

Article for *Copyright World*
***Telstra directories case; CLRC review; Senate
committee report on parallel imports bill***

Virginia Morrison, Australian Copyright Council, 4 June 2001

Court finds copyright in telephone directories

The Federal Court of Australia has held that copyright subsists in white and yellow pages telephone directories produced by the telecommunications carrier, Telstra Corporation Limited. The Court also found that Telstra's copyright in the directories was infringed by a company that produced CD ROM products containing listings from the directories.

In determining whether the directories were original literary works, the Court identified the central issue as being whether the industrious gathering and listing of information is sufficient, or whether some additional element, such as selection or arrangement as a product of intellectual effort, is necessary.

The Court reviewed the extensive body of English authority on the question of compilations and concluded that it establishes that copyright will subsist in a compilation in two situations:

- if there has been sufficient intellectual effort in the selection or arrangement of the information; or
- if the author has engaged in sufficient work or incurred sufficient expense in gathering the information, even if there is no creativity involved in the selection or arrangement.

The Court also looked at the US and Canadian authorities on protection of directories. The landmark US case of *Feist Publications, Inc v Rural Telephone Service Co, Inc* 499 US 340 (1991) rejected the second branch of the test established by the English authorities, the so-called "sweat of the brow" or "industrious collection" doctrine, and held that a telephone directory was not protected by copyright for lack of originality. This was also the approach taken in the Canadian case of *Tele-Direct (Publications) Inc v American Business Information Inc* (1997) 154 DLR 4th 328. The court in that case found that Canada's legislation was such that the "creativity school" of cases should be followed in preference to the "industrious collection" school".

In the present case, the trial judge found himself bound to follow the English law of "industrious collection" and did not "...consider it possible, especially sitting as a judge at first instance, to jettison the old law and replace it with the principles expressed in *Feist* and *Tele-Direct (Publishers) Inc*".

In deciding that Telstra's directories were protected as original literary works on the basis of the industrious collection test, the Court looked at each directory in its entirety (rather than looking at whether the directory listings themselves or the headings within the directories were protected as separate works).

The final question for consideration by the Court was whether a substantial part of Telstra's directories had been reproduced into the CD ROM products produced by

Desktop Marketing Systems Pty Ltd. The information was laid out somewhat differently in the CD ROM from the way it appeared in Telstra's directories. However, the Court said that "in the case of a compilation of factual data, the sufficient similarity requirement is not concerned merely with physical appearance; indeed to focus attention solely on physical similarity is likely to lead to error". The Court found that the parts that were taken from the directories were original and essential features, and that the substance of the information that was taken from Telstra's directories was reproduced in the CD ROMs. The appearance of the headings and the listings was sufficiently similar to constitute infringement.

The case is called *Telstra Corporation Limited v Desktop Marketing Systems Pty Ltd* [2001] FCA 612 and can be found at <http://scaleplus.law.gov.au/html/feddec/0/20012/0/FD002520.htm>

Inquiry into relationship between copyright and contract law

The Federal Government has reconvened its copyright advisory committee, the Copyright Law Review Committee, for the purpose of undertaking an inquiry into the relationship between contract and copyright law, with particular focus on online agreements which exclude or modify the legislative exceptions to copyright infringement. The Committee is chaired by Professor James Lahore of the University of Melbourne.

The Committee will be publishing an Issues Paper and will call for submissions from members of the public in mid-June.

More information, including the terms of reference for the inquiry, is on the Committee's web site at <http://www.law.gov.au/clrc>

Senate Committee report on parallel importation bill

As reported in the May issue of *Copyright World*, a bill to allow the parallel importation of computer software, books, periodicals and music was introduced into Parliament in February 2001.

The bill was referred to the Senate Legal and Constitutional Affairs Committee for review. The Government members of the Committee, who constituted the majority, supported the bill but criticised the way the issue had been handled by the relevant government departments, and the extent of dependence on data provided by Australia's trade practices regulator, the Australian Competition and Consumer Commission. The majority recommended that funding be allocated to an independent body to ensure collection of reliable data relating to the effect of the proposed amendments on publishers of books, periodicals and sheet music.

The Australian Labor Party (ALP) and Australian Democrat Members opposed the Bill. As the ALP and the Democrats together constitute the majority of members in the Senate, there is some doubt as to whether the bill will ultimately be passed.

The Senate Committee's report is available from http://www.aph.gov.au/senate/committee/legcon_ctte/index.htm.