

Surveyors Intellectual Property in the High Court of Australia

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SUMMARY

On the 6th of August 2008, the High Court of Australia unanimously held that the State of New South Wales was not entitled to use surveyors' plans without fairly remunerating them as copyright owners.

This decision was the climax of an 11 year partnership between organisations of Australian consulting surveyors and a not for profit organisation specialising in copyright, Copyright Agency Limited (CAL).

Surveyor's enthusiasm and CAL's patient advice, education and resources, coupled with a mutual belief in their rights, led CAL to the Copyright Tribunal in 2006, the Federal Court in 2007 and the High Court of Australia in 2008.

This paper reviews the negotiations, the court cases, the partnership with CAL and the implications of the decisions for surveyors.

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1. A PROFESSIONAL PARTNERSHIP WITH CAL

Prior to 1997 surveyor's and their organisations had been flirting with copyright for many years. Papers had been presented at seminars and conferences by various academics and professionals, but no concrete industry effort had been made to raise surveyor's intellectual property (IP) rights with clients, the public and governments. That all changed in 1997 when the Association of Consulting Surveyors Australia (ACSA) launched a national copyright project and held a national conference on intellectual property. IP is property, something well understood by surveyors and it has value and is an asset like other forms of property. In 1998 CAL agreed to act as an advisor, agent and representative for surveyors' IP and entered into what was to become a rewarding partnership with ACSA.

Through ACSA a subcommittee was formed to work in partnership with CAL and actively promote IP across Australia. The partnership identified 4 basic principles that would underpin its efforts.

- a) Recognition by users of Surveyors IP.
- b) Open use and access of Surveyors IP.
- c) Professional participation by Surveyors in the use of their IP.
- d) Just Reward for the use of Surveyors rights.

ACSA, in partnership with CAL, actively commenced educating and advising surveyors across Australia on their IP rights and also liaising with government agencies on their use of surveyors copyright. ACSA and CAL travelled to every Australian state and territory, addressing professional and industry bodies as well as meeting with regulatory authorities. It would be fair to say that whilst there was enthusiastic support from surveyors, there was also some concern that regulatory authorities would become hostile in the face of an assertion of IP rights and consequently the excellent working relationship that most surveyors enjoyed with the regulators would be undermined.

Although CAL and ACSA were meeting government agencies and gaining professional respect for the way they represented surveyors IP rights, these agencies would not consent to CAL's requests to enter into negotiations on copyright. Some agencies bluntly stated that they did not believe surveyors had IP rights and that they were protected by being agencies of the crown.

Despite years of patient discussion and attempts at negotiation, the continued procrastination by governments led CAL to fund a strategic action in the Copyright Tribunal against the State of New South Wales, over the use of surveyors IP.

2. THE COPYRIGHT TRIBUNAL

CAL is the declared collecting society for the government statutory licence found in the *Copyright Act 1968* (the Act) – this licence covers government use of surveyors' plans. Effectively this means that CAL can act on surveyors behalf to negotiate for and collect any royalties that are payable for the use of surveyors IP.

In January 2003 the CAL board decided to fund an action in the Copyright Tribunal and in May 2003 it filed an application in the Copyright Tribunal to have it:-

- a) determine a method for working out equitable remuneration for the making of digital copies of survey plans by the State of NSW and
- b) fix the terms upon which the State may communicate survey plans to the public.

The action took some time to be finally heard and eventually over 7 days in May 2006 the Tribunal received evidence and heard submissions from CAL and the State.

During the proceedings, CAL and the State jointly requested the Tribunal to have certain questions of law referred to the Federal Court for determination. In the end there were 11 questions agreed between the parties that were referred to the Federal Court. These 11 questions incorporated follow up questions if certain answers were given and they can be read from the tribunal proceedings, but the essence of the questions can be summarised as follows.

- a) Were plans made at the direction or control of the State and therefore vest copyright in the State?
- b) Were any of the plans a work that was first published by the State and therefore vest copyright in the State?
- c) Does the State have some other form of licence to reproduce or communicate the plan other than by section 183 of the Act, which permits copying by the State?
- d) Does reproduction in a digital cadastral database (DCDB) fall within the meaning of the Copyright Act?
- e) If copyright vests in the Crown, does it do so other than on just terms so as to be outside the Constitution?

3. THE FULL FEDERAL COURT

In October 2006 the Copyright Tribunal referred the 11 questions of law to the Full Federal Court. On the 7th March 2007 the Full Federal Court received evidence and heard submissions. On the 5th June 2007, 3 Federal Court judges handed down their decision.

In essence the answers to the questions were as follows.

- a) Plans were not made at the direction and control of the State so copyright therefore does not vest in the crown.
- b) Plans were not first published by the State so copyright does not therefore vest in the crown.
- c) The State has a licence to reproduce or communicate plans (other than by section 183 of the Act) and that the licence is to do everything that governs the regulatory framework of plans.
- d) Reproduction in the DCDB does not fall under the Copyright Act.
- e) There is no acquisition of property other than on just terms.

Costs were also awarded against CAL.

CAL and their solicitors were not satisfied with the Federal Court's reasoning for its decisions. As surveyors we were of course upset at the decision and confused as to how the decisions handed down could have missed the essential and obvious points we thought we had argued. We had probably not explained ourselves that well!

CAL had never suggested that the State infringed copyright. The questions of law were intended to establish the basis on which copying was done. CAL had always maintained that copying was done under section 183 of the Act. This section permits the Crown to copy and thus there is no infringement of copyright. CAL thought that the Federal Court had erred because it implied some form of copyright licence arose when there was an express statutory licence which permitted the copying. CAL said that there is no need for a licence to be implied as a totally comprehensive licence to do all the required copying is expressly stated in section 183.

The decision with respect to the DCDB was also disappointing. The Federal Court appeared to be swayed by an argument stating that the copying of bearings and distances from a plan into computer software and the subsequent conversion of these bearings and distances to machine co-ordinates and best fitting these to an existing DCDB did not constitute a copy of the survey plan. CAL argued that the reproduced DCDB image showing lines and polygons was plainly discernable as a copy of the original plan and that it is a copy of a substantial part of the original work.

CAL's in house compliance and legal team demonstrated its faith in the surveyors cause when they went to the CAL board and requested funds to appeal the Full Federal Court decision to the High Court of Australia. In what must rank as one of the most courageous decisions taken by a not for profit organisation, CAL's board approved funding and leave to appeal was to be sought from the High Court.

4. THE HIGH COURT

Having leave granted to appeal a decision in the High Court is significant. The majority of cases that are granted leave to appeal are ultimately successful. The High Court will often grant leave to appeal in circumstances where they see value in having legal points clarified particularly in areas of law that have not come before the courts.

In seeking leave to appeal a brief straightforward case was submitted to the High Court. In July 2007 the summary of CAL's argument was submitted to the High Court. On the 16th of November 2007 the High Court heard further submissions from CAL and the State of NSW.

The judges hearing the submission granted leave to appeal whether the Full Federal Court had erred in finding that the State had a licence to reproduce and communicate plans to the public independent of section 183 of the Act. However, disappointingly, it did not allow an appeal on the matter of whether a reproduction in the DCDB is a substantial copy under the Act.

So surveyors were set for an appeal in the High Court of Australia. This appeal could determine who owned the copyright in plans, who was able to use those plans and if remuneration for that use was payable. Nothing like this had ever happened to surveyors before!

On the 23rd of April 2008 CAL's lawyers appeared in the nation's capital, Canberra, in the highest court in the land, representing Australian surveyors in a landmark copyright case.

The transcript of the proceedings from the 23rd April shows 5 judges keenly interested in the case. Questions are directed from the bench to both legal teams and it is clear that this case has generated unique interest.

On the 6th of August, 4 months after the appeal was heard, the High Court handed down its decision. The appeal was allowed and costs awarded against the State.

5. IMPLICATIONS FOR SURVEYORS

The immediate implication for surveyors is that there is now no doubt surveyors own the copyright in their plans and that the State of NSW should enter into negotiations for equitable remuneration for the use of those plans.

CAL, on behalf of its' surveyor members, has commenced negotiations with the State of NSW, to establish a benchmark rate for copying, a method of capturing all the copying activities and a method of payment of equitable remuneration. CAL has sought a court order from the Copyright Tribunal for the negotiations for rates to hopefully be determined in a Tribunal based mediation. On the 22nd of December 2009, Justice Perram made Orders in accordance with CAL's application to have the proceedings referred for mediation before the

Registrar of the Tribunal as soon as practicable after 15 March 2010. The proceedings were also stood over for further directions on 9 April 2010. CAL is currently preparing the relevant documentation for those mediation proceedings.

In respect of the rest of Australia, the decision will flow on to effect negotiations in all states and territories. The Act is Federal legislation and over-rides state and territory laws.

In their decision the judges also made reference to how other jurisdictions had resolved the competing demands of copyright ownership and a government's need to copy material. A brief account of the position in the United Kingdom, New Zealand, the United States of America and Canada is outlined by the High Court and may be useful information in assisting other surveyors in pursuing copyright claims in other countries.

The High Court judges, in concluding their decision on copyright licence, made some pertinent observations on the relationship surveyors have with their clients, their regulators, public uses and copyright.

“... there is nothing in the conduct of a surveyor in preparing plans for registration which involves abandoning exclusive rights bestowed by the Act, particularly since the statutory licence scheme qualifies those exclusive rights on condition that remuneration be paid for permitted uses.

Secondly, a surveyor cannot practise his or her profession, insofar as it touches land boundaries, without consenting to the provision of survey plans for registration knowing the uses, subsequent to registration, to which the plans will be put.

Thirdly, an application on behalf of a surveyor for equitable remuneration in relation to government uses of survey plans which involve copying and communication of the plans for, and to, the public, subsequent to registration, does not undermine or impede the use by the surveyor's client of the survey plans for the purposes for which they were prepared, namely lodgement for registration and issue of title.

Fourthly, neither a surveyor nor a surveyor's client could be expected to factor into remuneration under any contract of engagement between them, such copying for public uses as may be engaged in by the State.

Fifthly, the State imposes charges for copies issued to the public.

Sixthly, there is nothing in the express terms of s 183(1) (or its history) which could justify reading down the expression "for the services of the ... State" so as to exclude reproduction and communication to the public pursuant to express statutory obligations. ”

Surveyors plans are the skeleton on which digital information systems are being built and national economies are being forged. The burgeoning communication technologies will offer the opportunity for state, national and global markets to use surveyors IP in day to day business. By securing these IP rights, surveyors will be justly rewarded for the use of their material and can continue to create works that will be as valuable to them and the economy tomorrow as they are today.

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