CHAPTER I: SCOPE

ARTICLE 1: SCOPE

1. This Directive concerns the legal protection of databases in any form.
2. For the purposes of this Directive, “database” shall mean a collection of independent works, data or other materials arranged in a systematic or methodical way and individually accessible by electronic or other means.
3. Protection under this Directive shall not apply to computer programs used in the making or operation of databases accessible by electronic means.
The directive does not define ‘independent’ but Recital 17 gives examples of subject matter which are not independent, namely a literary, musical or audiovisual work. The CJEU has interpreted the requirement of independence to mean that the materials must be separable from one another without their informative, literary, artistic, musical or other value being affected. An independent material must have autonomous informative value. In 2005, the German Supreme Court applied the CJEU case law faithfully. It held in the Hit Blauz case that a particular piece of music ranked 9 in the chart list had autonomous informative value. Knowledge of the other elements of the database and their content was not necessary. However, arguably, it stands, the CJEU’s definition does not go far enough. By referring to Recital 17, the Court must have intended to give a more precise definition to the criterion of independence, i.e. that the elements of a database can be withdrawn or added without the whole database losing its meaning. This is why novels, films and music cannot be databases: if an element (a chapter, a word, a frame or note) is withdrawn or added to such works, these works no longer make sense. The CJEU’s interpretation also seems to imply that all materials must be independent so that a database composed partly of dependent and partly of independent materials is not protectable. Some commentators have rightly observed that ‘independent’ must mean ‘independent as between each item of material rather than as between the material and the database’. Otherwise, it could lead to some strange findings as to what constituted a database. Indeed, it would be absurd, as it would exclude databases whose materials have never had independent existence apart from the database to which they belong. The CJEU ruled that it is irrelevant whether the collection is made up of materials from a source or sources other than the person who constitutes that collection, materials created by that person herself or materials falling within both those categories. A collection can therefore be composed of pre-existing materials or materials created by the database maker herself (databases which are made wholly of elements created by the database maker are generally called sole-source databases).
The term 'works' refers to copyright works, whether or not they are still protected, because works whose protection has expired can qualify as 'data' or 'materials' anyway. Recital 19 states that compilations of recordings of musical performances on a CD are in principle excluded from protection, not because they are works but because they generally do not attract a substantial investment and do not fulfill the requirements of copyright protection (originality). The CJEU did not define 'data' but in effect it must mean information i.e. data that is understandable to humans. The nature of the data is irrelevant. The term 'materials' encompasses works and data. But it is unclear what the term means other than works and data. The term has practically no limit. The CJEU left this question unanswered. Arguably, 'materials' includes tangible objects such as stones, cars, coins or stamps. However, according to Recitals 10 and 12, 'the legal protection provided by the directive is intended to encourage the development of systems performing a function of "storage" and "processing" of information.' It is doubtful that a meal, a dinner service or a room be said to be a system performing a function of storage and processing of information. Probably, therefore, on a proper construction of the directive, the term 'materials' does not include tangible objects unless they are works.

4. Arranged in a systematic or methodical way

The Directive does not define systematic or methodical arrangement but Recital 21 states that it is not necessary for the database's materials to be physically stored in an organised manner. The CJEU confirmed that the arrangement must not be physically apparent but that the condition of systematic and methodical arrangement requires that there be some technical means such as electronic, electromagnetic or electro-optical processes (as provided in Recital 13) or other means such as an index, a table of contents or a particular plan or method of classification, to allow the retrieval of any independent material contained within the database. This criterion does not mean that a database must be its maker's own intellectual creation to qualify. The criterion of originality is only relevant to assess whether a database qualifies for copyright protection.

8. Individually accessible by electronic or other means

The CJEU has not given any guidance on the requirement of individual accessibility as such. The literature is not unanimous about the requirement's meaning so it is unclear. Arguably, these words do not add to the previous requirement. It is probably redundant and therefore unnecessary. Probably its inclusion by the legislator was to make completely sure that haphazard collections could not qualify.

3. Paragraph 3

This sentence means that computer programs used in the making or operation of databases or any collection included in such computer programs which could qualify as a database cannot be protected as a database by copyright or the sui generis right. A contrario, computer programs and parts of computer programs which are not used in the making or operation of electronic databases can benefit from the sui generis right if they can be classified as databases. Nevertheless, it will be very difficult for any computer program to qualify as a database simply because a program's elements will almost inevitably not be independent. If an element is withdrawn, the computer program can no longer be understood and/or cannot function. However, lists included in a program could qualify if all the conditions are fulfilled. This was expressly stated in the Mars UK v Teknowledge case.

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6 Davison, 73.
7 J. Geerse, Der Rechtsstatus von Databanken, Carl Heymanns, Cologne, 1999, 37, no 66 (data 'discovered in nature' is not protected as such). E.J. Dunning An introduction to Information law, works of fact at the crossroads of freedom and protection, in E.J. Dunning and P.B. Hugenholtz (eds), Protecting Works of Fact, Copyright Freedom of Expression and Information Law, Kluwer law and taxation publishers, Deventer, Boston, 1991, 15 (in legal literature the term 'data' is often used when what is meant is 'information'. He gives the example of the term 'database'). The term information is also used in the Green Paper and recitals of the Directive.

8 OBP, para. 23.
9 A. Ossendrijver, 'Onafhankelijk geordend en toegankelijk: het object van het databankenrecht in de richtlijn', (2000) 3 Informatierecht/AMI 177, 179. The term used in French, German, Dutch and Italian is 'element'. See also L. Bygrave, 'The data difficulty in database protection', (2013) European Intellectual Property Review, 35(1), 26-30 (the Directive and the preparatory materials are ambiguous so that they do not rule out that tangible objects can be materials).
10 OBP, paras 23 and 25.


23 OBP, para. 30.
25 Contr. S. Beutler, 'The protection of multimedia products through the European Community's Directive on the legal protection of databases' (1996), Ent. L.R, 317, 324-5 (on the basis of recital 23 only those computer programs protected by copyright are excluded; computer programs used in the making or operation of a database which do not obtain copyright could be protected by the sui generis right).
26 Westkamp, 5.
Finally, materials necessary for the operation or consultation of certain databases such as thesauruses and indexation systems can be protected by the sui generis right and/or copyright (Recital 20) but it is unclear whether they have to fit in the definition of a database. What is clear is that they would need to be either original or result from a substantial investment. The Spanish Supreme Court has confirmed that intellectual property protection may also apply to the materials necessary for the operation or consultation of the database. These materials are essential for the database elements to be systematically and methodically arranged and constitute an original creation.  

NOTES

1. Related instruments

WIPO Performances and Phonograms Treaty adopted on 20 December 1996 (WPPT).
Agreement on Trade-Related Aspects of Intellectual Property Rights signed on 15 April 1994 (TRIPS).
World Copyright Treaty (WCT) of December 20 1996.

2. CJEU case law

Fixtures Marketing Ltd v Organismos Prognostikon Agonon Podosfairou (OPAP) (C-444/02) [2004] ECR I-10365 (OPAP).

3. Bibliography


ARTICLE 2
LIMITATIONS ON THE SCOPE

This Directive shall apply without prejudice to Community provisions relating to:
(a) the legal protection of computer programs;
(b) rental right, lending right and certain rights related to copyright in the field of intellectual property;
(c) the term of protection of copyright and certain related rights.

I. COMMENTARY

9.09 The aim of Article 2 is to avoid conflicts between norms of the several Directives and to leave the previous Directives unaffected. In short, computer programs are solely protected by the computer program Directive but the provisions discussed under Article 1 apply in addition. For instance, if a computer program is protected by copyright and one or more internal lists by the sui generis right, there is a potential clash with the Software Directive’s provisions, especially the exceptions. The sui generis right could prevent the application e.g. of the decompilation exception. If this is so, Article 2 of the Database Directive applies, which means that the Software Directive prevails and decompilation remains possible despite the existence of the sui generis right.

9.10 Databases protected by copyright benefit from the right of rental and public lending according to the provisions of Directive 2006/115. As shall be seen below, whereas Article 7 provides for a right of rental, it does not provide for a public lending right, which contrasts copyright law. Article 2 also means that to calculate the term of databases protected by copyright, one needs to apply Directive 2006/116. We refer the reader to the relevant chapter of this book for the relevant provisions of these three Directives.

9.11 Strangely, Article 2 does not mention the Satellite and Cable Directive. This is probably an involuntary omission.
ARTICLE 3: OBJECT OF PROTECTION

1. In accordance with this Directive, 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. No other criteria shall be applied to determine their eligibility for that protection.

2. The copyright protection of databases provided for by this Directive shall not extend to their contents and shall be without prejudice to any rights subsisting in those contents themselves.

I. COMMENTARY

1. Paragraph 1

The first sentence of this Article provides that the originality criterion is the author's own intellectual creation, the same criterion as for computer programs. The criterion applies to the selection or arrangement of the materials included in the database as the copyright in question here protects a database's structure, not its contents. The structure results from the arrangement and/or selection of its contents. The investment that went into gathering, verifying or otherwise presenting the contents is protected by the sui generis right (see Art. 7).

The CJEU has clarified in several decisions what the words 'the author's own intellectual creation' mean. It refers to the criterion of originality. Applied to databases, the 'criterion of originality is satisfied when, through the selection or arrangement of the data which it contains, its author expresses his creative ability in an original manner by making free and creative choices [...] and thus stamps his “personal touch”.' Therefore, the criterion is 'not satisfied when the setting up of the database is dictated by technical considerations, rules or constraints which leave no room for creative freedom'.

As with the computer programs Directive, the criterion of the author's own intellectual creation is the only one applicable. Interpreting this second sentence of Article 3(1), the CJEU further ruled that 'adding important significance' to the data selected or arranged in the database is irrelevant to determine its originality. Likewise, other criteria such as skill and labour are not sufficient, if this skill or labour does not express the author's own intellectual creation in the selection or arrangement of the data. The CJEU also held that selection and arrangement applies to the selection and arrangement of the data not to the creation of the data. Therefore, any originality in creating the data is not relevant to determine if the database is protected by copyright. The Football Dataco v Yahoo UK! case settled on remand to the Court of Appeal of England and Wales, but it is clear that there is no copyright in football fixtures. There is also no sui generis right in such fixtures (see below, Art. 7).

The database Directive precludes national legislation which grants databases copyright under conditions which are different than those set out in Article 3(1) of the directive, i.e. under conditions other than originality. This is discussed in detail under Article 13 below.

2. Paragraph 2

This paragraph is pretty straightforward and the CJEU confirmed its meaning at paragraphs 30 and 31 of Football Dataco. If (part of the) contents are protected by copyright (e.g. a collection of poems) or the sui generis right (e.g. a list of properties for sale) or any other right (e.g. a list of contacts details of customers that may be protected by one or more of the data protection Directives), the copyright that protects the structure is added up to those protections and leaves the latter otherwise unaffected.

33 Case C-604/10 Football Dataco, para. 39 referring to Case 393/09 Bespeco Holding sas, para. 49 and C-403/08 and C-429/08 Football Association Premier League and Others [2011] ECR I-00833, para. 98.
Chapter 9: THE DATABASE DIRECTIVE

1. Related instruments


2. CJEU case law

Football Dataco v Yahoo UK! (C-604/10) [2012] ECR I-000; 1 March 2012, not yet published.
Association Premier League and Others v QC Leisure and Others (C-403/08 and C-429/08) [2011] ECR I-09083.

Repskomitet softwarosvoj associate — Svaz softwarosvoj ochrany v Ministarstwo kultury (Case C-393/09) [2010] ECR I-13971.

3. Bibliography


9.17 The author of a database shall be the natural person or group of natural persons who created the base or, where the legislation of the Member States so permits, the legal person designated as the rightholder by that legislation.

9.18 Where collective works are recognised by the legislation of a Member State, the economic rights shall be owned by the person holding the copyright.

9.19 In respect of a database created by a group of natural persons jointly, the exclusive rights shall be owned jointly.

I. COMMENTARY

This Article is also uncontroversial as, in effect, it leaves it to the Member States to regulate provisions relating to authorship of a database. This means that author's rights countries can maintain a rule which always gives the authorship to a natural person first while copyright countries can instead have a rule that gives such authorship to a legal person at the outset. Otherwise, all that paragraphs 1 and 3 impose on Member States is that it should be possible for a group of natural persons to jointly author a database and if this is so, that their rights be owned jointly as well.

Paragraph 2 allows Member States such as France to keep their category of collective works. The paragraph is copied from Article 2(1)(1) of the Software Directive. The paragraph obliges Member States whose legislation recognises collective works to provide that the person holding the copyright shall own the economic rights. This is again loosely copied from Article 2(2) of the Software Directive. The wording in the Software Directive is better than in the Database Directive. The latter part of the sentence of Article 4(2) in the Database Directive is redundant.

Unlike the Software Directive, the Database Directive does not have a provision concerning databases authored by employees. Therefore, this situation is regulated entirely by national law. Recital 29 adds that nothing prevents Member States from adopting a provision similar to that in the Software Directive, namely that 'where a database is created by an employee in the execution of his duties or following the instructions given by his employer, the employer exclusively shall be entitled to exercise all economic rights in the
In respect of the expression of the database which is protectable by copyright, the author of a database shall have the exclusive right to carry out or to authorise:

(a) temporary or permanent reproduction by any means and in any form, in whole or in part;
(b) translation, adaptation, arrangement and any other alteration;
(c) any form of distribution to the public of the database or of copies thereof. The first sale in the Community of a copy of the database by the rightholder or with his consent shall exhaust the right to control resale of that copy within the Community;
(d) any communication, display or performance to the public;
(e) any reproduction, distribution, communication display or performance to the public of the results of the acts referred to in (b).

I. COMMENTARY

This article is also loosely copied from the respective article in the Software Directive (Art. 4) but adds to it, as paragraphs (d) and (e) do not appear as such in the Software Directive. Article 5 of the Database Directive covers all the usual rights existing in the international copyright conventions and in the Member States copyright laws. It also includes the performance and adaptation rights which are not included in the Infosoc Directive.

1. Reproduction

The Infosoc decision is probably applicable by analogy since the provision on reproduction is virtually the same as in the Infosoc Directive (only the words ‘direct’ and ‘indirect’ are missing in Article 5 of the Database Directive). Also by analogy with the BHB decision (see below Art. 7), the consultation of an electronic database is a restricted act since it inevitably creates a temporary copy. By contrast, the consultation of a database in analogue format is not restricted.
2. Translation

2 This seemingly means a right to prevent or authorise the translation of the database's contents into another language. It would not include a translation of the database's structure i.e. a change in the arrangement of the data.39

3. Distribution

3 Article 5(c) does not include rental or public lending. Recital 24 clearly states that this is regulated by the Rental and Lending Directive.

4. Communication to the public

4 Even if the Database Directive is left unaffected by Article 1 of the Infosoc Directive, it is arguable that the case law on communication to the public under it would apply by analogy to keep EU law uniform.

Paragraph (e) is simply declaratory and does not add to the above paragraphs. It makes sense that if a database has for instance been translated, its reproduction without authorisation would be an infringement of Article 5(a). Article 5(e) simply confirms that.

5. Exhaustion

5 The United decision does not apply by analogy for electronic databases because Recital 33 of the Database Directive clearly states that 'the question of exhaustion of the right of distribution does not arise in the case of on-line databases, which come within the field of provision of services'. This is despite the fact that Article 5 does not make a difference between electronic and non-electronic databases. However, it is clear from the same recital that electronic databases in tangible, material, medium (e.g. CD-ROM) are subject to exhaustion.

6. Infringement

6 For the copyright in the database to be infringed, the whole or part of the original structure has to be taken (see in this connection Recital 35).
ARTICLE 6
EXCEPTIONS TO RESTRICTED ACTS

1. The performance by the lawful user of a database or of a copy thereof of any of the acts listed in Article 6 which is necessary for the purposes of access to the contents of the databases and normal use of the contents by the lawful user shall not require the authorisation of the author of the database. Where the lawful user is authorized to use only part of the database, this provision shall apply only to that part.

2. Member States shall have the option of providing for limitations on the rights set out in Article 5 in the following cases:
   (a) in the case of reproduction for private purposes of a non-electronic database;
   (b) where there is use for the sole purpose of illustration for teaching or scientific research, as long as the source is indicated and to the extent justified by the non-commercial purpose to be achieved;
   (c) where there is use for the purposes of public security of for the purposes of an administrative or judicial procedure;
   (d) where other exceptions to copyright which are traditionally authorised under national law are involved, without prejudice to points (a), (b) and (c).

3. In accordance with the Berne Convention for the protection of Literary and Artistic Works, this Article may not be interpreted in such a way as to allow its application to be used in a manner which unreasonably prejudices the rightholder’s legitimate interests or conflicts with normal exploitation of the database.

I. COMMENTARY

1. Paragraph 1

9.27 Paragraph 1, in much the same way as the Software Directive, ensures that the lawful user can access and use the database’s contents normally. Otherwise, each time the user, for instance, inserted a CD-ROM in his or her computer, s/he would breach the right of reproduction as it includes temporary reproduction and the act of inserting a CD-ROM automatically makes a temporary copy in the computer’s memory. The user however has to be a lawful one. The concept of ‘lawful user’, which also appears in the Software Directive, is not defined. It is used in Article 6(1) of the WIPO Copyright Treaty and in Article 8(1) of the WIPO Copyright Treaty. The concept is similar to the concept of ‘authorized use’ in copyright law. 40

40 This contrasts sharply with the corresponding exceptions in the Software Directive (Arts 5(1) and the other exceptions (5(2) and 5(3)) and 6) and the sui generis right (Arts 8 and 9). The exception provided in Article 6(1) is mandatory; Member States do not have an option as to whether or not they implement it.

2. Paragraph 2

Paragraph 2 sets out three exceptions Member States are free to include or not in their national laws. They more or less mirror those under the sui generis right (see below, Arts 8 and 9). These three defences are optional so Member States are not obliged to implement them. Paragraph 2(d) allows Member States to retain existing exceptions applicable to databases if they wish to. 41 It is not entirely clear whether these traditional exceptions can also include those in the list enacted in Article 5 of the Infosoc Directive. 42 If a Member State included an exception which did not exist in its law before the adoption of the database and the Infosoc Directives, but may have been a traditional exception in other Member States (and thus appearing in the list of Article 5 of the Infosoc Directive), it would breach Article 1(2) of the Infosoc Directive. Therefore, a Member State would not be able to implement such exception for databases.

3. Paragraph 3

9.29 Paragraph 3, like Article 5(5) of the Infosoc Directive, is a reminder that when Member States implement the exceptions, they must respect the three-step test. Normally, the Database Directive must already respect the test since otherwise it would breach the Berne Convention and the WIPO Copyright Treaty. Nevertheless, paragraph 3 remains important for those traditional exceptions targeted in paragraph 2(d).

4. Other copyright aspects not regulated by the Database Directive

As can be seen from the above, the copyright chapter of the Database Directive is silent on a few aspects of copyright law (the right of rental and lending was an example discussed above under Art. 5). The term of protection is not indicated in the Database Directive but is regulated by the Term Directive (see Recital 44).
Chapter 9 THE DATABASE DIRECTIVE

NOTES

25. Moral rights are outside the scope of the Directive and thus remain regulated at national level and by international conventions (Recital 28).

1. Related instruments

World Copyright Treaty (WCT) of December 20 1996.
See also Instruments at Art. 2.

2. Bibliography

See also Bibliography at Arts 4 and 8.

Chapter III

SUI GENERIS RIGHT

ARTICLE 7: OBJECT OF PROTECTION

1. Member States shall provide for a right for the maker of a database which shows that there has been qualitatively and/or quantitatively a substantial investment in either the obtaining, verification or presentation of the contents to prevent extraction and/or re-utilization of the whole or of a substantial part, evaluated qualitatively and/or quantitatively, of the contents of that database.

2. For the purposes of this Chapter:
   (a) “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;
   (b) “re-utilisation” shall mean any form of making available to the public all or a substantial part of the contents of a database by the distribution of copies, by renting, by on-line or other forms of transmission. The first sale of a copy of a database within the Community by the rightholder or with his consent shall exhaust the right to control resale of that copy within the Community; Public lending is not an act of extraction or re-utilisation.

3. The right referred to in paragraph 1 may be transferred, assigned or granted under contractual licence.

4. The right provided for in paragraph 1 shall apply irrespective of the eligibility of that database for protection by copyright or by other rights. Moreover, it shall apply irrespective of eligibility of the contents of that database for protection by copyright or by other rights. Protection of databases under the right provided for in paragraph 1 shall be without prejudice to rights existing in respect of their contents.

5. The repeated and systematic extraction and/or re-utilisation of substantial parts of the contents of the database implying acts which conflict with a normal exploitation of that database or which unreasonably prejudice the legitimate interests of the maker of the database shall not be permitted.
1. The nature of the sui generis right

The Directive does not expressly state that the sui generis right is an intellectual property right. It is important to ascertain the nature of the sui generis right because if it is an intellectual property right, it determines its relationship to other laws such as unfair competition and contract laws (on this, see below Art. 13). It is clear that the sui generis right is not a tort (an action in unfair competition) but is a property right as Article 7(3) states it can be licensed and transferred. In addition, the principle of exhaustion is provided as in other intellectual property laws (Art. 7(2)(b)). Exceptions to the rights are provided and the right has a term of protection, like other intellectual property rights. All these point to the conclusion that the sui generis right is an intellectual property right. The overwhelming majority of commentators classify it as an intellectual property right and many Member States have classified it as a neighbouring right in their national laws. It is also clear that the sui generis right is not (part of) copyright.

2. Reasons for the sui generis right

There are three main reasons why the sui generis right was adopted. First, the main investment in a database is in its contents. However, copyright does not protect the contents but only the database's structure. So taking the contents without the structure would not infringe. An additional protection was necessary to protect the contents. A second reason was to boost Europe's database industry to compete with, among others, the United States (Recitals 11 and 12). Thirdly, while unfair competition could have been used to protect the contents of databases, it would have probably entailed a full-blown harmonisation of national unfair competition laws and some Member States could not agree to that. A quick fix was needed and creating a new intellectual property right was far easier than attempting to harmonise unfair competition laws.

3. Protection requirement: qualitative or quantitative substantial investment in the obtaining, verification or presentation of the database's contents

A. Investment

The investment can be financial, material or human. Financial investment is self-explanatory. Human investment can be in time, effort or energy whereas material investment refers to the acquisition of equipment to build the database. So investments which cannot readily be quantifiable in money, such as human investments, can qualify a database for protection. The ECJ confirmed this when defining the term 'qualitatively'.

B. Public sector databases

Following the option in Article 2(4) of the Berne Convention, many Member States' copyright laws exempt official works or at least texts. There is no such provision in the Database Directive but it poses the question whether databases made by any of the three branches of state power, at local or national level, can benefit from the sui generis right; indeed, it is disputable that there is risk, hence an investment, because they are paid with taxpayer's money. The German Supreme Court held that databases eligible for the sui generis right, which are official works, should be exempted from protection by analogy with the copyright act's exemption for official works. The Supreme Court posed a question to the CJEU but later withdrawn it so that this issue is still unclear at EU level.

C. Substantial

There is no indication of the level of investment in the Directive except that Recital 19 states that usually, owing to too little investment, a compilation of recordings of musical performances on a CD should not be able to qualify as a database. All that one can glean from this therefore is that the level of investment needs to be significant but not so high as to make it prohibitive.
investment must be more than minimal. Nevertheless, because the term 'substantial' is vague, and thus can be interpreted strictly or broadly, it leads to uncertainty.49 The CJEU has not yet had to decide this issue. In the national courts, there is generally no dispute on this point as the level of investment is high. But some courts have had to grapple with minimal investments and rejected su generating right protection in some cases.50 Commentators are split on the issue but generally, national courts have been generous and granted protection for relatively low level investments.51

D. Qualitatively and quantitatively

The Directive does not define the terms 'quantitatively' and 'qualitatively'. The CJEU has given some guidance in respect of those terms: 'the quantitative assessment refers to quantifiable resources and the qualitative assessment to efforts which cannot be quantified, such as intellectual effort or energy, according to the 7th, 39th and 40th recitals [...].'52 Therefore, a quantitatively substantial investment refers to the amount of money and/or time invested in the database while a qualitatively substantial investment refers to the effort and/or energy invested in the database. Thus 'qualitatively' does not refer to the quantity of data in the database, nor the quantity of the investment but rather to the type of investment (financial). A consequence of this is that if the arrangement of the data is original and represents a qualitatively substantial investment, then there is a coincidence between a qualitatively substantial investment and originality.53 In this case, two types of protection (copyright and sui generis) attach to the same aspect of the database. This can generate problems as the sui generis right and copyright provisions sometimes clash.

E. Obtaining

7 The CJEU has held that the term 'obtaining' encompasses only the collection of the data and not its creation.54 This ensures that spin-off databases, i.e. databases which are the by-products of main activities, are rarely protected by the sui generis right and avoids monopolies on information. Only where there is a separate substantial investment in gathering the created data can the sui generis right attach to the database.55 As it is often difficult to prove such separate investment, the sui generis right will rarely protect sole source databases.56 The Court did not give an answer regarding data recorded from nature (e.g. meteorological). Commentators are split on the issue. Some think the Court would hold that recording data is creating data rather than obtaining it.57 Other commentators think recording data is collecting it.58

In the Précom case, the French Court of Cassation, which was for the first time asked to deal with the issue of the distinction between creating and collecting data, clearly endorsed the CJEU rulings.59 In that case, the claimant created a website with advertisements of properties for sale and the defendant published some of the claimant’s advertisements in its newspaper aimed at estate agents. The French Supreme Court held that the investment was in the creation of the adverts and that the verification took place during creation and was purely formal. The Court expressly stated that a company cannot claim the benefit of the protection by the sui generis right for investments linked with the creation of the content of a database. Despite these positive developments on the verification of the investment’s object, the Court of Cassation may have created some doubt with its later Lecitel decision.60 In this case, the Supreme Court confirmed the Paris court of appeal’s decision that France Télécom’s list of subscribers (telephone directory) was a protected database. The defendant argued that there was no investment. But the court of appeal held that France Télécom’s telephone directory did not simply consist of its subscribers names, addresses and numbers but had much more information than that, half of it coming from France Télécom. Whereas the appellate court noted that the

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55 See e.g. M. Leistner, ‘Legal protection for the database maker: Initial experience from a German point of view’ (2002) IIC 957; Saks, 998; Pollaud-Dulian, 540. For more references, see Declaye, 2008a, 76 ff.
56 See e.g. AMC Premiation v CD Publishers Construct Data Verlag GmbH, T. Com. Paris, 16 February 2001, cited by C. Comte, ‘Liberté d'expression et liberté de la presse contre droit de propriété intellectuelle’, (2002) 2 Communication et Communication Electronique, 25 (classifying data alphabetically is not sufficient); Datenschutz- 

57 Bygrans, 31.
database was not simply a collection of all France Télécom's telephone directories but that there was, in relation to the copyright claim, some 'presentation effort', it did not specifically state whether there was a substantial investment in the collection, verification or presentation of the data separate from data creation in relation to the sui generis right claim. It is strange therefore that the Court of Cassation confirmed the appellate decision. But it may be explained by procedural matters (such as the defendant not raising this point in its appeal to the Supreme Court) or by the agreement of the parties with the expert who gave an opinion as to the investment made in the database. The appellate court relied heavily on this expert statement. The *Lettin* decision is therefore not entirely conclusive. Presumably therefore, the Court's *Prison* 'precedent' still stands.

9.39 In a similar vein, in Germany, the Supreme Court reversed an appellate court’s decision for assuming database right without checking whether it was a database and whether there was a substantial investment and remanded the decision to the court of appeal to check these issues. In Ryanair v. Atrapalo, the Spanish Supreme Court also scrupulously followed the CJEU case law and held that Ryanair's web site was a database but was not protected by the sui generis right, because the investment was in the creation of data and of software, and not on their obtaining.

In another case, the German Supreme Court held that the investment in acquiring a database or in the payment of a licence to use a database does not count for the requirement of a substantial investment. However, in that case, the claimant had made substantial investment in presenting the data so it benefited from the sui generis right.

**F. Verification**

The term 'verification' means ensuring the reliability of the information contained in the database, monitoring the accuracy of the materials collected when the database was created and during its operation. This will include checking, correcting and updating the contents since these are ways of ensuring the contents' reliability. Even if the database remains the same (the elements are not changed) as a result of the verification, it is still possible to prove a substantial investment.

G. Presentation

The CJEU held that investment in presenting refers to the resources used for the purpose of giving the database its function of processing information, that is to say those used for the systematic or methodical arrangement of the materials contained in that database and the organisation of their individual accessibility. Presentation refers to the structuring or organisation of the data as well as the way the contents are made accessible to the users. This includes the creation of an index or thesaurus.

4. Ownership

Strangely, the Directive does not have a provision on ownership of the sui generis right. Recital 41 only provides minimally that the database maker is 'the person who takes the initiative and the risk of investing'. The defining issue is who is making the substantial investment. The database maker, or producer as it is often also called, can be an individual or legal entity. There is no provision either regarding databases made by employees but Recital 41 states that subcontractors in particular are excluded from the definition of maker. Apart from this restriction, therefore, Member States are free to have a rule of ownership giving the right to the employer or to the employee (similar to Art. 4, above). The Directive is silent on joint ownership but much of the literature argues the directive makes it possible. These issues of ownership by employees, commissionees and joint owners are therefore entirely left to national laws. For instance, the British legislature implemented this possibility explicitly.

5. The rights

The two terms 'extraction' and 're-utilisation' must be interpreted in the light of the objective pursued by the sui generis right which is, according to Recital 42, to protect the database maker against acts by users which go beyond the users' legitimate rights and harm the database maker's investment and according to
Recital 48, to secure the remuneration of the database maker.72 The terms extraction and re-utilisation must be interpreted widely because the legislator used the expressions 'by any means or in any form' and 'any form of making available to the public'.73 Therefore, it is irrelevant that the act of extraction or re-utilisation is not made in order to create a competing database.74 Because the two concepts of extraction and re-utilisation are meant to be wide, they also include any indirect taking.75 As defined by the Directive and interpreted by the CJEU, the two rights are very close to the rights of reproduction and communication to the public in copyright law. Nevertheless, there are not the same as is explained below.

A. Extraction

Extraction includes both removal and copying of the contents. It is therefore broader than the copyright concept of reproduction. Extraction therefore includes copying, e.g. writing down by hand, typing on a computer or any machine, scanning a paper database, as well as downloading, printing or any other reproduction in whatever (permanent or temporary) form.76 In Apis, the Court had to construe 'temporary' and 'permanent transfer' for the purpose of determining whether restricted acts of extraction and re-utilisation had taken place. It held that a transfer will count as a 'permanent transfer' only if the data is stored in a permanent manner in a medium other than the database for more than a limited period of time after extraction. The objective pursued by the act of transfer (e.g. creating another database whether or not competing) is immaterial for the purposes of assessing whether there has been an extraction.77 Extraction does not cover mere consultation of the database.78 This is only valid for non-electronic databases as consulting electronic ones always involve a temporary reproduction.79 The CJEU also held that it is irrelevant for the purposes of infringement that the data extracted is rearranged in another way; there will still be an extraction.80 Here the Court has overlooked the fact that if the substantial investment is solely in the presentation of the data, it is doubtful there could be infringement if the data extracted is rearranged in a different way. It seems that extraction also includes translation. Since the extraction can be in any form, a translation of the database's contents would be an extraction. The ECJ has not given guidance in this respect; it just held that the term 'extraction' is wide. However, certain commentators disagree and believe that if extraction includes translation, it creates a new right not envisaged in the Directive.81

B. Re-utilisation

Re-utilisation is also a broad concept encompassing all forms of making the database available to the public. The communication can be made on-line (e.g. on a website) or on an analogue medium, by wire or wireless means. It can be direct or indirect.82 The German Supreme Court interpreted this concept broadly in a case involving reuse of a database where the defendant sent substantial parts of the claimant's database to individual users. If individual users can constitute a public, then the defendant infringes.83

i. Exhaustion

As in copyright law, it is clear that the exhaustion principle does not allow the reproduction of data. The German Supreme Court has confirmed this: it held that if there is extraction of a substantial part of the database, there is no exhaustion as exhaustion covers the right of distribution and not of extraction.84 As in the above discussion under Article 5, online electronic databases cannot benefit from the exhaustion principle. The database must have been sold. If it is given free of charge, the principle of exhaustion does not apply. The CJEU held this to be so in the field of trademarks in Peak Holding v AxelIn-Ellnor and later confirmed it in L'Oreal v eBay.85 There is no reason why these decisions would not apply here by analogy as the term used in Article 7(2)(b) is 'sale'. The same applies to Article 5(c) in the copyright chapter of the Database Directive.

C. Public lending

Contrary to copyright law, public lending is not a restricted act. Thus a public establishment such as a library can freely lend a database solely protected by the
sui generis right. Note that the wording of the Directive is clumsy: an act of public lending cannot be an extraction anyway. It can only be an act of re-utilisation.

6. Infringement

Three paragraphs of Article 7 deal with infringement: paragraphs 1, 4 and 5.

A. Paragraph 1

The Directive does not define the terms 'substantial part', 'insubstantial part', 'quantitative' and 'qualitative'. The CJEU interpreted these four terms in 2004. It held that the assessment in qualitative and quantitative terms of whether a part is substantial must refer to the investment in the creation of the database and the prejudice caused to that investment by the act of extraction or re-utilisation. In other words, there must be a link between the part extracted or re-utilised and the investment made by the database maker in that part. Thus if the user takes a substantial part which does not represent the substantial investment of the database maker, the investment is not harmed and there cannot be infringement, even if there was an act of extraction or re-utilisation. A 'substantial part evaluated quantitatively' refers to the volume of the data extracted or re-utilised from the database and it must be assessed in relation to the volume of the contents of the whole of the database. The expression 'a qualitatively substantial part' refers to the scale of investment in the obtaining, verification or presentation of the contents of the subject of the act of extraction and/or re-utilisation, regardless of whether that subject (or part) represents a quantitatively substantial part of the contents. This is because a quantitatively negligible part may represent in terms of obtaining, verifying or presenting the contents, a significant human, technical or financial investment. The intrinsic value of the materials affected by the acts of extraction or re-utilisation does not constitute a relevant criterion for the assessment of whether a part is substantial. The Court also ruled that a part which does not fulfil the requirement of a substantial part is automatically an insubstantial part.

In the Apis case, which concerned a legal database consisting of several sub-databases, the CJEU held that one has to first assess if each module is an independent database (does it fit in the definition and is there substantial investment). If the answer is positive, then it is against that database that substantiality must be assessed, not against the entire big database. Otherwise, a defendant could easily avoid infringing simply by referring to the big overarching database. When data is taken from several modules at once, then substantiality must be assessed relative to the entire database. The CJEU also held that even if part of the materials contained in a database are official and accessible to the public, the national court must still verify whether the materials allegedly extracted and/or re-utilised from that database constitute a substantial part of its contents.

The CJEU has so far not given guidance as to what is a quantitatively substantial or insubstantial part in terms of percentages and it is doubtful if ever will. Some national courts held that if a majority of the elements are extracted and/or re-utilised, a quantitatively substantial part has been taken. Others considered 20 per cent a quantitatively substantial part. However, in Apis, the CJEU gave some evidential rules relating to infringement:

The fact that the physical and technical characteristics present in the contents of a protected database made by a particular person also appear in the contents of a database made by another person may be interpreted as evidence of extraction within the meaning of Article 7 of Directive 96/9, unless that coincidence can be explained by factors other than a transfer between the two databases concerned. The fact that materials obtained by the maker of a database from sources not accessible to the public also appear in a database made by another person is not sufficient, in itself, to prove the existence of such extraction but can constitute circumstantial evidence thereof.

B. Paragraph 4

Paragraph 4 means several things. First, a database's sui generis right adds up to the potential copyright subsisting in its structure but also any rights, including copyright, subsisting in its contents. Conversely, even if a database cannot acquire copyright on its structure, the sui generis right can subsist if the conditions of the sui generis right are fulfilled. Also even if the contents are not
C. Paragraph 5

9.53 As the CJEU said:

The purpose of article 7(5) of the Directive is to prevent circumvention of the prohibition in article 7(1) of the Directive. Its objective is to prevent repeated and systematic extractions and/or re-utilisations of insubstantial parts of the contents of a database, the cumulative effect of which would be to seriously prejudice the investment made by the maker of the database just as the extractions and/or re-utilisations referred to in article 7(1) of the Directive would.98

In other words, the insubstantial parts must altogether represent a substantial part or the whole database for Article 7(5) to be infringed. According to some, the Court must also have meant that it is irrelevant if all the insubstantial takings constituting a substantial part are not thereafter retained or being used.99

9.54 The CJEU will be answering yet more questions concerning the concept of extraction, especially extractions of insubstantial parts repeatedly and systematically, in the pending Innovoweb case. In 2011, the German Supreme Court had to decide a case with similar facts.100 The claimant had a car-dealing website. The defendant sold software which enabled users to search several car-dealing websites. The user searched for at least the make and model of the car and after having trawled the car-dealing websites, the software listed the search results which included some of the car's details. The software also provided a link to the car-dealing websites, including that of the claimant. The latter sued for infringement of the sui generis right, claiming that the software allowed extraction of a substantial part of the contents of its database. The German Supreme Court held that when performing searches, users did not copy a substantial part of the database. Even if they copied some results of searches permanently in their computers, users only extracted insubstantial parts and even if it was repeatedly and systematically, these insubstantial parts did not constitute a substantial part. When searching the database, it was necessary to extract insubstantial parts to display the content of the database on the screen. This did not constitute infringement. Also, users did not infringe when they individually extracted insubstantial parts, even if taken together all these parts represented a substantial part. This is because users did not collaborate. 'Several, individually permissible uses by individual users could not be totalled up to form an aggregate unauthorised use.'

NOTES

1. CJEU case law


98 BHR, para. 86. See also paras 87–88.
ARTICLE 8: RIGHTS AND OBLIGATIONS OF LAWFUL USERS

1. The maker of a database which is made available to the public in whatever manner may not prevent a lawful user of the database from extracting and/or re-utilising insubstantial parts of its contents, evaluated qualitatively and/or quantitatively, for any purposes whatsoever. Where the lawful user is authorised to extract and/or re-utilise only part of the database, this paragraph shall apply only to that part.

2. A lawful user of a database which is made available to the public in whatever manner may not perform acts which conflict with normal exploitation of the database or unreasonably prejudice the legitimate interests of the maker of the database.

3. A lawful user of a database which is made available to the public in any manner may not cause prejudice to the holder of a copyright or related right in respect of the works or subject matter contained in the database.

I. COMMENTARY

Article 8(1) is a mandatory provision giving a lawful user a right while Article 8(2) and 8(3) provide for lawful users’ obligations.

1. Concept of lawful user

Nowhere in the directive is there a definition of ‘lawful user’. Only paragraph 52 of the Explanatory Memorandum gives a definition of the lawful user: ‘a person having acquired the right to use a database’. However this definition is tautological: it does not say how a user acquires the right to use a database which is the core of the problem. The CJEU has not interpreted the notion of lawful user in respect of databases but has done so in the Useldas case in relation to software. Prior to Useldas commentators had identified three possible interpretations: (1) the lawful user refers to any user relying upon exceptions provided by law or contract (this is the traditional copyright law approach and is the broadest), (2) the lawful user is only a licensee and (3) the lawful user is


any user who lawfully acquires a database. This latter approach is in line with the approach of the Software Directive. Based on an interpretation of the Database Directive and preparatory materials, the correct interpretation is most probably the third one. Accordingly, a lawful acquirer can use a database or a licit copy of it as a result of an act or a contract that can be other than a licence: an act of public lending, a gift, a sale, a re-sale, a licence, inheritance or a rental contract. If a database is accessible free of charge and freely on the web, the database maker must have implied a licence to use the database within the limits of the Directive. Decisions involving freely accessible online databases seem to confirm this interpretation. This interpretation of a lawful user means that the majority of users would be lawful: users have generally access to databases through the Internet, libraries, as an employee or student through a subscription made by the employer or the university or by simply borrowing a database privately or acquiring the database new or second-hand for a price or for free. Unlawful users would be those stealing a database incorporated in a tangible medium, those subsequently acquiring a stolen or an infringing database (a pirated copy). It could also be persons using someone’s password to access a database or using, knowingly or not, a website unlawfully reproducing a protected database.

9.57 In Usedoft, the CJEU seemed to have confirmed this preferred third interpretation but it may have adopted the broader first one. It held that a person who bought a program downloaded online from the software manufacturer’s website, even under a so-called licence agreement, was a sale and that the person acquiring it from this first owner via a re-sale was a lawful acquirer. The CJEU expressly stated that ‘the argument [...] that the concept of “lawful acquirer” in Article 5(1) of Directive 2009/24 relates only to an acquirer who is authorised, under a licence agreement concluded directly with the copyright holder, to use the computer programme cannot be accepted’ because it would render the exhaustion of the right of distribution ineffective. As it seems that all the different terms the Software and Database Directives use to refer to the concept of lawful user refer to the same user, the Usedoft ruling should apply by analogy to database users. Some commentators have warned against a contract-based interpretation of the lawful user as it could allow abuse from right holders but also from users. If such interpretation is favoured, Synodinou advocates the application of the private law’s principles of good faith and fair practice in the interpretation and performance of contracts.

2. Paragraph 1

This paragraph is redundant and misleading. It is redundant because it is clear that a user may use insubstantial parts of a database without permission of the database maker. This is because the rights of extraction and re-utilisation only apply when the user extracts or reuses substantial parts. Therefore, the act of taking insubstantial parts (so long as it is not done repeatedly and systematically so as to constitute a substantial part of the database, which is prohibited under Article 7(5)) is outside the scope of the sui generis right. Article 8(1) is therefore not an exception. The paragraph states the obvious but restricts the scope of a user’s right as the user must be lawful. As shall be seen below, a benefit of Article 8(1) is that a contract may not override it (Art. 15). The second sentence of Article 8(1) is self-explanatory.

3. Paragraph 2

This paragraph has been criticised for being vague and poorly drafted, thereby increasing the scope of the database maker’s right. It may also contradict paragraph 1. By definition, Article 8(2) can only apply to the use of insubstantial parts not of a substantial part. This is because extracting or re-utilising a substantial part will always be an infringement unless it falls within one of the exceptions provided in Article 9. Article 8(2) could mean that the lawful user who took an insubstantial part which she is allowed to do by law cannot do so if her act nevertheless conflicts with the normal exploitation of the database or unreasonably prejudices the legitimate interests of the maker of the database.
Chapter 9: The Database Directive

This of course would depend on the facts of each case. The CJEU’s interpretation of Article 7(5) in 2004 seems to render Article 8(2) redundant. The *sui generis* right will only be infringed when a user takes insubstantial parts which together form a substantial part of the database. This wording echoes the three-step test (Art. 5(5) Infosoc Directive). 112

4. Paragraph 3

This paragraph simply means that the lawful user must respect copyright and related rights when extracting or re-utilising a work or other protected subject matter which forms part of the database. For instance, if a database is a collection of poems, the extraction or re-utilisation of one poem (whether it infringes or not the *sui generis* right in the database) must not prejudice the copyright subsisting in the poem in question.

NOTES

1. Related instruments


See also Related Instruments at Arts 1 and 5.

2. CJEU case law

See Case Law at Art. 5.

3. Bibliography


ARTICLE 9

EXCEPTIONS TO THE *SUI GENERIS* RIGHT

Member States may stipulate that lawful users of a database which is made available to the public in whatever manner may, without the authorisation of its maker, extract or re-utilise a substantial part of its contents:

(a) in the case of extraction for private purposes of the contents of a non-electronic database;

(b) in the case of extraction for the purposes of illustration for teaching or scientific research, as long as the source is indicated and to the extent justified by the non-commercial purpose to be achieved;

(c) in the case of extraction and/or re-utilisation for the purposes of public security or an administrative or judicial procedure.

I. COMMENTARY

Article 9 provides for three optional exceptions. In other words, like those under the copyright chapter, Member States can choose whether or not they implement them in their national laws. As the copyright exceptions and the *sui generis* right exceptions are virtually identical, they are discussed together here.

The private reproduction (extraction for the *sui generis* right) exception is traditional in many Member States’ copyright laws. There is an exact correspondence between this exception and the corresponding one in the copyright chapter (Art. 6(2)). The defence is based on the impossibility for the copyright holder to monitor such private uses and on the constitutional right of privacy of the home. However, the exception only applies to a non-electronic database. Private reproduction or extraction is not defined. There is no restriction as to where the act occurs. So a user does not have to exercise its exception in its home but could do so for instance in a library.

The teaching and research exceptions in the two chapters are identical except on one crucial point: in the *sui generis* right chapter, it is limited to extraction while in the copyright chapter (Art. 6(3)) the lawful user can ‘use’ a substantial part of the database, so the term is much broader and includes all restricted acts. The corresponding exception in the *sui generis* right chapter is therefore far more restricted and in effect quasi unusable since to teach and research one almost always has to communicate to the public. Apart from the acts that can be performed, the teaching and research exceptions apply at three cumulative conditions. There must be an illustration for teaching or scientific research, the
be for a commercial purpose. The directive does not define 'illustration for teaching'. It may be very restricted as it could mean that a substantial part of the database can be used only to give an example of what is being taught. The Directive states that the terms 'scientific research' relate to both the natural and human sciences. However, it does not define what research is. Some commentators think that research is 'a diligent and systematic inquiry or investigation into a subject'. However, it is unclear whether it is so broad as the directive restricts the defence to scientific research. The question is whether any research is scientific by definition. The Directive also does not explain what indication of the source means. Probably identifying the author (for copyright) or producer (for the sui generis right) is sufficient (by analogy with Art. 5(3) of the Infosoc Directive). The condition of non-commercial purposes means that the research cannot be undertaken by a private company because by definition it has a commercial purpose. The situation of an educational establishment is less clear. Some will have a commercial purpose, some not. Some will have mixed commercial and non-commercial purposes, making the demarcation between commercial and non-commercial teaching and research difficult if not impossible. A charity should be able to benefit from the exception as it has a non-commercial purpose.

As to the last exception, there is an exact correspondence between Articles (2)(c) and 9(c). This exception is the broadest of all three since the user can 0th use (copyright) or extract and re-utilise (sui generis right) a substantial part of the database for purposes of public security or an administrative or judicial procedure and no condition of indication of source or non-commercial purpose is required. This exception long existed in the realm of copyright. It is of crucial importance to the good functioning of justice that substantial parts of databases can be reused without the authorisation of the database maker to conduct administrative or judicial proceedings. The same is valid in respect of public security since urgent use of the database might be required and there is no time to wait for permission of the database maker.

3 Davison, 79.
4 Recital 36.
8 Vanhees, 150.
ARTICLE 10
TERM OF PROTECTION

1. The right provided for in Article 7 shall run from the date of completion of the making of the database. It shall expire fifteen years from the first of January of the year following the date of completion.

2. In the case of a database which is made available to the public in whatever manner before expiry of the period provided for in paragraph 1, the term of protection by that right shall expire fifteen years from the first of January of the year following the date when the database was first made available to the public.

3. Any substantial change, evaluated qualitatively or quantitatively, to the contents of a database, including any substantial change resulting from the accumulation of successive additions, deletions or alterations, which would result in the database being considered to be a substantial new investment, evaluated qualitatively or quantitatively, shall qualify the database resulting from that investment for its own term of protection.

I. COMMENTARY

1. Paragraphs 1 and 2

A *sui generis* right lasts 15 years calculated from 1st January of the year following the date of completion. If a database is made available to the public in that period of 15 years, then the 15 years run from the 1st January following the date of the first act of making the database publicly available. Thus a database can potentially be protected up to just under 30 years.

2. Paragraph 3

Paragraph 3 provides a new term of 15 years if a database maker makes a substantial change to the elements of the database. This change can be qualitative or quantitative and include additions, deletions or alterations. The term 'includes' means that no change to the database as a result of a verification of the elements also counts a change. Indeed, the change is the fact that the database is now updated. The database maker will also have to meet the protection requirement namely that there has been a substantial investment. If these two conditions are fulfilled (substantial change and substantial investment), they trigger a new term.

Paragraph 3 also implies that elements of dynamic databases (namely databases which are continually being updated, in other words, electronic databases available online), which have not been re-verified, added or deleted can be protected perpetually. This is because paragraph 3 does not make clear if the new term starts again for the whole database or only for the part of the database which required the new investment and the user has no way of determining which element has not been added, deleted or changed for more than 15 years and for which the *sui generis* right protection has expired, unless the database maker specifically tags the elements (something the Directive does not oblige him or her to do). From the wording of the Directive ('shall qualify the database resulting from that investment for its own term of protection'), it could be argued that it is the database comprised of the new elements only. However, the prevailing view seems to be that the new right applies to the entire database rather than just to the new elements. The infringement test, as interpreted by the CJEU (see above, Art. 7) helps eliminate this problem since if a user takes the elements of the database where the substantial change and new substantial investment does not reside, s/he does not infringe. However, which users are going to take the risk of taking a substantial part when they do not know which elements of the database and thus of that part have been added, deleted or changed?

9.67

NOTES

1. CJEU case law

See Case Law at Arts 1 and 7.

2. Bibliography

See bibliography articles 1 and 9.


122. S. Smith, 'Legal protection of factual compilations and databases in England: How will the Database Directive
ARTICLE 11

BENEFICIARIES OF PROTECTION UNDER THE SUI GENERIS RIGHT

1. The right provided for in Article 7 shall apply to database whose makers or rightholders are nationals of a Member State or who have their habitual residence in the territory of the Community.

2. Paragraph 1 shall also apply to companies and firms formed in accordance with the law of a Member State and having their registered office, central administration or principal place of business within the Community; however, where such a company or firm has only its registered office in the territory of the Community, its operations must be genuinely linked on an ongoing basis with the economy of a Member State.

3. Agreements extending the right provided for in Article 7 to databases made in third countries and falling outside the provisions of paragraphs 1 and 2 shall be concluded by the Council acting on a proposal from the Commission. The term of any protection extended to databases by virtue of that procedure shall not exceed that available pursuant to Article 10.

I. COMMENTARY

Article 11 reserves the sui generis right's protection to EU nationals or habitual residents, as well as to firms established under the laws of a Member State and with their registered office, administration, or principal place of business within the EU. This includes foreign firms so long as their business is conducted in the EU. Paragraph 3 empowers the Council to conclude agreements extending the right to databases that are made in third countries and are not covered by paragraphs 1 and 2 i.e. foreign databases which the Directive does not protect. This paragraph is clearly aimed at pushing other countries to adopt a right similar to the sui generis right. Nationals of non-EU countries can only benefit from the sui generis right on the basis of reciprocity. Of course, they can also decide to establish a subsidiary in the EU or else become co-producers with an EU national or resident to benefit from the right. Article 11 does not breach international conventions since the sui generis right is a new intellectual property right, which is not covered by them.

123 According to Gaster, 163, a company has to be present in the Member State in question so long as it is formed according to the laws of a Member State. For him, central administration means the firm's management and principal place of business, the place where actual production takes place.
To date, the Council has not yet entered into such agreements with foreign countries.

1. Bibliography

See also Bibliography at Art. 1.

Chapter 9

THE DATABASE DIRECTIVE

9.69

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CHAPTER IV

COMMON PROVISIONS

ARTICLE 12

REMEDIES

Member States shall provide appropriate remedies in respect of infringements of the rights provided for in this Directive.

I. COMMENTARY

This article echoes Article 7 of the Software Directive but is far less detailed. So long as Member States have remedies in place for infringement of the sui generis right similar to those provided for in their copyright laws, they should comply with Article 12. Article 12 has become somehow outdated because of the Enforcement Directive from 2004. Its Article 2 provides that the procedure and remedies provided in the Enforcement Directive will apply to infringement of all intellectual property rights, be they at Community or national level. Nevertheless, paragraph 2 provides that:

This Directive shall be without prejudice to the specific provisions on the enforcement of rights and on exceptions contained in Community legislation concerning copyright and rights related to copyright, notably those found in Directive 91/250/EEC and, in particular, Article 7 thereof or in Directive 2001/29/EC and, in particular, Articles 2 to 6 and Article 8 thereof.

The 'notably' could thus include the Database Directive and its Article 12. A Commission's Statement concerning Article 2 of the Enforcement Directive however states that intellectual property rights include the sui generis right.126

NOTES

1. Related instruments


ARTICLE 13
CONTINUED APPLICATION OF OTHER LEGAL PROVISIONS

This Directive shall be without prejudice to provisions concerning in particular copyright, rights related to copyright or any other rights or obligations subsisting in the data, works or other materials incorporated into a database, patent rights, trade marks, design rights, the protection of national treasures, laws on restrictive practices and unfair competition, trade secrets, security, confidentiality, data protection and privacy, access to public documents, and the law of contract.

I. COMMENTARY

Article 13 allows cumulation of the sui generis right and/or copyright on a database with a number of other protections. The list is not exhaustive. According to Gaster, the inclusion of 'access to public documents' somehow replaces the provision of the draft Directive which would have introduced an exception for databases made by the State. In practice, it means that a database can be protected by several intellectual property rights and other types of protection in addition as well. Often a database will be licensed and thus be protected by contract. The database maker will also have a trademark which applies to its database. S/he may also apply technological protection measures to its database, which will be protected by anti-circumvention provisions. This latter possibility is provided by the Infosoc Directive (Art. 6). The addition of similar types of protection such as unfair competition and contract to databases raises problems of over-protection.

The CJEU missed an opportunity to fully clarify Article 13 in Football Dataco. It held that the Database Directive precludes national legislation which grants databases copyright protection under conditions which are different than those set out in Article 3(1) of the Database Directive, i.e. under conditions other than originality. Thus, databases cannot benefit from the English skill and labour copyright protection, the Dutch geschrevenbescherming or the Nordic catalogue rule.
9.73 In *Football Data*, the CJEU reasoned that the aim of the Directive was to remove differences in national legislation particularly on the scope and conditions of copyright protection which adversely affected the functioning of the internal market, free movement of goods and services and the development of an information market in the EU. It also relied in Recital 60 to say that Article 3(1) carries out a ‘harmonisation of the criterion for determining whether a database is to be protected by copyright’. If it reminded that the Directive’s transitional provisions keep the status quo for databases created before 27 March 1996, so they can remain protected under prior, different, if at all, eligibility criteria. However, for ‘new databases’ (i.e. created after that date), no other copyright protection can exist apart from that provided in the Directive. However, the CJEU did not reply exactly to the question posed. How about ‘copyright-like’ protection such as protection against parasitism or slavish copying, which many national laws provide in their tort law or special unfair competition statutes? The Court of Appeal of England and Wales had asked the CJEU more specifically: ‘Does the Directive preclude national rights in the nature of copyright in databases other than those provided for by [Directive 96/9]?’ Maybe the Court of Justice assumed that since the UK does not have unfair competition law (except passing off), the Court of Appeal did not refer to that type of protection. Nevertheless, the CJEU could have interpreted the question more extensively, since it was posed in such broad terms, i.e. capable of encompassing unfair competition-type legislation. Therefore, the Court’s answer is not entirely clear on this point, but on a logical construction of its paragraph 49, it is fair to assume that that it is not possible to cumulate slavish imitation or parasitism with the *sui generis* right. Indeed, it would adversely affect the functioning of the internal market and free movement of goods and services if databases could obtain quasi-copyright/*sui generis* right protection through unfair competition law provisions.

9.74 The answer to this question is important because some Member States, notably France, still cumulate copyright and/or the *sui generis* right with slavish imitation/parasitism. While the appellate courts and the Court of Cassation are rejecting the overlap between the *sui generis* right and parasitism, French first instance courts are split on the issue. However, if one looks at the recent Supreme Court’s decisions on the relationship between parasitism and all intellectual property rights, they show that the tort of parasitism is still alive as the Court seems to constantly contradict itself. It is therefore far from certain that the Court of Cassation’s *Précom* decision in the area of database protection shows a clear trend towards rejection of the overlap between the *sui generis* right and parasitism. The Spanish Supreme Court also seems to allow the cumulation of the *sui generis* right, copyright and parasitism. In a case involving one of the main Spanish legal databases (Aranzadi), it confirmed the lower instances rulings that held that the defendant infringed the three rights when it copied and marketed Aranzadi’s database (or at least Aranzadi’s case law database) on its website and on CD. In 2012, however, the Spanish Supreme Court held that the defendant’s ‘scraping’ of Ryanair’s website did not constitute parasitism.

NOTES

1. Related instruments

See Related Instruments at Arts 1 and 5.

2. CJEU case law

See Case Law at Art. 3.

3. Bibliography


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130 Case C-604/10 *Football Data*, para. 49.


ARTICLE 14
APPLICATION OVER TIME

1. Protection pursuant to this Directive as regards copyright shall also be available in respect of databases created prior to the date referred to Article 16 (1) which on that date fulfil the requirements laid down in this Directive as regards copyright protection of databases.

2. Notwithstanding paragraph 1, where a database protected under copyright arrangements in a Member State on the date of publication of this Directive does not fulfil the eligibility criteria for copyright protection laid down in Article 3 (1), this Directive shall not result in any curtailing in that Member State of the remaining term of protection afforded under those arrangements.

3. Protection pursuant to the provisions of this Directive as regards the right provided for in Article 7 shall also be available in respect of databases the making of which was completed not more than fifteen years prior to the date referred to in Article 16 (1) and which on that date fulfil the requirements laid down in Article 7.

4. The protection provided for in paragraphs 1 and 3 shall be without prejudice to any acts concluded and rights acquired before the date referred to in those paragraphs.

5. In the case of a database the making of which was completed not more than fifteen years prior to the date referred to in Article 16 (1), the term of protection by the right provided for in Article 7 shall expire fifteen years from the first of January following that date.

I. COMMENTARY

1. Paragraph 1

Paragraph 1 states that copyright will protect databases which fulfil the requirements of the Directive if these databases were created before the implementation date, namely 1 January 1998. The Directive does not specify when their term of protection starts although, according to Gaster, it is 1st January 1998. This means that the protection of some databases could subsist for a very long time. By contrast with the sui generis right (see paragraph 3, below), the Directive does not state a 'limit to the age of databases to which the Directive's copyright is available'.
ARTICLE 15
BINDING NATURE OF CERTAIN PROVISIONS

Any contractual provision contrary to Articles 6 (1) and 8 shall be null and void.

I. COMMENTARY

9.78 Article 15 renders Articles 6(1) and 8 imperative. This means that owners of copyright and sui generis right in databases cannot override these provisions by any type of contract, be it fully negotiated or standard form. Article 15 will not apply to the whole database but only a part thereof if a lawful user is only licenced to use that part. 139 Article 15 means that a contrario, a contract can override the optional exceptions and the other limits (exhaustion and term of protection) since the provision does not render them imperative. Commentators have discussed the disputability of not rendering the other exceptions imperative. 140 Indeed, this choice differs from that made in the Software Directive. Also a blanket provision like Article 15 does not make a difference between multiple source and sole source databases nor between adhesion contracts and contracts at arm’s length whereas there are good reasons to differentiate. 141

NOTES

1. Related instruments
See Related Instruments at Art. 1.

2. Bibliography
See also Bibliography at Arts 1 and 4.

139 Beuren, 43.
140 See mainly L. Guibault, Copyright Limitations and Contracts: An Analysis of the Contractual Overridability of

ARTICLE 16
FINAL PROVISIONS

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive before 1 January 1998.
When Member States adopt these provisions, they shall contain a reference to this Directive or shall be accompanied by such reference on the occasion of their official publication. The methods of making such reference shall be laid down by Member States.

2. Member States shall communicate to the Commission the text of the provisions of domestic law which they adopt in the field governed by this Directive.

3. Not later than at the end of the third year after the date referred to in paragraph 1, and every three years thereafter, the Commission shall submit to the European Parliament, the Council and the Economic and Social Committee a report on the application of this Directive, in which, inter alia, on the basis of specific information supplied by the Member States, it shall examine in particular the application of the sui generis right, including Articles 8 and 9, and shall verify especially whether the application of this right has led to abuse of a dominant position or other interference with free competition which would justify appropriate measures being taken, including the establishment of non-voluntary licensing arrangements. Where necessary, it shall submit proposals for adjustment of this Directive in line with developments in the area of databases.

I. COMMENTARY

This provision is standard and exists in most intellectual property directives 9.79 (e.g. Arts 12(1) and 13 of the Infosoc Directive and Art. 9, Software Directive). Most Member States complied with the implementation deadline of 1 January 1998. 142 More interesting is Article 16(3) which requires the Commission to establish every three years a report on the application of the directive, which
valuates especially how Articles 8 and 9 have been applied. So far only one report has been issued (in 2005, four years late)\textsuperscript{141} so that four more reports are now due.

NOTES

Related instruments

• Related Instruments at Arts 1 and 5.

Bibliography


10

THE RESALE RIGHT DIRECTIVE

Jens Gaster\textsuperscript{1}

DIRECTIVE 2001/84/EC

of the European Parliament and of the Council of 27 September 2001 on the resale right for the benefit of the author of an original work of art

[2001] OJ L 272/32

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For views on the report, see e.g. E. Dretzke, 'Database rights: Success or failure? The chequered yet exciting
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2. Bibliography


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