

When the force is not with you

Barrister Kevin Glover considers the issue of copyright in Stormtrooper costumes

The conventional justification given for copyright is that it encourages creativity and innovation. The law achieves this in a slightly indirect manner by granting time-limited monopoly rights on copying what might be called the by-products of creativity. Originally, the monopolies related only to written material, but gradually this extended to recognition of other forms of endeavour.

One of the difficulties with the law is that it affords monopoly rights to relatively mundane creations as well as literature and high art; there is little difference at law between a lawyer's letter and a New York Times best-seller, or an advertising jingle and a symphony.

There is one area where the law does attempt to separate the artistic wheat from the mundane chaff, however, and that is artistic works. While the term might conjure images of sculptures and etchings, the cases tend to feature items of a more utilitarian bent such as kiwifruit packaging, Frisbees, and toasted sandwich machines.

The most recent case to give detailed consideration to striking this balance is *Lucasfilm Limited and Ors v Ainsworth and Anor* [2011] UKSC 39.

Facts

Andrew Ainsworth is an industrial designer who spent five years working in the film industry as a prop maker in the late 1970s. One of the films he worked on during that period was the original Star Wars movie (now known as *Star Wars: A New Hope*), which was produced in England in 1976-77.

The film's director, George Lucas, conceived the film's storyline and characters. He sought assistance from others in developing the visual appearance of the Stormtrooper characters – Ralph McQuarrie (an artist), who produced drawings and paintings, Nick Pemberton, who turned these into three-dimensional models, and the defendant, Ainsworth. Ainsworth produced prototype vacuum-moulded helmets based on Pemberton's models, including modifications of his own initiative and feedback from Lucas. Ainsworth ultimately produced 50 Stormtrooper helmets which were used in the film.

In light of the commercial success of the Star Wars films, Lucas's company, Lucasfilm, developed a successful licensing business involving use of the characters. This included the sale of replica Stormtrooper helmets and armour.

Ainsworth retained the plastic vacuum moulds which he made for the film and, in 2004, he started producing replica Stormtrooper helmets and armour for sale to the public through his website, originalstormtrooper.com. Litigation ensued.

US proceedings

Lucasfilm and two related entities sued Ainsworth (who was resident in the United Kingdom) in the United States District Court. The action was successful and, in 2006, a default judgment was granted, under which Lucasfilm was awarded US\$20 million. This can be contrasted with Ainsworth's actual sales in the US, which were in the range of \$8,000 to \$30,000.

Because the US judgment had little practical effect on Ainsworth, Lucasfilm also commenced proceedings against him in the UK. Those proceedings contained conventional copyright infringement allegations. They also sought enforcement of the US judgment and sought remedies for Ainsworth's alleged infringement of Lucasfilm's rights under US copyright law.

Decisions of the lower courts

In the High Court, Justice Mann dismissed Lucasfilm's claims based on UK copyright law and held that the US judgment was unenforceable for want of personal jurisdiction over Ainsworth and his company.

The Court of Appeal confirmed the High Court decision in most respects, differing only in finding that the US claims were not justiciable in the UK.

Supreme Court decision

The issues for the Supreme Court were:

- whether the helmet was a sculpture; and
- whether US copyright claims were justiciable in the UK courts.

Meaning of "sculpture"

Before considering the Supreme Court's decision, it should be noted that Lucasfilm abandoned its contention that the helmets and armour were works of artistic craftsmanship in the Court of Appeal. Works of artistic craftsmanship is a subcategory of artistic works confined to items where there is some degree of artistic merit, which is a higher threshold.

The Supreme Court in *Lucasfilm* undertook detailed consideration of the meaning of the word "sculpture" as it appears in the UK statute, including its legislative history and consideration of case law from England (*Breville Europe Plc v Thorn EMI Domestic Appliances Ltd* [1995] FSR 77 and *Metix (UK) Ltd v G H Maughan (Plastics) Ltd* [1997] FSR 718), Australia (*Wildash v Klein* (2004) 61 IPR 324), and New Zealand (*Wham-O Manufacturing Co v Lincoln Industries Ltd* [1984] 1 NZLR 641).

Counsel for Lucasfilm contended that the helmet had no practical function at all and that it was a sculpture, because its purpose was wholly artistic.

The Court cited at [34] with approval Justice Laddie's comments in *Metix* on the meaning of "sculpture" (at 721 of *Metix*):

"The law has been bedevilled by attempts to widen out the field covered by the Copyright Acts. It is not possible to say with precision what is and what is not sculpture, but I think Mr Meade was close to the heart of the issue. He suggested that a sculpture is a three-dimensional work made by an artist's hand. It appears to me that there is no reason why the word 'sculpture' in the 1988 Act should be extended far beyond the meaning which that word has to ordinary members of the public."

The Court held that, in the case of *Star Wars*, the helmets were created as part of a production process of the making of a film. The movie was the principal artistic endeavour and the creation of the Stormtrooper helmets was incidental, with the Court observing that "the helmet was utilitarian in the sense that it was an element in the process of production of the film" (at [44]). As such, the helmets were not sculptures (and therefore not artistic works) for

the purposes of the *Copyright, Designs and Patents Act 1988* (UK), and could not be the subject of an action for copyright infringement.

Justiciability of US copyright claims

Overseas copyright can be enforced under domestic copyright law in most countries of the world. In New Zealand, for example, this is achieved through the combination of sections 2 and 19 of the *Copyright Act 1994* and the *Copyright (Application to Other Countries) Order 1995*.

In *Lucasfilm*, the Supreme Court needed to consider the separate question of whether the English Court could exercise jurisdiction in a claim against a person domiciled in that country for infringement of copyright committed outside the European Union in breach of the copyright law of that country. In this case, the allegation was that Ainsworth had infringed Lucasfilm's US copyright, and it wished to take an action for infringement of those under the US statute in England.

To some, it may seem odd that the Supreme Court bothered to consider whether the US copyright claims could be brought in England. The Court's decision, however, was that such claims were justiciable and it allowed the appeal on that ground.

The Supreme Court's decision on this issue is consistent with that of the New Zealand High Court in *Kabushiki Kaisha Sony Computer Entertainment v van Veen* (High Court, Wellington CIV-2004-485-1520, 14 December 2006, Justice MacKenzie). In that case, the High Court granted judgment against the first defendant on the basis of infringement of copyright under the New Zealand statute and also the UK's *Copyright, Designs and Patents Act* and the Hong Kong Copyright Ordinance.

Both cases considered the effect of *British South Africa Co v Companhia de Mocambique* [1893] AC 602 (HL), which limited the jurisdiction of the Court in relation to property situated overseas. That case had been applied in intellectual property cases in various common law countries, but the position in the UK and New Zealand is now that the case should be treated as being more confined.

Implications for New Zealand law

There are two main consequences of *Lucasfilm* for New Zealand law: the elaboration on the meaning of "sculpture" and the finding on justiciability.

In strict terms, the case is a limited precedent because New Zealand's copyright regime protects designs without the requirement for registration, a position which is quite different from most common law countries. Nevertheless, Justice Laddie's formulation of the meaning of "sculpture" in *Metix* may find its way into New Zealand law in light of the UK Supreme Court's observation (at [34] of *Lucasfilm*) that the formulation "seems to be the only suggested definition or near-definition that has not attracted adverse comment from any quarter".

One crucial difference between the copyright statutes in New Zealand and the UK is that "models" are expressly recognised as artistic works in this country. The terms "model" and "sculpture" tend to be used interchangeably in New Zealand to cover items of a functional or utilitarian nature, so it seems likely that the practical effect of the decision in this country will be quite limited (see, for example, *Beckmann v Maceys Confectionery Limited* (1995) 33 IPR

543 (CA)).

Finally, despite the hint of European law considerations, the decision is also an endorsement of the approach taken in the van Veen case. The precedent value of the New Zealand case has been slightly questionable since it was decided in the absence of the defendants (albeit that the first defendant had filed a statement of defence), but it seems likely that the New Zealand Courts will continue the trend towards a willingness to determine claims based on infringement of overseas copyright laws.

Kevin Glover practises in the area of commercial disputes. He has particular expertise in intellectual property including copyright, and is lecturing the “Copyright” LLM intensive at the University of Auckland from 21 to 27 September 2011. For full profile and contact details, go to www.shortlandchambers.co.nz.

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