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## The Same, Only Different: The Status of the Abstraction – Filtration – Comparison Test in Ontario (*Delrina v. Triolet*)

The Ontario Court of Appeal's recent decision in *Delrina Corporation v. Triolet Systems Inc.*<sup>1</sup> raises a number of copyright issues that should cause both copyright practitioners and IT lawyers to take notice.

At issue in *Delrina* was an alleged infringement of copyright in computer software. The plaintiff (Delrina Corporation, who carries on business as Carolian Systems) used to employ one of the two defendants (Brian Duncombe). During his employment at Carolian in the mid-1980s, Duncombe was assigned to improve, and essentially rewrote, an existing Carolian program called Sysview, which permits an operator of a specific computer system to monitor the computer's efficiency. After leaving Carolian in 1985, Duncombe designed his own computer program (called Assess) to perform the same functions as Sysview and to compete with it.

In early 1987, Carolian commenced a copyright infringement proceeding and successfully moved for an interlocutory injunction against Duncombe and his company, Triolet. The trial came before O'Leary J. on February 12, 1993. He found that the defendants did not infringe Carolian's copyright in Sysview, and dismissed the action.

Faced with not only their loss on the issue of liability for copyright infringement, but also with millions of dollars worth of damages and costs, Carolian appealed. The main question that was considered by the Court of Appeal<sup>2</sup> was how to compare the two programs for the purpose of determining whether Assess infringed Carolian's copyright in Sysview.

The difficulties of using copyright law to protect computer software are well known to copyright practitioners. Although it may be easy to identify when the "literal" aspect of software (i.e. its source code) has been copied, this is rarely the situation facing the courts. In most cases, including *Delrina*, only a portion of the source code for the software programs in dispute is identical. Rather, the plaintiff is often alleging that the various "non-literal" components of the defendant's software (elements of the software that have not been reduced to writing, such as the program's structure) have been copied and therefore infringe the plaintiff's copyright in the software. The difficulty faced by a plaintiff attempting to sustain a claim for copyright infringement in the "non-literal" aspects of software is that, in many cases, the nature and form of the "non-literal" elements are dictated by the software's functionality; often, there may be only one or two ways to design a software program to accomplish a certain function. Courts are unwilling to extend copyright protection to aspects of a software program that are dictated by the software's functionality, since what a program does (as opposed to how) tends to be more in the nature of ideas (which are not copyrightable) than expression (which is).

When faced with a software copyright case, the natural reaction of the court is to try to break the program down into digestible pieces. American courts routinely do so by applying what is known as the "abstraction - filtration - comparison" test, as articulated in *Computer Associates International Inc. v. Altai, Inc.* (2d Cir., June 22, 1992) ("*Computer Associates*"). First, the court will consider each level of abstraction of the work, from the source code to the ultimate function. Second, the court will "filter" the work to determine what elements are capable of being protected by copyright. This entails a consideration of the various structural elements of the work (at all levels of abstraction) and a determination of whether each element constitutes idea or expression (and whether it is dictated by functional considerations, so as to be necessarily incidental to the idea), whether the element is required by factors external to the software program itself, and whether it is taken from the public domain. Those remaining elements that are neither dictated by functional considerations, required by external factors nor taken from the public domain are what attract copyright protection; the "abstraction-filtration" portion of the test is what defines the scope of the plaintiff's copyright.

Once the plaintiff's copyright has been defined, what remains is a determination of whether the defendant's work infringes the plaintiff's copyright. This is the "comparison" element of the American test, in which the court determines whether the defendant copied any part of the plaintiff's protected expression, and assesses the copied portion's relative importance in the context of the overall program.

In the *Delrina* trial decision, O'Leary J. quoted at length from the abstraction - filtration - comparison test articulated in *Computer Associates*. In the Court of Appeal, Carolian argued that O'Leary J. had applied the abstraction - filtration - comparison test, and that it was inappropriate to do so in light of the differing histories and structures of the copyright law in Canada and the United States. Carolian relied in particular on the decision of the House of Lords in *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd.*, [1964] 1 All E.R. 465 (H.L.) ("*Ladbroke*"), in which Lord Pearce stated:

Did the appellants reproduce a substantial part of [the work]? Whether a part is substantial must be decided by its quality rather than its quantity. *The reproduction of a part which by itself has no originality will not normally be a substantial part of the copyright and therefore will not be protected. For that which would not attract copyright except by reason of its collocation will, when robbed of that collocation, not be a substantial part of the copyright and therefore the courts will not hold its reproduction to be an infringement.* It is this, I think, which is meant by one or two judicial observations that "there is no

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<sup>1</sup> Can be found online at <http://www.ontariocourts.on.ca/decisions/2002/march/delrinaC30375.htm> ("*Delrina*").

<sup>2</sup> There was also an evidentiary question which is beyond the scope of this article: should an adverse inference be drawn from Carolian's refusal to call an expert witness whose report they had commissioned?

copyright" in some unoriginal part of a whole that is copyright. They afford no justification, in my view, for holding that one starts the inquiry as to whether copyright exists by dissecting the compilation into component parts instead of starting it by regarding the compilation as a whole and seeing whether the whole has copyright. *It is when one is debating whether the part reproduced is substantial that one considers the pirated portion on its own.* [Emphasis added by the Court of Appeal] <sup>3</sup>

The Court of Appeal confirmed that *Ladbroke* is correct insofar as one does not break down a work into constituent parts and separately assess each part's "copyrightability", a result that appears inconsistent with the abstraction - filtration - comparison test used in the United States. Nevertheless, the court concluded that the use of the *Ladbroke* analysis would not cause the court to reach a different conclusion on substantial similarity, and therefore dismissed Carolian's appeal.

This result is not surprising; a close analysis of the *Ladbroke* test shows that the only difference between this test and the abstraction - filtration - comparison test appears to be the order in which the steps of the test are carried out. In the American version, the court first considers what constituent elements of the plaintiff's work attract copyright protection, then asks whether the defendant's work has

copied enough of these elements to constitute a breach of copyright. In the Canadian version articulated in *Delrina*, the court first asks whether the plaintiff's work attracts copyright at all (which would require it to be fixed, original, and a work of the type defined in the *Copyright Act*). If so, the court then considers whether the defendant's work is a "substantial" copy of the plaintiff's. In determining substantiality, the court disregards copied elements of the work that either have no originality, are dictated by functional considerations or are otherwise not protectable by copyright (e.g. because they constitute an idea more than an original expression of an idea). In other words, while American courts prefer to conduct their filtration *before* their comparison, in *Delrina*, the court decided to filter only those elements which are common to both works (as discovered by the comparison). It is not surprising that performance of an "abstraction - comparison - filtration" analysis would lead to the same result as the performance of an "abstraction - filtration - comparison" analysis.

The court in *Delrina* is, thus far, the best word on the status of how to conduct a comparison of software programs to assess copyright infringement. It will be interesting to see how and if this test is articulated and applied by other Canadian courts.

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<sup>3</sup> *Ladbroke* at 481, as cited by the Court of Appeal in *Delrina*, para 24.