Federal Court of Australia

International Federation of Intellectual Property Attorneys
Judges Without Borders – How Judges Use Decisions From Other Countries

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Justice Chris Jessup

1. Despite the evocative title to this session, judges are not like doctors. The human body is more or less the same wherever it is. There are some differences, of course, but, if you are, for example, a caucasian male standing 10 km on the United States side of the Canadian border, your biological makeup and medical condition will be much the same as that of another, otherwise identical, caucasian male standing 10 km on the Canadian side of the same border. So, if you suffered from gout, for instance, a doctor on either side the border would at least have the basic wherewithal to treat you.

2. It is otherwise with judges. The judiciary is part of the machinery of the state, and the state is the embodiment of sovereignty. Sovereignty, in turn, is a concept which speaks only in a territorial context. *Pace* those who would move towards international governance of some kind, in all jurisdictions which might be considered relevant to this conference, a government, and all the legislative, executive and judicial organs which go with it, derive their authority, and thereby their ability to function as such, from the condition of sovereignty which prevails within a defined territory. Judges, in other words, have borders by definition.

3. To state this truism is, however, to read the title to this session too literally. It seems that we are concerned not with the question whether judges have borders in the reach of the jurisdiction which they exercise, but with the question whether "judges look to the jurisprudence of other countries in considering cases involving complicated patent, trade mark and domain name issues".

4. I should commence by emphasizing two characteristics of the legal system in Australia which, while doubtless second nature to many present this morning, must not be overlooked in considering the subject presently of interest. The first is that the system is an adversarial one, with all of the silent assumptions about what constitutes a fair hearing that that implies. This means that what the judge does in deciding a case is very much dependent on the arguments that the parties have advanced. If no party relies upon the judgment of an international court, it should come as no surprise that the judge does not, in his or her eventual judgment, do so.

5. The second point is that, because of its common law traditions, the legal system in Australia has always drawn heavily upon the judgments of the superior courts of the UK. At one time, they were binding here. That is no longer the case, but old habits die hard and, more relevantly, the basic principles, and much of the actual terms, of legislation in the intellectual property area owe a great deal to UK law and thus to the judgments of UK courts. By way of example, we regard the judgment of the House of Lords in *Hill v Evans* (1862) 45 ER 1195 almost as one of our own. There are many other similar examples that could be provided. My point is that Australian judges, by training and experience, feel quite comfortable looking beyond our borders for sources of the law. However, it must be accepted that there is a distinction between the judgments of the superior courts in the UK and the judgments of courts in other countries. The former have traditionally given you the common law, and the conventional learning on the meaning of particular statutes, as such. The latter are chiefly of interest because they represent a point of comparison that may illuminate the problem at hand. At the risk of oversimplification, one might say that looking to UK decisions involved looking within the system, while looking at other overseas decisions involved looking outside the system. It is for that reason that, in what follows this morning, I shall concentrate upon the recourse which Australian judges have to non-UK decisions elsewhere. This seems to be more in the spirit of your theme, namely, an examination of the extent to which judges in a particular country make use of "the jurisprudence of other countries".

6. I propose to examine the present question along two very general axes: one that relates to the particular court, and its place in the justice system as a whole, and the

other that relates to the kind of subject-matter settings in which a court may be invited, or may decide, to refer to a judgment of a court in another country in the area of IP law. That is to say, my working hypothesis is that the practice of Australian judges to derive assistance from international jurisprudence depends both on the role of the court upon which he or she is sitting and upon the nature of the problem at hand.

7. Turning first to court aspect, one commences with the circumstance that the court that hears most of the intellectual property cases in Australia today is the Federal Court of Australia, and the court to which appeals from that court are taken is the High Court of Australia. Across these two courts, there are three levels of decision-making, namely, first-instance decisions by single judges of the Federal Court, appellate decisions by the Full Court of the Federal Court (3 judges sitting on a panel), and decisions by the Full Court of the High Court (normally 5 judges sitting on a panel). On my observation, the nature and style of the references to international jurisprudence to be found in decisions made at these levels differ, appropriately, as between them.

8. A busy judge sitting at first instance, and having to deal with a range of, often ambitious, factual and legal points, will infrequently have the time – and therefore the inclination – to undertake research into relevant authorities in other countries. There are two main reasons why recourse to decisions of judges overseas necessarily has a low priority for such a judge. First, the law in this country is that the judge is bound by judgments of the courts higher up in the appellate line, namely, the Full Court of the Federal Court and the High Court. Further, the judge should also follow a previous judgment of another single judge of the same court which is directly on point, unless that judgment is demonstrably wrong. There is usually, therefore, no shortage of Australian authority by reference to which the judge might find the answer to the legal problems which arise in the case at hand. Secondly, the judge at first instance will be highly dependent on the nature of the arguments advanced by the parties in the particular case. That is to say, if the parties rely on international jurisprudence, the judge will consider it. If they do not, subject only to such reference to UK authority as may be helpful, the judge will usually find it unnecessary to leave

the jurisprudential shores of this country. Subject to those qualifiers, a first-instance judge will commonly refer to overseas authority where there is a legal problem to be solved, and no complete answer to that problem is to be found in Australian authority, or where the particular judge, often for purely idiosyncratic reasons, likes to refer to international decisions.

9. Turning to the Full Court, where there is High Court authority on the point at hand, that authority must be followed, and there will usually be no need to refer to international jurisprudence. Where there is a previous judgment of the Full Court itself, that too must be followed, save where it is demonstrably wrong. The situations in which the Full Court will find it convenient to refer to decisions made in other jurisdictions will include those mentioned above in the case of first instance judges, and it is necessary to add only two riders to what I have said on that subject. First, the Full Court itself is, of course, composed of judges, and they often have their own styles, idiosyncrasies, and even hobby-horses. Some are, by nature and experience, more inclined to look overseas than others, and the authority of the Full Court perhaps gives them more of an opportunity to give play to that inclination. Secondly, by reason of its authority in the court system, the Full Court is more likely than a judge at first instance to have recourse to such international jurisprudence as is available as a comparative exercise in its own right, possibly invoking that jurisprudence to assist in decision-making in areas otherwise incompletely covered by Australian case-law. I refer to a conspicuous example of this practice later in this paper.

10. Finally, there is the High Court. Here it must be understood that there is no right of appeal in all cases to the High Court. There are only seven members of that court, the same number as there were 100 years ago, since which time the volume of litigation has greatly increased. This apparent imbalance as between resources and demands has been addressed by the imposition of a legislative restriction upon the categories of cases that may be the subject of appeal to the High Court. "Special leave" is needed before a party may appeal, and, as a general proposition, that leave is given in cases of obvious injustice or where questions of general principle are involved. It is more commonly the latter category which is relevant in intellectual property cases, the

result of which is that cases in which there is some important corner of the Australian law which needs to be settled tend to predominate in the High Court. Thus we find that court not only referring to international jurisprudence as an aid to resolving a particular case, but consciously and deliberately examining that jurisprudence in the process of determining the direction which Australian law should take.

11. A notable instance of such a case was what is conveniently described as the *Alphapharm* judgment in 2002 (212 CLR 411). Four judges of the High Court considered the test of obviousness under the *Patents Act 1952*. Under that Act, a patent might have been revoked if the invention, so far as claimed, "was obvious and did not involve an inventive step having regard to what was known or used in Australia on or before the priority date …." In the context of the hypothetical skilled addressee musing over how he or she might solve some presumed problem or deficiency in the art, there was UK authority to the effect that something was obvious if the addressee would regard it as "obvious to try", or "worth a try". There was, however, American authority which had rejected that kind of approach, most conspicuously the judgment of Judge Rich in *In re O'Farrell* (1988) 853 F 2d 894, 903:

> The admonition that "obvious to try" is not the standard under §103 has been directed mainly at two kinds of error. In some cases, what would have been "obvious to try" would have been to vary all parameters or try each of numerous possible choices until one possibly arrived at a successful result, where the prior art gave either no indication of which parameters were critical or no direction as to which of many possible choices is likely to be successful. ... In others, what was "obvious to try" was to explore a new technology or general approach that seemed to be a promising field of experimentation, where the prior art gave only general guidance as to the particular form of the claimed invention or how to achieve it.

Their Honours in the High Court said that the reasoning in the US cases was to be preferred "to the path apparently taken in the English decisions, particularly after the 1977 UK Act", a reminder that any attempt to draw inspiration from international jurisprudence must always be tempered with an awareness of relevant differences in the statutory frameworks, in point of detail, under which legal problems have to be resolved.

12. Another instance, in an entirely different context, was *Copyright Agency Ltd v New South Wales* (2008) 233 CLR 279, where the question was whether a State government had an implied licence to copy surveying plans and the like, over and above its statutory immunity from infringement proceedings in return for the payment of a fee. Having considered the position in Australia, the court then turned to what it called "the position elsewhere". It considered the UK, NZ, the US and Canada. There is nothing here which specifically involved the work of judges in those jurisdictions, but a number of decided cases, and texts, were referred to, when necessary to complete the picture as to the legal regime which existed there. Having done so, the court said (233 CLR at 304 [79]):

> These comparative considerations emphasise the general reach of s 183(1) of the Act and the deliberate choice of the Parliament to combine the exception to infringement, for government use, with a remuneration scheme, rather than to frame the exception as a fair dealing, or otherwise as a free use.

13. I turn next to the kind of subject-matter settings in which a court may be invited, or may decide, to refer to a judgment of a court in another country in the area of IP law. At the specific end of the spectrum, as it were, the case at hand may involve the very same artefact as has been the subject of a ruling elsewhere. A patent for a particular invention, described in the very same terms, or a particular trade mark, may have been the subject of a court decision in another country. In such a case, of course the Australian court will look to that decision, and would normally require a good reason not to follow it. An example of such a case was that which involved trade marks constituting representations of the well-known Philips triple-head electric shaver. It came before the Full Court of the Federal Court in 2000: *Koninklijke Philips Electronics NV v Remington Products Australia Pty Ltd* (2000) 100 FCR 90. Although this appeal was concerned with infringement, in reasons with which the other two members of the court agreed, Burchett J referred to a decision in Canada which corresponded in the sense of relating to the same artefact, albeit that it was an expungement case. His Honour recognized that the relevant statutory provisions in Canada were significantly different from those which had to be applied in Australia, but derived support nonetheless from the general statement of MacGuigan JA, speaking for the Canadian Federal Court of Appeal, in *Remington Rand Corp v Philips Electronics NV* (1995) 64 CPR (3d) 467, 477-478:

> It is clear that every form of trade mark ... is characterized by its distinctiveness. … A mark which goes beyond distinguishing the wares of its owner to the functional structure of the wares themselves is transgressing the legitimate bounds of a trade mark.

14. A slightly less specific context for the invocation of international jurisprudence in a particular area is where the very question, or something approaching the very question, has been decided overseas, albeit not in relation to the particular artefact which is before the Australian court. In such a case the submission will invariably be made that the court should follow, or should not follow, the overseas decision. A good example of this was the telephone directories case of *Desktop Marketing Systems Pty Ltd v Telstra Corporation Ltd* (2002) 119 FCR 491. Here the Full Court was invited to follow the American Supreme Court judgment in *Feist Publications Inc v Rural Telephone Service Co Inc* (1991) 499 US 340. Speaking of the reasons of O'Connor J, Lindgren J (ie the Australian judge) said (119 FCR at 542 [201])):

> Her Honour went on to hold that although the originality requirement does not pose a stringent standard in the case of a factual compilation, nonetheless "the selection and arrangement of facts cannot be so mechanical or routine as to require no creativity whatsoever [and] [t]he standard of originality is low, but it does exist" (at 362). Her Honour said that Rural's White Pages were "entirely typical" and that in preparing them, Rural had simply taken the data provided by its subscribers and listed the data alphabetically by surname. She said (at 362): "The end product is a garden-variety white pages directory, devoid of even the slightest trace of creativity." And (at 363):
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> > Nor can Rural claim originality in its coordination and arrangement of facts. The white pages do nothing more than list Rural's subscribers in alphabetical order. This arrangement may, technically speaking, owe its origin to Rural; no one disputes that Rural undertook the task of alphabetizing the names itself. But there is nothing remotely creative about arranging names alphabetically in a white pages directory. It is an age-old practice, firmly rooted in tradition and so commonplace that it has come to be expected as a matter of course .... It is not only unoriginal, it is practically inevitable. This time-honored tradition does not possess the minimal creative spark required by the Copyright Act and the Constitution.

Lindgren J, however, held that *Feist* should be distinguished because the legislation under which it was decided differed from that of Australia. His Honour said (119 FCR at 543 [203]):

> The terms of §101, §102 and §103, of the 1976 US Act (set out at [194] above), when understood against the background to their enactment, put it beyond question that in the United States the requirement of originality in relation to a factual compilation is not satisfied by mere independent creation coupled with the

> labour and expense of collecting and verifying the data to be compiled. Rather, it requires independent creation coupled with intellectual effort or a spark of creativity.

Having considered other US and Canadian cases, Lindgren J concluded as follows (119 FCR at 546-547 [217]):

> The United States and Canadian cases mentioned do not persuade me that this Court, at the intermediate appellate level, should depart from the long course of Anglo-Australian authority referred to earlier. If that is to be done, it must be done by the High Court.

15. The other substantial judgment in *Desktop Marketing* was given by Sackville J who, like Lindgren J, noted that, in the US, a "spark of creativity" was required for originality, and that the differing legislative provisions compromised the utility of *Feist* as a guide to the direction that Australian law should take. Nonetheless, his Honour discussed what he described as "policy issues", saying (119 FCR at 597 [424]):

> Doubtless there would be good reasons to follow *Feist* in Australia if, from a policy perspective, its approach offers clear advantages over one which protects industrious compilations. The policy question essentially revolves around the means of resolving the tension between providing incentives to produce potentially useful works and encouraging free access to information or "raw facts". … The danger in refusing copyright protection to an industrious compilation is that a potential compiler will be deprived of the incentive to undertake work that may prove to be of great value. It is doubtless for this reason that the United Kingdom, in accordance with the 1996 Directive issued by the European Union, has established a separate regime for databases, including a sui generis property right called a "database right", which applies regardless of whether the database is a copyright work ….

16. Finally, there is the situation in which reference might be made to international authority for its treatment of some question of law which has become relevant in the case at hand. Although, in the nature of things, this is likely to involve a question of IP law as such, in principle – and, as I discern it, in practice – what the court does in such a situation is no different from what it would do in any case. If there were international jurisprudence which assisted and there was no directly applicable Australian case on the subject, there is no reason why that jurisprudence might not be relied on. Two very well-established examples involve the law relating to the fiduciary duties of company directors, and the law relating to liability for infringement of an IP norm by reference to the principle of joint tortfeasorship, in

each of which situations one of the leading cases frequently referred to in Australia is a Canadian one – *Canadian Aero Service v O'Malley* (1973) 40 DLR (3d) 371 and *Mentmore Manufacturing Co Ltd v National Merchandising Manufacturing* (1978) 89 DLR (3d) 195 respectively.

17. I hope I have said enough on this aspect to persuade you that Australian judges are not reluctant to look to international jurisprudence for such assistance as it may provide, but that the extent to which they do so depends upon the place of the court on which they sit in the system of justice as a whole, upon the authority and responsibility which that court has for developing Australian IP law, and upon, most crucially, the nature of the task at hand.