

APRA AMCOS is grateful to the Attorney General Department for the opportunity to respond to its consultation paper on the recognition and enforcement of foreign judgments dated March 2018. We would be pleased to elaborate on any of the matters raised in this letter, if that would be helpful.

APRA AMCOS is particularly interested in the intellectual property aspect of the draft Convention. We note that some members of the Special Commission propose that matters relating to intellectual property should be excluded from the draft Convention completely. APRA AMCOS agrees with this approach for the reasons set out below.

We respond to the relevant questions raised in the consultation paper below but as a general point, APRA AMCOS, considers that the territoriality principal of intellectual property rights - that intellectual property rights do not extend beyond the territory of the country which has granted the rights in the first place - is fundamental to the management, exploitation and enforcement of intellectual property rights.

APRA is the collecting society in Australia in respect of the public performance and communication rights of songwriters and music publishers. This typically covers the performances of music in more than 100,000 Australian businesses, including retail shops, nightclubs, restaurants and festivals, among many other settings, as well as the communication of musical works online, such as in download and streaming services, and on commercial television and radio. AMCOS is the collecting society in Australia in respect of reproduction of music in certain formats. This covers the reproduction of songs and compositions on CD, DVD, online, for use as production music and for radio/TV programs. Together, APRA and AMCOS control the copyright for such purposes in almost all commercially available musical works, by virtue of assignments from its local members and affiliations with similar overseas societies. Since 1997, the two organisations have been administered in tandem, and these submissions represent the united view of both.

APRA AMCOS represents more Australian copyright owners than any other party, with more than 95,000 members. They have a diverse membership, ranging from unpublished song writers to major music publishers. As stated above, they also have a diverse range of licensees, from sole traders to multinational corporations.

The territoriality principal allows organisations like APRA AMCOS and other rights holders in Australia and other countries to manage intellectual property rights in a consistent manner in accordance with the laws in their jurisdiction that gives certainty to rights holders and users of intellectual property. It allows licence fees and other forms of remuneration to be set by reference to local market conditions. And, relevantly, it gives local rights holders control over their rights

and determination of those rights by appropriate courts in the rights holders' own jurisdiction. For example, if the draft Convention included intellectual property then it is conceivable that a declaration of non-infringement in a court in France could extinguish the rights of a copyright owner in Australia. It is significant that the owner of a copyright in Australia may not be the same owner of the same copyright in an overseas territory.

Therefore for this reason, and the reasons referred to in response to the relevant questions below, APRA AMCOS considers that intellectual property should be excluded from the draft Convention completely.

### **Question 1**

**Have you experienced any problems with seeking to recognise or enforce a foreign judgment? If so, what have the main problems been? What are the benefits for Australian parties in the recognition and enforcement of foreign judgments abroad, and what are the risks for Australian parties if foreign judgments are recognised and enforced in Australia or overseas?**

From time to time, APRA AMCOS is asked to act on a determination of infringement or ownership that has been made by a Court in a jurisdiction outside Australia / New Zealand. In those circumstances, APRA AMCOS has sufficient power as between it and its members to assess whether the foreign judgement should influence any action to be taken by APRA AMCOS with the consent of the relevant members. However, if the members cannot agree, APRA AMCOS' position is that the members must themselves take appropriate steps to resolve the legal issues between themselves, including if necessary by litigation in local forums.

### **Question 2**

**Have you encountered issues and/or inconsistencies with the current regimes for recognition and enforcement of either Australian judgments in foreign countries or foreign judgments in Australia? If so, please provide details.**

From time to time APRA AMCOS must take steps to enforce judgment debts obtained in Australia. As a general rule, APRA AMCOS requires foreign entities entering into contracts with it to provide security for licence fees payable.

APRA AMCOS has not experienced significant issues with debtors leaving the jurisdiction.

### **Question 3**

**What are your views on the scope of the draft Convention? Are there any civil or commercial matters that are currently in scope that raise concerns? In particular, do you have any views on those matters in bracketed text, ie privacy/unauthorised public disclosure of information relating to private life; and/or intellectual property and analogous matters?**

As stated above APRA AMCOS' view is that intellectual property should be excluded from the draft Convention.

Because of the historic importance of the territoriality principal in most jurisdictions, international intellectual property agreements such as the *Berne Convention for the Protection of Literary and Artistic Works 1886* and the *Agreement on Trade-Related Aspects of Intellectual Property Rights 1994* have dealt with different categories of intellectual property, including copyright, in quite general terms. As a result while these arrangements result in generally recognised terms such as 'literary works' or 'musical works', how those works are defined and interpreted varies from country to country.

For example, it is possible that the Australian High Court decision in *IceTV Pty Limited v Nine Network Australia Pty Limited* [2009] HCA 14 could have been decided differently under the copyright law in England and Wales which expressly recognises database rights<sup>1</sup> and the authorship of computer generated works.<sup>2</sup> The question therefore is, if the draft Convention were to include intellectual property, could an Australian court be required to enforce a judgment from the courts of England and Wales in relation to rights that would not have been available to a person under Australian law?

In addition, in Australia the *Copyright Act 1968 (Australian Act)* does not include an express provision allowing an author to waive their moral rights whereas the UK Act does.<sup>3</sup>

More fundamentally, different jurisdictions have different exemptions or, more commonly, different interpretations of exemptions. The most well known exemptions are the fair dealing exemptions, for example, for the purpose of research or study<sup>4</sup>, fair criticism or review<sup>5</sup>, parody or satire<sup>6</sup> and reporting news.<sup>7</sup> We note that the United States is not part of the scheme and so the issue of fair use will be less of a concern, however, there is still some significant divergence

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<sup>1</sup> s3 of the *Copyright, Designs and Patents Act 1988* in England and Wales (**UK Act**) which defines 'literary works' as expressly including 'databases'. In addition, it's likely that databases such as the databases in IceTv could have been protected by the database rights which exist in the EU but which do exist in Australia. We note the draft Convention does not propose giving recognition to rights that do not subsist in a particular jurisdiction.

<sup>2</sup> s9 of the UK Act

<sup>3</sup> s87 of the UK Act

<sup>4</sup> s40 of the Australian Act

<sup>5</sup> s41 of the Australian Act

<sup>6</sup> s41A of the Australian Act

<sup>7</sup> s42 of the Australian Act

between countries with fair dealing exceptions. For example, in *Network Ten Pty Limited v TCN Channel Nine Pty Limited* [2004] HCA 14 the Australian High Court gave a broader interpretation of what constitutes reporting news than what might have been decided in England and Wales, for example *England & Wales Cricket Board Ltd v Tixdaq* [2016] EWHC 575.

In addition, different countries also have statutory and compulsory licensing schemes. APRA AMCOS is not clear how such arrangements could be captured by the draft Convention since they are intrinsically connected to a country's sovereignty.

Intellectual property, and copyright in particular, is at the forefront of technological changes and so as new technologies come on board governments in each country must adapt laws to deal with new technologies. The Australian Act incorporated significant changes at the start of this century with the *Copyright Amendment (Digital Agenda) Act 2000* by introducing the communication right in response to increasing digitalisation and providing exemptions for ISPs<sup>8</sup>. The Australian Act was also amended, for example, to include exemptions for caching<sup>9</sup> and the issue of geo-blocking has been addressed by the introduction of the technological protection measures in Division 2A of the Australian Act. These measures were introduced after consultation between the rights holder groups, users groups and representatives of the ISPs. Different jurisdictions have introduced measures at different times, which makes it very difficult to achieve synchronicity between the different intellectual property regimes in different jurisdictions. This makes enforcement of intellectual property judgments from other jurisdictions very difficult if not impossible.

However, we do live in a globalised world and the intellectual property community has worked together to harmonise provisions. For example, *the Marrakesh VIP Treaty (formally the Marrakesh Treaty to Facilitate Access to Published Works by Visually Impaired Persons and Persons with Print Disabilities)* was adopted in 2013 which saw the signatories to the treaty harmonise exceptions to copyright law for the benefit of the blind, visually impaired, and otherwise print disabled (VIPs). APRA AMCOS considers that intellectual property specific treaties like the Marrakesh VIP Treaty are a more appropriate way to achieve reciprocity in relation to specific aspects and forms of intellectual property rather than including quite general intellectual property provisions in non-intellectual property specific treaties and conventions.

#### **Question 4**

**What are your views on the jurisdictional bases for recognition and enforcement? Do any of the currently proposed bases cause concern?**

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<sup>8</sup> s39B of the Australian Act

<sup>9</sup>s43A and s43B and of the Australian Act

#### **Question 5**

**What are your views on the grounds for refusing recognition or enforcement? Do any of the currently proposed grounds cause concern?**

#### **Question 6**

**What are your views on damages, costs and/or other provisions in the draft Convention?**

#### **Question 7**

**Should intellectual property matters be included or excluded in the draft Convention (see Article 5(3) and Article 2, respectively)? To what extent should the circulation of intellectual property judgments be treated differently to that of other judgments under the draft Convention?**

APRA AMCOS believes that intellectual property should be excluded, for the reasons set out above.

#### **Question 8**

**If included in the draft Convention, what are your views on the scope of intellectual property rights as currently defined/categorised?**

Intellectual property is a general term that can cover a variety of rights including: registered rights such as patents, trade marks and registered designs; industry specific rights such as plant breeders' rights, resource rights and semi-conductor rights; and of course copyright and the related rights including performers' rights, moral rights and, in some jurisdictions, database rights.

As seen above, the way in which specific rights are recognised and interpreted varies considerably from jurisdiction to jurisdiction. For this reason, APRA AMCOS would be concerned about relying on generalised terms such as 'intellectual property' and even 'copyright' which is a bundle of rights. For this reason, APRA AMCOS considers it is difficult to arrive at a satisfactory categorisation, particularly in a draft Convention that is not specific to intellectual property or any particular form of intellectual property.

#### **Question 9**

**Are the suggested discretionary safeguards in the draft convention adequate for intellectual property matters?**

APRA AMCOS agrees with the discretionary safeguards concerning the jurisdictional filter for determining whether a defendant has infringed rights in a certain territory.

APRA AMCOS also agrees with the proposed safeguard under Article 7(1)(g), however, again we would note that even if courts apply the internal laws of the State of origin, what the specific provisions of those laws are and the way in which those laws are interpreted can vary quite considerably from jurisdiction to jurisdiction. Therefore, we question whether this safeguard goes far enough.

APRA AMCOS assumes Article 8(3) concerns registered rights such as patents, trade marks and registered designs. If this were to apply to copyright then APRA AMCOS would again be concerned about the inconsistencies between copyright laws in different jurisdictions. While copyright protection extends to most countries in the world by virtue of international treaties, the extent to which those rights are protected in individual countries varies considerably. APRA AMCOS considers that it should be left to the courts in individual jurisdictions to determine those rights by reference to the laws in the relevant jurisdiction.

**Question 10**

**What are your views on the recognition and enforcement of monetary vs non-monetary judgments for infringement in intellectual property matters? Are there any other issues relating to intellectual property that should be addressed by the draft Convention?**

There are generally four types of remedies available in intellectual property matters:

- a) declaratory relief such as declarations of subsistence/validity, authorship/ownership or infringement;
- b) prohibitory injunctions such as injunctive relief restraining an infringer from doing certain acts;
- c) mandatory injunctions such as injunctive relief requiring an infringer to, for example, deliver up or destroy infringing materials; and
- d) monetary relief such as damages (including damages for flagrancy) and account of profits.

Each of these types of relief poses difficulties for the enforcement of foreign judgments and the draft Convention in particular.

We note that in the consultation paper at paragraph 5.7 the Department States that “the draft Convention does not provide for judgments to affect persons who are not parties to the litigation in the State of origin”. However, declaratory relief can have a significant impact on persons who are not parties to the litigation in the State of origin. That is because declaratory relief can be a general statement of a person’s rights, for example, that the person is the author or owner of a copyright work. Such a declaration inevitably has an impact on third parties. APRA AMCOS’ experience is that individual rights holders are best placed to determine whether a judgement in a foreign territory should be effectively acted on in other territories by forming the basis of commercial arrangements, or whether the issue should be re-litigated in different territories.

Prohibitory and mandatory injunctions can also have a significant impact on persons who are not parties to the litigation in the State of origin but who are then required to cease doing certain things (for example where assignees or licensees are required to cease using certain intellectual property) or required to do certain things (for example to remove certain content or deliver up certain materials). In Australia, courts exercise discretion in relation to the granting of such relief having regard to a range of factors and the precise language of such injunctive relief is particularly important. Indeed the scope of injunctions is often intrinsically linked to the exemptions and limitations in the local laws, which may vary.

We note that the draft Convention would only cover compensatory rather than punitive damages. Damages in intellectual property matters are notoriously difficult to quantify and bare damages alone can often be nominal where a rights holder has not suffered any tangible loss. For this reason, punitive damages are particularly important in intellectual property matters. APRA AMCOS questions the benefit of a draft Convention that applies to intellectual property matters but excludes punitive damages and considers that this could result in matters being re-litigated in other jurisdictions if rights holders wish to recover higher sums in damages.