

Copyright in Names

As the existence of the trademark industry shows, business spends a lot of money to establish and protect ownership of product and business names. Registering trademarks takes time as well as money, especially where you want protection in a lot of countries. And the rules on what you can register may be restrictive.

How useful it would be if you could claim copyright in an invented corporate name or a product name, and prevent anyone copying it: copyright costs nothing to establish, and applies without registration.

In the *Exxon* case (*Exxon Corporation v Exxon Insurance Consultants International Limited* [1982] Ch 119) an ingenious attempt was made to claim copyright protection for the name “Exxon” as a copyright work in its own right. The attempt failed in the Court of Appeal; and copyright has since then been abandoned as a weapon in the name protector's armoury. But no one seems to have noticed that later changes in the law have reversed *Exxon*, and copyright can again be available to protect a name.

The story begins with the 19th century decision (*Hollinrake v Truswell* [1894] 3 Ch 420) which provided the basis on which *Exxon* was decided.

Hollinrake

Mr Hollinrake claimed copyright in a cardboard sleeve-measuring device. The device enabled a user, by following instructions and using scales printed on the face of it, to produce with accuracy a pattern for sleeves of any dimension. The Copyright Act 1842 allowed copyright to subsist in a “book or sheet of letterpress” or in a “map, chart or plan”. Lord Herschell LC considered that “the object of the Copyright Act was to prevent any one publishing a copy of the particular form of expression in which an author conveyed idea or information to the world”. He further said the device was “not a literary production but an apparatus for the use of which certain words and figures must necessarily be inscribed upon it”. Davey LJ, making observations later approved in *Exxon*, said that “a literary work is intended to afford either information and instruction, or pleasure, in the form of literary enjoyment”, and this device “does not add to the stock of human knowledge or give, and it is not designed to give, any instruction by way of description or otherwise, and it certainly is not calculated to afford literary enjoyment or pleasure”. Davey LJ went on to say that its intended purpose was not the giving of information or pleasure but use for the practical art of dressmaking.

In effect the Court held that it was the function of copyright to protect works designed to interact with the human mind, not works designed to provide a mere practical aid to a manufacturing process.

Exxon

In the *Exxon* case companies in the Exxon group claimed that copyright subsisted in the word “Exxon” as a literary work, and sued an alleged infringer for using it in its corporate name. Convincing evidence was given of the originality of the word, and of the effort and skill which had gone into its composition and selection for its purpose. But its purpose was its downfall: it was a corporate name, and the purpose of being a name was held to be inconsistent with the purpose of being a literary work. The Court of Appeal (Stephenson and Oliver LJ and Sir David Cairns) held that the reasoning in *Hollinrake* was good law under the Copyright Act 1956, and applied it in deciding that “Exxon” was not a literary work and accordingly that no copyright subsisted in it.

Computer programs

The relevance of computer programs to name protection may not be obvious; but the protection of computer program copyright lies at the root of the changes which have reversed the decision in *Exxon*. The approval of *Hollinrake* in *Exxon* cast a doubt (albeit not widely noticed) on whether copyright could subsist in computer programs as literary works: what are such programs, after all, except mere mechanical devices for controlling the operation of a machine? In the case of a program compiled into machine code, there are few who can understand it at all, let alone derive enjoyment or instruction from it; and even a listing of source code would rarely have enjoyment or instruction as its purpose. To show how changes in the law relating to copyright in computer programs have affected the decision in *Exxon*, a little history is needed.

From the earliest time (whether that means the time of Ada Lovelace or that of Alan Turing and John von Neumann), the program has been conceptually distinct from the computer. Commercially, however, in the period after 1945 when the computer industry saw its early life, the two were sold as one. It was not until the era of “unbundling”, around 1970, that programs began to be treated separately in commercial terms. From then until the intervention of legislation in the 1980s a consensus grew up in the common law world that computer programs were literary works protected by existing copyright law. The subsistence of copyright in computer programs was challenged on a number of occasions, and upheld; perhaps most notably by Federal Court of Canada in *Apple Computer Inc v Mackintosh Computers Inc* [1987] LRC (Comm) 658. But neither in that case, nor in any of the several others where similar points were argued, was there any mention of *Exxon* or *Hollinrake*.

New and more specific legislation supervened in the United Kingdom, first the Copyright (Computer Software) Amendment Act 1985 and then the Copyright Designs and Patents Act 1988. But the arguments which might have been based on *Exxon* and *Hollinrake* had not been heard, and the draftsman may not

have seen the need to confront them in terms. Do their ghosts still linger in the machine?

Copyright (Computer Software) Amendment Act 1985

The 1985 Act provided that “the Copyright Act 1956 shall apply in relation to a computer program as it applies in relation to a literary work and shall so apply whether or not copyright would subsist in that program apart from this Act”. In assimilating computer programs to literary works, the Act operated on a basis wholly compatible with the possibility that the effect of *Exxon* had been to preclude computer programs from enjoying the protection of copyright as literary works. The 1985 Act treated a computer program *as if* it were a literary work, even if under the general law of copyright it was not: the only part of the law that was changed was the part that applied to computer programs. There was no change in the law as it applied to any other literary works (or to words like “Exxon” for which a claim to literary status was advanced but which were of course not computer programs).

Copyright Designs and Patents Act 1988

The 1988 Act adopts a completely different approach. A literary work is defined in section 3 as “any work ... which is written ... and *accordingly* includes ... a computer program” (my emphasis). This definition alters the scope of what is to be regarded as literary, and does so for every kind of work recorded in writing. In effect this reverses the approach of the 1985 Act. Instead of treating computer programs as if they were literary works (while recognising that they are not), it so widens the concept of what is literary as to admit computer programs. This raises the question of what else may have crept in with them.

The 1956 Act did not define “literary work” (except to extend it to include tables and compilations), and for that reason it was open to the Court of Appeal in *Exxon* to decide that what was undoubtedly written, and had according to unchallenged evidence been the subject of much creative effort, was nevertheless not “literary” on the basis provided by *Hollinrake*.

That reasoning can no longer hold. Under the 1988 Act, for copyright to subsist, something must be a work, and it must be written: and in laying it down, by the word “*accordingly*”, that computer programs fulfil these conditions, the 1988 Act precludes the application of the *Hollinrake* test to any category of written work. Computer programs cannot generally pass the *Hollinrake* test, and if this does not prevent them from qualifying as literary, then there is nothing in the Act to allow it to be applied to corporate names or anything else.

Consequences

It follows that “Exxon” and its ilk are literary works. Not many five letter words seem likely to follow it, however: demonstrating the requisite effort and originality for a word to qualify as a work will probably not be easy, and the same will apply to proof of copying by alleged infringers where the infringing word is not identical and independent creation is the defence.

Some may disapprove of copyright trespassing into the domain of the trade mark. The problem should not be exaggerated, however. Although the protection would be wider, because it would not be limited to particular classes of goods or services (as registered marks are), nor dependent on established goodwill (as unregistered marks are), its very width would make it less effective. Only a small number of words would both be useful as trade marks and also be capable of being proved to be the product of sufficient originality, skill and labour to attract copyright protection. Copyright prevents copying, but not independent development, to which single words would be particularly vulnerable: no owner would choose copyright protection as a preferred alternative to trade mark registration, with its effective monopoly. Copyright, although not requiring regular renewal and payment of fees, has in the long run a more limited life.

There must also be doubt about whether damages for copyright infringement would match those to which a trade mark owner is entitled: the damage for which compensation is desired is damage to the goodwill in the underlying business, but copyright is unconcerned with *that* damage – it looks to the damage to the work itself, which may be rather different. Only in the claim for an interlocutory injunction would the two stand on a more equal footing.

The titles of books, plays and other works, conventionally regarded as outside the scope of copyright protection, may now fall within it, at least if they can be shown to be separate works from the work whose title they are. The same may be true of the names of bands and other groups of players, and indeed of some of the more unconventionally named commercial companies. These seem tolerable consequences. From time to time invented words achieve popular fame – “supercalifragilisticexpialidocious” springs trippingly to mind – and there seems no reason why they should not be protected by copyright (although in that case the word itself was unsuccessfully alleged to be a copyright infringement of another invented word – see *Life Music Inc. v Wonderland Music Co.* (1965) 241 Fed Supp 653).

The fair dealing exceptions may produce a rather odd result, where they apply to a very short work: they must probably permit quotation of the whole work – indeed, to quote anything less might infringe the author’s moral right not to have the work mutilated.

Conclusions

No very serious problems flow from the conclusion that *Exxon* has been reversed. But it may be thought that in altering the basis of the whole of the law of literary copyright in order to protect computer programs, the twist in the tail has distorted the pig. There was no obvious objection to the alternative approach adopted by the 1985 Act, of treating computer programs as if they were literary works without changing the general law of copyright; and the maintenance of two variants of copyright law, one for general purposes and one for computer programs, does no more than mirror the treatment of semiconductor topographies. In their case, a variant of design right exists alongside the form applicable for general purposes. Such an approach would have the merit of avoiding unintended consequences for other areas of the law.