

C.A. 360/83**STRUSKI LTD. AND YEHOASHUA STRUSKI****v.****WHITMAN ICE CREAM AND****NAHARIYA STRAUSS DAIRY LTD.**

In the High Court sitting as a Court of Civil Appeal

[September 8, 1985]

*Before: Shamgar P., Netanyahu J. and Goldberg J.**Copyright and Patents*

The Respondents, ice cream manufacturers, ordered signs from the Appellants, graphic artists, for commercial use in their business. The Respondents requested that the signs incorporate the name of the firm and a flower, which the Respondents had previously used. It was further agreed that the signs would contain stripes, which the Appellants had inserted in advertising designed by them for other clients. The Appellants designed the signs whilst employing these elements. The name of the firm was formed with characters of the same design previously used by the Respondents on packages of ice cream manufactured by them. These packages were not shown to the Appellants at the time the signs were ordered, but the ice cream in those packages was freely sold on the market. A verbal agreement was made between the parties, fixing a price for each sign to be installed by the Appellants based upon the model designed by them, to which the Respondents consented, under consultation. According to the agreement, the Appellants made signs for the Respondents, and the Respondents paid a price for them which varied - depending on the size, shape and date of delivery of the signs - but all based upon the same design.

Following a change in the ownership of Respondent 1, the Respondents severed their ties with the Appellants and ordered signs based on the same model, with certain changes, from a different company. The Appellants filed a claim with the District Court on the grounds of infringement of copyright. The District Court found that the sign designed by the Appellants is an "original artistic work" entitled to protection pursuant to the Copyright Law of 1911, but rejected the claim on the grounds that the sign is an "engraving" within the context of section 5(1) (a) of the aforementioned Law, and therefore the

Respondents, following whose order the signs had been made for consideration, were the owners of the copyright therein, in the absence of any agreement for consideration to the contrary.

Thus the appeal to the High Court.

The High Court found:

- A. (1) The protection of copyright is not given to an abstract idea but to the tangible expression of an idea. This expression must be original, not in the sense of the expression of a novel or innovative idea or invention, but in that the work must not be copied from another work, and its source must be its creator or author.
- (2) For a work to be granted protection it must be the fruit of effort, talent and investment, be it of the slightest degree, so long as it suffices to make it different in nature from the materials from which it was made. Any discernible change from a previous work will suffice, provided that the change is the fruit of the creator's own work.
- (3) The mere simplicity of a work will not deny it the protection of copyright, unless it is extreme, such as a simple straight line or circle.
- (4) In order to test whether a work is entitled to protection, it should be viewed in its entirety, as a single entity.
- (5) The effort and talent involved in collecting, arranging and editing an existing article may suffice for the protection of copyright to be granted.
- B. (1) The concepts "artistic work" and "literary work" do not, in the context of the Copyright Law, mean the common concept of a work of standard and value. For a work to be deemed to be an artistic or literary work, it is sufficient that it appeals to the taste of a certain sector of the public.
- (2) If a work is to a certain extent the fruit of the artist's talent and labours, that suffices for it to be an "artistic" work.
- (3) Practical art is also art, and a work intended for commercial use or for advertising is also entitled to protection.
- (4) In our case, the sign is an original work and is entitled to protection. Although there was no innovation or originality in its elements, it suffices that the Appellants laboured and applied their professional talents to combine the elements into a new work of their own, originating with them and not a copy of another work.
- C. (1) The text of an advertisement may be deemed to be a literary work, if it is a work entitled to protection, whilst the pictorial or graphic portion of the same advertisement may be deemed to be an artistic work. The same applies to prints, labels, maps and cartoons containing pictures and text.

- (2) For a work to be entitled to protection as a "literary work," it must give written expression to an idea, however poor, and requires originality and a modicum of effort and talent.
 - (3) In our case, the letters in the text of the sign are not the work of the Appellants; the name is an existing, given fact and involves neither originality nor creativity, nor is it the expression of an idea in text as written material. It is a part of the graphic design, but has no independent function as written material.
- D.
- (1) The inclusion of maps, sketches and plans which are devoid of written text in the definition of "literary work" in section 35(1) of the Copyright Law is an anomaly, by virtue of which the finding that an architectural plan or series of printed electrical circuits is a "literary work" is inevitable.
 - (2) The said anomaly should not be widened beyond that required by the definition, and the sign in our case should therefore be deemed an "artistic work" and not a "literary work."
- E.
- (1) The Hebrew translation of the term "engraving" in section 35(1) of the Copyright Law is unsatisfactory. Instead of "tattoo" one should read there metal etchings, and in place of "etchings"- prints.
 - (2) The Hebrew translation of section 5(1)(a) of the aforementioned Law is also unsatisfactory. When it mentions "other original copy," what is meant is any other original, from which or by means of which copies are produced, whereas when it mentions "cliche" what is meant is a plate, *i.e.*, the subject involved is copying, duplication or reproduction in a process enabling mass production from a mould or plate or other device of any other kind made for that purpose.
 - (3) In our case, the signs, which were ordered from the Appellants based upon the model they designed, were not copied, duplicated or reproduced in any such process, but each of them was created a new, independently and separately, in different sizes and with different dimensions, although based upon the design and according to the model of the first sign which served as a prototype.
- F.
- (1) The common denomination of the various terms mentioned in the definition of "engravings" in section 35(1) of the Copyright Law is that what is involved is works which are the result of a mechanical process using a plate.
 - (2) The meaning of "engravings" in section 5(1) of the Copyright Law should be restricted to manufacturing processes enabling mass reproduction by mechanical, chemical or other processes, be the technique employed as it may. The requirements that the process be made by way of etching or cutting need not be strictly adhered to. A technique involving a mould, negative or any other means, as the innovations of advanced modern technology permit, is sufficient.

- (3) There is no logic or reason in the distinction whereby the same work may or may not be an "engraving," depending on the subjective intention of its creator.
- G. (1) The rights of an orderer for consideration of a plate which by its very nature is intended for the mass production of copies are in the copies. The plate itself generally remains in the possession of the creator, but the copyright therein should not remain in his possession as well, otherwise the orderer's commercial aims will be defeated and his order, for which he paid consideration, will be voided of content.
- (2) Section 5(1)(a) of the Copyright Law applies not only to engravings but also to photographs and "images" (pictures). The logic and reason in its interpretation with regard to the engravings are equally applicable to the source, *i.e.*, the negative, of the photograph, whereas in so far as an image is concerned, although its source was not intended for mass production of copies by mechanical, chemical or other means, it is nevertheless mentioned in the aforementioned section in the same breath as "engraving" and "photograph," because in that case there is also an implied intention in the order that the subject of the order - the personal or family picture - would not be distributed in public by its creator, thereby violating the orderer's rights (in this case the right to privacy).
- (3) In our case, the sign may well have been a prototype for the preparation of other similar signs of different sizes of various dimensions, but by its very nature it was not intended for use as a means of mass production of copies by any means of production, and it is therefore neither an "engraving" nor a "photograph" or "image," and accordingly the model of the sign does not come within the ambit of the provision of section 5(1)(a) and the copyright in it therefore belongs to the Appellants and not the Respondents.
- H. (1) For a design to be registerable, it must be attached to an object intended for an independent purpose.
- (2) In our case, the graphic design is itself the purpose, namely, to attract the eyes of passers-by. The sign was intended only to carry the graphic picture upon it. It is secondary to the picture and has no independent use.
- I. (1) The inclusion of signs and advertising media in the Third Schedule of the Designs Regulations is not sufficient to justify their registerability as designs. For that purpose, it is necessary that they be attached or adhered to another item which is in itself registerable, and that the definition of "design" in the Patents and Designs Ordinance be satisfied.
- (2) Even if the sign is registerable as a design, that in itself does not suffice to exempt it from the applicability of the Copyright Law. It must in addition be used or intended for use as a model or design duplicated in an industrial process.

- (3) In our case, the sign does not comply with any of the criteria specified in Regulation 72 of the Designs Ordinance, which pursuant to section 22(2) of the Copyright Law specifies the conditions under which a model will be deemed to be a model or design used for duplication in an industrial process.
- J. (1) The less originality and intellectual effort in the work, the more precise must be the copy for it to constitute an infringement of the copyright.
- (2) In our case, the originality and effort in the sign are minimal, while on the other hand the copy is almost an exact copy, and accordingly it is sufficient to constitute infringement.

High Court Judgments cited:

- [1] *C.A. 136/71 State of Israel v. Achiman*, P.D. 26(2) 259.
- [2] *C.A. 606/76 CBL Fiberglass Engineering Ltd. et al. v. Lishek*, P.D. 31(3) 333.

District Court Judgments cited:

- [3] *C. F (T.A.) 557/79 Kotlitzki et al. v. Akalay et al.*, P.M. 5742 (1) 387.
- [4] *C.F (T.A.) 248/48 Gafco Ltd. v. Aharoni*, P.M. 17(400) 103.

English cases cited:

- [5] *University of London Press, Limited v. University Tutorial Press, Limited* (1916) 2 Ch. 601.
- [6] *Macmillan and Co. Limited v. Cooper* (1923) 40 T.L.R. 186.
- [7] *Ladbroke (Football) Ltd. v. William Hall (Football) Ltd.* (1964) 1 W.L.R. 273 (H.L.).
- [8] *James Arnold & Co. Ltd. v. Miaferm Ltd. et al.* (1980) R.P.C. 397.
- [9] *Banco de Portugal v. Waterlow & Sons Ltd.* (1931) 145 L.T. 362 (C.A.).
- [10] *Charles Walker & Co. Ltd. v. The British Picker Co. Ltd.* (1961) R.P.C. 57.
- [11] *Gambart v. Ball* (1863) 143 E.R. 463 (C.P.).
- [12] *Kenrick & Co. v. Lawrence & Co.* (1890) 25 Q.B. 99.

American Judgments cited:

- [13] *Emerson v. Davies* 8 Fed. Cas. 615 (1845).
- [14] *Lithographic Co. v. Sarony* 111 U.S. 53 (1884).
- [15] *Higgins v. Keufel* 140 U.S. 428 (1891).
- [16] *Alfred Bell & Co. v. Catalda Fine Arts* 191 F (2d) 99 (1951).

[17] *Bleistein v. Donaldson Lithographing Co.* 188 U.S. 239 (1903).

[18] *Gelles-Widmer Company v. Milton Bradley Company* 313 F (2d) 143 (1963).

[19] *Mazer v. Stein* 74 S. Ct. 460 (1954).

[20] *Drop Dead Co. v. S.C. Johnson & Son, Inc.* 326 F (2d) 87 (1963).

Appeal against judgment of the Tel Aviv - Jaffa District Court (Judge H. Ben-Ito) of 3 May 1983 in C.F. 1454/79. Appeal allowed.

Y. Izur for the Appellants.

A. Levin for the Respondents.

JUDGMENT

NETANYAHU J.

1. The substance of this Appeal is a copyright, which the Appellants, graphic artists by profession, claim to have with respect to an advertising sign designed by them on behalf of the Respondents and which served as a prototype for the preparation of other similar signs, which the Appellants supplied to the Respondents pursuant to their order. The court of first instance (Honourable Judge H. Ben-Ito) found that the sign, which was designed by the Appellants, is an "original artistic work," entitled to protection pursuant to the English Copyright Law of 1911 (hereinafter: "the Law"), which is applicable in Israel by virtue of the Palestine Order of the Copyright Law (Applicability to Palestine), 1924. Nevertheless, the Court dismissed the Appellants' claim of infringement of copyright by the Respondents, for the reason that the sign is an "engraving" within the meaning of section 5(1)(a) of the Law; and according to the provisions of that section, the Appellants, pursuant to whose order the sign was prepared for consideration, are the owners of the copyright thereof, in the absence of any agreement to the contrary.

2. At the commencement of the hearing in the District Court, the representatives of the parties agreed upon the following facts:

- a. The Plaintiffs (the Appellants in this proceeding) are graphic artists, and the Defendants (the Respondents in this proceeding) ordered signs from them according to the Plaintiffs' design for commercial use in their business.
- b. The Defendants requested that the signs include the name of the firm, "Whitman," and a flower, which had been used by them previously.
- c. The Plaintiffs designed the signs which appear in Annex "A" to Motion 4290/79, and it is agreed that the design of the sign was made by the Plaintiffs whilst making use of the elements mentioned above, at the request of the Defendants.
- d. The Plaintiffs inserted in the advertisement stripes which they had designed previously for other customers, and it was agreed between them and the Defendants that the signs would also contain stripes.
- e. A verbal agreement was made between the parties, in which a price was fixed for each sign to be installed by the Plaintiffs on the basis of the sample designed by them and which received the approval of the Defendants, in consultation.
- f. According to this agreement, the Plaintiffs made signs for the Defendants and the Defendants paid for them a price which varied according to the size, form or date of supply of the sign - but all based upon the same model.
- g. At some stage, the Defendants abandoned the Plaintiffs after a change of ownership of the company of Defendant 1 and began to order signs such as this in Annex "B" to the aforementioned Motion from Defendant 3 (at that time, Defendant 3 was the new company, from which the signs were ordered, and which in the meantime has departed from the scene).

Notwithstanding certain changes made in the signs, use of the model which had been designed by the Plaintiffs, was made in general terms by the Defendants.

- h. Even before the Defendants approached the Plaintiffs, the Whitman Co. used letters of identical design as appear in the signs on ice cream cartons. These cartons were not shown to the Plaintiffs at the time the signs were ordered. It was not agreed expressly, but neither is it disputed by the parties, that the ice cream in those cartons was freely sold on the market.

The questions raised in the Appeal are as follows:

- a. Is the sign an original work, entitled to protection under the Law?

- b. If so, is it an "artistic work" or a "literary work"? The significance of this question lies in the fact that section 15(1)(a) of the Law applies to certain artistic works but does not apply to literary works.
- c. If the sign is an "artistic work," does it constitute an "engraving" within the meaning of section 5(1)(a)?
- d. If so, then was it agreed between the parties, either expressly or impliedly, that the copyright therein shall belong to the Appellants?
- e. Is the sign registerable as a design pursuant to the Patents and Designs Law (which in Israel replaced the English Law of 1907), in which case, as stated in section 22 of the Copyright Law, the Law will not be applicable to it, unless it falls within an exception to that section: if it does not serve as a sample for duplication in an industrial process?
- f. If the sign is protected as a work of art and is not an "engraving," did the Respondents infringe the Appellants' copyright?

3. The Sign as an Original Work

For some reason or another the requirement of originality was omitted from the official Hebrew translation of the Laws of Palestine, but it appears in section 1 of the English version of the Law, which is the determining version: "every original literary, dramatic, musical and artistic work...". Copyright is not granted for an abstract idea, but only for the tangible expression of an idea. Such expression must be original. However, the interpretation of the concept of "originality" both in English case law and in American case law is not the usual concept of novelty, exhibiting some form of innovation. The work does not have to be an expression of an original idea or invention. All that is necessary is that the work not be copied from another work, but that it originate from its creator, its author.

The leading English case in this matter, which was cited by the court of first instance, is *University of London Press, Limited v. University Tutorial Press, Limited*, (1916) [5], which states at pp. 608-609:

"But the Act does not require that the expression must be in an original novel form, but that the work must not be copied from another work - that it should originate from the author."

See also W. A. Copinger & E. P. Skone James, *On Copyright* (London, 12th ed., by E. P. Skone James and others, 1980) 37, 40-41 (hereinafter: "Copinger").

Nevertheless, it was decided by an authority in England that the work be the fruit of effort, talent and investment of the author, giving a character different from that of the materials from which it was crafted. The leading case is *Macmillan and Co., Limited v. Cooper* (1923) [6], following in the wake of the American case of *Emerson v. Davies* (1845) [13]. And what is the degree of effort, talent and investment necessary for this purpose? It is sufficient that they be present to the most modest degree. The mere simplicity of a work will not deny it copyright protection, unless it is extreme, such as a simple straight line or circle (see Copinger, at pp. 41-42, and the references there). In order to test whether a work is entitled to protection, it must be viewed in totality, as a complete work. Even if the author used something already in existence, the work will be protected if he invested in the work sufficient independent effort and talent of his own, which originated from himself. See *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd.* (1964) [7]. Thus, the effort and talent involved in collecting, arranging and editing something already in existence may suffice (see Copinger, at pp. 46-47. This was also judged to be the case in Israel-C.A. 136/ 71, [1], at p. 261, which was referred to in the learned Judge's judgment).

The state of affairs of American case law is similar. See M. B. Nimmer, *On Copyright* (New York 1963-1985), 275-279 (hereinafter: "Nimmer"). The degree of originality required there is modest. See, *Lithographic Co. v. Sarony* (1881) [14], at 58.

It is sufficient that the work displays "... a modicum of intellectual labor though of minimal degree" (Nimmer, at pp. 1-48. See also, *Higgins v. Keufel* (1891) [15]). Any discernible change from a previous work is sufficient, provided that the change is the result of the independent labour of the author. As stated in the case in the matter of *Alfred Bell & Co. v. Catalda Fine Arts* (1951) [16], at 108:

"Originality amounts to... little more than a prohibition of actual copying. No matter how poor the author's addition, it is enough if it be his own."

See also Nimmer, at pp. 2-11 to 2-12.

The words of Judge Holmes in the matter of *Bleistein v. Donaldson Lithographic Co.* (1903) [17] at 250, are right on target:

"Personality always contains something unique. It expresses its singularity even in handwriting, and a very modest grade of art has in it something irreducible which is man's alone. That something he may copyright, unless there is a restriction in the words of the Act."

The effort and talent involved in collecting, arranging and editing something already in existence could suffice in the U.S.A. as well.

See Nimmer, at p. 2-85, and *Gelles-Widmer Company v. Milton Bradley Company* (1963) [18]:

"... almost any ingenuity in selection, combination or expression, no matter how crude, humble or obvious, will be sufficient."

4. The Sign as a Work entitled to Protection

Just as the term "original" in terms of the Law does not express the every-day, normal concept according to which original means something innovative, neither do the terms "artistic work" and "literary work" express, in terms of the Law, the usual concept of a work of high standard and value. As regards "literary work," it was stated in the aforementioned case of *University of London Press Limited* [5], at 608, that:

"the words "literary work" cover work which is expressed in print or writing, irrespective of the question whether the quality or style is high. The word "literary" appears to be used in a sense somewhat similar to the use of the word "literature" in political or electioneering literature and refers to written or printed matter."

In other words, what we would define as "written material."

In the definition of artistic work in the English Copyright Law of 1956 (section 3(1)(9)), it was expressly stated that the artistic value of the work is of no importance:

"irrespective of artistic quality."

These words do not appear in the definition of the Law of 1911 which is applicable here, but it seems that the new definition did not make any innovation, but merely expressed the previous legal situation, as formulated in the case law (see Copinger, at pp. 48-49), according to which it was sufficient that an "artistic" work be to some extent the result of the talent and work of the artist. As stated by Judge Holmes in the aforementioned judgment in the matter of *Bleistein* [17], it would be dangerous if people expert only in the law were to take upon themselves the task of having the last word as to the artistic value of a painting. See also the American case in the matter of *Mazer v. Stein* (1954) [19], at 458:

"... individual perception of the beautiful is too varied a power to permit a narrow or rigid concept of art."

It is sufficient for a work to be considered artistic or literary if it is to the liking of a sector of the public, be they persons of refined, popular, hippy, *avant-garde* or *petit bourgeois*, old or young taste (see Nimmer, at p. 2-85).

Functional art also comes within the ambit of art, and a work intended for commercial or advertising use is also entitled to protection. See the aforementioned judgment in the matter of *Mazer* [19], and Nimmer, at pp. 2-118 to 2-120.

5. In view of these tests, the learned Judge was without a doubt correct in deciding that the sign is an original work that is entitled to protection. She is correct in her opinion that although the Appellants had used the name "Whitman" in their design (in characters of identical design to those previously used by the Respondents on their ice cream cartoons), the flower mark which was also previously used by the Respondents, and the stripes which they, the Appellants, had previously used - and there was no innovation or originality in any of these - it suffices that they laboured in applying their professional talents to combine all the components into a single, new work of their own, originating from themselves and not being a copy of any other work. That, in my opinion, is sufficient to reach the conclusion that the sign is an original work that is entitled to protection - even without resort to (in the language of the learned Judge) "the rough test", *i.e.*, the practical test mentioned in American case law, that if a work was found to be worthy of imitation and was copied, then it has a sufficient degree of originality (see judgment *Drop Dead Co. v. Johnson & Son, Inc.* (1963) [20]). This test is not always appropriate, particularly in a case involving advertising, where the motive for copying is not necessarily because the work is worthwhile imitating. The motive may be unfair competition on the part of an outsider or the desire of a client to continue with the same form of advertising for his products that has already attracted the public's attention.

6. Is the Sign an "Artistic Work" or a "Literary Work"?

Had the Appellants not wished to escape from the provisions of section 5(1)(a), which applies to an engraving, photograph or picture (each of which can be an "artistic work" but not a "literary work"), nobody would ever have imagined that an advertising sign is a literary work. It contains no writing, other than the word "Whitman" (which is an element of Respondent 2's name) in Hebrew and English.

Indeed, the text of an advertisement could be deemed a literary work, if it is a work entitled to protection, whilst the art or graphics portion of the same advertisement could be deemed an artistic work. The same applies to printed matter and labels, the same applies to maps (see Nimmer, at pp. 2-76, 2-114, 2-116, 2-118) and, as in the example given by the Respondents' representative in his Summation, the same applies to cartoons which contain pictures and text. However, for a work to be entitled to protection as a "literary work," it

must give verbal expression to an idea, however poor it might be, and must be original and involve some degree of effort and talent. All these, as was rightly found by the learned Judge, are not present in the text of the sign. The letters are not the work of the Appellant. The name itself is an existing, known datum. There is neither originality nor creativity, nor the expression of any idea whatsoever, in the text as written material. It constitutes part of the graphic design, but has no independent function as written material.

The Appellants' representative attempted to base his position on the basis of the definition of "literary work" in section 35(1) of the Law as "including maps, sketches, plans, tables and collections." On the basis of this definition, it was decided in C.A. 606/76 [2], at p. 335, that an architect designing a building can claim a copyright not only for "architectural craftsmanship," as defined in section 35(1), which protection covers things of artistic nature and design, but also as a "literary work," which according to the definition thereof in the aforesaid section includes "plans," on the basis of the conceptual content of the plan itself. Thus in C.F. (T.A.) 557/79 [3], it was also held that a series of printed electrical circuits for use in alarm systems is a "literary work" by virtue of its being "sketches and plans," which are included in the definition of such a work. C.F. (T.A.) 557/79 [3], it was also held that a series of printed electrical circuits for use in alarm systems is a "literary work" by virtue of its being "sketches and plans," which are included in the definition of such a work.

The inclusion of maps, sketches and plans which have no written text in the definition of "literary work" is *per se* anomalous, particularly since "drawings" are included in the definition of "artistic work." This situation was amended in the English Law of 1955. All of these were omitted from the definition of "literary work" and included in the definition of "artistic work" by way of the definition in section 48 of the term "drawing," which is included there in the definition of "artistic work" as a "diagram, map, chart or plan." Because of the definition prevailing in Israel, there is no way of avoiding the determination that an architectural plan or a series of printed electrical circuits are a "literary work." However, it would be completely inappropriate to extend the anomaly beyond that required by the definition. I therefore accept the learned Judge's finding that the sign "is not a literary work" but an "artistic work."

7. Is the Sign an "Engraving"?

Once we have determined that our case involves an "artistic work," the question arises whether this work is an "engraving" within the context of section 5(1)(a), in which case, unless otherwise agreed, the client, who for consideration ordered the plate or the other original, is the true owner of the copyright.

"Engravings," according to the definition thereof in section 35(1) of the Hebrew translation, "include tattoos, stone engravures, woodcuts, etchings and other similar works, with the exception of photographs" (my emphasis - S.N.).

And in the English original:

"... 'engravings' include etchings, lithographs, woodcuts, prints, and other similar works, not being photographs."

Photographs are included alongside "engravings" in section 5(1)(a). The Hebrew translation is far from satisfactory. The expression "*ktovet ka'aka*" ["tattoo"] is supposed to be a translation of "etchings," which are not "*ktovot ka'aka*" ["tattoos"] at all, but metal etchings. See the definition of the verb "etch" in the Concise Oxford Dictionary of Current English (Oxford, 4th ed. , by E. McIntosh, 1951), 407:

"reproduce... by engraving metal plate etc. by means of acids or corrosion...";

and a similar definition in the New Webster Encyclopaedic Dictionary of English Language (New York, edited by V. S. Thatcher and A. McQueen, 1971), 300.

The word "engrave," in our context, according to the Oxford Dictionary, *supra*, at p. 395, means

"cut (figures etc.) in lines on metal plate for printing";
and

"engraving," ("*pituach*" in the Hebrew translation) "... copy of picture etc. from engraved plate...."

(The definition in the Webster Dictionary, *supra*, at 289, is similar). "*Chikukim*" ["etchings"] are supposed to be a translation of "print," the correct translation of which is "*tadpis*." The translation of "other original copy" alongside plate in section 5(1)(a) is not an accurate translation of the English original "plate - or other original," which does not mean "other original copy," but any other original from which or by means of which copies are made.

In the definition of "engravings," there is a clear *ejusdem generis* common denominator of work which are the result of a mechanical process employing a "*cliche'a*" ("plate") (which we would have translated as "*glufa*") or some other means. "Plate" is defined in section 35(1) as including:

"... stereotype or other plate, stone, block, mould, matrix, transfer, or negative used or intended to be used for printing or reproducing copies of any work. . ."

We are thus given to understand that what is involved is a copy, duplication or reproduction ("reproduce"; see M. Shelly Dictionary of English-Hebrew Legal Terms (Dvir Microshor, 5742); see Alkalay, Complete English-Hebrew Dictionary (Massada 1970) and E. Even-Shushan, The New Dictionary (Kiryat Sefer) and see section 134 of the Criminal Code, 5737-1977) made by a process enabling mass production from a mould or plate or other device of any kind prepared for that purpose. Indeed the definition in section 35(1) is not an exhaustive definition, but this characteristic feature is clearly discernible in it.

There is no dispute that the signs, which were ordered from the Respondents on the basis of a model they designed, were not copied, duplicated or reproduced by any such process, but each of them was created anew, independently and separately, in different sizes

and with different dimensions, albeit on the basis of the design and according to the model of the first sign, which served as a prototype.

The learned Judge held that the process of manufacture by which a work is copied is of no significance. In her opinion, it suffices that there be an original model on the basis of which other identical or almost identical models are prepared. In setting forth the grounds for her opinion, she mentioned that a tattoo, for example, cannot be duplicated or copied by a manufacturing process. This may well be so, but I have already shown earlier that "*ktovet ka'aka*" ["tattoo"] is not the correct translation of "etchings," which are "*tachritim*," and these are made by a mechanical process, from a plate etched for that purpose.

Furthermore, the judgment in the case of *James Arnold & Co. Ltd v. Miaferm Ltd. et al.* (1980) [8], on which the learned Judge relied for the most part, does not support her conclusion. That case expressly involved a mechanical process of copying a drawing, from the paper on which it was drawn, on to pieces of fabric intended for use as scarves. The copies were made in a heating process by means of a rubber stereo. It was decided in the judgment that section 4(3) of the 1956 Law (which replaced section 5(1) of the 1911 Law) applies not only to the copy made by one of the processes which fit the definition of "engraving," but also to the plate or mould itself used to make the copy. (This problem arose there because the 1956 Law, as distinct from the 1911 Law, contains no definition of "plate." It appears that according to the definition in section 35(1) and according to the wording of section 5(1)(a) the problem does not arise in regard to the 1911 Law). It was further decided there that although the process was not an "engraving" process in the exact sense, which is made by cutting or etching metal, wood or some other material, the rubber device also came within the context of an "engraving." The following was stated *supra* in this regard and quoted by the learned Judge, which I quote in full:

"Then it is said that to be an engraving it must be made by the engraving process, something which is made by cutting into the metal or wood or other material. I do not consider the matter is so confined. The definition in section 48 is in the terms of particular works and does not direct attention to the process by which they achieve that form. It is also

significant that it was thought necessary to exclude photographs expressly. Evidently, the draughtsmen would think that they would otherwise be engravings or produced from engravings. The purpose of the act is to protect original artistic craftsmanship, it is not to limit it to one particular mode of expression rather than another. In these days of mass production, the picture or design is produced by a complex series of artifacts and I would regard the final one in the line which is used to mass produce a design as an engraving, even though of itself it may not, on the one hand, have sufficient originality, being mechanically and slavishly reproduced from earlier artifacts, or, on the other, if it is produced by moulding rather than cutting out. I have not found this at all an easy matter but my conclusion is rather the rubber stereos are engravings for the purposes of the act."

One may not conclude from these words that the manner of production of the copies is of no significance. The conclusion which may be drawn from the Judgment is that the technique used in the process is of no significance, and that no care need be taken to ensure that the process be made only by way of etching or cutting, as implied by the terms "etchings," "engravings," "lithograph" and "woodcuts," which are all processes of etching or cutting various materials (as shown by their definition in the Oxford and Webster Dictionaries). It is sufficient that it be a process by means of which a mass copy is produced by any technique whatsoever, and not necessarily by depressions in a plate created by etching or cutting. Techniques involving reliefs, negatives or a variety of other means as the innovations of advanced modern technology allow are sufficient. This is reconcilable with the definition of plate cited above. It is not to be found in the Judgment, which justifies the conclusion that the manner in which the copy was made is of no importance. If so, then even a hand drawing which is an exact imitation or copy of another drawing, will also be deemed to be an "engraving." An interpretation such as this would result in the absurd situation whereby any drawing, sculpture or work of art of which a copy can be made will be deemed to be "engravings." The test proposed by the Respondents' representative in response thereto is that a work intended by its creator in advance to be a painting is a painting, and work intended in advance to be a prototype or model for the production of

others like it is an "engraving." This distinction, that a work can either be an "engraving" or not an "engraving," all according to its creator's subjective intention, is devoid of any reason or logic.

Furthermore, the Judgment in C.F. (T.A.) 248/48 [4], upon which the learned Judge relies, involves a mechanical process of production of metal letters, for use by printers, from a form or mould. The same arises from that stated in the case of *Banco De Portugal v. Waterlow & Sons Ltd.* (1931) [9], at 363, which is also mentioned in the Judgment, which involved a mechanical process of printing banknotes. The same applies to another Judgment, which was mentioned by the learned Judge, in the case of *Charles Walker & Co. Ltd. v. The British Packer Co. Ltd.* (1961) [10]. The label which was the subject of the hearing in that case was created by means of a "block," which is included in the definition of "plate" in section 5(1)(a), which in the Hebrew version is translated as "matrix mould." Thus this also involves a mechanical process of copying from a mould. In this Judgment, we may find some interest in a different matter, which was already discussed earlier, that the label (a sketch of which appears in the Judgment), which consisted of both graphic drawings and words (more than the single word "Whitman" in our sign), was recognized there as an "artistic work," and nobody raised the argument that it is a "literary work." The provision of section 5(1)(a) applies to photographs as well. These are also copied in a mechanical process from a negative. Had "photograph" been mentioned separately in that section, it would no doubt have been capable of being included in the definition of "engraving."

In my opinion, the meaning of "engravings" in section 5(1)(a) should be limited to production processes enabling mass production, mechanical, chemical or other processes, be the technique as it may. Compare *Gambat v. Ball* (1863) [11], at 468. This limitation is, in my opinion, reconcilable with the legislative intent of section 5(1) as perceived on the basis of the general conception and purpose of the Copyright Law.

The various Copyright Laws were intended to protect someone who created an original work from competing imitators. In England, common law had already recognized in the early fifteenth century that an exclusive right should be granted to an original creator to copy and sell copies of his work for a specific period, *i.e.*, copyright, since should others be

permitted to do so, they would be stealing the fruits of his talent and labours (see Whitford Commission Report 1977, Ordinance 6732, Paragraphs 14, 23).

The Whitford Commission recommended that express legislation be enacted giving a creator a copyright on his works, subject to contractual provision, or in the absence thereof, statutory provision. Such statutory provision, as an exception from general copyright, is included in section 5(1) of 1911 and section 4(3) of 1956. Those are the current statutory provisions.

The question of what are the statutory provisions was also dealt with both by the Gregory Commission in 1952 (Ordinance 8662) and the Whitford Commission. In the latter, there were some differences of opinion as to this question. Some say that one who ordered a work which fell under the protection of the law should be granted the first copyright. On the other hand, others hold that the status of an orderer is prior to that of the creator if the former protects his rights in an express agreement; and in the absence of any contractual stipulation, he should not be granted any copyright whatsoever. A third approach - which adopts an approach between the two extremes - is that the orderer of a work should be granted a limited copyright to use the work only for the purpose for which it was ordered. The Commission unanimously recommended that in the absence of an agreement to the contrary, the copyright on a work will belong to the creator, subject to two limitations. One - that the one who ordered the work have an "exclusive licence" limited to the purposes which were the intentions of the parties at the time of the order. The second - that the creator have a right to prevent use for other purposes, against which he is entitled to raise reasonable objections. This recommendation was not adopted. See the Consultative Document submitted to Parliament by Commonwealth Secretary of Trade Mewley 1981 (Ordinance 3802), in which reservations are expressed on behalf of both the majority and minority opinions of the Whitford Commission, as well as a recommendation to leave the provision of section 4(3) of the 1956 Law unamended.

In my opinion, the idea behind this provision and the provision of section 5(1) of 1911, which is clearer, as arises from the aforementioned Judgment in the case of *James Arnold & Co. Ltd.* [8] (see above), is to make the order commercial in nature. The interest of a client,

who for consideration orders a plate which by its very nature is intended for the mass production of copies, is in the copies. The plate itself usually remains in the creator's possession. If the copyright were also to remain in his possession, what would the orderer have achieved? His commercial intent would be defeated and his order, for which he paid consideration, would be emptied of its content. I find corroboration of this opinion in the contents of Paragraph 11 of the aforementioned Consultative Document.

Section 5(1)(d) applies not only to engravings but also to photographs and to a "picture." The reasoning and the logic in interpreting it in regard to engravings apply equally to the order of the original, *i. e.*, the negative of a photograph.

My sole doubt arises with respect to the inclusion of "picture," the correct translation of which is "*dyukan*" ["image"] alongside engraving and photograph. All agree that the original of a picture was not intended for mass production in a mechanical, chemical or other process. The technique of production was also a matter of indifference. What is the logic in the apparently strange combination of picture with engraving or photograph? I found the answer in the aforementioned Consultative Document in paragraph 11, and in paragraph 561 of the Whitford Committee Report. The rationale is the personal privacy of the orderer. Someone ordering a private or family picture naturally does not want it to be distributed in public, and one should deem there to be an implied intention in the order that it not be done. The same applies to certain photographs, and "photograph" is therefore compatible with both the idea behind engravings and that behind pictures.

However, all these considerations, which are present in an order for a plate, photograph or picture, are not present in the order for the sign in question here, which in practice served as a prototype for the preparation of other similar signs of different sizes and dimensions. By its very nature, however, the sign was not intended for use as a means of mass production of copies in any manufacturing process or by any technical means.

In the United States, there is a different arrangement for conferring ownership of the works of creators on the orderer of the work, and nothing can be inferred therefrom

directly. The 1909 Law granted this right, with certain conditions and reservations, to the orderer of any work without restriction. The 1978 Law restricted it to certain types of works defined in a closed list, under certain conditions and other restrictions.

I found no logic in the Respondents' alternative argument that if the sign is not an "engraving," then it is a photograph or "picture."

My opinion, in sum, is that the model of the sign does not come within the ambit of the provision of section 5(1)(a). The copyright therefore belongs to the Appellants and not to the Respondents.

8. My conclusion that no "engravings" are involved makes it superfluous to discuss question (d) which I posed above as to whether it was expressly or impliedly agreed between the parties that the copyright would belong to the Appellants.

9. Is the Sign Registerable as a Design?

If so, then the provisions of section 22(1) of the Law and the exception thereto would be applicable. The learned Judge answered this question in the negative, on the grounds that for a design to be deemed to be a registerable design, it must be part of an item itself intended for a different purpose. There is no argument over this. See Copinger, at pp. 84-85, and the aforementioned C.F. (T.A.) 557/79 [3]. The argument is over the question of whether the sign, as determined by the learned Judge... "is not usable *per se* and has merely... its exterior appearance."

The claim by the representative of the Respondents that it is not the sign as a whole which is being tested for registerability as a design but it is the components printed thereon (the flower, the word "Whitman," the ice cream cone and the stripes) which are registerable. If I understand his intention properly, it is that these components are the design which is attached to the other body or article, which is the sign. According to the argument, the sign has a distinct use of its own when separate from all those components, such as the wallpaper with drawings on it, of which Copinger speaks (*ibid*). However, the two cases are

not analogous. The drawing was intended to decorate the paper, but the paper has an independent use of its own. It is intended for adhering to or covering the wall, whereas here the graphic design was not intended to cover the sign. The design itself is the purpose, to attract the eye of passers-by. The sign was intended only to bear the graphic drawing. It is secondary to the drawing and has no use of its own. It is far more comparable with the example given by Copinger later in the same extract, *ibid*:

"... it is submitted that a drawing or painting intended to be reproduced upon a Christmas card falls under the Copyright Act. Similarly with regard to an advertisement poster, for the object of a person in designing a poster is not to cover the boarding upon which it is to be posted, but to produce a picture which will attract the passer-by."

The classification in the Third Schedule of the Designs Regulations (type 20, sub-type 3: "... marks, signs and advertising media") does not support the Respondents' contention. It is not sufficient to justify their registration as patents, unless the third requirement - that they be attached or adhered to another independently usable article - is also satisfied, and unless the definition of "design" in the Patents and Designs Ordinance is satisfied. These articles may by their very nature also be attached to another independently usable article, and only then will they be registerable as designs.

However, even if the sign is registerable as a design, that in itself does not suffice to exempt it from the applicability of the Copyright Law. It must in addition thereto be used or be intended for use as a model or design for duplication in an industrial process. The Respondents' representative argued that the sign satisfies this requirement, but we have no proof to that effect. The only facts are these set forth with the consent of the parties. Nothing other than these were proven and one can in no way infer from them that the sign was used or intended for use for duplication in an industrial process. As implied in the Summations of the representatives of both parties, the opposite is the truth.

Moreover, the sign does not satisfy any of the requirements specified in Regulation 72 of the Designs Regulations, which according to section 22(2) of the Copyright Law

determine the conditions under which a model will be considered to be a model or design for duplication in an industrial process.

The conclusion is that the Copyright Law does indeed apply to the sign.

10. Was the Appellants' Copyright Infringed?

This question, which was raised by the Respondents' representative in his Summation, was not discussed by the court of first instance. The learned Judge merely mentioned - incidentally to the question of the originality of the components of the sign and the applicability of the "rough test" of whether it is worthwhile imitating (mentioned above) - that the Respondents, aware of the fact that they may have been infringing a copyright, took the trouble of making several changes in the signs they ordered elsewhere. These changes, as she found, "are so minor as to bring to mind children's puzzles in which they are asked to find the differences between two pictures which at first glance appear to be completely identical." Once this finding has been made, I need not deliberate further. It suffices to reach the determination that the Appellants' copyright was indeed infringed by the Respondents.

The Respondents' representative's contention is that when the originality and intellectual effort in a work are almost negligible - such as, in his opinion, in this sign - there will be no infringement unless an exact copy is made. He refers to that stated in the book by W. R. Cornish, *Intellectual Property: Patents, Copyright, Trade Marks and Allied Rights* (London, 1981) 351-352 and the Judgment in the case of *Kenrick & Co. v. Lawrence & Co.* (1890) [12].

I do not believe that this criterion is satisfied in the sign. A general rule based on an inverse ratio might be appropriate, since the less originality and intellectual effort in the work, the greater the precision required of a copy if it is to constitute infringement of the copyright therein. According to this equation, one might say that the originality and effort in the sign are modest, whilst on the other hand the copy is almost identical, which suffices for there to be an infringement.

11. Summary

I allow the appeal and refer the hearing back to the District Court, for a ruling on the reliefs requested by the Appellants. The Respondents, mutually, shall pay the Appellants their costs and advocates fees in this action and in the lower court, in the sum of 1,500,000 Shekels, linked and bearing interest as of today.

President M. Shamgar: I concur.

Judge A. Goldberg: I concur.

Decided as in judgment of Judge Nethanyahu.

Given this day, 22 Elul, 5745 (8 September 1985).