

Poem title list III – A little database outro

Perttu Virtanen [\[1\]](#)

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ABSTRACT

This paper provides an analysis of the judgment by the German Supreme Court in so-called Poem title list III (*Gedichttitelliste III*) together with relevant background to the case. The dispute concerned the infringement of the *Sui Generis* database right and the domestic supreme court decided the matter after the European Court of Justice gave its preliminary ruling on the interpretation of the relevant community law in C-304/07 *Directmedia* case.

1. INTRODUCTION

Ever since its adoption in 1996, the Database Directive [\[2\]](#) has stirred a flurry of legal activity in several member states of the European Union. It established a harmonized, two-tier intellectual property regime for information compilations with databases foremost in mind [\[3\]](#). One of the several cases to reach the European Court of Justice, the *Directmedia* [\[4\]](#) case drew public and academic [\[5\]](#) attention then, but its domestic stages have been left of relatively little notice. A little treatment of the whole case history together with an analysis of its final domestic phase may show how the entire legal regime works in respect of databases and it reveals also that the whole system may not have fermented yet to provide foreseen results. This case together with current request for referral to ECJ in *Football Dataco Ltd et al v Sportradar GmbH et al* [\[6\]](#) from the UK suggest there is still work that needs to be done in order to adjust the regime to the modern day working of the information technology and society [\[7\]](#) –or, as it is sometimes suggested - vice versa.

2. THE FACTS AND THE DOMESTIC PROCEDURE PRIOR TO THE ECJ

Professor K. from Albert-Ludwig-University Freiburg led the project “*Klassikerwortschatz*” and the work led also to the publication of a compilation of verse, “*Freiburger Anthologie*” of German poems from 1720 to 1933. A list comprising titles of 1100 most important poems in German literature between 1730 and 1900 (*Gedichttitelliste*) compiled by the same professor within the framework of the project served as a basis for the anthology. The list was also published openly in the Internet. *Directmedia Publishing GmbH* used the above mentioned list as a guide while it prepared its own collection of '1000 poems everyone should have' and the company sold its

compilation as a CD-ROM. Directmedia critically examined each of the choices made by Professor Knoop and accordingly left off some poems and added others. As a result of that work the compilation on CD contained 856 poems that were also on Professor's list. The company did not copy any of the poems from the Professor's list but retrieved them from their own digital resources.

Professor K. and the University saw that Directmedia infringed Professor's copyright as the author of the poem title list and the *Sui Generis* related right of the University as his employer concerning the same list constituting a database and sued for cessation of infringement and damages against Directmedia, seeking also an order for delivery or destruction of any infringing copies. Both the trial court and the appellate court upheld the claims in the two matters in 2004^[8]. Directmedia lodged an appeal to the German Supreme Court, Bundesgerichtshof (BGH). The BGH decided the case and by part judgments upheld the finding of an infringement of the copyright in database in so-called Gedichttitelliste I and referred the case to European Court of Justice concerning the interpretation of the Database Directive 96/9 as for the meaning of extraction as laid out in Article 7(2) of the Directive concerning the *Sui Generis* right in so-called Gedichttitelliste II in 2007 ^[9].

3. THE CASE IN THE EUROPEAN COURT OF JUSTICE

The ECJ gave its preliminary ruling on 1st October 2008 on the matter ^[10]. The Court formed the question referred to it as follows:

'whether the concept of "extraction" within the meaning of Article 7(2) (a) of Directive 96/9 covers the operation of transferring the elements of one database to another database following visual consultation of the first database and a selection on the basis of a personal assessment of the person carrying out the operation or whether it requires that a series of elements be subject to a process of physical copying.'

The Court reiterated in its reasoning the 44th recital in the preamble to the Directive stating that the transfer of all or a substantial part of the contents of a protected database to another medium, which would be necessary for the purposes of a simple on-screen display of those contents, is of itself an act of extraction that the holder of the *Sui Generis* right may make subject to his authorisation.

Another central source referred to both in the judgment of the ECJ and the opinion of its Advocate-General is recital 38:

'Whereas the increasing use of digital recording technology exposes the database maker to the risk that the contents of his database may be copied and rearranged electronically, without his authorization, to produce a database of identical content which, however, does not infringe any copyright in the arrangement of his database.'

According to the Court, and the same transpires also in the opinion of the Advocate-General ^[11], recital 38 seeks to illustrate the particular risk for the database makers of the increasing use of digital recording technology. It cannot be interpreted as reducing the

scope of the acts subject to the protection of the *Sui Generis* right merely to acts of copying by technical means, since otherwise, first, there would be a failure to have regard to various matters mentioned elsewhere in the judgment militating in favour of a broad interpretation [12] and the maker of a database would be deprived of protection against acts of extraction which, although not relying on a particular technical process, would be no less liable to harm the interests of the database maker.

The ECJ continued that it is upon the referring court to ascertain [13], whether there has been an infringement by Directmedia of the *Sui Generis* right of the University, whether the action taken by the Directmedia amounts to an extraction in respect of a substantial part or to extractions of insubstantial parts amounting combined to a substantial part. Accordingly, the Court concluded that the answer to the question referred must be that the transfer of material from a protected database to another database following an on-screen consultation of the first database and an individual assessment of the material contained in that first database is capable of constituting an 'extraction', within the meaning of Article 7 of Directive 96/9, to the extent that - which is for the referring court to ascertain - that operation amounts to the transfer of a of a substantial part or to transfers of insubstantial parts which result by their repeated or systematic nature in reconstruction of a substantial part of those contents [14].

4. THE FINAL DECISION IN *Gedichttitelliste III*

The Supreme Court decided finally the *Sui Generis* part of the case, so-called *Gedichttitelliste III*, upon receiving the ECJ preliminary ruling in 2009 [15]. It found that respondent, Directmedia, had utilized a substantial part of the data in the university's database when it had used it as a foundation for selection of the poems in its own CD-ROM. During the period between 1720 and 1900 there was some 98% similarity in the selection. By extracting these poems to its own CD and then marketing it in commerce, the respondent had reproduced and distributed a qualitatively and quantitatively substantial part of the database and by doing so infringed the exclusive right of a *Sui Generis* database right holder. The fact that the respondent had copied the poems not from the University's database but from its own sources was not relevant. The respondent had extensively oriented itself according to the selection of poems in the poem title list, even when it had critically examined and omitted some poems while choosing others instead and pursuant to preliminary opinion of the ECJ such a transfer of elements can also constitute extraction.

5. ANALYSIS

Arguably the final decision of the BGH is thorny to grasp if the preliminary ruling of the ECJ together with the opinion of the Attorney-General (AG) is not analysed first. Accordingly, both are reviewed below. One has to bear in mind that what is said below is relevant as regards the alleged *Sui Generis* infringement, not the copyright infringement which had been already finally established concerning the same database in *Gedichttitelliste I*.

5.1. The ECJ AND AG ANALYSIS

Pursuant to key provision, Article 7(2) (a) of the Database Directive concerning one of the exclusive rights of *Sui Generis* database right holder : 'extraction' shall mean the permanent or temporary transfer of all or a substantial part of the contents of a database to another medium by any means or in any form.' Another central source referred to both in the judgment of the ECJ and the opinion of its Advocate-General is recital 38 already mentioned above:

'Whereas the increasing use of digital recording technology exposes the database maker to the risk that the contents of his database may be copied and rearranged electronically, without his authorization, to produce a database of identical content which, however, does not infringe any copyright in the arrangement of his database'

The stand taken by the ECJ is clear and based on the wording and purpose manifest both in the recitals and articles of the Database Directive: the meaning of extraction is to be understood broadly, whether it be 'technical' or other copying not requiring any particular 'technical' method more sophisticated than, for example, a mere pencil and sheet of paper. The latter is also, besides the straightforward technical reproduction, impinging on rights of the database makers and ignores the various aspects militating in favour of the broad construction expressed in the judgment [16].

This is arguably neither a novel nor revolutionary notion. In the copyright field, Article 9(1) of the Berne Convention states: 'Authors of literary and artistic works protected by this Convention shall have the exclusive right of authorizing the reproduction of these works, in any manner or form.' In the 1996 World Copyright Treaty (WCT) the Agreed statement concerning Article 1(4) concerning the relation to the Berne Convention provides:

'The reproduction right, as set out in Article 9 of the Berne Convention, and the exceptions permitted thereunder, fully apply in the digital environment, in particular to the use of works in digital form. It is understood that the storage of a protected work in digital form in an electronic medium constitutes a reproduction within the meaning of Article 9 of the Berne Convention.'

While the WCT does not contain specific provisions concerning *Sui Generis* right, there is a provision in Article 5 concerning databases protected by copyright. The Database Directive contains provisions also concerning databases protected by copyright as attested by the copyright part in *Gedichttitelliste I* and the above said works as a useful comparison. Broad notions of copying, reproduction and extraction particularly in digital environment are currently predominant. Further, the ECJ judgment quoted recital 44 mentioned also above whereby the transfer of all or a substantial part of contents which would be necessary for the purposes of a simple on-screen display of those contents is an act of extraction the rightholder may prohibit. Importantly, as it was confirmed in earlier *British Horseracing Board* judgment of the ECJ [17] case, that further than that, *Sui Generis* does not cover consultation of a database [18]. If an analogue version is accessed or the consent to access an electronic database is given, searching the data does not flout *Sui Generis* right. In the current case it has been mentioned in the background

information that the University made the list of poems, the database in question, openly available via the Internet.

Against this backdrop it may well be that the way the conclusion in the ECJ preliminary ruling is written may puzzle the reader: finding that the transfer of material from one protected database to another following on-screen consultation of a database and an individual assessment of the data therein is capable of constituting an extraction strikes as peculiar if the latter part is ignored. This however presupposes that the conduct amounts to the transfer of the whole database or an essential part thereof and this is upon the domestic court to ascertain [19]. From the opinion of the advocate-general, however, one finds the grounds put forward for a more embracing protection. According to the AG, 'transcribing' the content after consulting it on-screen and then incorporating it into a different database is just as likely to prejudice the investment of the maker as copying that database electronically or photo-copying it. Thus provided 'transcribing' has occurred it may amount to extraction. [20]

The opinion is interesting. When, according to background information given in the case, nothing has been copied from the database in question as regards content by any means, whether it be technical or not, but rather the database has been lawfully accessed and critically reviewed, and subsequently the materials separately collected from other, allowed sources, it amounts to extraction. An additional argument can be found from the AG's opinion and retraced to the *British Horseracing* case therein [21]:

"Since acts of unauthorised extraction and/or re-utilisation by a third party from a source other than the database concerned are liable, just as much as such acts carried out directly from that database are, to prejudice the investment of the maker of the database, it must be held that the concepts of extraction and re-utilisation do not imply direct access to the database concerned..."

Taken literally, this would enable the interpretation of the AG. However, the paragraph of the judgment is taken out of its context. In previous paragraph of the *British Horseracing* it has been mentioned: the concepts of extraction and re-utilisation cannot be exhaustively defined as instances of extraction and re-utilisation directly from the original database at the risk of leaving the maker of the database without protection from unauthorised copying from a copy of the database. [22] Accordingly, the argument used relates to prevention of extraction from copies of the database as opposed to copying directly from the database itself. It is a matter entirely different from extending the exclusive rights to apply to all collection of data from any, even lawful sources. If separated from context and then generalized to all data, it transgresses the wording and purpose of the *Sui Generis* right.

Such an extension is highly questionable. What has led to such a sweeping interpretation of extraction? The answer may be found from the opinion itself. There, the question is posed whether the extraction, in whatever manner and form, affects the whole or substantial parts of the contents and hence damages the investment made to create the original database [23]. That is so, opined the AG, if the copying process involves not only the entirety or substantial part of the data themselves but also the systematic and methodical way in which they were arranged in the database. The AG was of the view that it is irrelevant whether the extraction happens by copying the contents of the original database or by reproducing them following on-screen consultation of the database [24].

The underlying reason, protection of arrangement, is understandable and well founded. However, this is not a matter of *Sui Generis* regime. The Database Directive clearly sets out a two-tier protection, one for *Sui Generis* databases and another for databases protected by copyright. The entire Chapter 2 is devoted to copyright protection of databases, and pursuant to Article 3, databases which, by reason of the selection or arrangement of their contents, constitute the author's own intellectual creation, shall be protected as such by copyright. Arrangement is a criterion for copyright protection and the Directive imposed the duty upon member states to implement also this aspect of database regime.

5.2. THE BGH ANALYSIS

However, the final domestic decision after the ECJ judgment in *Gedichttitelliste III* was concerned with *Sui Generis* database right and the concept of extraction therein [25]. As already mentioned above, the same Court had already established infringement of database copyright in *Gedichttitelliste I*. There BGH had stated that the infringement to a compilation can only be presumed when the combination of borrowed elements shows particular structure present also in the selection and arrangement of the original compilation. In the case the court found that respondent's database was 98 % identical with that of the professor's in the period between 1720 and 1900, whereby infringement had occurred [26]. Thus, the Domestic Court first found that the copying of the arrangement and selection in the copyright constituted infringement. Then it found that the same 'extraction' of selection, when done repeatedly and systematically amounts to copying of a substantial part and constitutes a *Sui Generis* infringement.

All this when it clearly transpires from the Database Directive's wording, the recitals and earlier ECJ jurisprudence that *Sui Generis* regime was crafted with a different, complementing purpose in mind abreast with copyright protection – to protect the copying or making available to the public the contents, as opposed to selection and arrangement, of unoriginal databases where a substantial investment to their obtaining, verification or presentation had occurred. Different regimes for different protectable subject matter each having its own particular qualifying criteria but that can nevertheless can reside in the same database – as the case was here.

6. CONCLUSION

In a way, the *Gedichttitelliste I-III* serves as a textbook example of the factual circumstances how different elements of the database directive protection for different elements in databases exist in real life and can trigger different portions of the whole directive. The result, finding an infringement based on usage of selection and arrangement, the copyright standard as criteria for *Sui Generis* and protecting not the substantial part of the contents of the database particularly when they were indisputably acquired from lawful sources in the case is unique.

It only needs a quick repetition of recital 38 mentioned above to see how the copyright and *Sui Generis* had different targets and different, complementing purposes:

'Whereas the increasing use of digital recording technology exposes the database maker to the risk that the contents of his database may be copied and

rearranged electronically, without his authorization, to produce a database of identical content which, however, does not infringe any copyright in the arrangement of his database ...'

As mentioned above, consultation of a database open to public without copying the contents thereof, either directly from the database, or from a copy thereof, does not infringe *Sui Generis* right either. Nobody then copies the contents of the database unlawfully, either 'directly' or 'indirectly' or in any other manner whatsoever, provided the contents are copied from lawful sources as the case was indisputably here. The database *Sui Generis* right holder's investment in obtaining, verifying and presenting the contents is not jeopardized by extracting the contents of his/her database – the potential competitor - or any other database maker for that matter- has to bear the potential costs of obtaining his own database contents.

Although it does not necessarily matter in legal appraisal concerning extraction of contents in the current case, a small, hypothetical change in circumstances perhaps highlights the irregularity of the present conclusion. It is not mentioned whether Directmedia initially collected lawfully itself or acquired from somewhere else the materials it took subsequently from their own digital resources and not from the claimant's website. Suppose the company bought them and paid for them to someone else. Would anyone after that claim that it had somehow extracted the contents from claimant's website? Hardly so. If either selection or arrangement of the same database qualifies to attract database copyright protection, copying and then making available to the public, this is potentially a separate, copyright infringement as the case was here. Although they can coexist in the same bottle, water and oil do not mix and the same applies also to copyright and *Sui Generis* right in database intellectual property protection scheme of the EU. Or it should, but the well-known Hume's guillotine works apparently also here.

[1] PhD, LLM, LLMEur, researcher, Aalto University, Helsinki Infotech Institute. All the links in this paper were last accessed on Walpurgis Night 2011 unless otherwise mentioned. The author is liable for any fault or omission alone. Any comments are welcome.

[2] Directive of European Parliament and of the Council on 11 March 1996 on the legal protection of Databases, OJ(L) 77/20, 27th March 1996, p.20-28

[3] More generally on the Database Directive scheme, see e.g. see for instance P. Virtanen: Evolution, Practice and Theory of European Database IP Law, Acta Universitatis Lappeenrantaensis 303, 2008, E. Derclaye: The Legal Protection of Databases – A Comparative Analysis, Edward Elgar Publishing, 2008

[4] *Directmedia Publishing GmbH v Albert-Ludwigs-Universität Freiburg* , C-304/07, ECJ 9th October 2008

[5] See e.g. J. Axhamn: Databasrättens föremål i ljuset av nya förhandsavgöranden , [2009] 78 Nordiskt Immateriellt Rättsskydd 2 p. 144-168; P. Virtanen: Poetry Not in Motion. On the meaning of extraction in the Database Directive by the European Court of Justice, [2009]78 Nordiskt Immateriellt Rättsskydd 2 p.169-174; C. Badger: The meaning of

‘extraction’ of data from a database [2009] 4 Journal of Intellectual Property Law & Practice p. 160-161

[6] Court of Appeal (Civil Division), 29rd March 2011, Case No: A3/2010/2849 and 2947, [2011] EWCA Civ 330 ; The case concerns –once again – football match information databases and involves an interesting set of questions concerning both the interpretation of extraction and re-utilization pursuant to the Directive together with the jurisdictional issues related to Internet data transfer.

[7] On selected aspects of this accommodation particularly as regards the Internet, see e.g. P. Virtanen: Internet and European Database Rights, [2007] 76 Nordiskt Immateriellt Rättskydd 1, p. 11-28

[8] LG Mannheim, 23.1.2004 -7 O 262/03 and OLG Karlsruhe, 28.7.2004 – 6 U 37/04 respectively

[9] Gedichtstitelliste I and II, BGH 24.5.2007, case no I ZR 130/04

[10] Database Directive re Directmedia Publishing GmbH v Albert-Ludwigs-Universität Freiburg (C-304/07)

[11] Opinion of the Advocate General Sharpston, 10th July 2008, at 41

[12] See paras 29 to 49 of the judgment.

[13] Para 59, emphasis by the author

[14] Conclusion of the judgment.

[15] Bundesgerichtshof, 25.3.2010 – I ZR 47/08

[16] Paragraphs 29 to 49.

[17] *The British Horseracing Board Ltd and Others v William Hill Organization Ltd* , C-203/02, 9th November 2004

[18] Paragraphs 54 and 55 of the British Horseracing judgment.

[19] In essence, the conclusion of the judgment merely recites the wording of Article 7(2) (a) and then declaims the rule that it is up to domestic courts to establish the facts and apply the current interpretation of Community provisions thereto.

[20] According to dictionary definitions, “transcribing” means to make a written copy or version, to write down or record something, to transliterate or to write something in a different medium or to transform from one form to another. See e.g. The New Penguin English Dictionary, Penguin Books, 2000. The AG used it in Para 33 of the opinion implying that transcribing has occurred in the case.

[21] AG:s opinion at 50, referring to Paragraph 53 of the British Horseracing judgment.

[22] Emphasis by the author. This risk of copying indirectly from another copy of the database in question without authorization may, or may not, be the explaining fact behind the careful wording in the ECJ judgment. The court did not, accordingly, adopt the bold suggestion by the AG but the original setting of the question by the national court may have forced its hand to leave open the possibility for infringement since the essence of the question did not pertain to copying the contents from lawful source but was rather premised on the fact that transfer occurred and only then directed to the different possible

means of interpretation and the nebulous concept of “physical” copying of data. Leaving legal creativity aside, one may ask what is non-physical copying?

[23] Opinion at 55.

[24] *ibid*

[25] The case would have been breaking fresh ground if one of the underlying criteria triggering the actual protection of investment for *Sui Generis* databases enshrined in Article 7(1), namely a substantial investment for presenting database contents, apart from collecting and verifying them, had been chosen as the bone of contention since this was left of little notice during the adoption of the Directive. See e.g. Virtanen above, p. 175-6

[26] Gedichttitelliste I, Entscheidungsgründe, II.1.c