

Guidance on answering the discussion questions in the book

Para 4.15

Does this case go too far in its use of the concept of ‘copying of a substantial part’ towards protecting the idea rather than the expression of a work?

The central idea being taken is what the summary at para 4.15 emphasises, but there is also a closeness in the words used in the two songs –

LM – ‘Every Son of God gets a little hard luck sometime (x 3)
Especially when he goes around saying he’s the way’

RW – ‘I suppose even the Son of God
Gets it hard sometimes
Especially when he goes round
Saying I am the way.’

Para 4.17

What does the *Designers Guild* case tell us about the meaning of substantiality in relation to infringement? What else may be learned from the cases described in the next two paragraphs?

The *Designers Guild* case tells us that substantiality of what is taken is to be tested in relation to the work from which it is taken, NOT in relation to the work in which it is placed. The

similarity of two works (or their dissimilarity) is therefore irrelevant to the question of substantiality. Lord Scott's 'altered copying' approach in *Designer's Guild* does not seem to find favour with his colleagues in the House of Lords. Substantiality often relates to the detail of a work.

What emerges as the most important point in the cases discussed in the next two paragraphs (4.18 and 4.19) is that substantiality is to be assessed in terms of originality of the copied part (i.e. whether it expresses the author's own intellectual creation).

Para 4.26

How may the copyright in electronic circuit diagrams be infringed?

To assess how copyright in electronic circuit diagrams may be infringed, it is important to first assess which category of copyright works do electronic circuit diagrams belong to (para 3.42). Electronic circuit diagrams have been held to be literary works without excluding the possibility that they also incorporate artistic works (*Anacon Corp Ltd v Environmental Research Technology Ltd* [1994] FSR 659; *Electronic Techniques (Anglia) Ltd v Critchley Components Ltd* [1997] FSR 401; *Sandman v Panasonic UK Ltd* [1998] FSR 651). Since electronic circuit diagrams may enjoy both literary and artistic copyright, it is relevant to consider the different forms of infringement in these respective categories of copyright work.

Electronic circuits incorporate a number of interconnected components, such as resistors, transistors, and capacitors, and the diagrams show the way in which these components are connected as well as stating in relation to each component the rating or value that that component should have for the circuit to work. The components themselves are shown in the

diagrams by way of conventional symbols. The diagrams are not visual representations of the way the circuit is linked up in reality, but are simply ‘topological’, ‘schematic’, or ‘architectural’ indications of the interrelationship of the components in the completed circuit. Such diagrams may also form part of the information accompanying individual components when sold, in order to indicate the kinds of circuit in which the component in question will give its best performance (an illustration of an electronic circuit diagram is in *Electronic Techniques (Anglia) Ltd v Critchley Components Ltd* at 405).

The question of category is important for this reason. The typical act of alleged infringement is the production of a circuit, and generally this will not look particularly like the original diagram. Although copyright in a two-dimensional artistic work (the diagram) can be infringed by a three-dimensional reproduction (the circuit), this will only be so if the latter is visually similar to the former. This is why artistic copyright is not very useful to stop circuits being copied. But the second circuit will incorporate the information shown in the diagram, and may well be based on a ‘net list’ of all the components and their interconnections in the first circuit, made from that circuit and then fed into a computer to produce the second, allegedly infringing, circuit. The production of the second circuit thus potentially involves an infringing indirect copy of the literary elements of the diagram underlying the first circuit.

For artistic copyright infringement to occur, the copy must look like the electronic circuit diagram, which means that objects made from the diagram, such as the circuit boards in the *Anacon* case, will not infringe. Probably, given the nature of electronic circuit diagrams, only photocopies of the diagram and the like will infringe artistically. Literary copyright infringement may reach further here, although there is some danger that it ends up protecting information rather than expression.

Para 4.43

A similar factual situation to *Allposters* arose in an earlier Canadian case, *Galerie d'Art du Petit Champlain inc v Théberge*, where a T, a well-known painter, sued art galleries for purchasing licensed cards and posters with images owned by T and transferring them to canvas, leaving the originals blank. By a majority of 4:3, the Supreme Court of Canada held that there was no infringement. Find out the majority and minority views in the case. Which do you prefer, and why? How do you think it compares to the decision in *Allposters*?

In *Galerie d'Art du Petit Champlain inc v Théberge* [2002] 2 SCR 336 (Supreme Court of Canada), T, a well-known painter, assigned to a publisher the right to publish cards, posters and other stationery products for sale to art galleries. The appellant galleries had purchased copies of these licensed products and then transferred the images on them to canvas by means of a technique for lifting the ink from the card or poster and shifting it to the canvas. The end result was to leave the original card or poster blank, so that there was no increase in the overall number of reproductions. The artist sued for infringement of copyright by reproduction.

By a majority of 4:3, the Supreme Court of Canada held that there was no infringement. What the galleries had done was within their rights as the owners of the physical posters and cards. Substitution of a new backing was not reproduction, which for purposes of infringement required the production of new or further copies of the original work. In this literal, physical, mechanical *transfer* no multiplication took place. The artist was asserting moral rights in the guise of economic rights. The dissenting minority view was that copyright protected the work, and that the work in this case included its material support. Reproduction did not have

to entail the multiplication of copies, since the concept included, not just reproduction of the work, but of a substantial part of the work (see paras 4.13–4.20). This made it necessary to consider reproduction qualitatively and not just quantitatively. In comparison, the focus of the decision in *Allposters* is on the distribution right. And for the purposes of distribution, a new copy is created on the replacement of the tangible medium of the image.

Para 4.46

Why do rental and lending rights not apply to works of architecture in the form of buildings or models for buildings, works of applied art, and broadcasts?

In the case of buildings, because this would cause difficulties for the leasing market; in the case of works of applied art, because of possible difficulties with renting objects; and in the case of broadcasts, because of their ephemeral nature.

Para 4.50

Can an artistic work be performed, played or shown in public? Why are artistic works excluded from protection under this head?

The nearest equivalent to public performance for an artistic work might be a public exhibition or display; and for many artistic works, e.g. sculptures, that might be a permanent condition.

The activities of those who own original works of art are not to be restricted by ‘exhibition rights’ remaining with the artist (although note that moral rights may impact upon freedom to exhibit – see paras 6.10 and 6.13).

Para 4.51

If there is no charge to attend a performance, does that make it private? See also para 4.56.

CDPA does not require audience payment to make a performance public. On the Wheatley test in the *Rangers* case, the test is whether the performance is taking place in conditions where the audience would normally expect to pay in some form or other. The relationship that matters is between the audience and the copyright owner, not the audience and the performer.

Para 4.69

What does ‘adaptation’ add to the concept of ‘copying’ (paras 4.24–4.41)? Is there adaptation or copying when a book is made into a film, or when a film is made into (1) a book, or (2) a play?

Adaptation reaches examples of derivative works which it would be hard to describe as copies, translation of a work from one language to another being the obvious example amongst those mentioned in para 4.68. However, the dividing line between adaptation and copying can be sometimes unclear (see para 4.30). Making a book into a film could be a dramatisation, since the first steps would presumably be to turn it into a screenplay (for general differences between a book and a film script see the case in para 4.30) so it would be an adaptation. Given that a film may be a dramatic work (*Norowzian*; para 3.52), it would seem that its conversion to a book would be an adaptation, but making it into a play would be

copying.

Para 4.70

Find out what happened in the leading case on the US copyright law equivalent of infringement by authorisation— contributory infringement: *Sony Corp of America v Universal City Studios Inc* 464 US 417 (1984) (US Supreme Court). Would a UK court have reached the same decision?

In *Universal City Studios Inc*, it was held here that the manufacture and sale of video-tape recorders for use to copy broadcasts and films being shown on TV did not give rise to contributory infringement liability, although Sony knew that the machines were being used to commit infringements. A claim of contributory infringement would be defeated if, as in this case, the product in question was shown to be capable of substantial or commercially significant non-infringing uses. Constructive knowledge of infringing activity could not be imputed from a general awareness that the machine could be used for infringement.

The test used in the *Sony* case is similar to that found in the UK *Amstrad* and other cases: the VCR is capable of legitimate use, and the manufacturer lacks control over the uses to which the machine is put by its owner once purchased. Recording TV programmes to watch them at a more convenient time is now a permitted use thereof – see Chapter 5.

Para 4.72

Is the criticism of *Moorhouse* in this case justified? Consider the implications for

Internet service provider liability, discussed in paras 4.73 – 4.78.

Much depends on what balance you think copyright ought to strike between owner's rights and the interests of users. The *Law Society of Upper Canada* case is notable for its emphasis on “user rights” as well as owner rights. With regard to Internet service provider (ISP) liability, the point here is that ISPs are generally exempt from liability as authorisers of infringement so long as they are mere conduits of infringing material and that they act to take down infringing material when it is brought to their attention (para 4.78).

Para 4.73

Find out how the US and Australian equivalent of authorisation of infringement was applied to early file-sharing services like Napster, Grokster, and Kazaa in the cases referred to in notes 196–197.

The US equivalent of authorisation is the concept of contributory infringement. Under US law, contributory infringement results when someone knows of the direct infringement of another and substantially participates in that infringement, such as inducing, causing, or materially contributing to the infringing conduct. This is a common law concept in the United States, and is not found in the US Copyright Act. It was applied in two early cases of ‘file-sharing’ on peer-to-peer (P2P) networks on the Internet.

A&M Records v Napster 239 F 3d 1004 (2001)

The arrival of MP3 software in the late 1990s enabled the conversion of digitally recorded (or

remastered) material (in particular music) into highly compressed computer files postable on and downloadable from the Internet. Napster Inc, through its proprietary MusicShare software, allowed users to upload to the Napster servers a list of all MP3 files on the hard disk of the user's computer; search the servers, which contained master indices of the locations of music files on the hard disks of all users of the service; and download copies of the files they wanted, directly from the hard disks of other users. Napster was held to be guilty of contributory and vicarious infringement. Napster's liability was founded, not upon their own infringement of copyright, but rather upon the holding that through their provision of indices they enabled, knew of and could prevent, such infringement by others.

Metro-Goldwyn-Mayer Studios Inc v Grokster Ltd 380 F 3d 1154 (9th Cir, 2004); 545 US 913 (2005) (US Supreme Court)

The defendants distributed free software enabling users to exchange digital media via a P2P transfer network. Multiple transfers to or from other users could occur simultaneously to and from a single user's computer. The defendants did not operate a centralised file-sharing network like that of Napster and argued that they merely provided software to users over whom they had no control. Although the lower courts held for the defendants, the Supreme Court took a different view, holding that a party who distributed a device with the object of promoting its use to infringe copyright, as shown by clear expression or other affirmative steps taken to foster infringement, is liable for the resulting acts of infringement by third parties. Documents showed that the defendants hoped to become the 'next Napster' and had sought to woo Napster customers after the closure of that service, highlighting the availability through its service of copyright material. There was no evidence that the defendants had

sought to filter out copyright material from downloads or otherwise impede the sharing of such material. Contributory infringement arose through intentional inducement or encouragement of direct infringement, while vicarious infringement arose from profiting by direct infringement while declining to exercise a right to stop or limit it. Where an article was good for nothing else but infringement, its unlimited availability served no legitimate public interest. It did not follow that the possibility of non-infringing use exempted the product from liability. There was evidence of intent to induce infringement.

The Federal Court of Australia also decided on this topic, using a similar concept of authorisation as applied by courts in the UK.

Universal Music Australia Pty Ltd v Sharman License Holdings Ltd (2005) 220 ALR 1 (FCA)

This case concerned the Kazaa system of file-sharing, another service available to users free of charge. It enabled one user to share with other users any material the first user wished to share, whether or not subject to copyright, simply by placing that material in a file called ‘My Shared Folder’. A user interested in obtaining a copy of a particular work, such as a musical item, could instantaneously search the ‘My Shared Folder’ files of other users, worldwide. If the file was located, the title would be displayed against a blue icon on the first user’s computer as a ‘blue file’. The work could then be downloaded onto the first user’s computer. The site generated its income through advertising. It was held that the Australian operators of the Kazaa system authorised infringement of copyright by users of the service. The warnings against infringement by file-sharing placed on the Kazaa website, and an end user licence agreement under which users had to agree not to infringe copyright, were obviously

ineffective to prevent, or even substantially to curtail, copyright infringements by users. The operators had long known that the system was widely used for the sharing of copyright files. Technical measures such as keyword filtering existed that would enable them to restrict, albeit not completely prevent, the sharing of copyright files. This had not been done because it would not have been in the operators' financial interest to do so. Instead, the operators included on the website exhortations to users to increase their file-sharing, including a page headed 'Join the Revolution' that criticised record companies for opposing P2P file-sharing. To the site's predominantly young audience, the effect of this would be to encourage file-sharing in defiance of the record companies, even though there was no express advocacy of the sharing of copyright files.

Para 4.80

What is the common feature of this list of secondary infringements?

The defendant's activities must be in the course of a business or commercial.

Para 4.81

How do these rules interact with those on public performance, showing or playing as a primary infringement (paras 4.50–4.56)?

The performing/showing/playing rules are concerned with those who actually perform/show/play copyright works, while the rules discussed in this paragraph affect those who provide the place where the event takes place or the machinery which enables it to take

place. It is conceivable that a person might be liable under both heads, and perhaps also for authorising infringement.