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AUSTRALIA - COPYRIGHT IN DATABASES/COMPILATIONS – THE ICE CASE –

IS ANY USE OF INFORMATION IN A DATABASE SUBJECT TO COPYRIGHT PERMITTED?

Overview

In May 2008, the Full Federal Court of Australia upheld an appeal by Nine Network Australia Pty Limited (“**Nine**”), finding that Ice Pty Limited (“**Ice**”) had infringed the copyright in Nine’s television program schedules. The Full Federal Court held that Ice infringed Nine’s compilation copyright by substantially reproducing Nine’s program titles and times in Ice’s subscription-based electronic program guide (“**EPG**”) for television.

This decision has ramifications for persons seeking to use information that is contained in a compilation, including a schedule or timetable, in which another party holds the copyright. In particular, a number of significant issues arise following the decision of the Full Federal Court, including:

- finding that Ice indirectly copied Nine’s program titles and times has given rise to arguments that the decision extends copyright protection in a compilation to include the underlying information contained in the compilation. This is contrary to the decision in the Desktop Marketing Systems Pty Ltd v Telstra Corp Ltd¹ where the Court in that case affirmed that it is open to a person to ascertain the facts recorded in a compilation by making independent inquiries and for that person to make their own compilation using the results of the inquiries;
- indicating that small quantities of information taken from a compilation work may be considered a ‘substantial part’ of the work for the purpose of determining whether infringement has occurred;
- having the effect that a person may be liable for copyright infringement even where they have used skill and creativity in producing a new work, if they incorporate a substantial part of another’s compilation work; and

¹ (2002) 119 FCR 491

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- requiring consideration to be given to obtaining a licence from the copyright holder to permit use of compilation information before any use occurs which could constitute a copyright infringement.

This decision is relevant to the treatment of copyright infringement in databases under Australian law - different rules may apply in other jurisdictions (i.e. the UK) where rights in a database may not be capable of protection under copyright law.

Background

Ice provided a subscription-based, interactive EPG called “IceGuide”, which allowed its customers to view television program schedules on a television screen or computer. IceGuide could be used to record free-to-air television programs with certain program recording devices. In order to receive IceGuide, subscribers had to connect their program recording device to the Internet. IceGuide data was held by Ice in a database. A program recording device could then be programmed to connect to the database and collect and download the latest version of IceGuide for a 6-8 day period.

Ice prepared the IceGuides by obtaining information relating to the time and titles of television programs from “aggregated guides”. The aggregated guides are prepared by “aggregators”, who compile television programming data supplied by different television broadcasters, including Nine, under licence.

In May 2006, Nine commenced proceedings against Ice for copyright infringement, claiming that Ice had infringed Nine’s copyright in their weekly television programme schedules (“**Weekly Schedules**”). Nine’s case was that Ice had copied time and title information from the aggregated guides, and thus indirectly copied Nine’s copyright work.

Nine argued that it had applied considerable skill and labour in making programming decisions, which were documented in the Weekly Schedules. In selecting and arranging programs, Nine considered numerous factors such as likely size and demographic composition of audiences, programming decisions of competitors, advertising revenue, and the availability of broadcast rights. As a result, the skill and labour expended by Nine in balancing these considerations gave the Weekly Schedules the character of original literary works. By reproducing the Weekly Schedules in the IceGuide, Nine claimed that Ice was appropriating a ‘substantial part’ of Nine’s original literary work.

Legislation

Section 32 of the *Copyright Act 1968* (Cth) (“**Act**”) provides that copyright subsists in, inter alia, published and unpublished original literary works. Under section 10 of the Act, a “literary work” can include a “table, or compilation, expressed in words, figures or symbols.” In accordance with section 31, copyright is the exclusive right to reproduce the work in a material form, to publish the work, and to communicate the work to the public.

Under section 36, copyright is infringed in respect of a literary work by “a person who, not being the owner of the copyright, and without the licence of the owner of the copyright, does in Australia, or authorises the doing in Australia of, any act comprised in the copyright.” Pursuant to section 14 of the Act, copyright is infringed under section 36 if such an act is done in respect to a “substantial part” of a work.

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Trial

It was not in dispute that Nine had copyright in Weekly Schedules. Rather, the issue considered by the Court was whether Ice had infringed Nine's copyright in the Weekly Schedules by indirectly copying the program times and titles from the aggregated guides.

At first instance, Bennett J, rejected the claim of copyright infringement by Nine. Her Honour held that, although copyright did subsist in the Weekly Schedules as compilations, Nine had not established that Ice reproduced a substantial part of Nine's copyright works.

In reaching her decision, her Honour found that Nine could not claim copyright infringement in the individual program time and title details, as copyright subsists in a Weekly Schedule compilation as a *whole* work. Thus, Nine could not claim copyright in the components of the Weekly Schedule as if they were separate compilations.

Her Honour also found that Nine's skill and labour had not been primarily expended for the purpose of creating a literary work. Rather, Nine's skill and labour was chiefly utilised in respect of selecting programs to maximise television audiences, which was merely 'preparatory' to tabulating the Weekly Schedules. Thus, there was not "a relevant appropriation of that skill and labour by Ice in composing the IceGuide"².

Further, her Honour found that Ice had adopted its own format and content, and utilised its own skill and labour in arranging the television program information in the IceGuide. Her Honour did not consider that, by taking excerpts of time and title information and incorporating them into their own guide, Ice had reproduced a 'substantial part' of Nine's copyright work.

Her Honour also confirmed that a 'substantial part' should be decided according to the quality of the work reproduced and the protection of the relevant skill and labour, rather than the quantity. Ice had "not take(n) sufficient of the skill and labour of the content of the Aggregated Guides, let alone the Weekly Schedule, to constitute a substantial part"³.

Appeal to the Full Federal Court

On appeal, the Full Federal Court held that the trial judge had erred by distinguishing between the skill and labour in selecting program times, and the skill and labour in tabulating the results. The skill and labour expended by Nine were part of a single, continuous process culminating in the creation of the copyright work as the "written record of Nine's programming decisions and associated program information"⁴.

Contrary to Bennett J's findings, the Court held that Nine's creation of the Weekly Schedules was "a central element of its (Nine's) business as a television broadcaster for the reason that the compilation was an essential step in informing its potential viewing public of what it had on offer"⁵.

² *Nine Network Australia Pty Ltd v IceTV Pty Ltd* [2007] FCA 1172 (9 August 2007) at 193 per Bennett J.

³ [2007] FCA 1172 (9 August 2007) at 210 per Bennett J.

⁴ *Nine Network Australia Pty Limited v IceTV Pty Limited* [2008] FCAFC 71 (8 May 2008), 111 per Black CJ, Lindgren and Sackville JJ.

⁵ *supra* at 104 per Black CJ, Lindgren and Sackville JJ.

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In respect of whether a substantial part of Nine's Weekly Schedules had been reproduced, the Court found that even a small quantity of information could constitute a 'substantial part' of the copyright work. Ice's reproduction of time and title information involved more than a slight or immaterial portion of Nine's copyright work in terms of quantity. Further, the Court was of the opinion that, where small quantities are systematically taken on a regular basis, as in this case, it would be particularly willing to make a finding of copyright infringement.

Accordingly, the Court held that the time and title information used by Ice in the IceGuide constituted a substantial part of Nine's compilation copyright work on the basis that the information was a "crucial element"⁶ of the work, and the outcome of considerable skill and labour expended by Nine.

The fact that Ice also exerted skill and labour in producing its own original work was considered irrelevant in assessing whether Nine's copyright work was substantially incorporated. A substantial reproduction of Nine's copyright work was not justified despite any element of originality.

The Court therefore found that Ice had indirectly copied a substantial part of Nine's copyright work, and ordered Ice to pay Nine's costs of the appeal. The matter was remitted to the primary judge to determine the form of relief to which Nine was entitled. On 27 July 2008, Her Honour ordered that:

- Ice be permanently restrained from reproducing or communicating to the public the whole or substantial part of Nine's television program schedules, including the time and title information; and
- Ice delete Nine's time and title information from the EPG from 1 December 2005 until the date of the order.

What's Next?

On 4 June 2008, Ice lodged an application for special leave to appeal to the High Court of Australia. On 26 August 2008, the High Court granted Ice special leave to appeal the decision of the Full Federal Court.

Ice relies on a number of grounds of appeal, including that the Full Federal Court erred in characterising the case as one of indirect copying and finding that the requisite causal connection existed between the Weekly Schedules and the Iceguide.

It remains to be seen whether the High Court will accept the arguments submitted by Ice. If the High Court dismisses the appeal and finds in favour of Nine, there will be significant implications for copyright law in Australia. In particular, it will greatly limit the ability of information providers to obtain and use information that is contained in a compilation in which the copyright is held by another person.

⁶ *Supra* at 109 per Black CJ, Lindgren and Sackville JJ.



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