

## The Questions on the Agenda

On the basis of a proposal from the Programme Committee, the Executive Committee has in a vote by correspondence decided to put the following Questions on the Agenda of the Congress 2004 in Geneva:

- Q180 Content and relevance of industrial applicability and/or utility as requirements for patentability
- Q181 Conditions for registration and scope of protection of non-conventional trademarks
- Q182 Database protection at national and international level
- Q183 Employers' rights to intellectual property

## Guidelines for National and Regional Group Reports

The majority of the National and Regional Groups follows the Guidelines for the arrangement of their Reports and thereby contributes to a quicker and cheaper printing of the Summary Year-books. We are most grateful for this support and would like to draw your attention to following Guidelines:

1. The National and Regional Groups are responsible for the contents, spelling and trilingual summaries in their Reports. The texts will normally be printed without further correction.  
  
Please avoid sending us full translations of the Group Reports. Summaries in the two other languages will be sufficient.
2. Drafts cannot be accepted. Please only send final versions.
3. Please deliver your Reports whenever possible by e-mail or else on computer diskettes (DOS or Windows). Our address is: [mail@aippi.org](mailto:mail@aippi.org)
4. If you cannot provide such data files, we shall try to scan the Report. For such purpose we shall need the original text (no copies or fax transmissions), without corrections, underlines or footnotes.
5. Please try to stick to a clear and simple presentation of the Group Reports without too many sub-paragraphs and preferably not too many or too long footnotes.
6. We shall not be able to publish extracts of National Laws as Annexes. If necessary please make a reference to the laws in questions (websites).

For further questions concerning the presentation of Group Reports you are kindly invited to contact the AIPPI General Secretariat at [mail@aippi.org](mailto:mail@aippi.org)

Please make sure that your Reports are sent before **November 15, 2003**.

AIPPI General Secretariat, Zurich

## Working Guidelines



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### Question Q182

#### Database protection at national and international level

##### Introduction

A database is a collection of works, data or other materials which are arranged in a systematic way and can be individually accessed to allow for the easy and efficient retrieval of information. A database can be in a paper form or an electronic form. It is usually in an electronic form. Databases contain a wide range of information, including demographic, bibliographic, medical, scientific, technological, news, financial, business and travel-related material. More specifically, collections of data of traditional knowledge and collections of DNA sequence data may also qualify as databases.

Databases play a central role in the global information society. Improvements in global communications and electronic access to information have led to huge amounts of data being more easily accessible. However, our ability to use the data becomes hampered by the vast amount available. By obtaining, verifying and presenting information in the form of databases database makers facilitate the access to information resources of all kinds all over the world.

Since, without legal protection, any third party may copy the whole or parts of a database, it is generally recognised that makers of databases should benefit from some legal protection. This is particularly so in the case of electronic databases because of the ease and low cost with which digitally stored data can be pirated. The nature and extent of such legal protection however is the subject of controversy.

In principle, databases may receive copyright protection as compilations of data, if, by reason of the selection and arrangement of the material, they constitute intellectual creations. In practice, however, the originality requirement in copyright law leaves database producers with a problem. Much of the value of a database is its ability to comprehensively gather disparate information for the user. In addition, the arrangement is usually dictated by conventions such as alphabetic listings. This means the author exercises less creative selection and arrangement, and the originality threshold for copyright protection will generally not be satisfied.

In order to solve this problem, the European Union adopted in 1996 the EU Directive 96/9 on the legal protection of databases. The Database Directive provides for copyright as well as *sui generis* protection of databases. While copyright protects intellectual creativity in the selection or arrangement of the contents of a database, the *sui generis* right protects investment in the obtaining, verification or presentation of the contents of a database.

The *sui generis* protection of non-original databases has also been the subject of intense debate at WIPO. The EU has been a main proponent of an International Database Treaty, along the lines of the *sui generis* provisions of its Database Directive. A number of countries and non-governmental organisations, however, are critical of a *sui generis* protection of databases and have concerns about the impact of a *sui generis* system on the free flow of information. Therefore, a

number of countries, including the United States, among others, look to alternative protection systems such as unfair competition law as a basis for providing protection for the database maker's interests.

This question seeks to examine national and international legislation and case law in respect of database protection and to encourage proposals for adoption of uniform rules alleviating potential deficiencies of current protection of databases.

Copyright law recognises separate copyrights for individual works published in a database and the database (collective work) itself. Inclusion of individual works in a database thus requires the consent of the authors of the individual works. This topic should be left out from the scope of this question Q182. This question looks at protection of databases as a whole rather than individual contributions to databases.

Moreover, this question Q182 does not deal with privacy as covered by the EU Directive 95/46 on the protection of personal data.

Finally, this question Q182 does not cover the rules governing ownership of the rights in a database. The question of ownership and more specifically the concept of a work made for hire is the subject of question Q183.

### **AIPPI Studies**

AIPPI has considered the question of protection of databases on a few occasions.

AIPPI addressed the protection of databases in a workshop at the Tokyo Congress in 1992 (Yearbook 1992/III, 337-343). The panelists of the workshop described the current situation in Japan, in the U.S. and in the European Union. However, no resolution or recommendations were taken in Tokyo.

At the Council of Presidents Meeting in Lisbon in 1993 AIPPI considered a report of Q57 (protection of computer software) and Q110 (copyright) which addressed *inter alia* the protection of databases (Yearbook 1993/II, 119-122, 257-264). However, no resolution or recommendations were taken in Lisbon.

More recently, at the Executive Committee in Sorrento in 2000 AIPPI resolved that further studies with respect to the specific requirements and scope of protection of DNA sequence data collections should be carried out (Yearbook 2000/II, 463-464).

### **Copyright Protection of Databases**

According to Article 2 (5) of the Berne Convention collections of literary and artistic works which, by reason of the selection and arrangements of their contents, constitute intellectual creations, are copyright protected. Article 10 (2) of the TRIPS Agreement, Article 1705 of the NAFTA Agreement and Article 5 of the WIPO Copyright Treaty (WCT) clarify that compilations not only of literary and artistic works but also of data and any other material in any other form are subject to copyright protection under the Berne Convention.

On a national level it appears that almost all countries - on the basis of the Berne Convention - provide for copyright protection of compilations, which, by reason of the selection or arrangement of their contents, constitute intellectual creations. Certain national laws add supplementary criteria to those of selection and arrangement, such as the coordination of the contents (e.g. the United States).

The exact level of originality required for a compilation to be considered a work varies among countries. It is determined through case law in each country. In some countries, such as Australia, hard work in gathering data will qualify a compilation as original (*Telstra Corporation Ltd. v. Desktop Marketing Systems Pty Ltd.*, Federal Court of Australia, [2001] F.C.A. 612). In other

countries "sweat of the brow" will not be sufficient, and compilations must show a "modicum of creativity" before they will meet the originality threshold for copyright protection. For instance, in the landmark decision *Feist Publications v. Rural Telephone Service Co.*, the US Supreme Court held that a white pages directory lacks any modicum of creativity in the selection and arrangement of the contents and thus does not qualify for copyright protection (499 U.S. 240 [1991]). Similarly, in *van Dale Lexografie BV v. Rudolf Jan Romme* the Dutch Supreme Court held that a collection of key words in alphabetical order taken from a Dutch language dictionary does not meet the requirement of originality (Nederlandse Jurisprudentie 1991, 2543 [no. 608]).

There is a further issue. In general, copyright protection only extends to the copyrightable elements of the work. Accordingly, copyright protection in compilations is "thin" because only the author's original contribution to the compilation, i.e. the creative selection and arrangement of the material, is protected. Subsequent compilers can copy even substantial parts of a database without infringing the copyright in the database.

### **Sui generis Protection of Databases**

Some jurisdictions grant *sui generis* legal protection for databases which do not meet the criterion of originality. The law of Norway, for instance, grants *sui generis* legal protection for "catalogues, tables, programs, formularies and similar makes in which a great number of items of information have been compiled". The law of Mexico also provides for a *sui generis* protection of non-original databases.

The Database Directive of the European Union contains in its Chapter III provisions on *sui generis* protection of databases. The object of protection under the *sui generis* right of the Database Directive is databases for which "there has been quantitatively and/or qualitatively a substantial investment in either the obtaining, verification or presentation of the contents". The courts of the EU member states appear to have adopted different approaches in determining "substantial investment". While the courts in Germany, Austria and the UK have extended *sui generis* protection to a white pages (telephone) directory (*Tele-Info-CD*, German Supreme Court 1999, I ZR 199/96), a yellow pages (telephone) directory (*www.baukompass.at*, Austrian Supreme Court 2001, 4 Ob 252/01i) and a database of horses, owners, racing colours, trainers, jockeys and other information on the horse racing industry (*British Horseracing Board v. William Hill Organisation*, High Court of Justice 2001, HC 2000 1335), a court in Sweden held that a database containing fixture lists for the English and Scottish football leagues does not meet the substantial investment threshold for *sui generis* protection (*Fixtures Marketing Ltd. v. AB Svenska Spel*, Gotland City Court 2000). The question of "substantial investment" has been referred to the European Court of Justice, but has yet to be decided.

The need and justification of a *sui generis* system of protection has been the subject of intense debate in several circles, including WIPO. Even within the EU, opinions are mixed as to the relative benefits and shortcomings of the Database Directive's *sui generis* system. In WIPO, many concerns have been expressed regarding the impact of a *sui generis* system on the free flow of information, specially on the free and open exchange of scientific and meteorological data, and on developing countries. Some criticise that a *sui generis* system of protection leads to *de facto* monopolies over data held in sole-source databases. The proponents of a *sui generis* system are stressing the economic importance of databases and the need of meaningful intellectual property protection to promote innovation and investment in information products. They further argue that negative consequences can be avoided by restricting the scope of protection to unauthorised use of the whole or a substantial part of the database and by granting exceptions.

But if "substantial part" is relevant in determining the extent of protection - as in the case of the Database Directive - how should this concept be defined? While in France the extraction of ten communications and two annual reports from a financial database was not regarded as extraction of a substantial part of the contents of the database (*SARL News Invest v. SA PR Line*,

Court of Appeal of Versailles 2002), a court in the Netherlands held that even the extraction of small amounts of data would qualify as (qualitatively) substantial extraction (*NVM v. De Telegraaf*, District Court of the Hague 2000, KG 00/949). If exceptions should be granted what should they be granted for (e.g. private use, scientific research, education, public security, government purposes)? Should there be specific exceptions for developing countries? One of the studies on the impact of database protection in developing countries commissioned by WIPO (WIPO doc. SCCR/7/5) specifically emphasises the need for adequate database protection also in developing countries such as India, specially in view of the great potential for data generation in the area of traditional knowledge and the genomic industry (DNA sequence databases).

### **Possible Alternatives for a *sui generis* system**

In view of the concerns expressed regarding the impact of a *sui generis* system on the access to databases a number of countries and non-governmental organisations have proposed taking into account alternative systems such as unfair competition law, contract law and technical measures as a basis for protecting the database maker's interests. The application of unfair competition rules raises a number of issues. Some countries do not have unfair competition rules. In some countries unfair competition law requires a competitive relationship. Unfair competition law grants *a posteriori* legal protection. The unfair competition regime does not provide a property right which can be assigned, licensed or the like. Is protection by contractual means an alternative? For instance, access to databases transmitted via the Internet and distribution of data via CD-ROMs can be subjected to contractual conditions of the provider. The effects of a contract, however, do not cover acts of a third party outside the contractual relationship. Legal protection systems may be reinforced by self-help technical measures, such as encryption devices, copy protection schemes, technical brakes on downloading and electronic tagging. These measures, however, may be circumvented. In addition, they may not be applied to traditional (analog) databases.

### **Questions**

#### **1. Analysis of Current Legal Situation**

The National and Regional Groups are invited on all of the following questions to express their opinion as to the current situation in their countries.

##### **1.1 Legislation**

*Is there any legislation in your country dealing specifically with databases? If so, please describe it.*

##### **1.2 Definition of Database**

*Is there any definition of the term "database" in your country's legislation or case law? If so, does it extend both to electronic and non-electronic databases?*

##### **1.3 Copyright Protection of Databases**

###### **1.3.1 Subject Matter**

*Does your country's law provide for copyright protection of compilations? If so, does it only cover collections of literary and artistic works or does it also cover compilations of data or material other than literary and artistic works?*

###### **1.3.2 Criteria of Protection**

*If your country's law provides for copyright protection of compilations is the protection limited to compilations which "by reason of the selection or arrangement of their contents constitute intellectual creations"? Are there any supplementary criteria to selection and arrangement? What is the level of originality required for a compilation to be considered*

a work? Does hard work in gathering data, known alternatively as "sweat of the brow", qualify a compilation as original?

1.3.3 *Scope of Protection*

*What is the scope of copyright protection of a compilation? To which extent can a compilation be copied without infringing the copyright in the compilation?*

1.4 *Sui generis Protection of Databases*

1.4.1 *System of Protection and Subject Matter*

*Does your country's law provide for sui generis protection of compilations of data such as databases? If so, is registration of the database required to secure sui generis protection? Does your country's sui generis system only cover databases which do not meet the criterion of originality or is there cumulative sui generis protection also for original databases protected by copyright?*

1.4.2 *Criteria of Protection*

*If your country's law provides for sui generis protection of databases what are the criteria of protection? If "substantial investment" is one of the criteria of protection, what is the level of investment required for an investment to be considered substantial?*

1.4.3 *Rights granted and Scope of Protection*

*If your country's law provides for sui generis protection of databases what are the rights granted to the database maker? If "extraction" and "re-utilisation" are covered by any right, how are these notions defined? What is the scope of the sui generis protection? If "substantial part" is relevant in determining the scope of protection, how is this concept defined?*

1.4.4 *Limitations and Exceptions*

*If your country's law provides for sui generis protection of databases are there any limitations or exceptions? If so, what are they (e.g. private use, scientific research, education, public security, government purposes)? Are there any compulsory licensing provisions under your country's sui generis protection regime?*

1.4.5 *Duration of Protection*

*How long is the duration of the sui generis protection?*

1.5 *Possible Alternatives for a sui generis System*

1.5.1 *Unfair Competition Law*

*Does your country have a law of unfair competition? If so, does it have a role in the protection of databases? If so, to what extent?*

1.5.2 *Other Means of Protection*

*Does your country provide for any other means of protecting databases? If so, in which legal areas and by which mechanisms (e.g. contract law)?*

**2. Proposals for Adoption of Uniform Rules**

The National and Regional Groups are invited to put forward any proposal for adoption of uniform rules alleviating potential deficiencies of current database protection regimes. More specifically, the Groups are invited to answer the following questions.

2.1 *Legislation*

*Should legislation be enacted to deal specifically with databases? If so, should national*

*legislation be enacted or is there a need for an international treaty on the protection of databases?*

2.2 *Definition of Database*

*If you think that legislation should be enacted to deal specifically with databases what should the definition of "database" be? Should it extend to both electronic and non-electronic databases?*

2.3 *Copyright Protection of Databases*

*Do you think that copyright protection should be granted to databases? If so, what should the criteria of protection be? Do you think that the level of originality required for a database to be copyrightable should be low, so that "sweat of the brow" databases qualify as copyrightable? What should the scope of copyright protection be?*

2.4 *Sui generis Protection of Databases*

2.4.1 *System of Protection and Subject Matter*

*Do you think that sui generis legislation should be enacted to protect databases? If so, should there be a registration system to secure sui generis protection? Should the sui generis system only cover un-original databases or should there be the possibility to obtain cumulative sui generis protection also for original databases protected by copyright?*

2.4.2 *Criteria of Protection*

*If you think that sui generis legislation should be enacted to protect databases, what should be the criteria of protection? If you think "substantial investment" should be one of the criteria of protection what should be the level of investment required for an investment to be considered substantial?*

2.4.3 *Rights granted and Scope of protection*

*What rights should be granted to the database maker? If you think that "extraction" and "re-utilisation" should be covered by the rights to be granted how should these notions be defined? If you think that "substantial part" should be relevant in determining the scope of protection, how should this concept be defined?*

2.4.4 *Limitations and Exceptions*

*Should limitations or exceptions be granted? If so, which ones (e.g. private use, scientific research, education, public security, government purposes)? Should there be any compulsory licensing provisions?*

2.4.5 *Duration of Protection*

*How long should the sui generis protection be?*

2.4.6 *Assessment of existing sui generis systems*

*If your country already provides for sui generis protection of databases, do you think the system should be revised? If so, why and in what ways?*

2.5 *Possible Alternatives for a sui generis system*

*If your country does not have unfair competition rules or if your country's unfair competition law does not have a role in the protection of databases do you think your law should be changed, so as to provide database protection on the basis of unfair competition law? Should there be any other means of protecting databases which your country does not offer or not fully take into account? If so, which ones?*

**3. Miscellaneous**

The National and Regional Groups are invited to comment on any additional aspect which they find relevant with regard to the foregoing questions and the specific aspects of database protection.

**Note:**

It will be helpful and appreciated if the Groups follow the order of the questions in their Reports and cite the questions and numbers for each answer.