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Continuing Problems with Film Copyright

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Abstract

It is hardly controversial to suggest that British and Australian film copyright law is at present incoherent and conceptually confused. Much of this problem stems from the consistent failure of both countries to recognise that films, being the product of an interdependent relationship between collaborative artistic creation and economic investment, are not susceptible to straightforward categorisation as copyright subject matter. Yet the dynamics of the film and television industry appear to be such that irrespective of the way in which the law classifies films as copyright subject matter, the relevant party seeking to commercialise the film will, generally speaking, end up with all relevant rights to exploit the film. This is likely to occur primarily through contract rather than through the operation of legislative designations of authorship and/or ownership of copyright. I wish to suggest that notwithstanding this narrative of film copyright ownership, there are good reasons for continuing to question the way in which films are conceptualised under British and Australian copyright law. In particular, I will challenge the assumption that contract can always be relied on to put parties in their desired positions, seek to justify the argument that there is ongoing value in correctly identifying and granting rights to the contributors to a film, and explore the issue of potential non-compliance with the Berne Convention and the Agreement on Trade-Related Aspects of Intellectual Property Rights. These reasons suggest that it is worth considering alternatives to the current system of protection in the UK and Australia and, in particular, what it might mean to protect 'cinematographic works' in addition to 'film fixations', which in turn raises difficult, although not intractable, questions of identifying the contours of the cinematographic work and the author(s) of such a work.

Continuing Problems with Film Copyright

Michael Handler*

It is hardly controversial to suggest that British and Australian film copyright law is at present incoherent and conceptually confused. Much of this problem stems from the consistent failure of both countries (in part due to their shared copyright histories) to recognise that films, being the product of an interdependent relationship between collaborative artistic creation and economic investment, are not susceptible to straightforward categorisation as copyright subject matter.¹ In particular, these countries have had difficulty acknowledging the conceptual differences between what can be described as the ‘cinematographic work’ and the ‘film fixation’. Whereas the former is said to be the product of the creative and perhaps technical contributions of those involved in the making of the film and, where recognised, tends to be protected under ‘authors’ rights’ style laws, the latter, being the product resulting from financial investment in the film-making process, tends to be afforded additional ‘neighbouring rights’ style protection. The current UK law is a poorly thought through amalgam of ‘authors’ rights’ and ‘neighbouring rights’ concepts, resulting in anomalies as to the ownership, scope and duration of copyright in films. Following recent amendments to, and judicial consideration of, the film copyright provisions of the Australian Copyright Act, similar criticisms can be levelled at the Australian position.

The above problems have been traced (particularly in the UK) by various commentators.² But to what extent are these merely problems of legal aesthetics? The dynamics of the film and television industry appear to be such that irrespective of the way in which the law classifies films as copyright subject matter, the relevant party seeking to commercialise the film (most commonly the producer or production company) will, generally speaking, end up with all relevant rights to exploit the film. This is likely to occur primarily through contract rather than through the operation of legislative designations of authorship and/or ownership of copyright. In other words, it might be argued that the way in which the law constitutes films as copyright subject

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¹ See M. Salokannel, ‘Film Authorship in the Changing Audio-visual Environment’, in B. Sherman and A. Strowel, eds, *Of Authors and Origins: Essays in Copyright Law* (Oxford: Clarendon Press, 1994), 60.

² See especially P. Kamina, *Film Copyright in the European Union* (Cambridge: Cambridge University Press, 2002); A. Barron, ‘The Legal Properties of Film’, *Modern Law Review* 67 (2004), 177. See also H. Laddie, P. Prescott, M. Vittoria, A. Speck and L. Lane, *The Modern Law of Copyright and Designs* (London: Butterworths, 2000, 3rd edn), paras 3.100–3.120, chapter 7; J. Holyoak and P. Torremans, *Intellectual Property Law* (Oxford: Oxford University Press, 2004, 4th edn), chapter 11; T. Aplin, *Copyright Law in the Digital Society: The Challenges of Multimedia* (Oxford: Hart Publishing, 2005), 210-14; T. Rivers, ‘Norowzian Revisited’, *European Intellectual Property Review* (2000), 389; I. Stamatoudi, “‘Joy’ for the Claimant: Can a Film also be Protected as a Dramatic Work?’, *Intellectual Property Quarterly* (2000), 117; R. Arnold, ‘Joy: A Reply’, *Intellectual Property Quarterly* (2001), 10; M. Rimmer, ‘Shine: Copyright Law and Film’, *Australian Intellectual Property Journal* 12 (2001), 129; R. Harris, ‘Guess Who’s Coming to Dinner? Directors Stake their Place at the Rights Table’, in M. Alderson, ed., *Current Issues in Film Law* (Sydney: Prospect, 2001).

matter, and in turn any consideration of the conceptual problems with particular countries' film copyright laws, are ultimately of little practical significance.

I wish to suggest that there are in fact good reasons for continuing to question the way in which films are conceptualised under British and Australian copyright law. First, there is a fundamental difficulty in assuming that contract can always be relied on to put parties in their desired positions and that any 'defects' in the law of film copyright can and will be remedied by contract. A second, broader reason concerns the normative function of the law, in particular the idea that there is ongoing value in correctly identifying and granting rights to the contributors to a film, even where current practice suggests that such rights are likely to be assigned away. Thirdly, there is the issue of potential non-compliance with the Berne Convention and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs), an issue that warrants at least some attention in light of recent World Trade Organization (WTO) intellectual property-related disputes. These reasons suggest that it is worth considering alternatives to the current system of protection in the UK and Australia and, in particular, what it might mean to protect 'cinematographic works' in addition to 'film fixations'. This in turn raises difficult, although not intractable, questions of identifying the contours of the cinematographic work and the author(s) of such a work. Some of the arguments presented here are not necessarily novel (although their consequences tend not to be explored in the context of film copyright) and they do have limitations. However, it is hoped that by raising them, attention in this area of copyright law might be shifted from matters of legal form towards a different set of more substantive problems.

1. AN OVERVIEW OF FILM COPYRIGHT IN THE UK AND AUSTRALIA

Before turning to the above arguments, some detail is needed as to why the state of film copyright law remains the source of ongoing criticism and debate and why countries such as the UK and Australia have struggled to accommodate films within the framework of copyright law. In broad terms, these countries have oscillated between protecting films by reference to either their expressive or their physical form,³ without a clear rationale for favouring one approach over the other. It is suggested that the current treatment of film copyright in both countries is conceptually unsound, raising questions as to whether such laws ought to be reformed.

1.1 Origins of UK and Australian Film Copyright Law

Under early twentieth century UK and Australian copyright law, films were assimilated into the categories of 'dramatic work' or 'photographs' (the latter being a subset of the category of 'artistic works').⁴ The fact that films were not recognised as a discrete type of copyright subject matter was unsurprising given the move in the Copyright Act 1911 towards protecting abstract 'works' with particular common

³ See Barron, *supra* n. 2, 193 (drawing a distinction between categories of protection conceived of in 'formalist' or 'physicalist' terms).

⁴ Copyright Act 1911, s 35(1); Copyright Act 1912 (Cth), s 8, which provided that the 1911 Act was in force in Australia.

features rather than specific types of intellectual creation⁵ and given the clear desire of the legislature to stay as close as possible to the wording of the Berne Convention as revised at the Berlin Conference in 1908, which imposed new obligations relating to the protection of films.⁶ What is perhaps most interesting about the dual protection afforded to films under the 1911 Act is that it involved an unarticulated recognition of the fact that films could at once be creative productions and fixed objects and that the legal rights attaching to each of these conceptions of film ought to differ. Thus, in the case of films as dramatic works, the authors of the film most likely included the director and other creative contributors;⁷ protection extended to the reproduction of the dramatic elements of the work; and the term of protection was the life of the author plus 50 years.⁸ In the case of films as a series of photographs, the rights were likely to have been owned by film producers, with both the scope and duration of such rights narrower than in respect of dramatic works.⁹ The scheme of film protection under the 1911 Act could perhaps be presented as an inchoate attempt to accommodate both ‘cinematograph works’ and ‘film fixations’ as species of copyright subject matter.¹⁰

When the Gregory Committee considered the issue of film copyright in 1952 it perceived two difficulties with continuing to treat films as original works and thus advocated the adoption of ‘film’ as a new category of copyright subject matter.¹¹ It considered that it was anomalous that ‘non-original’ films should not qualify for copyright protection and that in view of the large number of people involved in the film-making process it was not ‘practicable to treat a film as a work of “joint authorship”, with all the complexity of claims that would result’.¹² In light of this latter difficulty the Committee suggested that:

If no single author or group of authors is to be designated as the owner of the ‘film copyright’, then it seems that the obvious and logical owner of the copyright in the film is the person responsible for making it . . . [W]hat we have in mind is the entrepreneur . . . under whose care the labours of the many contributors are brought to successful issue.¹³

Following the recommendations of the Committee, under the 1956 Act protection was afforded to ‘cinematograph films’, defined as a sequence of images as recorded and

⁵ See generally B. Sherman and L. Bently, *The Making of Modern Intellectual Property: The British Experience 1760–1911* (Cambridge: Cambridge University Press, 1999), 3–4.

⁶ Following the Berlin revision, Article 14 of the Berne Convention stated in part that ‘cinematographic productions shall be protected as literary or artistic works, if, by the arrangement of the acting form or the combination of the incidents represented, the author has given the work a personal and original character’. In addition, Article 3 stated that parties were also obliged to provide protection for ‘works produced by a process analogous to photography’, which was considered to include cinematographic works. See also A. Robinson, ‘Commercial Life Imitates Art: What’s Law Got to Do with It?’, *Entertainment Law Review* (1999), 95, 96.

⁷ See Kamina, *supra* n. 2, 27–8.

⁸ Copyright Act 1911, s 3.

⁹ Copyright Act 1911, s 21. See also Kamina, *supra* n. 2, 24, 31.

¹⁰ While it is acknowledged that this is a somewhat ahistorical account of the provisions of the 1911 Act it is put forward to show that the Act did contain the kernel of something that might have grown into a more sophisticated regime of protection than that which ultimately developed.

¹¹ *Report of the Copyright Committee*, Cmnd 8662 (1952).

¹² *Ibid.*, paras 99–100.

¹³ *Ibid.*, para 103.

capable of being shown as a moving picture¹⁴ – in other words, the ‘film fixation’. No protection was afforded to something that might have been understood as a ‘cinematographic work’: films were expressly excluded from the definitions of dramatic and artistic works;¹⁵ there was no requirement of originality for subsistence of copyright in films; and rather than having ‘authors’ film copyright was deemed to be owned by the ‘maker’ (in most cases, the producer).¹⁶ Taking the 1956 Act as its starting point, Australia took an almost identical approach to the UK in its 1968 Copyright Act.¹⁷ Both countries were also instrumental in seeking and obtaining amendments to the Berne Convention intended to ensure that their systems of affording protection to ‘makers’ of ‘cinematograph films’ (rather than ‘authors’ of ‘cinematographic works’) complied with international standards.¹⁸

The thinking of the UK and Australian legislatures in providing only ‘neighbouring rights’ style protection for films was somewhat specious. It seems counter-intuitive to have recognised films as being the product of creative collaboration but then to have denied protection to potential film ‘authors’ simply on the basis of there being too many of them.¹⁹ In addition, it is clear that the problem with the treatment of films as dramatic works under the 1911 Act was not the requirement of originality as such, but rather that this requirement needed to relate to dramatic elements of the work.²⁰ It is striking that both the Gregory Committee and the UK and Australian legislatures took such a reductive view of films, conceiving of them solely as ‘commodities’²¹ or ‘industrial products’²² rather than products of aesthetic significance and favouring rewarding only the entrepreneurial investment in their production with the grant of legal rights.²³ These new laws can thus be said to have represented a triumph of pragmatism, in the attempt to shape the law around perceived existing industry practice, over established principles dealing with the treatment of creative subject matter.²⁴

1.2 Current UK Law

¹⁴ Copyright Act 1956, s 13(10).

¹⁵ Copyright Act 1956, s 48(1) (definitions of ‘dramatic work’ and ‘photograph’).

¹⁶ Copyright Act 1956, s 13(4), (10). For the meaning of ‘maker’ in this context, see *Beggars Banquet Records Ltd v Carlton Television Ltd* [1993] EMLR 349; *A & M Records Ltd v Video Collection International Ltd* [1995] EMLR 25; Kamina, supra n. 2, 139–40.

¹⁷ See Copyright Law Review Committee, *Report of the Committee appointed by the Attorney-General of the Commonwealth to Consider what Alterations are Desirable in the Copyright Law of the Commonwealth* (1959), para 268; Copyright Act 1968 (Cth), ss 10(1) (definition of ‘cinematograph film’), 98(2) (‘maker’ is the owner of copyright), 22(4)(b) (definition of ‘maker’).

¹⁸ See S. Ricketson, *The Berne Convention for the Protection of Literary and Artistic Works, 1886–1986* (London: Centre for Commercial Studies, 1987), paras 5.2, 10.10. But see infra nn. 95–8 and accompanying text.

¹⁹ It was, of course, open to the Gregory Committee to recommend that particular parties be deemed to be the authors of a film ‘work’: see S. Ricketson and C. Creswell, *The Law of Intellectual Property: Copyright, Designs and Confidential Information* (Sydney: Law Book Company, looseleaf), para 8.60.

²⁰ See Barron, supra n. 2, 196; Kamina, supra n. 2, 71–4, 97.

²¹ Gregory Committee, supra n. 11, para 100.

²² *Ibid.*, para 86.

²³ See A. Barron, ‘Commodification and Cultural Form: Film Copyright Revisited’, *New Formations* 52 (2004), 58, 72–3.

²⁴ The UK approach may be contrasted with that taken in the French Law of 11 March 1957 and the German Act of 9 September 1965, as to which see Salokannel, supra n. 1, 64–6; B. Edelman, *Ownership of the Image: Elements for a Marxist Theory of Law* (London: Routledge, 1979), chapter 3.

The ‘neighbouring rights’ model of protection has remained a central element of UK film copyright law. Under the Copyright, Designs and Patents Act 1988 protection is at present afforded to ‘films’, defined in section 5B as ‘recordings’ from which a moving image can be reproduced, with the consequence that the scope of protection is limited to the copying of the actual visual images contained in the film.²⁵ At the time of enactment of the 1988 Act the ‘authors’²⁶ of films were, in essence, their producers.²⁷ Interestingly, despite not being recognised as authors, directors were granted moral rights in their films,²⁸ a result attributable more to interest group lobbying pressure than a revitalised conception of film as a creative, authorial work.²⁹ There have, however, been two further factors that have complicated the UK’s ‘neighbouring rights’ treatment of film, such that it now can be said to blend both ‘neighbouring rights’ and ‘authors’ rights’ features.

First, both the Rental Rights Directive³⁰ and the Duration Directive³¹ required the UK to ensure that the principal director of a ‘cinematographic or audiovisual work’ is the author (or co-author) of that work.³² Such authors are to be granted rental and lending rights in respect of the original and copies of their cinematographic or audiovisual works³³ and copyright in such works must last for 70 years after the death of the last to survive of a number of listed creative contributors to those works.³⁴ Separate from this, the UK was required to ensure that the producer of ‘the first fixation of a film’ be given rental, lending and distribution rights in respect of the original and copies of the film,³⁵ and that all of the producer’s rights in the first fixation last for 50 years after the fixation is made or, if published within that period, for 50 years after publication.³⁶ Notwithstanding that the Directives clearly refer to different types of subject matter in the ‘cinematographic or audiovisual work’ and ‘first fixation of a film’, the UK glossed over this distinction in its implementation of the relevant provisions of the Directives,³⁷ instead grafting them onto its existing, ‘neighbouring rights’ style film copyright laws. Thus, incoherently, the principal producer and

²⁵ *Norowzian v Arks Ltd (No 1)* [1998] FSR 394.

²⁶ The term is used under the 1988 Act, somewhat contrary to its natural meaning, to refer both to creators of original works and entrepreneurs responsible for making other types of subject matter.

²⁷ Section 9(2)(a).

²⁸ For discussion, see Rivers, *supra* n. 2, 391–2.

²⁹ See W. Cornish, ‘Moral Rights under the 1988 Act’, *European Intellectual Property Review* (1989), 449.

³⁰ Council Directive 92/100/EEC of 19 November 1992 on rental and lending right and on certain rights related to copyright in the field of intellectual property [1992] OJ L346/61.

³¹ Council Directive 93/98/EEC of 29 October 1993 harmonising the term of protection of copyright and certain related rights [1993] OJ L290/9.

³² Rental Rights Directive, Article 2(2); Duration Directive, Article 2(1). See also Council Directive 93/83/EEC of 27 September 1993 on the coordination of certain rules concerning copyright and rights related to copyright applicable to satellite broadcasting and cable retransmission [1993] OJ L/248/15, Article 1(5).

³³ Rental Rights Directive, Article 2(1). See further Articles 2(6) and 4 for the operation of this right.

³⁴ Duration Directive, Article 2(2). The listed parties are the principal director, the author of the screenplay, the author of the dialogue and the composer of music specifically created for use in the work.

³⁵ Rental Rights Directive, Articles 2(1), 9(1).

³⁶ Duration Directive, Article 3(3).

³⁷ Although see Commission of the European Communities, *Report from the Commission to the Council, the European Parliament and the Economic and Social Committee on the question of authorship of cinematographic or audiovisual works in the Community*, COM(2002) 691 final (6 December 2002), 8 (also eliding ‘cinematographic works’ and ‘film fixations’).

director are now considered to be co-authors of (and, presumptively, co-owners of copyright in) the section 5B 'film' and copyright in such films lasts for the life-plus-70-year term intended to apply to cinematographic or audiovisual works.³⁸

Second, following the UK's implementation of the above Directives, the question arose as to whether UK law nevertheless provided protection for original 'cinematographic works' under the rubric of 'dramatic works'. This was something said to have become possible by the fact that, unlike the position under the 1956 Act, films were not specifically excluded from the definition of 'dramatic works' under the 1988 Act.³⁹ In *Norowzian v Arks Ltd (No 2)*,⁴⁰ the Court of Appeal agreed with this interpretation. In holding that a 'dramatic work' was simply 'a work of action . . . capable of being performed before an audience'⁴¹ the Court considered that any film that could be classified as a 'work of action' would fall within the category of 'dramatic work'. Buxton LJ explicitly noted that such an interpretation was designed to afford protection to 'cinematographic works' as something distinct from, but still contained within, section 5B films.⁴² The effect of the Court of Appeal's decision is that many films can now also be classified as works of authorship, with protection extended to cover copying of other than the precise images contained in the film, including re-shooting. However, despite the pragmatism of the Court of Appeal's approach, questions remain as to the appropriateness of re-protecting films as a species of dramatic work rather than cinematographic works in their own right.⁴³ In addition, the decision leaves unresolved issues of authorship of and moral rights in films as dramatic works, as well as the duration of copyright in them, raising fresh concerns as to the UK's non-compliance with the Rental Rights and Duration Directives.

1.3 Current Australian Law

As indicated above, Australia adopted a 'neighbouring rights' model of protection for films in its Copyright Act 1968. Notwithstanding this, the film provisions of the Australian Act have at times been interpreted in a manner more consistent with the protection of 'cinematographic works'. Most notably, in the recent decision of the Full Court of the Federal Court in *Seven Network (Operations) Ltd v TCN Channel Nine Pty Ltd* it was held that the 'maker' of a commercial film – a concept long regarded to refer to the film producer or production company⁴⁴ – might include parties who make creative suggestions as to what is filmed, such as shot selection.⁴⁵ Both this

³⁸ Copyright, Designs and Patents Act 1988, ss 9(2)(ab), 13B(2). In *Oakley Inc. v Animal Ltd* [2005] RPC 30, Deputy Judge Peter Prescott QC held in obiter (at 723, paras 31-2) that regulation 6(1) of the Duration of Copyright and Rights in Performances Regulations 1995 (SI 1995/3297) (which introduced section 13B(2) into the Copyright, Designs and Patents Act) is contrary to the Duration Directive and likely to be invalid.

³⁹ P. Kamina, 'British Film Copyright and the Incorrect Implementation of the EC Copyright Directives', *European Intellectual Property Review* (1998), 109.

⁴⁰ [2000] FSR 363.

⁴¹ *Ibid.*, 367 (Nourse LJ). See also at 369 (Buxton LJ).

⁴² *Ibid.*, 369.

⁴³ See Stamatoudi, *supra* n. 2.

⁴⁴ J. McKeough, A. Stewart and P. Griffith, *Intellectual Property in Australia* (Sydney: LexisNexis Butterworths, 2004, 3rd edn), 196.

⁴⁵ *Seven Network (Operations) Ltd v TCN Channel Nine Pty Ltd* (2005) 146 FCR 183, 188, para 19 (Lindgren J).

decision, as well as some commentary on the scope of film copyright in Australia,⁴⁶ indicate a somewhat intuitive understanding of films as creative works that ought to be recognised as such, but also a degree of confusion as to the logical consequences of affording ‘neighbouring rights’ protection to films. Such confusion is, however, particularly manifest in two recent legislative amendments to the Copyright Act, which unwittingly follow the UK model of agglomerating ‘authors’ rights’ and ‘neighbouring rights’ concepts in relation to film.

In 2000 moral rights were introduced into Australian law, including moral rights for ‘authors’ of films. Unperturbed by the inconsistency involved in granting moral rights in relation to subject matter long excluded from the realm of authorial works, the Australian Government took a highly instrumentalist approach in designating certain parties to be the ‘authors’ of films solely for moral rights purposes. In response to extensive lobbying it ultimately settled on a disparate group of parties: directors, screenwriters⁴⁷ and, perhaps surprisingly, producers, whose representative body convinced the Government that they deserved protection on the basis of being ‘involved in the key creative decisions’ in the film-making process.⁴⁸ At the same time as this process was taking place, film directors were also lobbying the Australian Government to introduce economic rights for directors, based on the idea that they were the primary creators of films.⁴⁹ The Government proved, in one respect, to be remarkably receptive to such arguments. It publicly committed itself to granting directors rights in their films,⁵⁰ rather than taking the opportunity to re-evaluate the nature of film copyright protection more generally (for example, in looking at the question of ‘authorship’ in light of the choices it had made in its moral rights laws). However, the final reforms introduced by the Government in 2005⁵¹ are both meagre and conceptually incoherent. Directors of non-commissioned films or their employers are now co-owners of copyright in cinematograph films, together with film producers.⁵² As with the UK film copyright provisions, and similar to recent Australian amendments making performers and producers co-owners of copyright in certain sound recordings of live performances,⁵³ these new Australian provisions blur the lines between ‘authors’ rights’ and ‘neighbouring rights’ protection by making a creative contributor an initial owner of rights in what remains entrepreneurial subject

⁴⁶ See, for example, S. Ricketson and M. Richardson, *Intellectual Property: Cases, Materials and Commentary* (Sydney: LexisNexis Butterworths, 2005, 3rd edn), 385.

⁴⁷ This is so notwithstanding that screenwriters were also afforded moral rights in their film scripts and scenarios as dramatic works.

⁴⁸ Senate Legal and Constitutional Legislation Committee, *Consideration of Legislation Referred to the Committee: Copyright Amendment Bill 1997* (1997), para 2.36. See also E. Adeney, ‘Defining the Shape of Australia’s Moral Rights: The Shape of the New Laws’, *Intellectual Property Quarterly* (2001), 291, 297. For consideration of whether producers are ‘authors’ of film works see Kamina, *supra* n. 2, 133, 144–6, 295; F. Jay Dougherty, ‘Not a Spike Lee Joint? Issues in the Authorship of Motion Pictures under US Copyright Law’, *University of California Los Angeles Law Review* 49 (2001), 225, 282–4.

⁴⁹ See Harris, *supra* n. 2, 39.

⁵⁰ House of Representatives, Parliament of the Commonwealth of Australia, *Explanatory Memorandum to the Copyright Amendment (Film Directors’ Rights) Bill 2005*, para 20.

⁵¹ Copyright Amendment (Film Directors’ Rights) Act 2005 (Cth), which came into force on 19 December 2005.

⁵² Copyright Act 1968 (Cth), s 98(3)–(5).

⁵³ See generally K. Weatherall, ‘“Pretend-y Rights”: On the Insanely Complicated New Regime for Performers’ Rights in Australia, and How Australian Performers Lost Out’, in F. Macmillan and K. Bowrey, eds, *New Directions in Copyright Law, Volume 3* (Cheltenham, UK and Northampton, MA, USA: Edward Elgar, 2006), 171–97.

matter. Further, and unlike under UK law, the scope of directors' rights in Australia is highly circumscribed, being limited to the right to include the film in a simultaneous retransmission over a subscription television network of a free-to-air television broadcast.⁵⁴ Despite their complexity, the reforms appear designed to offer almost entirely symbolic recognition to directors by doing as little as possible to disrupt existing industry practice.⁵⁵

1.4 A Problem of Legal Aesthetics?

In both the UK and Australia there is thus a tension between the starting point that films ought to be afforded only 'neighbouring rights' protection and the notion that films are more than the physical by-products of financial investment, such that the creators of them ought to be entitled to legal rights in return for their contributions. However, the way in which these contributions have been recognised, particularly in legislation, reflects a misguided sense of pragmatism and a fundamental uncertainty as to the role of the law in recognising the range of contributions involved in the film-making process. The state of the law in both countries can rightly be criticised as being confusing, conceptually unclear and out of step with the approach taken in numerous countries elsewhere in the world.

Yet it must be asked whether the above problems relate more to the *form* of film copyright law than matters of practical significance for those wishing to exploit film copyright.⁵⁶ Discussions of the incoherent state of British and Australian law, and the fact that the wrong parties might be initially allocated rights in poorly defined subject matter, tend to skirt around the issue of how the law is conceived of, and applied, in practice. To the extent that this latter issue is considered, it is often in the context of review committees or legislators acknowledging that in the industrial sphere, film producers need to be in possession of all relevant rights to be able to exploit the film commercially. In the UK and Australia, for example, this has led to recommendations and laws designed to facilitate this task for producers or at least intended to minimise disruptions to existing practices. However, some of the consequences of the assumptions that are made as to the relationship between film copyright law and film industry practice are not often followed through. The film industry is heavily reliant on contractual dealings in the management of film copyright, especially in that creative contributors to films are frequently employees of film producers or are routinely required to assign what rights they have to producers. As such, it might be asked to what extent does it then matter how, precisely, the law classifies 'films' as the object of copyright protection and allocates rights in them? Despite the fact that there are significant differences between national laws in the way in which films are classified as copyright subject matter, there does not appear to be a great deal of evidence as to whether the legal starting point that a country chooses to adopt has any

⁵⁴ Copyright Act 1968 (Cth), s 98(6). This is, in effect, a right to a share of remuneration under a statutory licence: see Part VC for the statutory licensing provisions. The fee payable by subscription television 'retransmitters' to copyright owners under this statutory licence has recently been set at AUS \$0.225 per subscriber per month: *Audio-Visual Copyright Society Ltd v Foxtel Management Pty Ltd (No 4)* (2006) 68 IPR 367 (Australian Copyright Tribunal).

⁵⁵ See Senate Legal and Constitutional Legislation Committee, *Provisions of the Copyright Amendment (Film Directors' Rights) Bill 2005* (2005), para 3.70.

⁵⁶ This is not to dismiss the significance of the symbolic and instrumental value of legal aesthetics, but rather to suggest that a focus on matters of form in this context might draw attention away from other important matters that have not to date received the consideration that they perhaps warrant.

particular impact on the ability of that film to be successfully commercialised.⁵⁷ For example, and despite claims sometimes made to the contrary,⁵⁸ it is not at all clear what the causal relationship is, if one exists at all, between particular legal designations of authorship and/or ownership of film copyright and the costs involved in managing rights for the exploitation of films. This raises the question as to why it is worth continuing to consider ‘problems’ with the state of film copyright law in the UK and Australia if the actual impact of the legal problems in question will invariably be mitigated in the course of commercial practice. Some reasons why it may well be worth doing so will be considered in the remainder of this chapter.

2. WHY IT MATTERS HOW FILMS ARE CATEGORISED UNDER BRITISH AND AUSTRALIAN COPYRIGHT LAW

2.1 Problems with Treating Contract Law as a Panacea

The first major reason is that there are difficulties in accepting as unproblematic the idea that any problems with the state of film copyright law can and will be sorted out through contract. Even if it is acknowledged that the film industry is well accustomed to managing rights through contract it cannot be assumed that relevant contracts will in fact be in place, or that existing contracts will give parties the rights they desire or adequately deal with unforeseen circumstances. A second difficulty is that the above assumption, in taking the film industry as its model, ignores the fact that many films are exploited outside such a context, where there is a greater need to rely on legal designations of ‘film’ and authorship/ownership. While the existence of these problems may seem straightforward, some of their implications have not been explored in detail in relation to film copyright.

Turning to the first difficulty, a number of cases have exposed the limitations of film industry contracts. A well-noted example is *Hospital for Sick Children v Walt Disney Productions Inc.*, in which a 1919 licence to turn particular literary and dramatic works into ‘cinematographic or moving pictures’ was held not to extend to the production of ‘talkies’, as this was not within the parties contemplation at the time of the agreement.⁵⁹ However, this is not to suggest that the problem is largely historical, or purely the result of changing technologies. More recently, commentators with experience in the film industry have challenged the notion that contractual dealings will always ensure that producers have the necessary rights to exploit the film as a species of copyright subject matter. For example, Professor F Jay Dougherty has argued that while the practice of the major US film studios is to require signed agreements from all participants in the film-making process, certain studios do not

⁵⁷ See G. Dworkin, ‘Authorship of Films and the European Commission Proposal for Harmonising the Term of Copyright’, *European Intellectual Property Review* (1993), 151, 152 (‘it is only because the film industry normally ties up all matters by contract that there is relatively little litigation exposing the uncertainties and inconsistencies in national copyright laws’).

⁵⁸ These claims are usually made by legislators or law-reform bodies: see, for example, Rivers, *supra* n. 2, 391; Gregory Committee, *supra* n. 11, para 99; *Explanatory Memorandum to the Copyright Amendment (Film Directors’ Rights) Bill 2005*, *supra* n. 50, paras 52–8. See also Kamina, *supra* n. 2, 86–7.

⁵⁹ [1966] 1 WLR 1055, although doubt was cast on this aspect of the decision by the Court of Appeal: [1968] 1 Ch 52. Compare with *JC Williamson Ltd v MGM Theatres Ltd* (1937) 56 CLR 567 (High Court of Australia) (reference to ‘motion picture film rights’ in a 1924 agreement held to encompass ‘talkies’, as these were within the parties contemplation).

always enforce such policies or are not always successful in obtaining clearance from contributors such as directors, actors or other parties not caught by the ‘work made for hire’ doctrine.⁶⁰ These ‘failures’ thus make the way in which the law categorises authorship and ownership of film copyright of fundamental importance. An example of this can be seen in *Aalmuhammed v Lee*,⁶¹ where a consultant on Spike Lee’s feature film *Malcolm X* who had not signed a written contract with any of the film production companies involved claimed authorship of the resulting film. This required the US Court of Appeals for the 9th Circuit to engage with the question of whether the contributions made by the consultant were sufficient to make him an author of the film and to set out detailed rules on joint ownership of copyright. A consideration of the first principles governing authorship and ownership of film is thus far from redundant, particularly where, as in the UK and Australia, a range of parties may be entitled at law to economic rights in a film.

In addition, it cannot be assumed that those drafting film contracts are fully aware of the extent of the rights for which they can and cannot bargain. A recent example is contained in Film Finance Corporation Australia’s production investment agreement, which contemplates that film producers will assign to investors the ‘ancillary rights’ in their films (or at least warrant that they have such rights). These include the rights to sequels, spin-offs and remakes.⁶² The problem is that it is by no means clear that producers in fact have these rights. It may be the case that producers, by virtue of being the owners or licensees of any underlying dramatic works contained in their films, could control the reproduction of aspects of plot or dramatic themes. Whether such protection extends to cover the use of characters in different dramatic contexts remains uncertain.⁶³ To the extent that the production investment agreement contemplates that a producer will have these rights as the owner of copyright in the ‘cinematograph film’, this misunderstands the scope of protection in such subject matter, which only covers copying of the exact images contained in the film.⁶⁴ This example suggests that we should be sceptical of the idea that film contracts do reliably identify the content of legal rights and in fact give parties the rights for which they believe they are bargaining. It also indicates that there may well be practical benefits for those within the film industry in undertaking a re-evaluation of how films are classified and the scope of the rights in them. This is not to suggest that if, for example, Australia were to recognise ‘cinematographic works’ that producers would necessarily own the ‘ancillary rights’ in their films⁶⁵ (or that this would itself be a

⁶⁰ Dougherty, *supra* n. 48, 269 (n. 235). As to difficulties with the operation of the ‘work made for hire’ doctrine, see *Community for Creative Non-Violence v Reid*, 490 US 730 (1989) and R. VerSteege, ‘Defining “Author” for the Purposes of Copyright’, *American University Law Review* 45 (1996), 1323.

⁶¹ 202 F 3d 1227 (9th Cir, 2000).

⁶² T. Catanzariti, ‘The Plot Thickens: Formats, Sequels and Spin-offs after Gogombil’, *Entertainment Law Review* (2004), 85, 85; Film Finance Corporation Australia, *Investment Guidelines 2006/07*, para 10.5, available at: http://www.ffc.gov.au/investment/0607_investment_guidelines.pdf.

⁶³ See, for example, *Telstra Corporation Ltd v Royal & Sun Alliance Insurance Australia Ltd* (2003) 57 IPR 453 (Federal Court of Australia); compare with *Zeccola v Universal City Studios Inc.* (1982) 46 ALR 189 (Federal Court of Australia). For discussion, see A. McGee and G. Scanlan, ‘Copyright in Character’, *Journal of Business Law* (2003), 470.

⁶⁴ *Telmak Teleproducts (Australia) Pty Ltd v Bond International Pty Ltd* (1985) 5 IPR 203 (Federal Court of Australia).

⁶⁵ Although this is not clear, the scope of the adaptation right in cinematographic works under French law may well be broader than that afforded to dramatic works under UK law: see Kamina, *supra* n. 2, 223–6.

desirable outcome⁶⁶) but rather that a reassessment of film copyright might shed light on difficult and unresolved issues as to the appropriate scope of rights in films.

The above discussion is premised on film copyright being exploited within specific industry confines: that is, where an identifiable producer or production company is responsible for the funding, co-ordination and control of the film-making process and has an ongoing interest in the exploitation of the film. However, there is wide range of films made outside this model where, given that it cannot be assumed that contracts will be used to deal with the ownership of rights, it becomes important to understand the operation of the default position as to copyright ownership. Here, problems may occur given that both UK and Australian law designates certain parties to be owners of copyright – such as ‘producers’ and ‘directors’ – based on an understanding of ‘film’ as something intended to be exploited within a particular industrial context. Outside this context, these designations start causing difficulties. For example, how does the law deal with the situation where film-makers receive financial support from parties outside the film industry – are such parties ‘producers’, notwithstanding that their interests in the film might differ markedly from those of production companies? This issue recently arose in Australia in *Seven Network (Operations) Ltd v TCN Channel Nine Pty Ltd*. This case involved the filming of an expedition on the Kokoda Track in Papua New Guinea by Australian television broadcaster Seven for inclusion in a current affairs programme. At issue was whether the organiser of the expedition, who had also paid for some of the expenses of Seven’s camera operator and sound engineer, could be considered to be a joint owner of the copyright in the resulting film. The parties not having addressed this issue by contract, the Federal Court was required to consider whether the organiser was a ‘maker’ of the film under statute. In finding that he was,⁶⁷ the Court unfortunately did not engage in any detail with the appropriateness of placing such a party into a category that had explicitly been structured by both the UK and Australian legislatures around the perceived role of feature film producers.⁶⁸

More tellingly, the further we move away from any sort of industry-based film-making, the less sense some of the legal designations as to ownership make. As the rapidly decreasing cost of and ever-increasing ease of access to film-making technology allow parties outside any formal industry structure to engage in the act of film-making, there would seem to be a difficulty in continuing to stipulate that copyright in the resultant subject matter is owned by parties such as ‘producers’ and/or ‘directors’.⁶⁹ This is not to suggest that these concepts are fixed in meaning but rather to raise the problem that they seem quite unrelated to the actual activities of those involved in generating the types of production classified under law as ‘films’. Copyright subsists in such things as home movies, amateur and experimental films, films used as artworks, security footage and video footage taken on mobile phones. In

⁶⁶ For discussion, see I. Eagles, ‘Copyright and the Sequel: What Happens Next?’, in F. Macmillan, ed., *New Directions in Copyright Law, Volume 6* (Cheltenham, UK and Northampton, MA, USA: Edward Elgar, 2007).

⁶⁷ (2005) 65 IPR 29, 41–2, para 59 (Gyles J). Although this finding was not challenged by Seven on appeal (*Seven Network (Operations) Ltd v TCN Channel Nine Pty Ltd* (2005) 146 FCR 183) it was supported by Lindgren J (at 186–8, paras 10–19) but thought by Finkelstein J to be ‘probably incorrect’ (at 200, para 89).

⁶⁸ Gregory Committee, supra n. 11, para 103. See also *Beggars Banquet Records Ltd v Carlton Television Ltd* [1993] EMLR 349.

⁶⁹ Compare with Kamina, supra n. 2, 140.

the event that parties wish to exploit the rights in such films, the current legal standards concerning ownership are likely to be particularly problematic. Take, for example, the case of video footage taken on a camera phone that captures an event that a broadcaster might wish to use in a television programme. If one person owns the phone but another happens to have been holding it at the time of the event, who might the ‘producer’ or ‘maker’ of the resulting film be?⁷⁰ Who, if anyone, would be the ‘director’ of such a film?⁷¹ Or, to take fixed surveillance footage as a different example, who would be the owner of copyright where the recording equipment is set up and maintained by a company providing security services, but where the party retaining that company’s services specifies the precise locations that are to be recorded? If it cannot be said with any degree of certainty whether a party is in fact a producer or director of any of the types of film mentioned above, then even if contracts are used to attempt to allocate rights in such films, there is a strong possibility that the true ownership position will remain unclear. Further, retaining the category of ‘producer’ in this context might raise its own problems, in that it seems to require attention to be focused towards identifying some degree of financial investment in the generation of the film, possibly leading to inappropriate parties being recognised with a grant of copyright. For example, where an artist receives funding from an arts council for a project and with such assistance produces an installation that includes film footage shot by the artist, it may be open for the funding body to argue that its financial contribution is enough to make it a ‘maker’ or ‘producer’ of the resulting film and thus an owner of copyright in it. This would seem anomalous given that such a body would not under UK or Australian copyright legislation have a claim to copyright ownership if the artist were to produce something that could be classified as an ‘artistic work’. These problems would therefore seem to provide some justification for assessing the adequacy of the current legal standards of film copyright ownership.

2.2 Acknowledging and Legitimising the Contribution of Film Authors

A second reason why it remains worth considering problems with UK and Australian film copyright law is that there is, in fact, value in contemplating an alternative system of copyright protection that aims to identify and grant meaningful rights to the contributors to a film. Those who suggest otherwise tend to look to the existing state of the industry and the outcomes sought to be achieved by particular parties within that industry (namely, the ability of producers to exploit films as freely as possible) and assume that any change to the law – for example, the explicit recognition of ‘cinematographic works’ and the contributions of authors of such works – would have only a negative impact on those industry practices.⁷² This argument is premised on the idea that any new rights given to participants in the film-making process would take the form of a grant of copyright, which would invariably need to be assigned away to allow for the commercial exploitation of the film. There would seem to be two problems with such an argument, suggesting that an exploration

⁷⁰ See Copyright, Designs and Patents Act 1988, s 178 (‘producer’ defined as ‘the person by whom the arrangements necessary for the making of the . . . film are undertaken’). See also Copyright Act 1968 (Cth), s 22(4)(b) (‘maker’ of a film defined in identical terms).

⁷¹ ‘Director’ is not defined in either the UK or Australian Act.

⁷² For an example of this argument, see M. Alderson and T. Gurnett, ‘Directors’ Copyright – The Reel Deal or Celluloid Favouritism?’ in Alderson, *supra* n. 2, 35; *Explanatory Memorandum to the Copyright Amendment (Film Directors’ Rights) Bill 2005*, *supra* n. 50, para 56.

of alternative systems is worth pursuing. The first is that the argument makes assumptions as to, but does not engage with the question of, how new rights might in fact be received by participants within the industry. The second looks more to the norms underpinning copyright law and queries why different modes of protection for authors (such as rights to equitable remuneration) cannot be considered, even if these might seem alien to particular copyright systems.

On the first point, it must be acknowledged that it is difficult to predict how the participants in the film-making process would respond to particular parties being granted new rights in films. In the abstract, much seems to depend on the type of economic analysis used. An application of the Coase Theorem would suggest that these rights would gravitate to the party that values them most highly – that is, that any new rights would simply end up in the hands of producers, being those with the interest in the ongoing exploitation of the rights. Yet a behavioural law and economics approach that considers the ‘endowment effects’ of the grant of property rights might yield different outcomes. For example, it might be argued that if the law were to allocate rights to contributors of ‘cinematographic works’, then to the extent that those parties weigh the loss of those rights more heavily than the gains that are involved they might wish to retain at least certain aspects of those rights.⁷³ This may be so even if any lump sum, upfront payments that such parties might otherwise obtain in return for their services are reduced, such that those parties ultimately share in the risk of failure involved in exploiting the film.⁷⁴ Thus if we take seriously the idea that granting property rights creates an endowment effect, such that it cannot be said that the grant will invariably have no practical impact, then it may well be worth considering whether the law ought to consider affording rights to the creative contributors to the film-making process.⁷⁵ However, there are limitations in relying on a behavioural law and economics analysis in this context. For a start, behavioural law and economics may not be able adequately to predict the impact of the grant of new rights on an existing pattern of behaviour that has been structured by long-term industry practice. Many of the examples used by proponents of this model of analysis tend to presuppose that parties are not in an existing and ongoing commercial relationship, especially one where parties are well accustomed to negotiating rights transfers.⁷⁶ Another problem relates to the fact that in some film-making contexts there may well be an inequality of bargaining power between producers on the one hand and creative contributors on the other, a problem exacerbated by the high levels of concentration of ownership in some sectors of the film industry.⁷⁷ It is thus somewhat unrealistic to believe that many contributors to a film project will have much alternative but to assign away whatever rights they have under standard form contracts.⁷⁸

⁷³ See C. Jolls, C. Sunstein and R. Thaler, ‘A Behavioral Approach to Law and Economics’, *Stanford Law Review* 50 (1998), 1471, 1484.

⁷⁴ Compare with M. O’Rourke, ‘A Brief History of the Author-Publisher Relations and the Outlook for the 21st Century’, *Journal of the Copyright Society of the USA* 50 (2003), 425.

⁷⁵ Compare with R. Burrell and A. Coleman, *Copyright Exceptions: The Digital Impact* (Cambridge: Cambridge University Press, 2005), 175.

⁷⁶ See, for example, D. Kahneman, J. Knetsch and R. Thaler, ‘Experimental Tests of the Endowment Effect and the Coase Theorem’, *Journal of Political Economy* 98 (1990), 1325; Jolls et al, supra n. 73.

⁷⁷ For discussion, see F. Macmillan, ‘The Cruel ©: Copyright and Film’, *European Intellectual Property Review* (2002), 483.

⁷⁸ See D. Poole, ‘A Directors’ Cut, the Reel Story: What Power and Control Do Modern Film Directors Really Have over Their Own Work?’ in Alderson, supra n. 2, 54.

Ultimately it might be more useful to look to practical examples to show that providing contributors to films with new rights might have some practical benefit, for example, by opening up new opportunities through the collective administration of rights. An example of this can be seen in some of the early experiences in the UK in relation to the management of directors' copyright in section 5B films. Shortly after directors were awarded such rights the Directors Guild of Great Britain encouraged its members to assign future copyright in their films to the Directors' and Producers' Society, the collecting society for British film and television directors. In 2000 the Directors' and Producers' Society took collective action on behalf of those television directors that had assigned copyright to it, leading to it securing an agreement from television producers that guaranteed payments to directors for the secondary uses of television drama for a five year period from July 2001.⁷⁹ In the course of these negotiations, the Directors' and Producers' Society, with the support of the Directors Guild of Great Britain and the Broadcasting, Entertainment, Cinematograph and Theatres Union, also managed to secure improvements in the conditions of contracts for freelance television directors, including an increase in directors' fees.⁸⁰ Given the stated desire of the Australian Screen Directors Association to enter into a residuals agreement with producers so as to obtain remuneration for directors for the ongoing use of their films, the grant of legal rights might go some of the way towards assisting Australian directors in this task.⁸¹ These examples demonstrate the possibilities that might become available to *all* parties that are awarded new rights in films, although it needs to be noted that any resulting benefits may be contingent on the strength of the industrial bargaining power of those administering the new rights.

A second problem with the idea that it would be futile to consider granting rights to additional contributors to the film-making process is that such a view is premised on a somewhat monolithic understanding of copyright as being underpinned by purely 'marketplace norms'.⁸² Proponents of this view tend to assume that the primary purpose of copyright law is to ensure the efficient functioning of markets – in this case, the market for film exploitation. On this basis, it is suggested that even if copyright were to be granted to the creative contributors to the film-making process, such rights would by definition be fully assignable (and would as a matter of course be assigned to producers), raising questions about why they ought to be granted in the first place. To the extent that the possibility is raised that contributors might be afforded a non-transferable right to remuneration, this tends to be dismissed on the basis that it would be antithetical to a 'copyright' system to privilege particular creators in such a manner and that it would significantly inhibit the ability of film producers to commercialise their films. A clear example of this line of reasoning can be seen in the Australian Government's explanations of its recent amendments to the film provisions of the Copyright Act. In rejecting the possibility of affording non-

⁷⁹ P. Haggard, 'The Triumph of the Rights Campaign', Directors Guild of Great Britain News Press Release, 1 September 2001, <http://www.guild.plus.com/press/press8.html>. Bizarrely, in the *Explanatory Memorandum to the Copyright Amendment (Film Directors' Rights) Bill 2005*, supra n. 50, para 58, this episode is characterised (without reference to any source) as one in which directors sought to achieve 'unreasonable pay-offs'.

⁸⁰ Haggard, *ibid.* See also the Directors' and Producers' Rights Society, 'The Directors' Forum', at http://www.dprs.org/directors_forum.htm.

⁸¹ Harris, supra n. 2, 46–7.

⁸² See P. Geller, 'Must Copyright Be For Ever Caught between Marketplace and Authorship Norms?' in Sherman and Strowel, supra n. 1.

transferable rights to directors, the Government appealed to the ‘fundamental principles of copyright’, in particular that copyright is a form of property ‘to be transferred and dealt with as a market commodity’.⁸³ It further indicated that it was not prepared to consider imposing increased costs on producers by limiting in any way their ability to control the exploitation of their films.⁸⁴ Similar concerns were voiced by film producers in the UK before the implementation of the Rental Rights Directive.⁸⁵

It is, however, simplistic to assert that the principal aim of film copyright law, or indeed copyright law more generally, is to protect the interests of those who ultimately bear the financial risks of production. Copyright law has long made normative choices as to who ought to be afforded rights in subject matter for reasons that do not focus on how that subject matter is to be exploited but rather on the creativity and self-expression involved in its generation. Cornish, for one, has argued that copyright laws ‘derive their legal and moral force from the act of creativity’,⁸⁶ arguing that even where authors require support from entrepreneurs to ensure that their subject matter is disseminated, which may require them to give away certain of their rights, it remains important to consider the issue of whether the law ought to ensure that their interests are to some extent protected.⁸⁷ This suggests that in the context of film there is no inherent reason why the law ought to prioritise the needs of producers to such an extent that the interests of other parties, whose creative expression contributes to the making of the film, are marginalised. On the contrary, there would seem to be good reasons to consider whether these other parties in fact deserve some form of legal recognition for their efforts.

It is thus difficult to reject out of hand the possibility of considering various options as to how contributors to films might be recognised. In particular, this ought to include debate over whether ‘authors’ of film works ought to be provided with non-transferable rights to remuneration for particular uses of their works.⁸⁸ Simply to assert that to recognise such rights would be contrary to the ‘fundamental principles of copyright’ is entirely problematic. This is not only because such a statement presupposes that ‘copyright’, given its varying justifications and national differences, in fact has fixed principles that can be described as ‘fundamental’, but also because it overlooks the fact that even in countries without a history of affording rights to equitable remuneration, the existence of statutory licensing regimes calls into question the idea that copyright is an unlimited ‘property’ right.⁸⁹ If the real objection to the consideration of equitable remuneration is that it would have a detrimental impact on film production, it is worth treating this idea with some degree of scepticism, as the UK’s own experience with the Rental Rights Directive in the film industry indicates.⁹⁰

⁸³ *Explanatory Memorandum to the Copyright Amendment (Film Directors’ Rights) Bill 2005*, supra n. 50, para 54.

⁸⁴ *Ibid.*, para 56. See also at paras 81–2.

⁸⁵ J. Reinbothe and S. von Lewinski, *The EC Directive on Rental and Lending Rights and on Piracy* (London: Sweet & Maxwell, 1993), 18; A. Booy, ‘Equitable Remuneration – A Reconsideration’, *Entertainment Law Review* (1998), 115, 115.

⁸⁶ W. Cornish, ‘The Author as Risk-Sharer’, *Columbia Journal of Law & the Arts* 26 (2002), 1, 12.

⁸⁷ See also J. Ginsburg, ‘The Concept of Authorship in Comparative Copyright Law’, *DePaul Law Review* 52 (2003), 1063.

⁸⁸ Cornish, supra n. 86.

⁸⁹ See Weatherall, supra n. 53.

⁹⁰ Harris, supra n. 2, 45–6.

The point here is not that equitable remuneration is inherently desirable and ought to be seen as the solution to the problem of how best to recognise the contributions of creators of films.⁹¹ Rather, it is to demonstrate that there may be viable, practical alternatives to the present system of film copyright that properly acknowledge and legitimise the contributions of the creators of films.

2.3 Potential Non-compliance with the Berne Convention and the TRIPs Agreement

A third, quite different, reason why it may be worth reconsidering the issue of the legal categorisation of film as copyright subject matter relates to whether the UK and Australia currently comply with their obligations under the Berne Convention and the TRIPs Agreement and what might be the consequences of any such non-compliance.

The Berne Convention, which obliges members to afford minimum standards of protection to certain authors of 'literary and artistic works', requires that members protect 'cinematographic works' as original works and afford authors of such works certain rights.⁹² The question of whether countries that provide only 'neighbouring rights' style protection for 'films' are in breach of the Berne Convention tends to be dismissed by commentators on two grounds. First, it is suggested that such countries, in protecting *all* films irrespective of whether they are original or not, in fact exceed the minimum standards of the Convention.⁹³ Secondly, it is argued that as the Convention does not define the concept of 'author' it is open to members to provide protection to parties defined as 'producers' or 'makers' of films. In this regard, reference is made to the following provisions of Article 14*bis*:

- (1) . . . the owner of copyright in a cinematographic work shall enjoy the same rights as the author of an original work.
- (2)(a) Ownership of copyright in a cinematographic work shall be a matter for legislation in the country where protection is claimed.

These provisions are said to indicate that the Convention is ultimately concerned with rights being given to 'owners' of copyright in films, meaning that members are free to determine whether they provide 'authors' rights' or 'neighbouring rights' protection in respect of such subject matter.⁹⁴

The key difficulty with the above argument is that it overlooks the fact that the *scope* of the rights afforded to owners of film copyright is likely to differ depending on whether the subject matter is classified as a cinematographic work or film fixation. As has already been seen, the rights given to owners of copyright in 'films' under UK and Australian law extend only to the copying of the actual images and sounds contained in the film.⁹⁵ This would seem to be less than what is required under the

⁹¹ Indeed, in Australia, there might be concerns that providing parties with rights to equitable remuneration would contravene Article 17.4.6 of the Australia-United States Free Trade Agreement 2004: for discussion, see Weatherall, *supra* n. 53.

⁹² Berne Convention, Article 14*bis*(1). Cinematographic works are treated in Article 2(1) as a subset of 'literary and artistic works'.

⁹³ Ricketson, *supra* n. 18, para 10.10; Stamatoudi, *supra* n. 2, 121.

⁹⁴ Kamina, *supra* n. 2, 131–2. See also Ricketson, *supra* n. 18, paras 10.10, 10.25, 10.34.

⁹⁵ *Norowzian v Arks Ltd (No 1)* [1998] FSR 394; *Telmak Teleproducts (Australia) Pty Ltd v Bond International Pty Ltd* (1985) 5 IPR 203 (Federal Court of Australia).

Convention. Owners of copyright in cinematographic works are to be afforded not only the right of authorising the reproduction of them, but also, under Articles 12 and 14(1), rights to authorise adaptations, arrangements and other alterations of such works. These Articles thus oblige members to extend protection to cover broader types of copying than merely mechanical reproduction, for example, the copying of cinematic themes, incidents and narrative elements. In this regard it is worth noting that a number of commentators consider that it was only following the Court of Appeal's decision in *Norowzian v Arks Ltd (No 2)* that the UK moved towards complying with its obligations under the Convention in protecting 'cinematographic works'.⁹⁶ This is because a consequence of that decision is that owners of copyright in those films that can be classified as original dramatic works now have rights of adaptation over such works.⁹⁷ It is thus strongly arguable that countries such as Australia that do not provide an adaptation, arrangement or alteration right for 'films' fail to comply with Articles 12 and 14(1) of the Berne Convention, and thus Article 9(1) of the TRIPs Agreement. This in turn raises the question of whether full compliance with these obligations would require recognising original 'cinematographic works' as subject matter separate from 'cinematograph films',⁹⁸ thus providing a further justification for rethinking film copyright.

Admittedly, the issue of potential non-compliance with the Berne Convention and the TRIPs Agreement is less likely to give rise to problems as immediate as those identified earlier. It is perhaps difficult to envisage circumstances in which a WTO Member would wish to go to the expense of bringing dispute resolution proceedings at the WTO over what is a relatively minor breach of the TRIPs Agreement. However, recent WTO TRIPs jurisprudence indicates that such proceedings may be brought for reasons unrelated to whether or not a particular Member's nationals are disadvantaged by another Member's non-compliance with international standards. For example, in *European Communities – Protection of Trademarks and Geographical Indications for Agricultural Products and Foodstuffs*⁹⁹ both Australia and the US instituted WTO dispute resolution proceedings against the EC, claiming that the EC's rules governing the registration of geographical indications contravened the TRIPs Agreement. Relevantly for present purposes, these proceedings were brought notwithstanding that no Australian or US party had been directly affected by the EC's technical non-compliance with the TRIPs Agreement. Rather, it appears that Australia and the US's motivations were to attempt to embarrass the EC politically, forcing it into a position where, at a time when it was putting itself forward to the rest of the world as an exemplar in its protection of geographical indications, it was required to amend deficiencies in its laws or face the prospect of trade countermeasures.¹⁰⁰ It might therefore be suggested that countries that wish to trade off the political goodwill associated with being perceived as good international citizens in copyright matters

⁹⁶ See Arnold, *supra* n. 2, 17–18; Laddie et al, *supra* n. 2, para 3.113; L. Bently and B. Sherman, *Intellectual Property Law* (Oxford: Oxford University Press, 2004, 2nd edn), 157. See also Kamina, *supra* n. 2, 218.

⁹⁷ Copyright, Designs and Patents Act 1988, s 21(1). It is, however, arguable that the UK's 'adaptation' right affords less than the protection required under Article 12: see Bently and Sherman, *ibid.*, 146.

⁹⁸ See Copyright Law Review Committee, *Simplification of the Copyright Act 1968, Part 2: Categorisation of Subject Matter and Exclusive Rights, and Other Issues* (1999), para 5.78.

⁹⁹ WTO Documents WT/DS174R and WT/DS290R (15 March 2005).

¹⁰⁰ See M. Handler, 'The WTO Geographical Indications Dispute', *Modern Law Review* 69 (2006), 70.

might do well to consider whether they in fact comply with the relevant conventions to which they are parties and consider amending their laws accordingly.¹⁰¹

3. CONCLUSION

If it is accepted that it remains important to continue to think about the problems with film copyright under UK and Australian law, this raises the question as to what any alternatives to the current system might look like. As has been suggested, in both countries there is a need to think more carefully about the way in which the law allocates rights to parties that provide creative contributions to films.¹⁰² In particular, there may well be grounds for considering whether specific protection ought to be afforded to human ‘authors’ of ‘cinematographic works’ (whether in the form of copyright, or rights to remuneration), in addition to the ‘neighbouring rights’ style protection afforded to ‘film fixations’. If such alternatives were to be considered, then the fundamental difficulty of how the law should go about the task of identifying the authors of such highly collaborative subject matter needs to be confronted. But it might be queried whether this task is as problematic as it has been made out to be.¹⁰³ Various commentators have already engaged in considerable detail with the question of who ought to be considered an author of a film work and such scholarship might provide potential guidance to legislatures on this issue.¹⁰⁴ Even if the legislature were to leave the issue of authorship to the judiciary to determine (as is the case with most other types of copyright subject matter), it is worth reminding ourselves that the task of identifying the contributions needed to make a person an author or joint author of a work is one that the law has in fact faced and worked through in the past.¹⁰⁵ This is not to say that the decisions reached have been unproblematic,¹⁰⁶ but rather that the law is constantly developing a series of techniques to attempt to address the issue. But perhaps most fundamentally, attention needs to be refocused on what it is about films that we wish to protect through copyright¹⁰⁷ – this will impact not only on how we then conceive of the question of film authorship but also on the equally important question of what the scope of rights in cinematic subject matter ought to be and how long such protection ought to last.

¹⁰¹ For a similar argument in the context of copyright exceptions, see R. Burrell, ‘Fair Use and the US-Australia Free Trade Agreement’, paper presented at *Copyright: New Futures, New Agendas Conference*, Brisbane, 18 February 2005.

¹⁰² See A. Rahmatian, ‘Copyright and Commodification’, *European Intellectual Property Review* (2005), 371, 374.

¹⁰³ Compare with Gregory Committee, *supra* n. 11, para 99.

¹⁰⁴ See, most notably, Kamina, *supra* n. 2, 144–53; Dougherty, *supra* n. 48, 282–313.

¹⁰⁵ See, for example, *Tate v Thomas* [1921] 1 Ch 503; *Donoghue v Allied Newspapers Ltd* [1938] 1 Ch 106; *Heptulla v Orient Longman Ltd* [1989] FSR 598 (High Court of India); *Stuart v Barrett* [1994] EMLR 448; *Cala Homes (South) Ltd v Alfred McAlpine Homes East Ltd* [1995] FSR 818; *Ray v Classic FM Plc* [1998] FSR 622; *Hadley v Kemp* [1999] EMLR 589; *Beckingham v Hodgins* [2003] EMLR (18) 376.

¹⁰⁶ See K. Bowrey, ‘The Outer Limits of Copyright Law: Where Law Meets Philosophy and Culture’, *Law and Critique* 12 (2001), 75.

¹⁰⁷ This mirrors similar concerns that I have raised elsewhere about the need to re-evaluate the scope of, and reasons for protecting, broadcast copyright in the UK and Australia: M. Handler, ‘Television Broadcast Copyright: The Australian Experience’, in F. Macmillan, ed., *New Directions in Copyright Law, Volume 2* (Cheltenham, UK and Northampton, MA, USA: Edward Elgar, 2006), 159–78.