A COPYRIGHT RIDDLE: WHEN IS COPYING NOT AN INFRINGEMENT?

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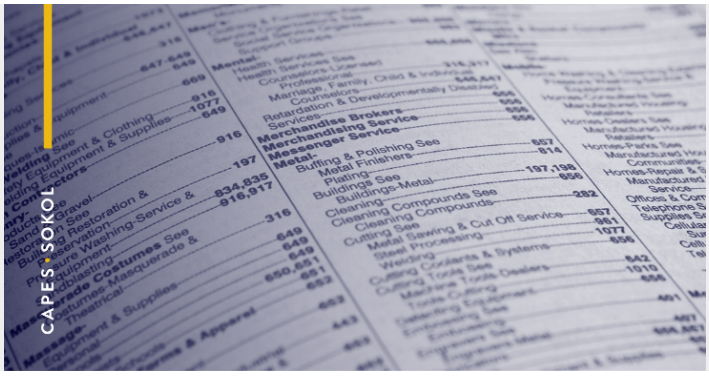

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Many view my fellow copyright lawyers as the Glamor Guys and Gals of the legal profession—at least compared to, say, business lawyers, who the public misperceives as wretched scriveners hunched over their desks grinding out "whereas" clauses for lengthy contracts filled with hereinafters, heretofores, and other incomprehensible legalese.

And yes, I will concede that over the years, I have handled some high-profile cases for motion picture studios, comic book artists, professional sports teams, photographers, tattoo artists, and musicians. I was even the St. Louis concert attorney for the Rolling Stones once, although my total compensation for that gig was four front-row tickets to the concert, which I happily accepted.

But some of my **most interesting and challenging** copyright cases have been for banks, manufacturers, healthcare providers, and other commercial enterprises as far removed from Hollywood and the Rock and Roll Hall of Fame as you can imagine. These less glamorous industries have generated a noteworthy collection of important copyright decisions.

Indeed, one of the most significant United States Supreme Court copyright cases of all time involved—**are you ready?**—telephone directories in rural Kansas.

Yes, in *Feist Publications, Inc. v. Rural Telephone Service Co.*, the question was whether the defendant's undisputed—indeed, brazen—copying of more than a thousand names, addresses, and telephone numbers from the plaintiff's telephone directory constituted infringement of plaintiff's registered copyright in its directory.

Battle of the Phone Directories

A unanimous Supreme Court in 1991 said **No**, explaining that facts alone, even if gathered at great time and expense, cannot be copyrighted:

> *"This is because facts do not owe their origin to an act of authorship. The distinction is one between creation and discovery: The first person to find and report a particular fact has not created the fact; he or she has merely discovered its existence." (Id. at 347).*

But the Court added an important caveat: if the ***arrangement*** of the compilation of those facts—as opposed to the facts themselves—possesses the requisite originality, then that particular compilation ***will*** be protected by copyright.

But, alas, not for the plaintiff in *Feist.* As the Court explained, "*In preparing its white pages, simply takes the data provided by its subscribers and lists it alphabetically by surname. The end product is a garden-variety white pages directory, devoid of even the slightest trace of creativity.*" (*Id. at 363*).

Okay, you're mumbling to yourself, *big deal, counsel. I don't publish telephone directories, so* ***why in the heck should I care****?*

Here's why: this distinction between facts and compilations of facts has generated expensive court battles involving a wide variety of businesses, none of whom have performed at a Super Bowl Halftime Show. The most recent such skirmish involved—I kid you not—car dealers. Yes, car dealers.

And the central issue in that case, which applies to all businesses, is: **When is copying of copyrighted material not infringement?**

Battle of the Car Descriptions

The customers of the plaintiff in *Advanta-Star Automotive Research Corp. v. DealerCMO, Inc.,* are car dealers, who purchase subscriptions to Advanta-Star's extensive copyrighted database of vehicle comparisons highlighting the advantages that one car has over competitive models.

In exchange for that subscription fee, these car dealers get to feature Advanta-STAR's comparisons on their website to increase Search Engine Optimization and website traffic while having the ability to highlight the advantages of, say, their SUVs over those of their competitors.

As with other companies whose revenues come from the sale of subscriptions to their copyrighted content, Advanta-Star monitors the Internet to uncover unlicensed users. And lo-and-behold, it discovered the defendant, which had included on its website three vehicle comparisons that Advanta-Star alleged "contained entire paragraphs that identical" to its copyrighted text.

How did the defendant respond to that accusation?

Did it deny the validity of Advanta-Star's copyrights? **Nope**.
Did it deny the copying? **Nope**

Instead, it moved for summary judgment on the ground that Advanta-Star **could not prove that the portions of its website's vehicle comparisons at issue were substantially similar to any protectable elements** of the Advanta-Star material.

TRANSLATION: "Hey, so we copied some of your stuff verbatim, but guess what? The things we copied were just facts, and those facts aren't protected by copyright."

And the court agreed. As District Judge Sarah Vance explained at the outset, judgment in favor of the defendant would be proper if, and only if, "*the similarity between the two works concerns only non-copyrightable elements of plaintiff's materials.*"

Accordingly, the Court must first "*determine which elements of plaintiff's comparisons are not protectible and must therefore be filtered out in the first step*" before the Court turns to a comparison of the alleged similarities between the portions that are protected by copyright. Judge Vance then undertook a down-into-the-weeds 19-page side-by-side comparison of plaintiff's text and defendant's allegedly infringing version.

Here, for example, is the plaintiff's text comparing the warranties at issue, with the underlined language comprising the text that defendant copied:

WARRANTY: The Sonata comes with a full 5-year/60,000-mile basic warranty, which covers the entire car and includes 24-hour roadside assistance. The Camry's 3-year/36,000-mile basic warranty expires 2 years and 24,000 miles sooner. Hyundai's powertrain warranty covers the Sonata 5 years and 40,000 miles longer than Toyota covers the Camry. Any repair needed on the engine, transmission, axles, joints or driveshafts is fully covered for 10 years or 100,000 miles. Coverage on the Camry ends after only 5 years or 60,000 miles. The Sonata's corrosion warranty is 2 years longer than the Camry's (7 vs. 5 years).

Every single one of those words except for that first "The" appears in the defendant's section on Warranty. In other sections, sometimes half of the text from the Advanta-Star comparison is copied verbatim, other times even more.

The court's conclusion? The comparison "*demonstrate that defendants largely took unprotected factual information from plaintiff's comparisons*," such as highway fuel milage, warranty options, or

the length of its brake rotors. These are "*objective facts that plaintiff admits were taken from other sources and are thus not original*."

While it was true, that defendants also copied certain words and phrases from the Advanta-STAR's comparisons, many of those words and phrases (such as "fuel capacity," "child safety locks," or "EPA test cycle") were not original to Advanta-STAR and, in any event, are not protectable.

Judge Vance's discussion of this facts-versus-expression issue includes an illuminating review of a wide ranging set of decisions (from economics textbooks to pet care manuals) that provide an excellent tutorial on when copying is and isn't a copyright infringement.

Conclusion on Copyright "Copying"

This decision is only the latest one to underscore the key copyright distinction between things in the public domain, **such as facts and ideas**, and things protected by copyright, including the original arrangement of those facts and expressions of them.

It's why Amazon.com lists over 4,000 biographies and other non-fiction books on Abraham Lincoln. All are based on the same collection of facts, free to everyone to use. Copyright protects only the original arrangement and expression of those Lincoln facts in each book.

So, too, the Olympic Winter Games are generating hundreds of facts every day, all of which are in the public domain. But if you are the editor of your newspaper, make sure the sportswriter covering the Games for you copies only the facts from that *Sports Illustrated* story.

And if you are the general counsel of your bank or your real estate firm or your supermarket chain or your apparel company, make sure that your marketing folks **copy only the facts** from that enticing advertisement by one of your competitors