

EMI Songs Australia Pty Limited v Larrikin Music Publishing Pty Limited
[2011] FCAFC 47

FEDERAL COURT OF AUSTRALIA

EMMETT, JAGOT AND NICHOLAS JJ

EMMETT J:

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INTRODUCTION

1 The principal question in these two appeals is whether recordings of performances of an iconic Australian musical work known as “Down Under”, performed by a group known as “Men At Work”, involved the reproduction in a material form of a substantial part of another iconic Australian musical work, “Kookaburra Sits in the Old Gum Tree” (**Kookaburra**), so as to

constitute infringement of the copyright subsisting in Kookaburra under the *Copyright Act 1968* (Cth) (**the Copyright Act**). Larrikin Music Publishing Pty Limited (**Larrikin**), a respondent in both appeals, is the owner of the copyright in Kookaburra. Larrikin contends that the copyright has been infringed by EMI Songs Australia Pty Limited and EMI Music Publishing Australia Pty Limited (together **the EMI Companies**), the first and second appellants in both appeals, and by Mr Colin Hay and Mr Ronald Strykert, respectively an appellant and a respondent in one of the appeals.

2 Larrikin commenced a proceeding in the Court (**NSD 145 of 2008**) against the EMI Companies and Messrs Hay and Strykert in which it claimed relief for infringement of its copyright in Kookaburra. Larrikin alleged that the EMI Companies and Messrs Hay and Strykert infringed its copyright in Kookaburra by making two recordings of Down Under, one in 1979 (**the 1979 Recording**) and one in 1981 (**the 1981 Recording**). It also alleged that the EMI Companies infringed its copyright in Kookaburra by authorising acts of infringement in relation to other works, including two advertisements published by Qantas Airways Limited (**the Qantas Advertisements**). Subsequently, the EMI Companies commenced a proceeding against Larrikin (**NSD 340 of 2008**), alleging unjustifiable threats on the part of Larrikin. The two proceedings, NSD 145 of 2008 and NSD 340 of 2008, had overlapping issues, and were managed in tandem by a judge of the Court (**the primary judge**). Discrete issues were dealt with by the primary judge in three separate hearings.

3 For reasons published on 30 July 2009, the primary judge determined, as a preliminary issue, that, with effect from 21 March 1990, Larrikin has been the owner of the copyright in Kookaburra. That question was common to both NSD 145 of 2008 and NSD 340 of 2008. While that determination was originally the subject of grounds of appeal, those grounds have been abandoned. Thus, it is common ground, for present purposes, that Larrikin is the owner of the copyright in Kookaburra.

4 On 27 October 2009, the primary judge made orders that certain further issues be determined separately from the other remaining issues in the two proceedings. Those issues included whether the 1979 Recording and the 1981 Recording (together **the Impugned Recordings**) and the Qantas Advertisements involved the reproduction in a material form of a substantial part of Kookaburra. For reasons published on 4 February 2010, the primary judge concluded that the Impugned Recordings infringed Larrikin's copyright in Kookaburra. However, his

Honour determined that the Qantas Advertisements did not involve the doing of any act comprised in the copyright in Kookaburra. In the light of the conclusion that the Impugned Recordings infringed copyright, his Honour ordered that NSD 340 of 2010 be dismissed, since Larrikin's threats were not, in those circumstances, unjustified.

5 On 17 March 2010, the primary judge made orders to reflect his conclusions of 4 February 2010 and also made orders for the further conduct of NSD 145 of 2008. On that day, his Honour gave reasons for those orders. On 6 July 2010, his Honour made orders in NSD 145 of 2008 on the issue of quantum, for reasons that he published on that day. It will be necessary to refer to the reasons of 6 July 2010 in so far as they reflect upon his Honour's approach to questions of infringement. However, there is presently no appeal from the orders of 6 July 2010.

6 On 25 February 2010, the EMI Companies filed notice of appeal (**NSD 183 of 2010**) from the order made on 4 February 2010 dismissing NSD 340 of 2008. Larrikin is the respondent to that appeal. That notice of appeal was filed as of right.

7 Since the orders made on 17 March 2010 did not finally dispose of NSD 145 of 2008, they are interlocutory and, accordingly, there is no appeal as of right. The EMI Companies and Mr Hay filed an application for leave to appeal (**NSD 350 of 2010**) from those orders. Larrikin and Mr Strykert are named as respondents to that application. The proposed grounds of appeal in NSD 350 of 2010 were identical to those in NSD 183 of 2010. Larrikin foreshadowed a cross-appeal in NSD 350 of 2010 from the orders made on 17 March 2010 in relation to the Qantas Advertisements and other issues of alleged infringement.

8 The application for leave to appeal in NSD 350 of 2010 and the appeal in NSD 183 of 2010 were listed for hearing together. Larrikin did not oppose the grant of leave. Mr Strykert has not appeared. In the circumstances, since the orders of 17 March 2010 determined substantive questions against the EMI Companies and Mr Hay, the Full Court granted leave to appeal (see *EMI Songs Australia Pty Limited v Larrikin Music Publishing Pty Limited* [2010] FCAFC 110), and heard full argument, on the notice of appeal and the notice of cross-appeal filed in NSD 350 of 2010, at the same time as hearing the argument in NSD 183 of 2010.

THE WORKS IN QUESTION

- 9 In considering whether an alleged infringing work constitutes an infringement of a musical work, it is necessary to regard music as a language, with its own vocabulary and structure. Music must be understood, by analogy, in the way in which traditional language is understood.
- 10 It is important to identify precisely the relevant work in which copyright subsists. The Copyright Act offers no definition of **musical work**. The musical work in which copyright subsists is an abstract concept. That concept may be indicated or evidenced by a notated musical score or a sound recording. However, the musical score or sound recording is not the musical work.
- 11 It is necessary, when identifying the precise work in which copyright subsists, to identify also that part of the musical work that manifests its originality. A melody, excerpt or phrase in a completed work is capable of manifesting originality. However, the copying of musical ideas and commonplace building blocks and motifs from a musical work, which are not themselves original, will not normally constitute infringement of that musical work (see, for example, Ronald S. Rosen, *Music and Copyright* (Oxford University Press, 2008) at 2-3).
- 12 It is convenient to describe separately each of the musical works in issue in the appeals.

Kookaburra

- 13 Kookaburra was written and composed by Ms Marion Sinclair. It was published in 1934 in the Girl Guides publication, “Three Rounds by Marion Sinclair”, in the form set out in Schedule 1 to these reasons. As notated in Schedule 1, the music of Kookaburra is in the key of F major. Dr Andrew Ford, a composer, writer and broadcaster, who gave evidence before the primary judge, transposed Kookaburra into the key of D major. Dr Ford’s transposition, which was referred to as Example A, is set out in Schedule 2 to these reasons. Aside from the transposition, the versions of Kookaburra in Schedules 1 and 2 exhibit several small differences. However, the differences are irrelevant for present purposes.
- 14 Kookaburra, clearly enough, is a short musical work. When notated as shown in Schedule 1, it consists of eight bars. In Schedule 2, it consists of only four bars. The parties consistently described Kookaburra as a four-bar work.

15 Kookaburra was published with lyrics, which provide the title of the work and indicate that it was intended to be sung to those lyrics. There is no separate musical accompaniment shown in Schedule 1. Kookaburra was published as a “Round in 4 Parts”. That indicates that it was to be sung by four voices or four groups of voices, such that each of the parts is continuously repeated. When sung as a round, the four phrases shown in Schedule 1 would be progressively heard over the top of each other. Thus, even if Kookaburra were sung through as a round only once, it would consist of seven bars rather than four. The notation of Kookaburra set out in Schedule 3 to these reasons illustrates how Kookaburra might be sung through as a round three times.

16 It was not disputed that Kookaburra was an original composition, although there was no evidence as to the degree of skill involved in its composition, other than that skill was involved in writing the work as a round. Dr Ford described writing a round as “a tricky and rather amusing business”, because all the phrases have to fit on top of each other. By that he should probably be understood as saying that, as well as each phrase making independent sense as a melody, the phrases must be capable of harmonising against each other.

Down Under

17 Down Under was composed in 1978 by Messrs Hay and Strykert and was originally arranged to be performed as a duet. Mr Hay initially composed the lyrics, verses, choruses and chord structure of the work on his acoustic guitar. The bass line was composed by Mr Strykert, who added some guitar embellishments. Mr Hay jotted down the original version of Down Under in his notebook in about May 1978. As originally written, Down Under’s musical elements did not include the flute phrase described below, which is critical for the present appeals. Messrs Hay and Strykert began to perform Down Under live in clubs and other venues around Melbourne in 1978.

18 The performance group Men at Work was formed in 1979. Men at Work started as a trio, consisting of Messrs Hay and Strykert and a third person playing drums. Mr Greg Ham joined Men at Work in the middle of 1979. Mr Ham is classically trained and can play and read music. He plays a number of instruments, including the flute.

19 The lyrics, vocal melody, chords and bass line were already established when Mr Ham first heard Down Under. Mr Ham sought to complement those elements with another instrumental

part, especially one that would consolidate the tongue-in-cheek nature of Down Under. Mr Ham added flute phrases, which incorporated a part of Kookaburra. Mr Ham was aware of Kookaburra, having apparently heard it when at primary school in Australia in the late 1950s. His aim in adding the flute phrase to Down Under was to inject the song with Australian flavour. He said that the flute phrase fitted rhythmically into Down Under, and to the percussion section at the start of the song, which, in the 1981 Recording, is played on beer bottles with different amounts of water in them. Mr Ham described the flute phrase as an “Aussie cliché melody”, and said that he thought of it as an “Irish/Australian style melody”.

20 The 1979 Recording is of an arrangement of Down Under, in the key of B minor, performed by Men at Work. It was published on the B side of a seven inch single recording titled *Key Punch Operator*. The version of Down Under in the 1979 Recording included the relevant flute phrases.

21 By 1980, Men at Work had grown to five musicians and were performing regularly at venues around Melbourne. The songs that they performed included Down Under. The version of Down Under that they performed live was close to, though not identical to, the version in the 1979 Recording. No two live performances, of course, were identical to each other.

22 The 1981 Recording is of a further performance of Down Under by Men at Work, recorded as part of an album entitled *Business as Usual*. The version of Down Under in the 1981 Recording also includes the relevant flute phrases, though it differs from the version in the 1979 Recording in some respects. The version of Down Under in the 1981 Recording is also in the key of B minor. It is described as having a strong “ska/reggae feel” and a recurring rhythmic motif in the guitar. It is arranged for vocals, guitar, bass, percussion and flute. The version of Down Under in the 1981 Recording is ninety-three bars long. It, too, is different from the versions that were performed live.

23 Dr Ford identified what he called the **basic hook** of Down Under, which he referred to as Example C when notated. The basic hook is as follows:

||
Example C: 'Down Under' basic hook



Dr Ford identified the basic hook as an element of a longer, four-bar hook in Down Under, which is first heard in an incomplete form, and which, when notated in this form, he referred to as Example D. The longer hook is as follows:

Example D: 'Down Under' extended hook (first appearance)



Dr Ford said that, in bar 1 of Example D, the flute plays a version of the basic hook, but with two extra notes. The flute is silent in bar 2. Bar 3 contains the basic hook, and bar 4 presents the first quotation from Kookaburra, namely, the second phrase of Kookaburra.

24 The full version of the longer hook was referred to by Dr Ford as Example E when notated, and is as follows:

Example E: 'Down Under' extended hook (subsequent appearances)



Dr Ford said that bars 1 and 3 of Example E present the basic hook, while bars 2 and 4 present direct quotes from the first and second phrases respectively of Kookaburra.

25 Examples C, D and E are played on the flute in the respective versions of Down Under in which they appear. Example E appears once in the 1979 Recording. In the 1981 Recording, Example D appears once and Example E twice. Thus the pattern of notes from Kookaburra appears in five out of the ninety-three bars of the version of Down Under in the 1981 Recording. Each bar is separated from the others by material that is not derived from Kookaburra.

26 The EMI Companies attach some significance to the fact that any resemblance between any part of Kookaburra and the versions of Down Under in the Impugned Recordings went unnoticed by the general public, as well as by Larrikin, for more than 20 years, notwithstanding that both were well known iconic Australian compositions. Larrikin has owned the copyright in Kookaburra since 1990, but did not perceive the resemblance until it was pointed out in the

course of a popular television panel programme in 2007, in which participants were invited to listen to one of the Impugned Recordings, and to identify the iconic piece of music, a passage from which was said to be reproduced in the Impugned Recording.

The Qantas Advertisements

27 The Qantas Advertisements consist of two thirty-second videos, each of which contains a languid orchestral version of a part of Down Under. The Qantas Advertisements contain the second bar of Kookaburra, in a form similar to that notated in Example D. There are also certain musical embellishments in the Qantas Advertisements. Thus, there is a *glissando*, which was described as a “slide in pitch like a swanee whistle”. However, a note for note comparison shows a reproduction in the Qantas Advertisements of the second bar of Kookaburra.

DEVELOPMENT OF COPYRIGHT

28 The word **substantial** is susceptible of some degree of ambiguity, and its meaning for the purposes of s 14 of the Copyright Act will be influenced by its context. The relevant context includes the development of copyright protection for specific kinds of works (see *IceTV Pty Limited v Nine Network Australia Pty Limited* (2009) 239 CLR 458 (*IceTV*) at [154]). Accordingly, I shall first say something about the history of copyright in musical works.

29 Just as nature abhors a vacuum, so the law abhors a monopoly. Copyright is an exception to the law’s abhorrence of monopolies (see *IceTV* at [28]). Copyright legislation strikes a balance of competing interests and competing policy considerations. Relevantly, it is concerned with rewarding authors of original literary, artistic and musical works with commercial benefits, having regard to the fact that such works in turn benefit the public (see *IceTV* at [24]).

30 The Romans disliked monopolies just as much as common lawyers. The Emperor Zeno, at the end of the fifth century, provided that no-one was to be permitted to monopolise the sale of certain commodities. Zeno’s measure stipulated that, should anyone practice monopoly, he would be deprived of all his property and sentenced to perpetual exile, and that those venturing to fix the prices of their merchandise or bind themselves by any illegal contracts of that kind would be punished by a fine. Further, any tribunal that did not enforce the laws as to monopolies was also to be punished by a fine (see *Justinian’s Code*, Book 4 Title 59).

- 31 However, the Romans recognised no exception for copyright. They recognised no monopoly in the result of literary, artistic or musical effort. Rather, the Romans were concerned only with ownership of the physical embodiment of a literary, artistic or musical work. That is to say, they analysed the question in terms of *accessio* and *specificatio*. Thus, writing on paper or parchment, even in letters of gold, accedes to or becomes part of the paper or parchment by the doctrine of *accessio*. For example, if an author writes a poem, history or speech on another's paper or parchment, that other person remains the owner of the paper or parchment. However, if the paper or parchment is in the possession of the author and the owner seeks to recover it, that owner will be required to compensate the author for the loss of the writing, assuming that the author acquired possession of the paper or parchment in good faith (see *Justinian's Institutes* Book 2.1.33). On the other hand, if the owner is in possession of the paper or parchment, the author has no claim against the owner. The requirement to give compensation as a condition of obtaining possession of the paper or parchment indicates that Roman jurists recognised some proprietary interest in the work that was done. There was nothing to stop the author from writing the poem, history or speech down on another paper or parchment. Nor, of course, was there anything to stop the owner of the paper or parchment from copying the work and distributing the copies by sale or otherwise.
- 32 The position under Roman law was different if someone paints a picture on another's board or canvas. A picture or painting by a famous artist was regarded as being of far greater value than the canvas or board on which it was painted. The Roman jurists regarded it as ridiculous to say that the paint acceded to the board or canvas, irrespective of the quality of the painting or picture. However, where the original owner of the canvas or board has possession of the painting or picture, and the painter claims return of the painting, the painter will be required to compensate the owner of the board for the value of the board or canvas. Even if the painter is in possession, the owner of the board or canvas is given an action to recover its value (*Institutes* 2.1.34).
- 33 The question of a sculptor who uses somebody else's bronze, silver or gold to make an artistic work is dealt with by Roman law under the rubric of *specificatio*, making a new thing or *species* out of different materials. If the maker owns the materials, no difficulty arises. However, when somebody else's materials are used, the position varies. If the new thing can be turned back into its materials, its owner is the one who owned the materials. If not, its maker is its owner. The completed artistic work, made from bronze, silver or gold, can be turned back into raw

bronze, silver or gold. Hence the owner of the materials is the owner of the work. However, things such as wine, oil or grain cannot be made back into grapes, olives or corn. Hence, the wine, oil or grain belongs to the maker, subject to rights of compensation for the loss of materials. On the other hand, when the maker uses materials belonging both to the maker and to someone else, the maker is regarded as the owner of the product, having contributed not only the work but also part of the materials (*Institutes* 2.1.25). Thus, the Romans did recognise that the author or maker of a thing had an interest in the product by reason of the effort in producing the product. Nevertheless, that was not a proprietary right that could be alienated by the author or maker, separately from the alienation of the object.

34 Of course, the problems of multiple copying and reproduction that began with the invention of printing, and were exacerbated by the development of digitalisation and dissemination by means of the internet, were not problems known to the Romans. Printing technology provided the first realistic opportunity for authors to realise the potential economic benefits of their work. That led to intervention by the state.

35 For example, in 1469, the Governors of Venice granted to John of Spira, a printer, the exclusive rights to publish both Cicero's and Pliny's letters for five years. Others in Venice and elsewhere quickly began seeking and securing the exclusive privilege to publish particular works in specific localities. The mid-to-late fifteenth century witnessed a rise in the creation of copyright, taking the guise of an exclusive right granted by the state to a publisher.

36 By the early sixteenth century, the English Crown had begun granting to individual printers exclusive rights to publish specific books. A Royal Charter of 1556 gave the Stationers' Company, a printers' guild that dominated all publishing in London at the time, exclusive and perpetual rights in books that were duly registered with it. However, the rights granted by the Royal Charter had nothing to do with rewarding authors. Rather, the grant was much more concerned with the control of the press by the Crown. The Charter made it clear that church and state were never to be subjected to heresy, scandal or descent. Nevertheless, the result was that publishers enjoyed a state-sanctioned monopoly over what appeared in print.

37 In that context, the Westminster Parliament enacted the *Statute of Anne* (8 Anne c. 19), which came into force in 1710, giving the authors or proprietors of books the sole liberty of printing and reprinting for the term of 14 years, renewable once if the author was still living. The

privilege was not automatic. Authors and publishers had to apply for it, pay a fee and register the relevant work. The *Statute of Anne* is the significant forebear of English, and, therefore, Australian copyright legislation.

38 The *Statute of Anne* did not deal with musical works as such. However, the monopoly extended to a book that recorded a musical work as sheet music. By s 20 of the *Copyright Act 1842* (5 & 6 Vict. c. 45) (**the 1842 Act**), the sole liberty of representing a musical composition, performing a musical composition, or causing or permitting a musical composition to be represented or performed, was to endure and be the property of the author for the term provided for the duration of copyright in books. In the 1842 Act, **book** was defined as including a sheet of music.

39 By s 1(1) of the *Copyright Act 1911* (UK) (**the 1911 Act**), copyright was to subsist in, relevantly, every original **musical work**. Under s 1(2) of the 1911 Act, copyright was defined as the sole right to produce or reproduce the work, or **any substantial part thereof**, in any material form whatsoever and to perform the work, **or any substantial part thereof**, in public. That was the first statutory recognition of copyright in a substantial part of a work. Copyright was also to include the sole right, in the case of a musical work, to make any contrivance by means of which the work might be mechanically performed or delivered. There was no definition of **musical work** in the 1911 Act. However, s 19(2) provided that it would not be an infringement of copyright in any musical work to make contrivances by means of which the work might be mechanically performed, if the contrivances had previously been made with the consent or acquiescence of the owner of the copyright, notice had been given of intention to make the contrivances and the applicable royalty had been paid. Section 19(2)(ii) further provided that, for the purposes of that provision, a musical work was to be deemed to include any words so closely associated therewith as to form part of the same work. Section 8 of the *Copyright Act 1912* (Cth) (**the 1912 Act**) provided that the 1911 Act was to be in force in Australia from 1 July 1912.

THE RELEVANT STATUTORY PROVISIONS

40 The Copyright Act replaced the 1912 Act. Under s 13(1) of the Copyright Act, an act comprised in the copyright in a work, including a musical work, is any act that, under the Copyright Act, the owner of the copyright has the exclusive right to do. Section 13(2) provides that the exclusive right to do an act in relation to a work includes the exclusive right to authorise

a person to do that act in relation to that work. Under s 14, a reference to the doing of an act in relation to a work includes a reference to the doing of that act in relation to **a substantial part of the work** and a reference to a reproduction of a work includes a reference to a reproduction of **a substantial part of the work**.

41 Section 31 of the Copyright Act deals with the nature of copyright in original works. Relevantly, copyright, in relation to a musical work, is the exclusive right to do all or any of the following acts:

- (i) to reproduce the work in material form,
- (iii) to perform the work in public,
- (iv) to communicate the work to the public,
- (vi) to make an adaptation of the work.

The generality of (i) is not affected by (vi). There is no definition of **musical work**.

42 Section 32 of the Copyright Act provides, relevantly, that copyright subsists in an original musical work that is unpublished, provided the author has a relevant connection with Australia at the time when the work was made. Under s 22, a work is made when the work is first reduced to writing or to some other material form. Under s 10, **writing** means a mode of representing or reproducing words, figures or symbols in a visible form, and **material form**, in relation to a work, includes any form of storage of the work.

43 Under s 32(2), where an original musical work has been published, copyright subsists in the work (or, if copyright subsisted before its first publication, copyright continues to subsist in the work), if the first publication took place in Australia, the author had a relevant connection with Australia at the time of first publication, or the author died before that time but had a relevant connection with Australia immediately before his or her death.

44 Under s 36(1), the copyright in a musical work is infringed by a person who **does** in Australia, or **authorises the doing** in Australia **of, any act comprised in the copyright**, unless the person is the owner of the copyright or has been licensed by the owner of the copyright. Section 36(1A) provides that, in determining whether or not a person has authorised the doing in Australia of any act comprised in the copyright in a musical work, the following matters **must** be taken into account:

- (a) the extent, if any, of the person's power to prevent the doing of the act concerned,
- (b) the nature of any relationship existing between the person and the person who did the act concerned, and
- (c) whether the person took any reasonable steps to prevent or avoid the doing of the act.

Other matters **may** also be taken into account.

SOME LEGAL PRINCIPLES

- 45 Certain musical works, such as operas, may be regarded as containing or consisting of several smaller, discrete works. Copyright may subsist in an air or melody and may be infringed by copying part of that air or melody, as well as by copying the whole of the air or melody. There will be an infringement if that in which the whole meritorious part of the original work consists is incorporated in a new work (see *D'Almaine v Boosey* (1835) 1 Y & C Ex 288 at 301-2).
- 46 The copyright in an original work will also be infringed by the taking from that work, without any material alteration, of all of the bars that consecutively form an entire air or melody. On the other hand, to take the bars in a different order, or broken by the intersection of other bars, will not necessarily be an infringement. Infringement depends upon whether the air or melody taken is substantially the same as the original. The mere adaptation of an air or melody, by transferring it from one instrument to another, does not alter the original subject, if the ear tells one it is the same. The adaptation or accompaniment does not change it. There will be infringement where the original work, though adapted to a different purpose from that of the original, can still be recognised by the ear (see *D'Almaine v Boosey* at 302).
- 47 Infringement does not depend upon whether the actual notes are taken (*Austin v Columbia Graphophone Company Ltd* [1917-1923] MacG Cop Cas 398 at 408). Determining infringement is not a question of note for note comparison, but of whether the substance of the original copyright work is taken (see *Austin v Columbia* at 415). There will be infringement where a new work is arrived at by way of imitation and appropriation (see *Austin v Columbia* at 421).

48 In order to establish infringement of copyright in a musical work, it must be shown that the work said to have been infringed has been copied or that a substantial part of it has been copied (see *G Ricordi & Co (London) Ltd v Clayton & Waller Ltd* [1928-1935] MacG Cop Cas 154 at 162). The originality of a particular musical work may be due, not to the sequence of the notes, but to the treatment, accentuation and orchestration by the composer. It is the musical work as a whole that is entitled to the protection of copyright. It may be that the part that is taken is so small a part of the original music work as not to constitute an infringement, because it is not a substantial part of the musical work in which copyright subsists. While eight bars of a particular air, constituting about a quarter of the work, may form a substantial part of that work, there may be no infringement if the eight bars in question are not the most distinctive or important part of the original air (see *G Ricordi & Co* at 162).

49 When dealing with the word **substantial** in the context of infringement of copyright in a musical work, it is appropriate to consider whether or not the amount of the copyright musical work that is taken is so slender that it would be impossible to recognise it (see *Hawkes & Son (London) Ltd v Paramount Film Service Ltd* [1934] 1 Ch 593 at 604). However, even though the alleged infringement is not very prolonged in its reproduction, there will nevertheless be infringement if what is reproduced is a substantial, vital and essential part of the original (*Hawkes v Paramount* at 606). Further, there will be infringement if the bars of a musical work that are taken contain what constitutes the principal air or melody of the copyright work, which anyone who heard the alleged infringing work would recognise as being the essential air or melody of the copyright work (see *Hawkes v Paramount* at 609).

50 It may be appropriate, in determining whether one musical work infringes the copyright in another, to analyse the musical features and structure of each, stating points of similarity or difference (see *Francis Day & Hunter Ltd v Bron* [1963] 1 Ch 587 at 609-10). For example, the following may be compared:

- the structure of two works;
- whether particular bars of the copyright work are an essential part of that work, and whether the theme of those bars has been borrowed in the alleged infringing work;
- whether the theme of the copyright work, despite being built up of musical commonplaces or clichés, combines those devices originally;

- whether there is a noticeable correspondence, on a note for note comparison, between the two works;
- whether the harmonic structure of parts of the two works is the same;
- the importance of time and/or rhythm in each work.

In such a comparison, the question is whether the degree of similarity can be said to be definite or considerable (see *Francis Day* at 610).

51 There is no warrant for suggesting that reproduction, within the meaning of the Copyright Act, occurs only when identity is achieved (see *Francis Day* at 611-12). Rather, reproduction involves a sufficient degree of objective similarity between the two works, as well as some causal connection between the copyright work and the alleged infringing work (see *Francis Day* at 614). Thus, determining the question of infringement involves both an objective and a subjective stage. At the objective stage, the inquiry is whether the alleged infringing work is similar to the copyright work. That is a purely objective question of fact, depending to a large degree on aural perception, but also somewhat on expert evidence. The subjective stage involves the question of whether the alleged infringer copied the copyright work, or whether the alleged infringing work is an independent work (see *Francis Day* at 618).

52 Whether an alleged infringer has copied a substantial part depends much more on the quality than on the quantity of what has been taken. In any case, what amounts to a substantial reproduction cannot be defined in precise terms, but is a matter of fact and degree (see *S. W. Hart & Co Pty Limited v Edwards Hot Water Systems* (1985) 159 CLR 466 at 472). A part that, by itself, has no originality will not normally be a substantial part of the copyright work and reproduction of that part will therefore not be an infringement. There is no copyright in some unoriginal part of a whole in which copyright subsists (see *CBS Records Australia Limited v Guy Gross* (1989) 15 IPR 385 at 395).

53 In order for infringement to occur, what is taken must be a substantial part of the copyright work. However, the taken part need not form a substantial part of the alleged infringing work. There may be a taking of a substantial part even if the overall appearance of the alleged infringing work is very different from the work in which copyright subsists. Whether what has been taken constitutes a substantial part of the copyright work depends upon its importance to the copyright work, not upon its importance to the alleged infringing work (see *Designers Guild Ltd v Russell Williams (Textiles) Ltd* [2001] 1 All ER 700 at 708-9).

54 Where emphasis is to be placed upon the originality of the copyright work's expression, the essential or material features of that work must be ascertained by considering the originality of the part allegedly taken (see *Autodesk Inc v Dyason (No. 2)* (1993) 176 CLR 300 at 305). A significant element is the importance that the alleged substantial part bears in relation to the work as a whole. If it is a vital or material part, even though quantitatively it may be only a small part, it may nevertheless be sufficient. There will be infringement if the alleged infringing work bears a similarity to a substantial part of the copyright work, even if it differs markedly in other ways. It is not necessary that there be a substantial similarity overall between the two works (see *Dixon Investments Pty Limited v Hall* (1990) 18 IPR 490 at 494-5).

55 While the question of whether a substantial part has been copied is one of fact and degree, a critical factor in the assessment of the quality of what is copied is the originality of the part that is copied. Originality means that the creation or production of the copyright work required some independent intellectual effort (see *IceTV* at [32]-[33]). The more that the copyright work is simple or lacking in substantial originality, the greater the degree of taking that will be needed before the substantial part test will be satisfied (see *IceTV* at [40]).

56 There is imprecision in the criteria devised by legislatures to strike a balance between the competing interests involved in copyright protection. That imprecision is apparent in the term "substantial part" (see *IceTV* at [67]-[69]). The purpose of copyright law is to balance the public interest in promoting the encouragement of musical and other works by providing a just reward for the creator with the public interest in maintaining a robust public domain in which further works are produced (see *IceTV* at [71]).

57 Comparison between what was taken and the whole of the copyright work may be distorted by a meditation upon the protection given by the Copyright Act against misappropriation of any investment of skill and labour by the author. The statutory requirement that the part of a work taken must be **substantial** assumes that there can be some measure of legitimate appropriation of that investment (see *IceTV* at [157]).

THE DECISION OF THE PRIMARY JUDGE

58 In his reasons of 4 February 2010, the primary judge determined that what was taken from Kookaburra and reproduced in the Impugned Recordings was not trivial in either a qualitative or a quantitative sense. His Honour considered that, while Kookaburra is a short work and is

not reproduced in Down Under as a round, there was no suggestion that Kookaburra is so simple, or lacking in substantial originality, that a note for note reproduction of the entire work was required in order to meet the substantial part test. His Honour considered that the ‘short answer’ to the qualitative test requirement was to be found in the fact that Mr Hay sang the words of Kookaburra to the tune of the flute phrase during some of his performances of Down Under. His Honour considered that that fact was a sufficient illustration that the qualitative test was met, notwithstanding the fact that Kookaburra’s words are not sung in either of the Impugned Recordings. His Honour considered that, while the reproduction of parts of Kookaburra in the Impugned Recordings did not completely correspond with Kookaburra, because of the separation of the bars of Kookaburra, Mr Hay’s singing of the words showed that a substantial part was taken. Although his Honour accepted that the question of quantity was secondary to that of quality, his Honour considered it noteworthy that two of the four bars of Kookaburra, constituting ‘50% of the song’, are reproduced in the Impugned Recordings. His Honour concluded that each of the Impugned Recordings reproduced a substantial part of Kookaburra.

59 His Honour characterised the essential question in relation to the Qantas Advertisements as whether, when considered aurally, there was a sufficient degree of objective similarity to Kookaburra and, in particular, whether the Qantas Advertisements contain a substantial part of Kookaburra. His Honour found it quite difficult to detect the second bar of Kookaburra as played in the Qantas Advertisements. His Honour did not consider that the quotation of the second bar of Kookaburra constituted, without more, the reproduction of a substantial part of Kookaburra.

60 As part of its case for infringement, Larrikin claimed for past performance income. Larrikin had assigned its performance rights in Kookaburra to the Australian Performing Rights Association (APRA), as the collecting society under the Copyright Act representing music copyright owners. Past performances of Down Under that included the relevant flute phrase did not constitute an infringement, since APRA authorised the songs to be performed and APRA was the owner of the performance rights. However, Larrikin contends that, but for the making of certain representations by the EMI Companies and Mr Hay to APRA, APRA would have given a percentage of the performance royalties to Larrikin. Larrikin also claimed the income earned as a licence fee paid by the Australasian Mechanical Copyright Owners Society (AMCOS), the collecting society under the Copyright Act for music publishers in relation to

licences for the reproduction of musical works. Larrikin contends that, since APRA manages the business of AMCOS, the making of a representation to APRA also involves the making of the representation to AMCOS.

61 The primary judge concluded that the representations constituted misleading and deceptive conduct, in contravention of the *Trade Practices Act 1974* (Cth) or the *Fair Trading Act 1989* (NSW), once the fact of infringement was established. Larrikin, therefore, was entitled to recover damages. The question of what proportion of the income from Down Under ought to be paid to Larrikin was determined following a further hearing and was the subject of the orders made on 6 July 2010. No question as to that proportion is presently before the Full Court.

THE ISSUES IN THE APPEALS AND THE CROSS-APPEAL

62 The principal question in the appeals is whether the Impugned Recordings involved a reproduction of a substantial part of Kookaburra. If they did, both appeals should be dismissed. If they did not, both appeals should be allowed and orders should be made accordingly.

63 The second question is whether either or both of the Qantas Advertisements involved the reproduction of a substantial part of Kookaburra. If the answer is yes in respect of either advertisement, it is necessary to consider the third question in relation to that advertisement.

64 The third question is whether the EMI Companies authorised infringement of copyright in Kookaburra by granting licences in respect of various works including the Qantas Advertisements. If neither of the Qantas Advertisements involved the reproduction of a substantial part of Kookaburra, it is still necessary to consider the question of authorisation in relation to works other than the Qantas Advertisements. There is an issue as to whether the question of authorisation in respect of other works was properly before the primary judge. If it was, that question will require resolution by the Full Court. If there was such authorisation, a further question arises as to whether injunctive relief should be ordered, or whether the question of injunctive relief should be remitted for further consideration. In any event, if such authorisation is found, the consideration of pecuniary relief should be remitted for further consideration. There are also certain procedural questions arising out of the primary judge's treatment of Larrikin's claims that the EMI Companies authorised acts of infringement in respect of other works.

65 If the EMI Companies did not authorise any infringement in respect of the Qantas Advertisements or any other works, the cross-appeal in NSD 350 of 2010 should be dismissed.

INFRINGEMENT BY THE IMPUGNED RECORDINGS

66 In the light of the principles summarised above, the correct approach in an action for an infringement of copyright in a musical work may be summarised as follows:

- Identification of the work in which copyright subsists. That arises from s 32, which directs attention to the copyright work. There must be a work that, relevantly, is an original musical work. There must also be the requisite connection with Australia.
- Identification, in the alleged infringing work, of the part taken, derived or copied from the copyright work. That directs attention to the alleged infringing work and requires an inquiry as to what it reproduces from the copyright work. Reproduction requires there to be both sufficient objective similarity between the two works and a causal link between the two works.
- Determination of whether the part taken constitutes a substantial part of the copyright work. That is a primarily qualitative matter. The question is whether the alleged infringement reproduces that which made the copyright work an original musical work. However, the Copyright Act recognises that there may be some measure of appropriation that does not constitute infringement.

(See *Elwood Clothing Pty Ltd v Cotton On Clothing Pty Ltd* (2008) 172 FCR 580 at [41] and [42]).

The Complaints of the EMI Companies and Mr Hay

67 The EMI Companies and Mr Hay complain that the primary judge erred in the following respects:

- failing to attend to the requirement to identify what, viewing Kookaburra as a whole, constituted it as an original musical work entitled to copyright protection;
- failing to attend to the requirement that the context of copyright law's protection of original musical works influences the meaning, for infringement purposes, to be given to **substantial part**;

- failing to attend to the requirement that quality is much more important than quantity when assessing substantiality;
- failing to consider the various public interests balanced by statutory copyright protection;
- failing to attend to the requirement that, in the face of original works of only modest skill and labour, it must be clearly established by the copyright owner, looking at the work as a whole, that there has been a substantial reproduction in the particular use of the work made by the alleged infringer;
- failing to attend to the requirement to identify that the authors of Down Under were acting *animus furandi*;
- applying an overly mechanistic analysis by considering whether there was objective similarity, where there was a causal connection, and then, subsequently and separately, whether the bars of Kookaburra reproduced in the Impugned Recordings formed a substantial part of Kookaburra, without attending to the foregoing requirements;
- failing to apply the *D'Almaine v Boosey* test that there is no infringement of copyright in music unless the air taken is substantially the same with the original;
- failing to conclude that, looking at Kookaburra as a whole and attending to such originality as it had, there had not been a substantial reproduction in the particular use made of Kookaburra in taking two of its bars, separating them, removing any round and using such bars as part of a flute riff, which formed a subordinate part of a much longer, more complex, and obviously different original musical work; and
- failing to conclude that, in such circumstances, the incorporation of the two bars of Kookaburra was at most a form of tribute to Kookaburra, which might be amusing or of interest to the highly sensitised or educated musical ear, but was otherwise unlikely to be separately noticed by the ordinary listener.

They say that, consequent upon those errors, the primary judge erred in the following respects:

- placing undue weight on the similarities, and insufficient weight on the differences, appearing from a comparison between Kookaburra, on the one hand, and the versions of Down Under in the Impugned Recordings, on the other hand;

- placing insufficient weight on the fact that any similarity between Kookaburra, on the one hand, and the versions of Down Under in the Impugned Recordings, on the other hand, had gone unnoticed for many years, including by Larrikin;
- placing insufficient weight on the fact that he had become sensitised by the evidence to the similarity between the respective melodies;
- holding that the evidence of Mr Hay singing the words of Kookaburra in performances of Down Under that are not impugned supported a finding of objective similarity;
- holding that the failure to call Mr Ham supported a finding of subjective similarity;
- apparently preferring the evidence of Dr Ford to the other expert called;
- placing insufficient weight on the proposition that the simpler or more lacking in originality the copyright work, the greater the degree of taking that will be required in order for there to be infringement;
- placing insufficient weight on the fact that there was no evidence as to the degree of skill involved in the composition of Kookaburra, aside from the fact of its composition as a round;
- placing insufficient weight on the fact that neither of the Impugned Recordings made use of Kookaburra as a round; and
- placing undue weight on a quantitative assessment of the part of Kookaburra said to have been reproduced, as opposed to a qualitative assessment of the importance of that part.

68 The ‘overly mechanistic analysis’ of which the EMI Companies and Mr Hay complain involved addressing the question of infringement in a series of separate stages or questions. They say that, while his Honour was conscious of the more fundamental legal principles that they list, he failed to incorporate them into the essence of his analysis. They contend that the primary judge’s adoption of such a fragmented approach meant that, when his Honour came to assess the substantiality of the use of Kookaburra that was made in the Impugned Recordings, his Honour did not focus on the notes as they appear and are heard in the Impugned Recordings. Rather, they say, his Honour limited his consideration to the significance of the notes in Kookaburra. As a result, his Honour is said to have failed to apply the applicable principles

regarding the making of a comparison between the whole of each work, as well as the test that there was no infringement unless the air taken is substantially the same with the original.

69 The EMI Companies and Mr Hay draw attention to the different approach adopted by the primary judge in his reasons of 6 July 2010, when his Honour came to assessing the proportion of income from the Impugned Recordings that should be paid to Larrikin. In those reasons, his Honour observed that his reasons of 4 February 2010 were concerned only with the question of whether the flute phrase, or certain examples of it, reproduced a substantial part of Kookaburra. That question, his Honour said, focussed in particular upon the qualitative significance of the bars of Kookaburra that were reproduced in the Impugned Recordings. His Honour said that, at that stage, he was not concerned with the musical significance, either qualitative or quantitative, of the bars from Kookaburra in the Impugned Recordings, considered as a whole. The primary judge concluded, in his reasons of 6 July 2010, that the musical significance of the relevant notes from Kookaburra in the Impugned Recordings was small.

70 The EMI Companies and Mr Hay also complain that the primary judge failed properly to consider what constituted Kookaburra as an original musical work and to attend to such originality in assessing the use that was made of the part of the melody of Kookaburra in the Impugned Recordings. They say that that is a fundamental requirement, particularly where the copyright work is a short or simple work, since the simpler or more lacking in originality the copyright work, the greater the degree of taking that will be required for infringement.

Whether the Full Court Should Reconsider Infringement

71 The question of whether an alleged infringing work reproduces a substantial part of a copyright work has been described as a kind of jury question. It involves questions of impression and degree. Accordingly, an appeal court would not normally depart from the finding of a trial judge without being persuaded that the trial judge applied an erroneous principle, or that the decision of the trial judge was plainly and obviously wrong. I am disposed to conclude, in the present case, that the primary judge may have erred in principle in some respects, and, therefore, that it is open to the Full Court to reconsider *de novo* the question of infringement.

72 First, the primary judge found, based on the evidence of Mr Hay, that for a period of about two or three years from around 2002, when he performed Down Under at concerts, Mr Hay would

sometimes sing the words of Kookaburra at about the middle of the song, when he reached the relevant flute phrase. That finding is unexceptionable in itself. However, his Honour ought not to have relied upon it as support for either the finding that there was objective similarity between the respective works or the finding that a substantial part of Kookaburra had been reproduced. In particular, his Honour ought not to have held that that evidence yielded the ‘short answer’ to the qualitative test.

73 There was no issue as to whether a performance of Down Under that involved the singing with lyrics of two bars of Kookaburra, as a round or otherwise, would be a reproduction of a substantial part of Kookaburra. Further, as the primary judge found in his reasons of 6 July 2010, Mr Hay had sung the words of Kookaburra as an amusing historical reference to Kookaburra. I consider that his Honour correctly concluded, in those reasons, that the most that could be said of that evidence was that it demonstrated that the flute phrases in the versions of Down Under in the Impugned Recordings contained quotes from Kookaburra.

74 Secondly, his Honour also considered it noteworthy that two of the bars of Kookaburra, constituting ‘50% of the song’, were reproduced in the Impugned Recordings. His Honour acknowledged that statistic to be quantitative, and thus secondary. However, that statistic ignores the fact that Kookaburra’s performance **as a round** would involve at least seven aurally unique bars, for the reasons indicated above. The two bars of manuscript, therefore, do not represent 50% of the musical work that Kookaburra comprises.

75 The primary judge thus identified two matters that he considered were sufficient to establish reproduction of a substantial part of Kookaburra, notwithstanding that the Impugned Recordings did not reproduce Kookaburra as a round. The first matter was Mr Hay’s evidence regarding other performances of Down Under, which have no relevance. The second matter was the quantity of the part taken. However, even if it were correct to characterise what was taken as being 50%, the quantity of what was taken is, at best, of secondary significance, and cannot be relied upon as being, in effect, the sole factor in determining substantiality. Far from paying due regard to what constituted Kookaburra as an original musical work, and taking that into account in assessing substantiality, his Honour relied on two matters, one of which (Mr Hay’s evidence) was irrelevant, and the other of which (quantity) could not operate as the sole criterion for the assessment.

76 Thirdly, the primary judge touched on the question of originality in dealing with the contention, advanced by the EMI Companies and Mr Hay, that there was no evidence as to the degree of skill involved in the composition of Kookaburra, except that skill was involved in writing it as a round. His Honour implicitly accepted that contention, but sought to qualify it with Dr Ford's evidence that writing a round is a 'tricky and rather amusing business', because all the phrases have to fit on top of each other. His Honour accepted that a round is characterised by all the phrases fitting on top of each other, and that that aspect of Kookaburra was not reproduced in the Impugned Recordings. Neither of the Impugned Recordings contains each of Kookaburra's four bars. Rather, both contain two of its bars, which appear separately, with other musical elements interspersed between them, shorn of the lyrics of Kookaburra, and deprived of the relationship that would emerge during performance of Kookaburra as a round.

77 The EMI Companies and Mr Hay contended before the primary judge that, on the evidence before his Honour, in particular Dr Ford's evidence, the **only** originality lay in the writing of Kookaburra as a round. Accordingly, when his Honour said that it was not suggested by the EMI Companies and Mr Hay that Kookaburra was so simple or lacking in substantial originality that a note for note reproduction of the entire work was required to meet the substantial part test, his Honour made an inapposite observation, because the contention before him was that the failure to take any aspect of Kookaburra that characterised it as a round meant that no substantial part was taken. The reference to the hypothetical circumstance of an exact note-for-note reproduction of the entire work is not an answer to the substance of that contention.

78 Fourthly, when considering the criteria relevant to objective similarity, the primary judge divided the process in a somewhat mechanistic fashion. The finding of objective similarity was based on a consideration of certain elements of Kookaburra, namely, melody, key, tempo, harmony and structure. His Honour considered each element in isolation from the others, and his Honour appeared to give melody greater weight than the other elements, without explaining the basis for that approach.

79 Fifthly, the reasons given by the primary judge on 6 July 2010, for concluding that the musical significance of the relevant notes of Kookaburra in the Impugned Recordings was small, included the following:

- The notes from Kookaburra appear in the Impugned Recordings as fragments of melody, and it is not easy to detect them, as is plain from the fact that the resemblance went unnoticed, even to Larrikin, for some 20 years.
- The primary judge was only able to detect the resemblance between the relevant bars of Kookaburra and the Impugned Recordings with the assistance of the experts and of Mr Hay, and his Honour accepted that there was force in the submission that he had become sensitised to the similarities.
- The two bars of Kookaburra that are reproduced form a relatively small part of the musical elements that give the versions of Down Under in the Impugned Recordings their ‘significant musical quality overall’. The primary judge found the most important other elements to be the introductory flute line (which does not include the notes from Kookaburra), the verses and chorus, Mr Hay’s distinctive voice, and the recurring rhythmic keyboard and flute passages, which give the alleged infringing versions their overall reggae sound.
- While the bars reproduced from Kookaburra formed an important part of the flute phrases, they were not the sole foundation for the flute part in the Impugned Recordings. They were, for example, preceded by the basic hook of Down Under, which owed nothing to Kookaburra.
- There are constant thematic references to Australia throughout the versions of Down Under in the Impugned Recordings, and the reference to Kookaburra is only one of them.
- The producer of the 1981 Recording gave evidence that the song Down Under stands on its own.

80 The EMI Companies and Mr Hay contend that, had the primary judge adopted the proper approach to the assessment of substantial reproduction, and paid due regard to a comparison between the respective works as a whole, those matters would have borne upon his determination, and his Honour would have concluded that no substantial part of Kookaburra had been reproduced. I accept that the findings made by his Honour in his reasons on quantum are, to some degree, antithetical to the conclusion that what appears in the versions of Down Under in the Impugned Recordings reproduces a substantial part of Kookaburra, and that the

considerations just listed should perhaps have played a greater part in the determination of the question of whether there was infringement.

81 By reason of the matters set out above, it is at least arguable that the primary judge made errors in his approach to the assessment of reproduction of a substantial part. Therefore, the Full Court should make its own assessment in the light of the evidence. This is not a case in which the trial judge may be asserted to have enjoyed any significant advantages. There were no live performances at the hearing. The alleged infringing versions of Down Under are those embodied in the 1979 Recording and in the 1981 Recording. Kookaburra was published in the form of musical notation as shown in Schedule 1. A recording of Kookaburra being sung as a round was in evidence, although that recording includes more than the work described in the notation in Schedule 1. The Full Court has been able to listen to all of the recordings and, accordingly, is in as good a position as the primary judge to determine the question of infringement.

Comparison between Kookaburra and Relevant Versions of Down Under

82 In the light of the legal principles summarised above, the question is whether the evidence established that, having regard to Kookaburra as a whole, there was a reproduction of a substantial part of it in the particular use made in the Impugned Recordings of two of its phrases, without either lyrics or any relationship in the nature of a round. It is important to have regard to the part said to have been taken from Kookaburra, not only as it appears in Kookaburra as originally published, but also in the context in which it appears in the Impugned Recordings. Regard must be had to the whole of each work in making that assessment, and attention must be given to what it was that constituted Kookaburra as an original work. On the other hand, in order for there to be infringement, it is not necessary that the part of Kookaburra taken constitute a substantial part of the Impugned Recordings.

83 There was evidence before the primary judge that the composition of Kookaburra as a round involved some skill and originality. The EMI Companies and Mr Hay contend that the evidence established no skill or originality other than that required to compose Kookaburra as a round. There was no express evidence to the effect that the four phrases shown in Schedule 1, by themselves, constituted original works or, taken in isolation, constituted original parts of works. However, I consider that each of Kookaburra's phrases, having been brought to fruition through

the application of skill and originality in writing Kookaburra as a round, consequently manifests the application of skill and originality.

84 Even accepting the limited evidence of originality before the primary judge, I do not consider that reproduction of a substantial part of Kookaburra requires reproduction of Kookaburra as a round. The limitation of originality to a work's composition as a round does not mean that performance of that work as a round is necessary in order to reproduce that which gives the work its originality. I consider that the Impugned Recordings, in reproducing the first two phrases of Kookaburra, thereby reproduced that which constitutes Kookaburra as an original work.

85 There was no suggestion that the effort involved in the composition of Kookaburra's four phrases was so slight that no copyright would subsist in them, standing alone. It is clear enough that there was skill and originality involved in the composition of those bars as a stand-alone piece of music. Dr Ford said that Kookaburra's first two bars (or phrases), being the parts reproduced in the Impugned Recordings, are its 'signature'. That proposition, if accepted, is independent of any performance of Kookaburra as a round. Certainly, the complete work evidenced by the notation in Schedule 1 may, on a fair analysis, for the reasons indicated above, involve more than four discrete phrases. Nevertheless, reproducing two of the four phrases shown in Schedule 1 involves reproduction of at least a part of the musical work first published in 1934, being, though brief, an important and significant part whose composition may be said to have involved skill and originality. I consider that those phrases constituted an essential air or melody of the copyright work. To the extent that the contentions of the EMI Companies and Mr Hay conflate Kookaburra's brevity and relative simplicity with a lack of originality, they ought not to be accepted.

86 A consideration of the similarities and differences between Kookaburra and the versions of Down Under in the Impugned Recordings gives the impression that there is, within the versions of Down Under in each of the Impugned Recordings, with respect to the critical features of a musical work, an adoption of the individual effort that Ms Sinclair bestowed upon Kookaburra, which gave to it its distinct characteristics and individuality. There is a reasonably ready aural perception that the versions of Down Under in the Impugned Recordings contain a recognisable part of Kookaburra. A similarity between part of Kookaburra and the flute phrase is clearly perceptible. True it is that that similarity went largely unnoticed for in excess of 20 years,

notwithstanding that each work is said to be an iconic Australian work. Nevertheless, the question is one of objective similarity. The aural resemblance need not be resounding or obvious. The relevant test is not the effect upon a casual listener of the whole of the versions of Down Under in the Impugned Recordings. Sensitised though the primary judge may have been to the similarity, it is not erroneous to direct oneself to the relevant parts of the works, to listen to the works a number of times, and to accept the assistance of the views of experts, in determining the question of objective similarity. In those respects, I do not consider that the primary judge erred.

87 Further, the issue of who first noticed the infringement, and when, is not of itself relevant to the question of objective similarity. That question is to be determined by reference to aural perception and, though its resolution may depend somewhat on expert evidence, evidence of the lack of subjective perceptions of persons connected with the owner of the copyright is not of assistance in resolving it.

88 Certainly, Kookaburra was published as a four-part round to be performed with lyrics, and is not reproduced in that manner in the Impugned Recordings. Further, it is integral to Kookaburra, as published, that the phrases will be progressively sung over the top of each other, building up to a four-voice texture. In that form, Kookaburra can be said to have seven aurally unique bars, only one of which, the first, is reproduced in the Impugned Recordings. In the versions of Down Under in the Impugned Recordings, on the other hand, the notes from Kookaburra appear only as part of the phrases that make up an ornamental flute line.

89 However, those dissimilarities in the structures of the respective works are not determinative. As I have said, the reproduction of the melody of Kookaburra in the form in which it was published, as shown in Schedule 1, is a reproduction of that which constitutes Kookaburra as an original work, or gives it its creativity. Kookaburra would make perfect sense as a work if sung as one linear melody. That is one possible realisation of the musical work that was first published by Ms Sinclair and that is evidenced in Schedule 1. As Down Under itself shows, a musical work may exist in multiple versions, and musical scores are not necessarily coterminous with the works they represent.

90 There are limited features of similarity between Kookaburra and Down Under in terms of key, harmony, tempo and rhythm. Kookaburra was written in a major key. The relevant bars in the

Impugned Recordings appear as part of an overall work in a minor key. The harmony in Kookaburra arises both from its character as a round, and the implied harmonies suggested by casting its melody in a specific key. The versions of Down Under in the Impugned Recordings have a highly distinctive harmony, arising from the voice of Mr Hay, singing very different lyrics, and the mix of instruments. While, as a result, the bars in question in the Impugned Recordings may, in some sense, sound different from Kookaburra, the melody is nevertheless clearly recognisable. Dr Ford described the change in underlying harmony as ‘a bit like shining a different light’ on the relevant melodic phrase. Although, as the primary judge observed, that might differentiate the listener’s impressions of the same notes in the two works, I do not consider that it meaningfully detracts from the objective similarity between the works.

91 Kookaburra, as published, has no indications of tempo or rhythm, and the relevant versions of Down Under have their own highly distinctive tempo and rhythm. However, it is implicit in what appears in Schedule 1 that the work must be sung at a tempo suited to the capabilities of the human voice, especially as regards enunciation and breathing. The versions of Down Under plausibly reproduce the melody at such a tempo. Further, the phrases of Kookaburra, as reproduced in the Impugned Recordings, do not alter Kookaburra’s underlying rhythmic pulse or *tactus*.

92 It is true that the works do not represent similar musical genres or styles. Kookaburra is a folk melody, children’s song or nursery rhyme, while Down Under was characterised as a rock anthem, and is influenced by ska and/or reggae. There is no similarity between the respective natures and objects of the works. Nevertheless, such quotation of Kookaburra as appears in the versions of Down Under in the Impugned Recordings was intended to be perceived by listeners as just that, namely, a quotation, or a reproduction, of part of Kookaburra, and the musical genres or styles associated with Kookaburra. Neither the existence of the quotation or reproduction, nor its capacity to be discerned, is affected by casting it as a tribute or reference to an Australian cliché or iconic melody. The flute phrases in the Impugned Recordings are a clear departure from the genre of a rock anthem, and therefore distinguish the part taken from Kookaburra from the other parts and musical elements of Down Under. The listener will hear a reproduction of part of Kookaburra.

93 It is also true that there is only a limited similarity of notes. Only five of the ninety-three bars in the 1981 Recording contain notes in the flute phrases that are similar to any part of

Kookaburra. The first phrase in Schedule 1 mirrors the flute phrase in bars 23 and 51, and the second phrase in Schedule 1 mirrors the flute phrase in bars 5, 25 and 53 of that version of Down Under. However, in assessing objective similarity, quantity is secondary to quality. When one compares the relevant bars of Schedule 1 with the relevant bars of the versions of Down Under in the Impugned Recordings, there is a very close similarity, if not a complete identity. While the appearances of phrases from Schedule 1 may be sparse in the overall context of the Impugned Recordings, the flute is the dominant musical element when the phrases do appear.

94 It is true that the relevant phrases from Kookaburra, when reproduced in the Impugned Recordings, appear separately and interspersed with other musical material. In the 1981 Recording, on the first occasion when the flute phrase appears, the fourth bar is similar to the first phrase of Schedule 1, but no other bars of Kookaburra appear. On the second and third occasions, the second and fourth bars of the flute phrase are similar to the first and third phrases of Schedule 1, but are not consecutive. The basic hook of Down Under is interpolated. Similar observations are applicable to the version of Down Under in the 1979 Recording. However, the consistent reproduction of the melodic excerpt from Kookaburra as a discrete whole is a much more significant consideration, which, together with the other matters outlined above, suggests that the air or melody taken is substantially the same as in Kookaburra.

95 There was no evidence before the primary judge that the EMI Companies, Mr Hay, Mr Strykert or Mr Ham took any part of Kookaburra with the intention of taking advantage of the skill and labour of Ms Sinclair in composing Kookaburra, in order to save effort on their part. Certainly, no advantage was taken of Kookaburra as a round. Mr Hay was open regarding the tribute made to Kookaburra. Mr Ham said in an affidavit, which was not read, but relevant parts of which were tendered by Larrikin, that he recognised the melody that he referenced as “an Australian cliché”. He did not identify it as Kookaburra as such. No inference was available from the failure to call Mr Ham beyond what was apparent on the face of the affidavit. Consequently, neither the evidence of Mr Hay nor that of Mr Ham supported a finding that there was any *animus furandi*.

96 In any event, I do not consider that there is any requirement that there be a finding of *animus furandi* before there will be infringement.

97 A four-part round is a musical idea, explicable in the abstract. That idea is not capable of copyright protection, just as other musical ideas and commonplace building blocks and motifs, such as bare musical genres, harmonic clichés and the like, are not capable of copyright protection. However, the specific melodies or phrases that constitute the expression of the idea of a four-part round will, in total, constitute an original musical work. Further, each melody or phrase may, by virtue of its importance in the overall schema of such an original musical work, constitute a substantial part of that work. I consider that the first two phrases of Kookaburra’s melody, as published by Ms Sinclair in the form shown in Schedule 1, constitute a substantial part of Kookaburra.

Conclusion as to Infringement

98 In all of the circumstances, and taking all of the matters set out above into account, I consider that both Impugned Recordings reproduce a substantial part of Kookaburra. Accordingly, there has been an infringement of copyright. However, I have some disquiet about that conclusion in the circumstances of this case.

99 The better view of the taking of the melody from Kookaburra is not that the melody was taken, *animus furandi*, in order to save effort on the part of the composer of Down Under, by appropriating the results of Ms Sinclair’s efforts. Rather, the quotation or reproduction of the melody of Kookaburra appears by way of tribute to the iconicity of Kookaburra, and as one of a number of references made in Down Under to Australian icons.

100 If, as I have concluded, the relevant versions of Down Under involve an infringement of copyright, many years after the death of Ms Sinclair, and enforceable at the behest of an assignee, then some of the underlying concepts of modern copyright may require rethinking. While there are good policy reasons for encouraging the intellectual and artistic effort that produces literary, artistic and musical works, by rewarding the author or composer with some form of monopoly in relation to his or her work (see *Ice TV* at [24]), it may be that the extent of that monopoly, both in terms of time and extent of restriction, ought not necessarily be the same for every work. For example, it is arguably anomalous that the extent of the monopoly granted in respect of inventions under the *Patents Act 1990* (Cth), being a limited period following disclosure, is significantly less than the monopoly granted in respect of artistic, literary or musical works, being a fixed period following the death of the author or composer, irrespective of the age of the author or composer at the time of publication.

101 Of course, the significance of the anomalous operation of the Copyright Act can be addressed in terms of the remedies and relief granted in respect of infringement. Nevertheless, one may wonder whether the framers of the *Statute of Anne* and its descendants would have regarded the taking of the melody of Kookaburra in the Impugned Recordings as infringement, rather than as a fair use that did not in any way detract from the benefit given to Ms Sinclair for her intellectual effort in producing Kookaburra.

INFRINGEMENT BY QANTAS ADVERTISEMENTS

102 I have read in draft form the reasons of Jagot J for concluding that the primary judge made no error in dealing with the Qantas Advertisements. I agree with her Honour's reasons for that conclusion. Since there is no act of infringement in relation to the Qantas Advertisements, it follows that the EMI Companies did not authorise any act of infringement.

AUTHORISATION OF INFRINGEMENT IN RESPECT OF OTHER WORKS

103 The question of authorisation of infringement in relation to other works is by no means straightforward. It may be that dealing with issues at separate hearings has unnecessarily confused matters. In any event, I agree with Jagot J, for the reasons given by her Honour, that the primary judge has not dealt with the contentions of Larrikin as to the possible authorisation of acts of infringement in respect of other works. To that extent, the cross-appeal should be allowed. I agree with the observations made by Jagot J as to the procedural question raised in the cross-appeal, and the manner in which her Honour proposes that it be dealt with.

CONCLUSION

104 I consider that both appeals should be dismissed. I agree with the orders proposed by Jagot J. In relation to the cross-appeal in NSD 350 of 2010, I also agree with the orders proposed by Jagot J.

JAGOT J:

THE ISSUES	[105]
BACKGROUND	[106]
REASONS OF 4 FEBRUARY 2010	[118]
Kookaburra and Down Under	[118]
The Qantas advertisements	[158]
Authorisation	[161]
REASONS OF 17 MARCH 2010	[162]
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1979 AND 1981 RECORDINGS OF DOWN UNDER	[168]
Contentions of EMI parties and Mr Hay	[168]
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THE QANTAS ADVERTISEMENTS	[228]
Contentions of Larrikin	[228]
Discussion	[233]
AUTHORISATION	[238]

THE ISSUES

- 105 The issues in this matter are whether the trial judge was in error in deciding that:
- (1) two sound recordings of the song Down Under (known as the 1979 and 1981 recordings) infringed copyright in the musical work “Kookaburra sits in the old gumtree” (**Kookaburra**) because they reproduced a substantial part of that work;
 - (2) two sound recordings of versions of part of Down Under as they appear in Qantas advertisements “A380” and “Most Experienced” did not infringe the copyright in Kookaburra because they did not reproduce a substantial part of that work;
 - (3) he should dispose of the question whether Larrikin Music Publishing Pty Ltd (**Larrikin**), the holder of copyright in Kookaburra, had established that the holders of copyright in Down Under, EMI Songs Australia Pty Limited and EMI Music Publishing Australia Pty Limited (**the EMI parties**), authorised infringements of the copyright in Kookaburra by the grant of licences in respect of Down Under;

- (4) Larrikin had not established that the EMI parties authorised infringements of the copyright in Kookaburra by the grant of licences in respect of Down Under; and
- (5) injunctions should not be made restraining the EMI parties from continuing to authorise infringements of the copyright in Kookaburra by the grant of licences in respect of Down Under.

BACKGROUND

106 These issues arise pursuant to two notices of appeal, a notice of contention and a notice of cross-appeal. To understand those documents it is necessary to identify the proceedings before the trial judge and the orders subject to challenge.

107 Proceeding No NSD 340 of 2008 involved the claim of the EMI parties that Larrikin had made unjustifiable threats of copyright infringement within the meaning of s 202(1) of the *Copyright Act 1968* (Cth) on the basis that Down Under does not infringe copyright in Kookaburra. Proceeding No NSD 145 of 2008 involved the claims of Larrikin that Down Under infringed copyright as it reproduced a substantial part of Kookaburra and that the EMI parties had authorised infringements by the grant of licences in respect of Down Under including, but not limited to, the Qantas advertisements.

108 On 27 October 2009 the trial judge made orders including order 1 that five issues be heard and determined separately from the other remaining issues in the proceedings, being:

- (a) whether the making of the 1979 Recording involved the doing of any act comprised in the copyright, in particular the reproduction in a material form of a substantial part, of Kookaburra and thereby infringed copyright in Kookaburra;
- (b) whether the making of the 1981 Recording involved the doing of any act comprised in the copyright, in particular the reproduction in a material form of a substantial part, of Kookaburra and thereby infringed copyright in Kookaburra;
- (c) whether either of the Qantas Advertisements involved the doing of any act comprised in the copyright, in particular the reproduction in a material form of a substantial part, of Kookaburra and thereby infringed copyright in Kookaburra;
- (d) the trade practices claims made in paragraphs 68 – 77 of the Further Amended Statement of Claim, except the quantification of any damages;
- (e) the unjust enrichment claim made in paragraph 67 of the Further Amended Statement of Claim, except the quantification of any restitution.

109 As part of these orders of 27 October 2009 the trial judge noted in order 3 that:

...the parties agree that the resolution of the issues identified above will be taken to resolve the same issue in relation to other acts, namely the following uses or reproductions:

- (a) as to the 1979 Recording: (no other examples presently in the evidence);
- (b) as to the 1981 Recording:
 - (i) Down Under (1) and (2), Men at Work '81 – 85, The Works, 1986 [Ford, 28/9/09, Tracks 2 and 3];
 - (ii) Down Under, Men at Work, Contraband – The Best of Men At Work, 1996, [Ford, 28/9/09, Tracks 2 and 3];
 - (iii) Down Under, Men at Work, Brazil [Live] 1998 [Ford, 28/9/09, Track 5];
 - (iv) Down Under, Karaoke Version, Un-named, Karaoke Aussie Rock, 1998 [Ford, 28/9/09, Track 6];
 - (v) Down Under, Men at Work, Men At Work; Super Hits 2000 [Ford, 28/9/09, Track 7];
 - (vi) Down Under, Men at Work, Men at Work: Super Hits, 2003 [Ford, 28/9/09, pg 8, Track 08];
 - (vii) Down Under, Colin Hay, Man@Work, 2003 [Ford, 28/9/09, Track 09];
 - (viii) Down Under (acoustic version), Colin Hay Man@Work, 2003 [Ford, 28/9/09, Track 10];
 - (ix) Down Under, Men at Work, Rock Hits, 2003 [Ford, 28/9/09, Track 11];
 - (x) Down Under, Men at Work, The Essential Men at Work, 2003] [Ford, 28/9/09, Track 12];
 - (xi) Down Under, Lee Kernaghan, The Big Ones [Ford, 28/9/09, Track 13];
 - (xii) Down Under (Bonus Track), Lee Kernaghan, The Big Ones [Ford, 28/9/09, Track 14];
 - (xiii) Down Under, Countdown Singers, Awesome 80s, 2004 [Ford, 28/9/09, Track 15];
 - (xiv) Land Down Under (Aboriginal Remix), Red Sands Dreaming, A Global Cultural Collective, 2004 [Ford, 28/9/09, Track 16];
 - (xv) Down Under, OPM, For them Asses, 2005, [Ford, 28/9/09, Track 17];
 - (xvi) Down Under (karaoke version) unnamed, Karaoke – 80s Male Pop (vol 14), 2006[Ford, 28/9/09, Track 18];
 - (xvii) the cinematograph film “Kangaroo Jack”;
 - (xviii) the cinematograph film being the trailer for the cinematograph film “Finding Nemo”;
 - (xix) Down Under, Men at Work, Original Video Clip [Ford, 28/9/09, Video 1];
 - (xx) Down Under, Colin Hay and Cecilia Noel, live recording [Ford, 28/9/09, Video 2];
 - (xxi) Down Under, Colin Hay and Ringo’s All-Starr Band, live recording [Ford, 28/9/09, Video 3];
 - (xxii) Down Under, unnamed, Crocodile Dundee in L.A. [Ford, 28/9/09 Video 4].
- (c) as to the Qantas Advertisements: (no other examples presently in the evidence).

110 Order 4 of the orders of 27 October 2009 is as follows:

- 4. Subject to the matters set out above, and subject to any future agreement between the parties, the remaining issues in the proceedings be heard and

determined at a later date. The Court notes that those matters include the resolution (if necessary) of:

- (a) the determination of the applicant's percentage interest and any other entitlement to APRA and AMCOS income in relation to Down Under;
- (b) the identification of other acts done by, or authorised by, the respondents in the period of 6 years prior to the commencement of proceedings against the third to sixth respondents; the determination of which if any of the categories referred to in orders 1 and 3 (a), (b) or (c) those acts fall within or whether they otherwise infringe copyright in Kookaburra;
- (c) the quantification of any damages or profits for infringement of copyright and/or the quantification of any damages for misleading or deceptive conduct and/or the quantification of any restitution.

111 The hearing in respect of both proceedings took place on 27-30 October 2009.

112 On 4 February 2010 the trial judge published reasons for judgment in *Larrikin Music Publishing Pty Ltd v EMI Songs Australia Pty Limited* (2010) 263 ALR 155; [2010] FCA 29. In these reasons the trial judge concluded that the 1979 and 1981 recordings of Down Under infringed copyright in Kookaburra. The trial judge also decided that the copyright holder, Larrikin, was entitled to recover damages for these infringements under the *Trade Practices Act 1974* (Cth) or *Fair Trading Act 1989* (NSW). The trial judge rejected claims that the Qantas advertisements "A380" and "Most Experienced" infringed the copyright in Kookaburra. He also rejected claims that the EMI parties authorised infringements of copyright by the granting of licences in respect of Down Under.

113 On 17 March 2010 the trial judge published a second set of reasons in which he rejected an application by Larrikin for further discovery of all licenses granted and other reproductions of Down Under with which the respondents had been involved since 2002 and other documents said to be relevant to a claim for additional damages under s 115(4) of the Copyright Act (*Larrikin Music Publishing Pty Ltd (ACN 003 839 432) v EMI Songs Australia Pty Limited (ACN 000 063 267)* [2010] FCA 242).

114 Consequential on the publication of these reasons the trial judge made orders on 4 February and 17 March 2010. On 4 February 2010, in proceeding No NSD 340 of 2008, the trial judge ordered that the matter be dismissed. On 17 March 2010, in proceeding No NSD 145 of 2008, the trial judge made orders reflecting the two sets of reasons for judgment by answering the separate questions and fixing dates for the further hearing of Larrikin's "percentage interest and other any other entitlement to... income in relation to Down Under". Subsequently, on 23

August 2010, the trial judge ordered that proceeding No NSD 145 of 2008 be otherwise dismissed (apart from certain orders already made, the calculation of damages payable to Larrikin and any orders for costs).

115 Order 3 of the orders of 17 March 2010 is in these terms:

3. The preliminary questions reserved for determination by paragraph 1 of the orders made on 27 October 2009 be answered as follows:
 - (a) the making of the 1979 Recording involved the reproduction in a material form of a substantial part of Kookaburra and thereby infringed copyright in Kookaburra;
 - (b) the making of the 1981 Recording involved the reproduction in a material form of a substantial part of Kookaburra and thereby infringed copyright in Kookaburra;
 - (c) the Qantas Advertisements did not involve the doing of any act comprised in the copyright of Kookaburra, in particular the reproduction in a material form of a substantial part of Kookaburra, and thereby did not infringe copyright in Kookaburra;
 - (d) the Third, Fourth, Fifth and Sixth Respondents are liable with respect to the trade practices claims made in paragraphs 68-77 of the Further Amended Statement of Claim, including the amendments to paragraphs 70 and 72 as reflected in the proposed Second Further Amended Statement of Claim in relation to which leave to amend was granted; and
 - (e) the Third, Fourth, Fifth and Sixth Respondents are not liable with respect to the unjust enrichment claims made in paragraph 67 of the Further Amended Statement of Claim, or in paragraphs 67A and 67B of the proposed Second Further Amended Statement of Claim in relation to which leave to amend was granted.

116 By order 7 of the orders of 17 March 2010 the trial judge reserved all questions of costs.

117 The grant of leave to appeal against the trial judge's orders in proceeding No NSD 145 of 2008 was not opposed and was granted on the first day of the hearing of the appeals. By notice of appeal the EMI parties and Colin James Hay appealed from the orders in proceeding No NSD 145 of 2008 answering the separate questions (a), (b) and (d) adversely to them. By another notice of appeal the EMI parties also appealed against the orders dismissing proceeding No NSD 340 of 2008. The grounds of appeal are effectively the same and directed to alleged errors by the trial judge in determining whether Down Under reproduced a substantial part of Kookaburra. By a notice of cross-appeal Larrikin appealed from the orders in proceeding No NSD 145 of 2008 answering the separate question 3(c) adversely to it (relating to the Qantas advertisements) and otherwise dismissing the proceeding and reserving all questions of costs.

REASONS OF 4 FEBRUARY 2010

Kookaburra and Down Under

118 The trial judge described Kookaburra (at [1]) as:

...an iconic Australian round, written and composed in 1934 by Miss Marion Sinclair. It is a short musical work, being described and analysed for the purpose of this proceeding as consisting of only four bars.

119 The trial judge said (at [2]) that two of the four bars of Kookaburra:

... are reproduced in the 1981 recording of another iconic Australian composition, the pop song “Down Under” performed and recorded by the group Men at Work. The two bars are a part of the flute riff which was added to Down Under after it was first composed.

120 As to whether Down Under infringed the copyright in Kookaburra the trial judge (at [7]-[12]) said that:

[7] The effect of the relevant provisions of the *Copyright Act 1968* (Cth) is that copyright is infringed where a person, without the license of the owner of the copyright, reproduces a substantial part of the work: see ss 10, 13, 14(1), 31(1)(a) and 36(1).

[8] In order for there to be a “reproduction” within the law of copyright, there must be an objective similarity between the two works and a causal connection between the plaintiff’s work and that of the defendant: *S. W. Hart & Co Proprietary Limited v Edwards Hot Water Systems* (1985) 159 CLR 466 (“*S. W. Hart*”) at 472.

[9] The second element, namely a causal connection between the works, is not disputed by the principal respondents in these proceedings.

[10] Thus, there remain two principal issues. The first is whether there is a sufficient degree of objective similarity between the flute riff in Down Under and the two bars of Kookaburra.

[11] The second issue is whether, if I am of the view that there is the requisite similarity, the bars of Kookaburra which are reproduced are a substantial part of that work. That question is to be determined by a quantitative and qualitative consideration of the bars which are reproduced.

121 At [32]-[68] the trial judge identified the relevant principles in orthodox terms, namely:

- (1) Copyright protects the particular form of expression of the author’s work (at [40]-[41] citing *IceTV Pty Limited v Nine Network Australia Pty Limited* (2009) 239 CLR 458; [2009] HCA 14 at [28], [70] and [102]).

- (2) Reproduction “means copying and does not include the case where an author produces a substantially similar result by independent work, without copying” (at [49]-[50] citing *Francis Day & Hunter Ltd v Bron* [1963] 1 Ch 587 at 618 and 623-624 and *SW Hart & Co Proprietary Limited v Edwards Hot Water Systems* (1985) 159 CLR 466 at 472).
- (3) The question whether a substantial part has been copied depends more on the quality than the quantity of what has been taken (at [35] and [42] citing *Ladbroke (Football) Ltd v William Hill (Football) Ltd* [1964] 1 WLR 273 at 276 and *IceTV* at [30], [155] and [170]).
- (4) What amounts to a reproduction of a substantial part involves questions of fact and degree and depends on the circumstances of each case (at [37] citing *SW Hart* at 472 and 482).
- (5) The question of the objective similarity of musical works is “not to be determined by a note for note comparison but is to be determined by the eye as well as by the ear” and depends to a “large degree upon the aural perception of the judge and upon the expert evidence” (at [51] citing *Francis Day v Bron* at 608 and 618).
- (6) The reproduction need not be identical to comprise the taking of a substantial part so that “if you take from the composition of an author all those bars consecutively which form the entire air or melody, without any material alteration, it is a piracy; though ... you might take them in a different order or broken by the intersection of others, like words, in such a manner as should not be a piracy. It must depend on whether the air taken is substantially the same with the original” (at [52]-[53] citing *D’Almaine v Boosey* (1835) 1 Y. & C. Ex. 288 at 302).
- (7) Because the focus is the quality of what is taken the “degree of originality in the expression of the part of the work that is reproduced” is relevant so that “the more simple or lacking in substantial originality the copyright work, the greater degree of taking will be needed before the substantial part test is satisfied” (at [56] citing *IceTV* at [40] and the quote therein from Garnett et al (eds), *Copinger and Skone James on Copyright* (15th ed, 2005) at 385).
- (8) The “substantial part” test “reflects the competing policy considerations which underlie the *Copyright Act* by permitting a measure of legitimate appropriation of an original work” (at [57] citing *IceTV* at [28] and [157]) which his Honour described as a concept

“subsumed in the substantial part test” rather than as creating a separate doctrine of legitimate appropriation (at [59]).

- (9) The comparison between the works involves three steps (at [60] citing *Metricon Homes Pty Ltd v Barrett Property Group Pty Ltd* (2008) 248 ALR 364; [2008] FCAFC 46 at [23]; *Elwood Clothing Pty Ltd v Cotton On Clothing Pty Ltd* (2008) 172 FCR 580; [2008] FCAFC 197 at [41]):

The first is to identify the work in suit in which copyright subsists. The second is to identify in the allegedly infringing work the part that is said to have been derived or copied from the copyright work. The third is to determine whether the part taken is a substantial part of the copyright work.

- (10) The “copied features must be a substantial part of the copyright work, but they need not be a substantial part of the infringing work, the overall appearance of which may be very different from the copyright work” (at [62] citing *Designers Guild Ltd v Russell Williams (Textiles) Ltd (trading as Washington D.C.)* [2000] 1 WLR 2416 at 2425).
- (11) The “structure, notes and melody, harmony and other features of the songs” are all relevant (at [64] citing *Francis Day v Bron* at 592-596).

122 The trial judge (at [69]-[70]) identified Kookaburra, as published in 1934, as an original work in which copyright subsists. The work was published in the Girl Guides publication “Three Rounds by Marion Sinclair” in 1934 in the following form:

KOOKABURRA
Round in 4 Parts. M. Sinclair

Koo...ka...bur...ra sits on an old gum tree...
 Mer-ry mer-ry king of the Bush is tie...
 Laugh Koo-ka-bur-ra Laugh, Koo-ka-bur-ra
 Gay your life must be.

123 The trial judge (at [71]) said that:

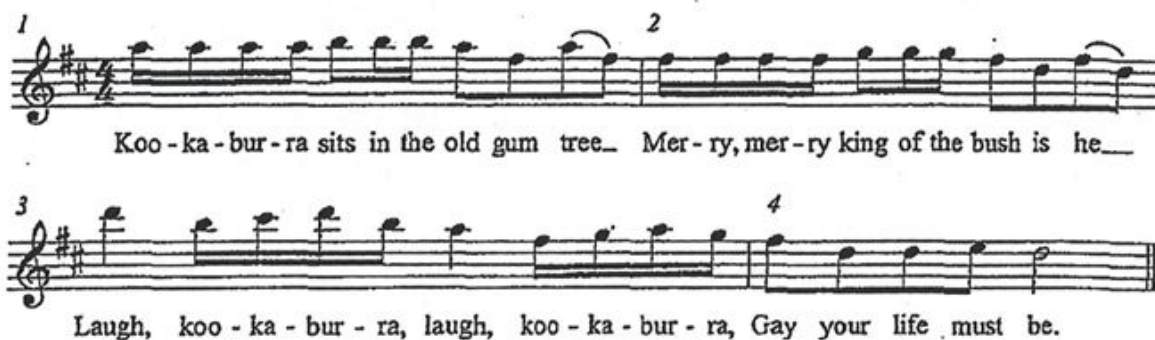
In the “Three Rounds” publication, Kookaburra was transcribed in the key of F major. As noted on the manuscript, the song was composed as a round in four parts; that is, it was intended to be sung by four voices or groups of voices in a way in which all the parts continuously repeat.

124 The trial judge (at [72]-[74]) described Down Under as written and composed in 1978 by Mr Hay and Ronald Strykert (the second respondent in proceeding No NSD 145 of 2008). In the 1979 version of Down Under (the B-side to a single released by Men at Work, “Key Punch Operator”) an improvised flute solo by Greg Ham appears. In the 1981 version of Down Under (on the album by Men at Work “Business as Usual”) Mr Ham’s flute riff also appears.

125 The trial judge (at [75]-[84]) recorded parts of the evidence of Dr Andrew Ford, composer, writer and broadcaster.

126 Dr Ford transposed Kookaburra into D major in what became Example A as follows:

Example A: 'Kookaburra Sits' undotted melody



1 Koo - ka - bur - ra sits in the old gum tree... Mer - ry, mer - ry king of the bush is he...
2
3 Laugh, koo - ka - bur - ra, laugh, koo - ka - bur - ra, Gay your life must be.
4

Detailed description: This musical example shows the undotted melody of 'Kookaburra Sits' in G major and 2/4 time. It consists of two staves of music. The first staff contains measures 1 and 2, with lyrics 'Koo - ka - bur - ra sits in the old gum tree... Mer - ry, mer - ry king of the bush is he...'. The second staff contains measures 3 and 4, with lyrics 'Laugh, koo - ka - bur - ra, laugh, koo - ka - bur - ra, Gay your life must be.'. Measure numbers 1, 2, 3, and 4 are placed above the first notes of their respective measures.

127 Dr Ford identified what he called the “basic hook” of Down Under as Example C, being:

Example C: 'Down Under' basic hook



Detailed description: This musical example shows the 'basic hook' of 'Down Under' in G major. It is a single staff of music containing a four-measure phrase: G4 (quarter), A4 (quarter), B4 (quarter), and C5 (quarter).

128 Dr Ford identified this basic hook as one element of a longer four bar hook in Down Under which is first heard in the song in an incomplete form which he described as Example D as follows:

Example D: 'Down Under' extended hook (first appearance)



1 2 3 4

Detailed description: This musical example shows the first appearance of the extended hook of 'Down Under' in G major. It is a single staff of music divided into four measures. Measure 1 contains the notes G4, A4, B4, and C5. Measure 2 is a whole rest. Measure 3 contains the notes G4, A4, B4, and C5. Measure 4 contains the notes G4, A4, B4, and C5.

129 The full version of the longer hook, Example E, is:

Example E: 'Down Under' extended hook (subsequent appearances)



1 2 3 4

Detailed description: This musical example shows subsequent appearances of the extended hook of 'Down Under' in G major. It is a single staff of music divided into four measures. Measure 1 contains the notes G4, A4, B4, and C5. Measure 2 contains the notes G4, A4, B4, and C5. Measure 3 contains the notes G4, A4, B4, and C5. Measure 4 contains the notes G4, A4, B4, and C5.

130 Examples C, D and E are played on the flute in Down Under.

131 Dr Ford described Example D as follows:

... in bar 1, the flute plays a version of the basic hook (with two extra notes); the second phrase (bar 2) is completely missing and is replaced by a simple rhythmic fill; bar 3 contains the basic hook; and the fourth phrase (bar 4) is the first quotation from Kookaburra, containing the second phrase of Kookaburra.

132 Dr Ford described Example E as:

... bars 1 and 3 are the basic hook, while bars 2 and 4 are ... direct quotes from Kookaburra.

133 According to Dr Ford Example E appears once in the 1979 recording at 1:18 into the melody. In the 1981 recording Example D appears once and Example E twice.

134 The trial judge described the evolution of Down Under at [85]-[100] including Mr Ham's evidence (at [98]-[99]) that:

[98] ... his aim in adding the flute to Down Under was to try to inject some Australian flavour into the song. He said the flute section which he added fitted rhythmically to Down Under and the percussion/drum section at the start of the song, which is in fact played on beer bottles with different amounts of water in them.

[99] Mr Ham pointed out that the lyrics, vocal melody, chords and bass line were already established when he first heard Down Under. He looked for a complementary part for his instruments, and especially one which fell into the "tongue in cheek" nature of the song. He described the flute line as "an Aussie cliché melody", or what he thought was an "Irish-Australian style melody".

135 The trial judge dealt with the expert evidence in greater detail at [121]-[156], the experts being Dr Ford and Mr John Armiger, composer, musician and teacher.

136 Dr Ford's evidence was to the effect that: - (i) the first two bars of Kookaburra are its signature. Although this is because of the lyrics, it is also the first thing you hear of the melody and so it "sticks in your head" (at [121]), (ii) the fact that Kookaburra was notated in F major is not important when a listener compares the differences and similarities between Kookaburra and Down Under even though Down Under is played in B minor (at [124]-[129]), (iii) the difference between the major and minor keys in Kookaburra and Down Under means that "the melody [that is, of the sound of Kookaburra and the relevant passages in Down Under] is identical, but the chord that underpins it is different, and it gives a slightly different feeling ... it's a bit like shining a different light on it" so that "the impression that one receives from the same notes in the two songs is different" (at [130]-[131]), (iv) while the first and second phrases from

Kookaburra are separated in Down Under by the basic hook “[s]o we do hear them differently” (at [133]), this is not a “large difference” as “the ear connects the two pairs of phrases in Example E with each other because they follow on from each other” (at [137]), (v) the tempo of Down Under is “probably a little bit faster than the tempo at which one would sing Kookaburra”, but this is not of significance (at [138]), and (vi) the flute in Down Under in the 1981 recording slurs the final two notes in common with the words “tree” and “he” (or “tree-ee” and “he-ee”) in Kookaburra, “as though it’s a memory of the song, or a reference to the song”, although slurring of the voice and flute are common musical devices (at [140]-[141]).

137 Mr Armiger’s evidence was to the effect that: - (i) the shared phrases of Kookaburra and Down Under “occupy a different space in the melody of Down Under and perform a different musical function to that in Kookaburra”, being “an answering ‘lick’ which follow naturally from the call, or basic hook in Dr Ford’s Example C, which is original and distinctive to Down Under” with the consequence that “[w]e do not hear those shared notes as a melody of their own but as part of a longer melody. Because of this, most listeners would probably be unaware of the correspondence between the two fragments of melody” (at [143]-[144]), and (ii) the new minor key harmonic context in Down Under alters the mood of the melody from “jolly” or “observational” in Kookaburra to “whimsical” or “wistful” in Down Under (at [146]). In cross-examination Mr Armiger: - (i) agreed that the first bar of Kookaburra could be regarded as the signature of that song and perhaps the second bar (although his acceptance of the latter proposition was not unequivocal) (at [148]), but he could certainly pick the tune immediately from the first two bars (at [149]), (ii) accepted that Kookaburra plays an important, even essential, function in the flute riff in Down Under (at [150]), (iii) agreed that it does not matter what key the song is sung in because the relative pitch remains the same which is “why the listener finds it easy to perceive that it is the same song” (at [153]-[154]), and (iv) agreed that the “stepping down of a minor third from the second to the fourth bar in example E is precisely the same stepping down as occurs between the first and second bars of Kookaburra” which is “another feature of objective similarity between the part of Kookaburra used in Down Under and Kookaburra itself” (at [155]).

138 At [157]-[208] the trial judge dealt with the issue of objective similarity. At [157]-[158] the trial judge said:

[157] In my opinion, there is a sufficient degree of objective similarity between the bars of Kookaburra which are seen and heard in Down Under to amount to a

reproduction of a part of Miss Sinclair's round. The question of whether it is a reproduction of a substantial part of that work is a different question which I will address later.

[158] The view which I have reached as to reproduction of a part of Kookaburra follows from my aural comparison of the musical elements, as well as my visual comparison of the notated songs, with particular assistance from the evidence of the experts.

139 At [159] the trial judge referred to the assistance he had received from Dr Ford whom he described as an "impressive witness". However, the trial judge also considered that that there was not much real dispute between Dr Ford's evidence and that of Mr Armiger.

140 At [160]-[162] the trial judge summarised his reasoning process as follows:

[160] The relevant musical elements that I have considered are melody, key, tempo, harmony and structure.

[161] But perhaps the clearest illustration of the objective similarity is to be found in Mr Hay's frank admission of a causal connection between the two melodies and the fact that he sang the relevant bars of Kookaburra when performing Down Under at a number of concerts over a period of time from about 2002.

[162] The failure to call Mr Ham and the admissions which were tendered from his affidavit reinforce the conclusion I have reached.

141 The trial judge then dealt with each of the identified musical elements.

142 As to **melody**, the trial judge identified (at [163]) the "relevant comparison" as between:

- the melody of the flute riff when it plays the fourth bar of Dr Ford's Example D, and the second bar of Kookaburra; and
- the melody of the flute riff when it plays the second and fourth bars of Dr Ford's Example E, and the first and second bars of Kookaburra.

143 The trial judge said (at [164]):

With the assistance of Dr Ford and Mr Armiger's evidence, as well as that of Mr Hay, I was able to detect a sufficient degree of objective similarity between the melody to meet the test stated in the authorities.

144 The trial judge referred to Dr Ford's description of these two melodies (as defined in [163]) as "exact", "identical" and "too long ... to be coincidental" (at [165]-[166]) and to Mr Armiger's evidence that the two were "shared phrases" (at [167]), and described Mr Hay's evidence as putting the question of objective similarity between the two "beyond any real doubt" (at [168]).

Mr Hay accepted that the fourth bar of Down Under is a “direct reference to Kookaburra” and that “the fourth bar of [Dr Ford’s] Example D and the second and fourth bars of Example E are ‘unmistakably’ the melody of Kookaburra” (at [168]). The trial judge also said (at [169]):

This is graphically illustrated by the fact that Mr Hay has on occasions sung the words of Kookaburra where the flute riff would ordinarily be played in Down Under.

145 The trial judge accepted (at [171]) that he may have become “sensitised to the similarity between the melodies so as to be able to hear the objective similarity between them” but did not consider that this “overcomes the force of the expert evidence and the conclusion which seems to follow almost inevitably from the frank admissions made by Mr Hay”. The trial judge continued (at [172]):

In any event, the test is that of the ordinary reasonably experienced listener and the comparison is not concerned with deceptive similarity as in a passing-off action: *Francis Day & Hunter* at 610, 623-624; *Russell William Textiles* at 2425 [*Designers Guild Ltd v Russell Williams (Textiles) Ltd (trading as Washington D.C.)* [2000] 1 WLR 2416].

146 The trial judge recognised that “the shared phrases in the melodies occupy a different space in the full sentence of the melody of Down Under than that which they occupy in Kookaburra” but considered that an issue of musical structure (at [173]).

147 As to **key**, the trial judge acknowledged Kookaburra was notated in F major and “the quotation from Kookaburra in Down Under in D major, although it is set against a background of B minor”, but accepted Dr Ford’s evidence that “ultimately nothing turns on this” (at [176]) because the precise key or pitch is not relevant to an appreciation or recognition of a tune and Mr Armiger agreed that “choice of key was insignificant, as it is the relative pitches within the song which allow the listener to identify the song” (at [176]-[177]). Further, the trial judge accepted Dr Ford’s evidence that, apart from pitch, the two melodies “not merely resemble each other, they are note-for-note the same” (at [178]).

148 As to **tempo and rhythm**, the trial judge identified the dispute between the parties (Dr Ford’s evidence to the effect that the tempo of the two was “more or less” the same and Mr Armiger’s that “Kookaburra has a folk-style, four-four or two-four square rhythm, the accompaniment to Down Under is in more of a reggae style, which places a different emphasis on a different beat”) (at [179]-[182]). The trial judge concluded that nothing turned on the issue of rhythm as “it is possible to do a song in lots of different ways” and the tempo of the melodies is more

or less the same (at [184]-[185]). Further, that the slur on “tree-ee” and “he-ee” is “a distinctive element of the melody and rhythm of Kookaburra which is replicated in Down Under” (at [186]).

149 As to **harmony**, the trial judge noted that Mr Armiger’s evidence relating to the different keys concerned the underlying harmony of the flute riff in Down Under (at [188]). The trial judge found, however, that “the difference in harmony does not make the phrases from Kookaburra unrecognisable” but, as Dr Ford said, was “a bit like shining a different light on it” (at 189). In this context the trial judge referred to *D’Almaine v Boosey* (at 302) to the effect that “the mere adaptation of an air by transferring it from one instrument to another does not alter the original subject” (at [189]) and *Grignon v Roussel* (1991) 38 CPR (3d) 4 in which it was held that there was “sufficient objective similarity in melodic, harmonic and rhythmic terms, notwithstanding minor differences resulting from arrangement or substitution of chords” (at [191]).

150 As to **context and structure**, the trial judge described the different structural context of the flute riff in Down Under compared to Kookaburra as at “the heart of the respondents’ answer to the claim of reproduction” (at [192]). The trial judge noted Larrikin’s acceptance that the 1981 recording of Down Under is a much more layered song than Ms Sinclair’s round and continued (at [195]):

But the question of structure is not concerned with the structure of the entirety of the three minute recording. Rather, it turns solely upon the structure of the flute riff and the separation and punctuation of the bars of Kookaburra by Men at Work’s distinctive sound in what Dr Ford called “the basic hook”.

151 The trial judge concluded (at [196]) that:

In my opinion, this question is resolved by Dr Ford’s evidence that the separation of the notes does not make them different, but means that we hear them differently.

152 In reaching this conclusion the trial judge had regard to Mr Armiger’s evidence about the separation of the phrases from Kookaburra in the flute riff of Down Under and their different musical function and context creating an “integrated musical statement”. The trial judge also noted Mr Armiger’s agreement that the notes from Kookaburra play “an important, indeed essential function” in the flute riff of Down Under (at [197]-[198]). For these reasons the trial judge did not consider the separation of the Kookaburra phrases in the Down Under flute riff

to be material (at [199]). Although it was said in *D'Almaine v Boosey* that “if one does not take the bars of a composition sequentially, but breaks them up by the ‘intersection of others’ it may not be an infringement”, the trial judge described this as a question of fact in respect of which he was “satisfied that the melody is the same and the separation or punctuation does not overcome the conclusion of reproduction” (at [200]-[201]).

153 The trial judge repeated the respondents’ rhetorical question (at [202]) “if both Kookaburra and Down Under are such icons, and the similarities so strong, why did it take so long for anyone to recognise the connection”. In considering this fact the trial judge referred to the evidence that the connection was exposed in the television program “Spicks and Specks” (a television show on the ABC) in 2007. This evidence was described by the trial judge as follows:

[204] The question which was asked was “... name the Australian nursery rhyme that this riff has been based on”. A part of Down Under, including Dr Ford’s Example E, was then played. The panel did not answer immediately and the excerpt from Down Under was played again. The host then said “this bit especially” and one of the panel members made the link.

[205] Once the first panel member gave the correct answer, the others recognised the connection.

154 The trial judge acknowledged that the panel members “are not the ordinary reasonably experienced listener and that even they had difficulty in recognising the connection between the songs” but concluded this was not “sufficient to overcome the conclusion that the relevant degree of objective similarity is made out” (at [206]). In a passage emphasised by the EMI parties and Mr Hay in this appeal the trial judge then said:

[207] What Spicks and Specks does show is that there are difficulties in the recognition of the work, but a sensitised listener can detect the aural resemblance between the bars of Kookaburra and the flute riff of Down Under.

[208] For reasons which I have already given, this is sufficient to satisfy the test of objective similarity.

155 The trial judge also referred to Mr Ham’s affidavit and the fact he was not called to give evidence (at [209]-[217]). Although the trial judge accepted that Mr Hay was not aware of the appropriation of the bars of Kookaburra until much later, the trial judge noted that Mr Ham (who added the flute riff to Down under) said “his aim in adding the flute line was to try to inject some Australian flavour into the song” (at [211]). The trial judge inferred from this admission, and the failure to call Mr Ham, that Mr Ham had “deliberately reproduced a part of

Kookaburra, an iconic Australian melody, for the purpose and with the intention of evoking an Australian flavour in the flute riff” (at [214]).

156 The trial judge then moved to the question whether the flute riff in *Down Under* involved the reproduction of a substantial part of Kookaburra (at [218]-[229]). He described Dr Ford’s evidence as directed to the question of objective similarity with his comments on the quality of what was taken limited to that characterising the first two bars of Kookaburra as the signature of that song (at [218]). The trial judge noted Mr Armiger’s acceptance of that description, but the trial judge did not consider such a description as “sufficient of itself to give rise to a finding that what has been taken is a substantial part of the copyright work” (at [219]).

157 The trial judge described the question of reproduction of a substantial part and the emphasis on the quality of what was taken as involving a “subjective element” (at [220]). He continued (in passages also emphasised in this appeal by the EMI parties and Mr Hay) as follows:

[221] If the question before me were limited to determining whether Dr Ford’s Example D is a substantial part, I would have some difficulty in answering it. But here, there is a reproduction of two bars or phrases of Kookaburra, albeit with the separation and punctuation of the basic hook.

[222] The respondents submitted that the present case falls within the principle referred to in *IceTV* that the more simple the copyright work the greater degree of taking will be required.

[223] There was no dispute between the parties that the composition of Kookaburra was original. The respondents submitted that there was no evidence as to the degree of skill involved in its composition, except that it involved skill in writing the work as a round.

[224] That submission should be qualified by Dr Ford’s evidence that writing a round is a “tricky and rather amusing business” because all the phrases have to fit on top of each other.

[225] I do not consider that what was taken from Kookaburra in Dr Ford’s Example E was trivial in a qualitative or quantitative sense.

[226] It is true that Kookaburra is a short work and that it is not reproduced in *Down Under* as a round. But it was not suggested by the respondents that Kookaburra is so simple or lacking in substantial originality that a note for note reproduction of the entire work was required to meet the “substantial part” test.

[227] Nor could any such submission be sustained. The short answer to the qualitative test is to be found in Mr Hay’s performance of the words of Kookaburra to the tune of the flute riff in *Down Under*. In my opinion, that was a sufficient illustration that the qualitative test is met.

[228] The reproduction did not completely correspond to the phrases of Kookaburra because of the separation to which I have referred. But Mr Hay's performance of the words of Kookaburra shows that a substantial part was taken.

[229] Moreover, although the question of quantity is secondary to that of quality, it is worthwhile noting that two of the four bars or phrases of Kookaburra have been reproduced in Down Under (or 50% of the song).

The Qantas advertisements

158 The trial judge described the Qantas advertisements as consisting of "two thirty second videos, each of which contains a languid orchestral version of a part of Down Under" (at [230]). Further, that the advertisements "contain only the second bar of Kookaburra and are similar to Dr Ford's Example D" (at [231]). He identified the issues as "whether the advertisements reproduce a substantial part of Kookaburra" (at [231] and "whether certain musical embellishments in the advertisements sufficiently alter the melody so as to overcome the allegation of reproduction" (at [232]).

159 After referring to Dr Ford's acceptance that the Qantas advertisements included an additional grace note or "glissando" (described as a slide in pitch "like a swanee whistle") (at [233]), the trial judge said this addition "does not alter the fact that a note-for-note comparison shows a reproduction of the second bar of Kookaburra in the Qantas advertisements" (at [234]). The trial judge said, however, that the "essential question is whether, when considered aurally, there is a sufficient degree of objective similarity to Kookaburra and in particular whether it constitutes a substantial part" (at [235]). He answered that question in these terms:

[236] I do not consider those questions to be easy to answer. Even with the assistance of the experts, I find it quite difficult to detect the second bar of Kookaburra when it is played in the advertisements.

[237] In any event, I do not consider that the quotation of the second bar of Kookaburra constitutes, without more, the reproduction of a substantial part of the song.

[238] As I have already said, in my view the question of what constitutes a substantial part does not turn on its description as "the signature". Nevertheless, it is to be noted that Dr Ford did not say that the second phrase of Kookaburra, taken on its own, was the signature of the piece.

[239] Nor in my view does the evidence of Mr Armiger, when carefully considered, endorse the proposition that the second bar alone is the signature of the song.

[240] So too, in my opinion, Mr Armiger's evidence in cross-examination, when read in light of his re-examination, does not establish that the ordinary reasonably experienced listener would recognise the second bar.

[241] The inference which arises from the failure of the respondents to call Mr Ham is not sufficient to support a finding that the inclusion of the second bar of Kookaburra by itself amounts to the reproduction of a substantial part.

160 For these reasons the trial judge concluded that the 1979 and 1981 recordings of Down Under reproduced a substantial part of Kookaburra whereas the Qantas advertisements did not (at [242]).

Authorisation

161 The trial judge dealt with the question of authorisation as follows:

[318] As I have found for Larrikin in the misrepresentation claim above, I do not need to consider this submission in great detail, but I will deal with it briefly.

[319] Section 13(2) of the *Copyright Act* provides that for the purposes of that Act, the exclusive right to do an act in relation to a work includes the exclusive right to authorise a person to do an act in relation to that work.

[320] However, difficulties arise in making out the claim for authorisation against the EMI parties because I am required to address the mandatory considerations set out in s 36(1A) of the *Copyright Act*. These include the question of whether the EMI parties took any reasonable steps to prevent or avoid the doing of the infringing act: see s 36(1A)(c).

[321] The question of whether the EMI parties took any such steps turns on whether they knew or had reason to suspect that the making of a sound recording of Down Under constituted an infringement of copyright in Kookaburra: *University of New South Wales v Moorhouse* (1975) 133 CLR 1 at 12-13 per Gibbs J.

[322] Whilst it is true that Mr Hay may have had such knowledge from about 2002, I am not satisfied that this has been established against the EMI parties.

REASONS OF 17 MARCH 2010

162 Following a further hearing on 3 March 2010 the trial judge published a further set of reasons. Those reasons dealt with Larrikin's application for further discovery including all licences and other reproductions of Down Under with which the respondents have been involved since 2002 (at [2]). The trial judge rejected this application for reasons as follows.

163 First, the trial judge said the only remaining issue for determination was "the 'percentage interest' payable to Larrikin by reason of the reproduction of a substantial part of Kookaburra" (at [4]).

164 Second, the trial judge described this as apparent from the procedural history of the matter which he then described (at [5]-[20]). Accordingly: - (i) on 17 December 2008 the trial judge ordered that all issues of liability be determined separately and that the parties exchange categories of documents for discovery, and listed the proceedings for hearing, (ii) Larrikin sought and was granted limited discovery on the basis that the documents were necessary to prove infringement with the precise quantum being calculated by “bean counters” rather than the Court, (iii) Larrikin’s written opening before the October hearing identified the issues as all issues of liability including that the EMI parties authorised copyright infringements, (iv) on 23 October 2009 Larrikin applied to vacate the hearing due to its senior counsel being appointed a judge, and (v) this application was refused but the trial judge made new orders for a separate hearing by consent, being the orders of 23 October 2009 referred to above.

165 After summarising the submissions for Larrikin in support of its application for further discovery, essentially to the effect that the orders of 23 October 2009 left substantial questions of fact and law in relation to liability for copyright infringement undetermined, the trial judge recorded his conclusion in these terms:

[27] The short answer to Mr Lancaster’s submission that the first three questions were limited to the narrow issue of whether the specified recordings of Down Under reproduced a substantial part of Kookaburra is that it fails to take account of the full terms of the questions. Each of the first three questions asks whether the recording “involved the doing of any act comprised in the copyright”. It is that phrase which informs the meaning of the questions.

[28] Section 31 of the *Copyright Act* lists the rights of the owner of the copyright in a work. These include the right to reproduce the work in a material form. But it does not follow that the questions were limited to whether Down Under reproduced a substantial part of Kookaburra.

[29] This is because s 13(2) provides that the exclusive right to do an act includes the exclusive right to authorise a person to do that act. Moreover, s 36 provides that copyright is infringed by a person who, without the licence of the owner, does or authorises the doing in Australia of an act comprised in the copyright.

[30] The hearing seems to me to have been conducted on the basis that authorisation fell within the first three questions. It was referred to specifically in Larrikin’s closing submissions.

[31] Even if I am wrong in that view, I do not consider that the course proposed by Mr Lancaster ought to be permitted as a matter of case management. The stage which this case had reached on 27 October 2009, the considerations referred to by the High Court in *AON Risk Services Australia Ltd v Australian National University* (2009) 239 CLR 175 and the purpose of “quick, inexpensive and efficient” resolution of disputes stated in the *Access to Justice (Civil Litigation Reforms) Amendment Act 2009* (Cth), all point in favour of the rationing of further use of the Court processes.

[32] This case was ready to proceed to trial on 26 October 2009. Evidence had been filed on all issues of liability and all issues relating to Larrikin's percentage interest. All that was to be deferred was "bean counting". By that stage it was too late to seek further discovery on anything except the "bean counting" issue, but that was to be dealt with after my decision on the issues of liability and percentage entitlement.

[33] It is true that the course which appears to have been adopted to manage discovery was that samples of licence agreements would be produced by the EMI companies so as to enable the issue of infringement to be dealt with. Reference was made in the course of directions to the possibility of many hundreds of licences having been granted. Plainly, not all of those would have been needed to deal with the preliminary issue even in the form it took in the orders made in December 2008.

[34] What was contemplated was that the case would be conducted on the basis of the licences thus far discovered and that any further licences would be produced after determination of liability and "percentage". The other licences would be relevant to the extent of exploitation and would therefore be relevant to damages or an account of profits. They were not to be produced to permit Larrikin to have a second bite at the cherry on the question of authorisation.

...

[36] Order 4(b) has to be considered in light of the procedural history referred to above and in the light of order 4 as a whole. Plainly, orders 4(a) and 4(c) provide for the percentage issue to be deferred as well as for the deferral of damages or an account of profits. What order 4(b) seems to me to have contemplated was the deferral of the identification of other licences which would be relevant to the quantification of damages or an account of profits.

[37] It is true that the words "or authorised" were referred to in order 4(b) but it does not follow that what was contemplated by the order was that the issue of authorisation was to be litigated afresh in relation to each further possible licence of Down Under.

[38] All that seems to me to have been intended was that order 4(b) was to make it clear that there may be other licences apart from the 22 uses stated or reproductions listed in order No 3. That was to be for the protection of Larrikin in the quantification of damages or an account of profits, not a carte blanche for further litigation on issues which would follow as a matter of course from the litigation by way of sample that formed the first stage of the hearing.

...

[40] Even if it be correct that the issue of authorisation was not covered by the orders of 27 October, the principal question going to liability was plainly dealt with and decided. I do not consider that any further Court resources or Court processes should be devoted to this case until the issue of quantum in the sense referred to in this proceeding, i.e. the percentage issue, has been decided.

APPROACH TO THE ISSUES

166 Before dealing with the parties' grounds of challenge it is appropriate to record that it was common ground that the approach to be adopted in resolving these grounds was identified in

Metricon Homes at [20] in which the question of reproduction of a substantial part of a work was described as “a kind of jury question”, being:

... questions involving matters of impression and degree with the consequence that an appeal court would not depart from the finding of a primary judge without being persuaded that it was erroneous in principle, or plainly and obviously wrong ...

167 If persuaded of an error of principle or that the trial judge’s conclusions are plainly wrong then the appellate court must make its own assessment based on the evidence.

1979 AND 1981 RECORDINGS OF DOWN UNDER

Contentions of EMI parties and Mr Hay

168 The EMI parties and Mr Hay submitted that the trial judge made five key errors of principle described as: - (i) adoption of an overly mechanistic analysis, (ii) failure properly to consider originality, (iii) failure to give due weight to the differences in aural perception, (iv) failure to inquire into *animus furandi* (that is, intending to take advantage of the skill and labour of the first author), and (v) erroneous reliance on the evidence of Mr Hay and Mr Ham. In oral submissions it became apparent that the first three grounds of challenge (at least) overlapped and contained other alleged errors of principle. Accordingly, those grounds will be dealt with together.

169 The EMI parties and Mr Hay submitted that while the trial judge recorded the more fundamental principles of relevance he did not incorporate them into the essence of his analysis. He did not do so because of an overly rigid application of the three stage approach identified in *SW Hart* at 472 (namely, objective similarity, causal connection and substantiality of part taken). This was said to lead to a “fragmented approach” in which the trial judge, when dealing with the third element (whether a substantial part was taken) was no longer focussing on the notes as they appear and are heard in *Down Under* but “limited his consideration to the significance of the notes in *Kookaburra*”. According to the EMI parties and Mr Hay this was impermissible as the trial judge was required to compare the whole of the works to determine whether “the air taken is substantially the same with the original” (*D’Almaine v Boosey* at 302).

170 This requirement to compare the whole of each work, submitted the EMI parties and Mr Hay, was confirmed in *IceTv* (at [37]-[38], [157], [169]) and the High Court’s emphasis on the need to consider the copyright work in suit as a whole to determine what constitutes it as an original

work entitled to copyright protection, recognising that there may be some measure of legitimate appropriation without any infringement of copyright. As put in the submissions in reply, the trial judge was required to:

... have regard to the notes said to be taken not only as they appear in *Kookaburra*, but also in the context in which they appear in the 1979 and 1981 recordings. Regard must be had to the whole of each work in making the assessment, and attention given to what it was that constituted *Kookaburra* as an original work.

171 The trial judge's allegedly impermissible approach was said to be disclosed by another set of reasons published on 6 July 2010 dealing with quantum (*Larrikin Music Publishing Pty Ltd v EMI Songs Australia Pty Limited* [2010] FCA 698). In those reasons, the trial judge described the reasons of 4 February 2010 as:

[135] ... concerned only with the question of whether the flute riff, or certain examples of it, reproduce a substantial part of *Kookaburra*. This question focussed in particular upon the qualitative significance of the bars of *Kookaburra* that were reproduced in *Down Under*. It was not concerned with the musical significance, either qualitative or quantitative, of the bars from *Kookaburra* in *Down Under* considered as a whole.

172 According to the EMI parties and Mr Hay it was legitimate to examine the trial judge's reasons of 6 July 2010 to ascertain the findings he would have made had he considered (as they said he ought to have done) the whole of each of the works in determining the question whether *Down Under* reproduced a substantial part of *Kookaburra*. When he undertook that exercise in the context of quantum the trial judge (correctly, it is said by the EMI parties and Mr Hay) found that: - (i) the musical significance of the relevant notes in *Down Under* was small, with the notes appearing as a fragment of a melody, such that they went unnoticed for 20 years, (ii) he could detect the relevant notes in *Down Under* only with expert assistance (having become sensitised thereby and by repeat listening), and (iii) the musical quality of *Down Under* is given by other musical elements including the introductory flute line (containing no notes from *Kookaburra*), the verses and chorus, Mr Hay's distinctive voice, and the recurring rhythmic keyboard and flute which give the song its overall reggae sound ([2010] FCA 698 at [137]-[139], [143]-[163]). The EMI parties and Mr Hay thus submitted that:

... it is clear from his Honour's reasons of 6 July 2010 that, had his Honour adopted the correct approach to the assessment of substantial reproduction and paid due regard to a comparison between the respective works as a whole, he would have concluded that no substantial part of *Kookaburra* had been reproduced.

... The above findings made by his Honour in the 6 July 2010 reasons, and the evidence on which those findings are based, are antithetical to the satisfaction of the *D'Almaine*

- 173 The essence of the case about the trial judge's alleged failure to consider what constituted Kookaburra as an original work protected by copyright was founded on the trial judge's reasons of 4 February 2010 at [223]-[226] quoted above. According to the EMI parties and Mr Hay several points emerge from these paragraphs: - (i) the trial judge accepted that there was no evidence as to the degree of skill involved in the composition of Kookaburra, except that it involved skill in writing the work as a round, (ii) the so-called qualification in [224] is misconceived as the very point of the submissions made by the EMI parties and Mr Hay was that the only originality lay in the writing of Kookaburra as a round, (iii) no aspect of Kookaburra as a round was taken in *Down Under*, (iv) the phrases of Kookaburra taken "did not contain each of the four phrases (bars) from *Kookaburra*, and the two that it did mirror appeared separately, interspersed between other musical elements in the flute phrase of *Down Under* (indeed, on the first occasion, only one of them appeared), shorn of the *Kookaburra* lyrics and deprived of the relationship to each other emerging from a round", and (v) the last sentence in [226] is inapposite as the submission was that the failure to take any aspect of Kookaburra that characterised it as a round meant that no substantial part was taken.
- 174 According to the EMI parties and Mr Hay the only concession they made about Kookaburra's originality was its status as a round. They submitted that no other evidence supported a finding of any other aspect of originality. They did not bear any onus to prove Kookaburra lacked originality. The case should have failed because, as submitted to the trial judge, "the most significant element of its author's skill and labour of expression – writing a round – was not reproduced" (emphasis in original). Instead an approach was adopted, contrary to *IceTV* at [157], treating each individual part of the work as something worth protecting in its own right.
- 175 In oral submissions the EMI parties and Mr Hay listed six matters said to deprive the two bars of Kookaburra taken in *Down Under* of essential characteristics that resided in Kookaburra and five matters in *Down Under* said to change the character of how the notes are heard.
- 176 The six matters are that in *Down Under*: - (i) there is no use of any lyrics, (ii) there is no use of a round, (iii) there is no context of a nursery rhyme or folk melody, (iv) two of the four bars of Kookaburra are not used at all, (v) to the extent that any bar is referenced, it is robbed of its relationship to the surrounding bars, and (vi) the two bars that do appear do so as "fragments"

of a melody difficult to detect ([2010] FCA 698 at [138]). The EMI parties and Mr Hay subsequently accepted that the relevant copyright was Kookaburra as a musical work so the first point was immaterial. However, in so doing they said that it must also follow that Dr Ford's evidence about the first two bars of Kookaburra being its "signature" (and related evidence) could not have been material to the trial judge's findings because their signature status depended on the lyrics.

177 The five matters said to change the character of how the notes are heard are that: - (i) within the flute riff itself, the two bars referring to Kookaburra are incorporated within a new, larger integrated musical statement, (ii) there is a change in harmony and the bars in question are heard in a minor key, (iii) the flute riff is but one of a number of ornaments, and no part of Kookaburra is incorporated into a central verse or chorus of Down Under, (iv) the flute riff cooperates with other features of Down Under, including lyrics and title, to achieve a rock anthem celebrating aspects of Australia, and (v) the reggae rhythm infuses the whole of Down Under.

178 As it was put in the submissions in reply:

If elements of the second work are such as to obscure (as in this case) any similarity between it and the copyright work, there can be no substantial reproduction.

179 Instead of undertaking this type of analysis of the works as a whole the EMI parties and Mr Hay submitted that the trial judge identified two matters which he considered sufficient to establish reproduction of a substantial part of Kookaburra, namely, Mr Hay's performances and the quantity of what was taken. Both were said to involve errors: the latter on the basis of the established principles emphasising that the required focus was the quality of what was taken rather than the quantity, and the former for reasons dealt with separately by the EMI parties and Mr Hay and identified below.

180 These matters were all said to be relevant to the trial judge's alleged error in failing to give weight to the aural perception of the two works. If this had been done, the EMI parties and Mr Hay submitted, the reason the similarity went unnoticed in two iconic Australian songs for 20 years would have been apparent to the trial judge – an aural assessment discloses the differences between the two works such that only a sensitised listener assisted by expert evidence and with repeated listening, not an ordinary reasonable listener, can detect the similarity. This "sensitised listener", submitted the EMI parties and Mr Hay, involved the

wrong test. The relevant listener is the ordinary, reasonably experienced listener uninstructed by experts such as Dr Ford, Mr Armiger and Mr Hay. The EMI parties and Mr Hay acknowledged that the trial judge dealt with melody, key, harmony, tempo, and structure but said he did so in a mechanistic fashion by considering each element in isolation from the others and giving melody greater weight than all other elements without any evidence to support such an approach. According to the EMI parties and Mr Hay:

... the inability of his Honour, Mr Lurie as principal of [Larrikin], or the public generally to perceive any aural similarity in an untutored fashion ought to have been taken by his Honour as an almost conclusive factor weighing against a finding that a substantial part of Kookaburra had been reproduced.

181 The EMI parties and Mr Hay said that the trial judge failed to inquire about *animus furandi*, which was described as necessary in *IceTv* at [171]. In this regard there was no evidence of *animus furandi*. As to the findings about Mr Ham, the reasons of 6 July 2010 ([2010] FCA 698 at [176]-[178]) made clear that there was no finding that “Mr Ham deliberately appropriated the relevant bars from Kookaburra in order to capitalise upon the reputation of that work... [T]he flute line ... was introduced deliberately to give the song an Australian flavour”.

182 The fifth class of alleged error was described as the trial judge’s erroneous reliance on the evidence of Mr Hay and Mr Ham.

183 The EMI parties and Mr Hay submitted that the fact that Mr Hay sometimes sang the lyrics of Kookaburra during performances of Down Under when the flute riff would have been played is immaterial. Those performances were not alleged to infringe copyright and whether the playing and singing of the lyrics together with two of the four bars of Kookaburra would turn Down Under into a reproduction of a substantial part was not the issue. In any event, as the reasons of 6 July 2010 disclosed ([2010] FCA 698 at [169]-[170]), Mr Hay sung the words of Kookaburra as “an amusing historical reference to it”, the relevance of that evidence being limited to the fact that it “demonstrates that Example E of the flute line contained quotes from Kookaburra”.

184 The trial judge’s alleged error in respect of Mr Ham’s evidence was to use the part of the affidavit tendered and Mr Ham’s absence to support an inference that he had “deliberately included the bars from Kookaburra in the flute line” for the purpose of injecting an Australian

flavour (at [216] of the 4 February 2010 reasons). However, Mr Ham’s affidavit as tendered said only that he recognised the melody as an Australian cliché and not as Kookaburra as such. According to the EMI parties and Mr Hay the “mere adding by Mr Ham of that tribute did not amount to the reproduction of a substantial part of *Kookaburra*, and no inference was available from the failure to call him beyond what was already apparent on the face of his affidavit”.

Discussion

185 For the reasons given below the contentions of the EMI parties and Mr Hay should not be accepted.

186 Neither *D’Almaine v Boosey* nor *IceTV* requires the approach the EMI parties and Mr Hay advocated. The test is not whether, considered overall, Down Under is similar to Kookaburra (*Dixon Investments Pty Ltd v Hall* (1990) 18 IPR 490 at 497). It is whether a substantial part of the copyright work has been taken (s 14(1) of the Copyright Act).

187 In *Elwood Clothing*, Lindgren, Goldberg and Bennett JJ (at [41]) agreed with the statement in *Metricon Homes* at [23] that the “correct approach” is:

- (1) to identify the work in suit in which copyright subsists,
- (2) to identify in the alleged infringing work the part taken (ie derived or copied) from the work in suit, and
- (3) to determine whether the part taken constitutes a substantial part of the work in suit.

188 In *Dixon Investments* at 494 it was explained that the third step in this approach involves consideration of the significance of the part taken to the work – that is the copyright work – as a whole so that a “a vital or material part, even though it may be only a small part of it [the copyright work] in quantity ... may nevertheless be sufficient”.

189 To the same effect are the observations of Mason CJ (in dissent in the result but not about the principles of copyright involved) in *Autodesk Inc v Dyason (No 2)* (1992) 176 CLR 300 at 305.

190 In *Designers Guild v Russell Williams* at 2425 this focus on what was taken is the reason for the statement by Lord Millett that “while the copied features must be a substantial part of the copyright work, they need not form a substantial part of defendant’s work ... Thus the overall appearance of the defendant’s work may be very different from the copyright work. But it does

not follow that the defendant's work does not infringe the plaintiff's copyright". Lord Millett (albeit dealing with a design case) described the correct approach as one in which once the judge "has found that the defendants' design incorporates features taken from the copyright work, the question is whether what has been taken constitutes all or a substantial part of the copyright work. This is a matter of impression, for whether the part taken is substantial must be determined by its quality rather than its quantity. It depends upon its importance to the copyright work. It does not depend upon its importance to the defendants' work" (at 2426).

191 This principle – that is, the importance of the part taken to the copyright work in order to determine whether a substantial part of that work has been reproduced – is also referred to in *G Ricordi & Co (London), Ltd v Clayton & Waller, Ltd* [1930] Mac CC 154. Although the outcome in that case turned on lack of reproduction, Luxmore J said (at 162) that "while it is quite true that eight bars of a particular air may form a substantial part of that air...the eight bars from the [copyright work in suit] are not the most distinctive or important part of that air at all".

192 In *Francis Day v Bron* it was common ground that the first eight bars of the copyright work were a substantial part of that work (at 609). The question was one of reproduction in circumstances where the alleged infringer's evidence that no conscious copying had occurred was accepted. In that context, Wilberforce J at first instance analysed the structure, theme, notes, harmonic structure, and rhythm of the two songs and found that the degree of similarity was such that an ordinary experienced listener might think that perhaps one had come from the other. The appellate court agreed, noting that reproduction does not require identity and citing in support *D'Almaine v Boosey* amongst other decisions (at 612)

193 Properly analysed *D'Almaine v Boosey* and *IceTV* do not stand for any contrary proposition.

194 In *D'Almaine v Boosey* the airs of the operatic copyright work had been taken albeit with some adaptations as necessary to re-arrange an opera as quadrilles for dancing. It is in this context that it was said that it is "the air or melody which is the invention of the author so taking the whole air is a piracy whilst taking part with alterations such as in a different order or broken by the intersection of other airs might not be piracy, the result depending on whether the air taken is substantially the same with the original". In other words, *D'Almaine v Boosey*

recognised that it is the air taken as it appears in the works which is relevant to the question of reproduction with “the ear [telling you] whether it is the same”.

195 The copyright work in suit in *Ice TV* involved a compilation in the form of a weekly television schedule. This context is important, as the reasons for judgment disclose. The alleged infringer accepted that the copyright subsisted in the weekly schedules but denied that its taking of individual items from the compilation infringed copyright (at [11]). The issues for resolution were thus determined in this particular factual context. As French CJ, Crennan and Kiefel JJ said at [30]-[31], the principle that it is necessary to consider not only the extent of what was copied but also its quality “has a long provenance and... is particularly apposite when considering a compilation”. The relevance of the status of the copyright work as a compilation was further emphasised by the heading before [72] of their reasons, “Compilations and ‘substantial part’”. In that section their Honours cited another compilation case, *Leslie v Young & Sons* [1894] AC 335 at 341 to the effect that, in such a case (that is, dealing with a compilation), “it ought to be clearly established that, looking at these tables as a whole, there has been a substantial appropriation by the one party of the independent labour of the other, before any proceeding on the ground of copyright can be justified”. The reference by Gummow, Heydon and Hayne JJ to “legitimate appropriation” at [157] is also to be understood in this context. The concept of “legitimate appropriation” to which their Honours referred, as the trial judge said in the present case, does not involve the creation of any new principle; it reflects the fact that the statute requires that a substantial part of the copyright work be reproduced before there is infringement. As Larrikin submitted, legitimate appropriation is appropriation of a non-substantial part of a copyright work. As the reasons in [157] disclose, the question whether the slivers of information taken themselves were original works was seen by their Honours as a distraction in that case from the task of comparing “what was taken and the whole of the work in suit”. This is the background leading to the statement at [169] that it was necessary for the copyright owner to establish clearly that “looking at the Weekly Schedule [the copyright work] as a whole, there has been a substantial reproduction in the particular use by IceTV”.

196 It is apparent from this discussion that the approach of the EMI parties and Mr Hay is inconsistent with established principle insofar as it involves propositions that the trial judge erred by:

- first, adopting an overly mechanistic or fragmented approach in his consideration of objective similarity and substantial part; and
- second, having determined objective similarity by focusing on the copyright work (Kookaburra) and not the alleged infringing work (Down Under) to determine whether a substantial part of Kookaburra had been reproduced.

In answering both questions in favour of Larrikin it necessarily followed that the trial judge found that the appropriation of Kookaburra in Down Under was not a “legitimate appropriation” as referred to in *IceTV*.

197 The discussion of the relevant authorities above shows that the trial judge’s approach of dealing with objective similarity and substantiality sequentially was orthodox and did not involve any impermissible fragmentation of the relevant inquiry. A fair reading of his reasons of 4 February 2010 does not support a conclusion that he determined the case merely by an impermissible “note for note comparison” (*Austin v Columbia Graphophone Company Ltd* [1923] Mac CC 398 at 415). That is not to say, however, that the notes are irrelevant. As stated in *Austin v Columbia Graphophone* at 409 “music must be treated by the ear as well as by the eye”. In *Francis Day v Bron Wilberforce J* at first instance, whose approach was said by the EMI parties and Mr Hay to disclose the error in that of the trial judge, considered the same range of matters as the trial judge in the present case including the notes.

198 The trial judge considered “aural comparison of the musical elements, as well as my visual comparison of the notated songs” (at [158]), as well as melody, key, tempo, harmony and structure. It is true that the trial judge defined the relevant melodies (at [163]) as involving a comparison between, first, the flute riff in Down Under when it plays the fourth bar of Dr Ford’s Example D, and the second bar of Kookaburra and, second, the flute riff in Down Under when it plays the second and fourth bars of Dr Ford’s Example E, and the first and second bars of Kookaburra. This involved the trial judge in doing nothing more than implementing the first two steps of what was described as the correct approach in *Metricon Homes* at [23] and *Elwood Clothing* at [41] by:

- (1) identifying the work in suit in which copyright subsists (that is, Kookaburra);
- (2) identifying in the alleged infringing work (that is, Down Under) the part taken (i.e. derived or copied) from the work in suit (that is, the flute riff in Down Under when it

plays the fourth bar of Dr Ford's Example D and the second and fourth bars of Dr Ford's Example E); and

- (3) determining whether the part taken constitutes a substantial part of the work in suit (that is, by reference to the importance of the part taken to Kookaburra, not to Down Under).

199 It is not the case that, by this definition of the relevant melody, the trial judge failed to consider the other factors which he identified as relevant including the aural perception, key, tempo, harmony and structure of the part taken from Kookaburra as it appears in Down Under. The trial judge also considered the facts that Down Under was in a different key, had a somewhat different rhythm, and involved a different harmonic shape due to the difference in key, and that the part taken from Kookaburra as it appears in the flute riff in Down Under involves a different structure in which bars of Kookaburra are separated and punctuated by Men at Work's distinctive sound and the basic hook of Down Under. As the trial judge correctly said (at [195]), the question of structure is not concerned with the entirety of the three-minute recording of Down Under. It is concerned with the flute riff in which the parts taken from Kookaburra appear. For the trial judge to have done otherwise and adopted the approach of the EMI parties and Mr Hay of determining objective similarity by reference to the whole of Down Under, would have involved a departure from established principle. Equally, for the trial judge to have determined substantiality by reference to the importance (or lack of importance) of the part taken from Kookaburra to Down Under rather than the importance of the part taken to Kookaburra itself (that is, by looking at the quality of what was taken by reference to the alleged infringing work as a whole and not the copyright work as a whole) would have been inconsistent with principle.

200 Nor can there be any real complaint about the trial judge having dealt with melody, key, tempo and rhythm, harmony and context and structure sequentially in his reasons. No doubt it was convenient to arrange the reasons in this way with separate headings for each factor. But the substance of the factors does not support an inference that the trial judge dealt with each factor in artificial isolation from all other factors. For example, it is apparent that in dealing with melody the trial judge was well aware of the separation of the bars from Kookaburra as they appear in the flute riff. This underlies Mr Armiger's evidence referred to in this part of the reasons (at [167]) of the "shared phrases" in the two as part of the "answering" flute melody in Down Under. In the same section similarities between notes are also identified (at [170]). In dealing with key the trial judge referred to the aural perception of the tune (at [176]) and the

relative pitches allowing a listener to identify the songs (at [177]). In dealing with tempo and rhythm, the trial judge dealt with the slur at the end of the bars in Kookaburra as they appear in the flute riff in Down Under. In dealing with harmony, the trial judge considered the recognisability of the bars from Kookaburra as such when they appear in the flute riff in Down Under (at [189]). In dealing with context and structure, the trial judge dealt with the submission of the EMI parties and Mr Hay that “harmony, structure and, to a lesser extent, key affect how one hears a work” (at [193]) as well as the separation of the bars of Kookaburra as they appear in the flute riff by Men at Work’s distinctive sound in the basic hook of Down Under (at [195]).

201 This analysis shows that the submissions of the EMI parties and Mr Hay that the trial judge’s approach was “overly mechanistic” and “fragmented” cannot be accepted.

202 For the purpose of determining objective similarity the trial judge was assisted by experts for both sides. In addition to their contention that the trial judge had become a sensitised listener and incorrectly applied his sensitised ear to the task overly assisted by expert evidence, the EMI parties and Mr Hay suggested that there was some error in such expert evidence being available at all. To the extent that this was suggested, it should be rejected. The use of expert evidence to assist in resolving the issue of objective similarity is orthodox. For example, evidence for the same purpose was admitted in *Austin v Columbia Graphophone*, *D’Almaine v Boosey*, *Francis Day v Bron*, *G Ricordi v Clayton*, and *CBS Records Australia Ltd v Gross* (1989) 15 IPR 385. More to the point, the EMI parties and Mr Hay relied on the expert evidence of Mr Armiger addressing the same issue. No error can be sustained merely because the trial judge used the expert evidence the parties chose to make available to him. The error, if there be one, is confined to the contention that the trial judge applied the wrong test to the task – namely, that of a sensitised listener overly assisted by expert evidence rather than the ordinary reasonable listener. Before dealing with this issue it is appropriate to resolve the contention that the trial judge failed to have regard to the fact that the evidence supported a finding that the originality of Kookaburra lay only in its status as a round with the consequence that, as Down Under reproduced no part of the round, the claim for copyright infringement should have been dismissed.

203 It is true that Ms Sinclair composed Kookaburra as a round. It was entered into a competition for the creation of rounds, was described as a round in the 1934 Girl Guides edition and was consistently identified thereafter by Ms Sinclair as a round. The trial judge was aware of that

fact and the nature of a round. He described Kookaburra as an “iconic Australian round” at [1], referred to Dr Ford’s evidence describing it as a round at [13], identified the full title of the work (Kookaburra Round in 4 Parts) at [70], explained the nature of a round at [71] (a song “intended to be sung by four voices or groups of voices in a way in which all the parts continuously repeat”), referred to Dr Ford’s evidence that Ms Sinclair intended it to be sung as a round at [126], and compared Down Under’s more layered structure to Ms Sinclair’s round at [195]. The trial judge also specifically considered the submission that there was no evidence as to the degree of skill involved in the composition of Kookaburra other than its composition as a round (at [223]-[225], quoted above).

204 According to the EMI parties and Mr Hay the reasons at [223]-[225] disclose a misconception by the trial judge of their case and a consequent failure to consider the limited originality of Kookaburra as a round in circumstances where the round was not reproduced in any way in Down Under. The misconception, they said, is evident from the trial judge’s reference to a qualification in [224] that Dr Ford had given evidence that writing a round is a “tricky and rather amusing business” because all the phrases have to fit on top of each other. The EMI parties and Mr Hay submitted that, properly understood, this was not a qualification to their contention that Kookaburra’s originality derived only from its composition as a round. Rather, Dr Ford’s evidence confirmed that contention. Larrikin submitted that [224] disclosed no misconception. The trial judge’s description of the qualification presented by Dr Ford’s evidence was correct. The effect of that evidence was that all the phrases had to fit on top of each other to form the round. Hence, there was skill and originality in the work as a whole both as a series of phrases or melody and as a melody forming a round.

205 The EMI parties and Mr Hay sought to dismiss Larrikin’s submission as involving some, apparently impermissible, dual original status of Kookaburra. Larrikin’s submission, however, should be accepted. The trial judge must be inferred to have used the word “qualified” in [224] deliberately. The context makes this plain. He was dealing directly with the submission about lack of skill in the writing of Kookaburra other than as a round in [223]. He then referred to the need to qualify that submission by reference to Dr Ford’s evidence in [224]. The qualification refers to all the phrases of the song having to fit over the top of each other. Thus, and contrary to the submission of the EMI parties and Mr Hay, there was evidence of the skill involved in the composition of all the phrases of Kookaburra. This conclusion is supported by

other references in the reasons where the evidence discloses the distinctive and recognisable melody of Kookaburra whether sung as a round or not (for example, at [121] and [149], [168]).

206 On the basis of the evidence before him, the trial judge was entitled to conclude that there was skill in the composition of Kookaburra as a song with a melody capable of being sung as a round. It cannot be said that, in treating Kookaburra as a song capable of being sung as such or as a round, the trial judge failed to consider what constituted Kookaburra as an original musical work. Nor can it be said that the trial judge impermissibly treated each individual note of Kookaburra as a “sliver” (to use the word from *IceTV*) independently subject to copyright protection. This was not a case in which the bars of Kookaburra that appear in Down Under could be said to have no originality and thus fall outside copyright protection as referred to in *IceTv* (at [37] citing *Ladbroke (Football) Ltd* at 293, itself a case involving a compilation in the form of a football betting coupon).

207 Against these conclusions it is apparent that the trial judge’s alleged failure to consider the aural perception of the bars from Kookaburra as they appear in Down Under cannot be sustained. It follows that this aspect of the case of the EMI parties and Mr Hay comes down to the propositions that the trial judge applied the wrong test to the issue of aural perception, being that of a sensitised listener inappropriately assisted by expert evidence; and that further, had he not applied this incorrect test, the almost determinative significance of the fact that no one noticed the similarity for some 20 years would have been apparent.

208 The phrase “ordinary reasonably experienced listener” was used in *Francis Day v Bron* at 596 in a conclusion that the degree of similarity was sufficient for such a listener to think that one might have come from the other. In *G Ricordi v Clayton*, to which the EMI parties and Mr Hay also referred in this context, there was evidence from one expert that the resemblance of the part alleged to have been taken from the copyright work was very strong while another expert said the resemblance was of the very slightest character. The present case, it must be recalled, is different. All of the expert witnesses recognised that the flute riff in Down Under directly and unmistakably quoted, borrowed or took two bars from Kookaburra. This is consistent with the fact that once the panel members of Spicks and Specks had been directed to the relevant part of the flute riff all ultimately said that they could recognise the bars taken from Kookaburra. However, as the trial judge recognised, the panel members are musical experts and not the ordinary reasonably experienced listener (at [206]).

209 It is clear from the trial judge’s reasons that he was aware of the approach of the ordinary reasonably experienced listener to objective similarity. He referred to that phrase as the relevant test at [172] and [206]. At [172] the trial judge in fact said:

In any event, the test is that of the ordinary reasonably experienced listener and the comparison is not concerned with deceptive similarity as in a passing-off action: *Francis Day & Hunter* at 610, 623-624; *Russell William Textiles* at 2425.

210 Having correctly identified the relevant test, the question is whether, in referring to the “sensitised listener” and making the use of the expert evidence as he did, the trial judge in fact failed to apply the test he had identified. To answer this question the passages from the reasons on which the EMI parties and Mr Hay relied must be considered in context.

211 At [171] the trial judge accepted that there was force in the submission that he had become sensitised to the similarities between the melodies so as to be able to hear objective similarity between them. The trial judge said he did not think this overcame the force of the expert evidence and the conclusion which seems to follow inevitably from the frank admissions by Mr Hay. Both of the latter findings are said to involve error and are also addressed below.

212 At [207], after referring to the test of the ordinary reasonably experienced listener at [206], the trial judge said that Spicks and Specks showed that “there are difficulties in the recognition of the work, but a sensitised listener can detect the aural resemblance between the bars of Kookaburra and the flute riff of Down Under”.

213 It is apparent from [171] that the trial judge could hear the objective similarity between Kookaburra and part of the flute riff in Down Under. By “sensitised listener” the trial judge could not have meant expert listener. It is clear from the context that he meant an ordinary reasonably experienced listener who had heard the relevant parts of the works more than once and, perhaps, repeatedly. As Larrikin submitted, however, the task the trial judge was addressing was objective similarity. There is no principle that the ordinary reasonably experienced listener may not hear a work or part of it more than once. Nor do the cases suggest that the trial judge was not entitled to have regard to the expert evidence when determining objective similarity. Moreover, and as noted, all of the expert evidence was to the same effect at least insofar as it established that the flute riff in Down Under directly borrowed bars from Kookaburra. The fact that Mr Armiger described these borrowings as “shared phrases” confirms the taking of bars from Kookaburra.

214 It is also difficult to accept the contention that the trial judge erred in relying on Mr Hay's evidence. At [161] the trial judge referred to Mr Hay's evidence that he sang the relevant bars of Kookaburra when performing Down Under at a number of concerts since 2002. At [168] the trial judge referred to Mr Hay's agreement that the fourth bar of Down Under is a direct reference to Kookaburra and the fourth bar of Example D and the second and fourth bars of Example E are unmistakably the melody of Kookaburra. It may be accepted that Mr Hay, as a musician, has a skilled ear and is not himself the ordinary reasonably experienced listener. But, as noted, if the trial judge was entitled to have regard to expert evidence on the question of objective similarity (as he was) then he was also entitled to have regard to Mr Hay's evidence.

215 Nothing in the trial judge's reasons suggests that he somehow mistakenly believed that the lyrics of Kookaburra had any significance to the copyright work in question – the description at [121] of Dr Ford's evidence indicates to the contrary. The trial judge referred to Dr Ford's evidence about the opening two bars being the signature of that work and continued:

Although he agreed that it is a signature because of the lyrics, he said it is also the first thing you hear so it is the part of the melody that "sticks in your head".

216 There cannot be much doubt that, in referring to the signature of Kookaburra thereafter, the trial judge was intending to refer to that part of Dr Ford's evidence he found relevant – namely, the first two bars are the melody that "sticks in your head".

217 Once the trial judge's sensitivity to the irrelevance of the lyrics themselves is recognised it becomes apparent that he did not find Mr Hay's singing of the Kookaburra lyrics important by reason of the lyrics. Rather, it must be inferred that the trial judge considered it important that the melody conveyed by the singing of the lyrics of Kookaburra (as the Spicks and Specks panel member put it – the "dah dah dah...") fitted over the top of the flute riff from Down Under. The fact that Mr Hay's performances are not the infringement sued upon, in this context, is immaterial. As the trial judge put it, the capacity to sing the Kookaburra melody directly over the relevant parts of the Down Under flute riff "graphically" illustrates that the fourth bar of Example D and the second and fourth bars of Example E are unmistakably the melody of Kookaburra. The trial judge was entitled to use that evidence as he did.

218 Analysed in this way it is apparent that none of these aspects of the challenge to the trial judge's decision can be sustained as an error of principle. The trial judge could detect the similarity

between the two pieces. He identified and applied the test of the ordinary reasonably experienced listener to objective similarity. He accepted that he may have become a sensitised listener. He made use of the expert evidence to support the finding of objective similarity. In all these respects the trial judge's reasoning was orthodox.

219 While dealing with the evidentiary issues it is convenient to consider the alleged error in respect of Mr Ham's evidence. In short, there was no error. A part of Mr Ham's affidavit was tendered but he was not called to give evidence. The affidavit said that Mr Ham had heard Kookaburra as a child, had wanted to inject an Australian flavour into the flute riff and did so aiming for an Australian cliché. As Mr Ham was not called, the trial judge correctly said that he could infer his evidence would not have assisted the EMI parties and Mr Hay. In this context the trial judge was entitled to infer that Mr Ham deliberately reproduced a part of Kookaburra, an iconic Australian melody, for the purpose and with the intention of injecting Australian flavour into the flute riff. It is not to the point that Mr Ham may not have labelled the work he was borrowing as "Kookaburra". It was open to the trial judge to infer from Mr Ham's affidavit and the failure to call him that Mr Ham knew he was reproducing a specific iconic Australian melody.

220 As the EMI parties and Mr Hay submitted, it may be accepted that in a case where what has been taken is so slight or so different in the alleged infringing work from the copyright work that it cannot be recognised at all, a conclusion that there has been no reproduction of a substantial part of the copyright work should follow. So much is clear from the observations to that effect in *Hawkes and Son (London), Limited v Paramount Film Service, Limited* [1934] 1 Ch 593 at 604. In the result in that case, however, it was found that the part taken "would be recognised by any person" and was held to be substantial. The present case was not one in which the part taken from the copyright work (Kookaburra) could not be recognised at all in the infringing work (Down Under). The experts all recognised it as an unmistakable direct borrowing (unlike, for example, the debate on that issue in *G Ricordi v Clayton*). The trial judge recognised the shared melody. In fact, he described the melody as "the same" despite the separation of the notes from Kookaburra in the flute riff (at [201]).

221 As to *animus furandi*, it must again be said that the references in *IceTV* on which the EMI parties and Mr Hay relied (at [55] and [171]) are in the context of a compilation case. In such a case, where fine questions might arise in distinguishing between the protection of information

and the form in which information is conveyed or expressed, the intention of the alleged infringer may take on considerable significance. Despite this, French CJ, Crennan and Kiefel JJ described such an inquiry, given their other conclusions, as unnecessary at [55]. It is difficult to accept that such an inquiry is necessary in every case given, for example, that subconscious copying may infringe copyright. Provided the test of causal connection is satisfied, an intention to take advantage of the labour of another is not required in order for an action for copyright infringement to be sustained. No doubt, if such an intention exists, causal connection will be proved and other findings may be more readily made against the alleged infringer. But it cannot be said that the trial judge erred by not making a positive finding about *animus furandi* one way or another.

222 It must also be concluded that the other tests propounded by the EMI parties and Mr Hay involve taking statements from decisions out of the context in which they appear and inappropriately elevating them to a level of principle applicable in all cases.

223 One such test was whether there had been a “manifest wholesale adoption of the individual work which Ms Sinclair had bestowed upon Kookaburra and which had given to it its distinct characteristics and individuality”. This statement was said to derive from the reasons of Isaacs J in *Sands & McDougall Proprietary Limited v Robinson* (1917) 23 CLR 49 at 53. However, it is clear from the context of this statement that his Honour was not expressing a test or principle. He was making a factual finding that the differences between the two maps in question did not change the fact that the infringing map disclosed a manifest wholesale adoption of the individual work of the copyright map which gave it its distinct characteristics and individuality.

224 Another test was whether Larrikin had “clearly established... that, looking at Kookaburra as a whole, there had been a substantial reproduction in the particular use [by the EMI parties and Mr Hay] in the 1979 and 1981 recordings of two bars of Kookaburra”. This is derived from *IceTV* at [75] and [169]. However, [75] is a reference to *Leslie v Young & Sons* at 341 in which it was said that, although a compilation or abstract involving independent labour may be protected by copyright, “when you come to such a subject matter as that with which we are dealing, it ought to be clearly established that, looking at these tables as a whole, there has been a substantial appropriation by the one party of the independent labour of the other, before any proceeding on the ground of copyright can be justified”. The copyright work being dealt with

in *Leslie v Young & Sons* was railway timetables. The House of Lords explained the difference between a mere order of trains issued by a railway company, which could not be the subject of copyright, and an abridgment of rail times such as in connection with tours in a particular locality, which could be the subject of such protection. This reflects the basic proposition that copyright does not protect facts or information or ideas but the form of their expression to the world (*Ice TV* at [26] and [28]). This proposition underpins the particular approach to compilations evident in cases dealing with works of that nature. In [169] Gummow, Heydon and Hayne JJ also referred to *Leslie v Young & Sons* in the context of emphasising the theme of that decision that “in a case such as the present” it ought to be “clearly established... that, looking at the Weekly Schedule as a whole, there has been a substantial reproduction in the particular use by IceTV”.

225 In other words, the decisions on which the EMI parties and Mr Hay relied to support their tests either turned on their facts or involved compilations in which the courts in question emphasised the nature of the works said to be protected by copyright as compilations. In the context of copyright, where the expression of ideas and information is protected, but not the ideas or information themselves, the approach which the courts adopted to ascertain whether there had been a substantial reproduction is explicable. The emphasis on context in the decisions shows that the proposed tests are not well-founded in the authorities. *Kookaburra* is not a compilation. It is a musical work the creation of which, on the evidence before the trial judge, involved the “tricky” and “amusing” business of ensuring that each phrase of the song fitted over the top of each other. Nothing about that context warrants the approach which the EMI parties and Mr Hay advocated nor, indeed, any different approach from that which the trial judge adopted based on *Francis Day v Bron* (at [20], [33], [44]-[49]), *SW Hart* (at [32]-[38]) and *IceTV* (at [39]-[41], [55]-[59]), as well as *Austin v Columbia Graphophone* (at [51]) and *D’Almaine v Boosey* (at [52]-[53]).

226 With these conclusions in mind it is apparent that the matters of difference on which the EMI parties and Mr Hay relied are insufficient to support a finding that the trial judge erred in principle or was plainly wrong in concluding that the flute riff of *Down Under* reproduced a substantial part of *Kookaburra*. As *Larrikin* submitted, the decisions on which the EMI parties and Mr Hay relied to support the materiality of these differences do not suggest that they represent the minimum criteria for a finding of reproduction of a substantial part of a copyright work. Accordingly, while it may be accepted that there is not a “ready” aural perception of the

bars of Kookaburra in the flute riff of Down Under, the bars are there and, as the trial judge found, can be heard once attention is directed to them. In terms of objective similarity, the bars are reproduced albeit in a different key and embedded in a different structure. It may also be accepted the Kookaburra and Down Under are different genres, but that does not overcome the fact that the bars of Kookaburra have been borrowed for the flute riff. Similarly, although the works are of a different structure, the bars of Kookaburra are nevertheless present in the flute riff and recognisable as such. Down Under is a much longer work so that it may be said that only 5 bars out of Down Under's total of 93 bars involve Kookaburra. But, as noted, those bars are objectively similar and the issue of substantiality is to be determined by reference to Kookaburra, not Down Under. The bars from Kookaburra are interspersed with the basic hook of Down Under but they can nevertheless be recognised as Kookaburra. The key is different but the effect of the evidence before the trial judge was that it is relative pitch that makes a song recognisable and the different key was like "shining a different light" on the bars from Kookaburra as they appear in the flute riff in Down Under. The same may be said of Down Under's distinctive reggae sound. The status of Kookaburra as a round has been discussed above. Characterising the borrowing as a tribute does not alter the fact of the borrowing.

227 In a case such as the present, where it is often said that questions of fact and degree are involved, an appellate court should not interfere with a trial judge's decision unless persuaded it is based on erroneous principle or plainly wrong. For the reasons given above, neither criterion for appellate intervention is satisfied in respect of the trial judge's finding that the 1979 and 1981 recordings of Down Under reproduce a substantial part of Kookaburra and thus infringe the copyright in Kookaburra. It follows that the appeal must be dismissed and the notice of contention is immaterial.

THE QANTAS ADVERTISEMENTS

Contentions of Larrikin

228 Larrikin submitted that the trial judge was plainly wrong in concluding that the Qantas advertisements did not reproduce a substantial part of Kookaburra. According to Larrikin the trial judge's operative finding is at [237] (of the 4 February 2010 reasons) where his Honour said:

In any event, I do not consider that the quotation of the second bar of Kookaburra constitutes, without more, the reproduction of a substantial part of the song.

229 Larrikin thus contended that the preceding paragraph, [236], in which the trial judge said that even with the assistance of experts he found it quite difficult to detect the second bar of Kookaburra when it is played in the advertisements was not material, his Honour having said only that he found it difficult to recognise and not that he could not recognise it.

230 While Larrikin accepted a “measure of deference” should be applied to the conclusion of the trial judge on matters of impression and degree in a case such as this, it submitted that it is clear from the trial judge’s conclusion that he must have applied “an excessively demanding test in respect of the quality and quantity of the taken portion”. Larrikin supported this submission by a number of propositions.

231 As to objective similarity, Larrikin submitted, first, that the process of comparison had to start with the fact that the advertisements note-for-note reproduced the second bar of Kookaburra. Second, the fact that the advertisements adopt a languid orchestral version of Down Under does not distract the ear from recognising the Kookaburra melody in the advertisements. Third, the glissando is a minor difference that does not detract from the objective similarity of the works.

232 As to reproduction of a substantial part, Larrikin submitted that Kookaburra is a short work, being a song in four bars. In terms of quantity, the second bar is thus one quarter of the song. More significantly, in terms of quality, the second bar is an essential and material part of Kookaburra. In common with the first bar it conveys the iconic melody of Kookaburra.

Discussion

233 The difficulty for Larrikin’s submissions on the cross-appeal concerning the Qantas advertisements is that nothing in the trial judge’s reasons suggests any error of principle (as discussed above) and it is difficult to see any basis for the claim that the trial judge’s conclusion was plainly wrong. It is by no means apparent from the conclusion alone that the trial judge must have applied an excessively demanding test.

234 The trial judge accepted that the Qantas advertisements included a note-for-note reproduction of the second bar of Kookaburra (at [234]). He correctly identified that the essential question, however, was to be determined by an aural comparison (at [235]). The finding at [236], that even with the assistance of experts he found it quite difficult to detect the second bar of

Kookaburra when it is played in the advertisements, cannot be dismissed as immaterial as Larrikin proposed. The trial judge is recording an important factual finding – to the effect that even with expert assistance he found the task of aural recognition of Kookaburra in the advertisements quite difficult. Further to that, the trial judge considered the whole of the expert evidence and concluded that it did not support the conclusion that the ordinary reasonably experienced listener would recognise the second bar of Kookaburra (at [240]).

235 The trial judge was not distracted from his task by the references to the signature of the song. As discussed above, by signature, the trial judge meant the melody. The trial judge was not in error by analysing the expert evidence in terms of the second bar of Kookaburra in isolation from the first bar – it is only the second bar in isolation that appears in the Qantas advertisements. Contrary to Larrikin’s submissions the evidence of Dr Ford and Mr Armiger cannot properly be understood as having been to the effect that the second bar of Kookaburra, in isolation, was the signature of the song.

236 The trial judge was entitled on the evidence to reach the conclusion he did. Larrikin’s alternative case (not pleaded but referred to in written submissions) based on the Qantas advertisements involving an adaptation of Kookaburra (ss 13(2), 31(1)(a)(iv) and 10(1) defining an adaptation of a musical work as an “arrangement or transcription of the work”), cannot overcome the trial judge’s conclusion that there is no reproduction of a substantial part of Kookaburra in the advertisements.

237 There being no error of principle and no sound basis for the proposition that the trial judge’s conclusion was plainly wrong, this aspect of the cross-appeal must fail.

AUTHORISATION

238 Larrikin’s first contention in respect of the trial judge’s reasons on the authorisation issue ([318]-[322] of the 4 February 2010 reasons) – that the trial judge should not have dealt with that issue at all – may be dismissed immediately. It may be accepted that paragraph 4 of the separate questions (contained in the orders of 27 October 2009) refers to certain issues being heard and determined at a separate date. However, it is clear from the course of the hearing that the trial judge was seized of the authorisation question not only in respect of the Qantas advertisements (with which he did not need to deal given his finding that there had not been

any reproduction of a substantial part) but also in respect of all other alleged acts of authorisation. For example:

- in opening submissions the EMI parties and Mr Hay noted the lack of specificity in Larrikin's case on authorisation and (contrary to Larrikin's suggestion) made plain that authorisation was in issue;
- Larrikin itself opened on the question of authorisation both in writing and orally. While it sought to characterise the issue as a straightforward one about which there could be no real dispute, the matter was put in issue by the EMI parties and Mr Hay in their opening in response and thus it was for Larrikin to prove its authorisation case; and
- Larrikin's closing submissions also dealt with the knowledge of the EMI parties and Mr Hay of the reproduction of part of Kookaburra in the specific context of its alleged authorisation of copyright infringements not only by the Qantas advertisements but also the licensing by the EMI parties and Mr Hay of the use of Down Under.

239 Against this background Larrikin is not entitled to point to the text of the separate questions and submit that the trial judge should not have dealt with the question of authorisation at all.

240 Nor, as noted, can Larrikin's submission that authorisation was not in dispute be accepted. A proper reading of the pleadings and the submissions of the EMI parties and Mr Hay provides no support for that submission. The EMI parties and Mr Hay admitted granting licences to use Down Under, but this was in the context of their denial that Down Under infringed copyright in Kookaburra and specific denial of Larrikin's claim of them authorising infringements of the copyright in Kookaburra. For this reason Larrikin's submission that "no point was taken by the EMI parties to suggest that the admitted granting of licences did not otherwise amount to authorisation of acts comprised in the copyright of Kookaburra" is unsustainable.

241 It is also not the case that authorisation must be an outstanding issue because that issue logically follows on from any finding of the reproduction of a substantial part of Kookaburra in Down Under. If Larrikin's submission is correct, then the Qantas advertisements should not have been dealt with at the hearing – but both parties made extensive submissions about those advertisements.

242 Nor can it be said, as Larrikin proposed, that the limited discovery of samples of licences indicated an acceptance by the EMI parties and Mr Hay that there was no issue between the parties that the grant of a licence in respect of Down Under involved an authorisation of the infringement of the copyright in Kookaburra. The pleadings, openings and submissions of the parties disclosed the EMI parties' and Mr Hay's denial of any such proposition. Moreover, and as the trial judge said in his reasons of 17 March 2010 (at [33]-[34]), discovery by samples is not uncommon. It does not suggest that the issue remains for later determination. It is not the case that this approach to discovery was inconsistent with the position of the EMI parties and Mr Hay that the terms of any particular licence would be relevant to the authorisation question.

243 Larrikin's second contention is that, in any event, the trial judge erred in his approach to the question of authorisation. Larrikin's case was that the grant of licences by the EMI parties and Mr Hay in respect of Down Under involved a species of authorisation that has nothing to do with authorisation as considered in *University of New South Wales v Moorhouse* (1975) 133 CLR 1. The grant of a licence in respect of Down Under, said Larrikin, is an express grant. *Moorhouse*, however, involved authorisation by the University having the means of infringement (photocopiers) under its control – and making the means available to other persons knowing or suspecting the means might be used for the purpose of committing an infringement – and taking no steps to limit the use of the means to legitimate uses (per Gibbs J at 13), or authorisation by unqualified invitation to use the photocopiers (per Jacobs J at 23). The present case, submitted Larrikin, is different. The present case concerns an express grant of authority to reproduce Down Under (and thus, it said, also Kookaburra as it appears in Down Under). This is a kind of authorisation recognised long before *Moorhouse*. It was described by Gummow J in *WEA International Inc v Hanimex Corporation Limited* (1987) 17 FCR 274 at 285 as involving a situation where a defendant purports to “confer on a third party... a right or authority to perform activity which in truth would be, if carried out, an infringement of the plaintiff's copyright”. Authorisation by this conferral or express grant does not depend on the defendant's knowledge. *Moorhouse* expanded the concept of authorisation as explained by Gummow J at 286 so that express permission was no longer necessary, authorisation thereafter including acts or omissions involving sanctioning, approving or countenancing the infringement (in which Gibbs J alone described knowledge or at least a reasonable suspicion as a necessary element).

244 For these reasons Larrikin submitted that the trial judge was in error in determining its authorisation case on the basis of lack of satisfaction that the EMI parties and Mr Hay had knowledge that Down Under reproduced parts of Kookaburra from about 2002 and thus were not in a position to take any steps to prevent the infringement, as referred to in s 36(1A)(c) of the Copyright Act (at [320]-[322] of the 4 February 2010 reasons). According to Larrikin that was not the relevant inquiry and, even on the basis of *Moorhouse*, could not have been determinative of the question of authorisation. In the case of an express grant of permission to reproduce Down Under by licence the factors in s 36(1A), said Larrikin, are of limited, if any, weight (that is, power to prevent the act, nature of the relationship between the person and the person doing the act, and whether the person took any reasonable steps to prevent or avoid the doing of the act).

245 Larrikin submitted further that the trial judge's reasons on the authorisation case were inadequate (citing *Carlisle Homes Pty Ltd v Barrett Property Group Pty Ltd* [2009] FCAFC 31 at [45]). Although the trial judge was not bound by the way in which the case was put by the parties, Larrikin said the reasons in [318]-[322] (where authorisation is dealt with) do not address the parties' contentions about the issue. On the approach of both parties *Moorhouse* was of little, if any, relevance because the case was one involving the express grant of licences.

246 The EMI parties and Mr Hay answered this submission of error and inadequate reasons in two ways.

247 First, the EMI parties and Mr Hay said (consistent with their position before the trial judge) that it was wrong of Larrikin to assume that the mere grant of a licence to a third party in respect of Down Under would inevitably lead to a conclusion of authorisation. The principle referred to in *WEA International v Hanimex* involved permission to perform an activity which, if carried out, would necessarily involve a copyright infringement. To determine that issue the terms of the licences would need to be examined. This may be so but it is not an answer to Larrikin's case that the trial judge erred in the two ways identified.

248 Second, the EMI parties and Mr Hay said that Larrikin's allegations of error and inadequate reasons should not be accepted in circumstances where Larrikin's case on authorisation remained as scant as it had been before the primary judge. Sample licences were in evidence yet, apart from the Qantas licence, Larrikin's case was "devoid of any specificity of argument

as to the terms of individual licences or how they might amount to authorisation”. According to the EMI parties and Mr Hay, in these circumstances, the brevity of the trial judge’s reasons was commensurate with the cursory treatment Larrikin gave to the question of authorisation, choosing not to descend into the detail of any of the licences in evidence. Further, according to the EMI parties and Mr Hay, given that Larrikin had not established authorisation by reference to the actual terms of any licence, it was not an error by the trial judge to deal with the question of authorisation by reference to the broader principles of *Moorhouse* and recognise that the considerations in s 36(1A) are mandatory.

249 It is true that Larrikin’s case on the grant of the licences lacked detail. Nevertheless, Larrikin’s case was to the effect that the grant of a licence by the EMI parties to reproduce Down Under necessarily involved authorisation of the kind referred to in *WEA International v Hanimex*. The EMI parties and Mr Hay’s case was that it could not be assumed that a licence to reproduce Down Under would involve any infringement of copyright in Kookaburra. For example, Down Under appears in many forms not involving Kookaburra. As composed by Mr Hay and Mr Strykert no part of Kookaburra appeared in Down Under. The terms of the licence would determine the subject matter and scope of the licence.

250 Whatever might be said of the cursory nature of Larrikin’s case on authorisation by the grant of licences, the trial judge’s reasons at [318]-[322] do not deal with the parties’ respective contentions. While the trial judge was correct to note that the considerations in s 36(1A) of the Copyright Act are mandatory, those considerations, in the context of the case as put (albeit in an abbreviated form by Larrikin), are to be assessed in light of the competing arguments about the licences themselves. Whether it be characterised as an error of principle (in that the trial judge has not considered the s 36(1A) matters in the actual factual context of the express grant of licences) or as inadequate reasons (in that the trial judge has not dealt with the issues of substance the parties raised, even if in an attenuated form, on the question of authorisation), this aspect of Larrikin’s cross-appeal must be allowed. However, this does not extend to the licence in respect of the Qantas advertisements. Given the trial judge’s conclusion that the Qantas advertisements did not involve a reproduction of a substantial part of Kookaburra it is not necessary to deal with the question of authorisation by the grant of the licence by the EMI parties to Qantas. The trial judge’s finding against Larrikin on the Qantas advertisements stands.

251 The three remaining aspects of Larrikin's cross-appeal may be dealt with briefly. The liability of the EMI parties under ss 36 and 115 of the Copyright Act in respect of damages and an account of profits turns on the question of authorisation. The authorisation case (other than in respect of the licence to Qantas) must be remitted to the trial judge. So too the trial judge's refusal to order injunctions against the EMI parties depends on the authorisation case. Larrikin's complaint against the trial judge's reservation of all issues of costs (order 7 of the orders of 17 March 2010) is misconceived. Costs have merely been reserved. Deferring the resolution of costs was a matter within the trial judge's discretion. No error of principle has been (or could be) pointed to in respect of that exercise of discretion.

252 The other point which should be noted is that in his reasons of 17 March 2010 the trial judge rejected Larrikin's application for further discovery about the licences and a further hearing on that issue. The trial judge explained his reasons for so doing. Nothing in Larrikin's case exposes any error of principle in the trial judge's decision to decline to order further discovery. The trial judge provided cogent reasons for his conclusion that no further discovery should be ordered. The rejection of Larrikin's application for further discovery was a matter quintessentially within the trial judge's discretion involving an issue of practice and procedure and going to the heart of the trial judge's management of the case. There is no basis for inferring that the rejection of the application was wrong in principle or unjust. Accordingly, insofar as Larrikin sought to challenge that exercise of discretion, its case must be rejected. On the other hand, the EMI parties said that if the trial judge erred on the question of authorisation the orders remitting that aspect of the matter to the trial judge should be framed so as to preserve the trial judge's rejection of Larrikin's application for further discovery. The conclusion to which these competing submissions give rise is that the continuing management of the matter is for the trial judge to determine.

253 Orders should be made dismissing the appeals and allowing the cross-appeal to the extent only of setting aside the order made on 23 August 2010 that proceeding No NSD 145 of 2008 be otherwise dismissed with a consequential order remitting to the trial judge the question of authorisation as pleaded in paragraphs 48 to 51 of the second further amended statement of claim in proceeding No NSD 145 of 2008. The question of authorisation in respect of the Qantas advertisements does not arise given the conclusions above. No other limit on the extent of the order for remittal is, however, appropriate. The EMI parties should pay the costs of the appeals. Costs of the cross-appeal may be argued.

NICHOLAS J:

254 I have had the advantage of reading the draft reasons for judgment of Jagot J. I agree with the orders proposed by her Honour and with her Honour's reasons. I wish to add some observations of my own in relation to the following matters.

The role of the appellate court

255 In defending the primary judge's findings that the 1979 and 1981 recordings of Down Under reproduce a substantial part of the musical work Kookaburra, Larrikin relied upon the decision of the Full Court in *Metricon Homes Pty Ltd v Barrett Property Group Pty Limited* (2008) 248 ALR 364 where the Full Court referred with approval to the reasons of Weinberg J in *Eagle Homes Pty Limited v Austec Homes Pty Ltd* (1999) 87 FCR 415 at [119] including a statement by his Honour which in the words of the Full Court at [20]:

... characterised the questions of whether or not a particular drawing reproduces another drawing, or a substantial part of another drawing, as questions involving matters of impression and degree with the consequence that an appeal court would not depart from the finding of a primary judge without being persuaded that it was erroneous in principle, or plainly and obviously wrong ...

256 That statement was referred to with approval by a Full Court in *Vawdrey Australia Pty Ltd v Krueger Transport Equipment Pty Ltd* (2009) 261 ALR 269 at [43] per Moore and Bennett JJ and at [77] per Lindgren J. However, the point does not appear to have been fully argued in any of the cases.

257 Larrikin argued that these statements of principle should be applied in the circumstances of the appeal against the relevant findings of reproduction of a substantial part which, Larrikin argued, were not affected by any error of principle. It is fair to say that the EMI parties did not contest that the approach argued for by Larrikin was correct. Rather, they argued that the relevant findings were affected by errors of principle which justified this Court setting them aside.

258 It cannot be doubted that the question whether the 1979 recording and the 1981 recording of Down Under reproduced a substantial part of Kookaburra was a matter in relation to which the views of the primary judge must be given particular respect and weight unless they are shown to have been affected by some error of principle: see *SW Hart & Co Ltd v Edwards Hot Water Systems* (1985) 159 CLR 466 at 478 per Gibbs CJ. It is against that background that an

appellant seeking to set aside a primary judge's decision based upon a view of matters involving questions of impression and degree must persuade an appellate court that such a view is wrong. The appellant may do this by attempting to demonstrate, as the EMI parties sought to do here, that the primary judge's decision on the relevant question was affected by an error of principle. But if the appellant cannot establish that the primary judge's decision was affected by any such error, the decision in *Metricon* suggests that an appellant may only succeed if the view taken by the primary judge is shown to be "plainly and obviously wrong": cf *Warren v Coombes* (1979) 142 CLR 531 at 522.

259 I think this may be going too far. It is one thing to say that an appellate court must give "particular weight" or full weight to the primary judge's evaluation upon such an issue where no question of principle is involved. But it is quite another thing to say that the appellate court may differ from the primary judge on such an issue only if it is satisfied that the decision under appeal is plainly and obviously wrong. How much weight the primary judge's evaluation must be given depends upon the nature and extent of the perceived advantages enjoyed by the trial judge. Those advantages are by no means uniform in every case.

260 In *Branir v Owston Nominees (No 2)* (2001) 117 FCR 424 Allsop J (with whom Drummond and Mansfield JJ agreed) referred with approval to the observation of Hill J in *Commissioner of Taxation v Chubb Australia Ltd* (1995) 56 FCR 557 at 573 that the notion of "giving full weight" to the view appealed from should not be taken too far: see also *S & I Publishing Pty Ltd v Australian Surf Life Saver Pty Ltd* (1998) 88 FCR 354 at 359-360 (Hill, RD Nicholson and Emmett JJ). Allsop J stopped short of holding that there must be a demonstration of "plain and obvious" error before an appellate court could conclude that a decision based upon a view involving questions of impression and degree should be set aside. His Honour said (at [29]) that "a sufficiently clear difference of opinion" may require that the primary judge's decision be set aside but that the question of how extensive the difference of opinion must be before an appellate court intervenes will depend upon the extent of the perceived advantages enjoyed by a trial judge in any given case.

261 So far as my decision in the present case is concerned, nothing turns on whether the *Metricon* or some less stringent approach to appellate intervention in matters of this kind is adopted. Not only am I not persuaded that the primary judge's findings that the relevant recordings of Down Under reproduce a substantial part of Kookaburra was affected by error, I am also not

persuaded that those findings were in themselves wrong. The same is true of the findings to the opposite effect which were made by the primary judge in relation to the Qantas advertisements.

The issue of substantiality

262 The EMI parties placed considerable reliance on what they said was the failure of the primary judge “to consider what constituted Kookaburra as an original musical work and to attend to such originality in assessing the use that was made in the relevant recordings of Down Under.” They further submitted that on the evidence before his Honour “the only originality lay in the writing of Kookaburra as a round.” They drew attention to what was said to be a lack of evidence as to the degree of skill involved in the composition except that it involved skill in writing it as a round. Dr Ford’s evidence was that this is a “tricky and rather amusing business” because all the phrases have to fit on top of each other. It followed, so the submission went, that since the two bars of Kookaburra which the primary judge found to be a substantial part were not shown to possess any separate originality, his Honour’s finding that they amounted to a substantial part could not be sustained.

263 The submission wrongly assumes that the originality of the work in suit depended upon it being in the nature of a round. I do not doubt that skill and effort went into writing the music and lyrics for Kookaburra so that they could be performed as a round. Equally, however, I do not doubt that Miss Sinclair’s musical work is original irrespective of whether it was composed by her as a round. Provided that the musical work originated with Miss Sinclair, in the sense that it was the product of her own independent intellectual effort, then the statutory requirement that the work be original is satisfied.

264 It is not necessary for the owner of copyright in a work to prove that a part of his or her work which has been copied would be protected as an original work in its own right before it can be held to constitute a substantial part. In *Baigent v Random House Group Ltd* (2007) 72 IPR 195 Mummery LJ at [132] described this proposition as being “fundamental to the proper conduct of copyright litigation.” His Lordship said:

... on the issue of infringement, it is wrong to take the parts of the original copyright work that have been copied in the alleged infringing work, to isolate them from the whole original copyright work and then to conclude that ‘a substantial part’ of the original copyright work has not been copied because there was no copyright in the copied parts on their own”.

In deciding whether a part of a work which has been copied is a substantial part of a work it is sometimes convenient to ask whether the part would be protected as a work in its own right. But this is merely a convenient shortcut and it will not always lead to the correct result: *Ladbroke (Football) Ltd v William Hill (Football) Ltd* [1964] 1 WLR 273 at 277 per Lord Reid.

265 The question whether a part of a work is a substantial part is to be determined by a consideration of its quality. In assessing the quality of the part of the work in issue it may be necessary to consider whether the part was copied from another source or whether it is commonplace. This is because the reproduction of a part of a work which does not originate with the author will not be a substantial part of the work: *IceTV Pty Ltd v Nine Network Australia Pty Ltd* (2009) 239 CLR 458 at [37] per French CJ, Crennan and Kiefel JJ citing *Ladbroke* at 293 per Lord Pearce. Thus, if it was found that the first two bars of Kookaburra were borrowed by Miss Sinclair from another source or that they were no more than commonplace musical phrases then this would have supported the conclusion that the two bars did not amount to a substantial part of the work.

266 As the primary judge found, Kookaburra is a relatively short piece consisting of only four bars. It was so described and analysed by both experts, Dr Ford and Mr Armiger. Dr Ford's evidence was that the first two bars of Kookaburra is the part of the melody that "sticks in your head". And Mr Armiger agreed that if he heard the first two bars of Kookaburra, he would pick the tune immediately. It seems to me that their evidence indicates that the first two bars represent an important part of the work. That is hardly surprising given the relationship that these two bars have to the work as a whole. They are the first to be heard in any performance of the work and they make up a relatively large portion of what is a short but distinctive piece of music.

267 While both experts appear to have accepted that Kookaburra is a relatively simple work, none suggested that any part of it lacked originality in the relevant sense. There was certainly no suggestion from either expert that any part of the composition had been borrowed by Miss Sinclair from any other source or that any of the musical phrases that make up the work was commonplace. The part of the work which the primary judge found to have been reproduced in the 1979 and 1981 recordings of Down Under was that part of the melody of Kookaburra which appears in the first two bars of the work. I think the evidence of the experts supported the view of the primary judge that this constitutes a substantial part of the work.

268 Except in relation to the issue of authorisation, I am not persuaded that the primary judge erred in any relevant respect whether in relation to the 1979 and 1981 recordings of Down Under or the Qantas advertisements. On the issue of authorisation I agree with what Jagot J has written. The matter will need to go back to the primary judge on that issue. As to further discovery, I also wish to emphasise that this is a question for his Honour to determine in the exercise of his discretion. The history of the proceedings as recounted by his Honour in his reasons for judgment delivered on 17 March 2010 is of obvious relevance to that question.

SCHEDULE 1

Kookaburra as Originally Published

KOOKABURRA
Round in 4 Parts. M. Sinclair

The image shows a musical score for the song 'Kookaburra' by M. Sinclair. It is a round in 4 parts, written in 3/4 time. The score consists of five staves of music. The lyrics are: 'Koo...ka...bur...ra sits on an old gum tree--', 'Mer...ry mer...ry king of the Bush is he---', 'Laugh koo-ka-bur-ra Laugh, Koo-ka-bur-ra', and 'Gay your life must be.' The music is written in treble clef with a key signature of one flat (B-flat). The lyrics are written below the notes, with some words in italics. The score is divided into two measures by a vertical line.

Koo...ka...bur...ra sits on an old gum tree--

Mer...ry mer...ry king of the Bush is he---

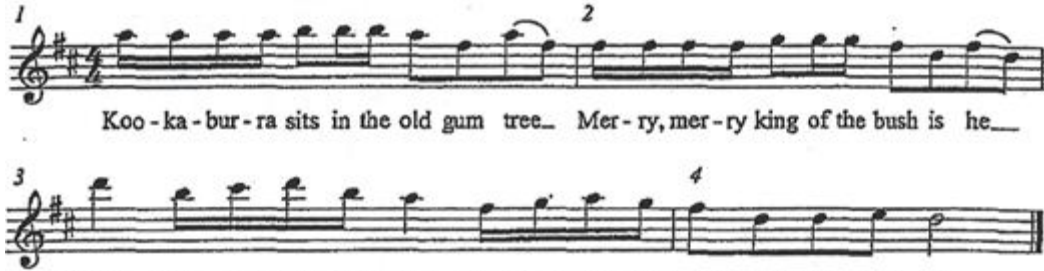
Laugh koo-ka-bur-ra Laugh, Koo-ka-bur-ra

Gay your life must be.

SCHEDULE 2

Dr Ford's Transcription of Kookaburra

Example A: 'Kookaburra Sits' undotted melody



The image shows a musical transcription of the 'Kookaburra Sits' melody. It consists of two staves of music in G major (one sharp) and 2/4 time. The first staff contains the first two phrases of the melody, marked with '1' and '2'. The second staff contains the next two phrases, marked with '3' and '4'. The lyrics are written below the notes.

1 Koo - ka - bur - ra sits in the old gum tree... Mer - ry, mer - ry king of the bush is he...

2

3 Laugh, koo - ka - bur - ra, laugh, koo - ka - bur - ra, Gay your life must be.

4

SCHEDULE 3

Kookaburra Notated as a Round

Kookaburra Sits in the Old Gum Tree

Muska Sachib

The image displays a musical score for the piece 'Kookaburra Sits in the Old Gum Tree' by Muska Sachib. The score is written for four voices, labeled 'voice 1', 'voice 2', 'voice 3', and 'voice 4' on the left side of the staves. The music is in a 3/4 time signature and features a complex, rhythmic melody with many sixteenth and thirty-second notes. A yellow vertical highlight is placed over the first two measures of the score, covering all four voices. Below the first staff, there are several rhythmic symbols: a vertical line with a flag, followed by a vertical line with a flag and a horizontal line, then a vertical line with a flag and a horizontal line, and finally a vertical line with a flag and a horizontal line. The score continues with multiple systems of staves, each system containing four staves for the voices. The music concludes with a final cadence.