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The Single Life

Solos sharing office space may be the wave of the future: cheaper rent, a joint fax machine, a common library and shared staff. But what are the pitfalls?

By SCOTT BREDE

For solos, sharing office space with other solo lawyers is a lot like college kids rooming together off campus.

It's cheaper than paying the rent outright, not to mention some of the other costs that go along with running your own practice.

But it comes with the potential of getting burnt if one of the "roommates" suddenly ups and leaves, or has trouble paying his or her share of the bills.

Sure, there are ways of setting up house to help keep that from happening. But, as in college, trust and mutual respect are key components of any successful—and happy—cohabitation.

"The problem when you share space . . . is just like the problem you have when you have roommates," says Livia D. Barndollar, co-chairwoman of the Connecticut Bar Association's Solo and Small Firm Practice Committee, and a former office-sharer herself. "You have to get good ones."

Barndollar, now of counsel at New Canaan's Marvin and Ferro, says the ideal situation is to have a complicated contract in place that covers each lawyer under every possible scenario. But her expe-

SEE SURVIVING ON PAGE 14

Chris Hatcher

'The problem when you share space . . . is just like the problem you have when you have roommates,' says Livia D. Barndollar, above, co-chairwoman of the CBA's Solo and Small Firm Practice Committee. 'You have to get good ones.'

A Crack in the West 'Monopoly'?

In a landmark ruling, a judge declares that West Publishing Co.'s so-called 'star pagination' system—the road map to U.S. law—is in the public domain.

By THOMAS SCHEFFEY

In a stunning bench ruling that could start to crack West Publishing Co.'s pre-eminence in legal publishing, a federal judge ruled recently that its industry-standard page numbering system is just a series of accidental facts, not intellectual property subject to copyright.

'What West is attempting to do by trying to inhibit star pagination is to create a monopoly over reported court decisions,' concluded U.S. District Judge John S. Martin, left.

In a carpeted Manhattan courtroom, winners and losers in this high-stakes copyright battle sat silently as U.S. District Judge John S. Martin made information law history on Nov. 22, declaring that the so-called "star pagination" system—the road map to U.S. law—is in the public domain.

"[W]here and on what particular pages the text from a court opinion appears does not embody any original creation of the compiler and therefore, in my view, is not entitled to protection," Martin stated.

Martin's opinion in *Matthew Bender & Co. and HyperLaw Inc. v. West Publishing Co.* clashes with the conclusion of U.S. District Judge Paul A. Magnuson of Minnesota—West's home state—who ruled on May 17 of this year in the case of *Oasis Publishing Co. Inc. v. West Publishing Co.* Magnuson held that West has a protectable copyright interest in its "Florida Cases," which competitor Oasis wanted to cite to by West book and page number, on a CD-ROM compilation. Magnuson ruled that "Oasis' proposed

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INSIDE

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SUPPLEMENT

CONNECTICUT OPINIONS

Top of the Docket

A news director's allegation that a former television news reporter secretly taped meetings and phone conversations states a claim for violation of C.G.S. §52-570d and invasion of privacy.

Verdicts and Settlements

A 68-year-old woman who rejected an offer from Shop-Rite Supermarkets Inc. to settle a slip-and-fall case for $15,000 ends up with nothing.

West's Star Pagination in the Public Domain

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star pagination would infringe copyrightable elements of West's arrangement."

A purchaser of Oasis' product could use the numbers to duplicate West's selection and arrangement, infringing the compilation copyright, Magnuson reasoned.

Although West does not claim a copyright interest in the official opinions of judges, it has tenaciously maintained its perch at the top of legal publishing by vigorously pressing its claims to star pagination and a "compilation copyright" based on its selection, arrangement and enhancements of the uncopyrighted raw text.

In Martin's breakthrough ruling, he granted summary judgment for the plaintiff Matthew Bender & Co., a New York-based publisher, and partial summary judgment on the issue of star pagination to HyperLaw Inc., a CD-ROM publisher also based in New York.

HyperLaw also had a motion for summary judgment pending on its bid to copy the text of judicial opinions directly from West's pages—which if allowed on a large scale could even further undermine West's dominance. Martin said he would rule for HyperLaw if he were at the Circuit Court level, on the facts presented, but to avoid delay and to resolve any potential disputed facts he set a Jan. 27 trial date for the text issue.

Morgan Chu, Bender's lead litigator, said he was "pleased" with the decision. HyperLaw president Alan D. Sugarman is more effusive.

"I am truly astounded by the clarity of the judge's ruling, and the fact that he ruled from the bench," says Alan D. Sugarman, president of HyperLaw Inc. "So many judges get caught up in the technical minutia of copyright, and never see the forest for all the intricacies. What Martin's saying is that the copyright clause of the Constitution means something, and that the law is not an ass."

The West-Thomson lawyers were not so thrilled. Joseph Musilek, West's lead copyright litigator, said after the hearing, "I was very surprised [by Martin's ruling, because] I think he's really wrong." Musilek said he looked forward to an immediate appeal.

Thomson Publishing Corp. general counsel Michael S. Harris showed no visible emotion after the ruling, but said he was not particularly surprised by it. He deferred further comment and could not be reached last week. But it is an undeniable setback for his British-Canadian company, which has its primary corporate center in Stamford. This year Thomson purchased West for $3.4 billion, and is near the end of a complex merger process.

Computer-Age Fight

The practice of star pagination dates to the 1800s, when many competing legal publishers printed rival volumes. It is the practice of inserting numbers showing where a competing publisher's page breaks fall in the text of a judicial opinion. It allows the user of one set of books to cross-reference legal points in another publisher's collection without consulting the second source. Even in the pageless computer age, book and page numbers are the only pervasive system that maps the law, and West's "address list" is by far the most comprehensive one.

West has staunchly claimed a copyrightable interest in its book and page numbers since it became an economic issue, with the dawning of electronic legal research in the early 1970s. Since then, West has not tolerated star pagination by rivals, licensing the numbers to only one major competitor—Lexis-Nexis. Under a secret 1988 settlement agreement, Lexis began to license page numbers from West at a license cost reported at the time by *The New York Times* to be in the tens of millions of dollars.

Asked about the claim that West adds some creative element to the decisions it reports, HyperLaw Inc. attorney Carl J. Hartmann Jr., above, answered: 'It's drivel. [In reams of testimony] there's not one single statement that West has added anything of value.'

If Martin's view of star pagination is upheld, it will mean that West was charging Lexis millions to use intellectual property that West didn't legally own.

The West-Thomson merger, announced in February, is currently awaiting approval in the Washington, D.C., courthouse of U.S. District Judge Paul Friedman. Thus, both the *Oasis* ruling in May and Martin's *Matthew Bender* ruling last month—for and against copyrightability of pagination—have come down while the merger process has been under way. Although West and Thomson officials downplay the importance of intellectual property rights in pages and text, some legal publishing experts predict that the competition will soar and costs will fall if West's page and text claims fail.

The *Oasis* case is currently on appeal to the U.S. Court of Appeals for the 8th Circuit.

Burnished Moment

Martin's ruling came in an august setting. Distant clouds reflected the coppery light of a low autumn sun into his 15th story courtroom in the new federal courthouse tower in Manhattan, high above the Brooklyn Bridge, in a room paneled floor to ceiling in flawless cherry wood.

Martin, an energetic, no-nonsense young judge, heard over an hour of argument on cross-motions for summary judgment by West, Matthew Bender and HyperLaw. West lawyer Musilek, of Minneapolis' Schatz, Paquin, Lockridge, Grindal & Holstein, argued mightily that the "facts" of West's page numbers are entirely different from the "facts" of a telephone book's list of names and numbers. Musilek was attempting to distinguish *Feist Publishing Co. v. Rural Telephone Inc.*, a landmark 1991 decision in which the U.S. Supreme Court held that copyright rewards creativity, not "sweat-of-the-brow" effort—and that copying names and phone numbers, simply arranged alphabetically, does not infringe any copyright.

Martin used the 1994 opinion of *CCC Information Services Inc. v. MacLean Hunter Market Reports Inc.*, for both its form and content, inviting West's lawyer to disprove his view: "It is a fact that [2nd Circuit] Judge [Pierre N.] Leval is reported at 44 F.3d 61," said Martin. "It is not a result of West's creative activity" that it appears that way. In other words, Martin said, the fact that, say, page 66 of that decision, begins with certain words and ends with certain other words is "a consequence of the way the compilation is put together," but it is not a creative part of the compilation.

Musilek countered: "There is a difference in the law between pre-existing facts" and facts that arise from the effort of making an original compilation, such as the West case reports. Everyone has an address and phone number, Musilek explained, but the slip opinion from Judge Leval does not have a book and page number independent of the publisher's effort. Page numbering, Musilek continued, is "the essence of the protectable expression."

On the Move

Pepe & Hazard announces the addition of the following associates to its Hartford office: **Karen Conway**, **Lisa Johnson-Firth** and **Roseann Padula**.

Notice to the Bar

The American Bar Association is now accepting nominations for its National Public Service Award. The award is in recognition of significant pro bono service to the poor in a business context, and the achievements resulting from the public service work for the clients and client groups represented.

Nominations are due by Jan. 31, 1997.

For more information or to submit a nomination, call Candi Ewing at (312) 988-5588, or write to her at ABA Section of Business Law, ABC National Public Service Award, 750 N. Lake Shore Drive, Chicago, Ill. 60611.

Martin asked whether he was infringing on West's intellectual property when he cited to a West Reporter volume. Musilek patiently explained that it would not be an infringement for two reasons—one, is that it's a *de minimis* copying, and two, it "would certainly be fair use for a judge or clerk." But it's different for a commercial competitor engaged in wholesale copying of page numbers.

Martin needled that a commercial competitor might be "taking advantage of the sweat of West's brow." Musilek, knowing full well that sweat-of-the-brow toil isn't protected by copyright, shot back, "Of course it takes sweat, but what ultimately the court protects is intellectual labor."

At this point Martin began to thumb through a tiny white booklet containing the U.S. Constitution. Reading from the copyright section, he asked Musilek whether these page numbers are what the founders had in mind when they spoke of promoting "science and the useful arts." As Musilek nodded, Martin mused, "I knew we fought the Revolution for something."

Few Words

When it was Bender's time to argue, Chu, of the Los Angeles firm of Irell & Manella, gave a two-sentence argument: West, he said, is claiming that there is a protectable "copyrighted expression in a series of Arabic numerals—one, two, three and so on—added by a computer. It is an astounding proposal." Chu concluded, saying Bender would rest on what it said in its briefs. Chu was accompanied by copyright partner Elliot Brown. (Irell & Manella partner David Nimmer, co-author with his late father of *Nimmer on Copyright*, is another member of the Bender legal team, but was not present. Their reference work, frequently quoted in the litigation, is published by Bender.)

Musilek made one last effort to explain why West's page numbers are fundamentally different from such facts as addresses. A telephone book competitor could get the facts independently, but anyone using West's numbers has to be a copier. "If they haven't copied it, how can they go door-to-door and find those facts without reference to West's work?"

Next up was Carl J. Hartmann Jr., one of HyperLaw's lawyers, arguing that it should be able to copy West text. Specifically, the CD-ROM publisher seeks to copy 15 judicial decisions that were provided by federal courts to West, but which HyperLaw was unable to obtain from court electronic bulletin boards. It does not intend to scan the whole reported text, Hartmann emphasized, but will keystroke into a computer only the words of the judicial decision—without headnotes, key numbers or any other West data.

DID THE FOUNDERS HAVE PAGE NUMBERS IN MIND WHEN THEY SPOKE IN THE CONSTITUTION OF PROMOTING 'SCIENCE AND THE USEFUL ARTS,' THE JUDGE ASKED THE LAWYER. AS THE LAWYER NODDED, THE JUDGE MUSED, 'I KNEW WE FOUGHT THE REVOLUTION FOR SOMETHING.'

Although Bender and Hyperlaw conceded that West deserves copyright protection for its original compilation efforts, Hartmann said that this might not be true for West's U.S. Supreme Court Reports, which are faithful reproductions of what the Supreme Court issues, including syllabi. "What could be more of a public document than a Supreme Court case?" Hartmann asked, adding, "What could be less intellectual than a parallel cite?"

West contends that competitors must get cases directly from the courts, and that copying only the judicial opinions from West books would violate West's copyright.

Martin asked Hartmann about claims that there was some original or creative element that West adds to judicial decisions. After nearly five years of litigation against West, Hartmann said of this claim, "It's drivel. [In reams of testimony] there's not one single statement that West has added anything of value."

Hartmann quoted West admissions during discovery that some corrections come directly from judges, and that it has not kept records of what text is original and what parts are corrections. Thus, Hartmann argued, West's versions are in a very real sense the final versions from the courts. As to the originality of the way page breaks are determined, Hartmann continued, "Internally, they say it's done by a machine," he said.

The hearing was like a show-cause proceeding; the judge wanted to know why he shouldn't rule in favor of Bender or HyperLaw right then and there.

Musilek protested that the HyperLaw text case is rife with issues of fact, and cannot be decided on summary judgment. "Are you ready for trial next week?" Martin asked impatiently. After Musilek protested lightly, Martin took a five-minute recess.

Why Not Move?

"What is the factual dispute that would keep me from granting summary judgment for Matthew Bender?" Martin asked when he resumed court. Musilek's final argument rephrased the *Oasis* rationale—that if the West case arrangement could be recreated from the Bender CD-ROM, on the basis of the page numbers, an infringement would exist.

Unswayed, Martin declared, "I'm going to grant summary judgment to Matthew Bender with respect to star pagination." He quoted from Leval in the *CCC* case, which states: "The facts set forth in the compilation are not protected and may be freely copied; the protection extends only to those aspects of the compilation that embody the original creation of the compiler."

There was no question in anyone's mind that this case would be heading to the 2nd Circuit, and Martin allowed that he was ruling from the bench so the appellate court could get to work quickly.

Equitable Aspects

Martin spoke from the bench without reading a prepared text, explaining his legal reasoning:

"Here, the original creation of West is not in the number of lines in any case, it is not in the number of any pages in any case. The original creation may be in the way West selects cases for reporting," its headnotes and other added enhancements. Even if he were to rule that the page numbers were copyrightable, other publishers should be able to use them freely under the doctrine of "fair use," Martin continued.

"I think it is important in looking at the fair use analysis to start with the [1989] decision in the 2nd Circuit in *Weissman v. Freeman*:

" 'Analysis begins not by elevating the statutory guides to inflexible rules but with a view to the underlying equities.'

"It seems clear the underlying equites here lie with allowing use of star pagination. On the one hand it can be said that somehow Matthew Bender is taking advantage of the sweat of West's brow. But *Feist* did away with that concept," Martin said.

"What West is attempting to do by trying to inhibit star pagination is to create a monopoly over reported court decisions. That, in my view, is not an equitable activity and therefore should play some role in the analysis of whether or not there is fair use here.

"West has its copyright because of the compilation," the judge concluded, "not because of where a particular portion of court-authored text falls on a page." ■

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