Publishing and the Law: Current Legal Issues

By Linda S Katz

THE WEST CASE

The appeals filed by West in these cases perhaps best describe the issues propounded by the defendant-appellant. And, as evidence of its determination to protect its interests, West pulled out a "big gun" in its case against Bender and HyperLaw in the form of Harvard University Law School Professor Arthur R. Miller. Professor Miller argued that "a reversal was necessary to square the 1976 federal copyright law with the realities of modern computer technology." The main arguments put forth by West in its brief were:

Under all applicable standards, West's editorial enhancements are entitled to copyright protection. In support of its claim, West cited *Alfred Bell & Co. v. Catalda Fine Arts, Inc.*, 191 F.2d 99, 102-3 (2d Cir. 1951), which states:

> ... [A] "copy of something in the public domain" will support a copyright if it is a "distinguishable variation" ... All that is needed to satisfy both the Constitution and the statute is that the public domain works and wrongfully discourage their use. It would be contrary to the public interest and an anathema to the purposes of copyright law.

At oral argument, the two main issues addressed were star pagination and copyrighting the text of opinions, the latter of which only HyperLaw was an appellee. As to the issue of star pagination, Professor Miller cited technological advances and argued that "something 'much bigger than page numbers' was at stake. In cyberspace, he explained, there are no page numbers, only markers." It was his contention that ultimately the "markers" could be used to recreate relevant portions of any work, including his own treatise, *Federal Practice & Procedure*, without prohibited copying ever taking place. Competitors' use of the West page numbers was nothing less than "embedding on a CD-ROM West's 'entire template, its selection, coordination and arrangement.' "

This notion was sharply challenged by attorneys for both Matthew Bender and the U.S. Department of Justice which had been allowed five minutes of argument as an amicus curiae. Bender's lawyer, Morgan Chu, countered that "only a crazed lunatic would copy West's opinions in the order they are published in case reports." What was actually at stake was the ability to "pinpoint" citations. Further, he argued, that to assert that its citations cannot be used by rivals was "a stunning proposition and perversion of the copyright law."

In his address, Justice Department lawyer David Seidman told the court that because of the "speed and ease" with which lawyers can access opinions electronically, the "economic value of West's compilation [in its case reports] is not what it once was." Mr. Seidman warned that it was not the role of the courts "to protect against the consequences of technological change."

The second, and potentially more sweeping ruling, "that West has no protection for the text of individual opinions it publishes," was somewhat less heated. James Rittinger represented West on the text issue and as such he defended West's editorial changes, telling the panel that "there is no dispute that West's enhancements had surpassed the Supreme Court's 'modicum of originality' test." In parting, however, Mr. Rittinger accused HyperLaw of "reaping where [it has] not sown."

On behalf of HyperLaw, Carl Hartmann told the panel that his client was seeking to use nothing other than the "facts" in West's reporters. Those facts, he contended, "consisted of additions made by West such as attorneys' names or subsequent history, and the body of the court opinion itself, a government document" (Wise, Mar 17, 1998).

The oral arguments before the Second Circuit Court of Appeals were heard on March 16, 1998 and the Court's opinions were handed down on November 3, 1998, upholding the rulings which allowed Bender and Hyperlaw to produce CD-ROMs for use in legal research and to use West Publishing Co.'s star pagination location system for citing cases (WSJ, ll/05/98).The reasons were twofold as to why the Court rejected West's argument:

> Even if plaintiffs' CD-ROM discs (when equipped with star pagination) amounted to unlawful copies of West's arrangement of cases under the Copyright Act, (i) West has conceded that

> specification of the initial page of a West case reporter in plaintiffs' products ("parallel citation") is permissible under the fair use doctrine, (ii) West's arrangement may be perceived through parallel citation and thus the plaintiffs may lawfully create a copy of West's arrangement of cases, (iii) the incremental benefit of star pagination is that it allows the reader to perceive West's page breaks within each opinion, which are not protected by its copyright, and (iv) therefore star pagination does not create a "copy" of any protected elements of West's compilations or infringe West's copyrights.

In any event, under a proper reading of the Copyright Act, the insertion of star pagination does not amount to infringement of West's arrangement of cases (Docket No. 97-7430.___F3d___, 1998 WL 764841 (1998))

In the second action, the Second Circuit ruled in favor of Hyperlaw, stating that while:

> It is true that neither novelty nor invention is a requisite for copyright protection, but minimal creativity is required. Aside from its syllabi, headnotes and key numbers-none of which HyperLaw proposes to copy-West makes four different types of changes to judicial opinions that it claimed at trial are copyrightable: (i) rearrangement of information specifying the parties, court, and date of decision; (ii) addition of certain information concerning counsel; (iii) annotation to reflect subsequent procedural developments such as amendments and denials of rehearing; and (iv) editing of parallel and alternate citations to cases cited in the opinions in order to redact ephemeral and obscure citations and to add standard permanent citations (including West reporters). All of West's alterations to judicial opinions involve the addition and arrangement of facts, or the rearrangement of data already included in the opinions, and therefore any creativity in these elements of West's case reports lies in West's selection and arrangement of this information. In light of accepted legal conventions and other external constraining factors, West's choices on selection and arrangement can reasonably be viewed as obvious, typical, and lacking even

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research and permanently remove most collections of information from the public domain." Its intended purpose is to accomplish two goals: (1) to bring the United States into line with a European Union (EU) directive which requires member countries and their trading partners to adopt reciprocal *sui generis* database protection laws (a *sui generis* law is similar to copyright law in that it "gives database owners exclusive ownership of the information contained in those databases for specific periods of time"); and (2) to protect the publisher's financial investments from "free riders" who could "swipe their expensively and painstakingly gathered data and use it to compete against them."

In other words, the Database Bill would protect those databases not currently covered by the Copyright Act (as a result of *Feist)* by making it a federal violation to misappropriate such collections of information on which the owners have spent considerable time, effort and money albeit regardless of the level of originality or creativity the databases may involve. It would permit the use of individual items of information and other insubstantial parts; gathering or use of information through other means; the use of information for verification purposes; non-profit educational, scientific or research uses; the use of information news reporting; and/or the use of lawfully made copies of all or parts of a collection of information from selling or otherwise disposing of the possession of that copy.

The bill excludes from protection "collections of information gathered, organized or maintained by federal, state or local governments." It further excludes "computer programs used in the production or maintenance of databases, but not collections of information directly or indirectly incorporated in a computer program."

In the cases involving Matthew Bender & Co., Hyperlaw Inc. and West Publishing Co., Judge Martin ruled that West's copyright protects its arrangement of legal opinions, its indices, its headnotes and its selection of cases for publication, but not the opinions themselves, which are public documents, nor its book and page citation numbers. The Database Bill, if passed in its current form, would negate any such

holdings by the courts. In testimony before the House Subcommittee on Courts and Intellectual Property, Hyperlaw President Alan D. Sugarman submitted a statement in which he charged that the proposed law is intended to protect the case reports of West Publishing and Lexis, the other giant in the legal publishing business.

Regardless of Sugarman's charge, "the bill is strongly favored by database publishing companies and their trade organizations while its provisions have raised major concerns for academics, scientists, journalists and librarians" who have actively lobbied against its passage. According to Paul Warren of Warren Publishing Inc., spokesman for the Coalition Against Database Piracy (CADP), "H.R. 2652 is about eliminating the inequity in a legal regime that allows an unscrupulous competitor to copy with impunity the contents of someone else's compilation and then destroy the first compiler's market by selling a competing, less expensive product." And, unfortunately, the government is said to generally favor the legislation "as a desirable first step toward balancing the public's access to information while protecting the incentives of database producers to collect and disseminate information" (Mayberry, Jan. 6, 1998).

The Database Bill was passed by the House on May 19, 1998 and was received in the Senate as S. 2291 the following day. The Senate Bill was sponsored by Senator Rod Grams, Republican of Minnesota. Minnesota is the home of West Publishing and many would say that it is no coincidence Sen. Grams sponsored this bill. In his speech introducing the bill, Grams asserted that the bill would allow:

> [D]atabase owners to receive adequate legal protection that provides them the incentives necessary to continue investing in database production ... America produces and uses some 65 percent of the world's databases ... These companies [database publishers] have been pioneers in offering innovative and easily accessible databases in any number of formats that meet consumer needs ... despite technological innovations, creating and offering databases in the marketplace is neither cheap nor easy. Not only must database owners expend substantial resources on the collection of data, they must also maintain and distribute these information products, while continually updating them and responding to the demands of their customers.

> Many American jobs depend on a healthy, vibrant U.S. database industry. These companies employ thousands of editors, researchers, and others. They invest millions of dollars in hardware and software to manage these large masses of information.
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> Despite the enormous value of these databases to our economy and society, American database owners are under a dual threat.
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> On the one hand, after a 1991 Supreme Court decision [i.e., *Feist]*, it is increasingly unclear whether most databases are adequately protected from piracy by U.S. copyright law.
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> Lower courts since 1991 have handed down several decisions that have diminished the number and types of databases that are protected under the compilation copyright provisions in the 1976 Copyright Act.

Victory for Matthew Bender? Will West copyright claims on page numbering? Information Law Alert: A Voorhees Report. July 7, 1995.

West to Bender: You got no copyright case. Information Law Alert: A Voorhees Report. June 10, 1994.

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