

Copyright protection of compilations of Acts

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In recent weeks Australians have completed their census forms which will provide the basis for a plethora of facts and figures to assist the government and others in planning for the future. What protection is there for raw data, for lists of facts and figures? While the Australian Courts have not been called on recently to decide questions of breach of copyright of compilations of facts, the US Courts have been very active in recent times.

The start of the new wave in US cases in *Feist Publications Inc v. Rural Telephone Service Company Inc.*¹. The *Feist Publications* case introduced a new approach by the US Supreme Court which has been subsequently followed in a range of decisions which may well be of relevance of Australia.

In *Feist Publications* a telephone utility company, which provided telephone services to communities in Kansas, published a directory containing data provided by subscribers, specifically their names and addresses. The utility brought a copyright infringement action against a publisher which specialised in area-wide telephone directories for its use of the listings in the utility's directory. *Feist* approached Rural, among several companies, and offered to pay for the right to use its listings to produce a directory covering a wider geographical area. When Rural refused to license its white pages listing to *Feist*, *Feist* extracted the information it needed, without *Feist*'s consent.

The US Supreme Court held that Rural's white pages were not entitled to copyright and *Feist*'s use of them did not infringe copyright.

The case is significant in that it explored the tension between two well-established propositions - that facts are not copyrightable but that

compilations of facts are. As expressed by Connor J. the tension can be resolved by understanding why facts are not copyrightable. To qualify for copyright protection a work must be original to the author. No one can claim originality as to facts.

Factual compilations may possess the requisite originality in that the compiler selects the facts to be included, the order to place them in and the arrangement of the collected data to ensure that it may be used effectively by readers.²

If there is no originality in the selection and arrangement of the facts, then the requisite expressive element is missing and the work is not subject to copyright protection. The Supreme Court summarised the position as follows:

"Copyright treats facts and factual compilations in a wholly consistent manner. Facts, whether alone or as a part of a compilation, are not original and therefore may not be copyrighted. A factual compilation is eligible for copyright if it features an original selection or arrangement of facts, but the copyright is limited to the particular selection or arrangement. In no event may copyright extend to the facts themselves."³

The US Copyright Act 1976 provides⁴: "The copyright in a compilation ... extends only to the material contributed by the author of such work, and does not imply any exclusive right in the pre-existing material".

The Supreme Court concluded in *Feist*⁵ that the names, towns, and telephone numbers copied by *Feist* were not original to Rural and therefore were not protected by the copyright in Rural's directory. As copyright protects only those constituent elements of a work that

possess more than a *de minimus* quantum of creativity. Rural's white pages, limited to basic subscriber information and arranged alphabetically is inadequate.

Such an approach requires the courts to investigate the factual situation on each occasion. The difficulties which this presents can be seen in *Bellsouth Advertising & Publishing Corp. v. Donnelly Information Publishing, Inc.*⁶. The Eleventh Circuit Court tried to find originality in material which Donnelly had lifted from Bellsouth's "Yellow Pages". The Court found originality in the "coordination of informational components" in the business listings and in the "selection of categories"⁷.

Where does this leave compilations stored as electronic databases? By their nature, database compilations are comprehensive in their collection of material rather than selective. Furthermore the arrangement of information, another of the requirements in *Feist*, is not in a visual form as printed text but rather as stored data, unable to be read without retrieval software. It contains only "a collection of information stored in an electronic memory - information that can be arranged and retrieved in variations limited only by the capabilities of the computer and the sophistication of the retrieval program"⁸.

As noted above, the two key elements of originality required by *Feist* are selection and arrangement. Jane Ginsburg has argued⁹ that "the selection criterion may prove more susceptible to infusions of creativity". Provided that selection is based on some subjective analysis and choice the criterion will be satisfied. In another directory case (decided after *Feist*) the Second Circuit stated that "selection implies the exercise of

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judgement in choosing which facts from a given body of data to include in a compilation".¹⁰

When considering the material to select, a compiler may well have to provide more detail than would be expected simply to provide sufficient creativity or originality. The Second Circuit had cause to consider this in *Kregos v Associated Press*¹¹. The Court held that the compiler's choice of 9 categories of statistical information was sufficient to provide the requisite originality. Of the potential 20 categories of relevant information the plaintiff's selection of 9, and the combination of the selected information, was sufficiently novel and unique. In applying *Feist* the court held that the plaintiff's selection was not "garden variety".¹²

Under the approach taken by the Second Circuit in *Key Publications*¹³, a later compiler would be able to select the information in the compilation and re-sort it, provided that the majority of the categories are not replicated.

The cost of this approach is well described by Ginsburg¹⁴. "One who extracts information, but not its organisation, or who does not substantially emulate the first compiler's selection, cannot be a copyright infringer. That person will, however, have gained a significant benefit from the first-comer without compensating her. Absent protection for the effort and expense of compiling information, one may fear the substantial diminution of incentives to invest in compiling information."

The protection of database compilations was considered again most recently by the US District Court in Wisconsin.¹⁵ Zeidenberg and his company, Silken Mountain Web Services, Inc., purchased copies of the plaintiff's Select Phone CD-Rom software program, downloaded the telephone listings stored on the CD-Rom disks to Zeidenberg's computer and made the listings available to Internet users by placing the data onto an Internet host computer.

While part of the decision turned on the enforceability of the shrink-wrap

licence which accompanied the software, the Court also considered whether ProCD could assert its copyright in the listings contained in the CD-Roms. Zeidenberg combined the listings from ProCD's software with data from another company's product. He then wrote his own computer program to allow users to search his database.

ProCD argued that it was unfair and commercially destructive to allow the defendants to take the information assembled by the ProCD with a significant investment of time, effort and money and use it for commercial purposes without paying any compensation to ProCD.¹⁶

Zeidenberg successfully argued that, while ProCD has a valid copyright in the Select Phone software, it had no copyright in the data itself. "As a collection of facts arranged in a commonplace, non-original fashion, the Select Phone listings themselves were not copyrightable. Without originality, time and effort do not factor in to the copyright equation."¹⁷

The decision of Crabb J. was recently overturned by the Seventh Circuit in a decision handed down on 20 June¹⁸. The decision was based, however, on the enforceability of the shrinkwrap licence, rather than on the issue of copyright protection of the data. In his opinion for the appellate court, Judge Easterbrook assumed - but did not decide - that Select Phone was not copyrightable.¹⁹

The position in Australia may well follow the *Feist* line. Section 10(1) of the *Copyright Act 1968* includes compilations in its definition of "literary work". The test of originality applies - there must be sufficient input by the author to give the work its own character. Dixon J. expressed this in *Victoria Park Racing & Recreation Grounds Co Ltd v Taylor*²⁰ as follows: "No doubt the expression "literary work" includes compilation. The definition says so. But some original result must be contributed. The work need show no literary or other skill or judgement. But it must originate with the author and be more than a copy of other material".²¹

It is clear that, if the US position is to apply in Australia, a mere compilation of information will be readily available for later users to adapt, regardless of the cost and expertise involved in developing the compilation in the first place.

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¹ 1. 111s.c.T.1282 (1991)

² *ibid.* at p.1289

³ *ibid.* at p.1290

⁴ Section 103(b)

⁵ *ibid.* at p.1297

⁶ 933F.2d 952 (11th Cir. 1991)

⁷ *ibid.* p. 959

⁸ Denicola, "Copyright in Collections of Facts: A Theory for the Protection of Nonfiction Literary Works", 81 Colum.L.Rev.516, at 531 (1981)

⁹ Ginsburg, "No Sweat"? Copyright and other Protection of Works of Information After *Feist v Rural Telephone*" 92 Colum.L.R.338, 345

¹⁰ *Key Publications, Inc. v Chinatown Today Publishing Enterprises, Inc.* 945 F.2d 509, 513 (2d Cir.1991)

¹¹ 937 F.2d 700 (2d Cir.1991)

¹² *ibid.* at p.704

¹³ 945 F.2d 509, 516

¹⁴ *ibid.* at p.355

¹⁵ *ProCD, Inc., v. Matthew Zeidenberg, and Silken Mountain Web Services, Inc.* 908 F.Supp.640 (W.D. Wis.1996)

¹⁶ *ibid.* at p.646

¹⁷ *ibid.* at p.647

¹⁸ *ProCD Inc. v. Zeidenberg*, CA7, No.96-1139, 6/20/96

¹⁹ Vol.1 BNA's Electronic Information Policy & Law Report p.298

²⁰ (1937) 58 CLR 479

²¹ *ibid.* at p.511