Can copyright law be used to protect the ‘look and feel’ of a website? ..............................................14

Today, businesses regularly rely on an internet presence, which generally includes a website to promote and/or sell their products and services. However, on current authority, the protection afforded by copyright law does not extend to the functionality, or ‘look and feel’, of a website. While there is currently no Australian authority dealing directly with this issue, it was addressed in some detail by the English High Court in Navitaire Inc v Easyjet Airline Company and Bulletproof Technologies Inc. This article examines the Navitaire decision.

Nicholas Tyacke and Tara Walker CLAYTON UTZ and Rohan Higgins BARRISTER

The Copyright Amendment Act 2006 (Cth) ..........................17

The Copyright Amendment Act 2006 (Cth) was passed on 5 December 2006 and, as of 8 January 2007, all of the provisions are in force. This article provides an overview of the changes that will have a direct impact on the use of the internet or that, notably, do not extend to certain online uses of copyright material.

Carolyn Dalton and Ishtar Vij MINTER ELLISON

Bad news for Google News......................................................20

Google News provides a news aggregation service, which groups articles from different news sites about the same news item together. The Google News page displays an automatically generated snippet of the news item from one of the news sites, accompanied by hyperlinks to articles on that topic on different news sites. However, Google News has been the subject of overseas litigation brought by both French and Belgian publishers. This article discusses both the overseas litigation and the possible outcome if a similar case was brought in Australia.

Julia Dreosti (née Hoffmann) CLAYTON UTZ

Suing ‘tacan500’ .................................................................23

This article considers the various legal issues surrounding internet defamation and provides commentary on some recent cases, looking at the legislative hurdles in attaching liability to an Internet Service Provider or Internet Content Host.

Kevin Lynch and Natalie Truong JOHNSON WINTER & SLATTERY
Can copyright law be used to protect the ‘look and feel’ of a website?

Nicholas Tyacke and Tara Walker  CLAYTON UTZ and Rohan Higgins BARRISTER

Today, businesses regularly rely on an internet presence to promote and/or sell their products and services. Generally, such a presence includes a company-specific website that is intended to be unique, visually appealing, informative and easy to use. The creation of a website that achieves these goals often requires considerable creativity on the part of a web designer and a considerable financial investment on the part of the company for whom the website is commissioned.

In such circumstances, it is in the interests of the company to ensure that it maximises the protection of its intellectual property contained in its website. Copyright law generally offers the primary means for such protection. However, on current authority, the protection afforded by copyright law does not extend to the functionality, or ‘look and feel’, of a website.

At present, there is no Australian authority dealing directly with this issue. However, the issue was addressed in some detail by Pumfrey J of the English High Court in Navitaire Inc v Easyjet Airline Company and Bulletproof Technologies Inc1 (Navitaire) in which the plaintiff attempted to claim broad-ranging rights with respect to a web-based interface for purchasing airline tickets. This article examines the Navitaire decision and looks at how relevant that case is to Australian law, as well as how an Australian court would likely address the same question.

Look and feel in the UK

Navitaire

Navitaire Inc (Navitaire) was the owner of a program called ‘Openres’, an airline booking system that included a web interface. At one time, easyJet Airline Company (easyJet) had been licensed by Navitaire to use this software. However, easyJet then developed eRes, an alternative airline booking system with a web interface program very similar to ‘Take Flight’. Following this, easyJet used eRes to replace Openres.

It was not disputed that easyJet had sought to develop a program that was substantially indistinguishable from Openres, nor that none of the underlying source code of the eRes software resembled that of the Openres software. However, eRes was set up in such a way that it acted upon identical or nearly identical inputs to Openres, and produced very similar results or output. Navitaire claimed that, in creating this software, easyJet had infringed its copyright in the Openres software. It was not at issue that the source code for the Openres software constituted a literary work, and that Navitaire owned the copyright in that literary work.

However, the action concerned what was described in Justice Pumfrey’s judgment as ‘non-textual copying’, meaning copying without access to the source code. This copying had three aspects, namely the copying of the screen displays and reports from the software, the copying of the individual commands of the software and the copying of the look and feel of the software.

Copying of screen displays

Navitaire had some limited success in protecting the copyright in its screen displays. The court found that the screen displays and icons of its
Creating a novel source code that generates a program or website with the same look and feel as the original program or website.

Pumfrey J’s findings in this regard were later adopted by Kitchin J in Nova Productions Ltd v Mazooma Games Ltd; Nova Productions Ltd v BellFruit Games (Nova Productions). In that case, Pumfrey J’s observations were applied to video arcade games rather than to websites.

On appeal, Lord Justices Jacob and Lloyd approved the principles in Navitaire and upheld the findings of Kitchin J, finding that merely making a program that emulates another but which does not copy the source code or the graphics will not infringe copyright.4

On the principles outlined in Navitaire and adopted in Nova Productions, copying the look and feel of a website, that is to say the ideas and principles underlying that website, will not generally result in infringement of copyright. A website that performs substantially the same functions as another website, but that has not copied its source code, will not infringe the copyright in that other website. However, copying the appearance of the website may result in an infringement of an artistic work.

Look and feel in Australia

To date, no Australian court has addressed the issue of whether copyright may subsist in the look and feel of a website. It is also highly unlikely that any such case will be brought. This is due to the fact that websites have been treated by Australian courts as computer programs.5 This is not surprising in view of the definition of ‘computer program’ in the Copyright Act 1968 (Cth) as ‘a set of statements or instructions to be used directly or indirectly in a computer in order to bring about a certain result’.6

As discussed below, established authorities relating to computer programs have traditionally only afforded protection to the literal aspects, such as computer program codes. Application of these cases leads to conclusions similar to those reached in Navitaire.

Judicial consideration of look and feel

As in Navitaire, judicial consideration of the protection of ‘look and feel’ of computer software in Australia has centred on the protection of that software as a literary work. However, it is noted that there is nothing that would prevent a copyright owner from claiming copyright in other aspects of the software, such as an artistic work to protect the graphical display, as was successfully argued in Navitaire. Indeed, Australian courts have gone so far as to recognise that a computer program can even constitute a cinematograph film.7 However, it is the copyright in the literary work that copyright owners have attempted to rely on in attempting to protect the functionality of software.

Autodesk Inc v Dyason

In Autodesk v Dyason, Autodesk Inc (Autodesk) sought copyright protection of a computer package called AutoCAD, which was designed to assist in architectural and engineering drafting. Supplied with each copy of the program was a hardware lock, designed to prevent pirate copies of the program. Within AutoCAD was a subprogram called Widget-C, comprising a look-up table of 127 responses, which sent a series of electrical impulses to the hardware lock. If Widget-C did not receive the appropriate responses, it caused the program to be inoperable. The defendants sought to market a lock that overcame Widget-C by indirectly copying the look-up table. This meant that pirate copies of AutoCAD could run effectively without the proper lock.

The High Court characterised the AutoCAD program as a compilation of programs including Widget-C, and found that indirect copying of Widget-C constituted infringement of a substantial part of the AutoCAD program. However, in its reasoning, the court also stated that, merely because the locks performed the same function did not mean that they were based on identical instructions, and that to focus so much on the function of the locks was to disregard one of the ‘dominant principles of copyright law’, the idea/expression dichotomy. Instead, the focus should be on whether the allegedly infringing work copies a...
substantial part of the inherently original program. Where it does, the court found, it will be an infringing reproduction. In this case, the court found that such a reproduction existed.

Data Access v Powerflex

The issue of the look and feel of a computer program was raised more prominently in the Data Access case. In that case, Data Access Corporation (DAC) developed a device called ‘Dataflex’ that allowed users to write their own programs and create a database. Powerflex developed a similar program, but went to great lengths to avoid copying the source and object codes for Dataflex. DAC essentially argued that Powerflex had copied the look and feel of Dataflex by copying the command words, the macros, the file structure and compression tables within the program.

The court was required to consider what aspects of the Dataflex program besides the source and object codes could be protected. DAC raised arguments relating to the copying of individual commands, macros and a compression table.

As in Navitaire, the High Court held that copyright did not protect individual commands. The court held that something was not a ‘computer program’ within the meaning of the definition in s 10(1) of the Copyright Act unless it intended to express, either directly or indirectly, an algorithmic or logical relationship between the function desired to be performed and the physical capabilities of the ‘device having “digital information processing capabilities”’. The court found that the individual commands were merely triggers to start the instructions for the program, and so were not computer programs.

DAC argued that Powerflex’s macros, which had the same functionality as those in the Dataflex program but differed as to source code, were an adaptation within the definition provided by s 10(1) of the Copyright Act, and thus an infringement. The court rejected this argument, holding that a computer program was only an adaptation of another program when it was a translation of that program. Functionality was not enough to satisfy this requirement.

Finally, the court did find that the compression table within Dataflex was a literary work and the copying of it by Powerflex constituted a reproduction of a sufficiently substantial part of the program to constitute infringement of the entire program.

Copyright Law Review Committee

After the decision in Autodesk, but before Powerflex, the Copyright Law Review Committee (CLRC) considered the issue of copyright in the look and feel of computer programs in some detail in its 1995 Report on Software Protection. The CLRC suggested that the look and feel of a computer program involved the interplay of two potentially overlapping elements, which combined to give the program its user appeal or friendliness. The first of these elements was the user interface, which usually concerned screen displays. The second element was the ‘sequence, structure and organisation’ of a program, including menus and the structure, order and presentation of commands. Together, these elements comprised the ‘non-literal’ aspects of a computer program. It suggested that the non-literal aspects existed at a higher level of abstraction than the actual program code, whether it be source or object code.

It has been argued that ‘creating the structure, interaction of the modules, and organisation of the behaviour of the program forms one of the most time consuming and expensive components of programming’ and that ‘the actual coding is almost trivial since the structure determines which instructions to use and where they should be placed’. On that basis, it is easy to see why website owners would seek copyright protection of more than merely the computer codes. If they were to obtain protection for the look and feel of their websites, this could restrain the development of competitive, functionally equivalent websites that would divert business away from their websites.

The report, however, did not recommend any changes to the existing copyright law to give any special protection for the non-literal aspects of computer programs and no further...
recommendations have been made since. The report reached its conclusion largely as a result of matters of public policy, finding that:

... the need for standardisation and the need for efficient user interfaces to be used and developed outweighs the need to grant authors express copyright protection in the ‘look and feel’ of their programs’ behaviour.15

This finding is to a large extent consistent with the weight of recent judicial authority in the UK on the issue.

Other recent views and case law developments

According to the Department of Communications, Information Technology and the Arts (DCITA), while most online content will be covered by copyright, the ideas behind a website, such as its look and feel and underlying business processes, do not attract copyright protection.16 The department suggests that such elements would be better protected by trade mark, patent or design laws.17

Conclusion

As the significance to businesses of an online presence increases and, with it, the investment that is made in that presence, so does the need to protect the intellectual property that makes up that presence. Copyright law generally offers the greatest protection for that intellectual property. It can be used to protect the code underlying a website, as well as works and other subject matter featured on a website. However, copyright law does not protect all that a business may expect it to. In many cases, part of the appeal of a website lies in its functionality, or ‘look and feel’ — that is, that which makes the website easy to use. However, English courts have held that copyright does not protect this aspect of a website. Australian precedent suggests that the same result would be reached here if the matter were litigated. ●

Nicholas Tyacke, Senior Associate, and Tara Walker, Paralegal, IP/IT Litigation and Dispute Resolution, Clayton Utz, and Rohan Higgins, Barrister, Sydney.

Endnotes

1. [2004] EWC 1725 (Ch).
2. In this case, the function of the program was to carry out flight booking transactions and make records accordingly.
6. Section 10(1).
11. CLRC report at 9.16.
12. Above.
15. CLRC report at 9.42.
16. DCITA ‘Digital copyright for web publishers’ Fact Sheet (nd).
17. Above.

The Copyright Amendment Act 2006 (Cth)

The year 2006 was one of significant change in Australia’s copyright law. The Copyright Amendment Act 2006 (Cth) was passed on 5 December 2006 and, as of 8 January 2007, all of the provisions are in force. The amendments cover a wide range of topics. Many of the changes will have an impact on the copyright owner’s right of communication to the public, which encompasses making material available online.

What follows is an overview of the changes that will have a direct impact on the use of the internet or that, notably, do not extend to certain online uses of copyright material.

Fair use or fair dealing? Exceptions to copyright infringement

A topic which gave rise to much debate was the introduction of additional exceptions for consumers of copyright material. In September 2005, Adeep Segkar1 discussed the review by government of the need for, or desirability of, a US-style ‘fair use’ defence, rather than supplementing or replacing the existing fair dealing exceptions. The Copyright Amendment Act contained a number of amendments in response to this review.

The Copyright Amendment Act did not introduce a US-style ‘fair use’ defence. Instead, new specific exceptions have been introduced to allow consumers to make further uses of copyright material.

Time shifting

There has been a lot of attention given to the new time shifting exception (s 111) that enables members of the public to make a recording of a radio or television program for listening or viewing at a later, more convenient, time. However, this exception does not extend to

The Copyright Amendment Act 2006 (Cth)

Carolyn Dalton and Ishtar Vij
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(2007) 10(2) INTLB
material made available over the internet as a download or webcast. Therefore, a person would not be able to make a copy of a concert broadcast on ABC Classic FM if they were making that copy from the online service. They would, however, be able to make a copy from their radio.

**Format shifting**

Four new exceptions allow members of the public to ‘format shift’ copyright material they own. The exceptions relate to books, newspapers and periodical publications (s 43C); photographs (s 47J); sound recordings (s 109A) and films (s 110AAA).

The photographs exception would allow a person to print their wedding photos (where the copyright in the photos was owned by the photographer) from digital format, or copy those photos into digital format. The exception enabling format shifting does not extend to the communication of copyright material; therefore it would not be permissible to upload the photos to the internet, for example, using Picasa™.

The sound recordings exception allows CDs, tapes, vinyl records and digital downloads to be shifted to all formats. The exception does not extend to streamed radio and similar programs. For example, the exception would allow burning a song legitimately purchased online to CD. It would not be permissible to upload a song to the internet.

The film exception allows the shifting of material from video tape to electronic format. It is not permissible to shift material from DVD or from MP4 format. Therefore it would not be permissible to burn to DVD a film legitimately purchased online. The format shifting exceptions are to be reviewed by 31 March 2008.

**Parody or satire**

The Copyright Amendment Act introduced a parody or satire fair dealing defence (ss 41A and 103AA). A person (including a corporate entity) can now make a fair dealing with copyright material for the purpose of parody or satire. This defence may allow an online newspaper to publish a satirical cartoon. It might also allow a parody of an extract of a film to be uploaded to YouTube. The scope of the defence is still uncertain in that the terms ‘parody’ and ‘satire’ are not defined.

**Response to the Digital Agenda Review**

In 2004, the Digital Agenda Review was released. This was a review, prepared by Phillips Fox, of the operation of the provisions introduced into the Copyright Act 1968 (Cth) by the Copyright Amendment (Digital Agenda) Act 2000 (Cth) (the Digital Agenda Act). The Copyright Amendment Act contained a number of provisions in response to the Digital Agenda Review. These amendments sought to clarify the reforms enacted by the Digital Agenda Act and ensure that they operated in a technologically neutral manner. These aspects of the amendments were discussed in an earlier article by Carolyn Dalton.

The relevant amendments included:
- clarification of the operation of the right of communication to the public;
- clarification of aspects of the educational statutory licences relating to digital uses of copyright material; and
- amendments to the operation of exceptions for libraries, archives and cultural institutions.

This article discusses the right of communication to the public and caching by educational institutions.

The government’s response to the Digital Agenda Review foreshadowed amendments introducing new procedures for the identification of online copyright infringers. However, these amendments were not included in the Copyright Amendment Act.

**The right of communication to the public**

Following the amendments made by the Digital Agenda Act, the Copyright Act 1968 (Cth) provides that a communication (other than a broadcast) is taken to have been made by the person responsible for determining the content of the communication. As discussed earlier by Dalton, some debate had arisen as...
to whether ‘browsing’ or reading material online could be part of a copyright owner’s rights of communication. The copyright owners’ argument has been that the reader determines the content of the communication by opening a web browser or clicking on a hyperlink.

Consistent with the original intention of the Digital Agenda Act that ‘browsing (or simply viewing)’ copyright material online is not an infringement of copyright, the Copyright Amendment Act amended the Copyright Act to clarify that a reader did not determine the content of a communication by opening a web browser or clicking on a hyperlink.

The Copyright Amendment Act introduced new subs 22(6A), which reads:

To avoid doubt ... a person is not responsible for determining the content of a communication merely because the person takes one or more steps for the purpose of:

(a) gaining access to what is made available online by someone else in the communication; or
(b) receiving the electronic transmission of which the communication consists.

The new subsection contains an example which states that ‘a person is not responsible for determining the content of the communication to the person of a web page merely because the person clicks on a link to gain access to the page’.

Caching in educational institutions

The Bill as introduced into Parliament contained a new provision to allow for ‘active caching’ of websites by educational institutions. That provision was intended to ‘allow educational institutions to engage in active caching where cached material is not altered and not retained beyond the minimum period for the particular course of study’.6

There were many concerns with the initial drafting of the provision, including the following.

• The term ‘active caching’ was not defined.
• It appeared that the cache copy may have been required to be ‘placed’ on the cache by a representative of the relevant educational institution. For example, the Explanatory Memorandum stated ‘new s 200AAA will allow an educational institution to make a work or other subject-matter available from a server, where it does so in connection with a course of educational instruction given by the educational institution’s staff to students of the institution’.7 This seemed contradictory with the statement that the provision was directed to providing for ‘proxy or forward caching by educational institutions’.8

• The exception could be interpreted very widely, even to enable uploading to the internet generally. In response to these concerns, the government revised the drafting of the provision. The new drafting sought to ‘ensure that caching for efficiency purposes (proxy caching) does not infringe copyright’.9

The provision as now included in the Copyright Act (s 200AAA) requires the cache system to be operated by or on behalf of an educational institution and primarily to enable staff and students of the institution to gain online access to copyright material for educational purposes.

The provision no longer refers to ‘active caching’, and instead refers to ‘proxy caching’, which is characterised as an automated system that makes temporary electronic reproductions in response to actions by users that merely facilitate efficient later access to the copyright material. The Supplementary Explanatory Memorandum to the revised provision notes that:

New s 200AAA is intended to better capture the Government’s policy intention to allow educational institutions to proxy cache material. Passive caching is already allowed under s 43A. New s 200AAA makes clear that proxy caching, ie, where a temporary reproduction of the material is automatically made in response to an action by a user in order to facilitate efficient access to that material by that user or other users, is not an infringement of copyright.10

Conclusion

The impact of the amendments will be watched closely by copyright owners and users alike. The clarification of the right of communication to the public has been welcomed by all copyright users. Also, the education sector is pleased with the caching provision that clarifies the status of any copies in a proxy cache operated by an educational institution.

The new exceptions will allow further uses of copyright material in the online environment, with some notable exceptions. It is open to debate whether the scope of the format shifting exceptions will be broadened when those exceptions are reviewed. In relation to the new fair dealing defence for parody or satire, it will be interesting to monitor the development of the definitions of the terms ‘parody’ and ‘satire’ and therefore the scope of the new defence.

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Endnotes

4. Above.
5. Explanatory Memorandum to the Digital Agenda Act p 33.
6. Explanatory Memorandum to the Copyright Amendment Bill 2006 (Cth) p 137.
7. Above.
10. Supplementary Explanatory Memorandum to the Copyright Amendment Bill p 21.
Bad news for Google News

Julia Dreosti (née Hoffmann) CLAYTON UTZ

Justice Branson’s recent comment in *Cooper v Universal Music Australia Pty Ltd* (Cooper), that Mr Cooper’s ‘assumption that Google’s activities in Australia do not result in infringements of the Act is untested’, may well be a warning sign of trouble ahead for Google in Australia.

It is not difficult to predict the kind of trouble Google Australia might be in with a cursory glance at the litigious battles Google is waging overseas in relation to its activities. Of particular interest, in light of the decision in *Cooper* and the recent amendments to the *Copyright Act 1968* (Cth) made by the *Copyright Amendment Act 2006* (Cth), is Google News. Google News has been the subject of overseas litigation brought by both French and Belgian publishers.

Google News provides a news aggregation service, which groups articles from different news sites about the same news item together. The Google News page displays an automatically generated snippet of the news item from one of the news sites, accompanied by hyperlinks to articles on that topic on different news sites.

Why aren’t the publishers happy about appearing on Google News? There are two reasons.

- Google uses deep linking to take the reader directly to the article on the news sites, which circumvents the advertising that appears on the news site’s homepage.
- Once the news item is no longer current, Google retrieves the item from the cached copy held on Google’s server. If, in the meantime, the publisher has put the article into an archive area that is only accessible by payment of a fee, this means that readers can avoid paying the news site’s fee for archived articles.

In August 2006, Copiepresse, a Belgian publishers’ association, sought an ex parte injunction against Google for breach of copyright. Copiepresse identified the publishers’ loss as not only the decrease in advertising and archive sourcing revenue, but also the consequential decline in the quality of articles produced by journalists, on the basis that the decrease in revenue would mean that the publishers would no longer have the resources to pay their journalists adequately.

Interestingly, unlike in previous litigation against news aggregation websites, which were framing the other news sites and advertising on their own sites, Google News acknowledges the source of the article (although it does not acknowledge the author’s name) and does not advertise on its Google News site.

The Belgian court was persuaded by Copiepresse’s arguments, and held that Google’s conduct constituted copyright infringement and that Google News’s activities did not fall into any of the exceptions to copyright infringement under Belgian law — although it did not go into any detail on the point. Fortunately, a little more consideration was given at the further hearing, discussed below.

At first instance, Google News was ordered to remove, within 10 days, the articles, photographs and graphic representations of the Belgian publishers from all of Google’s websites, and publish the judgment in full on its website for five days, or face hefty monetary penalties if it failed to comply.

Google challenged the decision and the matter was heard again on 24 November 2006. Before the hearing, Google had already managed to reach a settlement with two of the five groups represented by Copiepresse. However, at the hearing on 24 November 2006, a number of other publishers’ associations were allowed to make submissions as interveners.

At the 24 November 2006 hearing, Copiepresse and the interveners argued that Google News infringed copyright
in two ways: the Google caching practice and the Google News service.

Google's arguments in defence and the court's analysis are of interest in the Australian context, as some or all of the arguments will invariably be used in Australia, should any action be taken by publishers here.

**Google caching**

With respect to caching, Google argued that it did no more than copy the HTML code during the ‘Googlebot’ process of indexing web pages, and that it was the internet user, not Google, who created the reproduction. Google submitted that it merely furnished the technology intended to permit or allow communication to the public by the internet users. This is an argument that has found favour in other jurisdictions. However, the Belgian court rejected Google's argument, noting that the reproduction occurred the moment that the information was stored on Google's servers.

It is unlikely that Google's argument would find favour in Australia, following the decision in *Cooper*, and given the clarification brought by the Copyright Amendment Act by the addition of s 22(6)(a), with the express example that 'a person is not responsible for determining the content of the communication to the person of a web page merely because the person clicks on a link to gain access to the page'.

**Google News service**

Google advanced a number of arguments in defence to the publishers' claim of copyright infringement.

Google argued that the titles and article extracts found on the news sites and reproduced on the Google News page were not protected by copyright. With respect to the titles, Google argued that they lacked the criterion of originality, as they were purely descriptive of the news stories to which they related (for example, 'The king visits Sweden' or 'Tom Boonen world champion').

The court said that it could not be considered that all press articles lacked sufficient originality to attract copyright protection, as noted by reference to other titles identified in the expert reports provided to the court. With respect to the extracts of articles, the court made reference to the rule that the reproduction need not be of the whole of the work but need only be of a substantial part of the work in order to be infringing.

Google submitted that Google News was no more than a specialised search engine, and that, by grouping them by theme, the site served to allow internet users to easily identify articles of interest, and that Google made articles more accessible by providing a hyperlink to the original site. Copiepresse and the other interveners argued that Google News was more than a simple search engine, such as <Google.be>, and should be regarded as an information provider.

In the alternative, Google relied on a similar provision to that in s 41 of the Australian Copyright Act, which provides an exception of ‘fair dealing’ for the purpose of criticism or review. The court determined that Google News could not qualify as a review, as it was solely comprised of newspaper extracts grouped by theme and its referencing was entirely automatic, without any analysis, comparison or critique of the articles. It is likely that this argument would also fail in Australia as being no more than a task of ‘location rather than evaluation’.

Google also sought to rely on the Belgian equivalent of s 42 of the Australian Copyright Act, which provides a defence of fair dealing for the purpose of reporting news. The court noted that this submission contradicted Google's earlier argument that Google News was no more than a search engine. The court was of the view that, given that Google News merely grouped articles according to different themes, with no commentary of its own on those news items, it did not provide a news service. The court referred to the intention of the exception as being to allow the media to respond quickly to newsworthy events, in circumstances where the speed at which the event needed to be reported meant that it was not possible to obtain the authors' approval.

The court determined that Google was not in that position, and could and should have obtained the authors' approval. Further, in relation to both of

Google submitted that it merely furnished the technology intended to permit or allow communication to the public by the internet users.
protocols could not be said to indicate a certain and express agreement by the editors to the use made by Google News. The court also made reference to the fact that Copiepresse had brought its claim within a month of the Belgian Google News site becoming operational as demonstrating that no consent had been provided. Interestingly, the same argument was put forward by Google Australia in its submission to the Senate Legal and Constitutional Affairs Committee Inquiry into Provisions of the Copyright Amendment Bill 2006 (Cth). In its submission, Google argued that an exception ought to be included in the Copyright Act, exempting from infringement all caching, indexing and archiving where the copyright owner had not used a standardised protocol to prohibit the conduct. Google’s reasoning for the proposal was that, in light of the vastness of the internet, it was not possible for search engines to obtain permission from copyright owners, and that a practical compromise was to shift the onus onto the owners to insert a <robots.txt> file to prevent indexing. Google commented that: 

This device has proved to be a workable, eminently practical way to reconcile the inherently public nature of the Internet with the desire of a very few copyright owners to restrict access to their works.8

Google’s rather far-fetched arguments — that the orders sought violated Google’s right of freedom of expression,9 that they constituted an abuse of process (on the basis that the publishers were aware that they could implement <robots.txt> to avoid being cached or appearing on the Google News site) and a breach of EU competition laws against anti-competitive practices by associations — were dismissed.

Orders

The court delivered its decision on 13 February 2007, and upheld the earlier decision that Google News had infringed copyright, save for a few minor amendments, in reproducing and communicating to the public the titles and short extracts of the articles, and in the operation of the Google cache. The court required Google to remove the links to sites of the members of the publishers’ associations that were interveners in the proceedings (the links to the Copiepresse members’ sites had already been removed following the 5 September 2006 decision). However, the court reduced the €25,000 per day the fines that Google had to pay if it failed to remove the infringing content, rather than the €1 million per day ordered in the 5 September 2006 decision.

Australian position

What would be the position in Australia if publishers here decided that appearing on Google News Australia was doing more harm than good to their sales? Google News might encounter similar difficulties in persuading a court that its activities fell under any of the exceptions to the exclusive right of reproduction enjoyed by copyright owners. Following the decision in Cooper,10 it is likely that deep linking to other news sites would amount to more than ‘mere facilitation of infringing conduct’, such that infringement would be established. There is, in effect, nothing to distinguish this case from De Garis v Neville Jeffress Pidler Pty Ltd,11 in which a clipping service copied and distributed articles from newspapers to its clients.

Further, while caching can be an exception, it can only be so if it is a temporary reproduction of the work, which is incidentally made as a necessary part of a technical process of using a copy of the work. The exception expressly does not apply to any subsequent use of a temporary reproduction of a work other than as a part of the technical process in which the temporary reproduction was made. In Google’s case, the caching is not a temporary reproduction, as the cached copy is stored on the Google server for subsequent use. The extension of this exception made by the Copyright Amendment Act only extends to active caching for educational purposes.12

Future for Google News

Despite a resounding defeat in Belgium, Google is standing firmly behind Google News, stating in its press release following the decision that it intended to appeal ‘because we believe that Google.be and Google News are entirely legal and provide great value and critical information to Internet users’. The general response from the media is that the action taken by the Belgian publishers was excessive and is likely to do news services more harm than good, as they rely on Google to drive traffic to their sites. If Google’s activities are tested in Australia it appears that, no matter how altruistic Google’s motives may be in operating its Google News site, as the law currently stands in Australia, the news is unlikely to be good for Google.●

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Endnotes

2. The litigation with French publisher Agence France-Presse (AFP), commenced in both France and the US in 2005, settled in April this year with Google entering into a licensing agreement with AFP for its news and photographs.
3. See, for example, Shetland Times Ltd v Wills (1996) 37 IPR 71; Washington Post Co v TotalNews Inc 97 Civ 1190 (PKL) (SDNY).
7. Above note 5.
12. Copyright Amendment Act, s 200AAA — proxy web caching by educational institutions.
Suing ‘tacan500’

Kevin Lynch and Natalie Truong

JOHNSON WINTER & SLATTERY

This article considers the various legal issues surrounding internet defamation and provides commentary on some recent cases, looking at the legislative hurdles in attaching liability to an Internet Service Provider (ISP) or Internet Content Host (ICH).

Practical issues in internet defamation

Early in 2007, newspapers reported that High Court judge, Justice Michael Kirby, was the subject of a false online profile posted on the ‘MySpace’ internet site. The author of the false profile claimed to be Justice Kirby and the posting included a malicious and fabricated letter to the author’s parents about Justice Kirby’s sexuality.

If he were minded to do so, and had the means of identifying the impostor, Justice Kirby would be entitled to commence a defamation claim against the authors. The more readily identifiable defendant, the ISP or the ICH, is likely to be less vulnerable to prosecution.

You can’t shoot the messenger

Were it not for legislative provisions that protect the ISP and ICH in relation to defamatory material, the increasing popularity of internet forums, such as online blogs, chat rooms, discussion boards and other web forums, would carry with them a range of legal exposures. These legislative provisions, reinforced by the uniform defamation legislation introduced by each state and territory during 2006, prevent a plaintiff from ‘shooting the messenger’. Typically, an ISP or ICH is immune from liability for third-party content, except where it had or has knowledge of the defamatory material. Under Australian uniform defamation laws (s 31), an ISP will have a defence to the publication of defamatory material if it was ‘innocently disseminated’. Innocent dissemination will be a defence for an ISP or ICH if:

- it published the alleged defamatory matter merely in the capacity of a ‘subordinate distributor’;
- it neither knew, nor ought reasonably to have known, that the matter was defamatory; and
- its lack of knowledge was not due to negligence.

An ISP or ICH will be considered to be a ‘subordinate distributor’ if:

- it is not the ‘first or primary distributor’;
- it is not the author or originator; and
- it did not have the capacity to exercise editorial control over the matter before it was published.

In terms of accessibility for an ISP or ICH, the provision falls somewhere between the US position, which provides federal immunity to the ISPs, and the UK legislation, which protects an ISP or ICH that can show it ‘took reasonable care’ in relation to the relevant publication.

The uniform defamation provisions echo the provisions in the Broadcasting Services Act 1992 (Cth), and give protection to an ISP or ICH that is akin to the common-law innocent dissemination defence. The uniform defamation provisions allow that a person will not be liable for any content hosted or delivered if they were not aware of it. They also remove any positive obligation for an ISP or ICH to monitor, make inquiries about or keep records of the content hosted or provided.

An ISP or ICH may, however, be sent a ‘take-down notice’ by the Australian Broadcasting Authority (ABA). If the content is hosted in Australia and the ABA determines that it is prohibited, or is likely to be so, the ABA will direct the ISP or ICH to remove the content from its service.

If the content is not hosted in Australia and is prohibited, or is likely to be so, the ABA will, in accordance with the Internet Industry Association’s code of practice, notify suppliers of approved filters of the prohibited content. An individual who is the victim of a defamatory posting will also be able to remove the legislative shield by putting the ISP or ICH on notice of a posting that is defamatory.

Lifting the cyber veil

Given the legislative hurdles involved in attaching liability to an ISP or ICH, a victim of defamation is likely to set their sights on the author of a defamatory work. Typically, an internet posting is made under a username, which may bear no relation to its author’s actual identity. This is particularly likely when the author is malicious in the posting and wants to escape ‘real-world’ liability.

A recent case on this issue involved an anonymous attack upon aviator and businessman, Dick Smith, posted under the pseudonym ‘tacan500’, on a website forum known as ‘Professional Pilots [sic] Rumour Network’. In registering as a user on the forum, the individual had not provided any information that could lead to her identification. In this case, she was identified through Supreme Court preliminary discovery proceedings. The identification process involved:

- making inquiries with the internet host (the website forum operators) for the IP address of the ISP from which the postings emanated;
- obtaining the digital ‘fingerprint’ left at the time of each posting in the form of the ‘migrating IP number’, which attached itself to each posting of concern, and the precise timing of the posting;
• making a request to the relevant ISP for the identity of the subscriber, based on the series of migrating IP addresses; and
• when the ISP declined the request — citing privacy and contractual concerns arising from the end-user agreement with the customer — making an application to the court to order preliminary discovery to ascertain the identity of the person using the pseudonym.

Once compelled by court order, the ISP provided the name and address of the customer, overcoming its contractual and privacy concerns in the process. The circumstances, the technology and the legal processes converged to give a clear identification of the defendant. As part of the negotiated settlement in the proceedings, the defendant published on the website forum, under her real name, an apology that included the following warning based on her experience: ‘If you think that a posting is anonymous you are mistaken, and it can be an expensive mistake’.

The defendant had joined the forum from her home computer, situated in Australia, through an internet account where her real name, address and billing details had been provided to an Australian ISP. Postings from one or more walk-in internet cafés, or by means of an ISP in a foreign jurisdiction, would have been less fruitful.

Conclusion
An ISP is currently under no obligation to monitor the content of the websites it services. However, this does not mean it will not be held liable for third-party content if it knows that the content is defamatory. This liability is likely to include the failure of an ISP to remove material from a site once it is advised that the material is defamatory.

While the legislation recognises that ISPs may not always be in a position to know what content is being posted on a website it services, it does still leave open an avenue of relief for those who discover that their reputations are being damaged in an online chat room or blog somewhere in cyberspace. That is providing, of course, that a plaintiff can identify the defendant author, which requires a happy coincidence of fact and law.●

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Endnotes
1. ISPs have a similar responsibility in relation to copyright infringement.

3. Schedule 5, cl 91(1).
4. Richard Harold Smith v ACTEW Retail Ltd (unreported, NSWSC, No 15029/06).
5. In this case, the website forum operator was cooperative, allowing inquiries to shift to the ISP. Without cooperation, the prospective plaintiff may need to consider deploying the preliminary discovery process used in step 4 of the process at this earlier stage.
6. The application was made by a summons to ascertain prospective defendant’s identity pursuant to Uniform Civil Procedure Rules 2005 (NSW), r 5.2. The summons was supported by an affidavit outlining the background to the application, the nature of the internet forum and the offending postings, the basis for the cause of action, and the reasonable inquiries that had been made to ascertain the identity of the author.
7. See, for example, Quek J ‘Jurisdiction and the internet — where can your clients be sued?’ (2006) 8(9) INTLB 121, and Saadat M ‘Jurisdiction and the internet following Gutnick’ (2006) 8(9) INTLB 124.