuniary interests' were involved, 'some probability of success would be enough'; in the case of a monopoly right such as a patent a higher degree of probability would be required.⁸² Ricketson suggests that:

This 'sliding scale' notion of probability allows courts flexibility, but the implication must be that in the case of the various statutory intellectual property rights something more by way of a prima facie case will need to be shown than in a case where a plaintiff is seeking to assert a right under a contract or to prove that his goodwill or reputation has been damaged by the defendants' conduct.⁸³

The second requirement as to balance of convenience was explained by Lush J. in *Slater Walker Superannuation Pty. Ltd. v. Great Boulder Gold Mines Ltd.*:

The weight to be given to the various considerations shown by the authorities to be relevant will vary from case to case. All the authorities say in one way or another that

74. E.g. *E.M.I. Ltd v. Sarwar & Haider* [1977] F.S.R. 146, *Rork Film Distributors v. Video Information Centre* [1981] F.S.R. 363.

75. (1968) 118 C.L.R. 618.

76. *Ibid.* at 622.

77. *Ibid.*

78. *Ibid.* at 620.

79. *Ibid.* at 622.

80. *Magna Alloys & Research Pty. Ltd. v. Coffey & Ors* [1981] V.R. 23 at 29.

81. *Ibid.*

82. *Supra* n.75 at 623-4.

83. *Supra* n.42 at 18.

the plaintiff must show he has a chance of success before he will be granted an interlocutory injunction. The authorities refer to the use of the injunction for the purpose of maintaining the status quo or maintaining a state of affairs which is on the balance of convenience appropriate to be maintained until the trial. They refer to avoiding irreparable harm to the plaintiff. There will be situations in which the plaintiff cannot expect to be granted an injunction unless he can show that he can prove positively the existence of his rights and the infringement of them. There will be other situations in which, though the plaintiff's proof of his rights or the infringement of them is not strong, an injunction may be granted because to withhold it would do the plaintiff irreparable harm, while to grant it would not greatly injure the defendant. The possible variety of situations is unlimited.⁸⁴

It should be noted that an interlocutory injunction will rarely be granted unless the plaintiff undertakes, should he ultimately lose the case at trial, to pay such damages as may be ordered to the defendant by way of compensation for any injury caused by the injunction; such damage may be substantial indeed if the injunction has driven the defendant out of business.

It must be pointed out that English Courts take a somewhat different approach to the granting of interlocutory injunctions than that laid down in the *Beecham Case*. In *American Cyanamid Co. v. Ethicon Ltd*⁸⁵ the House of Lords disapproved of the expression 'prima facie case', preferring to place more emphasis on the balance of convenience aspect. In their Lordships' view, the latter may be considered as soon as the Court is satisfied that the claim is 'not frivolous or vexatious: in other words, that there is a serious question to be tried'.⁸⁶ Whether there is much difference between this formulation and the flexible concept of 'prima facie case' as interpreted in the *Beecham Case* is debatable.

It might also be noted that of late a number of single judge decisions in Australia have expressed dissatisfaction about the *Beecham* decision particularly in the context of copyright cases. Perhaps the highest such expression is to be found in the judgment of Gibbs C.J. in *Australian Coarse Grain Pool Pty Ltd v. Barley Marketing Board of Queensland*⁸⁷ where His Honour stated that *Beecham* should be confined to patent cases. The Chief Justice thought that the proper approach was 'first to enquire whether there was a serious question to be tried, and then to determine the matter on the balance of convenience'. His Honour then went on to admit that he inclined to the view taken by the House of Lords in the *American Cyanamid Case*. Whilst there has been no decision on this issue by the Full High Court (the Chief Justice did not consider it 'convenient' to refer the matter for resolution) it may be said that in the upshot no real differences between English and Australian courts will be found as to the principles to be applied.

(ii) Final Injunctions

'Permanent' injunctions may be granted under s.17(1) of the U.K. Act. They are granted at the final hearing in order to finally resolve the matters in dispute between the parties, and although discretionary will almost always be granted where the plaintiff has demonstrated some proprietary right or interest which cannot otherwise be protected by an award of damages. Copyright is personal property and, where appropriate, injunctive relief will usually be granted unless there is no likelihood of the defendant repeating his conduct or unless the plaintiff has disqualified himself from equitable relief through fraud, 'unclean hands', delay or acquiescence. The reason for this general principle is that the interests of the copyright owner could not be adequately protected simply by an award of damages; this

84. [1979] V.R. 107 at 110, approved by the Full Court of Victoria in *Magna Alloys & Research Pty Ltd v. Coffey*, *supra* n. 80.

85. [1975] R.P.C. 513.

86. *Ibid.* at 521.

87. (1983) 46 A.L.R. 398.

would equate to granting the defendant a compulsory licence to continue perpetrating acts which have been held to infringe the plaintiff's right.

The question of delay or acquiescence estopping the copyright owner from enforcing his rights has been recently raised in *British Leyland Motor Corporation Ltd v. Armstrong Patents Co. Ltd*,⁸⁸ a case which demonstrates that English courts (in this case the Court of Appeal) may be prepared to accept estoppel by acquiescence as a ground upon which both injunctions *and* damages may be refused in copyright actions for delay, even though the argument did not succeed on the facts of the particular case. Traditionally, English courts have treated delay as a discretionary ground for refusing injunctive relief, but irrelevant to the plaintiff's rights at law. If the argument pressed upon the Court of Appeal (and apparently agreed to by Oliver L.J. if justified by facts⁸⁹) that delay should be regarded as an estoppel by acquiescence is accepted then damages, even conversion damages, will not be available to a plaintiff for infringements occurring for any reasonably lengthy period after he has given the defendant notice of his intention to enforce his copyright unless such enforcement action is taken.

It should be noted that injunctions, though final in the sense of conclusively settling the issues between the parties, do not outlast the duration of the plaintiff's rights and thus are not permanent. A defendant remains able to apply to the Court for dissolution of the injunction in the event of changing circumstances.

Section 17(4) of the U.K. Act Provides:

- (4) In an action for infringement of copyright in respect of the construction of a building, no injunction or other order shall be made –
- (a) after the construction of the building has been begun, so as to prevent it from being completed, or
 - (b) so as to require the building, in so far as it has been constructed, to be demolished.

(iii) Account of Profits

Traditionally this is an equitable remedy and thus discretionary. Ordinarily, equity would not award an account of profits against an innocent defendant, as the purpose of the remedy is to strip him of profits made unconscionably. An account of profits therefore is ordinarily available only as ancillary to an injunction. This position differs from that under s. 115 of the Australian Act, whereby the copyright owner is 'entitled' to an account of profits even where the defendant was unaware of the subsistence of copyright in a work.

An account of profits may be contrasted with an award of damages. The former requires the defendant to 'give up his ill-gotten gains to the party whose right he has infringed'.⁹⁰ The latter is awarded by way of compensation for loss suffered due to the defendant's breach. Thus, the two calculations may lead to different results, and while the latter remedy is largely an exercise in estimation the former involves a complex and time-consuming examination of the defendant's profits. For this reason, a plaintiff will often be well advised to elect for damages. It should be noted that accounts of profits and damages are alternative remedies and cannot both be granted for the one infringement; if they were, the plaintiff would be put in a better position than he would have enjoyed had there been no breach.

In copyright infringement cases the taking of an account may prove a complicated process as it may be difficult to ascertain precisely what profit the defendant has made from his use of the plaintiff's property. In some cases a person will have made profits none of which could have been made without wrongful use of the plaintiff's property. Here, the infringer will simply be made to account for his profits in their entirety. In other cases however it may be

88. (1985) 3 I.P.R. 32.

89. *Ibid.* at 48-9.

90. *Colbeam Palmer Pty Ltd v. Stock Affiliates Pty. Ltd.* (1968) 42 A.L.J.R. 209 at 212.

necessary to apportion the defendant's profits into those attributable to misuse of the plaintiff's rights and those which would have accrued even without such misuse. This would be so where copies of the plaintiff's copyright material had been incorporated as part of a larger work. The question here would be: to what extent have the defendant's profits been increased by use of the plaintiff's property?

Mathematical precision, however, is usually impossible in such cases as is illustrated by *Colbeam Palmer v. Stock Affiliates*.⁹¹ Here the defendant had wrongfully used the plaintiff's trade mark on its paint sets, but there was no evidence that any reputation attached to this mark in Australia, that is, that it was accepted by members of the public as indicating that the goods to which it was applied had a trade origin in the plaintiff. In ordering the taking of an account, therefore, Windeyer J. remarked:

... it seems highly probable that the defendant will be able to show that profits, or a great part of them, which it made by selling painting sets were attributable to the intrinsic qualities and value of the goods and that the sales were not the result of the use of the name Craftmaster as indicative of the goods of the plaintiffs.⁹²

(iv) Damages for Infringement

These damages are awarded pursuant to s.17(1) of the U.K. Act for the wrong done to the plaintiff's copyright as an incorporeal right. The measure of damage was explained by Lord Wright M.R. in *Sutherland Publishing Co. Ltd. v. Caxton Publishing Co. Ltd.* as '... the depreciation caused by the infringement to the value of the copyright as a chose in action.'⁹³

As damages are a common law remedy, then in theory once the plaintiff has established an infringement of his rights he is entitled to at least nominal damages; to obtain more he must demonstrate the loss he has actually suffered. Thus the purpose of awarding damages for infringement is to compensate the copyright owner for the loss he has suffered as a direct and natural consequence of the defendant's breach. In some cases damages have been measured according to the fee the copyright owner might fairly have charged the defendant for use of the copyright work.⁹⁴ Where a work has been published, a more just measure may be the value of sales lost by the plaintiff.⁹⁵ There is no fixed formula and each case must be assessed on its own facts. However, infringement damages do not take account of any benefit the defendant has acquired through his wrongdoing, only that which the plaintiff has lost. The former matter is one to be considered on an account of profits.

In assessing damages for infringement, the court will be concerned to ascertain whether or not the plaintiff and defendant are engaged in direct competition. If so, then the court must determine 'what would be the condition of the plaintiff if the defendant had acted properly rather than improperly'.⁹⁶ If the plaintiff exploits his copyright himself a different approach will be taken to that where he licences others. In the latter case, had the defendant acted properly he probably would have been granted a licence and the plaintiff's loss is no more than the royalty payments. In the former case the plaintiff will probably recover roughly the equivalent of the profits derived by the defendant.⁹⁷ This would be reduced where the defendant obtained sales which would not have accrued to the plaintiff anyway, as occurred in *Metters v. Metropolitan Gas Meters Ltd.*⁹⁸ Where the plaintiff's work forms only a part of

91. *Ibid.* at 216.

92. *Ibid.* at 217.

93. [1936] Ch. 323 at 336.

94. E.g. *Performing Right Society Ltd. v. Bradford Corporation* [1917-23] Mag. Cop. Cas. 309.

95. E.g. *Allibert S.A. v. O'Connor* [1982] F.S.R. 317.

96. *Penn v. Jack* (1867) LR 5 Eq 84, per Wood V.C.

97. *Watson Laidlaw Ltd. v. Pott Cassell & Williamson* (1914) 31 R.P.C. 104.

98. (1911) 28 R.P.C. 161.

99. [1960] 1 W.L.R. 1072.

the defendant's work that proportion of the defendant's profit applicable to the plaintiff's work would need to be calculated.

Section 17(2) of the U.K. Act provides that damages for infringement cannot be obtained if, at the time of the infringement, the defendant was not aware and had no reasonable grounds for suspecting that his actions were infringing copyright. The burden of proof of this lies on the defendant, who can nonetheless be liable to other relief such as an account of profits or an injunction.

Section 17(3) of the U.K. Act gives the court power to award "additional" damages against a defendant, having regard to

- (i) the flagrancy of the infringement
- (ii) any benefit accruing to the defendant by reason of the infringement
- (iii) all other relevant matters

An example of flagrancy can be found in *Williams v. Settle*⁹⁹ where the defendant, without permission of the copyright owner who was the son-in-law of a murder victim, sold a photograph of the victim to a newspaper where it was published. The defendant obtained only 15 pounds for the sale yet was ordered to pay 1000 pounds punitive damages. In the Court of Appeal, Sellers L.J. said:

... it was a flagrant infringement of the right of the plaintiff, and it was scandalous conduct and in total disregard not only of the plaintiff's legal rights of copyright but of his feelings and his sense of family dignity and pride. It was an intrusion into his life, deeper and graver than an intrusion into a man's property.¹⁰⁰

In *Prior v. Lansdowne Press*¹⁰¹ Gowans J. held that what is required is some 'calculated disregard of the plaintiff's rights or cynical pursuit of benefit.' Thus, mistake or carelessness would probably not be enough.

It should be noted that s.17(3) requires that before additional damages can be awarded the Court must be satisfied that effective relief would not otherwise be available to the plaintiff. In recent years the U.K. courts have been prepared to award additional damages in only exceptional circumstances.

(v) Conversion Damages

Under s.18(1) of the U.K. Act a copyright owner is entitled in respect of any 'infringing copy' of his work, to the rights and remedies by way of action for conversion or detention to which he would be entitled if he were the owner of the infringing copy. The term 'infringing copy' is defined in s.18(3) of the Act:

- (3) In this Part of this Act 'infringing copy' –
 - (a) in relation to a literary, dramatic, musical or artistic work, or to such a published edition as is mentioned in section fifteen of this Act, means a reproduction otherwise than in the form of a cinematograph film,
 - (b) in relation to a sound recording, means a record embodying that recording,
 - (c) in relation to a cinematograph film, means a copy of the film, and
 - (d) in relation to a television broadcast or a sound broadcast, means a copy of a cinematograph film of it or a record embodying a sound recording of it,
 being (in any such case) an article the making of which constituted an infringement of the copyright in the work, edition, recording, film, or broadcast, or, in the case of an imported article, would have constituted an infringement of that copyright if the article had been made in the place into which it was imported; and "plate" includes any stereotype, stone, block, mould, matrix, transfer, negative or other appliance.

100. *Ibid.* at 1081-82.

101. [1977] V.R. 65 at 70.

It is interesting to note that s. 18(1) does not, due to the above definition, give a right to conversion damages in respect of infringements of the reproduction right involving cinematograph films or copies thereof. Such a right is available under the Australian Act.

The effect of s. 18(1) is to deem a copyright owner to be the owner of any infringing copies, and thus his or her claim for damages under this section will be different from a claim for infringement damages. In *Sutherland Publishing Co. Ltd. v. Caxton Publishing Co. Ltd.*¹⁰² Lord Wright M.R. explained:

Both are claims for a wrong, each wrong being different from the other. The former is for a wrong done to an incorporeal right, copyright, the latter is for conversion of particular chattels, the infringing copies. The measure of damages is different. In the latter case the measure is the value of the copies, which by force of statute are deemed to be the property of the plaintiff, from the mere fact of being brought into existence; whereas in the other case the measure of damages is the depreciation caused by the infringement to the value of the copyright as a chose in action.

Even where infringement damages are assessed under s.17(1) on a royalty basis, this does not have the effect of licensing the infringing copies so as to preclude any action under s.18(1); such a calculation is made purely for the purposes of s.17(1). The two sets of damages are cumulative rather than alternative. However if the plaintiff claims an account of profits he or she may not also claim infringement damages and he or she may not claim conversion damages either. In *Sutherland Publishing Co. Ltd v. Caxton Publishing Co. Ltd*¹⁰³ Lord Wright M.R. explained that by the taking of an account the plaintiff waives the infringement and therefore can have no ownership in the copies.

It used to be thought that the right to conversion damages was independent of any infringement having taken place by the defendant himself. In other words, it was argued that s.18(1) deems the copyright owner to be the owner of all infringing copies of his or her work and therefore he or she may bring an action, as owner, for conversion of property against anyone who acts in a manner inconsistent with that ownership. This notion was rejected by the House of Lords in *Infabrics Ltd. v. Jaytex Shirts Co. Ltd.*¹⁰⁴ where it was held that conversion damages were available only against a person who had himself committed an infringement of copyright in terms of the Act; this was so because the heading of the relevant Part of the Act, "Remedies for Infringement of Copyright", restricts the meaning of s.18 in terms of the rule of statutory interpretation which requires that, if the language of a section is in clear general terms and not inconsistent with the heading, it must be read subject to the heading.

The point is of much importance in the case of a person who imports infringing copies. It will be recalled that such persons are not liable for infringement without knowledge that the making of the copy in the U.K. would constitute infringement. No such requirement of knowledge appears in the definition in s.18(3) of 'infringing copy' which includes imported articles. At the trial stage of *Infabrics Ltd v. Jaytex Shirts Co. Ltd*¹⁰⁵ Whitford J. said:

It seems to me absurd that an innocent party should be protected by the provisions of the Act in respect of any claim to damages for infringement and that that same protection should not extend to what may be a far more significant and onerous claim in respect of damages for conversion.

These comments were approved by the House of Lords. Lord Scarman said:

... it was submitted that upon the true construction of s.18(3) there can be an "infringing copy" without an act of infringement. If this be right, a remarkable

102. *Supra* n.93.

103. *Ibid.*

104. *Supra* n.43.

105. [1978] F.S.R. 451 at 471.

consequence must follow: if the shirts fall within the definition of "infringing copy" contained in the subsection, Infabrics may be able to recover damages even though they can prove no act of infringement. In *Caxton Publishing Co. v. Sutherland Publishing Co. Ltd* [1938] 4 All E.R. 389; [1939] A.C. 178, which was, of course, decided under the 1911 Act, three members of this House clearly expressed their view that there could never be a claim for conversion of infringing copies which had come into existence without any act of infringement. I would apply that view to s.18 of the current Act. Any other conclusion appears to me absurdly unjust. The fallacy of the argument to the contrary, which is based on the hypothetical provision in s.18(3) for importation . . . is that it treats s.18 as substantive law creating a cause of action. But the section (together with s.17) appears in Part III of the Act which is cross-headed "Remedies for Infringements of Copyright". The two sections provide remedies, and should not be construed as doing anything else. An action of infringement must, therefore, be proved before damages under either section are recoverable.¹⁰⁶

Whilst infringement and conversion damages are cumulative they must not be awarded in such a way as to overlap, as the plaintiff would then receive his damages twice. In *Sutherland Publishing Co. Ltd v. Caxton Publishing Co. Ltd*¹⁰⁷ two examples of such a situation are given. The first is by Romer L.J.:

If, for instance, the defendant in the action has sold 500 infringing copies of literary work, the owner of the copyright may justly be considered to have been thereby deprived of the opportunity of selling 500 copies of his own work, and the damage so occasioned to him will form part of the damages he will recover under s.6. But the damages that he has sustained will not be increased by deeming the infringing copies to be his property unless an infringing copy is worth more than one of his own. For by receiving damages under s.6 he will already have been placed in the same position as he would have been in if the infringing copies were in fact his and were of the same value as the original copies. The loss of the opportunity of selling 500 of his own copies will not necessarily be the only damages occasioned to his copyright by the infringement. This, however, is immaterial for my present purpose, which is to show that unless the infringing copies are worth more than the genuine ones, s.7 puts the owner of the copyright in no better position than he is placed by s.6.¹⁰⁸

The second is by Greene L.J.:

The owner of a copyright in a book provides that, whereas if it had not been for the infringement he could have sold 1000 copies, he has only been able to sell 500, the infringer having printed and sold 500 copies. It is obvious that as the possible market for the book is limited to 1000 copies, if the damages for infringement under s.6 are fixed on the basis that the copyright owner would have sold 1000 copies but for the infringement and at the same time the value of the 500 copies sold by the infringer is fixed for the purposes of s.7 at the amount for which they were sold, the result will be that the copyright owner will have recovered damages on the footing that there was an available market for 1500 copies instead of the real market for 1000 copies only. If he had sold 1000 copies there would have been no market for the 500 copies made by the infringer, which would accordingly have had no value. Conversely, if the 500 copies sold by the infringer were worth what they were sold for this could only be so on the basis that the copyright owner was only going to sell 500. In such a case it appears to me that to award the copyright owner damages for infringement based on his inability

106. *Supra* n.43.

107. *Supra* n.93.

108. *Ibid.* at 340-1.

to sell 500 copies and at the same time to award him damages based on the sale price of the 500 copies sold by the infringer would not be permissible.¹⁰⁹

(The references in the above passages to s.6 and s.7 are to the Copyright Act 1911 (U.K.) — these were in similar terms to the present s.17 and s.18.)

In the same case, the House of Lords dealt with the point in time when the act of conversion takes place. This is an important matter to determine, as it will govern the commencement of the limitation period as well as the measure of damages, which is calculated on the value of the article at the time of conversion. The infringing matter consisted of four pages incorporated into the defendant's book. The House of Lords held that the relevant time was the binding of the pages into the book, not the later date when the books were sold. This was because the former act was one clearly inconsistent with the plaintiff's right in the infringing copies, since afterwards it would have been impossible to deliver the pages separately to the plaintiff; by the binding, the defendant unequivocally asserted his rights in the copies. No act of conversion occurs by the simple making of copies of the plaintiff's work; these are merely infringing copies. The right to conversion damages arises when the defendant acts inconsistently with the plaintiff's notional ownership of those copies such as by selling them or incorporating them into another work.

As previously noted, the measure of damages for conversion is the value of the article converted as at the date of conversion. This may not be the price at which the copyright owner could have sold it, as he may not possess the infrastructure to do so. In the *Caxton Publishing Case* Lord Porter explained:

It is the value known or unknown which has to be paid, and that value is not necessarily the price which the owner could have obtained or would have taken. It may have to be ascertained by finding out what price for the infringing matter, in the form in which it is offered, the public or some individual is prepared to pay, or in some other way in the light of after events.¹¹⁰

Where infringing copies have been sold their value can be ascertained from the sale price. If the act of conversion occurred before this time it will be necessary to deduct from the above sum any expenses incurred by the defendant after conversion and before the sale insofar as he would have incurred them had he not sold the infringing copies e.g. advertising, delivery etc. Where the infringing copy forms part of a longer work, the approach of the courts is to treat the value of the copy as the value of the work as a whole. Thus in *Infabrics Ltd v. Jaytex Shirts Ltd*¹¹¹ the House of Lords refused to apportion the value of shirts in relation to the copyright motif which they bore. The same approach was taken by Fox J. in the Federal Court of Australia in *W.H. Brine & Co. v. Whitton*¹¹² where his Honour refused to apportion the value of soccer balls in relation to various symbols which appeared on them and awarded conversion damages based on the total value of the balls. In his Honour's opinion, conversion damages were not purely compensatory, they had a punitive element to them. Such an approach can obviously lead to some harsh results.

Once a copy is an infringing copy, successive acts of conversion may be committed in relation to it by different persons who deal with the copy; each will be liable to the copyright owner for conversion damages. Nonetheless, once the copyright owner has recovered the full value of the copies against one person, he cannot recover any further damages from another defendant.

(vi) Delivery up of Infringing Copies

In equity, and ancillary to the granting of an injunction, the Court may order delivery up

109. *Ibid.* at 342-3.

110. *Supra* n. 93.

111. *Supra* n.43.

112. (1982) 55 F.L.R. 440.

of infringing articles for destruction. Normally it will be sufficient for the defendant to undertake to destroy them and swear an affidavit that he has done so. Only where it appeared that a defendant could not be trusted on his oath would the court require actual handing over of the material.

Additionally, s.18(1) of the U.K. Act confers on copyright owners the common law remedy of detinue in respect of infringing copies. This gives possession of the copies to the copyright owner by virtue of his property in them. In *Albert v. Hoffnung*¹¹³ it was held that where only a part of the defendant's work infringes the plaintiff's property right, then if that part is severable from the remainder, only it need be delivered up. If not, the whole work must be delivered up the plaintiff. Alternatively, the copyright owner may seek damages in detinue for the value of the infringing copies.

(vii) **Innocence**

Although innocence is generally no defence to actions in detinue or conversion, s.18(2) of the U.K. Act relieves the defendant of liability for damages in either case if:

- (a) he was not aware, and had no reasonable grounds for suspecting, that copyright subsisted in the work or other subject-matter to which the action relates;
- (b) where the articles converted or detained were infringing copies – the defendant believed, and had reasonable grounds for believing, that the articles so made or intended to be made were not or would not be, as the case may be, infringing copies.

Under paragraph (a) it will not be sufficient to argue mistake as to the person who owned the copyright where a defendant has taken a licence from the wrong person.¹¹⁴ Neither is it sufficient for a defendant to argue that he did not use the original work but only a copy of it acquired from a third party.¹¹⁵ In each instance the defendant must make reasonable enquiries as to subsistence of copyright in the work and the authority of the person with whom he deals. However, if a person reasonably believes that he has the consent of the copyright owner to use a work, this may be enough under paragraph (b). The provision does not allow a defendant to escape an account of profits.

113. *Supra* n.62.

114. *Bryne v. Statist Company* [1914] 1 K.B. 622.

115. *John Lane The Bodley Head Ltd. v. Associated Newspapers Ltd.* [1936] 1 K.B. 715.