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## **Article for *Copyright World***

**Virginia Morrison, Australian Copyright Council, 22 May 2002**

### **Appeal court upholds protection for telephone directories**

The Full Federal Court of Australia has unanimously upheld a decision by a single judge of the Court that copyright subsists in telephone directories produced by the telecommunications carrier, Telstra Corporation Limited. The Full Court (Black CJ, Lindgren and Sackville JJ) also agreed with the trial judge that Telstra's copyright in its White Pages and Yellow Pages directories was infringed by a company that produced CD ROM products containing information it had taken from the directories.

The case is *Desktop Marketing Systems Pty Ltd v Telstra Corporation Limited* [2002] FCAFC 112 and can be found at <http://www.austlii.edu.au/au/cases/cth/FCAFC/2002/112.html>.

### **Subsistence of copyright**

The judgements of Justices Lindgren and Sackville contain extensive reviews of the English authorities on the protection of literary compilations dating back to before 1911, when the first comprehensive copyright legislation was introduced into the United Kingdom. This legislation was adopted as law in Australia and therefore the development of the law concerning compilations has, as Justice Sackville pointed out, mirrored that in England.

Their Honours found that the law, as reflected in the English and Australian authorities, is that a compilation is an original literary work if sufficient labour or expense has been expended in the creation of the compilation. This was referred to by the lower court judge as the "industrious collection test". It has also been referred to by United States and Canadian courts as the "sweat of the brow" doctrine. Whether the labour or expense is "sufficient" is a question of fact and degree to be determined in each case. In the current case, the extensive expense incurred and labour applied in the production of the directories was held to be sufficient.

In finding that a compilation that is the product of sufficient labour or expense is protected by copyright, the Full Court rejected the notion that there needs to be some originality in the selection or arrangement of the facts or information contained in a compilation before it is protected. Originality of selection and arrangement is, rather, an alternative basis of protection for compilations. The Court therefore declined to follow the approach taken in the US and Canadian

authorities on protection of directories, including the landmark US case of *Feist Publications, Inc v Rural Telephone Service Co, Inc* 499 US 340 (1991).

The Court reiterated the well established principle that there is no copyright in facts or information, but rejected the argument of the appellant (Desktop Marketing Systems Pty Ltd) that conferring protection on a "whole of universe" database such as the Telstra directories was tantamount to the protection of facts.

The underlying rationale for the protection of compilations resulting from industrious collection found Justice Sackville, is that the compiler should be rewarded for the labour and expense involved in collecting and presenting the information.

The Court held that the approach taken by the trial judge in considering each directory in its entirety was correct.

### **Infringement of copyright**

Desktop admitted taking virtually all the listing data compiled by Telstra and published in its directories. However, it argued that it had adopted a different mode of presentation of the information; therefore the requisite degree of objective similarity between its products and the directories was not present.

The trial judge found that, "in the case of a compilation of factual data, the sufficient similarity requirement is not concerned merely with physical appearance...to focus attention solely on physical similarity is likely to lead to error." The Full Court agreed with this approach and the trial's judge's conclusion that infringement was proven. Justice Lindgren stated the law as follows: "...where copyright protection is attracted to a compilation of factual information by the labour of collecting, verifying, recording and assembling the data and not by reference to the form of the compilation, reproduction does not require formal resemblance, and the notion of a substantial part of the compilation is not defined by reference to its form."