

18 JANUARY 2021

## The Imperial Fight! *Lucasfilm v Ainsworth case*

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Lucasfilm Ltd is an American entertainment company with multiple mega-franchises such as Star Wars and Indiana Jones, which spun off billions of dollars worth of movies, animations and merchandise. It has gained a global reputation and fame as one of the leading movie production companies in the world.

Over the years, Lucasfilm had seen its fair share of battles over its intellectual property rights including the United Kingdom Supreme Court case of *Lucasfilm Ltd and Others v Ainsworth and Another*. This alert summarises the key findings in the *Lucasfilm* case including insights for copyright owners to observe when it comes to the enforcement of copyrights in foreign jurisdictions.



\*for illustration and educational purposes only

Subsequently, Ainsworth and the Second Defendant's company, which was operating in England, began producing replicas of the helmet for public sale in the United Kingdom. Some of the replica helmets were sold to buyers in the United States. Then, the Claimants sued the Defendants in the United States for breach of United States copyright and obtained a default judgment. Save for an unsuccessful challenge to the United States court's jurisdiction, the Defendants did not advance any other argument in respect

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of copyright infringement in the United States' action. Upon obtaining the judgment in the United States, the Claimants commenced proceedings in the United Kingdom which sought damages for infringement of copyright from the Defendants and enforcement of their United States judgment in the United Kingdom.

### **The High Court's Decision**

On the issue of infringement, the Court set out a number of factors for determining whether a three-dimensional object was a sculpture for the purposes of Section 4 of United Kingdom Copyright, Designs and Patents Act 1988 (Act) which would entitle the helmet for copyright protection under the UK's laws. Since the model of the helmet was primarily utilitarian in function, the model of the helmet was not a sculpture and, therefore, the Defendants had a defence to the claim under Section 51 of the Act, which permitted the copying of a design document or model for anything other than an artistic work.

On the issue of jurisdiction, the Court held that where the subsistence of a foreign copyright was not an issue, the English court could determine questions of its infringement if it were appropriate to do so.

### **The Court Of Appeal's Decision**

The Court of Appeal dismissed the Claimants' appeal against the decision of the High Court that the helmet was not a sculpture. However, the Court allowed the Defendants' cross-appeal, holding that the English court had no jurisdiction to entertain an action for the infringement of foreign intellectual property rights, including copyright, irrespective of whether issues of title or validity were involved.

### **The Supreme Court's Decision**

At the Supreme Court, it was held that the proper approach to construing the word "sculpture" under Section 4 of the Act is to give the word its ordinary meaning. Accordingly, it would not be within the ordinary meaning of the word to associate sculptures with the model of the Stormtrooper helmet

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supplied by Lucasfilm, however great the model's contribution to the artistic effect of the helmet as an end-product. Hence, the Defendants were entitled to a defence against the copyright infringement claim under Section 51 of the Act, which permitted the copying of a design document or model for anything other than an artistic work. In other words, the court held that the models of the Stormtrooper helmet supplied by Lucasfilm constituted a "design document or model", and not a "sculpture" under Section 4 of the Act.

The Supreme Court allowed the appeal in part and it reversed the Court of Appeal's decision in respect of jurisdiction. It also held that English courts have jurisdiction to entertain claims of infringement of foreign intellectual properties including copyright infringement judgements obtained from the United States.

## Commentary

The *Lucasfilm* case demonstrated the difficulties that may arise in the enforcement of copyrights in foreign jurisdictions, especially when courts in various jurisdictions may have multiple interpretations to questions of law peculiar to its own jurisdiction, as demonstrated by the definition of "sculpture" in the United Kingdom.

In Malaysia, Section 13A of the Copyright Act 1987 is *pari materia* with Section 51 of the Act which permitted, among others, copying or reproduction of design documents or models. Further, the definition of "artistic works" are similar in both the United Kingdom (Section 4 of the Act) and Malaysia (Section 3 of the Copyright Act 1987). However, the position appeared to be different in the United States where, amongst others, provisions in respect of reproduction of design documents or models are not present. The provision with the closest similarity appears to be Section 1302 of the US Copyright Act of 1976, where designs solely dictated by a utilitarian purpose is not entitled to copyright protection. Thus, the model of a Stormtrooper helmet could not be held as a "sculpture" under UK and Malaysian laws to be entitled to copyright protection, although the same Stormtrooper model may be entitled to copyright protection under United States' laws.

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Thus, it is crucial for copyright owners to take cognizance of issues that may arise throughout the lifespan of the copyright, including issues of use for commercial purposes involving the employer, the author or anyone who had contributed to the production of the said copyright. Further, it is important to ascertain the jurisdiction for enforcement of one's copyright as copyright laws may differ across different jurisdictions as demonstrated in the *Lucasfilm* case.

The key strategy is to have an airtight copyright ownership agreement between various stakeholders which outlined the rights, obligations and remedies available to parties in respect of the ownership, use, and enforcement of the copyright, amongst others. It would also be prudent to engage any registration mechanism available in each jurisdiction to register the ownership of copyrights on the public record. For example, a voluntary notification system is available in the Intellectual Property Corporation of Malaysia (MyIPO) where for a payment of a fee, applicants could apply for voluntary notification of their copyrights with the Registrar. Although such notification may not be a conclusive proof of ownership to the extent accorded to trademark and patent registrations, the notification would still be a useful document which is contemporaneous in nature to minimise further disputes in ownership and enforcement of copyrights in the future.

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