

— 1 —

INTRODUCTION: AUSTRALIAN INTELLECTUAL PROPERTY LAW IN THE GLOBAL MARKETPLACE

INTRODUCTION

Over the past 30 years intellectual property (IP) has evolved from being an intellectual curiosity seldom seen in undergraduate law school curricula to becoming a front-rank and popular legal subject. An understanding of IP laws is central to the sciences, manufacturing and the arts, and increasingly important to mainstream legal practice. IP has also become a more controversial and politicised area of study in light of its emergence as a specialisation within international trade law, and the fast-paced development of the information economy. IP laws impact on our daily lives in much more obvious ways than in the past, and affect the way we access or engage with technology, medicine, nature, education and entertainment.

There have been statutes and regulations that we now recognise as IP laws dating from the seventeenth century, and specific international agreements since the late nineteenth: the *Paris Convention for the Protection of Industrial Property* (1883) and the *Berne Convention for the Protection of Literary and Artistic Works* (1886). These instruments, developed to address ‘international piracy’ between dominant political powers, arranged IP into two related but distinct fields: manufacturing and the arts. The term ‘industrial property’ covered patents over inventions, design rights and trade marks. ‘Literary and artistic works’ were defined broadly to encompass written texts, drawings, paintings, architecture, sculptures, engravings, lithography and sheet music. The conventions marked out certain standards for the protection and treatment of such subject matter, but the protection conferred depended upon the technicalities of the respective domestic laws of the signatories to these conventions.

This separation of art and science still underpins commonsense intuitions about IP laws today. Regulation of the culture industries and education is perceived as requiring essentially different considerations from that of industry and manufacturing, and perhaps also as requiring different kinds of legal skills. Notwithstanding that, it is still also common to find the terms ‘copyright’, ‘patent’ and ‘trade mark’ being used colloquially and in the media as imprecise and often confusing catch-all phrases in relation to debates about what intangible subject matter ‘should’ or ‘should not’ be protected.

It is important for law students to appreciate that despite the way IP laws might commonly come to be discussed in the broader community, as a subject of legal knowledge, IP is a problematic term.

Considered as an overarching concept, the idea of a unified IP system, or IP regime, leads to the conflation of vastly different subject matters and divergent approaches to regulation itself.

IP is an artificial construct and, as a matter of law, it is made up of a number of distinctive categories, most with underlying statutes that define the particulars of the property and limits to the rights. Each area of IP has its own history, rationales and technicalities. These 'knowledge laws' only fit together in a very loose and rather uncoordinated way. Accordingly, the categories need to be studied and understood as discrete legal and political constructs.

IP LEGISLATION

Australian IP laws today include:

- *Copyright Act 1968* (Cth), *Copyright Regulations 1969* (Cth) and *Copyright (International Protection) Regulations 1969* (Cth);
- *Designs Act 2003* (Cth) and *Designs Regulations 2004* (Cth);
- *Patents Act 1990* (Cth) and *Patents Regulations 1991* (Cth);
- *Trade Marks Act 1995* (Cth) and *Trade Marks Regulations 1995* (Cth);
- *Competition and Consumer Act 2010* (Cth), Sch 2 (the 'Australian Consumer Law');
- *Resale Royal Right for Visual Artists Act 2009* (Cth);
- *Circuit Layouts Act 1989* (Cth);
- *Plant Breeder's Rights Act 1994* (Cth);
- *Australian Grape and Wine Authority Act 2013* (Cth);
- the common law tort of passing off;
- the equitable action to prevent the breach of confidence (used to regulate trade secrets); and
- cultural protocols for the protection of Indigenous cultural and intellectual property.

A broad survey approach to the main categories of law allows students to grasp the nature and scope of the relevant legislation and administration applicable in each area. This book is designed as an introduction to:

- equip law students with legal knowledge appropriate for entry-level legal practice in IP;
- develop basic rights and commercialisation awareness for scientists, creators and managers of IP rights and their administration; and
- provide a foundation to enable students to progress to more specialised postgraduate study of IP law.

In relation to each main area of Australian IP law this book covers:

- a policy overview of the legal category, its history and emerging trends;
- an explanation of the structure of the legislation and associated rights; and
- leading case extracts to elucidate key legal principles and tensions.

METHODOLOGY

Our methodology, which we developed in the first edition of this text, utilises a new approach to the selection of cases. Where material and space permits, and especially in relation to difficult or

controversial concepts, we provide different types of case materials and indicate their nature with tabs in the margin:

- A precedent chosen to give context to an enduring authority or to highlight a contrast with the reasoning in current law is marked with the tab PRECEDENT.
- A current leading authority is marked with the tab CURRENT LAW.
- A counterpoint (comparative perspective) precedent is marked with the tab COMPARATIVE LAW.

Case books perform an important role in organising legal knowledge. There are, however, limits to their usefulness as stand-alone texts. On the one hand, if case selection is too narrow (which may occur in an effort to present the law in tidy, easily digested snippets), the impression given may be misleading. The question of selection is especially problematic in IP, as principal legislation is complex and often confusingly drafted, with key concepts sometimes not defined in relevant legislation (instead requiring reference to regulations or ‘practice and procedure’ manuals). Also, there are very few legal principles that do not require significant qualification or analytical work so that they can be applied to new situations. On the other hand, the inclusion of too many cases in a text makes it unwieldy and unsuitable as an introduction because there is too much information to be appreciated and not enough opportunity for it to be synthesised, particularly by readers who are new to the area.

Our case selection provides students with tools to move away from both a simplistic and an overly dense treatment of the law, and recognises the fluidity of the law and related policy changes. This provides a mechanism for covering the basics while keeping policy challenges and international perspectives at the fore. This approach does not compromise the traditional role of the case book in exposing students to the field and its key principles, but it does allow for a more critical and engaged discussion of those principles. While the primary focus is Australian law, an awareness of comparative law—especially US law and UK law (the latter increasingly influenced by EU developments)—is vitally important in legal practice today.

AUSTRALIAN IP POLICY MANAGEMENT IN A GLOBAL CONTEXT

A number of agencies have an international agenda-setting role in IP policy, and four key agencies are considered below. The claim that IP rights are central to economic development has been much scrutinised of late, with considerable debate revolving around the politics of world trade, development, economics, and biological and cultural diversity.¹

INTERNATIONAL ORGANISATIONS

WORLD INTELLECTUAL PROPERTY ORGANIZATION (WIPO)

WIPO is an intergovernmental organisation established in 1967 as a specialised agency of the United Nations (UN). It is the successor to the *United International Bureaux for the Protection of Intellectual Property* (BIRPI), established in 1893 to administer the *Paris Convention for the*

¹ Some of these issues are explored further in K Bowrey, M Handler and D Nicol, eds, *Emerging Challenges in Intellectual Property*, Oxford University Press, Melbourne, 2011.

Protection of Industrial Property (1883) and the *Berne Convention for the Protection of Literary and Artistic Works* (1886). As set out in the *Convention Establishing the World Intellectual Property Organization* (1967), WIPO has two main objectives:

- to promote the protection of IP worldwide; and
- to ensure administrative cooperation among the intellectual property unions established by the treaties that WIPO administers.

WIPO now administers over 25 treaties. It also engages in policy development and offers a range of education and dispute resolution services. WIPO's principal sources of income are fees paid by private users of the international registration services and contributions paid by the governments of member states.²

WORLD TRADE ORGANIZATION (WTO)

The WTO administers the *Agreement on Trade-Related Aspects of Intellectual Property Rights* (the 'TRIPS Agreement') (1994).³ The TRIPS Agreement was negotiated in the 1986–94 Uruguay Round of the General Agreement on Tariffs and Trade, and is Annex 1C to the *Agreement Establishing the World Trade Organization* (1994). It introduced IP rules into the multilateral trading system for the first time by setting minimum levels of protection that each WTO member must provide across most fields of IP, as well as requiring adherence to most of the substantive provisions of the Paris Convention and the Berne Convention. Developed countries were given until 1995 to ensure that their laws and practices conformed with the TRIPS Agreement. Developing countries and transition economies were given until 2000 (with a further five years to implement product patent protection). Least-developed countries initially had until 2006, since extended to 2021, to implement their TRIPS obligations. As well as setting minimum standards of protection in many areas, the TRIPS Agreement also established general principles applicable to all intellectual property enforcement. Disputes between WTO members about adherence to the TRIPS obligations are subject to WTO dispute settlement procedures. As TRIPS is a minimum-standards agreement, members may provide more extensive protection and determine the appropriate method of implementing the provisions of the Agreement within their own legal systems. TRIPS led to the reform of many provisions of Australian IP law and continues to affect Australian law in contentious areas such as access to pharmaceuticals and rights to genetic material.

UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION (UNESCO)

UNESCO was founded on 16 November 1945. It facilitates universal access to information and knowledge, and its primary role in IP relates to setting ethical standards that encourage global information sharing, including providing information about the advantages and disadvantages of using free and open source or proprietary software.

² See www.wipo.int.

³ See www.wto.org/english/tratop_c/trips_c/trips_c.htm.

CONVENTION ON BIOLOGICAL DIVERSITY (CBD), CONFERENCE OF PARTIES (COP)

The CBD, signed at the 1992 Rio Earth Summit, is dedicated to promoting sustainable development. Australia ratified the Convention in 1993. The Convention's governing body is the COP, consisting of all 193 governments and regional economic integration organisations that have ratified the Convention (but not the USA). The CBD impacts on IP rights by raising issues surrounding ownership and control over plant genetic resources, bioprospecting and Indigenous rights to equitable benefits derived from the utilisation of IP.⁴

AUSTRALIAN ORGANISATIONS

Domestically, IP policy development is fragmented among a number of federal departments. To observers, little coordination of these efforts is apparent. This is partly a historical problem dating from our colonial heritage and a longstanding bureaucratic separation of responsibility for the arts, education and the sciences. It is also a consequence of contemporary politics, where different government departments react to IP reform agendas emanating from Europe or the USA. It is also quite difficult to identify any distinctively Australian element in our contemporary IP policy (even though highly distinctive approaches to particular IP issues are taken in Australian IP legislation, which further increases the complexity of this area of law).

DEPARTMENT OF FOREIGN AFFAIRS AND TRADE (DFAT)

DFAT supports the development of strong IP rights and the harmonisation of rights with major trading partners, arguing that internationally consistent IP regimes allow Australian producers and manufacturers to take advantage of global supply chains by protecting important IP in foreign markets when parts of their business operations are offshore. DFAT has a role in managing TRIPS-related matters (e.g. in bringing disputes against allegedly non-compliant parties, or defending such actions). It also has the central role in negotiating preferential trade agreements with key trading partners, which include IP chapters. The most important of these is the *Australia–US Free Trade Agreement* (AUSFTA) (2004), with more recent agreements negotiated with Korea and Japan.⁵ At the time of writing, DFAT is also involved in negotiations for a regional trade agreement known as the *Trans-Pacific Partnership Agreement* (TPP) with Japan, the USA, Singapore, New Zealand, Malaysia, Brunei, Canada, Chile, Mexico, Peru and Vietnam. The IP negotiations in the TPP have proved to be particularly contentious. It is apparent that countries like the USA and Japan are seeking high levels of IP protection, especially in relation to pharmaceutical patents and related rights; while developing countries and countries like Australia and New Zealand—which provide subsidised access to pharmaceuticals—are concerned about the potential impact on the cost of, and access to, medicines. Detailed provisions on the enforcement of IP rights are also proving to be controversial.

DFAT's relatively recent role in developing Australian IP policy has been considered contentious in some circles, with concern that the international trade agenda has advanced protection of IP rights

⁴ See www.cbd.int/convention.

⁵ See www.dfat.gov.au/trade/topics/intellectual-property/

without due regard to the impact these reforms will have on the Australian public, our cultural and educational rights, and our public health policy.⁶

COMMONWEALTH ATTORNEY-GENERAL'S DEPARTMENT

The Attorney-General's Department has a key role in developing policy on a miscellaneous range of copyright and related issues. At the time of writing, it is looking into such issues as online copyright infringement, the role of 'safe harbours' for carriage service providers, and the domestic implementation of the *Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired or Otherwise Print Disabled* (2013).⁷ Formerly, the *Copyright Law Review Committee* (CLRC) was part of the Attorney-General's Department: this was a part-time committee appointed to consider and report on specific copyright matters referred to it. The CLRC published a number of significant reports from 1959 (the Spicer Report,⁸ which formed the foundation of the *Copyright Act 1968* (Cth)) to 2005, when it was abolished. The Attorney-General also makes occasional requests to the independent Australian Law Reform Commission (ALRC) to inquire into particular areas of the law. In 2012 the then Attorney-General made a reference to the ALRC to consider reform of Australian copyright exceptions, which led to Report No 122, *Copyright in the Digital Economy* (2013).

COMMONWEALTH DEPARTMENT OF INDUSTRY

The Department of Industry develops policies to support a national innovation system with the goal of driving knowledge creation, cutting-edge science and research, international competitiveness and greater productivity. The Department also releases Annual Innovation System Reports, which assess the performance of the Australian innovation system by comparing it to that of other OECD countries, looking at issues such as patent filing figures and trade in IP-protected goods and services.

IP AUSTRALIA

IP Australia is an independent government agency under the Department of Industry. It administers the grant of patents, designs, trade marks and plant breeder's rights (PBR), and provides policy advice to government. Since 2012 IP Australia has had an office of the Chief Economist, which conducts and commissions IP research and policy analysis. IP Australia is self-funding, with revenue (mainly from fees paid by applicants for registration and renewal of registration) of over \$178 million for the 2013–14 financial year. IP Australia also promotes IP awareness and basic

6 See R Burrell and K Weatherall, 'Exporting Controversy? Reactions to the Copyright Provisions of the US–Australia Free Trade Agreement: Lessons for US Trade Policy' [2008] *University of Illinois Journal of Law, Technology & Policy* 259; K Weatherall, 'Of Copyright Bureaucracies and Incoherence: Stepping Back from Australia's Recent Copyright Reforms' (2007) 31 *Melbourne University Law Review* 967; P Drahos et al, 'Pharmaceuticals, Intellectual Property and Free Trade: The Case of the US–Australia Free Trade Agreement' (2004) 22 *Prometheus* 243; K Weatherall, 'The Australia–US Free Trade Agreement's Impact on Australia's Copyright Trade Policy' (2015) *Australian Journal of International Affairs* (forthcoming).

7 See www.ag.gov.au/RightsAndProtections/IntellectualProperty/Pages/default.aspx.

8 Copyright Law Review Committee (the 'Spicer Committee'), *Report of the Committee appointed by the Attorney-General of the Commonwealth to Consider what Alterations are Desirable in the Copyright Law of the Commonwealth* (1959).

IP education to business and the public. IP Australia's searchable databases of patents, designs and trade marks are an important free public resource providing access to a wide array of technical information. The agency also publishes practice and procedure manuals that are used as reference tools for examiners within their patents, designs, trade marks and PBR sections. These guides set out procedural and legal matters relevant to the examination of applications under each of the relevant Acts and are helpful for those seeking a practical understanding of the operation of the relevant law.⁹

IP Australia also provides secretariat services to the Advisory Council on Intellectual Property (ACIP). ACIP is an independent body appointed by the government to advise on IP matters and the strategic administration of IP Australia. ACIP recently completed reviews into the innovation patent system, and collaborations between the public and private sectors involving IP.¹⁰ It has been announced that ACIP will be disbanded on completion of its current review into the operation of the designs system.

LEGAL FOUNDATIONS: THE CONSTITUTION

Section 51 of the *Commonwealth of Australia Constitution Act 1900* (Imp), which is headed 'Legislative powers of the Parliament', provides:

The Parliament shall, subject to this Constitution, have power to make laws for the peace, order, and good government of the Commonwealth with respect to:

...

(v) postal, telegraphic, telephonic, and other like services;

...

(xviii) copyrights, patents of inventions and designs, and trade marks;

...

(xxix) external affairs.

The Australian Constitution offers little indication of the nature or purpose of our IP laws. The specificity of s 51(xviii) once supported a conservative approach to the federal power to make new laws that might expand on the subject matter originally covered. This interpretation sat oddly with an area of law which might, by its nature, be expected to be forward-looking and innovative in ambition. Following the *Union Label* case (*Attorney-General for New South Wales v Brewery Employees' Union of New South Wales* (1908) 6 CLR 469, extracted first below) it was subsequently questioned whether the constitutional provision could support reforms relating to performers' rights, moral rights for authors, circuit layouts protection, plant variety rights and trade marks for services. However, in addition to adopting a more generous interpretative approach to s 51(xviii), there was potential to enact some IP legislation by relying upon the postal and telegraphic power in s 51(v) and the external affairs power in s 51(xxix).

The uncertainties over the scope of s 51(xviii), and the extent to which it could be used to support the enactment of laws covering novel forms of IP, remained unresolved until a

⁹ See www.ipaustralia.gov.au.

¹⁰ See <http://acip.gov.au>.

challenge to the constitutionality of the *Plant Variety Rights Act 1987* (Cth) and the subsequent *Plant Breeder's Rights Act 1994* (Cth) in *Grain Pool of Western Australia v Commonwealth* [2000] HCA 14; (2000) 202 CLR 479, extracted second below. This decision has somewhat settled the scope of s 51(xviii) today.

It has been recommended that the Constitution should be amended to simply permit laws with respect to 'intellectual property'—a term more current now than it was at Federation. Alternatively, Australia could consider the value of a US-style provision that provides a foundation for constitutional challenges with reference to the overriding public purpose of IP laws. In *Grain Pool* the High Court noted the comparative breadth of the Australian IP power compared with that of the USA. However, while the US Constitution creates a 'system' of copyright and patent laws that promotes the 'Progress of Science and useful Arts', in a constitutional challenge in 2003 the US Supreme Court determined that it is generally the role of Congress—and not for the courts—to decide how best to pursue that objective and achieve the delicate balance of interests to be served (see *Eldred v Ashcroft* 537 US 186 (2003), extracted third below).

The Australian approach to the constitutional power places few limits on the freedom of Parliament to make laws about 'intellectual effort'. It encourages an IP jurisprudence that is particularly attentive to the detail of particular provisions without necessarily requiring much analysis of the politics of IP as a system of law supportive of innovation overall.¹¹

CASE EXTRACT: PRECEDENT

Attorney-General for New South Wales v Brewery Employees' Union of New South Wales (the 'Union Label case')

(1908) 6 CLR 469
High Court of Australia

[The *Trade Marks Act 1905* (Cth) provided for registration of 'workers' trade marks' which indicated that the goods were made by an individual Australian worker or members of a trade union. The marks were politically controversial,¹² and two years after their introduction the Part of the Act dealing with workers' trade marks was challenged as not being supported by s 51(xviii) of the Constitution.]

Griffith CJ (at 500–518): The plaintiffs contend that the 'workers' trade mark' authorized by Part VII to be registered by an association of workers is not a trade mark at all in the sense in which that word is used in the Constitution. The defendants answer that the mark in question is a mark; that it is to be used in connection with trade, which includes manufacture and production; and that this is sufficient to bring the Act within the power. Now, while there is no doubt that within the ambit of its powers the Parliament is supreme, it has no authority whatever beyond that ambit. It is necessary, therefore, to consider the nature of the authority conferred by s 51(xviii) ...

¹¹ For a rare case where the High Court took into account the politics surrounding IP reform, see *Stevens v Kabushiki Kaisha Sony Computer Entertainment* [2005] HCA 58; (2005) 224 CLR 193.

¹² See S Ricketson, 'The Union Label Case: An Early Australian IP Story' in A Kenyon, M Richardson and S Ricketson, eds, *Landmarks in Australian Intellectual Property Law*, Cambridge University Press, Melbourne, 2009.

The meaning of the terms used in that instrument must be ascertained by their signification in 1900. The Parliament cannot enlarge its powers by calling a matter with which it is not competent to deal by the name of something else which is within its competence. On the other hand, it must be remembered that with advancing civilization new developments, now unthought of, may arise with respect to many subject matters. So long as those new developments relate to the same subject matter the powers of the Parliament will continue to extend to them. For instance, I cannot doubt that the powers of the legislature as to posts and telegraphs extend to wireless telegraphy and to any future discoveries of a like kind, although in detail they may be very different from posts and telegraphs and telephones as known in the nineteenth century ...

We have then to choose between these two conflicting lines of reasoning, and to say whether the term 'trade marks' used as defining a subject matter of legislation is to be taken in the wider or more limited sense. Apart from any light thrown on the question by the history of the use of the word in legislation or otherwise, it might be contended with much force that the term means 'a mark used in connection with trade,' the term 'trade' being, perhaps, limited to the exchange of vendible articles by way of commerce. If this view is accepted, the Parliament has absolute authority to prescribe:

- (1) whether any marks may be so used at all;
- (2) what marks may be so used;
- (3) whether certain marks must be so used;
- (4) by whom any marks may be so used;
- (5) by whom any marks must be so used;
- (6) the signification to be given to any particular mark;
- (7) the conditions of the particular trade upon which the right or obligation to use the mark shall depend.

Such authority would undoubtedly involve a very large power of interference with the conditions of domestic trade, but that is no objection if the authority is given.

If, on the other hand, the term 'trade mark' is interpreted strictly according to the definitions which had been given in English Courts before the year 1900, the result would be that, although new kinds of marks and new purposes to which marks of the old kind may be applied may be, and indeed have been, devised since that time, the authority of Parliament is limited to dealing with the particular kind of trade mark then known, and to the use of trade marks for the particular purposes then recognized, with the result that all new developments of the subject matter would fall within the domain of State legislation.

... In my opinion it follows, from a consideration both of the Statute law of England and the Australian Colonies up to 1900 and of the authoritative expositions of the law with respect to trade marks in British Courts of Justice, that, whether the term 'trade mark' as used in s 51 (xviii) of the Constitution is to be regarded as a term of art or as a word used in popular language, it did not in that year denote every kind of mark which might be used in trade or in connection with articles of trade and commerce, but meant a mark which is the visible symbol of a particular kind of incorporeal or industrial property consisting in the right of a person engaged in trade to distinguish by a special mark goods in which he deals, or with which he has dealt, from the goods of other persons.

This concept includes in my opinion five distinct elements:

- (1) A right which is in the nature of property;
- (2) The owner of the right must be a person, natural or artificial, engaged in trade;
- (3) The right is appurtenant or incident to the dealing with goods in the course of his trade;
- (4) The owner has such an independent dominion over the goods to which the mark is to be affixed as to entitle him to affix it to them; (It is not material whether this right is incident to his possession of the goods or arises under an agreement with the owner of them.)
- (5) The mark distinguishes the goods as having been dealt with by some particular person or persons engaged in trade; (I use the word 'particular' not as meaning that the person in question is indicated *nominatim*, but as indicating that he is a person who has an independent individual right with respect to the goods in question, and who is capable of ascertainment upon inquiry).

With regard to this species of property the power of the Parliament is absolute. They can prescribe the conditions on which it may be acquired, retained, or enjoyed; they may possibly even prohibit its enjoyment altogether; but they cannot, by calling something else by the name of 'trade mark,' create a new and different kind of industrial property.

...

In my opinion, therefore, the workers' trade mark does not conform in any respect to the concept of a trade mark as used in the Constitution.

Higgins J (dissenting) (at 600–614): The case as put for the plaintiffs is short and simple. They say that, though the Federal Parliament has power to legislate about 'trade marks' a 'workers' trade mark' was not a 'trade mark' within the accepted definition in 1900, the date of the Constitution, and that therefore the Parliament has no power to make any law as to 'workers' trade marks.' It is said that, though the mark is to be used by or with the consent of a trader, for the purposes of pushing trade, it is not a trade mark.

If the argument for the plaintiffs is right—if the powers of the Commonwealth Parliament are so rigidly and narrowly circumscribed as is contended—there will be some curious results, not merely as to trade marks, but as to most, if not all, of the subjects of legislation in s 51. No matter how circumstances may change, no matter what may be the developments of science, of the arts, of business enterprise, and of society to the end of time, the Parliament is confined for ever (unless there be an alteration in the Constitution) to such trade marks as the Court enforced in the year 1900. Even since that year the class of trade marks which the Court will enforce has been extended in Great Britain and Ireland so as to include marks such as the plaintiffs deny to be 'trade marks' (English *Trade Marks Act 1905*, ss 3, 62); and s 62 has been incorporated in our *Trade Marks Act 1905* (s 22). But though the British legislation is, of course, valid, the Commonwealth legislation, to the same effect, for Australia, is to be treated as invalid. The Commonwealth is to be tied down to the practice in 1900. According to the plaintiffs' argument, the Federal Parliament having covered all the ground for trade marks as enforced by the law in 1900, the State Parliaments may, each for its own State, make such laws as they think fit, varying in character and in machinery, as to any marks to be used for purposes of trade, excepting only such trade marks as the Courts enforced in 1900. The several State Parliaments

may, it is said, legislate even for 'workers' trade marks,' may create any new kinds of enforceable trade marks; and if the plaintiffs' argument be successful, we shall have as a result a position which must be confusing and baneful to traders and to the public—we shall have seven different bodies of law makers in Australia laying down laws as to marks used for trade purposes. But, if the plaintiffs are right, it cannot be helped. It is a flaw in the Constitution.

This doctrine of the plaintiffs, if it is to be accepted, cannot be confined to the subject of trade marks. It means that the Federal Parliament cannot give validity to any kinds of patents, or to any kinds of copyrights, which were not recognized in 1900. Copyright in designs is a recent and useful development in the law of copyright. If it had not been accepted before 1900, it could not—according to the plaintiffs—be now adopted by the Federal Parliament. Nor, if the developments of industry should render a further extension of copyright expedient, is it possible for the Federal Parliament to meet the want—if the plaintiffs are right ... [T]he case of trade marks contains excellent illustrations within its own bounds. Text-writers have found themselves compelled to include in their treatises on 'trade marks' dissertations on mere 'trade names,' and on 'passing off' cases; for these matters are treated by the Courts on the same principles as those trade marks which satisfy the plaintiffs' definition; but, according to the plaintiffs, these matters have still to be left to the States ...

If the plaintiffs are right in their argument, the Court is bound to treat the boundaries of the class of trade marks, and the boundaries of the other subjects, as finally settled and stereotyped in 1900, so far as the Federal Parliament is concerned. There may be development everywhere else; but so far as Australia and its Federal Parliament is concerned, there is an arrested development. In place of Australia having by its Constitution acquired for the Australian Parliament the power of dealing with the whole subject of marks used for the purposes of trade, it turns out that the Federal Parliament can deal only with the trade marks enforced by the Courts as property in 1900, and that each of the States separately must deal with the other parts of the subject ...

What is committed to the Federal Parliament is not the *class* of things called trade marks, but the whole *subject* of trade marks. No doubt, we are to ascertain the meaning of 'trade marks' as in 1900. But having ascertained that meaning, we have then to find the extent of the power to deal with the subject of trade marks—or, what is the same thing, to find the meaning of the 'power to make laws with respect to trade marks.' The usage in 1900 gives us the central type; it does not give us the circumference of the power ...

It is not necessary for the purpose of the decision of this case to decide precisely what is the outer limit, the ring fence, of this power. But at present I am strongly inclined to the view that the grant of such a power, made by the British Parliament to the Federal Parliament, confers on the Federal Parliament as wide a power, with regard to Australia, as the British Parliament could itself have exercised, provided that the laws made would come fairly under the description of 'trade mark laws,' in ordinary parlance, if made by the British Parliament. It will also be found, I believe, ultimately, that the phrase under which powers are granted to the Federal Parliament gives to that Parliament even wider scope for its action than is given to the United States Congress by the corresponding grants of power in the United States Constitution.

CASE EXTRACT: CURRENT LAW

Grain Pool of Western Australia v Commonwealth

[2000] HCA 14; (2000) 202 CLR 479
High Court of Australia

Gleeson CJ, Gaudron, McHugh, Gummow, Hayne and Callinan JJ (some footnotes omitted):
16. The general principles which are to be applied to determine whether a law is with respect to a head of legislative power such as s 51(xviii) are well settled. They include the following. First, the constitutional text is to be construed 'with all the generality which the words used admit'. Here the words used are 'patents of inventions'. This, by 1900, was 'a recognised category of legislation (as taxation, bankruptcy)', and when the validity of such legislation is in question the task is to consider whether it 'answers the description, and to disregard purpose or object'. Secondly, the character of the law in question must be determined by reference to the rights, powers, liabilities, duties and privileges which it creates. Thirdly, the practical as well as the legal operation of the law must be examined to determine if there is a sufficient connection between the law and the head of power. Fourthly, as Mason and Deane JJ explained in *Re F; Ex parte F* [(1986) 161 CLR 376 at 388]:

In a case where a law fairly answers the description of being a law with respect to two subject-matters, one of which is and the other of which is not a subject-matter appearing in s 51, it will be valid notwithstanding that there is no independent connexion between the two subject-matters.

Finally, if a sufficient connection with the head of power does exist, the justice and wisdom of the law, and the degree to which the means it adopts are necessary or desirable, are matters of legislative choice.

17. In a passage in the joint judgment of the Court in *Nintendo Co Ltd v Centronics Systems Pty Ltd* [(1994) 181 CLR 134 at 160] upholding the validity of the *Circuit Layouts Act 1989* (Cth) ('the Circuit Layouts Act'), the Court attended to the first of these matters, the construction of the terms of s 51(xviii) with the generality admitted by the words used. Their Honours said:

The grant of Commonwealth legislative power which sustains the [Circuit Layouts Act] is that contained in s 51(xviii) of the Constitution with respect to 'Copyrights, patents of inventions and designs, and trade marks' [cf, eg, *R v Brislan; Ex parte Williams* (1935) 54 CLR 262; *Jones v Commonwealth [No 2]* (1965) 112 CLR 206]. It is of the essence of that grant of legislative power that it authorizes the making of laws which create, confer, and provide for the enforcement of, intellectual property rights in original compositions, inventions, designs, trade marks and other products of intellectual effort.

In the present case, the plaintiff contends that the final phrase in this passage should not be read so as to treat as sufficient to attract this head of power *any* product of intellectual effort. Those supporting validity contend that the legislation here is valid without such a wide reading of the power. That which constitutes the invention for the [Plant] Varieties Act is 'the origination' of the 'new plant variety' (s 5(a)) and for the [Plant] Breeder's Rights Act it is 'the breeding' of the plant variety (s 10(b)). It will be necessary to return to these submissions.

18. What is of immediate significance for present purposes is the reference in *Nintendo* by their Honours to *R v Brislan*; *Ex parte Williams* and *Jones v Commonwealth* [No 2]. Those authorities dealt with the inherent scope for expansion of the application of the power with respect to postal, telegraphic, telephonic ‘and other like services’ in s 51(v) of the Constitution. This serves to emphasise a point of significance in the present case. Later developments in scientific methods for the provision of telegraphic and telephonic services were contemplated by s 51(v). Likewise, it would be expected that what might answer the description of an invention for the purpose of s 51(xviii) would change to reflect developments in technology.

19. Consistently with the general principles which we have identified above, an appropriate approach to the interpretation of s 51(xviii) is that appearing in what was then the dissenting judgment of Higgins J in *Attorney-General for NSW v Brewery Employees’ Union of NSW* (‘the *Union Label Case*’).

...

22. The judgment of the Court in *Nintendo* and [that] of Higgins J, ... delivered across the lifespan of the Court, exemplify the first of the general principles of constitutional interpretation to which reference has been made. They reflect what the foundation members of the Court had intended by their adoption in *Baxter v Commissioners of Taxation (NSW)* [(1907) 4 CLR 1087 at 1105] of a passage of the judgment of Story J delivering the opinion of the Court in *Martin v Hunter’s Lessee* [14 US 141 at 151]. In that well-known statement with respect to the interpretation of the United States Constitution, Story J had stressed that the legislative powers of the Congress were expressed ‘in general terms’, so as ‘to provide [not] merely for the exigencies of a few years, but ... to endure through a long lapse of ages, the events of which were locked up in the inscrutable purposes of Providence’.

23. These words do not suggest, and what follows in these reasons does not give effect to, any notion that the boundaries of the power conferred by s 51(xviii) are to be ascertained solely by identifying what in 1900 would have been treated as a copyright, patent, design or trade mark. No doubt some submissions by the plaintiff would fail even upon the application of so limited a criterion. However, other submissions, as will appear, fail because they give insufficient allowance for the dynamism which, even in 1900, was inherent in any understanding of the terms used in s 51(xviii).

24. The collocation in s 51(xviii) represents a classification of the various species of intellectual or industrial property which had developed in the United Kingdom in the second half of the nineteenth century. This development had been encouraged by the publication of what became standard treatises on copyright, trade marks and patents [Sherman and Bently, *The Making of Modern Intellectual Property Law: The British Experience, 1760–1911* (1999) at 138]. These works had dealt with the appearance of the modern statutory regimes in legislation such as the *Patents, Designs, and Trade Marks Act 1883* (UK) (‘the 1883 Act’). The scheme of the 1883 Act had been followed in Queensland, Victoria, Tasmania and Western Australia. These works also had dealt with the international movements which culminated in the Union for the Protection of Industrial Property established by the Paris Convention of 1883, and in the Berne Convention of [1886] for the protection of the rights of authors over their literary and artistic works.

...

26. ... [I]t is important to note that, within the terms used by Higgins J in ... the *Union Label Case* ... it would be wrong to regard the legislative grant of monopoly rights in new plant varieties as being,

in 1900, outside the 'central type' of the subject of patents of inventions. In his recent judgment for the Court of Appeals for the Federal Circuit in *Imazio Nursery, Inc v Dania Greenhouses* [69 F 3d 1560 (1995)], Judge Rich explained legislative proposals before the Congress more than a century ago. His Honour said [at 1562–1563]:

At least as early as 1892, legislation was proposed to grant patent rights for plant-related inventions. Plant patent legislation was supported by such prominent individuals as Thomas Edison who stated that '[n]othing that Congress could do to help farming would be of greater value and permanence than to give to the plant breeder the same status as the mechanical and chemical inventors now have through the law.' It was also supported by Luther Burbank, a leading plant breeder of the day ... whose widow stated that her late husband 'said repeatedly that until Government made some such provision [for plant patent protection] the incentive to create work with plants was slight and independent research and breeding would be discouraged to the great detriment of horticulture.'

Such views would have been at the time apposite to the position of Australian wheat breeders such as William Farrer, whose Federation cultivar of wheat was named in 1901.

27. Whilst the plaintiff accepts much of what would follow from these considerations, it submits that not every plant variety may be the subject of a patent in accordance with what it contends are traditional principles of patent law which are reflected in s 51(xviii) and limit its operation ...

THE EVOLUTION OF COMMON LAW AND STATUTE

33. The plaintiff emphasises that not all of what might be termed intellectual or industrial property, even as understood in 1900, was embraced by the collection of terms in s 51(xviii). This circumstance is said to caution against an over-broad construction of the term 'patents of inventions'. The first proposition may be accepted but a consideration of the common law does not support the second proposition.

34. Many of the established categories referred to in s 51(xviii) had common law antecedents. Here, as elsewhere, the common law had been dynamic rather than static. In *Pacific Film Laboratories Pty Ltd v Federal Commissioner of Taxation* [(1970) 121 CLR 154 at 166], Windeyer J explained that, whilst by the nineteenth century copyright had become the creature of statute, there had been in the century before great dispute as to the nature of common law copyright, particularly in unpublished literary works. Again, in *Interfirm Comparison (Australia) Pty Ltd v Law Society of New South Wales* [(1975) 2 NSWLR 104 at 118–119], Bowen CJ in Eq observed that the earlier decisions relating to copyright in unpublished literary works have an affinity with the development of equitable principles relating to confidential communications.

35. The remedy of injunction, provided by statute for over a century, to prevent the infringement of registered trade marks reflects the equity decisions which protected and established a property right in the goodwill of trade marks before they were recognised by statute. In *Colbeam Palmer Ltd v Stock Affiliates Pty Ltd* [(1968) 122 CLR 25 at 33], Windeyer J remarked:

The jurisdiction of courts of equity in relation to trade marks did not begin with the protection of statutory trade marks. It began with what have been called common law trade marks. These, notwithstanding their somewhat misleading name, were the creatures of equity which established a form of property in a mark gained by use and reputation.

It should be noted that, at the time of the adoption of the Constitution and for many years thereafter, both in the United Kingdom and Australia, whilst 'service marks' might be protected by a passing-off action, the statutory systems did not permit their registration. The statutory systems were concerned with marks used to indicate a connection in the course of trade in goods between the goods and the person entitled to use the mark.

36. The modern classification of copyright into literary, dramatic, musical and artistic works dated in Australia from the *Copyright Act 1905* (Cth) [This was repealed by s 4 of the *Copyright Act 1912* (Cth)]. In the United Kingdom, the changes were made by the *Copyright Act 1911* (Imp) ('the 1911 Act') ... A striking departure in the 1911 Act was that it had no registration system. The 1911 Act also (in s 31) abolished common law copyright in unpublished works. This common law copyright was still recognised in 1900. However, perhaps as a reflection of the state of technology at the time, the 1911 Act did not provide for distinct copyright protection in respect of sound recordings, cinematograph films or broadcasts. That circumstance, however, would not deny to those provisions in the *Copyright Act 1968* (Cth), which now protect such subject-matter, the character of laws with respect to copyright.

37. In the United Kingdom, the first comprehensive legislation for the registration of trade marks was the *Trade Marks Registration Act 1875* (UK). The first of a series of statutes providing for the administration of patent law on a modern footing had been the *Patent Law Amendment Act 1852* (UK) ... In 1900, the United Kingdom statutory regimes with respect to copyright, trade marks, patents and designs were of recent origin and, like the common law, they were plainly still in various stages of development. This was true also of the legislation in force in the Australian colonies before displacement by federal law. That development has continued to the present day.

...

40. There were in 1900 unresolved issues respecting the interrelation of the various intellectual property regimes. A legislative attempt to deal with the overlap between copyright and registered design law later was made in s 22 of the 1911 Act. This provision in turn gave rise to much uncertainty and litigation. In the case law at the end of the nineteenth century attempts were made to differentiate the nature of the protection afforded under the patent law and that with respect to registered designs. Efforts also were made in that period ... to distinguish the distinct conceptual bases of copyright and patent law ...

41. Given these cross-currents and uncertainties in the common law and statute at the time of federation, it plainly is within the head of power in s 51(xviii) to resolve them. It also is within power, as the legislation upheld in *Nintendo* demonstrates, to determine that there be fresh rights in the nature of copyright, patents of inventions and designs and trade marks.

42. The broad term 'intellectual effort' used in *Nintendo* embraces a variable rather than a fixed constitutional criterion ... The 'origination' or 'breeding' required respectively by the Varieties Act and the Breeder's Rights Act involves sufficient 'intellectual effort' in the sense of that term in *Nintendo*.

[The Court concluded that the *Plant Variety Rights Act 1987* (Cth) and the *Plant Breeder's Rights Act 1994* (Cth) were both supported by s 51(xviii) of the Constitution.]

CASE EXTRACT: COMPARATIVE LAW

Eldred v Ashcroft

537 US 186 (2003)

Supreme Court of the United States

Ginsburg J (delivering the Opinion of the majority of the Court) (at 192–213) (footnotes omitted):

This case concerns the authority the Constitution assigns to Congress to prescribe the duration of copyrights. The Copyright and Patent Clause of the *Constitution*, Art I, §8, cl 8, provides as to copyrights: ‘Congress shall have Power ... [t]o promote the Progress of Science ... by securing [to Authors] for limited Times ... the exclusive Right to their ... Writings.’ In 1998, in the measure here under inspection, Congress enlarged the duration of copyrights by 20 years. *Copyright Term Extension Act* (CTEA), Pub L 105–298, §§102(b) and (d), 112 Stat 2827–2828 (amending 17 USC §§302, 304). As in the case of prior extensions, principally in 1831, 1909, and 1976, Congress provided for application of the enlarged terms to existing and future copyrights alike.

Petitioners are individuals and businesses whose products or services build on copyrighted works that have gone into the public domain. They seek a determination that the CTEA fails constitutional review under both the Copyright Clause’s ‘limited Times’ prescription and the First Amendment’s free speech guarantee. Under the 1976 *Copyright Act*, copyright protection generally lasted from the work’s creation until 50 years after the author’s death. Under the CTEA, most copyrights now run from creation until 70 years after the author’s death. 17 USC §302(a). Petitioners do not challenge the ‘life-plus-70-years’ timespan itself ... Congress went awry, petitioners maintain, not with respect to newly created works, but in enlarging the term for published works with existing copyrights. The ‘limited Tim[e]’ in effect when a copyright is secured, petitioners urge, becomes the constitutional boundary, a clear line beyond the power of Congress to extend ...

In accord with the District Court and the Court of Appeals, we reject petitioners’ challenges to the CTEA. In that 1998 legislation, as in all previous copyright term extensions, Congress placed existing and future copyrights in parity. In prescribing that alignment, we hold, Congress acted within its authority and did not transgress constitutional limitations.

... The measure at issue here, the CTEA, installed the fourth major duration extension of federal copyrights. Retaining the general structure of the 1976 Act, the CTEA enlarges the terms of all existing and future copyrights by 20 years ... This standard harmonizes the baseline United States copyright term with the term adopted by the European Union in 1993 ... For anonymous works, pseudonymous works, and works made for hire, the term is 95 years from publication or 120 years from creation, whichever expires first. 17 USC §302(c) ...

A

We address first the determination of the courts below that Congress has authority under the Copyright Clause to extend the terms of existing copyrights. Text, history, and precedent, we conclude, confirm that the Copyright Clause empowers Congress to prescribe ‘limited Times’ for copyright protection and to secure the same level and duration of protection for all copyright holders, present and future.

The CTEA's baseline term of life plus 70 years, petitioners concede, qualifies as a 'limited Tim[e]' as applied to future copyrights. Petitioners contend, however, that existing copyrights extended to endure for that same term are not 'limited.' Petitioners' argument essentially reads into the text of the Copyright Clause the command that a time prescription, once set, becomes forever 'fixed' or 'inalterable.' The word 'limited,' however, does not convey a meaning so constricted. At the time of the Framing, that word meant what it means today: 'confine[d] within certain bounds,' 'restrain[ed],' or 'circumscribe[d].' ... Thus understood, a timespan appropriately 'limited' as applied to future copyrights does not automatically cease to be 'limited' when applied to existing copyrights ...

To comprehend the scope of Congress' power under the Copyright Clause, 'a page of history is worth a volume of logic.' *New York Trust Co v Eisner*, 256 US 345, 349 (1921) (Holmes, J). History reveals an unbroken congressional practice of granting to authors of works with existing copyrights the benefit of term extensions so that all under copyright protection will be governed evenhandedly under the same regime ... [T]he First Congress accorded the protections of the Nation's first federal copyright statute to existing and future works alike. 1790 Act §1. Since then, Congress has regularly applied duration extensions to both existing and future copyrights. 1831 Act §§1, 16; 1909 Act §§23–24; 1976 Act §§302–303; 17 USC §§302–304.

Because the Clause empowering Congress to confer copyrights also authorizes patents, congressional practice with respect to patents informs our inquiry. We count it significant that early Congresses extended the duration of numerous individual patents as well as copyrights ... The courts saw no 'limited Times' impediment to such extensions; renewed or extended terms were upheld in the early days, for example, by Chief Justice Marshall and Justice Story sitting as circuit justices ...

Congress' consistent historical practice of applying newly enacted copyright terms to future and existing copyrights reflects a judgment stated concisely by Representative Huntington at the time of the 1831 Act: '[J]ustice, policy, and equity alike forb[id]' that an 'author who had sold his [work] a week ago, be placed in a worse situation than the author who should sell his work the day after the passing of [the] act.' 7 Cong Deb 424 (1831) ... The CTEA follows this historical practice by keeping the duration provisions of the 1976 Act largely in place and simply adding 20 years to each of them. Guided by text, history, and precedent, we cannot agree with petitioners' submission that extending the duration of existing copyrights is categorically beyond Congress' authority under the Copyright Clause.

... Satisfied that the CTEA complies with the 'limited Times' prescription, we turn now to whether it is a rational exercise of the legislative authority conferred by the Copyright Clause. On that point, we defer substantially to Congress. *Sony [Corp of America v Universal City Studios, Inc]*, 464 US, at 429, 104 S Ct 774 ('[I]t is Congress that has been assigned the task of defining the scope of the limited monopoly that should be granted to authors ... in order to give the public appropriate access to their work product.').

The CTEA reflects judgments of a kind Congress typically makes, judgments we cannot dismiss as outside the Legislature's domain. As respondent describes ..., a key factor in the CTEA's passage was a 1993 European Union (EU) directive instructing EU members to establish a copyright term of life plus 70 years. EU Council Directive 93/98, Art 1(1), p 11; see 144 Cong Rec S12377–S12378 (daily ed Oct 12, 1998) (statement of Sen Hatch). Consistent with the Berne Convention, the EU directed its members to deny this longer term to the works of any non-EU country whose laws did not secure

the same extended term. See Berne Conv Art 7(8); P Goldstein, *International Copyright* §5.3, p 239 (2001). By extending the baseline United States copyright term to life plus 70 years, Congress sought to ensure that American authors would receive the same copyright protection in Europe as their European counterparts. The CTEA may also provide greater incentive for American and other authors to create and disseminate their work in the United States ...

In addition to international concerns, Congress passed the CTEA in light of demographic, economic, and technological changes ..., and rationally credited projections that longer terms would encourage copyright holders to invest in the restoration and public distribution of their works ... see H R Rep No 105–452, p 4 (1998) (term extension ‘provide[s] copyright owners generally with the incentive to restore older works and further disseminate them to the public’).

In sum, we find that the CTEA is a rational enactment; we are not at liberty to second-guess congressional determinations and policy judgments of this order, however debatable or arguably unwise they may be. Accordingly, we cannot conclude that the CTEA—which continues the unbroken congressional practice of treating future and existing copyrights in parity for term extension purposes—is an impermissible exercise of Congress’ power under the Copyright Clause.

B

Petitioners’ Copyright Clause arguments rely on several novel readings of the Clause. We next address these arguments and explain why we find them unpersuasive.

1

Petitioners contend that even if the CTEA’s 20-year term extension is literally a ‘limited Tim[e],’ permitting Congress to extend existing copyrights allows it to evade the ‘limited Times’ constraint by creating effectively perpetual copyrights through repeated extensions. We disagree.

As the Court of Appeals observed, a regime of perpetual copyrights ‘clearly is not the situation before us.’ 239 F 3d, at 379. Nothing before this Court warrants construction of the CTEA’s 20-year term extension as a congressional attempt to evade or override the ‘limited Times’ constraint. Critically, we again emphasize, petitioners fail to show how the CTEA crosses a constitutionally significant threshold with respect to ‘limited Times’ that the 1831, 1909, and 1976 Acts did not. See ... Austin, [‘Does the Copyright Clause Mandate Isolationism?’ 26 Colum VLA J L & Arts 17] at 56 (‘If extending copyright protection to works already in existence is constitutionally suspect,’ so is ‘extending the protections of US copyright law to works by foreign authors that had already been created and even first published when the federal rights attached.’). Those earlier Acts did not create perpetual copyrights, and neither does the CTEA.

2

Petitioners dominantly advance a series of arguments all premised on the proposition that Congress may not extend an existing copyright absent new consideration from the author. They pursue this main theme under three headings. Petitioners contend that the CTEA’s extension of existing copyrights (1) overlooks the requirement of ‘originality,’ (2) fails to ‘promote the Progress of Science,’ and (3) ignores copyright’s *quid pro quo*.

... More forcibly, petitioners contend that the CTEA’s extension of existing copyrights does not ‘promote the Progress of Science’ as contemplated by the preambular language of the Copyright Clause. Art I, §8, cl 8. To sustain this objection, petitioners do not argue that the Clause’s preamble is an independently enforceable limit on Congress’ power. See 239 F 3d, at 378 (Petitioners acknowledge

that ‘the preamble of the Copyright Clause is not a substantive limit on Congress’ legislative power.’ (internal quotation marks omitted)). Rather, they maintain that the preambular language identifies the sole end to which Congress may legislate; accordingly, they conclude, the meaning of ‘limited Times’ must be ‘determined in light of that specified end.’ Brief for Petitioners 19. The CTEA’s extension of existing copyrights categorically fails to ‘promote the Progress of Science,’ petitioners argue, because it does not stimulate the creation of new works but merely adds value to works already created.

As petitioners point out, we have described the Copyright Clause as ‘both a grant of power and a limitation,’ *Graham v John Deere Co of Kansas City*, 383 US 1, 5 (1966), and have said that ‘[t]he primary objective of copyright’ is ‘[t]o promote the Progress of Science,’ *Feist [Publications, Inc v Rural Telephone Service Co]*, 499 US, at 349 ... The ‘constitutional command,’ we have recognized, is that Congress, to the extent it enacts copyright laws at all, create[s] a ‘system’ that ‘promote[s] the Progress of Science.’ *Graham*, 383 US, at 6.

We have also stressed, however, that it is generally for Congress, not the courts, to decide how best to pursue the Copyright Clause’s objectives. See *Stewart v Abend*, 495 US, at 230 (‘Th[e] evolution of the duration of copyright protection tellingly illustrates the difficulties Congress faces ... [I]t is not our role to alter the delicate balance Congress has labored to achieve.’); *Sony*, 464 US at 429 (‘[I]t is Congress that has been assigned the task of defining the scope of [rights] that should be granted to authors or to inventors in order to give the public appropriate access to their work product.’); *Graham*, 383 US, at 6 (‘Within the limits of the constitutional grant, the Congress may, of course, implement the stated purpose of the Framers by selecting the policy which in its judgment best effectuates the constitutional aim.’). The justifications we earlier set out for Congress’ enactment of the CTEA, *supra*, at 781–782, provide a rational basis for the conclusion that the CTEA ‘promote[s] the Progress of Science.’

In the US Supreme Court’s subsequent decision in *Golan v Holder*, 132 S Ct 873 (2012), a constitutional challenge was brought to domestic legislation that made international works that had previously been unprotected in the USA subject to US copyright protection (following the USA’s accession to the Berne Convention). The petitioners’ key argument was that removing works from the public domain violated the ‘limited [t]imes’ restriction in the Copyright Clause. Ginsburg J, again delivering the opinion of the Court, rejected this argument, holding that it was incorrect to say that the term of protection had been ‘limited’ to zero for previously unprotected works. Her Honour also disagreed with the argument that the legislation did not ‘promote the Progress of Science’, on the basis that this phrase was not confined to ‘incentives for creation’, and could also encompass incentives for the dissemination of existing cultural goods.

PHILOSOPHICAL JUSTIFICATIONS AND SLIPPERY CONCEPTS

Contemporary policy debates around Western IP are generally grounded in political and philosophical arguments about the naturalness and public benefits of private property rights, and their social costs.¹³ Philosophical justifications for IP rights include discussions of natural

13 See generally R Merges, *Justifying Intellectual Property*, Harvard University Press, Cambridge, MA, 2011.

rights elaborated by nineteenth-century philosophers, especially Locke,¹⁴ Hegel¹⁵ and Kant.¹⁶ Twentieth-century theories of kinds of unjust enrichment have also been influential, contributing to reflection on the need to balance the rights of creators with the rights of others.¹⁷ Neoclassical economic analyses have substantially extended this discourse, questioning the market efficiency of strong IP protection, the incentives created by IP law reforms, and the divergence between private and social advantage that may follow from strong proprietary rights.¹⁸ Human rights dialogues have also emerged as another possible foundation for IP;¹⁹ especially in relation to protection of Indigenous cultural rights.²⁰

As will be evident from the discussion of constitutional foundations above, international conventions and domestic statutes, rather than political philosophy or ideology, usually frame contemporary discussion in Australia. However, in the course of contemporary IP commentary a number of 'loaded terms' that draw upon politics, philosophy and jurisprudence are worth noting here. They disclose contested ideologies related to seemingly uncomplicated deployments of notions of *property* and of *right* in IP discourse.

Rights created under authority of statutes such as those covering copyright, design, patents and trade marks are a form of *private property* capable of being assigned or licensed to third parties. However, most IP rights are *positive rights*. These are not natural rights, and what is legally recognised is not property in the lay sense of involving an exclusive right to exert control over a thing or object. In other words, in IP the *exclusive rights* are not absolute rights. IP is *intangible property* and most rights are subject to statutory forms of *limitation*—in duration; by criteria concerning what acts do (and do not) constitute infringement; and, for patents, designs and trade marks, administrative and substantive registration requirements that must be met. These limitations in turn construct the *public domain* of unrestricted activity and content, reflecting the larger public interest, particularly in education, research and access to information.

The matrix of statutory limitations affecting IP rights is usually referred to, by way of shorthand, as the *intellectual property balance*. The notion of 'balance' suggests that any underlying tension between sponsoring innovation through providing private incentives and the public interest in access to knowledge can be ameliorated by the legislature (and in turn, the judiciary) making the right policy choices. However, it is important to recognise that not all limitations relate to a well-articulated public purpose, and that the notion of the 'public' is quite fragmentary and residual, rather than omnipresent, in Australian IP legislation.

¹⁴ See H Breakey, *Intellectual Liberty: Natural Rights and Intellectual Property*, Ashgate, Farnham, 2012.

¹⁵ See P Drahos, *A Philosophy of Intellectual Property*, Ashgate, Dartmouth, 1996.

¹⁶ MC Pievatolo, 'Freedom, Ownership and Copyright: Why Does Kant Reject the Concept of Intellectual Property?' in *Società Italiana di Filosofia Politica* (2010), at <http://eprints.sifp.it/243/1/kantcmp.pdf>.

¹⁷ S Ricketson, 'Reaping Without Sowing: Unfair Competition and Intellectual Property Rights in Anglo-Australian Intellectual Property Law' [1984] *University of New South Wales Law Journal* 1; W Gordon, 'An Inquiry Into the Merits of Copyright: The Challenges of Consistency, Consent, and Encouragement Theory' (1989) 41 *Stanford Law Review* 1345.

¹⁸ W Landes and R Posner, *The Economic Structure of Intellectual Property Law*, The Belknap Press of Harvard University Press, Cambridge, MA, 2003.

¹⁹ L Helfer and G Austin, *Human Rights and Intellectual Property: Mapping the Global Interface*, Cambridge University Press, Cambridge, 2011.

²⁰ J Gibson, 'UDHR and the Group: Individual and Community Rights to Culture' (2008) 30 *Hamline Journal of Public Law & Policy* 85.

It is important to be attentive to the specificity of the rights and the particular fact situations at stake in IP discussions. There is often a tendency to generalise the nature and extent of private rights and public interests, and this can be misleading. The problem is further complicated when IP discourse borrows terminology and concepts from other jurisdictions. IP terminology from other jurisdictions will usually have ‘something’ in common with our legal concepts, but our rights are nonetheless technically different. Thus, legal precision is an important skill to develop in coming to grips with this rapidly developing area of law.