DECOMPILING THE FEDERAL COURT OF APPEAL'S "NAFTA ARGUMENT" IN *TELE-DIRECT (PUBLICATIONS) INC.* V. *AMERICAN BUSINESS INFORMATION INC* - FROM FACTS TO FICTION

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This paper tests the assumptions upon which the Federal Court of Appeal based its decision in Tele-Direct (Publications) Inc. v. American Business Information Inc. Specifically, the author challenges the argument raised by the court that Article 1705 of the North American Free Trade Agreement, dealing with copyright protection for compilations of data, obliged Canada to adopt a "creativity" standard of originality for copyright works akin to the U.S. position in Feist Publications v. Rural Telephone Service. Finally, the author canvasses the relevant copyright decisions rendered subsequent to Tele-Direct, including the controversial Federal Court trial decision in CCH Canadian Ltd. v. Law Society of Upper Canada, in order to demonstrate the distortions created by the application of this tenuous NAFTA argument to the question of the appropriate standard of "originality" for factual compilations.

Cet article examine les hypothèses qui fondent la décision de la Cour d'appel fédérale dans l'affaire Tele-Direct (Publications) Inc. c. American Business Information Inc. En particulier, l'auteur remet en question l'argument de la Cour que l'article 1705 de l'Accord de libre-échange nord-américain sur la protection du droit d'auteur relativement aux compilations de données a obligé le Canada à adopter une norme de « créativité » concernant l'originalité des oeuvres protégées par le droit d'auteur similaire à celle élaborée par les États-Unis dans l'affaire Feist Publications c. Rural Telephone Service. Faisant un survol de la jurisprudence pertinente sur le droit d'auteur après l'arrêt Tele-Direct, y compris la décision très controversée de la Section de première instance de la Cour fédérale dans l'affaire CCH Canadian Ltd. c. Barreau du Haut-Canada, l'auteur démontre les distorsions créées par l'application de cette interprétation ténue de l'ALÉNA en matière de la norme d'« originalité » à retenir pour les compilations de données.

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I. INTRODUCTION

> Clearly, what the parties to the [NAFTA] Agreement wanted to protect were compilations of data that "embody original expression within the meaning of [the Berne] Convention" and that constitute "intellectual creations". The use of these last two words is most revealing: *compilations of data are to be measured by standards of intellect and creativity.* As these standards were already present in Anglo-Canadian jurisprudence - as we shall see later - I can only assume that the Canadian government in signing the Agreement and the Canadian Parliament in adopting the 1993 amendments to the *Copyright Act* expected the Court to follow the "creativity" school of cases rather than the "industrious collection" school. [Emphasis added][1]

With the decision of the Federal Court of Appeal (FCA) in *Tele-Direct,* an argument has been advanced to suggest that the *North American Free Trade Agreement*[2] has effectively harmonized Canadian copyright law with that of the United States in relation to the standard of "originality" for compilations of data. If this argument continues to evolve, it will represent a dramatic departure from the orthodoxy in treaty interpretation by grafting the language of Chapter 17 of NAFTA into the Canadian *Copyright Act*[3] and, with it, a line of U.S. jurisprudence that had, up until now, never formed part of the Anglo-Canadian copyright tradition.

In Part I of this paper, I will attempt to deconstruct this "NAFTA Argument" that appears, on its face, to provide an expedient solution to achieving the desired result, namely, to deny copyright protection to mundane or pedestrian compilations of data such as telephone directories. I hope to demonstrate that the "NAFTA Argument", as developed by the FCA in *Tele-Direct*, is, in the final analysis, much too problematic to sustain.

In Part II of this paper, I will examine the post-*Tele-Direct* landscape by reviewing recent Federal Court decisions in an effort to track the evolution of the "NAFTA Argument". This assessment will bring to light its inherent difficulties as it provided the basis upon which the Federal Court Trial Division (FCTD) relied when it rendered the singular decision of *CCH Canadian Ltd.* v. *Law Society of Upper Canada*[4].

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[1] *Tele-Direct (Publications) Inc.* v. *American Business Information Inc* [1998] 2 F.C 22, 76 C.P.R (3d) 296 (F.C.A) at para. 15 [footnote omitted] [hereinafter *Tele-Direct*], aff'g (1996),113 F.T.R 123, [1997] 27 B.L.R. (2d) (F.C.T.D), leave to appeal to S.C.C. refused [1998] 1 S.C.R xv.

[2] *North American Free Trade Agreement Between the Government of Canada, the Government of Mexico and the Government of the United States*, 17 December 1992, Can. T.S. 1994 No.2, 32 I.L.M. 289 (entered into force 1 January 1994) [hereinafter NAFTA]. The relevant intellectual property provisions are contained in Chapter 17 of NAFTA.

[3] R.S.C. 1985, c.C-42.

[4] (1999), [2000] 2 F.C. 451, 169 F.T.R. 1 [hereinafter *CCH*], leave to appeal to F.C.A. granted (10 May 2000), Ottawa T-1618-93 (F.C.A).

II. THE FEDERAL COURT OF APPEAL IN TELE-DIRECT : INVOKING THE "NAFTA ARGUMENT"

The facts of the case are well-known and fairly straightforward. Tele-Direct published yellow page telephone books in Ontario and Quebec by virtue of a licensing agreement with Bell Canada for the provision of the information contained in the directory. American Business Information published a similar yellow page business directory in Canada. Tele-Direct sued American Business Information for copyright infringement. Given that Tele-Direct admitted that it did not hold copyright in the information itself and that, for its part, American Business Information admitted that Tele-Direct held copyright in the visual arrangement of the directory as a whole, the only issue for the court was whether there could be copyright in the "...organization of the subscriber information received in a disorganized state from Bell Canada and in respect of the collection of additional data such as facsimile numbers, trade-marks and number of years in operation which the appellant itself obtains from Bell Canada's customers."[5]

In denying copyright protection to the Plaintiff, the FCTD concluded that Tele-Direct had "...exercised only a minimal degree of skill, judgment or labour in its overall arrangement which is insufficient to support a claim of originality...."[6]

On appeal, the FCA concurred with the trial judge on the merits but then proceeded to review amendments to the *Copyright Act* that had been introduced pursuant to the *North American Free Trade Agreement Implementation Act* [7] and so began the chain of reasoning with which I take issue in this paper.

I must stress at this juncture that I am not challenging the result reached by the FCA. It is the manner in which the decision was arrived at that I find perplexing, especially considering that the FCA cited no authority in support of its position on NAFTA. Although the judgment seems somewhat tentative and at times appears contradictory in this regard, one can dissect the step-by-step reasoning of the FCA as it advanced its "NAFTA Argument" as follows:

1. The 1993 amendments to the *Copyright Act* added a definition of "compilation" to the Act.
2. Given that the 1993 amendments were introduced pursuant to the *NAFTA Implementation Act*, they must be interpreted consistently with the text and intent of Article 1705 of NAFTA.
3. Given that Article 1705 of NAFTA obliges Parties to protect compilations of data which, due to their selection and arrangement, constitute "intellectual creations", one must read into NAFTA, and so, into the 1993 amendments, an intent to follow the "creativity" school as opposed to the "industrious collection" school in relation to these compilations.
4. Given that this "creativity" school takes its roots in the U.S. Supreme Court decision of *Feist Publications* v. *Rural Telephone Services Co.*[8] one should read into our law a standard of originality that meets the *Feist* standard.

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[5] *Supra* note 1 at para. 2 (F.C.A.).
[6] *Ibid.* at para. 54 (F.C.T.D.).
[7] S.C. 1993, c. 44 [hereinafter *NAFTA Implementation Act*].
[8] (1991), 111 S. Ct. 1282 [hereinafter *Feist*].

A. *The 1993 amendment to the Copyright Act – legislative history*

It is true that the amendments to the *Copyright Act* introducing, *inter alia*, an express definition of "compilation" were adopted as a result of the *NAFTA Implementation Act*[9].

This definition is as follows:

> "compilation" means
> a) a work resulting from the selection or arrangement of literary, dramatic, musical or artistic works or parts thereof, or
> b) a work resulting from the selection or arrangement of data

Further, s. 2.1 was added to the *Copyright Act* in the following terms:

> (1) Compilations - A compilation containing two or more of the categories of literary, dramatic, musical or artistic works shall be deemed to be a compilation of the category making up the most substantial part of the compilation.
> (2) Idem - The mere fact that a work is included in a compilation does not increase, decrease or otherwise affect the protection conferred by this Act in respect of the copyright in the work or the moral rights in respect of the work.

Finally, the 1993 amendments changed the definition in s. 2 of "every original literary, dramatic, musical and artistic work " to include "...every original production in the literary, scientific or artistic domain, whatever may be the mode or form of its expression, such as *compilations*....".[10]

These amendments have accomplished a number of things on their face: 1) they allow for compilations of works other than literary works alone[11]; 2) they expressly recognize that there could be copyright in a compilation of data [12]; 3) they clarify that a compilation would only be a "work" in respect of the selection or arrangement of underlying works or data; 4) they emphasize that data itself could not constitute an underlying work; 5) they require that a compilation be an "original production"[13]; 6) they establish that copyright in a compilation would not affect the copyright or the lack of copyright in the underlying works that form the compilation; and 7) they determine that

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[9] *Nafta Implementation Act, supra* note 7 at ss. 53-54, consequentially amending s. 2 and adding ss. 2.1 to the *Copyright Act*.

[10] *Ibid.* [Emphasis added]

[11] Prior to these amendments, there had been no express definition of "compilation" in the *Copyright Act* and the only explicit mention of the term was under the definition of "literary work" such that only literary compilations were recognized.

[12] This aspect is of key significance and shall be discussed in more detail later in this paper. It is important to note that a compilation of data is to be distinguished from a compilation of works. The presumption is that data (i.e. facts or general information) are not in and of themselves copyrightable.

[13] Note that the FCA questions the drafting of this provision that could be interpreted to exclude data compilations from the purview of the definition of "every original...work". See *Tele-Direct, supra* note 1 at para. 16 (F.C.A.).

a compilation comprised of a variety of types of works will be identified based on the type of work that predominates.

B. *Given that the 1993 amendments were introduced pursuant to the NAFTA Implementation Act, they must be interpreted consistently with the text and intent of Article 1705 of NAFTA*

The definition of "compilation" must be interpreted in relation to the context in which it was introduced. Simply put, it was introduced as a result of the signature of the North American Free Trade Agreement and with the specific purpose of implementing it. It is therefore but natural when attempting to interpret the new definition to seek guidance in the very words of the relevant provision of NAFTA which the amendment intends to implement.[14]

From the passage quoted above, the FCA appears to assume that it is "natural" to interpret the *Copyright Act* in light of NAFTA. This assumption is, however, not necessarily that obvious. Canada follows the British tradition in considering domestic law and international treaty law as separate and distinct legal regimes. For NAFTA to have effect in Canada it must be specifically implemented into the domestic legal order. Even then, the treaty does not itself become part of domestic law unless the implementing legislation expressly demonstrates, in clear and unequivocal terms, the intent of Parliament to adopt the text of the treaty as binding.[15]

Thus, it is the *NAFTA Implementation Act* that is the governing domestic legislative text. Pursuant to Article 10 of the NAFTA Implementation Act, NAFTA is said to have been "approved" by Parliament. This language has been held not to evidence clear and unequivocal intent on the part of Parliament to incorporate by reference the text of a treaty into domestic law. [16]

It is section 3 of the *NAFTA Implementation Act* that sets the parameters for reviewing NAFTA within the domestic context:

> For greater certainty, this Act, any provision of an Act of Parliament enacted by Part II and any other federal law that implements a provision of the

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[14] *Supra* note 1 at para. 14 (F.C.A.).

[15] H.M. Kindred et al., *International Law: Chiefly as Interpreted and Applied in Canada*, 6th ed. (Toronto: Emond Montgomery, 2000); P.W. Hogg, *Constitutional Law of Canada*, 4th ed. (Scarborough, Ont.: Carswell, 1997).

[16] *British Columbia (A.G.)* v. *Canada (A.G.)*, [1994] 2 S.C.R. 41, 114 D.L.R. (4th) 193, where the majority of the court held that something more than "mere approval" is needed to give statutory force to an agreement. This same reasoning was applied in relation to the *World Trade Organization Implementation Act*, S.C. 1994, c. 47 [hereinafter *WTO Implementation Act*], in *Pfizer Inc.* v. *Canada*, [1999] 4 F.C. 441, 171 F.T.R. 211 [hereinafter *Pfizer*].

As well, Peter L. McGrath, Parliamentary Secretary to the Minister of International Trade, responding to concerns from members of the House of Commons that NAFTA would prevail over domestic law stated in *House of Commons Debates* (25 May 1993) at 19642:

> Canada's system of constitutional law...does not recognize an international agreement as part of its domestic law. Parliament must enact statutes to address these obligations and it is supreme in this respect....the agreement does not prevail over domestic legislation... Nothing in the NAFTA has been agreed to that would change this situation.

> Agreement or fulfils an obligation of the Government of Canada under the Agreement shall be interpreted in a manner consistent with the Agreement.[17]

Therefore, while NAFTA itself does not constitute binding Canadian law, it is nevertheless permissible for the courts to refer to NAFTA in order to interpret both the *NAFTA Implementation Act* and the amendments to the *Copyright Act* with the understanding that:

> Even a very strong argument in favour of consistency between domestic law and international commitments has limits. A treaty that has been implemented into domestic law remains only an interpretive aid, not an independent source of obligation in Canadian law.[18]

In this regard, it could be argued that a review of the NAFTA text as an interpretive tool can only be invoked where the text of the domestic legislation is ambiguous.[19] However, the prevailing view appears to take a more broad and purposive approach to NAFTA such that it can be used as an interpretive tool without the court first ascertaining whether there is any ambiguity in the text of the domestic legislation.[20]

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[17] *Nafta Implementation Act, supra* note 9.

[18] M. Irish, "NAFTA Chapter 19 and the Law of Judicial Review in Canada", (1999) 21 Ars Juris (Universidad Panamericana, Facultad de Derecho) 161 at 172.

[19] In *Antonsen* v. *Canada (A.G.)*, [1995] 2 F.C. 272 at 306-07, 91 F.T.R. 1 at 20, Reed J. stated:

> Counsel relies on the provisions of the FTA [*Free Trade Agreement Between Canada and the United States of* America, S.C. 1988, c. 65, Schedule, Part A] and NAFTA as support for his argument that the Minister lacks authority to refuse permits.... Thus, counsel argues, the Agreements are being used in the same way that international law has always been used by Canadian courts, when it is not directly part of Canadian domestic law, to interpret domestic legislation so that it conforms as far as possible with Canada's international obligations.
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> Even if I accept that argument, if the text of the domestic legislation is clear, "there is no room for interpreting it into conformity with the international rule" [citing to P.W. Hogg, *Constitutional Law of Canada*, 3d ed. (Scarborough, Ont.: Carswell, 1993) at 287]. I have not found the legislative provisions in question to be so ambiguous as to require the assistance of provisions of FTA and NAFTA to interpret them.

[20] In relation to NAFTA, Chapter 17, see especially *Eli Lilly* v. *Nu-Pharm* (1996), [1997] 1 F.C. 3 (C.A.) (NAFTA used to interpret provisions of the *Patent Act*, R.S.C. 1985, c. P-4); *Quarry Corporation* v. *Bacardi & Co.* (1996), 124 F.T.R. 264, 72 C.P.R. (3d) 25, aff'd (1999) 238 N.R. 71, 86 C.P.R. (3d) 127 (amendments to the *Trade-marks Act*, R.S.C. 1985, c. T-13, that resulted from the *NAFTA Implementation Act* are to be interpreted in a manner that would give effect to the NAFTA provision). In relation to NAFTA and the *Agreement on Trade-Related Aspects of Intellectual Property Rights, being Annex 1C of the Marrakesh Agreement Establishing the World Trade Organization*, 15 April 1994, 1867 U.N.T.S. 3 [hereinafter WTO/TRIPs], see *Pfizer Inc.* v. *Canada, supra* note 16. This position is more consistent with recent Supreme Court of Canada pronouncements on the use of international treaties to interpret domestic law. See *National Corn Growers Assn.* v. *Canada (Import Tribunal)*, [1990] 2 S.C.R. 1324, 74 D.L.R. (4th) 449; *R.* v. *Marshall*, [1999] 3 S.C.R. 456, 177 D.L.R. (4th) 513; and *Baker* v. *Canada (Minister of Citizenship and Immigration)*, [1999] 2 S.C.R. 817, 174 D.L.R. (4th) 193.

In light of the above, courts can interpret the *Copyright Act* in a manner consistent with NAFTA, even where, as in the case of the 1993 amendments, there is arguably no ambiguity in the legislative text. Therefore, it was possible, though by no means self-evident, for the FCA to have exercised its discretion and sought guidance from the treaty.

C. *Given that Article 1705 of NAFTA obliges Parties to protect compilations of data which, due to their selection and arrangement, constitute "intellectual creations", one must read into NAFTA, and so, into the 1993 amendments, an intent to follow the "creativity" school as opposed to the "industrious collection" school in relation to these compilations*

1. *The flaw in the NAFTA Argument*

The relevant provision of NAFTA is Article 1705 which states:

> 1. Each Party shall protect the works covered by Article 2 of the Berne Convention, including any other works that embody original expression within the meaning of that Convention. In particular:
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> b) compilations of data or other material, whether in machine readable or other form, which by reason of the selection or arrangement of their contents constitute intellectual creations, shall be protected as such.
>
> The protection a Party provides under subparagraph (b) shall not extend to the data or material itself, or prejudice any copyright subsisting in that data or material.

Without citing any authority to support its position, the FCA set out its interpretation of the meaning and intent of Article 1705 by interpreting the term "intellectual creation" to mean an exercise of "intellect" and "creativity" from which the court then infers that the intent of Parliament was to move Canadian law towards a "creativity" standard instead of one of "skill, judgment and labour."[21]

It is obvious that the text of the 1993 amendments does not coincide precisely with the language of Article 1705 (1)(b) of NAFTA, most notably in the absence, in the former, of the phrase "intellectual creation" to which the FCA attaches great importance. How then to interpret the 1993 amendments in a "manner consistent with" NAFTA?

As a starting point, it must be presumed that the text of the *NAFTA Implementation Act* as well as that of the *Copyright Act* were deemed by Parliament to have satisfied its NAFTA obligations.

The principle of *pacta sunt servanda*, expressed in Article 26 of the *Vienna Convention on the Law of Treaties* [22], obliges such good faith performance on Parties to a treaty.

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[21] "Skill, judgement and labour" has been the generally recognized standard for "originality" in compilations under Canadian copyright law. For further discussion, see below.

[22] (23 May 1969) 1155 U.N.T.S. 331 (entered into force 27 January 1980), art. 26 [hereinafter *Vienna Convention*]: "Every treaty in force is binding upon the parties to it and must be performed by them in good faith."

Similarly, in *Pfizer Inc.* v. *Canada*, the FCTD reviewed the relationship between the *WTO Implementation Act*[23] and the WTO/TRIPs[24] accord and stated:

> Parliament, in my view, manifestly indicated its intention as to how it was implementing the WTO Agreement and its annexed TRIPS Agreement or any part thereof. Parliament gave legal effect to its WTO obligations by carefully examining the nature of those obligations, assessing the state of the existing federal statutory and regulatory law and then deciding the specific and precise legislative changes which were required to implement the WTO Agreement."[25]

This position could equally have been asserted in relation to the matter at bar. In enacting the *NAFTA Implementation Act*, Parliament determined the specific legislative changes it needed to make in order to meet its NAFTA obligations. In spite of the fact that the 1993 amendments do not duplicate the precise wording of Article 1705(1)(b), these amendments do give effect to and can be interpreted consistently with Canada's NAFTA obligations without resort being had to the FCA's unsupported deductions.

The FCA erred in assuming that the only interpretation of the term "intellectual creation" necessarily shifted our law towards the "creative school" rather than the "industrious school" in relation to compilations of data. The term "intellectual creation" is susceptible to a number of different meanings. The word "intellectual" can be interpreted as "of the mind"; the noun "creation" can be used in the same sense as "product" and does not necessarily have to connote being "creative". Thus, the term "intellectual creation" can be interpreted to mean a "product of the mind" without any assessment of creativity in the sense of inventiveness or uniqueness.[26] In this way then, the use of that phrase in NAFTA does not necessarily lead to a conclusion, as the FCA would have us believe, that an "intellectual creation" requires "intellect" and "creativity".

The *Vienna Convention* provides at Article 31 that "[a] treaty shall be interpreted in good faith in accordance with the ordinary meaning to be given to the terms of the treaty in their context and in the light of its object and purpose." Further, it is appropriate to look at extrinsic sources where, *inter alia*, the contextual interpretation "leaves the meaning ambiguous or obscure."[27] Given that the term "intellectual creation" is ambiguous or at least intuitively unfamiliar within the copyright paradigm that has generally sought to exclude from copyright considerations qualitative assessments of "creativity", "ingenuity", and "novelty", its use in Article 1705(1)(b) of NAFTA should have been further investigated by the FCA. Had it done so, it would

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[23] S.C. 1994 c. 47.

[24] *Agreement on Trade-Related Aspects of Intellectual Property Rights, being Annex 1C of the Marrakesh Agreement Establishing the World Trade Organization*, 1867 U.N.T.S. 3, (1994).

[25] *Supra* note 16 at para. 45.

[26] For example, *The Oxford English Dictionary*, 2nd ed., *s.v.* "intellect", "the power of thought; understanding" and *s.v.* "creation", "making, forming, producing, or bringing into existence."

[27] *Vienna Convention*, art. 32.

have uncovered what follows.

2. *The Berne Convention Paris Revision 1971*[28]

Article 1705 of NAFTA incorporates by reference to Article 2 of Berne 1971. Article 2(5) of Berne 1971 is the relevant provision for the protection compilations, here termed "collections".[29] Interestingly, Article 2(5) is drafted in the following terms.

> Collections of literary or artistic works such as encyclopaedias and anthologies which, *by reason of the selection and arrangement of their contents, constitute intellectual creations shall be protected as such*, without prejudice to the copyright in each of the works forming part of such collections....[30]

Compilations as collective works were first expressly protected under the 1908 Berlin Revision of the *Berne Convention*. The present language was introduced in the Brussels Revision 1948 and remained unchanged in the Paris Revision 1971.[31]

Professor Sam Ricketson, in his seminal text on the *Berne Convention* identifies the parameters for the proper interpretation of Article 2(5) , especially in the use of the term "intellectual creation":

> ...indiscriminate collections involving little or no skill do not fall within the scope of article 2(5) This is one category of work protected by the Convention where the conditions for protection are clearly spelt out: only those collections 'which by reason of the selection and arrangement of their contents, constitute intellectual creations' are to be protected. It may be deduced...that 'intellectual creation' is an implicit requirement as regards other works protected under article 2, but that it was only thought necessary to make this explicit in the case of collections, as these are a borderline case...The assessment of whether or not a collection constitutes an intellectual creation remains, in the final analysis, a matter for national tribunals.[32]

This inquiry by common law national tribunals has generally centred on whether or not the compilation in question is "original" and it would be fair to say that, generally speaking, this "originality" threshold is higher in the civil law "author's rights" jurisdictions than in the common law jurisdictions where "sufficient skill, judgment and

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[28] *Berne Convention for the Protection of Literary and Artistic Works*, 2 July 1971, Can. T.S. 1998/18 (accession by Canada 26 March 1998, entered into force 26 June 1998) [hereinafter Berne 1971].

[29] See S. Ricketson, *The Berne Convention for the Protection of Literary and Artistic Works: 1886-1986* (London: Centre for Commercial Law Studies, Queen Mary College, 1987). The term "collection is a translation of the French word "*recueil*".

[30] *Supra* note 28 [Emphasis added].

[31] The Paris Revision only changed the numbering of the provision, i.e. from Article 2(4) to Article 2(5). See generally Ricketson, *ibid.*

[32] *Ibid.* at 300-01. See also J.A.L. Sterling, *World Copyright Law* (London: Sweet & Maxwell, 1998) at para. 18.06, who describes Article 2(5) as requiring that collections be intellectual arrangements; and S.M. Stewart, *International Copyright and Neighbouring Rights*, 2d ed. (London: Butterworths, 1989).

labour" has been the prevailing standard.

> The requirement of creativity or "originality" (as it is referred to in many common law jurisdictions) is therefore concerned with the way in which a work comes into existence - the act of intellectual creation - and has nothing to do with the quality of this act....differences still remain between national laws as to what constitutes intellectual creation or originality, with the common law countries generally taking a more relaxed view on this question.[33]

Nevertheless, in spite of recognizing a lower threshold for originality, common law jurisdictions such as Canada were never considered in breach of their *Berne Convention* obligations. In fact, the nature of the *Berne Convention* is such that it allows "...Union countries to adopt differing interpretations of the minimum of intellectual creation that is required for works already listed in article 2."[34]

Thus, the treatment of "compilations" under the *Berne Convention* and the term "intellectual creation" were well-entrenched in the most important multilateral copyright agreement close to half a century before the advent of NAFTA and nothing in the context, history or textual interpretation of the *Berne Convention* would lead one to conclude that the term "intellectual creation" constituted anything more, in the common law tradition, than the "originality" test of "skill, judgment and labour".

3. *NAFTA , WTO/TRIPs and copyright in compilations of data*

However, where Article 1705(1)(b) did add a dimension to Article 2 of the *Berne Convention* it was by expressly providing that a compilation of *data* would constitute a protected work under copyright law.

> ...article 2(5) [Berne 1971],by definition, does not cover collections of subject matter that are not capable of attracting copyright protection, that is, because they are not literary or artistic works in their own right. Instances are the names and addresses in a telephone directory, the brief description of items in a catalogue, and the headings, sub-headings and individual entries in a sporting programme or radio guide. Such collections of non-copyright material may involve selection and arrangement in the same degree as are required for collections of literary or artistic works, but there is no requirement to protect them under article 2(5). This, then, is a matter for national legislation....[35]

The issue of whether Berne 1971 was broad enough to encompass new works such as

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[33] Ricketson, *supra* note 29 at 231. See also Sterling, *ibid.*

[34] Ricketson, *ibid.* at 232.

[35] *Ibid.* at 303. As per Reed J. in *Hager* v. *ECW Press*, *infra* note 76 at para. 42:

> The appropriate test to be applied when copyright is claimed is for works that consist of compilations of data has been a difficult area. This is because such works are not likely to exhibit, on their face, indicia of the author's personal style or manner of expression.

computer software and compilations of data including electronic databases was very much alive at the time both NAFTA and WTO/TRIPs were being negotiated. As the importance and value of data compilations, especially electronic databases , grew in the last decades of the 20th century, it was felt that the uncertainty and lack of uniformity in regard to domestic protection necessitated some international intervention.[36] Since it appeared unlikely that a new comprehensive revision of Berne 1971 would be forthcoming, NAFTA was the first international agreement to clarify that data compilations would be covered by copyright under the same language as collections were generally covered under Berne 1971. WTO/TRIPs followed in very similar terms. [37] However, neither of these key trade agreements expressly imposed a particular threshold for obtaining such protection.[38]

4. *WIPO Copyright Treaty*[39]

Contemporaneous with the developments on the international trade front, discussions on a possible Protocol to Berne 1971 were commenced. The agenda was comprised of a number of important copyright issues including the question of the protection of compilations of data. These deliberations resulted in the 1996 *WIPO Copyright Treaty*.[40]

Article 5 of the *WIPO Copyright Treaty* expressly provides for compilations

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[36] Certainly, the frenzy of international activity in this regard was largely precipitated by events in the U.S. including the U.S. Supreme Court decision in *Feist,* to be discussed later, and the outcries it engendered from database compilers.

[37] WTO/TRIPs, art. 10(2), is identical in its drafting to NAFTA, art. 1705, except for a slight linguistic change in the last paragraph: the final sentence of art. 10(2) reads, "Such protection, which shall not extend to the data or material itself, shall be without prejudice to any copyright subsisting in the data or material itself."

[38] See *WTO Overview of TRIPs*, online: World Trade Organization <www.wto.org/english/tratop_e/trips_e/intel2_e.htm> (date accessed: 29 October 2001) where it is stated:

> In addition to requiring compliance with the basic standards of the Berne Convention, the TRIPs Agreement clarifies and adds certain specific points.

Article 10.2 *clarifies* that databases and other compilations of data or other material shall be protected as such under copyright even where the databases include data that as such are not protected under copyright. [Emphasis added]

[39] For a summary of background events leading up to the WIPO Copyright Treaty see (former Assistant Director General of WIPO) M. Ficsor, "Towards a Global Solution: The Digital Agenda of the Berne Protocol and the New Instrument-The Rorschach Test of Digital Transmissions" in P.B. Hugenholtz, ed., *The Future of Copyright in a Digital Environment* (Kluwer Information Law Series, Kluwer Law International: The Hague, 1996) 111.

[40] *WIPO Copyright Treaty,* online: World Intellectual Property Organization <www.wipo.int/treaties/ip/copyright/copyright.html> (date accessed: 29 October 2001) [hereinafter *WIPO Copyright Treaty*]. Adopted by Diplomatic Conference, on 20 December 1996: As per Article 1, the treaty was entered into as a 'special agreement' under Article 20 of Berne 1971 and binding on Contracting Paries who expressly agreed to it. Canada has been a signatory to the Treaty since December 22, 1997 but has not yet ratified it. For background see "WIPO Memorandum of the Chairman of the Committee of Experts presented at the Diplomatic Conference on Certain Copyright and Neighbouring Rights Questions". WIPO Doc. CRNR/DC/4, online:World Intellectual Property Organization <www.wipo.int/eng/diplconf/6dc_mem.htm> (date accessed: 29 October 2001).

of data in the now familiar language:

> Article 5 - Compilations of Data (Databases): Compilations of data or other material, in any form, which by reason of the selection or arrangement of their contents constitute intellectual creations, are protected as such. This protection does not extend to the data or the material itself and is without prejudice to any copyright subsisting in the data or material contained in the compilation.[41]

In the Memorandum of the Chairman of the Committee of Experts presented at the Diplomatic Conference on Certain Copyright and Neighbouring Rights Questions, the explanatory note relating to Article 5 affirms that: "This provision is of a declaratory nature. It confirms what is already covered by the *Berne Convention*."[42]

The Chair of the U.S. Committee on Foreign Relations upon submitting the *WIPO Copyright Treaty* to the U.S. Senate for ratification stated:

> .... The treaty makes clear that the parties must accord copyright protection to databases that constitute ``intellectual creations,'' i.e., works in which the selection or arrangement of the content is the result of *intellectual effort*. The compilation of the content (or data) is protected as copyright subject matter, but protection does not extend to the content itself (unless the content is independently a work of the intellect, in which case it enjoys a separate copyright) (Art. 5). [43] [Emphasis added]

The term "intellectual creation" is defined here as "intellectual effort" without any higher qualitative element.

That the standard of "originality" would remain within the purview of national courts to define is further confirmed by a briefing memorandum prepared by the International Bureau at WIPO in anticipation of discussions on intellectual property rights in databases. This memorandum canvassed the treatment of compilations of data in the domestic legislation of Berne Members as well as in relevant regional and multilateral treaties, including WTO/TRIPs, the *WIPO Copyright Treaty* and NAFTA. This survey clearly demonstrated a great variation in language and treatment of compilations generally, and of compilations of data specifically. The authors concluded that:

> ...the analysis of the general concept of "work", and related concepts such as "originality", "creativity", "independent effort" and "personal effort" would

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[41] *WIPO Copyright Treaty, ibid.* at s. 5, "Agreed Statements concerning Article 5" wherein it is stipulated that "[t]he scope of protection for compilations of data (databases) under Article of this Treaty, read with Article 2, is consistent with Article 2 of the Berne Convention and on par with the relevant provision of the TRIPs Agreement."

[42] *Ibid.*

[43] 105th Congress Exec. Rept. Senate 2d Session 105-25 WIPO Copyright Treaty (WTC) (1996) and WIPO Performances and Phonographs Treaty (WPPT) (1996) October 14 (legislative day, October 2), 1998, online: United State Government Printing Office <www.access.gpo.gov> (date accessed: 29 October 2001).

> be necessary in order to describe with a greater precision which collections and compilations are protected by copyright under the different national laws. Such an analysis, however, could not be based on the texts of the laws alone, since the full meaning of those concepts are determined through jurisprudence in each country. It is generally acknowledged that the countries party to the Berne Convention have a certain freedom in establishing the exact level of originality required for a production to be considered a work and it may be said that, in general, national laws of countries following the common law tradition tend to have a lower threshold of originality than those of countries following the civil law tradition. [44]

In sum, the relevant international instruments at issue, including NAFTA, have as their primary aim to clarify that copyright could exist in data compilations i.e. that nothing excluded them *per se*. However, they would have to meet the same threshold test for all Berne 1971 works in that they had to be "intellectual creations".[45] By incorporating into the 1993 amendments an express recognition that original data compilations were protected works under our *Copyright Act* and that the copyright did not extend to the data itself, only to their selection and arrangement, Canada legitimately fulfilled its international obligations.[46]

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[44] Information Meeting on Intellectual Property in Databases, "Existing National and Regional Legislation Concerning Intellectual Property in Databases" (1997), WIPO Doc. DM/IM/2; DB/IM/2, online: World Intellectual Property Organization <www.wipo.org.> (date accessed: 29 October 2001).

[45] As a consequence, a number of initiatives have been undertaken calling for some form of *sui generis* protection for non-original databases within unfair competition or misappropriation constructs. Further analysis of these deliberations is outside the scope of this paper; however, reference can be made to the EU Database Directive, (Directive 96/9/E.C.:*Directive of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases)* that protects both original databases under copyright law and non-original databases under a *sui generis* regime. See P. B. Hugenholtz, "Implementing the European Database Directive" and G. Karnell, "European Originality: A Copyright Chimera" in J. Kabel & G. Mom, eds., *Intellectual Property Law and Information Law* (The Hague: Kluwer Information Law Series, Kluwer Law International, 1998) 183, 201[hereinafter *Intellectual Property Law*].

At the international level, proposals for a WIPO Draft Treaty on Database Protection were introduced largely at the urging of the U.S. See discussions of WIPO Standing Committee on Copyright and Related Rights, online: World Intellectual Property Organization <www.wipo.int/eng/meetings/1999/sccr_99/sccr3_6.htm> (last modified: 14 September 2000). At the present time, however, there is little agreement on the nature and form that this protection should take at the national level, let alone the international one. See, for example, F.K Beier & G. Schricker, eds., *From GATT to TRIPs* – IIC Studies in Industrial Property and Copyright Law (Weinheim: Max Planck Institute, 1996) at 83-84; J.H. Reichman, " Universal Minimum Standards of Intellectual Property Protection under the TRIPS Component of the WTO Agreement" (1995) 29 Int'l Lawyer 345; A. Perkins, "United States Still no Closer to Database Legislation" [2000] E.I.P.R. 366.

[46] See *North American Free Trade Agreement: An Overview and Description* (Ottawa: Government of Canada, 1992) at 16, in which the Government asserted that its NAFTA obligations were to "protect databases as compilations." See also G. C. Ludlow & M. A. LeBlanc, "Survey of Intellectual Property Law: Part V-Copyright & Industrial Designs" 31 Ottawa L. Rev. 93, in which the authors suggested that Canada's *Copyright Act* required no amendment in order to comply with the WIPO Copyright Treaty thereby confirming that the 1993 amendments had

One final note must be made in regard to the FCA's interpretation of the nature and intent of Article 1705(1)(b) of NAFTA. The FCA attaches great importance to the fact that of the three NAFTA partners, only the U.S. did not amend its *Copyright Act* in relation to compilations. [47] From this, the FCA infers that the U.S. Act met the standard of "intellectual creativity" as the FCA defined it i.e. as necessarily requiring adherence to the "creativity school" and so, surmises from this that implicit within NAFTA was the collective intent to adopt the American standard of originality.

The definition of the term "compilations" in the U.S. Act is framed as follows:

> Section 101: Definitions
> A "compilation " is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation " includes collective works.[48]

This provision is considerably different in its drafting from the equivalent provisions in the Canadian *Copyright Act* and is very much a product of domestic U.S. copyright law. Further, it pre-dates U.S. entry into the Berne Union [49] and does not itself incorporate the magic words "intellectual creation" upon which the FCA rests its arguments.[50]

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already addressed the relevant concerns regarding compilations of data.

[47] See *supra* note 1 at para. 18: "I note that contrary to what happened in Canada, the United States did not find it necessary in order to implement NAFTA to amend the definition of "compilation" which they already had in their legislation."

[48] *Copyright Act* 17 U.S.C. (1976).

Section 102: Subject matter of copyright: in general

(a) Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression...

Section 103: Subject matter of copyright: Compilations and derivative works

(a) The subject matter of copyright as specified by section 102 includes compilations and derivative works...

(b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.

[49] The United States became a member of the Berne Convention in 1989. *Berne Implementation Act of 1988*, Pub. L. No. 100-568, 102 Stat. 2853. (amending 17 U.S.C.).

[50] Of the three NAFTA partners, Mexico is the jurisdiction that remains the most faithful to the NAFTA language. See *Ley Federal del Derecho De Autor*, online: Government of Mexico <www.cddhcu.gob.mx/leyinfo/122/14.htm> (date accessed: October 29, 2001).
Ley Federal del Derecho de Autor (URA 19/05/1997):

> Article 13 XIV: DE COMPILACION, INTEGRADA POR LAS COLECCIONES DE OBRAS, TALES COMO LAS ENCICLOPEDIAS, LAS ANTOLOGIAS, Y DE OBRAS U OTROS ELEMENTOS COMO LAS BASES DE DATOS, SIEMPRE QUE DICHAS COLECCIONES, POR SU SELECCION O LA DISPOSICION DE SU CONTENIDO O MATERIAS, CONSTITUYAN UNA CREACION INTELECTUAL.

The U.S. Act protects works that are "original works of authorship". This once again begs the question as to how to define "originality". It is true that, in 1991, the U.S. Supreme Court, in *Feist*, defined originality in compilations of facts as requiring a "modicum of creativity" and that "sweat of brow" or "industrious collection" would not suffice. However, as I have asserted above, the threshold for the determination of "originality" is a matter for national courts to define and NAFTA did not alter this. It may be the case that the U.S. has defined that measure differently from the way in which Canada has. This may not be an ideal result for those who advocate for harmonized copyright standards, but it is consistent with the nature and intent of current international copyright agreements including Chapter 17 of NAFTA and WTO/TRIPs.

> In principle, there is no such thing as "international copyright"; instead, there are a multiplicity of national copyright regimes. However, the Berne and Universal Copyright Conventions and the TRIPs accord impose certain substantive minimum standards to which member countries must conform their domestic copyright laws (at least with respect to protection of foreign copyright owners). These treaties also link the member countries through imposition of the nondiscrimination rule of national treatment, which requires member countries to treat works from other member countries as if they were local works.[51]

D. *Given that this "creativity" school takes its roots in the U.S. SC decision of Feist, one must read into our law a standard of originality that meets the Feist standard*

Given what has been argued above, nothing in NAFTA explicitly compelled Canada to revisit its standard of originality in respect of compilations of data. Ultimately then, the FCA *chose* to use the NAFTA Argument in order to justify its key objective, namely to draw the line between original and non-original compilations by reading into our "skill, labour and judgment" standard something that was arguably always the predominant view but which had never been definitively expressed i.e. that labour alone would not suffice. Given the tenuous foundation upon which it rests, was the NAFTA Argument necessary in order to achieve this end?

1. *The battle over "creativity" v. "industrious collection"*

> More importantly, the addition of the definition of "compilation" in so far as it relates to a "work resulting from the selection or arrangement of data" appears to me to have decided the battle which was shaping up in Canada between partisans of the "creativity" doctrine - according to which compilations must possess at least some minimal degree of creativity - and the partisans of the "industrious collection" or "sweat of the brow" doctrine -

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(The relevant portion can be loosely translated as follows: "Compilations...such as databases, that by reason of the selection and arrangement of their content constitute intellectual creations" [translated by author]).

[51] J. C. Ginsburg, "Putting Cars on the 'information superhighway'" (1995) 95 Colum. L. Rev. 1466 at 1495.

> wherein copyright is a reward for the hard work that goes into compiling facts.[52]

It is overstating it perhaps to suggest that there had been a Canadian "battle". It would be more accurate to say that our courts have never really, in a comprehensive way, clearly articulated what the standard of originality ought to be. Musings on this issue by the courts have often been vague and inconsistent, some asserting that labour alone might suffice[53], others injecting into the test of "skill, judgment and labour" qualitative elements such as "taste" and "discretion".[54]

If there was any "battle" at all on this issue, it arose in the United States by virtue of the *Feist* decision and the resulting fallout. In fact, the language used by the FCA i.e. "industrious collection/sweat of brow" and "creativity" was lifted from U.S. doctrine and jurisprudence as these terms were not commonly recognized in Canadian copyright law until the *Feist* decision reverberated throughout the copyright world.

The U.S. Supreme Court rendered its landmark decision on facts very similar to those of *Tele-Direct*. Feist Publications Inc. sought to publish a telephone directory to cover a large telephone service area in the U.S. It requested a license from Rural Telephone Service Co. ,which published a telephone directory covering a smaller geographic area, to reproduce its white page listings. Rural Telephone refused and Feist Publications proceeded to publish its directory using Rural Telephone's listings. A copyright infringement action ensued.

The Supreme Court's decision surveyed a vast body of U.S. jurisprudence and commentary in relation to the copyright protection of compilations of data or "facts", as it refers to the directory listings. Early U.S. copyright law judgments had formulated a line of reasoning in relation to compilations of data that conferred upon them copyright protection for the mere expenditure of effort in their creation.

The U.S. Supreme Court overturned this line of reasoning by arguing that the present U.S. *Copyright Act* itself required a certain measure of creativity on the part of the compiler given that compilations were required to be "original works of authorship". In this way then, Rural Telephone's white and yellow pages telephone listings did not exhibit "...the modicum of creativity necessary to transform mere selection into copyrightable expression. Rural expended sufficient effort to make the white pages directory useful, but insufficient creativity to make it original."[55]

What is significant about *Feist* is not that it set too high a standard for originality. Rather, what was truly momentous about this decision was that it set a bar

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[52] *Supra* note 1 at para. 13 (F.C.A.).

[53] *Walter* v. *Lane*, [1900] A. C. 539 (H. L.); *U & R Tax Services Ltd.* v. *H & R Block Canada Inc.* (1995), 62 C.P.R. (3d) 257, [1995] F.C.J. No. 962 [hereinafter *U & R Tax*]; for a comprehensive discussion of the Canadian position see Industry Canada and Canadian Heritage, *Database Protection and Canadian Laws* by R. Howell (Ottawa: Canadian Cataloguing in Publication Data, 1998), online: Industry Canada <www.strategis.ic.gc.ca/SSG/ip01044e.html> (date accessed: 29 October 2001); D. Vaver, *Copyright Law, Essentials of Canadian Law*, (Toronto: Irwin Law, 2000).

[54] *Slumber-Magic Adjustable Bed Co. Ltd.* v. *Sleep-King Adjustable Bed Co. Ltd.* (1984), [1985] 3 C.P.R. (3d) 81, [1985] 1 W.W.R. 112 (B.C.S.C.) [hereinafter *Slumber-Magic*].

[55] *Feist, supra* note 8 at paras. 16-17.

at all.

> Clearly; the [*Feist*] Court does not see itself as producing a wholesale invalidation of copyright protection of compilations and databases; it only invalidates those whose creativity in the selection, coordination and arrangement of facts is so minimal as to be virtually nonexistent.[56]

Feist set a threshold, albeit a low one, that definitively quelled the viability of conferring copyright protection on the expenditure of effort or labour alone. Henceforth, compilations involving mere industrious collection would have to seek redress in some other forum.[57]

As has been seen, nothing in the *Berne Convention*, which the U.S. only joined in 1989, compelled the U.S. Supreme Court, in 1991, to hold as it did. In fact, its judgment is very much rooted in domestic law and makes no reference at all to the international context. However, there is no doubt that other common law jurisdictions were forced to stop and take notice of this important decision. That said, *Feist* was a decision of a U.S. court relying exclusively on U.S. law to arrive at its result.

2. *Originality in Canadian law*[58]

> ...for a compilation of data to be original, it must be a work that was independently created by the author and which displays at least a minimal degree of skill, judgment and labour in its overall selection or arrangement. The threshold is low, but it does exist. If it were otherwise, all types of selections or arrangements would automatically qualify, for they all imply some degree of intellectual effort, and yet the Act is clear: only those works

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[56] See H. B. Abrams, "Originality and Creativity in Copyright Law" (1992) 55 L. & Contemp. Probs. 3 at 16.

[57] The decision in *Feist* was not without controversy. The academic community generally applauded its outcome. See Abrams, *ibid.*; J. Litman, "Copyright and Information Policy" (1992) 55 L. & Contemp. Probs. 185. However, the decision was met with alarm from industry lobbyists and producers of data compilations who had relied on the "sweat of the brow" doctrine to support their copyright claims. Their concern grew when the EU enacted its Database Directive, *supra* note 45. These groups lobbied for some redress, causing the Government to intervene at the national and international levels. At the national level, this took the form of the introduction of two competing bills directed at non-original databases: HR 354, "The Collections of Information Antipiracy Act" (the previous incarnation, HR 2625, was not enacted) and HR 1858" The Consumer and Investor Access to Information Act." Online: U.S. Copyright Office <www.loc.gov/copyright/legislation>(date accessed: 29 October 2001). Neither of these bills has been enacted. See generally *U.S. Copyright Office Report on Legal Protection for Databases*, online: U.S. Copyright Office <www.loc.gov/copyright/reports> (date accessed: 29 October 2001); J.C. Ginsburg, "No "Sweat"? Copyright and Other Protection of Works of Information After *Feist* v. *Rural Telephone*" (1992) 92 Colum. L. R. 338; J. H. Reichman & P. Samuelson, "Intellectual Property Right in Data?" (1997) 50 Vand. L. Rev. 51; B. Lehman, "Intellectual Property and Information Infrastructures" in P.B. Hugenholtz ed., *supra* note 37 at 107; M. J. Davison, "Proposed U.S. Database Legislation: A Comparison with the UK Database Regulations" [1999] E.I.P.R. 279; Perkins, *supra* note 45.

[58] See generally Howell et. al., *Intellectual Property Law: Cases and Materials* (Toronto: Emond Montgomery, 1999); Vaver, *supra* note 53.

> which are original are protected. There can therefore be compilations that do not meet the test.[59]

Canadian compilation cases have been generally quite consistent in their approach, mirroring very closely the position taken in the U.K. While Canadian law has tended to extend copyright protection to fairly pedestrian efforts, the possibility of rejecting a claim of copyright where the compiler has exercised only a "minimal degree of skill, labour and judgment" has nevertheless always existed. McGillis J., followed this approach in denying copyright protection to the plaintiff in *Tele-Direct*, expressly declining to adopt the *Feist* decision:

> Since I have concluded, on the law as it presently exists in Canada, that Tele-Direct does not have copyright in its compilation....it is unnecessary for me to decide the interesting question of whether the American approach ought to be followed in Canada.[60]

Like the U.S. Supreme Court in *Feist*, both FCTD and FCA were setting the bar in Canadian law by denying copyright protection to the subject-matter at issue in *Tele-Direct*. The FCTD achieved the desired result relying entirely on established Canadian copyright law principles. The FCA reached a similar conclusion when it posited that:

> It is true that in many of the cases we have been referred to, the expression "skill, judgment or labour" has been used to describe the test to be met by a compilation in order to qualify as original and, therefore, to be worthy of copyright protection. It seems to me, however, that whether "or" was used instead of "and", it was in a conjunctive rather than in a disjunctive way. It is doubtful that considerable labour combined with a negligible degree of skill and judgment will be sufficient in most situations to make a compilation of data original.[61]

What the FCA has established is significant in that it has overruled the *obiter* musings of Richard J., in *U & R Tax Services Ltd. v. H & R Block Canada Inc.*, who suggested that labour alone may be sufficient to confer copyright protection.[62] Arguably, as well, the FCA has also cast doubt on the correctness of the *Bulman Group Limited* v. *"One-*

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[59] *Supra* note 1 at para. 28 (F.C.A.).

[60] *Supra* note 8 at para. 55.

[61] *Supra* note 1 at para. 29.

[62] *Supra* note 53. It is important to note however that the court there found sufficient "skill, judgment and labour: in the preparation of a draft income tax form. Similarly, in *British Columbia Jockey Club* v. *Standen* (1985), [1986] 8 C.P.R. (3d) 283, [1985] 22 D.L.R. (4th) 467, the court upheld the copyright in a compilation that provided information relating to various horse racing events sponsored by the Jockey Club on the basis of "sufficient skill and labour." Whether this case would, on its facts, meet the *Tele-Direct* standard is questionable.

Write" Accounting Systems Ltd.[63] decision that held that copyright would exist in blank business forms.

However, one must question why the FCA felt that it needed to resort to the "NAFTA Argument" in order to adopt this position. Perhaps the answer lies in the following remark:

> Another impact of the 1993 amendments may well be that more assistance can henceforth be sought from authoritative decisions of the United States courts when interpreting these very provisions that were amended or added in the Copyright Act in order to implement NAFTA.[63]

There is no doubt that regional trade arrangements bring with them the likelihood of progressive harmonization of laws. This "rapprochement" appears to be what the FCA was focusing on when it raised the "NAFTA Argument", in spite of its cautionary tone:

> I do not wish to be interpreted as saying that Canadian courts, when interpreting these provisions, should move away from following the Anglo-Canadian trend. I am only suggesting that where feasible, without departing from fundamental principles, Canadian courts should not hesitate to adopt an interpretation that satisfies both the Anglo-Canadian standards and the American standards where, as here, it appears that the wording of Article 1705 of NAFTA and, by extension, of the added definition of "compilation" in the Canadian *Copyright Act*, tracks to a certain extent the wording of the definition of "compilation" found in the United States *Copyright Act*.[64]

In spite of this protestation, I suggest that in the mere fact of invoking NAFTA in the way that it did, the FCA was doing implicitly what it claimed not to be doing explicitly, i.e. adopting the *Feist* standard of originality and therefore, to paraphrase the court, moving away from following the Anglo-Canadian trend. If this were not the case there would have been no reason at all for the court to go through such elaborate machinations in constructing the "NAFTA Argument".

The FCA seemed set on attaching great weight to what it called "authoritative" U.S. jurisprudence and, in an effort to achieve this objective, generated the unsubstantiated "NAFTA Argument" without ever assessing the implications of setting a *Feist* standard within an Anglo-Canadian copyright tradition.[65]

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[63] (1982), 132 D.L.R. (3d) 104, [1982] 2 F.C. 327 (F.C.A.). It must be noted however that in this case the defendant had admitted that there was sufficient "originality" in the business form so the only question left for the court was whether the subject matter was a "literary work."

[63] *Supra* note 1 at para. 18 (F.C.A.).

[64] *Ibid.*

[65] See *Tele-Direct, supra* note 1 at para. 33 (F.C.A.). To be fair, the FCA does caution that:

> I wish to say a few words, finally, on some recent American jurisprudence which counsel for the respondent has invoke, not as binding authorities, but as useful guides, in support of his position. As I have noted before, it is permissible for the Canadian courts to "find some assistance" in authoritative United States courts decisions in matters of copyright, provided that Canadian courts proceed "very carefully" in doing

The FCA was perfectly free to consider the *Feist* decision outside of any claim of NAFTA harmonization. The *Feist* judgment was certainly relevant and persuasive on its facts. However, it would also have been well within the jurisdiction of the FCA and consistent with past precedents for the court to have decided these issues without ever having had to generate the "NAFTA Argument". By developing this position regarding NAFTA, the FCA sidestepped what ultimately should have been the real inquiry, i.e. given Canada's copyright context and history, given the international landscape on this issue, and given all the competing interests involved, how should the question of the appropriate Canadian standard for originality be approached? [66]

In other words, contrary to what the FCA would have us accept, to follow *Feist* is not merely to graft it into Canadian law by virtue of some tenuous NAFTA Argument.[67] Rather, to truly follow *Feist* means to reflect upon the persuasiveness of its underlying reasoning and to then determine the extent to which this reasoning can be applied within the Canadian context. Harmonization of laws should never mean taking a shortcut in order to circumvent the true analysis. It was incumbent upon the FCA to have undertaken the same extensive and exhaustive examination of the relevant issues as the U.S. Supreme Court undertook in *Feist*. In this fundamental respect, the FCA failed.[68]

In fact, if one deems the *Feist* standard to be higher than what we have understood to be "skill, judgment and labour" its effect then would be to exclude from copyright protection works which would otherwise have been so protected in Canada. This would seem anomalous given the general tenor of international copyright agreements that establish minimum standards of protection with a view to enhancing rights rather than restricting them.[69] Given this, surely the FCA should have relied on some authority to have gleaned this to be the intent of Parliament.

Further, in asserting that the "U.S. experience" was relevant for the FCA to

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> so. For reasons I have already explained, it could be useful in the instant case to have regard to the United States experience.

A review of the U.S. experience led the court to conclude that: "...there is a fortunate similarity in matters of compilation of data between the American approach and our own. I need not say more." (*Ibid.* at para. 38).

[66] Professor David Vaver suggests that courts should focus less on attempting to set an absolute standard of "originality" to be applied across the board. Rather, the court should direct itself, in each individual case, to the question of "when, by whom and how far copyright should be asserted," thereby recognizing that different types of works may require different forms of copyright treatment. See Vaver, *supra* note 53 at 63. See also, R. Versteeg, "Rethinking Originality" (1993) 34 William and Mary L.R. 801; J.C. Ginsburg, "Creation and Commercial Value: Copyright Protection of Works of Information" (1990) 90 Colum. L. Rev. 1865.

[67] Ironically, even the courts of Member States of the European Union where harmonization is much more aggressively pursued, do not customarily consider or apply case law from other Member States. See Karnell, *supra* note 45.

[68] Following on the heels of the FCA decision, the Canadian government has undertaken a systematic review of the protection of compilations of data in Canada. See Howell, *supra* note 53.

[69] *Supra* note 2 at art. 1702: "A Party may implement in its domestic law more extensive protection of intellectual property rights than is required under this Agreement, provided that such protection is not inconsistent with this Agreement."

consider, would it not also have been appropriate to recognize the fact that *Feist* generated confusion and uncertainty in the U.S. because it created a legal vacuum for the protection of non-original compilations. Those jurisdictions that historically have tended towards a high standard of "originality" for copyright protection, nevertheless frequently recognize alternate legal mechanisms to protect some non-original works, whether in their copyright law itself or through unfair competition principles.[70]

Should consideration not have been given to the fact that the Anglo-Canadian standard for "originality" exhibits such a low threshold precisely because it evolved as a means of protecting such works in the absence of a more generalized tort of unfair competition or other analogous legal devices? Before casting our lot with that of the U.S., should the FCA not have investigated more closely the subsequent events that arose in the U.S. out of the *Feist* judgment?

Finally, it cannot be stressed enough that when our courts are seeking to interpret provisions of the *Copyright Act*, they ought to remain extremely wary of giving too much persuasive weight to U.S. judgments, even "authoritative" ones. This is especially so where they deem NAFTA to require them to look more closely at the "U.S.experience". For example, in relation to the applicability of the *Feist* decision in Canada, the FCA should not have ignored the following fundamental distinctions between Canadian copyright law and that of the U.S. [71]:

1. The Supreme Court in *Feist* determined that the standard of "originality" was Constitutionally mandated. The Canadian Constitution would not provide a similar basis for such recognition.

2. In *Feist*, the Supreme Court relied on the interpretation of the terms of the relevant sections of the U.S. *Copyright Act* including the phrase "original work of authorship". These provisions are framed very differently from Canada's in spite of the FCA's contentions.

3. Whereas both Canada and the U.S. trace their copyright roots to the U.K., the U.S. long ago shed its reliance on its British ancestry . Unlike Canada, where the terms of the *Copyright Act* are similar, if not identical, in a number of respects to its British counterpart, U.S. statutory enactments, doctrines and jurisprudence have

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[70] For example, Holland, Denmark, Finland and Sweden expressly provide copyright protection for "non-original writings." See Sterling, *supra* note 30 at para. 9.58, C. Jehoram, "Copyright and Human Rights" in *Intellectual Property Law*, *supra* note 45 at 103. Prof. Ricketson suggests that in France as in other civil law jurisdictions, some non-original compilations would be protected by unfair competition. See Ricketson, *supra* note 29 at para. 6.71. See also Stewart, *supra* note 32 at para. 6.71, 5.55, C. Anton, "Indonesian Copyright Law after TRIPS: Between Dutch Tradition and Anglo-American Influences" in *Intellectual Prpoerty Law*, *supra* note 45 (both unfair competition and copyright protection for non-original writings are available). For a discussion of the availability of alternate recourses to copyright protection in Canada see Howell *supra* note 58. In this respect, would it not have been equally relevant to have considered the experience of Canada's other NAFTA partner, Mexico, in the spirit of true harmonization?

[71] See especially *Compo Co. Ltd.* v. *Blue Crest Music Inc.*(1979), [1980] 1 S.C.R. 357, 105 D.L.R (3d) 249; *Apple Computer, Inc.* v. *Mackintosh Computers Ltd.* (1986), [1987] 1 F.C. 173, aff'd [1998] 1 F.C. 673 (C.A.), aff'd [1990] 2 S.C.R. 209; *Hager*, *infra* note 76. See generally Sterling, *supra* note 32 at para.16.04.

developed along distinctly unique lines.[72] While it might be fair to say that Canada's ties to the U.K. have become more fragile since the U.K. joined the European Union, Canadian courts should not be so quick to shift their dependency to the U.S. The courts need to develop and articulate, in a deliberate and considered manner, copyright paradigms that genuinely reflect the Canadian legislative, doctrinal and jurisprudential framework even as they look to the international framework.

4. Canada has been a party to the *Berne Convention* since 1928, and so bound by international copyright norms for most of its copyright history. Given that the U.S. has only just recently joined the Berne Union, its copyright law has evolved in a more independent and autonomous fashion than it otherwise would have had it been more fully integrated in the international copyright system much earlier in its history. [73]

The FCA does appear to back-track somewhat from its bold assertion that the intent of Parliament was to adopt the "creativity" school in this ambiguous passage:

> All in all, apart from the possible qualifications one might wish to make with respect to some earlier decisions, I have come to the conclusion that the 1993 amendments did not alter the state of the law of copyright with respect to compilations of data. The amendments simply reinforce in clear terms what the state of the law was, or *ought to have been*: the selection or arrangement of data only results in a protected compilation if the end result qualifies as an original intellectual creation.[74] [Emphasis added]

One may well wonder, after reviewing this somewhat tortured judgment, how different in fact the U.S. test of "modicum of creativity" is to the Anglo-Canadian standard of "skill, judgment and labour". The FCA starts with the assumption that the "creativity school" set a standard that was qualitatively different from our "skill, judgment and labour" test but then reconciles Canadian law with that of the U.S.

It may well be the case that all the fuss and bluster about *Feist* and its applicability comes down to a question of semantics – that the term "modicum of creativity" is in fact equivalent to the standard of "skill, judgment and labour", that "sweat of brow" is equivalent to "labour alone" - so that, at the end of the day, all that has been shifted is our legal discourse. The effect of the FCA judgment may only have been to unnecessarily "Americanize" the copyright terminology Canadian courts will henceforth use in order to define the general set of parameters for the sufficiency of "originality" for copyright protection. Should NAFTA harmonization be read as

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[72] See B. Kaplan, *An Unhurried View of Copyright*, (New York: Columbia University Press, 1967), L. R. Patterson, *Copyright in its Historical Perspective*, (Nashville: Vanderbilt University Press, 1968).

[73] See K. Crews, "Harmonization and the Goals of Copyright: Property Rights or Cultural Progress?" (1998) 6:1 Indiana J. Global Leg. Stud. 117, online: <http://ijgls.indiana.edu/vol6/no1/crews.html>, who bemoans the detrimental impact of international copyright harmonization on the integrity of U.S. copyright law in relation to database protection. See also R. Okediji, "Toward an International Fair Use Doctrine" (2000) 39 Colum. J. of Transn'l L. 75, in relation to the vulnerability of the U.S. "fair use" defence under the Berne and WTO/TRIPs harmonized rules.

[74] *Supra* note 1 at para. 17 (F.C.A.). From this passage one could ask whether the F.C.A. hasn't created yet another standard i.e. "an original intellectual creation."

linguistic harmonization?

Such is the faulty NAFTA foundation upon which the FCA attaches great weight. In creating and asserting its "NAFTA Argument", the FCA has led Canadian copyright law down a precarious path. While the FCA in *Tele-Direct* rendered the right decision on the facts, it need not have invoked the "NAFTA Argument" in order to exclude the telephone listings from the scope of copyright protection or, for that matter, to establish that labour alone will not suffice to confer "originality" on a compilation.

III. THE AFTERMATH OF TELE-DIRECT

As has been argued, the "NAFTA Argument" was the springboard that permitted the FCA to invoke *Feist*. And, once rendered, the *Tele-Direct* decision itself became the leading Canadian authority for the position that the threshold for originality has become one of "intellect" and "creativity", thereby obscuring the tenuous foundation upon which this argument rests.

The aftermath of *Tele-Direct* has taken Canadian copyright law down two divergent paths and it is interesting to track its subsequent mutations. A first line of jurisprudence, which I would suggest to be the more correct approach, has sought to temper the breadth of *Tele-Direct*, while the second, embodied in the *CCH* decision[75], not only accepted a broad interpretation of the test for "originality" but extended it as well.

A. *The Cautious Federal Court*

In *Hager* v. *ECW Press Ltd.*[76], the first judgment rendered after the FCA made its pronouncements, Reed J., of the FCTD, soundly repudiated the defendant's argument that the *Tele-Direct* decision changed the course of Canadian law by incorporating writ large the U.S. standard for "originality" from the *Feist* decision. It is important to note that, on its facts, this was not a case involving a compilation of data. In *Hager*, the issue was whether copyright subsisted in the transcripts of interviews conducted by the Plaintiff with performer Shania Twain. In spite of this important factual distinction, counsel for the Defendant cited the compilation jurisprudence, including the FCA decision in *Tele-Direct*.

In denying the Defendant's claim, Reed J., stated:

> ...it is argued that the elements of creativity and originality that are now required for copyright protection cannot exist in the quoted words of another. In addition, as I understand the argument, it is that the Tele-Direct decision has turned Canadian copyright law, at least insofar as it is relevant for present purposes, from its previous alignment with the law of the United Kingdom towards an alignment with that of the United States.
> I do not interpret the Tele-Direct decision as having such a broad effect. In both the United States and Canada, jurisprudence has defined the requirement that copyright be granted in an "original" work, as meaning that the work originate from the author and that it not be copied from another... I am not

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[75] *Supra* note 4.

[76] (1998), [1999] 2 F.C. 287 at para. 42, 85 C.P.R. (3d) 289 [hereinafter *Hager*].

> persuaded that the Federal Court of Appeal intended a significant departure from the pre-existing law.[77]

For Madame Justice Reed, the transcriptions of the interviews with Shania Twain were sufficiently "original" to attract copyright. The appropriate test, according to the court, was one of "sufficient skill, judgment and labour".[78]

In relation specifically to the authoritative weight of the *Feist* decision the court observed:

> Interestingly, there is now a Bill before the United States Congress to overrule the decision of the United States Supreme Court in *Feist Publications Inc. v. Rural Telephone Service Co. Inc.*...a decision in that country that had a result similar to Tele-Direct in this. There is a debate among both United States and Canadian authors as to whether the *Feist* decision is limited to database type cases or will have wider ramifications. Given this context and the express references in Tele-Direct to NAFTA and the implementation of that agreement, I am persuaded that the statements in Tele-Direct were not intended to effect a major change in the pre-existing jurisprudence. [79]

Within two years of rendering the Tele-Direct decision, the FCA once again had the opportunity to reflect upon the nature of copyright in compilations on facts not dissimilar to those of Tele-Direct. In *Edutile* v. *Automobile Protection Association* [80] the Plaintiff published a price guide for used cars and trucks. The Defendant published a similar guide and Plaintiff sued claiming that the Defendant infringed its copyright. The trial judge held that the Plaintiff's guide was not protected by copyright and so, dismissed the action.

On appeal, the FCA cited *Tele-Direct* as to the appropriate standard for originality in Canadian law that being a work that displays "...at least a minimal degree of skill, judgment and labour in its overall selection or arrangement ."[81] It omitted, however, to take up in any forceful way its previous discussion relating to the "NAFTA Argument". The court here held that the Plaintiff's guide did meet the test for originality

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[77] *Ibid.* at paras. 40-41. Note *Céjibe Communication Inc.* v. *Construction Cleary (1992) Inc.*, [1998] A.Q. no. 3520 (C.S.) online: QL (AQ) where the court interpreted the position in *Tele-Direct* on originality as being consistent with pre-existing Canadian case law especially *Slumber-Magic, supra* note 54. See also *Expertises didactiques Lyons Inc.* v. *Learned Enterprises Internationales (Canada) Inc.*, [1999] J.Q. no. 1161, online: QL (JQ).

[78] Court applied *Gould Estate* v. *Stoddart Publishing Co.* (1996), [1997] 30 O.R. (3d) 520, 74 C.P.R. (3d) 206 (Gen. Div.), aff'd on other grounds (1998), 161 D.L.R. (4th) 321, 80 C.P.R. (3d) 161 (C.A.) and *Express Newspapers plc* v. *News (UK) Ltd.* [1990] 3 All. E.R. 376, being directly relevant to copy in interviews.

[79] *Supra* note 75 at para. 43. The court refers specifically to H.R. 2652, Collections of Information Antipiracy Act, 2nd Session, 105th Congress, 1998. This bill, reincarnated as H.R. 354, has not been enacted. See *supra* note 57.

[80] [2000] 4 F.C. 195, online: <http://www.fja.gc.ca/fc/2000/pub/v4/2000fc26366.html> [hereinafter *Edutile*].

[81] *Ibid.* at para. 8.

in that it "organized its information according to unpublished standards of selection for the first time in Quebec and in Canada."[82] The FCA did not cite *Feist*, nor did it discuss the appropriate role of U.S. jurisprudence in the NAFTA environment.[83] Thus, it is difficult to see from this decision any real shift from pre-*Tele-Direct* jurisprudence on compilations, except to confirm that labour alone would be insufficient to confer copyright.

The next judgment of interest is that of *Ital-Press Ltd.* v. *Sicoli*[84]. The Plaintiff claimed copyright in a telephone directory, "L'Unica Guida Telefonica Italiana per L'Ouest Canada", listing members of the Italian community in Western Canada. An action for copyright infringement was directed against the Defendant for publishing a competing directory, the "Alberta Italian Telephone Directory 1994".

In upholding the Plaintiff's claim, the Court liberally cited from the *Tele-Direct* judgment and appeared to endorse the "NAFTA Argument" and so, the adoption of the *Feist* standard of originality all the while expressing the view that U.S. case law should be "treated with caution". However, the court ultimately decided the issue by relying upon the Anglo-Canadian tried and true test of "skill, judgment and labour".

> The process involved skill, judgment and labour. That the skill and judgment involved might not have been of a high order is, I am satisfied, of no account. It was sufficient to provide originality in the resulting literary work.[85]

However, the FCTD did go further than the other judgments canvassed when the court stated that *Tele-Direct* should be extended to include compilations of artistic works as well as compilations of data.[86] This is problematic in that even if one were to accept the "NAFTA Argument", it could only be read as requiring that data compilations be "intellectual creations" in the sense given to the term by the FCA. It is certainly beyond what the FCA was saying to extend its reasoning to compilations of artistic works when

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[82] *Ibid.* at para. 14.

[83] This more cautious approach by FCA is further confirmed in the recent trademark infringement decision in *Thomas & Betts Ltd.* v. *Panduit Corp.*, [2000] 3 F.C. 3, 185 D.L.R. (4th) 150 (F.C.A.). This case was heard before the same bench that rendered the *Edutile* decision and, as in *Edutile* as well as in *Tele-Direct*, it was Décary J., who once again spoke for the court and stated:

> A word, in closing, on the use of American jurisprudence by Canadian courts when dealing with patent and trade-marks cases. I need only repeat here what I have said in Tele-Direct...It is permissible for Canadian courts to find some assistance in authoritative United States courts decisions, provided that Canadian courts proceed very carefully in doing so...

This comment, following so closely on the heels of the *Edutile* decision, would certainly bolster the argument that the F.C.A. has retrenched from its earlier, more expansive position regarding the role of U.S. jurisprudence in Canadian courts post-NAFTA.

[84] (1999), 170 F.T.R. 66, 86 C.P.R, (3d) 129, online: F.C.J. no. 837, QL (FCJ) (notice of appeal filed June 1999) [hereinafter *Ital-Press*].

[85] *Ibid.* at para. 110.

[86] *Ibid.* at para. 88.

the text upon which the FCA relied does not so permit.[87] This formulation of the effect of *Tele-Direct* by Gibson J. is especially noteworthy, given the next opportunity that was presented to him to reflect on the question of "originality" when he was confronted with the activities of the Law Society of Upper Canada.

B. *The Expansive Federal Court: Going Boldly Where No One has Gone Before -"originality" as "imagination" and "creative spark"*

In *CCH* one can find the best illustration of the problems associated with the introduction into our jurisprudence of the "NAFTA Argument". *CCH*, presently on appeal, has not only wholeheartedly endorsed the position that *Tele-Direct* has raised the bar on the test of "originality" in copyright law, it has vigorously relied on the NAFTA Argument to advance this opinion. In doing so, *CCH* has extended copyright law on this issue well past even what a liberal reading of *Feist* would have contemplated.

In *CCH*, the plaintiffs, publishers of case reports and other legal materials sued the Law Society of Upper Canada for copyright infringement as a result of the activities of the Great Library at Osgoode Hall administered by the Law Society of Upper Canada. The Great Library provided a photocopy service reproducing texts of judgments and other legal materials for use by members of the legal profession. Although the judgment addressed a number of different copyright issues, of particular significance for our purposes is the determination that published texts of judicial decisions including headnotes, the headnotes themselves and/or case summaries were not sufficiently "original" to merit copyright protection. Without proffering any juridically defensible rationale, Gibson J. held that these works "...lacked the "imagination" or "creative spark" that I determine to now be essential to a finding of originality."[88]

In establishing this heightened standard of originality, the court made a most unusual statement:

> I am satisfied that the types of works here at issue, particularly edited and enhanced versions of reasons for judgment, are more akin to the works at issue in *Tele-Direct* than they are to those at issue before Madame Justice Reed in *Hager*. That being said, they are not as akin to the works at issue in *Tele-Direct* as were the works that were before me in *Ital-Press Ltd.* v. *Sicoli* et al where I adopted an interpretation of "originality" closer to that preferred by Madame Justice Reed in *Hager*. I rely entirely upon the evidence before me and on the extensive and sophisticated nature of the argument before me,

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[87] Note as well the B.C.C.A. interpreting the *Tele-Direct* decision on the issue of "originality." In *Neudorf* v. *Nettwerk Productions Ltd.* (1999), [2000] 3 C.P.R. (4th) 129, B.C.J. No. 2831, online: QL (BCJ), (notice of appeal filed Jan. 2000); Cohen J., stated at para. 19:

> Originality is not defined on the Act. However, with the possible exception of a work that deals with a compilation of data (see *Tele-Direct Publications Inc.* v. *American Business Information Inc...* *Hager* v. *ECW Press Ltd.*), the meaning of the word "original" appears now to be well-settled by the oft-cited statement set out in the *University of London Press Ltd.* v. *University Tutorial Press...*

[88] *Supra* note 4 at para. 139.

> both in writing and orally, in this matter, in adopting for the purpose of this matter a broader interpretation of "originality" than I did in *Ital-Press*.[89]

Gibson J., who rendered the *Ital-Press* decision, expressly reversed himself and rejected his previous interpretation of the meaning of the *Tele-Direct* decision. As a result, the FCTD has now advanced two diametrically opposed interpretations of the implications of *Tele-Direct*. On the one hand, there is the *Hager* reasoning that suggests that *Tele-Direct* did not intend to effect a major change in pre-existing law; and, on the other hand, *CCH* that proposes a dramatic extension of the decision.

As a result of *CCH*, the sand upon which courts have tried to build a threshold for originality has shifted once again - from "intellect" and "creativity" to "imagination" and "creative spark". In asserting this standard, the court in *CCH* relied heavily on the FCA in *Tele-Direct* and, unlike the more sober jurisprudence canvassed above, enthusiastically endorsed the assertion that NAFTA has resulted in the obligation for Canadian copyright law to follow the "creative school"[90]:

> ...case reports here at issue...simply lack the "original expression" and fail to constitute the "intellectual creations" contemplated by [Article 2 of Berne 1971] and, more particularly, Article 1705 of NAFTA.[91]

As has been seen, *Tele-Direct* rested on the court's unsubstantiated interpretation of the term "intellectual creation" in Article 1705 (1)(b) of NAFTA. Even if one were to accept its premise, the drafting of the NAFTA provision makes it clear that "intellectual creation" is directed solely to compilations of data. I would suggest that, as in the case in *Ital-Press*, the court in *CCH* greatly overreaches when it determined that the FCA decision could be applied beyond compilations of data to "editorially enhanced judicial decisions."[92] This is all the more extraordinary considering that the court admitted that the drafting of the headnotes and summaries evidenced "extensive labour, skill and

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[89] *Ibid.* at para. 137.

[90] *Ibid.* at para. 131. This judgment is the only one of those canvassed above that specifically refers to the "NAFTA Argument" in its reasons for judgment.

[91] *Ibid.* at para. 139.

[92] Judicial decisions, including headnotes and other editorial additions, such as case summaries, would constitute a compilation of literary works, not data. Similarly, headnotes and case summaries in and of themselves would be characterized as literary abridgements. Together then, a published judicial decision with enhancements, such as summaries and headnotes, would be a compilation of literary work. See in this regard D. Vaver, "Abridgements and Abstracts: Copyright Implications" (1995) 17:5 E.I.P.R. 225, wherein the author states at 233:

> Shorter abstracts like the headnotes a legal reporter produces of a judicial decision...generally involve enough time and skill for each to be an original literary work.

The headnotes at issue in *CCH, supra* note 4, were what would generally be understood as classic headnotes. For example in *Meyer* v. *Bright* (1992), 94 D.L.R. (4th) 648 (Gen. Div.), the headnote consisted of six paragraphs including a statement of facts, an identification of the legal issues and the *ratio decidendi*. These editorial enhancements would arguably be qualitatively different from more pedestrian additions such as pagination, styles of cause, case citations, cross-referencing and the like, which may be more factually similar to the case of telephone directories.

judgment"[93] and yet saw fit to deny them copyright protection solely on the authority of *Tele-Direct* and the "NAFTA Argument".

Furthermore, even if one could argue that as a result of the decision in *Tele-Direct*, *Feist* has become the *de jure* standard in Canada, the court in *CCH* has gone where even the post-*Feist* U.S. courts refuse to go. U.S. copyright law would generally regard headnotes and summaries as sufficiently "original" where the editor of the case report exercised "subjective judgments relating to taste and value that were not obvious and that were not dictated by industry conventions"[94] without requiring the "imagination" and "creative spark" that the court in *CCH* would seek to impose.

The court in *CCH* cited the U.S. decision of *Matthew Bender*[95] in order to bolster its "creative spark" argument. However, *Matthew Bender* was not a case involving headnotes or summaries as editorial enhancements but, rather, related to an assertion of copyright in the arrangement of such miscellaneous information as the names of the parties to litigation, the court and date of judgment, information regarding counsel, selection of parallel citations and the like. In its twin dispute[96], the material at issue was a particular system of electronic pagination developed by West Publishing and copied by Matthew Bender and Co. and the intervenor Hyperlaw. In each of these cases, Matthew Bender and Co. deliberately omitted to reproduce the headnotes, among other things, recognizing that there was copyright in them.[97] In fact, the spate of activity in the U.S. courts involving commercial publishers of case reports relates to attempts to protect enhancements such as pagination, paragraphing, electronic links etc. and has not affected the issue of the copyrightability of headnotes and similar abstracts.[98]

This reliance by the court in *CCH* on the *Matthew Bender* case does little to contribute to any greater understanding of the U.S. experience in relation to headnotes and case summaries nor does it provide a persuasive basis upon which to so dramatically alter well-entrenched Canadian legal principles. Rather, such selectivity in reviewing U.S. case law served only to justify the court's predetermined view on whether the works at issue should properly. be the subject of copyright.

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[93] *Supra* note 4 at para. 139. Note paras. 39-40 of *CCH,* where, in its arguments, plaintiff asserted that defendant had acknowledged that copyright subsisted in a headnote.

[94] *Matthew Bender & Co. Inc.* v. *West Publishing Co.* 158 F.3d 674 (2d Cir. 1998) at para. 13 [hereinafter *Matthew Bender*]. See M. Nimmer, D. Nimmer, *Nimmer on Copyright*, Matthew Bender & Co., (looseleaf series), 2001, especially paras. 3.03 [B][2] and 5.06[C]; D. Tussey, "The Creative as Enemy of the True: The Meaning of Originality in the Matthew Bender Cases" (1999) 5 Rich. J.L. & Tech. 10, online: <http://www.richmond.edu/jolt/v5i3/tussey.html>; See also L.R. Patterson & C. Joyce, "Monopolizing the Law: The Scope of Copyright Protection for Law Reports and Statutory Compilation" (1989) 36 U.C.L.A. L. Rev. 719. In the UK, headnotes, case summaries and the like are similarly deemed to be sufficiently original for copyright protection. See W.R. Cornish, *Intellectual Property: Patents, Copyright, Trade Marks and Allied Rights*, 4th ed. (London: Sweet & Maxwell, 1999) at paras. 13-106. Civil jurisdictions such as Germany would also protect headnotes. See Sterling *supra* note 32 at 261.

[95] *Matthew Bender, ibid.*

[96] See *Matthew Bender & Co. Inc.* v. *West Publishing Co.,* 158 F.3d 693 (2d Cir.1998).

[97] *Matthew Bender, supra* note 94 at para. 3: "HyperLaw seeks a declaratory judgment that these case reports -- after removal of the syllabus, headnotes, and key numbers – contain no copyrightable material."

[98] See Tussey, *supra* note 94; Nimmer, *supra* note 94.

This then is the legacy of *Tele-Direct* and its "NAFTA Argument". The FCA has provided a superficially credible basis upon which to permit the court in *CCH* to do precisely what the steady evolution of copyright law has sought to eliminate from the scope of inquiry i.e. subjective determinations of what is and what is not "creative". In commenting on both *Tele-Direct* and *CCH*, Professor David Vaver opined that:

> Such decisions re-emphasize how much originality in copyright law depends on value judgments flowing from unarticulated assumptions. Judge Jerome Frank once said that, to the casual observer, the decisions of courts about non-obviousness - originality's counterpart in patent law - were "the adventures of judges' souls among inventions". So, too, do decisions about originality seem to be the adventures of judges' souls in the realm of literary and artistic works.[99]

While one can sympathize with Gibson J., in his desire to achieve what he believed to be a fair result, this "adventure of his soul in the realm of literary and artistic works" should, with the utmost respect, never have been embarked upon.

IV. CONCLUSION

There is a history of missed opportunity on the part of the highest level courts to properly address the question of the appropriate standard for "originality" especially in relation to compilations. Howard P. Knopf expressed his disappointment when, in 1994, the Supreme Court of Canada sidestepped the debate on "originality" in *Boutin* v. *Bilodeau*[100]. He asserted that: "If and when the threshold of originality should ever reach the Court, it is hoped that the Justices will have the benefit of a more solid foundation upon which to craft their pronouncement."[101] Unfortunately, the decision of the FCA in *Tele-Direct* does not provide this more solid foundation.

Undoubtedly, the decision to be rendered by the FCA in *CCH* will be of momentous importance for Canadian copyright law. The attempt to set the appropriate standard of 'originality', especially in relation to compilations of data, is a complex inquiry that continues to vex lawmakers both national and internationally. However, whatever the outcome of this anticipated appeal, the implications of the *Tele-Direct* decision must continue to be contested. The dubious "NAFTA Argument" cannot and should not be seized upon in an effort to justify achieving a particular outcome.

Canadian courts must be wary of what they wish for - a quick solution to a difficult conundrum. Without a truly profound understanding of the evolution of Canadian copyright law, its roots and antecedents; without a thorough grasp of the contextual and historical differences between our copyright law and that of the U.S; and without the genuine ability to find the underlying commonality between these different legal traditions so as to permit legitimate analogies, we will come to regret this *Feistian* pact that our courts are making.

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[99] Vaver, *supra* note 53 at 63.

[100] [1994] 2 S.C.R 7, 54 C.P.R. (3d) 160.

[101] Howard P. Knopf, "*Boutin* v. *Bilodeau*: The Supreme Court Delivers a Copyright Judgment: Don't Blink or You'll Miss It!" (1995) 9 I.P.J. 221 at 228.