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When Sweat Turns to Ice: The Originality Threshold for Compilations Following IceTV and Phone Directories

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When sweat turns to ice: The originality threshold for compilations following *IceTV* and *Phone Directories*

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*This article critically considers the treatment of originality by the High Court in *IceTV Pty Ltd v Nine Network Australia Pty Ltd* (2009) 239 CLR 458 and the Federal Court in *Telstra Corp Ltd v Phone Directories Co Pty Ltd* (2010) 264 ALR 617; [2010] FCA 44, and the implications those judgments have for compilation copyright under Australian law, particularly compilations of facts. These cases significantly diminish, if not destroy, copyright subsistence in factual compilations in a fundamental reversal of pre-existing law. The cases demonstrate a radical shift away from the acceptance in *Desktop Marketing Systems Pty Ltd v Telstra Corp Ltd* (2002) 119 FCR 491 of “mere sweat of the brow” as a qualifier for originality, and reject as irrelevant, skill and effort in selecting content which is “anterior” to the expression of the work. The primary focus of the article is on the *IceTV* test that skill and effort be “directed to” the expression of the work. The test is applied to different examples of skill and effort involved in selecting, collecting, verifying and arranging the content of compilations, and this article argues that the test was incorrectly applied in both *IceTV* and *Phone Directories*. The article concludes by contending that the lacuna in protection, while prompted by sound policy objectives, is undesirable in leaving considerable investment and effort unrewarded, and should be remedied by Parliament.*

INTRODUCTION

Two recent Australian cases have fundamentally diminished copyright protection for compilations of facts under Australian copyright law. In *IceTV Pty Ltd v Nine Network Australia Pty Ltd* (2009) 239 CLR 458, six members of the High Court held, in two aligned but differently reasoned plurality judgments, that the titles of television programs and their broadcast times contained in a television schedule were not sufficiently original to amount to a substantial part of the schedule. Although the issue before the court was confined to copyright infringement, in strongly worded obiter dicta the High Court seriously questioned the extent to which copyright could subsist in compilations of facts such as telephone directories.

The reliability of *Desktop Marketing Systems Pty Ltd v Telstra Corp Ltd* (2002) 119 FCR 491 (*Desktop*), in which it was held that copyright subsisted in telephone directories based solely on the “industrious collection” of the data, was expressly challenged by the High Court, particularly by Gummow, Hayne and Heydon JJ (Gummow judgment). They questioned whether copyright could subsist in electronic databases of facts, suggesting that computer-generated and organised databases lack authors, and that databases require sui generis protection. With *Desktop* in mind, the High Court warned against equating labour per se with originality for the purposes of both subsistence and infringement (*IceTV* at [49], [52], [131]).¹

In the Federal Court in *Telstra Corp Ltd v Phone Directories Co Pty Ltd* (2010) 264 ALR 617; [2010] FCA 44 at [5] (*Phone Directories*), Gordon J, relying on the obiter in *IceTV*, found that copyright does not subsist in Telstra’s white or yellow pages directories, primarily because the authors of the directories could not be identified, and/or they exercised no independent intellectual effort in

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¹ Gummow, Hayne and Heydon JJ warning that the *Copyright Act 1968* (Cth) “does not afford protection to skill and labour alone”.

determining the expression of the works, but also because “much of the contribution to each Work ... was anterior to the Work first taking its material form”. The Full Court of the Federal Court dismissed Telstra’s appeal. The issue of anteriority of effort was not considered. Instead, the “principal contention”² was whether the automated process of producing the directories negated authorship and thus copyright subsistence. That contention was resolved against Telstra.

These cases question whether Australian copyright law provides any vestiges of protection for complex compilations comprised substantially of facts, where those facts are arranged in an unoriginal fashion. Commercially, the implications of this fundamental shift are sobering, as compilation owners lose their primary legal means of protecting their intellectual property. The trend set here raises critical policy issues. Large and complex compilations are extremely costly and time-consuming to create, verify, maintain and secure, and yet easily copied. Their producers reasonably seek some guarantees of protection in return for investing in the creation of their products. How will they now achieve this?

This article closely considers and critiques the treatment of originality in both *IceTV* and the *Phone Directories* trial courts in the context of compilation copyright subsistence and infringement, particularly the extent to which the skill and effort involved in selecting and collecting data can be taken into account when assessing originality.³ The article scrutinises the meaning of the condition imposed by *IceTV* that the skill and effort be “directed to” the originality of the expression of the work, and questions whether that test was correctly interpreted and applied in both *IceTV* and *Phone Directories*. The article concludes that the *IceTV* approach to originality vastly diminishes copyright protection for a great number of compilations which previously enjoyed protection, and produces a split between protected and unprotected compilations based on the primary purpose for which a compilation was created, a notion relatively foreign to copyright law.

The article argues that while the *IceTV* approach to originality is arguably more faithful to the conventional rationale of copyright protection only for the material expression of works, it leaves an undesirable lacuna in protection which should be remedied by sui generis protection of compilations or amendment to the *Copyright Act 1968* (Cth).

FACTS AND FINDINGS: ICETV AND PHONE DIRECTORIES

The Nine Network is a broadcasting network which, inter alia, creates television program schedules relating to its broadcasts. Nine licences aggregators to reproduce the television schedule. IceTV produces the “Ice Guide”, a subscription-based electronic program guide. The Ice Guide was largely an original work, compiled by IceTV after hours of an IceTV employee watching programs, writing down what he saw, and then predicting the forthcoming programs for each week based on previous programming and the industry practice of networks repeating their major programming cycles.

Due to late programming changes, that prediction could never be completely correct. IceTV therefore consulted one or more aggregated guides and corrected any errors in the times and titles of programs in the Ice Guide, using the information in the aggregated guides – in the case of Nine’s programs, ultimately using the information in Nine’s weekly schedules.

Nine alleged this was indirect infringement of the copyright subsisting in the Nine television schedule and that the titles and times of the late change programs taken by IceTV were substantial parts of its weekly schedule. Copyright subsistence in the schedule was not in issue due to IceTV’s concession that it was a compilation copyright work. While successful in the Full Court of the Federal Court, Nine was unsuccessful at first instance and in the High Court. The High Court held that the times and titles of the programs were mere unoriginal facts. As such, they could only be considered a substantial part if, in reproducing them, IceTV also reproduced part of Nine’s *compilation* effort, namely the effort dedicated to the arrangement or selection of those unoriginal components. However, the High Court held that there was no original compilation effort attributable to the time and title information. The necessary chronological arrangement of those elements was too prosaic to be

² *Telstra Corp Ltd v Phone Directories Co Pty Ltd* (2010) 194 FCR 142 at [7].

³ *Phone Directories* in particular raises difficult issues about authorship and the use of computers in the authoring process, but these aspects of the decision are beyond the scope of this article.

sufficiently original to amount to a substantial part. The skill and effort in the *selection* of the particular programs could not be considered relevant because it was too antecedent to be directed to the material expression of the schedule. The High Court apparently invited an opportunity to “correct” *Desktop*.

In *Phone Directories* at first instance, Gordon J considered the preliminary question of whether copyright subsisted in Telstra’s White Pages and Yellow Pages. While that question would appear to have been resolved in *Desktop*, the High Court’s robust obiter criticism of that decision in *IceTV* seriously weakened its reliability. Gordon J rejected the contention that *IceTV* was merely obiter on these issues of subsistence, and meticulously ventilated them in her decision. After a very lengthy consideration of the evidence of how the directories were created and by whom, Gordon J held that the directories were not copyright works.

Critical to Gordon J’s decision was Telstra’s inability to identify in every case the authors of the directory, making it impossible to consider whether their authorial contribution was sufficiently original. Another crucial factor was that much of the directories were computer-generated and therefore authorless. Where any authors could be identified, Gordon J considered that much of their labour had to be discounted because the material expressed was essentially dictated by prescriptive rules formulated by unknown authors or software, thus eliminating any independent skill and effort in the form of expression. However, Gordon J also held against copyright subsistence because the skill and effort of many alleged authors was too divorced from the material expression of the work.

On appeal, the Full Court of the Federal Court upheld Gordon J’s decision, except in respect of her apparent requirement that all authors be identified. The lack of human authorship of the directories settled the subsistence issue and the court did not consider the issue of anteriority.

THE NATURE OF COMPILATION COPYRIGHT

In *IceTV* (at [99]), the authors of a compilation are described as “those who gather or organise the collection of material and who select, order and arrange its fixation in material form”. In the *Phone Directories* appeal, Keane CJ said of this description, “their Honours were ... making the point that authorship of a compilation encompasses a number of tasks” and that their description of the tasks “must be read conjunctively: the mere collection of data cannot be sensibly regarded as compilation”.⁴

“Sweat of the brow” and “creativity” are “kindred aspects of a mental process” which produces a literary work and “a complex compilation will almost certainly require considerable skill and labour, which involve both ‘industrious collection’ and ‘creativity’, in the sense of requiring original productive thought to produce the expression, including selection and arrangement, of the material” (*IceTV* at [47] per French CJ, Crennan and Kiefel JJ).

The *Copyright Act* does not define a compilation, requiring only that it be “expressed in words, figures or symbols”.⁵ The nature of compilation copyright is not determined by what a compilation *is* but what a compilation author *does*. Compilation effort is a *process* which seems broadly divisible into the preliminary mental effort of *selecting* the content, then once selected, the act of *arranging* it may be both conceptual in the sense of working out the best arrangement, and mechanical in the sense of placing it in the arranged design. Clearly the preliminary mental judgment of selecting content from various possible sources may be an essential source of originality for a compilation, particularly if the mechanical act of reducing that selection to material form is mundane.

ANTERIOR SKILL AND EFFORT

In the trial court in *IceTV*, Bennett J clearly separated the Nine Network’s “two sets of skill and labour” into “selecting and arranging the programs ... the ‘antecedent’ or ‘preparatory’ skill and labour” and “the skill and labour of drafting the synopses, selecting and arranging the additional program information such as classifications and consumer advice and recording, weekly, all of the

⁴ *Telstra Corp Ltd v Phone Directories Co Pty Ltd* (2010) 194 FCR 142 at [71].

⁵ *Copyright Act 1968* (Cth), s 10(1), defines “literary work” to include “a table, or compilation, expressed in words, figures or symbols”.

information into ... the Weekly Schedule”.⁶ Thus, Bennett J delineated between the skill and effort of *devising* and *deciding* on the one hand and *expressing* or *executing* on the other.

On appeal, the Full Court of the Federal Court took into account Nine’s “preparatory” skill and effort and, consistent with *Desktop*, considered that the time and title information was a substantial part of the schedule because *imbued in it* was that anterior effort.⁷ In the High Court, French CJ, Crennan and Keiffel JJ (French judgment) explained (*IceTV* at [8]) that the different approaches arose because “the primary judge considered that skill and labour in making programming decisions was not relevant” and the Full Court considered it was. This disparity between the trial judge and the Full Court on the issue of antecedent skill or labour was described in the Gummow judgment as a “critical difference of opinion” (*IceTV* at [128]).

This is indeed a critical divergence of approach. It is the treatment of skill and effort in *IceTV* which fundamentally changes the law. Historically, the skill and effort standing behind the *decisions* informing the selection or collection of the non-original integers of a compilation have consistently been taken into account in assessing originality, both in the context of subsistence and infringement – provided the expression of the compilation was at least *one* object of the skill and effort.⁸ *IceTV* suggests this hinterland of background labour is irrelevant unless it is directed to the originality of the expression of the work.

The High Court did not use the terms “antecedent”, “preparatory” or “anterior” labour. The French judgment held that “[c]opyright is not given to reward work distinct from the production of a particular form of expression” (*IceTV* at [28]). The French judgment also rejected *solely* considering “whether there has been an ‘appropriation’ of the author’s skill and labour”, stating that “it is always necessary to focus on the nature of the skill and labour, and in particular to ask whether it is *directed to the originality of the particular form of expression*” (at [49] (emphasis added)). In relation to the “contest about whether it mattered if some of the skill and labour expended was directed to business considerations” (at [53]), the French judgment responded (at [54]):

the *critical* question is whether skill and labour was *directed to the particular form of expression* of the time and title information, including its chronological arrangement. The skill and labour devoted by Nine’s employees to programming decisions was not *directed to the originality of the particular form of expression* of the time and title information [emphasis added].

Even the transcript of the application by IceTV for special leave to appeal to the High Court records the same words used by Crennan J:

Is not the skill and labour of matching a programme title, in which there is no copyright, to a time, a business decision relating to ratings and advertising? How is that *directed to the material form of the compilation* other than the fact that the two pieces of information are in the compilation? [emphasis added].⁹

The French judgment issued a sober warning (*IceTV* at [52]):

Rewarding skill and labour in respect of compilations without any real consideration of the productive effort *directed to* coming up with a particular form of expression of information can lead to error... focusing on the “appropriation” of the author’s skill and labour must not be allowed to distract from the inquiry mandated by the Act. To put aside the particular form of expression can cause difficulties, as evidenced by *Desktop Marketing* [emphasis added].

This suggests that *Desktop* was wrongly decided because the work involved in collecting data for a telephone directory is not “directed to” the particular form of expression of the directory. That suggestion is challenged below.

⁶ *Nine Network Australia Pty Ltd v IceTV Pty Ltd* (2007) 73 IPR 99 at [46]; [2007] FCA 1172.

⁷ *Nine Network Australia Pty Ltd v IceTV Pty Ltd* (2008) 168 FCR 14 at [95]-[104].

⁸ See *Football League Ltd v Littlewoods Pools Ltd* [1959] Ch 637; *Ladbroke v William Hill* [1964] 1 WLR 273 at 285 (Lord Hodson), 289-290 (Lord Devlin), 292-293 (Lord Pearce); *Independent Television Publications Ltd v Time Out Ltd* [1984] FSR 64; *Desktop Marketing Systems Pty Ltd v Telstra Corp Ltd* (2002) 119 FCR 491; *Nine Network Australia Pty Ltd v IceTV Pty Ltd* (2008) 168 FCR 14 at [95]-[104]; *Autocaps (Aust) Pty Ltd v Pro-kit Pty Ltd* (1999) 46 IPR 339 at 352.

⁹ *IceTV Pty Ltd v Nine Network Australia Pty Ltd* [2008] HCATrans 356 (16 October 2008).

The Gummow judgment warned (at [188]):

It may be that the reasoning in *Desktop Marketing* with respect to compilations is out of line with the understanding of copyright law over many years. These reasons explain the need to treat with some caution the emphasis in *Desktop Marketing* upon “labour and expense” per se and upon misappropriation.

The High Court’s “correction” of *Desktop Marketing* was arguably warranted. *Desktop* in particular perhaps uncomfortably stretched copyright law to remedy an instance of wrongful misappropriation of the fruits of another’s labour, as compensation for a lack of a remedy, when the rationale of copyright is the protection of the material form resulting from skill and effort, rather than the protection of the skill and effort itself.

The Gummow judgment’s exegesis on the European Database Directive suggests that mere “sweat of the brow” will *never* suffice to accord copyright protection, and that only Parliament can effectively protect against “misappropriation of the results of the financial and professional investment made in obtaining and collection [of] the contents [of databases]” (*IceTV* at [138], [139]).

In *Phone Directories*, Gordon J followed *IceTV* and discounted the skill and effort of the putative authors inter alia because their contribution “was anterior to the work taking its material form”¹⁰ and because “The work of many of [the] individuals that was said to constitute the relevant effort was ancillary to or divorced from the production of the directories in their material form, or was not directed to the directories in suit” (emphasis added).¹¹

In the *Phone Directories* appeal, only Perram J expressly considered the question of whether the authors’ effort “is required to be directed at the creation of the material form of the work (here the form of the directories) or does it suffice that the effort was directed at some anterior activity (here the collection of information presented in the directories)?”.¹² He concurred with Keane CJ that mere collection of information is irrelevant, as are “steps preparatory to the making of the material form of a work”, since the effort must “result in the material form of the work”.¹³

THE RELEVANT TEST: MEANING OF “DIRECTED TO”

As outlined above, the French judgment consistently imposes a test that the skill or effort be *directed to the originality of the particular form of expression of the compilation* (*IceTV* at [49]). The critical requirements of this test are that the skill and effort be “directed to” the expression, and that it be directed to *original* expression. The originality threshold will be considered separately below.

It is interesting to note that the term “directed to” was also used several times by the unsuccessful defendant in *Football League Ltd v Littlewoods Pools Ltd* [1959] 1 Ch 637 at 652-654 (a case considered in *IceTV* by the High Court). *Littlewoods* concerned copyright subsistence in, and infringement of, a chronological list of English football fixtures. The defendants produced football betting forms and reproduced the plaintiff’s fixtures list in the forms. The defendants unsuccessfully argued that the skill, labour and ingenuity expended by the author of the list was “directed to the production of information”, being a program of football games, rather than the preparation of a fixture list (at 652).

The French judgment clearly suggests that the skill and effort involved in settling on the time and title information in Nine’s television schedule would not satisfy the “directed to” test. The question is, of course, what skill and effort *will* satisfy the test? How do we interpret the requirement that skill and effort be “directed to” a work?

The *Oxford English Dictionary* defines the verb “direct” as: “To cause (a thing or person) to move or point straight *to* or *towards* a place; to aim (a missile); to make straight (a course or way) *to* any point; to turn (the eyes, attention, mind) straight *to* an object, (a person or thing) *to* an aim, purpose,

¹⁰ *Telstra Corp Ltd v Phone Directories Co Pty Ltd* (2010) 264 ALR 617 at [5], [179], [338]; [2010] FCA 44.

¹¹ *Telstra Corp Ltd v Phone Directories Co Pty Ltd* (2010) 264 ALR 617 at [342]; [2010] FCA 44.

¹² *Telstra Corp Ltd v Phone Directories Co Pty Ltd* (2010) 194 FCR 142 at [101].

¹³ *Telstra Corp Ltd v Phone Directories Co Pty Ltd* (2010) 194 FCR 142 at [104], [105].

etc”. The *Macquarie Dictionary* defines “direct” as: “to point or aim towards a place or an object; cause to move, act, or work towards a certain object or end”. In the context of compilation copyright, the ordinary meaning of “directed” therefore requires that the relevant skill and effort be *aimed* at the expression of the compilation. This implies that the *object* of the skill and effort must be known at the time it was undertaken, and that object must be the expression of the alleged work. This in turn implies that a *work* must be in mind when the skill and effort is engaged in. This may undermine copyright subsistence in significant numbers of compilations.

Evidence concerning the *reasons* why the skill and effort was undertaken will therefore be critical. The alleged copyright owner must demonstrate that the skill and effort was commenced for the purpose of *expressing the work*. A “direction” implies a singular focus, with a single line drawn directly between the labour and the material expression. But what if there are multiple purposes for expending skill and effort? Will secondary or “indirect” objects of the skill and effort be disregarded because they are not the true aim of the skill and effort?

In the trial court in *IceTV*, Bennett J suggests that only the *main* or *sole* purpose of the skill and effort is relevant:

The skill and labour expended by Nine referable to the changing data to which Ice refers is not *primarily* expended for the *purpose* of producing a literary work, the compilation, but for the *purpose* of broadcasting programs in an order so as to maximise viewers. There is not a relevant appropriation of that skill and labour by Ice in composing the IceGuide [emphasis added].¹⁴

Nine is, like Telstra in *Desktop*, in the position of possessing the material for inclusion in the compilation because of the effort of collating the time, title, additional program information and the synopses to be compiled. That information is collated, however, *not solely for the purpose of creating a literary work*, the Weekly Schedule. The *main purpose* of the work done by [Nine] is to determine the Nine Programming – the order of programs to be broadcast ... The skill and labour expended for the *purposes* of maximising the benefit of the broadcasting is not coextensive with that expended for *the purposes* of the creation of the copyright work [emphasis added].¹⁵

The *IceTV* High court is not so forthcoming on this issue. However, skill and effort is not necessarily lineal, it may be radial, meaning that it radiates from a single point and is commenced and later utilised for several purposes. True, those purposes will often be ranked in order of priority, but does that prevent the skill and effort from being “directed to” the purpose – or purposes – that it is ultimately used for?

The recognition of secondary objects was an important factor in the English House of Lords decision of *Ladbroke (Football) Ltd v William Hill (Football) Ltd* [1964] 1 WLR 273 at 290, where Lord Devlin said: “I do not think it necessary in this type of case that the work done should have as its sole, or even as its main, object the preparation of a document such as a list or catalogue or race card. It is sufficient that the preparation of the document is an object of the work done.”

If only primary purposes can be considered, then the test becomes even more restrictive. Not only must the purpose be proved, but it must be established that it is the primary purpose.

However, the test should admit work which in truth is directed to equally balanced targets, provided one of those is a compilation. For example, what is Telstra’s primary purpose in collecting telephone subscriber details in a database? In the *Desktop* appeal, Black CJ said “in a real sense, Telstra does collect the data for the purpose of its compilations”.¹⁶ The *real* practical purpose for collecting the data is to establish telephone services to the subscriber and record billing details, rather than to compile a directory. It is doubtful that Telstra would go to the bother of gathering the names and addresses of millions of people simply to compile a directory. The fact that Telstra’s activities necessarily generate a comprehensive collection of data is reflected in its licence terms, which oblige it to publish and distribute an alphabetical public number directory and manage the Integrated Public

¹⁴ *Nine Network Australia Pty Ltd v IceTV Pty Ltd* (2007) 73 IPR 99 at [193]; [2007] FCA 1172.

¹⁵ *Nine Network Australia Pty Ltd v IceTV Pty Ltd* (2007) 73 IPR 99 at [208]; [2007] FCA 1172.

¹⁶ *Desktop Marketing Systems Pty Ltd v Telstra Corp Ltd* (2002) 119 FCR 491 at [9].

Number Database.¹⁷ This happy coincidence results in Telstra's business model, which exploits and embellishes that data as a vendible product through its subsidiary Sensis Ltd. On that basis, *one* primary purpose of the data collection (together with the purpose of recording customer details for telephone connection and billing) would be the formation of the directory. Further, the Yellow Pages appears to be distinguishable from the White Pages in that subscribers to the Yellow Pages are solicited for the sole purpose of inclusion in that compilation. Advertisers in the Yellow pages may also establish accounts with Telstra, but that would be handled separately in a White Pages business listing. It is unfortunate, now that Telstra has been denied special leave to appeal to the High Court, that this and other issues will now not be considered.

If "the directed to" test is limited to the (or a) primary object of the work, then only the work of selecting, collecting or arranging content for the specific purpose of inclusion in a compilation would satisfy the test. Clearly "high authorship" works such as compilations of poetry or essays would meet the test, as would research databases like Westlaw, since the only purpose for collating the research data is to compile a vendible product. It would also include the skill and effort of calculating betting odds for the betting coupons in *Ladbroke*, since "[t]he whole of the plaintiff's efforts from the beginning were devoted to arranging" the betting coupon and the "types of bets were not considered in vacuo but only in relation to the part which they would play in the coupon".¹⁸ It would also apparently include the skill and effort involved in deliberately selecting particular printer cartridge information from a database and ordering it in a compatibility chart (*Dynamic Supplies Pty Ltd v Tonnex International Pty Ltd* [2011] FCA 362), and the skill, effort and judgment involved in drafting a product information sheet for a pharmaceutical product (*Sanofi-Aventis Australia Pty Ltd v Apotex Pty Ltd (No 3)* [2011] FCA 846). In all of these cases, the skill and effort is directed to the deliberate creation of a vendible or useful product. Where that is the intended end result of the skill and effort, it should satisfy the test.

Football fixtures and television schedules occupy a less distinct borderline. The primary purpose of the skill and effort of arranging the time, place and date of football matches would apparently be to conduct football games in an orderly fashion with maximum appeal to fans. Likewise, in *IceTV*, Nine's programming decisions were undertaken primarily to attract viewers and correspondingly generate advertising revenue. However, there is a market for the commercial exploitation of the football lists (eg, for use in betting coupons) and the television schedules (to aggregators). Once a market for the compilation is identified, it is arguable that the skill and effort dedicated to program (or football game) selection is undertaken at least partly with the compilation specifically in mind. The market is an important factor. The first time skill and effort is expended on deciding football fixtures, it may not be for the purpose of creating a football fixture, but once contracts are made to supply future fixtures¹⁹ to third parties, it is arguable that the subsequent deliberations for the next football season are made at least equally for the purpose of performing those contractual obligations.

Further, in the case of Nine's television schedule, the purpose of producing the compilation, and the purpose of broadcasting programs in an order so as to maximise viewers, are *co-extensive*. Those program decisions are the lifeblood of the business, but *only if people know about them*. The schedule was always in mind as the vehicle for disseminating this vital information. And in practical terms, without a schedule, the decisions would not have been made. Nine would not make programming decisions relating to anticipated profits which were dependent on communication to an audience, without an effective means to broadly communicate them. Similar considerations apply to football fixtures. There is little point arranging an excellent program of games without communicating it. In both cases, the decisions and the literary work communicating them are co-dependent.

¹⁷ While Telstra is required by Carrier Licence Conditions (Telstra Corporation Limited) Declaration 1997, cl 9, to publish and distribute an "alphabetical public number directory" of its subscribers as a condition of its carrier licence, there is no positive obligation to create the compilation in the first place in the sense of obtaining its subscribers and their details.

¹⁸ *Ladbroke (Football) Ltd v William Hill (Football) Ltd* [1964] 1 WLR 273 at 293 per Lord Pearce.

¹⁹ Which would each be a new work unless they were substantially copied from the previous season.

In contrast, if primary purpose is the only measure, the test should exclude information works which are a mere *incident* of the compilation effort. For example, a catalogue of the parts and price lists of a business which are merely consequential on the physical stocking and listing of parts in a business may fail the test because the skill and effort in selecting the stock was not for the (or a) primary purpose of compiling, or communicating, a vendible *list*. It could be argued that the telephone directories fall in this category. The primary purpose of collecting subscriber details is to effect a telephone connection and record billing details. The directory is a necessary *incident* of this, because those details have to be recorded somewhere. In contrast, a car buff's catalogue of the best parts for genuine vintage vehicles should satisfy the test. In other words, it is not enough that the ultimate expression of the work could be *foreseen* – it must be the *reason* for the work.

A “but for” test?

The test also raises issues of causation. If skill or effort is *directed* to an expressed form, this suggests that the object of creating the expression *caused* the skill and effort to be expended.

Strictly speaking, all compilations are in one sense *caused* by the skill and effort in selecting or collecting the data, because no compilation would result but for the collection of the data. And it is clear that there must be some causal link between the skill and effort alleged to be relevant, and the material form of the compilation.

However, if a stringent causation test is employed, it could exclude all skill and effort that, *but for* the intention to create the expressed form, would not be expended. Or, to put it another way, the test would disregard skill and effort that would have been expended anyway, because in that case it is very difficult to establish that it was *directed to* the compilation. Thus, as mentioned above, a list of products stocked in a store would fail the causal test, since this is merely an incidental record of those selection decisions. However, a list of products sold *by catalogue* (or online) may satisfy the test, since, like a television program or football fixture, or the Dynamic Supplies compatibility chart, those selection decisions were meant to be communicated by that list, and the list is vital to the efficacy of the business. And, as argued above, while the program selection decisions in *IceTV* are the lifeblood of Nine's business and a barometer of advertising revenue and thus profit, it is questionable whether that skill and effort would have been expended in any event without the means of broadly communicating those decisions via a schedule.

For similar reasons the skill and effort in determining the football fixtures in *Littlewoods*²⁰ may not be a mere incident of the skill and effort in working out which teams play, when and where. While football fans could inquire directly at the football league or the venue, this is a grossly inefficient method of communicating the football program.

The case of a telephone directory is perhaps more borderline. However, as discussed above, it is strictly correct that the information gathering and verification would have been done anyway, as the only means of connecting, servicing and billing subscribers, and the fact that such information ends up in a complex database is almost accidental. In contrast, the mathematical calculations in cases like *Ladbroke and Olympic Amusements Pty Ltd v Milwell Pty Ltd* (1998) 81 FCR 403 would be relevant skill and effort since, but for the compilation at issue, that skill and effort would not have been undertaken.

Necessary incident of skill and effort?

Of course, as mentioned above, it seems obvious that information that is collected must be somehow stored in a material form which facilitates information retrieval, and in that case it is *inevitable* that the end result of the collection of the information is at least a rudimentary compilation of the information arranged in a particular manner. Does this mean that all work involved in the selection, collection and arrangement of that information will be “directed to” a work in material form because materialisation is a necessary consequence of the process of collection?

Notably, in the *IceTV* trial court, Bennett J apparently accepted that the skill and labour in

²⁰ *Football League Ltd v Littlewoods Pools Ltd* [1959] 1 Ch 637.

Desktop could not be separated from the materialisation stage:

Nine submits that the preparatory skill of the thinking and the planning and the skill of setting down the program time and title in material form as a compilation are not to be separated. *That may be the case where, as in Desktop, the skill and labour was in the collection of the data and the form of the compilation followed from that collection and the nature of the work.* It does not follow where the skill and labour of collection of information was preparatory to the further exercise of skill and labour of creation of the arrangement of that information in the Weekly Schedule [emphasis added].²¹

The implication in Bennett J's judgment is that the skill and labour in the collection of telephone directory data is relevant and not anterior. More broadly, it also suggests that where the form of a compilation is a necessary and direct consequence of the skill and labour, that skill and labour can be considered.

An important question left unresolved in *Phone Directories* is whether there is a real difference between Bennett J's treatment of skill and labour, and that of the High Court in *IceTV*?

Is Bennett J's "form follows work" test different in substance to the French judgment's "directed to" test? Bennett J's approach focuses more closely on a requirement of separation between disparate phases of work:

[52] ... The detail of the underlying subject matter, the work in choosing the program for each timeslot is not relevant to the compilation once the "timetable" is prepared, much in the same way that the history of the rolling stock of a rail carrier is not relevant to a train timetable.

...

[121] ... To the extent that Nine's employees expend skill and labour in connection with Nine's television programming activities, its relevance is as *preparatory* skill and labour expended in the creation of the Weekly Schedule.

...

[179] ... The preparation, arrangement and editing of the actual programs involved considerable time, skill and labour, *although the preliminary work of fixing the times, engaging the artists and choosing the items had been done some time beforehand.*

...

[211] ... The skill and labour engaged in by Nine for the creation of the time and title information is skill and labour that is expended for the purposes of broadcasting and as *preparatory skill and labour* for the purposes of the compilation [emphasis added].²²

The separation referred to by Bennett J is absent in the case of data collection for a telephone directory, because the immediate consequence of the collection of data for the purposes of establishing telephone connections and providing services is a substantial database of information expressed in material form and arranged in an accessible way. The same could be said of many methodical collections of information into an existing database structure, such as weather details, tides, any listing required by law, and employee lists.

However, the selection of television programs is different. It is clear that the creation of the television schedule was a necessary *incident* of those decisions, since those decisions had to be made public somehow, in order to attract viewers and satisfy the bargain struck with advertisers. However, the critical requirements in Bennett J's test are "form" and "follows". In Nine's case the *form* of the television schedule does not necessarily "follow" (at least immediately) the skill and effort of collection etc. This is the very point of the separation element in Bennett J's test. "Following" suggests immediately coming next, not eventually (even if inevitably) happening.

Thus, Bennett J's test seems to be: where form follows collection (or selection, or arrangement) in an immediate sense, then the skill and effort involved in the collection, selection or arrangement can be taken into account. Some immediacy is required, and a lack of interruption in the process is critical. Background effort is too remote and therefore irrelevant, even if we can eventually "see" that effort manifested in the end product.

²¹ *Nine Network Australia Pty Ltd v IceTV Pty Ltd* (2007) 73 IPR 99 at [55]; [2007] FCA 1172.

²² *Nine Network Australia Pty Ltd v IceTV Pty Ltd* (2007) 73 IPR 99 at [52]-[211]; [2007] FCA 1172.

This “directness” is of course also inherent in the French judgment’s “directed to” test. So perhaps Bennett J’s “separation” test is in substance substantially the same as the “directed to” test. If there is a separation of the skill and effort in collection, selection or arrangement and the subsequent skill and effort in the material expression of the work, then it will be more difficult to establish that the initial collection, selection or arrangement was truly “directed to” the work or that the form truly followed the work.

However, Bennett J’s test more overtly considers not only the primary purpose or object of the skill and effort, but also whether the skill and effort is co-extensive with the formation of the compilation. While the French judgment does not expressly discuss the division of skill and effort into anterior and posterior, logically skill and effort may lose its “direction” if it is too temporally, physically or causally remote from the compilation. This separation requirement is also implicit in the French judgment’s observation that “copyright is not given to reward work *distinct from* the production of a particular form of expression” (*IceTV* at [28] (emphasis added)). Similar concepts of skill and labour being “divorced” from the production of the compilation are also redolent in the Gummow judgment’s observation that “the Act does not provide for any general doctrine of ‘misappropriation’ and does not afford protection to skill and labour *alone*” (at [131]).

IceTV does not suggest that “mere industrious collection” must always be severed and can never be taken into account in compilation copyright. It simply mandates that the industrious collection must be *directed to the originality of the particular form of expression of the compilation*. It therefore requires a primary causal link, an uninterrupted continuum, between the purpose for which the data was collected and the material expression of the compilation. The expression effort must not merely be an *incident* of the decision effort. This is satisfied in the case of the phone directories. It is respectfully submitted that *Phone Directories* wrongly classified the work in collecting, drafting and verifying the raw data as “merely” anterior with the result that it was thereby excised from the consideration of originality.

Is this a reasonable or workable divide between protected and non-protected works? To the extent that the test requires an examination of the *primary purpose* behind the creation of a copyright work, it is apparently novel in copyright law. Both the separation test and the primary purpose test (if they are indeed different in substance) produce uncertainty. A primary purpose test may seem superior in not requiring an arbitrary dissection between skill and effort which is sufficiently co-extensive, and skill and effort which is too antecedent and remote. One simply asks whether the work was primarily directed to the expression. However, there is considerable room for argument about what the real object of the work was, particularly where the object may be equally divided between the creation of a material work and other objects (such as business objectives). While we find a level of uncertainty in any test of “substantiality”, it will be necessary to develop some guidelines on how a “primary purpose” test is to be fashioned, applied and discharged.

ORIGINALITY

It is worth noting that *IceTV* discussed originality primarily in the context of infringement, where originality is a critical factor. “[A] factor critical to the assessment of the quality of what is copied is the ‘originality’ of the part which is copied” (at [32]). In the context of subsistence, the French judgment suggests that the only true test for originality is that the work originate from the independent efforts of the author (at [48]):

It may be that too much has been made, in the context of subsistence, of the kind of skill and labour which must be expended by an author for a work to be an “original” work. The requirement of the Act is only that the work originates with an author or joint authors from some independent intellectual effort. Be that as it may, as noted previously, since the subsistence of copyright need not be considered in this appeal, the relevance of skill and labour to that inquiry need not be considered further.

This suggests that, when considering originality in the context of subsistence, we need not agonise quite so much about whether the right degree of skill and effort has been exercised to meet the minimum threshold. However, in *Phone Directories*, Gordon J clearly adopted the High Court’s

commentary on originality in the context of infringement and superimposed it on the question of subsistence. We can clearly extrapolate from the infringement-specific comments in *IceTV* and apply them at a threshold subsistence inquiry.

In the end, the point at which originality is assessed may not be significant. What does it matter if one need only demonstrate that factual compilations originate from the author, if such compilations can rarely be infringed because the constituent facts lack originality? Usually the infringer of a factual compilation wants access to the raw data, rather than the compilation expression, so even if the subsistence battle is won, the infringement battle is far more problematic because only an isolated portion of the work is focused on, rather than its overall compilation.

Therefore, there are still important residual questions concerning the originality of the compilation effort in factual compilations which will remain for scrutiny. *IceTV* may have just shifted the importance of that inquiry to substantiality in the context of infringement, rather than subsistence. Alternatively, the High Court's consideration of originality in the context of infringement will be relevant if the originality of factual compilations is scrutinised.

Assuming the skill and effort is sufficiently directed to, and/or co-extensive with, the creation of the compilation, the French judgment mandates that the skill and effort be directed to an *original* expression. It is not enough to expend considerable effort with a material expression directly in mind. That material expression must be sufficiently original. Therefore where sufficiently direct skill and effort *and* originality coalesce there will be copyright (*IceTV* at [47]). And, contrary to *Desktop*, sheer work alone is no longer a *substitute* for originality of selection, arrangement or expression. Therefore, even if the relevant effort was not anterior to the expression, if that expression is unoriginal then no copyright can subsist.

Following *IceTV*, the originality threshold will be satisfied where there is some *choice* in the form of expression, arrangement or selection of the compilation content, whether authoring the content or the overall compilation. By way of example, even where legislation dictates a comprehensive description of a pharmaceutical product according to a mandated structure and headings, "the way in which the information is presented – that is, the particular form of expression used to convey the information – is very much at large".²³

There can be no such discretion when expressing facts, whether as individual or joint authors. Hence the *content* of a telephone directory will never be original. This renders doubtful, decisions such as *Seven Network (Operations) Ltd v Media Entertainment & Arts Alliance* (2004) 148 FCR 145, which held that copyright subsisted in a list of employees and their phone numbers. However, it is wrong to disregard this work because it was *anterior*. This work *was* directed to the expression of the phone directory.

It thus becomes critical whether the skill and effort of selection, collection or arrangement of data "directed to" the expression of the work meets the minimum originality standard. The French judgment in *IceTV* provides some guidance, but it is important to note that much of the discussion related to originality in the context of infringement. The French judgment focused on the need for "independent intellectual effort" or "sufficient effort of a literary nature" to satisfy the originality threshold in the context of infringement.

Nine's primary claim for originality lay in the *selection* of its television programs. It should have felt reasonably confident, because it is clear that copyright may subsist in a compilation by virtue of selection alone.²⁴ If that selection effort had been properly credited by the decision maker, then a copying of a substantial part of that selection effort should amount to infringement. When assessing

²³ *Sanofi-Aventis Australia Pty Ltd v Apotex Pty Ltd (No 3)* [2011] FCA 846 at [348] per Jagot J. Interestingly, this decision prompted the insertion by the *Therapeutic Goods Legislation Amendment (Copyright) Act 2011* (Cth) of a new defence where product information approved under *Therapeutic Goods Act 1989* (Cth), s 25AA, is inter alia, reproduced (see *Copyright Act 1968* (Cth), s 44BA).

²⁴ See cases discussed in Lindsay D, "Copyright protection of broadcast program schedules: *IceTV* before the High Court" (2008) 19 AIPJ 196 at 221-223. See also *Dynamic Supplies Pty Ltd v Tonnex International Pty Ltd* [2011] FCA 362 at [77], [78], [79].

the relevant effort, the French judgment said (at [42]-[43]):

[T]he *expression* of the time and title information, in respect of each programme, is not a *form of expression* which requires particular mental effort or exertion. The way in which the information can be conveyed is very limited. *Expressing* a title of a programme to be broadcast merely requires knowledge of the title, generally bestowed by the producer of the program rather than by a broadcaster of it. *Expressing* the time at which a program is broadcast, for public consumption, can only practically be done in words or figures relating to a 12 or 24-hour time cycle for a day. The authors of the Weekly Schedule (or the Nine Database) had little, if any, choice in the particular form of expression adopted, as that expression was essentially dictated by the nature of the information. That expression lacks the requisite originality (in the sense explained) for the part to constitute a substantial part.

... a chronological arrangement of times at which programmes will be broadcast is obvious and prosaic, and plainly lacks the requisite originality [emphasis added].

The emphasised words above demonstrate that the French judgment exclusively focused on the skill and effort of the physical expression of the schedule (and clearly found that wanting). The court cannot accord any originality to the expression of the titles because they were effectively dictated by the producers of the television shows. However, importantly, the producers of television programs do not dictate *what* shows to select. There is still a lot of work in that decision. Certainly the title is imposed on Nine by the show’s creator, but the mental judgment involved in deciding to select the show is considerable.

The High Court clearly eliminated that type of decision effort from consideration as irrelevant “non-direct” or anterior work. That would logically leave only the meager effort of writing down the show titles, an act too trifling to confer originality. Critically, if that skill and effort *had* been considered, the outcome would have been different in *IceTV*. That selection effort would have *transferred into* the schedule, with the appropriation of that part of the schedule equating to the appropriation of a part of the skill and effort. As argued above, it is possible to regard that selection effort as “directed to” the schedule as the necessary and contemplated means of communicating the programming decisions.

So the critical factor here – which clearly impacts on the residue of work which *can* be assessed for originality – is the “directed to” test and how it is applied. This test significantly re-shapes the law and results in a far more selective protection of compilations.

With a separation test, the putative copyright owner gets two chances. If the background business deliberations relating to the *selection* of information are too anterior or indirect to be taken into account, there must be some originality in the *arrangement* of that information. Thus, in *IceTV* (at [51]), the French judgment considered both *Littlewoods*²⁵ and *Ladbroke*,²⁶ and implied that there was enough expressed effort in the arrangement of the compilation in each case, and a sufficient quantum of the work was copied, to amount to infringement:

In *Littlewoods*, importance was attached to the reproduction of not only the information, but *also its arrangement*, and to the fact that essentially the whole of the work in suit had been reproduced ... In *Ladbroke*, Lord Evershed expressly rested his decision as to infringement upon the aspects of expression of the betting coupon in question, not the skill and labour in deciding what bets to offer. The other members of the House of Lords (except for Lord Devlin, who did not discuss infringement) relied on the aphorism, referred to above, that “what is worth copying is *prima facie* worth protecting”; but it is significant that the reproduction was more extensive than in this case and *included reproduction of aspects of arrangement* [emphasis added].

The French judgment therefore accepts that there was sufficient *compilation* effort for copyright to subsist in these works, and that a substantial part of the original compilation effort – the “aspects of arrangement” – had been taken.

In *Phone Directories*, Telstra failed in its bid for copyright subsistence on both the first limb, anterior work, and the second limb, insufficient originality. As discussed above, it is arguable that

²⁵ *Football League Ltd v Littlewoods Pools Ltd* [1959] 1 Ch 637.

²⁶ *Ladbroke (Football) Ltd v William Hill (Football) Ltd* [1964] 1 WLR 273.

Telstra should have succeeded on the first limb. In respect of the second limb, the real focus is on the work of the compilers, those who were responsible for the ultimate physical expression of the directories. Critical for Telstra, the nature of this work could not be considered due to a lack of evidence and the court was confined to the conduct of data entrants, verifiers, and computer operators.

Desktop dictates that if one excises from consideration the industrious collection of the data (arguably anterior work), then there is no original compilation effort in the case of the standard phone directory under consideration in that case. On appeal, the *Phone Directories* Full Court said “mere collection of data cannot be sensibly regarded as compilation”.²⁷

Given that the directories comprised “factual information”²⁸ which was unprotectable in itself, the court in *Desktop* accepted that copyright protection had to rest either on compilation effort or the sheer work involved in the industrious collection of the facts. The latter was the only option because there was no original compilation effort in the phone directory. The compilation was a “whole of universe” database, meaning there was *no selection* of entries – all subscribers in a particular area were included.²⁹ The arrangement effort was negligible: Telstra had *little choice* in how to present the information: “the use of the well-known alphabetical arrangement was predictable, indeed inevitable”.³⁰ Following *IceTV* (at [42]-[43]), we could add that it is merely “prosaic” to arrange entries in alphabetical order and that such arrangement is dictated by the nature of the information, how else will readers find who they are looking for?

The sole rationale for copyright reward was therefore Telstra’s “industrious collection”. But under the *IceTV* test, even if sufficiently co-extensive with the database creation, if that industry results in an expression largely devoid of originality, then it is ultimately irrelevant. The critical departure from *Desktop* lies in the High Court’s refusal to consider mere “background” industry as a *substitute* for originality, an approach followed in *Phone Directories*.³¹ It is this departure from the conventional practice of including anterior skill and effort which has spelled (or at least contributed to)³² Telstra’s doom, now that the High Court has refused Telstra’s application for special leave to appeal.

Whether any particular arrangement or selection will be sufficiently creative to be original will be a question of fact. Questions remain about the extent to which copyright law will accord protection to electronic databases in particular, and how we identify those works. Databases are essentially data (usually but not always facts) arranged in various fields. Where there is choice in the *selection* of fields, will that suffice to make the database original? Is there a great deal of discretion in how data base fields can be *arranged*? If a database structure is purchased and then customised, is that sufficiently original? Arguably the most creative feature of large relational electronic databases is the way, when combined with software, they facilitate searching, manipulation, and re-ordering of data in countless arranged forms. Are these features part of the original expression of the *database* or are only the *outputs* of those features original works?³³ At least one judge, Jessup J, seems to take the latter view:

I have difficulty with the concept that a database, as such, might be regarded as a literary work. The problem is not so much whether the database represents a compilation (in the sense of being otherwise

²⁷ *Telstra Corp Ltd v Phone Directories Co Pty Ltd* (2010) 194 FCR 142 at [71].

²⁸ *Desktop Marketing Systems Pty Ltd v Telstra Corp Ltd* (2002) 119 FCR 491 at [7], [18], [338].

²⁹ *Desktop Marketing Systems Pty Ltd v Telstra Corp Ltd* (2002) 119 FCR 491 at [21], [274].

³⁰ *Desktop Marketing Systems Pty Ltd v Telstra Corp Ltd* (2002) 119 FCR 491 at [223] per Lindgren J.

³¹ *Telstra Corp Ltd v Phone Directories Co Pty Ltd* (2010) 264 ALR 617 at [341]; [2010] FCA 44: “substantial labour and expense is not alone sufficient to establish originality”.

³² The issue of authorship of computer-generated material is clearly also a critical factor in diminishing copyright protection for factual compilations, which was the basis of the Full Court of the Federal Court’s decision: *Telstra Corp Ltd v Phone Directories Co Pty Ltd* (2010) 194 FCR 142 at [85], [86], [89], [90] (Keane CJ).

³³ And more intriguingly, who are the authors of those outputs?

disparate elements of data drawn together and organised according to certain rules), but whether a body of data is capable of being regarded as a work in any sense unless and until it has taken a material form.³⁴

Jessup J does not seem to be suggesting that the data was not in material form (clearly possible under the Act's definition)³⁵ but that the material form of a *literary work* (the electronic safety data sheets at issue) did not take shape until they were called up by the relevant software. The implication is that the raw "body of data" is not itself a literary work.

As discussed above, there are also considerable difficulties establishing infringement in the case of modern databases, since infringers primarily target the raw data rather than the arrangement of that data. And where the data are facts, protection is necessarily thin. It is only where the skill and effort of selecting or collecting those facts is regarded as *embedded* in them that, per *Desktop*, appropriation of that data alone may be considered to infringe.

IMMEDIATE EFFECTS OF ICE TV AND PHONE DIRECTORIES AND REFORM ALTERNATIVES

Following *Phone Directories*, creators of complex but unoriginal compilations have little option but to rely more on binding contractual provisions imposed at the access point to the compilation, and on technological protection measures to control access or prohibit copying, both of which produce the undesirable social outcomes of locking up or limiting access to, or the use of, the facts.

A comprehensive consideration of the options for protecting complex compilations is beyond the scope of this article, but the following discussion is intended to suggest some options and provoke reflection.

Sui generis protection

The immediate outcome of *Phone Directories* will be greater pressure to introduce sui generis legislation to protect the kind of effort represented in the White Pages. Gordon J encouraged this:

As the High Court observes, there is no counterpart in Australian law [to the European Database Directive]. It is not open to me to ignore the express words of the *Copyright Act* to expand protection consistent with that set out in the Directive as summarised by the High Court. That is a matter for Parliament and, in my view, a matter which they should address without delay.³⁶

A new home for complex compilations?

The difficulties faced by multi-authored complex compilations are primarily caused by the need to contain them in Pt III of the Act as a "work". This is recognised in the Gummow judgment in *Ice TV* (at [145]):

The second point is to emphasise the difficulties of adapting the provisions of Pt III of the Act to cases such as the present, where multiple works and authors might be identified and the requisite expression of "authorship" of each may be dictated by a specific commercial objective.

Databases or other complex, multi-authored compilations of facts could be included in Pt IV of the Act, since they are by their nature more similar to Pt IV works (especially films) than to literary works. Most Pt IV works also involve multiple works, numerous individuals performing discrete tasks, the use of computers, and an overarching organiser or "arranger" in the form of the producer. Since they subsist by virtue of Pt IV subsistence criteria, issues of authorship do not belabour these productions, in particular the difficult conditions of the statutory definition of "joint authorship" need not be satisfied, and the originality criteria are easier to satisfy. No minimum threshold of skill or effort is imposed. The "compilation" effort of the Pt IV producer is not assessed – it is the productive effort that is ultimately rewarded. The only thing that matters is the fact of making a Pt IV work. Perhaps then, Pt IV is where such productions belong.

³⁴ *Acohs Pty Ltd v Ucorp Pty Ltd* (2010) 86 IPR 492 at [81] per Jessup J.

³⁵ Being "any form of storage" of material (*Copyright Act 1968* (Cth), s 10(1)).

³⁶ *Telstra Corp Ltd v Phone Directories Co Pty Ltd* (2010) 264 ALR 617 at [30]; [2010] FCA 44.

Broader exceptions?

Another way around this is to accord protection so that competitors seeking to free ride on the complex production are excluded, but afford an exception to fair (non-commercial) uses of the information by the public, or deem a substantiality measure that would permit some use of the database which falls short of commercial harm. It could also be possible to consider a statutory licence scheme, particularly for the use of large public or quasi-public databases.

CONCLUSIONS

Complex productions are works involving the investment of considerable time, effort and resources. However, virtually negligible time, effort or resources are required to infringe them. Infringers are generally competitors who seek to avoid the work involved in creating the compilation from scratch. The production and organisation of digital data in large quantities, and the cost of maintaining the veracity and integrity of that data intuitively deserves protection. *Phone Directories* suggests otherwise. *IceTV* at least suggests that protection will be selective.

As always, a balance must be struck between the interests of the creators of works and those who wish to use them. We do not want to lock up facts through the mechanism of copyright. And we want to encourage derivative works based on those facts. The Gummow judgment recognised the importance of the balance when it noted that material fixation was necessary “so that protection did not extend to ideas or information and a balance is struck between the interests of authors and those of society in free and open communication” (*IceTV* at [102]). On the other hand, it is generally undesirable that works involving considerable investment, time and resources remain largely unprotected under the law.

It is also clear that even the most liberal decision on the issue, *Desktop*, emphasised that no copyright protection extends to the facts contained in the compilation. The practical outcome of *Desktop* was that competitors were obliged to walk the same path as Telstra and gather the facts independently.

The determination in *Desktop* to test the boundaries of copyright law in according protection to industrious collection suggests that prima facie, such effort is worthy of protection. It will be interesting to see whether Parliament shares that determination. While facts may want to be free,³⁷ completely vitiating protection for the effort involved in their collection and arrangement is an overzealous means of securing their freedom.

³⁷ “Information wants to be free” is an aphorism attributed to a speech by Stewart Brand at the first Hackers Conference, and was published in the May 1985 *Whole Earth Review*.