

Exxon Corporation and Others v. Exxon Insurance Consultants International Ltd.

**Court of Appeal CA
Stephenson and Oliver L.JJ. and Sir David Cairns**

STEPHENSON L.J.

This appeal is concerned with the word "Exxon," and a claim by four companies or corporations against a fifth. The claim is first for breach of contract, secondly for passing-off and thirdly for infringement of copyright. The defendant company failed to appear, or to deliver a defence to the claim; the four plaintiffs accordingly moved the court for such judgment as they appeared entitled to on the statement of claim under [R.S.C., Ord. 19, r. 7](#). Graham J. on January 22, 1981, heard Mr. Vivian Price for the plaintiffs and Mr. Mummery as amicus curiae for the Attorney-General; he ordered first, that the defendant company be restrained from passing-off and ancillary relief; secondly he ordered an inquiry as to damages; but he held that the plaintiffs could not succeed on the ground of copyright and so gave them no relief against infringement. Not content with the protection that they derived from Graham J.'s order, the plaintiffs have appealed to this court, and we have heard Mr. Vivian Price in support of the view that there is here a copyright in this word "Exxon" to be protected, and Mr. Mummery supporting not on behalf of the non-appearing defendant company but as amicus curiae, the conclusion of Graham J.

The first plaintiff, Exxon Corporation, is incorporated in the U.S.A. and it carries on business throughout the United States. It has associated or subsidiary companies in almost 100 other countries. Until November *136 1, 1972, it called itself "Standard Oil Co., New Jersey." On that date it adopted the name "Exxon Corporation." It registered that name as a trade mark, and itself as proprietor of it, in the United Kingdom and elsewhere; its associates and subsidiaries followed suit and adopted the same word as part of their names. That was not true of the second plaintiff, which retained the name "Esso Petroleum Co. Ltd.," "Esso" being an onomatopoeic version of the first two initials, or so I have always assumed, of "Standard Oil." Their function, or their business, is that of producing, transporting, refining and marketing, through motor garage outlets and so on, "petroleum products in all parts of the United Kingdom together with all goods and services connected therewith and a wide variety of other goods displaying the name "Exxon" together with the name "Esso." The third and fourth plaintiffs, incorporated in 1969 and 1973 respectively, carry on business in this country and their names are respectively Exxon Ltd. and Exxon International Ltd.

The claim relevant to this appeal is made first of all under paragraph 19 of the statement of claim, which reads as follows:

"The word 'Exxon' is an original literary work falling within the provisions of [section 2 \(1\) of the Copyright Act 1956](#) and the first plaintiff is the owner of the copyright therein and the second, third and fourth plaintiffs licensees thereof."

The defendant company was formed in 1977 and it is alleged in paragraph 21 of the statement of claim that it "has, without the licence or consent of the plaintiffs, adopted the name 'Exxon' as part of its corporate name." Then, in paragraph 22, the statement of

claim alleges:

"Further the defendant has, without the licence or consent of the plaintiffs, reproduced and/or authorised the reproduction of the plaintiffs' copyright work 'Exxon' in the defendant's corporate name"

and then, in paragraph 23:

"By reason of the matters referred to ... the defendant has infringed the plaintiffs' copyright in the word 'Exxon' and threatens to continue to do so."

The basis of the claim is contained in paragraphs 9 and 10 of the statement of claim, which read as follows:

"(9) Prior to 1970, the first plaintiff set up a committee to devise and select a new name and trade mark for itself and which could also be used by overseas associates and subsidiary companies when appropriate. The said committee concluded that the said new name must satisfy the following three basic conditions, namely: (a) was capable of being readily identified with the first plaintiff and its associate or subsidiary companies, their goods and services, (b) was invented and was devoid of any meaning in English or in any other language spoken in any place in which the goods and/or services of the first plaintiff and/or its associates and/or subsidiary companies were marketed or likely to be marketed, (c) was short, distinctive *137 and easily memorised. (10) Following considerable research and testing the said committee selected the word 'Exxon,' devised by them."

Graham J. referred to the short and simple arguments on both sides by which Mr. Price supported the claim and by which Mr. Mummery opposed it. He considered a number of cases; in particular he referred to [University of London Press Ltd. v. University Tutorial Press Ltd. \[1916\] 2 Ch. 601](#) and the judgment of Peterson J. in that case at p. 608. He referred also to the approval of Peterson J.'s comments on a literary work by three members of the House of Lords in [Ladbroke \(Football\) Ltd. v. William Hill \(Football\) Ltd. \[1964\] 1 W.L.R. 273](#), 279, 285, 293; to the Privy Council decision in [Francis Day and Hunter Ltd. v. Twentieth Century Fox Corporation Ltd. \[1940\] A.C. 112](#), and to [D. P. Anderson & Co. Ltd. v. Lieber Code Co. \[1917\] 2 K.B. 469](#). He also heard the submissions of Mr. Mummery, particularly as to the possible consequences of upholding the plaintiffs' claim.

In his judgment Graham J. p. 129A-B posed the basic question, and in my judgment posed it rightly, as being the question

"whether it is proper to construe 'original literary work' in the [Copyright Act 1956, section 2](#), as covering a single invented word even if considerable time and work were expended on it and, if so, whether the word 'Exxon' here is such a work. There are, I think, no decided cases which deal specifically with the precise point that I have to decide. The answer, therefore, must in the end depend upon the proper construction of the words in the Act according to general principles and on the facts of the case."

He answered the question in this way, at pp. 130G-D - 131D:

"As I have already stated, the question that I have to decide is, shortly stated, whether 'Exxon' is an 'original literary work' within section 2? I do not think it is. What is it then?, one may ask. It is a word which, though invented and therefore original, has no meaning and suggests nothing in itself. To give it substance and meaning, it must be accompanied by other words or used in a particular context or juxtaposition. When used as part of any of the plaintiffs' corporate names, it clearly has a denominative characteristic as denoting

the company in question. When used, as I assume it is, with the plaintiffs' goods, it would clearly have the effect of denoting origin or quality. It is in fact an invented word with no meaning, which is a typical subject for trade mark registration, and which no doubt, with adequate user, is capable also of becoming, if it has not already become, distinctive of the plaintiffs and their goods at common law. It is not in itself a title or distinguishing name and, as I have said, only takes on meaning or significance when actually used with other words, for example indicating that it is the name of a company, or in a particular juxtaposition as, for example, upon goods.

"Nothing I have said above is intended to suggest that I consider that a word which is used as a title can, as a matter of law, never *138 in any circumstances be the subject of copyright, and I would disagree with dicta in previous cases to the contrary effect. Such a word would, however, I think, have to have qualities or characteristics in itself, if such a thing is possible, which would justify its recognition as an original literary work rather than merely as an invented word. It may well turn out not to be possible in practice, but, as at present advised, I consider that the mere fact that a single word is invented and that research or labour was involved in its invention does not in itself, in my judgment, necessarily enable it to qualify as an original literary work within section 2 of the Act." Graham J. then went on to consider an analogy with Lewis Carroll's nonsense poem, "Jabberwocky" and came to the conclusion, at pp. 131H - 132D, that the words "Jabberwock" or "Jabberwocky," if used alone without any poem, could not form the subject of copyright, the legal reason being, said Graham J.:

"that the word alone and by itself cannot properly be considered as a 'literary work,' the subject of copyright under the Act. It becomes part of a 'literary work' within the Act when it is embodied in the poem, but it is the poem as a composition which is a work within the Act and not the word itself."

I have quoted extensively from Graham J.'s judgment in order to adopt it gratefully. It seems to me that he asked the right question and gave it the right answer; but I would be doing less than justice to Mr. Price's vigorous argument on behalf of the plaintiffs if I left the matter there.

The Copyright Act 1956 is the third of a series of statutes. The Copyright Act 1911 greatly extended the range of copyright, particularly of literary copyright, beyond that which had been protected by the Act of 1842. There is, I think, no difference material to this case between the Acts of 1911 and 1956, and I go straight to the Act of 1956, and to section 2, on which this appeal turns. [Section 1](#) states the nature of copyright under the Act as meaning the exclusive right, by virtue and subject to the provisions of the Act, to do and to authorise other persons to do certain acts. [Section 2](#) provides:

"(1) Copyright shall subsist, subject to the provisions of this Act, in every original literary, dramatic or musical work which is unpublished ... (2) Where an original literary, dramatic or musical work has been published, then, subject to the provisions of this Act, copyright shall subsist in the work..."

Subsection (5) sets out the acts restricted by the copyright in a literary, dramatic or musical work and states them to be:

"(a) reproducing the work in any material form; (b) publishing the work; (c) performing the work in public; (d) broadcasting the work; (e) causing the work to be transmitted to subscribers to a diffusion service; (f) making any adaptation of the work; (g) doing, in relation to an adaptation of the work, any of the acts specified in relation to the work in

paragraphs (a) to (e) of this subsection."

***139** Subsection (6) defines "adaptation"

"(a) in relation to a literary or dramatic work, means any of the following, that is to say ... (iii) a translation of the work; (iv) a version of the work in which the story or action is conveyed wholly or mainly by means of pictures in a form suitable for reproduction in a book, or in a newspaper, magazine or similar periodical..."

There is no definition in this Act or in any earlier Act of the word "work" but there is, in section 48, as there was in [section 35](#) of the Act of 1911, a definition of "literary work."

What the interpretation section, [section 48](#), of the Act of 1956 says is

"(1) ... 'literary work' includes any written table or compilation "; and "writing" includes "any form of notation, whether by hand or by printing, typewriting or any similar process."

The question, therefore, is whether this word "Exxon" is an "original literary work." It was invented, as the statement of claim alleges, after research and testing to find a suitable word, apparently over a period of more than a year. It is therefore difficult, if not impossible, to say that it is not original. It was invented and devised by and originated with the first plaintiff. Is it an "original literary work"? Mr. Price submitted that it is. He said that the Act of 1842, by its preamble, was concerned to protect literary works of lasting benefit to the world, but such literary works were confined by the Act, as is clear from all its sections, to printed books; there is no such limitation in copyright in literary works since 1911 in this country. What is now protected as an original literary work is anything which can be, and has been, written down for the first time; any combination of letters thought out and written down; any tangible product of intellectual endeavour. Mr. Price referred us to Webster's Dictionary, in which "work" is defined in one place as "... something produced or accomplished by effort, exertion, or exercise of skill ... something produced by the exercise of creative talent or expenditure of creative effort..." He said that this word satisfies those conditions. It does not matter how much work went into it, subject, perhaps, to the principle de minimis lex non curat; it does not matter how poor the quality of the work is; if it was the result, or the product, of creative effort, the exercise of some skill and effort, it is a work, and if it is a work which is written down and consists of letters, it is a literary work. If you take the phrase "original literary work" to pieces, this word "Exxon" is original for the reason that I have given, it is literary and it is a work. Why, then, is it not an "original literary work"? But he conceded, although he submitted that it is helpful to split the phrase up into its three component words, that it is the expression as a whole in the context of the Act which has to be construed.

"Literary" is given a broader meaning in the Act of 1956 than it was given in the Act of 1842, and that broader meaning must colour and extend the meaning of "work." Some skill and care having been exerted in inventing this word by selecting these four letters out of the alphabet of 26, the word qualifies as an "original literary work." ***140**

Admittedly there is no authority for treating such a word as the subject of copyright, but Mr. Price submitted that in its plain and natural meaning this one word, meaningless though it is unless applied to a company or to goods, is an "original literary work."

The only help which I have found in the authorities cited by Mr. Price is the judgment of Peterson J. in [University of London Press Ltd. v University Tutorial Press Ltd. \[1916\] 2 Ch. 601](#) which Graham J. cited. In that case, Peterson J. had to consider whether examination papers were the subject of copyright under [section 1 \(1\) of the Copyright](#)

[Act 1911](#), which provided, exactly in the way provided by [section 2](#) of the Act of 1956, for copyright in "every original literary, dramatic, musical and artistic work." Peterson J. pointed out, at p. 608, that under the Act of 1842 which protected books:

"many things which had no pretensions to literary style acquired copyright; for example, a list of registered bills of sale, a list of foxhounds and hunting days, and trade catalogues; and I see no ground for coming to the conclusion that the present Act was intended to curtail the rights of authors. In my view 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' seems 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. Papers set by examiners are, in my opinion, 'literary work' within the meaning of the present Act."

Peterson J. said, at pp. 609-610:

"The objections with which I have dealt do not appear to me to have any substance, and, after all, there remains the rough practical test that what is worth copying is prima facie worth protecting."

Those observations of Peterson J. were approved by Lord Reid, Lord Hodson and Lord Pearce in [Ladbroke \(Football\) Ltd. v. William Hill \(Football\) Ltd. \[1964\] 1 W.L.R. 273](#), where their Lordships were concerned with the originality of certain football coupons and with the question whether a substantial part of them had been copied. So there is nothing in the decision in that case which assists either Mr. Price's argument, or this court in considering what the right answer to the question is; but the majority of their Lordships indicated their approval of what Peterson J. had said in the London University Press case. I think Mr. Price was also entitled to rely on the "code" case of [D. P. Anderson & Co. Ltd. v. Lieber Code Co. \[1917\] 2 K.B. 469](#). In that case Mr. Worrall had selected from an enormous number of words 100,000 five-letter words to form a suitable code for cabling purposes and Bailhache J. was pressed with the argument that, these words being meaningless, except so far as they were fixed with the arbitrary meaning which the deviser of the code gave them in the so-called "Empire cipher code," they could not be literary, or a literary work. Bailhache J. rejected that argument and said, at p. 471: "The words - I call them so for want of a better name - are for use for telegraphic purposes, and to each of them a meaning can be *141 attached by the person sending the message and also by the addressee, provided, of course, he is informed of the meaning attached to it by the sender."

and he came to the conclusion that copyright did exist and that the defendants had infringed it, although it was a copyright in those very numerous and meaningless code words - meaningless only in the sense which I have described.

Mr. Price also referred us to observations made by Megarry J. in [British Northrop Ltd. v. Texteam Blackburn Ltd. \[1974\] R.P.C. 57](#) in which he said, at p. 68:

"I do not think that the mere fact that a drawing is of an elementary and commonplace article makes it too simple to be the subject of copyright."

He also referred us to an observation of Whitford J. in [Karo Step Trade Mark \[1977\] R.P.C. 255](#), 273:

"No doubt a drawing may be so simple that it cannot be said to be 'a work' - for example, a straight line or a circle - for the word 'work' itself carries with it the idea of the exercise of some degree of skill and labour; but I am unable to accept the submission of counsel

for Mrs. Bishop that the artistic part of this device is of so simple a nature that no copyright can reside in it."

With those observations I do not, of course, quarrel, but I do not find them of much assistance in deciding whether this word "Exxon" qualifies as an original literary work, when I give those words in their context as ordinary a meaning as I can.

Mr. Mummery's submissions were these: first of all he called our attention to [section 2 \(5\) and \(6\)](#) of the Act of 1956, which I have read, as indicating the sorts of literary works which copyright is concerned with, and which the statute was seeking to protect. It would be possible to reproduce this word in a material form; it would be impossible to perform it in public; it would be impossible, or almost impossible, to make any adaptation of it - certainly to translate it or to provide a version of it with a story or action being conveyed by means of pictures. But, as Mr. Price pointed out, not all of these different provisions in these two subsections do relate to all kinds of work, literary, dramatic or musical, and although I think Mr. Mummery was right to call our attention to those subsections, they do not seem to me to provide any compelling reason for rejecting Mr. Price's submissions. It does, I think, appear from the Act that its object is the encouragement of creative work; for that I would need no authority.

The authorities to which Mr. Mummery next referred us are dicta, first of all of Parker J. in the *Burberrys v. J. C. Cording & Co. Ltd.* (1909) 26 R.P.C. 693, 701, in which he said: "... apart from the law as to trade marks, no one can claim monopoly rights in the use of a word or name ..." and to dicta of Walton J. in two more recent cases, the first being [Wombles Ltd. v. Wombles Skips Ltd. \[1977\] R.P.C. 99](#), 101-102, where he said: ***142** "It seems to me that the only conceivable ground for suggesting any business connection between the plaintiff and the defendant is that the characters, albeit mythical, are characters who clean up premises, but I do not think that anybody seeing a 'Womble' skip, albeit in the road, albeit on one of the defendant's lorries, would think that there really was any connection between that and any business carried on by the plaintiff. The plaintiff's business is simply to license copyright reproductions. It may be a defect in the law that, having invented the characters known as the 'Wombles,' the authoress has not a complete monopoly of the use of that invented word, which she could then assign to the plaintiffs, but such is the law and that being so it seems to me I must in fact dismiss this motion."

Very shortly after considering that matter, Walton J. had to pass from considering the word "Wombles" to considering the word "Kojak," and in [Tavener Rutledge Ltd. v. Trexapalm Ltd. \[1977\] R.P.C. 275](#), 278, he said:

"it may very well be that in the United States of America there are rights in invented names or invented fictional characters which are not recognised in this country because, so far as the law of England is concerned, we do not recognise any copyright or other species of property in any names or words, whether invented or not. I think that for that I need only quote two cases, *Day v. Brownrigg* (1878) 10 Ch.D. 294, and the well-known case of *Burberrys v. J. Cording & Co. Ltd.* (1909) 26 R.P.C. 693."

Those are dicta, and as Mr. Price pointed out, in the first of those cases they were dicta in connection with the Act of 1842, and the second two cases were passing-off cases, where copyright was not directly in point. Nevertheless, it seems to have been assumed, both by Parker J. in 1904 and by Walton J. in 1975, that there could be no copyright in a name or a word, including an invented name or word. As I read the judgment of Graham J., he

was not prepared to accept those dicta as a full and complete statement of the law, and I find it unnecessary to decide whether what those judges said can be accepted without qualification. It is, however, certain that this is the first time, as far as the researches of counsel go, that any court has been asked to hold that there could be copyright in a single invented word or name. It was for that reason, as I understand it, that in this case Graham J. sought the assistance of the Attorney-General and invited Mr. Mummery to befriend the court. He felt that this claim raised a matter which might affect the public interest adversely in other cases and, as he said, it might be far-reaching in its consequences if granted.

I find rather more assistance in the last case to which Mr. Mummery referred us; in particular, the observations of Davey L.J. in the case of [Hollinrake v. Truswell \[1894\] 3 Ch. 420](#). That case was concerned with copyright in a cardboard pattern sleeve with scales and figures and descriptive words on it. In his judgment Davey L.J. said, at pp. 427-428:

"The preamble of the Act" that was referring to the Act of 1842 "recites that it is expedient 'to afford greater encouragement to the *143 production of literary works of lasting benefit to the world:' and although I agree that the clear enactment of a statute cannot be controlled by the preamble, yet I think that the preamble may be usefully referred to for the purpose of ascertaining the class of works it was intended to protect. Now, a literary work is intended to afford either information and instruction, or pleasure, in the form of literary enjoyment. The sleeve chart before us gives no information or instruction. It does not add to the stock of human knowledge or give, and is not designed to give, any instruction by way of description or otherwise; and it certainly is not calculated to afford literary enjoyment or pleasure. It is a representation of the shape of a lady's arm, or more probably of a sleeve designed for a lady's arm, with certain scales for measurement upon it. It is intended, not for the purpose of giving information or pleasure, but for practical use in the art of dressmaking. It is, in fact, a mechanical contrivance, appliance or tool, for the better enabling a dressmaker to make her measurements for the purpose of cutting out the sleeve of a lady's dress, and is intended to be used for that purpose. In my opinion it is no more entitled to copyright as a literary work than the scale attached to the barometer in the case of *Davis v. Comitti* (1885) 52 L.T.(N.S.) 539."

He agreed with Lindley L.J., I think, that the plaintiffs in that case were attempting to use the Copyright Act 1842 for a purpose to which it was not properly applicable. Mr. Price said that those observations as to what is a literary work must be considered in the light of the preamble to the Act of 1842, to which Davey L.J. expressly referred. The words do, however, appeal to me as stating the ordinary meaning of the words "literary work." I would have thought, unaided or unhampered by authority, that unless there is something in the context of the Act which forbids it, a literary work would be something which was intended to afford either information and instruction, or pleasure in the form of literary enjoyment, whatever those last six words may add to the word "pleasure." Mr. Price has not convinced me that this word "Exxon" was intended to do, or does do, either of those things; nor has he convinced me that it is not of the essence of a literary work that it should do one of those things. Nor has he convinced me that there is anything in the Act, or in what Peterson J. said about the words in the earlier Act, or in any authority, or in principle, which compels me to give a different construction from Davey L.J.'s to the words "literary work." As I have already said, I agree with the way in which Graham J.

put the matter; I am not sure whether this can be said to be a "work" at all, I am clearly of the opinion that it cannot be said to be a "literary work." I therefore agree with Graham J. and I would dismiss this appeal.

I should add a reference to Mr. Mummery's final submissions that if we were to accede to this claim we should be endangering freedom of speech, and we should be ignoring the protection already given by the Trade Marks Act 1938. I attach little weight to the first submission, because in my view Mr. Price is right in saying that the plaintiffs have **144* clearly impliedly licensed the world to use this word properly. As to his second submission, it is noticeable that [section 9 \(1\) \(c\) of the Trade Marks Act 1938](#) does give protection to an invented word, or invented words; nevertheless I agree with Graham J. that no great weight should be attached to the fact that adequate protection, or apparently adequate protection, is already provided to the plaintiffs under the Trade Marks Act 1919.

OLIVER L.J.

I entirely agree. [Section 2](#) of the Act of 1956 provides that copyright should subsist in every "original literary work," and in essence Mr. Price's submissions were very simple. First, he said that the name "Exxon" is undoubtedly original; it had not been thought of before or, so far as is known, used before; it is an artificial word, which does not appear in any known language. It is, he said, literary; it is composed of letters and it is written, typed or printed. It is a "work" because work or effort went into its invention, and its selection as a suitable name for the plaintiff group which had no meaning, offensive or otherwise, in any other language. But "original literary work" as used in the statute is a composite expression, and for my part I do not think that the right way to apply a composite expression is, or at any rate is necessarily, to ascertain whether a particular subject matter falls within the meaning of each of the constituent parts, and then to say that the whole expression is merely the sum total of the constituent parts. In my judgment it is not necessary, in construing a statutory expression, to take leave of one's common sense, and the result to which Mr. Price sought to drive us is one which, to my mind, involves doing just that.

Stephenson L.J. has already referred to the judgment of Davey L.J. in [Hollinrake v. Truswell \[1894\] 3 Ch. 420](#), 428, where he said: "Now, a literary work is intended to afford either information and instruction, or pleasure, in the form of literary enjoyment." Admittedly, that was said in relation to the preamble of the Act of 1842, which referred to affording "encouragement to the production of literary works of lasting benefit to the world." But it does seem to me, as it seems to Stephenson L.J., that what Davey L.J. said was a fair summary of what the expression means in ordinary language. We have been referred to a number of cases in which copyright has been successfully claimed in, for instance, examination papers, football coupons and tables of ciphers; but all these - and I do not exclude the case of the telegraphic code in [D. P. Anderson & Co. Ltd. v. Lieber Code Co. \[1917\] 2 K.B. 469](#) - seem to me to fall fairly within Davey L.J.'s commonsense formulation. But that for which protection is sought in the instant case does not appear to me to have any of the qualities which commonsense would demand. It conveys no information; it provides no instruction; it gives no pleasure that I can conceive; it is simply an artificial combination of four letters of the alphabet which serves a purpose only when it is used in juxtaposition with other English words, to identify one or other of

the companies in the plaintiffs' group. Whether, as might perhaps be the case if one followed up the suggestion made in the judgment of Graham J., the insertion of the extra "x " was to avoid the risk of involving the *145 Bishop of Exeter in proceedings for infringement every time he wrote to "The Times" newspaper, I do not pause to inquire. I am clearly of the opinion that Graham J. arrived at the correct conclusion when he held that this was not an "original literary work " in which copyright subsists, and I agree that the appeal should be dismissed.

SIR DAVID CAIRNS.

I agree with everything that has been said by Stephenson and Oliver L.JJ. in the two judgments that have already been delivered; for those reasons I too would dismiss the appeal.

Appeal dismissed. No order as to costs. Leave to appeal refused.