

# 97-7910

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**United States Court of Appeals  
FOR THE SECOND CIRCUIT**

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**HYPERLAW, INC.,**

*Plaintiff-Appellee,*

— against —

**WEST PUBLISHING COMPANY,**

*Defendant-Appellant.*

—  
ON APPEAL FROM THE UNITED STATES DISTRICT  
COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

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**BRIEF FOR AMICUS CURIAE  
REED ELSEVIER, INC.**

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IN THE UNITED STATES COURT OF APPEALS  
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HYPERLAW, INC.,

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v.

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On Appeal from the United States District Court  
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INTEREST OF AMICUS CURIAE

Reed Elsevier, Inc. ("Reed") is an international firm with substantial publishing operations in the United States and abroad and a substantial interest in the resolution of this appeal.

Through its Lexis-Nexis service, Reed is one of the leading electronic publishers in the nation. Reed selects, edits, arranges, annotates, and makes available in useful form an enormous amount of fact-based material. Some of its publications include works of the United States government for which copyright may not be claimed, under 17 U.S.C. § 104. Reed also compiles and publishes databases that include enhanced and annotated factual material drawn from state and local governments. In order to serve those persons who find undigested, unedited, raw works of the government less than optimally useful, Reed has chosen to enter - and indeed, has helped to create - a market for annotated, enhanced copies of such works.

The choices Reed makes concerning which kinds of works to publish, and how best to add value to those works by enhancing them, are the product of substantial and ongoing creative effort, applied by thoughtful professionals. They are also the result of substantial investments. Reed is induced to publish such works, and to refine and improve them, by the incentive of financial gain; and the public is thereby benefitted in precisely the manner the Framers contemplated.

Reed's choices of how best to enhance such works differ in meaningful respects from those of its competitors, and the public is benefitted by publishers' competition to create the best, most helpfully enhanced editions.

Any judgment refusing copyrightability for a work that is widely and profitably published, competitive in its field, and purchased by thousands on a day-to-day basis, must give pause. Analysis of such a decision must necessarily begin with the Copyright Clause's stated policy of encouraging creation through grants of limited monopoly rights. The Constitution grants Congress the power to "promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." U.S. Const. art. I, § 8, cl. 8. Here, the district court misapplied the Supreme Court's standard for copyrightability set out in *Feist Publications v. Rural Tel. Serv. Co.*, 499 U.S. 340

(1991), and in doing so failed to give effect to the policies underlying the Copyright Clause and the Copyright Act.

Reed submits this *amicus curiae* brief, accompanied by a motion for leave to file, to assist the Court in understanding the harmful consequences that would attend acceptance of the district court's reasoning below. If - contrary to such cases in this Court as *Kregos* and *Key Publications* - creativity in the selection of what categories of information to be published and their resulting arrangement is held insufficient for copyrightability, then a substantial number of books and electronic fact-works, such as almanacs, creative databases, and the like will be subject to piracy. Reed's detailed consideration here of the kinds of creativity that underlie fact works should help to forestall the pointless and unjustified elimination of the incentives to create and publish such works, and to safeguard the vitality of the publishing industry's commitment to the creation and publication of better fact works.

#### ARGUMENT

Copyright "subsists . . . in original works of authorship fixed in any tangible medium of expression," including compilations.<sup>1</sup> In *Feist Publications v. Rural Tel. Serv. Co.*, 499 U.S.

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<sup>1</sup> 17 U.S.C. §§ 102-103. We do not take up, believing it to be irrelevant for purposes of this case, the dispute below with respect to whether Hyperlaw's proposed copying is best viewed as copying of West's compilations or of its derivative works. Each case report can be considered a derivative work, but they are  
(continued...)

340 (1991), the Supreme Court applied the term "original" to compilations of facts and held that "originality" in that context could be found in the selection and arrangement of facts, so long as the choices as to selection and arrangement were independent and at least minimally creative:

The compilation author typically chooses which facts to include, in what order to place them, and how to arrange the collected data so that they may be used effectively by readers. These choices as to selection and arrangement, so long as they are made independently by the compiler and entail a minimal degree of creativity, are sufficiently original that Congress may protect such compilations through the copyright laws.<sup>2</sup>

In holding that the essence of copyright's originality requirement is "minimally" creative choice, *Feist* did not, however, prescribe the precise nature of creative choice that would satisfy the statute, much less hold that some kinds of creative choice are insufficient to support copyright.

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<sup>1</sup>(...continued)

compiled into volumes which have found a ready and lucrative market because of the value added by West. The important fact for analytical purposes, we believe, is that the promise of economic return resulting from copyright protection has established incentives for West to create useful, enhanced judicial opinions, which are published in compiled form. It is those volumes from which Hyperlaw seeks to copy, and it is not labels but (a) the creativity in West's work in those case reports in those volumes, and (b) the threatened harm to incentives for ongoing creation of such compiled enhanced works threatened by Hyperlaw's plans, that must inform the resolution of this case.

<sup>2</sup> *Feist*, 499 U.S. at 348.



It is useful, in examining the decision below, to conceive of the creation of a compilation as consisting of creativity at one or both of two steps. An author who embarks on a compilation typically starts by deciding what categories of facts or material will be presented to the reader ("Step One" creativity, or "category selection"). This involves creativity at a categorical level: the selection and general arrangement of the classes of information that will constitute the compilation.

In certain compilations, this kind of selection and arrangement of the classes comprising the framework is the principal or even sole creative act involved in the creation of the compilation: the data comprising the compilation inevitably, indeed almost algorithmically, falls within the created categories.

Other compilations entail an additional level of creativity, because the categories created or selected require not just a straightforward act of finding the data called for, but choice about whether particular data falls within the parameters selected (e.g., which are the best Chinese restaurants in Manhattan, who are the best left-handed catchers in the American League) ("Step Two" creativity, or "subjective categorization").

To understand how creativity at Step Two differs from creativity at Step One, compare compilations listing "all movie theaters and video stores within six blocks of subway stations in Manhattan" or listing "all video stores with over 2000 pre-1975 films" with a compilation listing "the best movie theaters and

video stores in Manhattan." In all three examples, the author must make "Step One" creative choices about the categories of information to be included in his compilation. In the first two examples, however, that is *all* the creativity involved: once the category of information to be included has been decided, there is no further creativity entailed in "finding the facts" for the selected categories to be covered. Having made the creative decision to publish a listing of video stores renting 2000 pre-1975 films, for example, it remains only to undertake the labor of visiting such stores, or calling them, to determine whether they fit the selected category.

By contrast, in the third example, there is an additional exercise of creative judgment to be made. The information to be compiled is not a collection of objective "facts" but a collection of subjective judgments - for example, whether any particular theater is good enough to be listed.<sup>3</sup>

No one disputes that "Step Two" selection and arrangement is sufficient for copyrightability of the resulting expression. The question before this Court is whether the creativity required to render a particular work eligible for copyright can be found in a compilation where creative choice has been exercised principally

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<sup>3</sup> One could argue that there is room for creative judgment in the insertion of data even in the first example: if Radio City Music Hall shows films once a month, does it qualify as a "movie theater"? For purposes of this argument, we will assume that there exist certain compilations in which the only creative judgment is found in the selection and arrangement of data categories.

in the selection and arrangement of data categories (given a range of choices that authors could make as to what information to select, arrange, and publish), and where once those categories are determined, the expression is obtained largely by the relatively non-creative process of finding and adding the "facts" called for by the categories selected.<sup>4</sup>

Judicial opinions, without more, are uncopyrightable, and anyone who publishes them has no right to stop others from reprinting such opinions.<sup>5</sup> But publishers have created and participated in a market for improved editions that differ one from another in myriad ways: publishers make choices of whether to publish a subset of all opinions, and, if so, which subset; and they make decisions about what additional pieces of information or commentary, to the opinions selected. West, for example, as shown in the record below, makes numerous "Step One" choices including, but not limited to: (1) how to expand certain

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<sup>4</sup> Although *amicus* believes that West established sufficient Step Two creativity below, this brief will address itself for analytical purposes to the largest conceptual error made by the district court – the discounting of Step One creativity as irrelevant under *Feist*. Thus, in the argument that follows, we will largely ignore West's Step Two creativity, and proceed to demonstrate that the originality or creativity required by the Constitution may be found in categorical selection and arrangement (Step One creativity).

<sup>5</sup> See, e.g., *Wheaton v. Peters*, 33 U.S. 591 (1834) ("[N]o reporter has or can have any copyright in the written opinions delivered by this court; and . . . the judges thereof cannot confer on any reporter any such right."); *Banks v. Manchester*, 128 U.S. 244, 253 (1888); *Banks Law Pub. Co. v. Lawyers' Cooperative Pub. Co.*, 169 F. 386, 387 (2d Cir. 1909), appeal dismissed, 223 U.S. 738 (1911).

citations; (2) what categories of attorney-related information to include; and (3) the selection and arrangement of court line and date line information.

The district court below held, as a matter of law, that "Step One" selection and arrangement of data is an insufficient basis for copyrightability in this case and indeed generally, and that both the Constitution and the copyright statutes preclude copyrightability for fact works that are compilations of data or of enhanced non-copyrightable works absent "Step Two" selection and arrangement. This was a fundamental error stemming from a seriously flawed reading of *Feist*. As discussed more fully below, *Feist* does not prescribe the *kind* of creative choices required to render a work copyrightable. The minimum requirement under *Feist* is that there be some discernable level of creative choice. Nothing in *Feist* suggests that creative category selection expressed in a particular work is necessarily insufficient as a matter of law. Under the facts presented in this case, the necessary creativity here can be found in the numerous, creative "Step One" choices made by West in preparing its case reports, even without considering West's "Step Two" judgments and other creative contributions.

It is vital, for *amicus*, for other publishers of fact works and for the database industry generally, that this Court correct the district court's conceptual error. Based on the Supreme Court's reasoning in *Feist*, on prior holdings in this Circuit and

on sound policy considerations embodied in the copyright law, this Court should reaffirm that subjective categorization - "Step Two" creativity - is not a necessary condition for databases, compilations, or collections of annotated public record documents to be eligible for copyright. In such works, the expression for which copyright is sought may well find the constitutionally sufficient "slight amount" of creativity in the creative selection, editing, or arrangement of the categories of information to be included.

**I. THE LEVEL OF ORIGINALITY REQUIRED BY FEIST IS SATISFIED BY CREATIVE SELECTION AND ARRANGEMENT IN A COMPILATION.**

**A. *Feist is Satisfied by Even a Small Amount of Creativity.***

In *Feist*, the Court defined originality as requiring only that "the author make the selection or arrangement independently (i.e., without copying that selection or arrangement from another work), and that it display some *minimal level of creativity*."<sup>6</sup> Once independent creation is established, only a bare minimum of creativity is required to render a work copyrightable. The Supreme Court's unanimous decision in *Feist* denied copyright protection to the white pages directory at issue in the case, but indicated that "the originality requirement is not particularly

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<sup>6</sup> *Feist*, 499 U.S. at 358 (emphasis added).

stringent."<sup>7</sup> The requisite level of creativity is "extremely low": the work must merely "possess some creative spark, 'no matter how crude, humble or obvious' it might be."<sup>8</sup> According to the Court, in language at odds with Judge Martin's sweeping reasoning here, "the vast majority of compilations will pass this test."<sup>9</sup>

The particular facts of *Feist* presented the court with the limiting case, just the other side of the minimal level of originality required by the Constitution and the Copyright Act. In determining whether *Feist*, by taking 1,309 names, towns, and telephone numbers from Rural's white pages, copied anything that was "original" to Rural, the Court looked to the selection and arrangement of the names and numbers to determine whether the author of the compilation met the standard of originality. The Court found that the selection, coordination, and arrangement of Rural's white pages did not satisfy the minimum Constitutional standard for copyright protection.<sup>10</sup> While the originality standard is low, "the selection and arrangement of facts cannot be so

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<sup>7</sup> 499 U.S. at 358.

<sup>8</sup> 499 U.S. at 358 (quoting *Nimmer on Copyright* § 1.08[C][1]); see also *id.* at 359 (only works "in which the creative spark is utterly lacking or so trivial as to be virtually nonexistent" are denied copyright on originality grounds).

<sup>9</sup> 499 U.S. at 359.

<sup>10</sup> See 499 U.S. at 362.

mechanical or routine as to require no creativity whatsoever."<sup>11</sup> Rural's white pages did nothing more than list Rural's subscribers in alphabetical order, so Rural could not claim originality in its coordination and arrangement of facts:<sup>12</sup> arranging names alphabetically was "an age-old practice, firmly rooted in tradition and so commonplace that it has come to be expected as a matter of course. It is not only unoriginal, it is practically inevitable."<sup>13</sup> Because Rural's compilation was selected, coordinated and arranged in a way that "utterly lacks originality," Feist's use of the listings could not constitute copyright infringement.<sup>14</sup> But notwithstanding that result, the Court's unanimous opinion, full of references to the "minimal" or "slight" amount of creativity necessary, and with its pointed warning that "the vast majority of compilations will pass [this] test," makes plain that no high creativity standard was being erected.

***B. Creativity May Be Found in the Selection and Arrangement of Categories of Information in a Compilation.***

In the years since *Feist*, this Court has had occasion to consider the "minimal degree of creativity" required to render a work eligible for copyright. Its decisions have reaffirmed that only a small degree of creativity required for copyright protec-

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<sup>11</sup> 499 U.S. at 362.

<sup>12</sup> See 499 U.S. at 363.

<sup>13</sup> 499 U.S. at 363 (citation omitted).

<sup>14</sup> 499 U.S. at 364.

tion, and they have also expressly decided a second principle: that "Step One" creativity in the selection and arrangement of categories of information within a compilation can qualify a work for copyright protection if it is minimally creative within the meaning of *Feist*.

In *Kregos v. Associated Press*, 937 F.2d 700 (2d Cir. 1991), this Court considered the copyrightability of a baseball statistics form. Although not in so many words, the court's analysis focused exclusively on Kregos' "Step One" selection and arrangement:

[T]he controversy in this case concerns *only* Kregos' rights to the form without each day's data, in other words, his rights to the *particular selection of categories of statistics appearing on his form.*

*Kregos*, 937 F.2d at 702 (emphasis added). This Court held that Kregos' selection of categories of information about the starting pitchers scheduled to appear in each game displayed the requisite originality and creativity to entitle his form to copyright protection:

It cannot be said as a matter of law that in selecting the nine items for his pitching form out of the universe of available data, Kregos has failed to display enough selectivity to satisfy the requirement of originality."

937 F.2d at 704.

Moreover, the Kregos panel refused to use the "merger doctrine" and the fact that the expression reflected a useful idea (using data to predict the results of baseball games) to bar



copyright protection. The number of potential variations for selection of categories in this case indicated that there were a sufficient number of ways of expressing Kregos' idea. So long as the selection of categories involves "matters of taste and personal opinion, there is no serious risk that withholding the merger doctrine will extend protection to an idea."<sup>15</sup>

Unsurprisingly, a New York district court, following *Feist* and *Kregos*, held an "enhanced" database of trademark information to be copyrightable, where the "selection and arrangement" was similar to the case at hand. The court found that Thomson & Thomson, the holder of the copyright in the database, had "offered sufficient evidence of its selection, coordination, enhancement and programming of the state trademark data, as well as other contributions that establish the originality and requisite creativity, and thus copyrightability of the TS-State database." *Corsearch Inc. v. Thomson & Thomson*, 792 F. Supp. 305, 322 (S.D.N.Y. 1992). The "selection, coordination and enhancement" cited by the district court included:

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<sup>15</sup> 937 F.2d at 707; see also *Lipton v. The Nature Co.*, 71 F.3d 464, 470 (2d Cir, 1995) (granting copyright protection because the arrangement of terms was based upon the plaintiff's "creative and aesthetic judgment"). Any argument that there is no judgment in West's arrangement of the factual information contained in the opinions that it reports must fail. The decisions involved in presenting the facts and deciding which categories to include clearly require the exercise of judgment as to which other authors could, and do, differ.

- advising states of categories of data that Thomson & Thomson wished to collect and providing them with forms to facilitate collection of this data;
- adding codes to indicate whether each trademark consisted of a word with a design, a word only, or a design only;
- adding Thomson & Thomson's assessment of the international classification for the goods covered by each mark;
- supplementing the records for trademarks consisting of words with corrupted spellings (e.g., "Kar Kraft") with their correct spellings; and
- organizing the data in each record into data "fields," each containing a certain type of information, such as the name of the mark, the date of first use, the owner of the mark, and the description of the goods covered by each mark.<sup>16</sup>

Only a few months after *Kregos*, this Court revisited the issue of copyright in factual compilations in *Key Publications, Inc. v. Chinatown Today Publishing Enters., Inc.*, 945 F.2d 509 (2d Cir. 1991). Plaintiff's claim that a "yellow pages" directory for New York's Chinese-American community had been infringed by a competitor was met by the defense that plaintiff's work was not sufficiently creative to be eligible for copyright. This Court held that the directory was copyrightable, with creativity present not only in the act of selecting and arranging the data, but also in selecting and arranging the topic headings for the directory:

[W]e are concerned with whether the arrangement of the Key Directory, viewed in the aggregate, is original. We believe it is. The arrangement is in no sense mechanical, but involved creativity on the part of Ms.

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<sup>16</sup> 792 F. Supp. at 309.

*Wang in deciding which categories to include and under what name . . . . This task entailed the de minimis thought needed to withstand the originality requirement.*<sup>17</sup>

Significantly, the fact that the actual placement of data within the selected and arranged categories might not embody any further creative decisionmaking did not preclude copyright eligibility for the resulting expression under the court's analysis:

The arrangement of categories in a classified directory is to be distinguished from the placement of a listing in a particular category. Placing listings within categories is the sort of mechanical task that does not merit copyright protection.

*Key Publications*, 945 F.2d. at 515. It was enough that the author included some categories that were "of particular interest to the Chinese-American community and not common to yellow pages." That selection of categories entailed the *de minimis* thought needed to satisfy the originality requirement.<sup>18</sup>

More recently, in *CCC Info. Servs., Inc. v. Maclean Hunter Mkt. Reports, Inc.*, 44 F.3d 61 (1994), cert. denied, *— U.S. —*, 116 S. Ct. 72 (1995), this Court again reaffirmed the principle that creativity in the selection and arrangement of categories of information in a data compilation may qualify a work for copyright. The Court found the selection and arrangement of a used

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<sup>17</sup> *Key Publications*, 945 F.2d at 514 (citations omitted, emphasis added).

<sup>18</sup> 945 F.2d at 514.

car valuation manual sufficiently original, noting that originality was expressed, among other things, in the author's division of the national used car market into several regions, in the selection and manner of presentation of optional features for inclusion, in the adjustment of mileage by 5,000 mile increments, and in the use of the "abstract concept" of the average vehicle in the category as the subject of the valuation, and the collection of the number of years' models to be included in the compilation. Commenting on the sound policy underlying its finding of copyrightability, the Court observed that absent the "grant of monopoly protection to the original elements of a compilation," the public will be deprived of these creations and thus the advancement of learning will be impeded. 44 F.3d at 66-67. The policy of requiring only a minimal degree of creativity is designed "to encourage authors to publish innovations for the common good . . . ." *Id.*

Moreover, "[t]he fact that an arrangement of data respond[ed] logically to the needs of the market for which the compilation was prepared [did] not negate originality. To the contrary, the use of logic to solve the problems of how best to present the information being compiled [was itself] independent creation." *CCC Info. Servs.*, 44 F.3d at 67 (emphasis added).

**C. The Eleventh Circuit's Holdings That Originality Cannot Be Found in Step One Selection and Arrangement Are Inapplicable and Wrong.**

Disagreeing with this Court as to the amount of creativity required by *Feist*, the Eleventh Circuit has been unwilling to find the creativity required by *Feist* in "Step One" selection and arrangement. Its two holdings in that regard provide a good example of the different (and wrong) approach to copyrightability that led Judge Martin astray.

In *BellSouth Adver. & Publishing Corp. v. Donnelly Info. Publishing*, 999 F.2d 1436 (11th Cir. 1993), cert. denied, 510 U.S. 1101 (1994), a case presenting facts remarkably similar to those considered by this Court in *Key Publications*, the court held that portions of a yellow pages assertedly copied were not copyrightable, even though *Feist* had suggested that White Pages were not subject to the blanket "insufficient creativity" for copyrightability rule inherent in *Feist*.<sup>19</sup> The district court, said the Eleventh Circuit, had erred in "implicitly determining"

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<sup>19</sup> Interestingly, the parties had stipulated that the directory qualified for compilation copyright protection. The court therefore did not expressly consider the question of the copyrightability of the directory as a whole. Rather, the issue was whether any copyrightable portion of the directory had been copied. Once the issue was so narrowed, several aspects of the compilation author's authorship were excluded from the court's analysis. For example, the circuit court noted that the district court had "identified acts of coordination and arrangement in the particular system of headings used in [plaintiff's] directory," but did not consider whether such activity constituted copyrightable authorship because it held that plaintiff had failed to introduce sufficient evidence that the heading structure had been copied. 999 F.2d at 1443.

that certain selective acts of the compilation author, including the determination of the geographic scope and the closing date of the directory, were original enough to merit copyright protection. 999 F.2d at 1441.

In a sleight-of-hand shifting of attention from the expression at issue to the choices that underlay that expression, the Court of Appeals considered the "selection" cited by the district court to be "not acts of authorship, but techniques for the discovery of facts."<sup>20</sup> The court continued:

Any useful collection of facts . . . will be structured by a number of decisions regarding the optimal manner in which to collect the pertinent data in the most efficient and accurate manner. If this were sufficient, then the protection of copyright would extend to census data, cited in *Feist* as a paradigmatic example of a work that lacks the requisite originality . . . . Just as the Copyright Act does not protect "industrious collection," it affords no shelter to the resourceful, efficient, or creative collector . . . . The protection of copyright must inhere in a creatively original selection of facts to be reported and not in the creative means used to discover those facts.<sup>21</sup>

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<sup>20</sup> 999 F.2d at 1441 (citations omitted). The acts of selection and arrangement considered by the district court were summarized in the dissenting opinion. They included: (1) selection of the geographic scope of businesses to be included in the directory; (2) selection of a directory close date; (3) creation or selection of classified headings; (4) coordination of information regarding businesses into individual listings; (5) arrangement of individual listings under appropriate headings. *Id.* at 1472. All of these choices may be characterized as Step One choices.

<sup>21</sup> 999 F.2d at 1441.

This plainly misreads *Feist*. *Feist* reiterated that copyright is available for compilations or fact works to the extent that the author makes creative choices in the selection and arrangement of the material contained. It did not categorically find certain creative choices insufficient to sustain a finding of copyrightability or rule out copyright for expression whose creativity originates solely in creative category selection. To the contrary, *Feist's* express language strongly implied that either "Step One" or "Step Two" creative choices could be sufficient:

The compilation author typically chooses which facts to include, in what order to place them, and how to arrange the collected data so that they may be used effectively by readers. These choices . . . [may be] . . . sufficiently original that Congress may protect such compilations through the copyright laws.<sup>22</sup>

The Eleventh Circuit recently adhered to its erroneous interpretation of *Feist* in *Warren Publishing Inc. v. Microdos Data Corp.*, 115 F.3d 1509 (11th Cir. 1997) (en banc), petition for certiorari filed (Sept. 3, 1997, No. 97-376). In *Warren*, the Eleventh Circuit considered whether a compilation that provided information about cable television systems around the United States had been infringed by a competing publication.<sup>23</sup> *Warren*

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<sup>22</sup> *Feist*, 499 U.S. at 348. (emphasis added).

<sup>23</sup> Confusingly, the court stated in a footnote that it was "not disputed" that the *Factbook* was a compilation entitled to  
(continued...)

Publishing, the plaintiff-appellee, had composed its work in part by listing cable systems and the communities they served. Information about the cable systems was listed under the community that Warren identified as the "principal" community served by the system. Other communities served by the system contained listings cross-referencing the "principal" community.<sup>24</sup> Proceeding as if the plaintiff was seeking copyright for an idea rather than for its expression, the court held that Warren's selection of "principal" communities was insufficient to support copyright because: (1) the selection of communities constituted a "system"<sup>25</sup> and (2) testimony indicated that the "principal" communities had been determined by "contacting the cable operator to determine which community is considered the lead community within the cable system."<sup>26</sup>

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<sup>23</sup>(...continued)

copyright protection. "What is in dispute," stated the court, "is whether Warren's method of presentation of facts under the principal community headings . . . is entitled to copyright protection." 115 F.3d at 1513, n.4.

<sup>24</sup> See 115 F.3d at 1512 and 1517-1518.

<sup>25</sup> 115 F.3d at 1517.

<sup>26</sup> 115 F.3d at 1517. The court also apparently concluded that Warren had not exercised any selection in composing its work in that it included at least some reference to all communities served by the cable systems that it listed. *Id.* at 1517. Such a conclusion ignores the fact that the choice of how to present the information regarding the listed cable systems might, if sufficiently creative, constitute an act of creative arrangement that would render the resulting work copyrightable. In *Warren*, the selection of "principal" communities, and the choice to arrange the data by townships and counties not listed elsewhere, (continued...)



Whether or not the "principal" communities in *Warren* were selected independently is a question of fact irrelevant here. The court's finding that *Warren's* selection of "principal" communities did not render the work eligible for copyright because this selection constituted a "system," however, deserves comment. That finding was based on an elementary confusion between the creativity claimed to justify copyrightability and the expression for which copyright was sought. An author who decides to include certain categories of information in a factual work<sup>27</sup> seeks copyright in the expression that results from its creative choices, not in the choices themselves. The choices are ideas, and unprotectable as such; what is potentially copyrightable is the expression that results from them, which will prevail against an "uncopyrightable under *Feist*" challenge so long as it reflects some "minimal" creativity sufficient under *Feist*.

When this Court held in *Kregos* and *Key Publications* that the creativity necessary for a factual compilation may be found in categorical selection, it was not thereby recognizing copyright in "ideas" or disregarding 17 U.S.C. § 102(b)'s exclusion of ideas from the subject matter of copyright. It was merely giving

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<sup>26</sup>(...continued)  
would seem at least to be eligible for consideration under a copyrightability analysis.

<sup>27</sup> For example, *Kregos*, which in the case discussed above chose to include nine categories of information, or *Key Publications*, which chose the categories of trade that it would cover in its directory.

effect to the basic category distinction between the work and the creativity contended to warrant the work's protection under copyright. The *Warren* court's scant analysis of this conclusion ignores several of the dictates of *Feist*.

Under established copyright principles, the idea of listing cable communities by "principal" community with cross-references to other communities would clearly not constitute copyrightable authorship, because ideas are not themselves copyrightable. What *Feist* tells us, however, is that the author's expression may be copyrightable if it reflects sufficiently creative categorical selections that are independently made. Thus, if *Warren* exercised creative authorship in the selection of its "principal" communities and the arrangement of its data within the resulting framework, it should, under *Feist*, be entitled to some copyright protection in the resulting work.<sup>28</sup>

*BellSouth* and *Warren* seriously misread *Feist*. Their reasoning, if not their holdings themselves, is irreconcilable

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<sup>28</sup> Copyright in compilations of uncopyrightable material extends only to the author's selection and arrangement of the material, and no copyright may be claimed in the actual facts or other material comprising the compilation. Thus, others are free to copy the facts contained in the compilation as long as they do not copy the author's original selection and arrangement. The copyright in such factual compilations is termed "thin" because although the compilation is entitled to copyright protection, only substantially identical copies of the compilation will be held to infringe the original. See *Feist*, 499 U.S. at 349; *Key Publications*, 945 F.2d at 509 ("although *Feist* said that copyright under these circumstances is thin, it is not anorexic"); *U.S. Copyright Office Report on Legal Protection for Databases*, August 1997, ("*Copyright Office Report*") at 12-13.

with the approach already marked out by this Court in *Kregos* and *Key Publications*. This Court should follow the road paved by its own prior decisions and reaffirm that the factual works may be copyrighted if the underlying selection, editing, or arrangement of facts is sufficiently creative under *Feist*.

***D. In Light of the "Creation and Dissemination-Inducing" Policy Underlying the Copyright Clause, Fact Works That Are the Product of Creative Choices in the Selection, Editing, and Arrangement of Facts Are Copyrightable.***

The very text of the copyright clause, and the leading cases considering it, tell us that the purpose of copyright is to encourage the creation and dissemination of original works by granting limited monopolies in such works. While providing a monopoly on the dissemination of an original work is valuable because it provides an incentive to the creation of the work, the limits to an author's monopoly are also important because they allow others to build on the first author's work, thus enriching society as a whole. The challenge of defining the application of copyright laws to compilations is to serve the public interest by striking the correct balance between the incentive-providing monopoly and the access-providing limits to that monopoly.<sup>29</sup>

The error of Judge Martin's holding can be seen by considering the situation in which there is no inducement to enhance existing uncopyrightable works such as judicial opinions. If legal reporters carry only the versions of opinions issued by the

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<sup>29</sup> See *Copyright Office Report* at 1.

courts themselves – if they lack incentives to do more, because any competitor may swiftly scan and republish any enhancements free from liability – then lawyers referring to the opinions will be disadvantaged by being deprived of the benefit of additional material that authors such as legal publishers would otherwise add to their compilations. Without protection for the enhanced version, there is surely a very reduced incentive for such publishers to invest creative labor in considering and choosing, out of the universe of possibilities, the enhancements that they will make in the interest of improving upon the existing works. A competitor would be free to enter the market and copy the enhanced work, saving time and money and getting a leg up on the original author because it need not expend any effort in considering optimal arrangement of information in the opinion.<sup>30</sup>

At least one leading commentator has opined that the opinion in *Feist* "grossly neglects copyright's incentive role."<sup>31</sup> But *Feist* does not mandate that no protection be granted to "low authorship" works; it merely states that protection will be available only to the extent that the author has made a contribution to the work that we can call "original," and indeed its

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<sup>30</sup> Some have already asserted that the "uncertainties in U.S. law have begun to affect investment decisions, with producers choosing not to create particularly vulnerable databases, or not to disseminate them broadly, because of a perception that the risks are too great." *Copyright Office Report* at 74.

<sup>31</sup> Jane C. Ginsburg, *No "Sweat"? Copyright and Other Protection of Works of Information* after *Feist v. Rural Telephone*, 92 Colum. L. Rev. 338, 350 (1992).

deference to the incentive role of copyright is reflected in the "minimal" creativity required to sustain a copyright.<sup>32</sup> This allows information compilers to compete by making different and creative choices for the presentation of the material contained in their compilations, while at the same time allowing others to access and build upon the actual information.

Given so many available choices for the selection and arrangement of information, *Feist* does not eliminate copyright for such compilations. But the district court's determination in this case would appear to do so, eliminating an entire class of potentially creative choices from consideration in the copyrightability analysis.<sup>33</sup> By dramatically narrowing the range of works afforded copyright protection and decreasing the incentive to create such works, the analysis below misreads *Feist* and disservices the creation-inducing policies of copyright law. If new and creative ways of presenting factual information are useful to society as a whole, then our intellectual property regime must protect such new and creative arrangements.

The current challenge in copyright is to find the optimum balance between incentives for authorship and incentives to further creation based upon that authorship. Copyright must

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<sup>32</sup> According to the Supreme Court, "the vast majority of works" will qualify for protection. 499 U.S. at 345.

<sup>33</sup> The effect of District Court's ruling on Reed's stock prices clearly evidences the economic significance of the ruling. See Raymond Snoddy, *Reed Elsevier Shares Drop on U.S. Legal Ruling*, *Fin. Times*, May 23, 1997 at 24.

grant enough protection that an original work is created in the first place, although not so much that others cannot build upon it, thus enriching society's overall pool of knowledge. The correct balance is attainable under the current interpretation of the copyright law, but only if "originality" as defined by the Supreme Court can be found in many kinds of creative choice, with protection for use built into the "infringement" analysis, not the "copyrightability" analysis.<sup>34</sup> The district court's holding here unduly raise the requirements for copyrightability set by the Supreme Court and upsets copyright's balance of incentives.

***E. Given the Quantity of Categorical Enhancements Selected by West, its Enhancements Constitute Copyrightable "Step One" Selection and Arrangement and Therefore Satisfy Feist's Creativity Requirement.***

The district court cited several editorial "enhancements" contributed by West to each judicial opinion included in a West reporter, but concluded that "each of the changes that West makes to the cases it reports are trivial and, taken separately or collectively, they do not result in 'a distinguishable variation' of the opinion written by the court."<sup>35</sup> But because of the sheer number of categorical choices in selection and arrangement made (from among others that could have been made, and differing in various respects from those that its competitors make), West's

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<sup>34</sup> See *CCC Info. Servs.*, 44 F.3d at 66-67.

<sup>35</sup> *Matthew Bender & Co., Inc. v. West Publishing Co.*, 1997 U.S. Dist. LEXIS 6915, at \*11-12 (S.D.N.Y. May 19, 1997).

choices do, taken collectively, contain the creativity required under *Feist* to render the "enhanced" works copyrightable to the extent of the enhancements (even without consideration of West's case-by-case judgments and choices of expression).

Although the district court's opinion recites that the various categorical choices identified were considered not only individually but also collectively,<sup>36</sup> in fact a careful reading of its opinion shows an undue focus on individual categories by which the court's opinions are enhanced (as opposed to the enhancements as a whole) that gives insufficient weight to the publication-inducing function copyright provides in a context such as compilations of fact works.

When a compiler takes an uncopyrightable work (whether because it is a work of the United States Government or because it is public domain material), and adds a score or so of categories of enhancements, and when those choices differ in various respects from those made by competitors, the sheer quantity of creative choice ought to be controlling. Copyright's incentive-providing function is thereby served, and without running afoul of any of the dangers identified in *Feist*. Otherwise, contrary to the Supreme Court's expectation that the "vast majority" of compilations would remain eligible for copyright, almost no fact compilations or databases will be protected.

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<sup>36</sup> 1997 U.S. Dist. LEXIS 6915, at \*6.

That particular enhancements look "easy" or "inevitable" should of course be taken into account. But the way to do so is to account for inevitable overlap in some of the choices made by among various competing authors in the infringement analysis by treating the copyright in such a work as so "thin" that it would take verbatim copying, or virtually verbatim copying, to establish infringement. It is one thing for West and Lexis to share various categorical enhancements; it is another for Hyperlaw to appropriate *all* of West's enhancements in thousands of its cases.

That solution to the problem respects the creation-inducing function, and leaves publishers and authors with incentives to create and compete for better editions. By contrast, the district court's approach, like a merger analysis conducted at the protection stage rather than the infringement stage leaves competitors free to copy each other's works, and therefore will ultimately disserve the public.<sup>37</sup>

#### CONCLUSION

Our democracy benefits from the publication not just of verbatim expression written in the various branches of government, but of works in which such uncopyrightable expression is annotated and amplified with the addition of facts which authors believe the public will find useful – and which the public *does* find useful. When there are may different possible choices

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<sup>37</sup> See *CCC Info. Servs.*, 44 F.3d at 72 n.26.



regarding what to add to such works by the judiciary, or the bureaucracy, or spoken in Congress - and when publishers are competing among themselves to provide more and more useful annotated, amplified editions - the Copyright Clause and its underlying policy of inducing publication in the public service surely permit such authors to enjoy the benefits of copyright so as to "promote the Progress of . . . useful Arts, by securing for limited Times to Authors . . . the exclusive Right to their respective Writings . . . ." U.S. Const., art. I, § 8, cl. 8.

Precisely the same argument applies to fact works in general, or indeed to annotated editions of works that have entered the public domain.

The district court therefore erred when it implicitly (but unmistakably) held that creativity in the selection of the kinds of facts to be added to uncopyrightable expression can never be sufficient for copyrightability. And it erred on the specific facts of this case, since even the Step one choices in West's case reports embody the "minimal" creativity required under *Feist*, given the sheer quantity of such enhancements, categorically and absolutely, and the differences from those that other authors can and do make. A refusal to find such creativity in the works at issue in this case would be tantamount to a holding that creativity in "Step One" selection and arrangement is categorically insufficient to qualify a work for copyright. Such a holding would be contrary to this Court's prior holdings, and

counter to inducement-to-creation policy underlying the Copyright Clause and the Copyright Act.

Respectfully submitted,

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Counsel for *Amicus Curiae*

September 29, 1997

A 1080—Julius Blumberg, Inc.  
2-90

# United States Court of Appeals FOR THE SECOND CIRCUIT

PAGE 1  
Second Circuit Rule 27(a) governing use  
of this form is reprinted on reverse of Page 2.  
Note requirement that supporting  
affidavits be attached.

HYPERLAW, INC.,  
Plaintiff- Appellee  
vs.  
WEST PUBLISHING COMPANY,  
Defendant-Appellant.

97-7910

Docket Number

## NOTICE OF MOTION

state type of motion

for Leave to file brief  
amicus curiae

Use short title

MOTION BY: (Name, address and tel. no. of law firm and of  
attorney in charge of case)

OPPOSING COUNSEL: (Name, address and tel. no. of law  
firm and of attorney in charge of case)

Has consent of opposing counsel:

- A. been sought?  Yes  No
- B. been obtained?  Yes  No

- Has service been effected?  Yes  No
- Is oral argument desired?  Yes  No

(Substantive motions only)

Requested return date:  
(See Second Circuit Rule 27(b))

- Has argument date of appeal been set:
- A. by scheduling order?  Yes  No
  - B. by firm date of argument notice?  Yes  No
  - C. If Yes, enter date: \_\_\_\_\_

Judge or agency whose order is being appealed:

Hon. John S. Martin

Brief statement of the relief requested:

Leave to file brief amicus curiae

### EMERGENCY MOTIONS, MOTIONS FOR STAYS & INJUNCTIONS PENDING APPEAL

Has request for relief been made below?  Yes  No  
(See F.R.A.P. Rule 8)

Would expedited appeal eliminate need  
for this motion?  Yes  No

If No, explain why not:

Will the parties agree to maintain the  
status quo until the motion is heard?  Yes  No

Complete Page 2 of This Form

By: (Signature of attorney)

Signed name must be printed beneath  
Charles S. Sims (CS0624)

Appearing for: (Name of party)

Amicus Curiae  
Reed Elsevier, Inc.

Date

Appellant or Petitioner:

Plaintiff  Defendant

Appellee or Respondent:

Plaintiff  Defendant

## ORDER

Kindly leave this space blank

IT IS HEREBY ORDERED that the motion

be and it hereby is granted denied

Date

Circuit Judge

PAGE 2

Previous requests for similar relief and disposition:

None

Statement of the issue(s) presented by this motion:

Reed Elsevier seeks leave to file a brief amicus curiae on this appeal, which will have a substantial practical impact on its interests. Appellant (West Publishing Company) has consented; respondent has refused consent.

Brief statement of the facts (*with page references to the moving papers*):

See previous item, and Declaration of Charles S. Sims.

Summary of the argument (*with page references to the moving papers*):

Reed Elsevier, PLC ("Reed") is an international publishing firm with substantial publishing operations in the United States and abroad and a substantial interest in the resolution of this appeal.

Through its Lexis-Nexis service, Reed is one of the leading electronic publishers in the nation. Some of its publications consists of a core of noncopyrightable material, which is selected from among a larger universe of available material, and which Reed then enhances with various editorial additions, or enhancements. From a much larger universe of additional factual or editorial material that could be added to the selected material being published, Reed makes choices concerning what additional factual and editorial material would make the work most useful to potential readers. Reed's experience can show the different types of choices that can be made, and the ways in which affording the protection of copyright is essential in order to further copyright's policies of fostering the creation and wider dissemination of valuable intellectual property for the public benefit. Sims Declaration Paragraphs 2-5.

**RULES OF THE UNITED STATES COURT OF APPEALS for the SECOND CIRCUIT  
supplementing  
Federal Rules of Appellate Procedure**

Sec. 27. Motions:

(a) Form of Notice of Motion and Supporting Papers for Motions and Opposition Statements

(1) Notice of Motion: The moving party shall submit the Notice of Motion in the format approved by the court with such changes as the Chief Judge may from time to time direct.

(2) Supporting Papers for Motions and Opposition Statements:

(a) Affidavits should contain factual information only. Affidavits containing legal argument will be treated as memoranda of law.

(b) Memoranda of law shall not exceed ten typewritten double-spaced 8½" x 11" pages except by permission of the court.

(c) Copy of the lower court or agency order, judgment or decision shall be included as a separately identified exhibit by a moving party seeking substantive relief.

(d) Exhibits attached should be only those necessary for the determination of the motion.

(3) Non-compliance Sanctions: If the moving party has not complied with this rule, the motion may be dismissed by the clerk without prejudice to renew upon proper papers. If application is promptly made, the action of the clerk may be reviewed by a single judge. If the responding party fails to comply with this rule, the court may refuse to hear that party at oral argument. The court may impose costs and an appropriate fine against either party for failure to comply with this rule.

\* \* \* \* \*

**Federal Rules of Appellate Procedure**

Rule 27(d) Form of papers; number of copies. All papers relating to motions may be typewritten. Three copies shall be filed with the original, but the court may require that additional copies be furnished.

97 - 7910

Docket No.

**United States Court of Appeals  
FOR THE SECOND CIRCUIT**

**HYPERLAW, INC.,**

**Plaintiff-Appellee,**

**vs.**

**WEST PUBLISHING COMPANY,**

**Defendant-Appellant.**

**NOTICE OF MOTION**

**Charles S. Sims  
Jon A. Baumgarten  
PROSKAUER ROSE LLP**

*Attorney(s) for Petitioner  
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**1585 Broadway  
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(212) 969-3000**

IN THE UNITED STATES COURT OF APPEALS  
FOR THE SECOND CIRCUIT

No. 97-7910

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HYPERLAW, INC.,

Plaintiff-Appellee,

v.

WEST PUBLISHING COMPANY,

Defendant-Appellant.

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On Appeal from the United States District Court  
for the Southern District of New York

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**DECLARATION OF CHARLES S. SIMS**

1. I am a member of Proskauer Rose LLP, counsel for Reed Elsevier, Inc. ("Reed"), and submit this declaration in support of Reed's motion for leave to file the brief *amicus curiae* lodged herewith.

2. Reed is an international publishing firm with substantial publishing operations in the United States and abroad and a substantial interest in the resolution of this appeal.

3. Through its Lexis-Nexis service, Reed is one of the leading electronic publishers of in the nation. Some of its publications include a core of noncopyrightable material, which is selected from among a larger universe of available material, and to which Reed then adds various editorial additions, or enhancements. From a much larger universe of additional factual or editorial material that could be added to the selected material being published to make it more

useful and valuable to prospective readers, Reed makes choices concerning what additional factual and editorial material would make the work most useful to potential readers.

4. Reed's experience can show the different types of choices that can be made, and the ways in which affording the protection of copyright is essential in order to further copyright's policies of fostering the creation and wider dissemination of valuable intellectual property for the public benefit.

5. In addition, based on its experience, Reed has an informed understanding of the different levels at which creativity is exercised in connection with the authorship of fact-based works. Implicit in the district court's reasoning and holding is the (erroneous) rule that a work whose creativity was applied solely at a categorical stage — *i.e.*, which is the product of creative choices about what kinds or categories of facts should be included, or added — is uncopyrightable as a matter of law. That rule is based on a profound misreading of *Feist Publications v. Rural Tel. Serv. Co.*, 499 U.S. 340 (1991), and is irreconcilable with this Court's prior decisions in *Kregos v. Associated Press*, 937 F.2d 700 (2d Cir. 1991), and *Key Publications Inc. v. Chinatown Today Publishing Enterprises, Inc.*, 945 F.2d 509 (2d Cir. 1991). It has taken root not only in the district court's decision, but also in a recent decision of the Eleventh Circuit, *Warren Publishing Inc. v. Microdos Data Corp.*, 115 F.3d 1509 (11<sup>th</sup> Cir. 1997), for which Supreme Court review is being sought.

6. Adoption of such a rule, or indeed the failure to cut it out root and branch now that it has been applied in two cases, would lead to the unjustified and substantial weakening of the incentives to create and publish facts works presently afforded by copyright law. Reed seeks to submit its brief *amicus curiae* to demonstrate the error of any such rule as a matter of consti-

tutional law, statutory law, and the policy of incentivizing the creation and dissemination of valuable and useful works that has undergirded American copyright law from its outset.

I declare under penalty of perjury that the foregoing is true and correct. Executed on September 26, 1997.

  
\_\_\_\_\_  
CHARLES S. SIMS