International Database Protection: A Multilateral Treaty Solution to the United States' Database Dilemma

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COMMENTS

INTERNATIONAL DATABASE PROTECTION: A MULTILATERAL TREATY SOLUTION TO THE UNITED STATES' DATABASE DILEMMA

I. INTRODUCTION

The issue of database protection has long been a topic of scholastic debate. Law students and professors alike have surmised how Congress should react to both the Supreme Court's 1991 holding in *Feist v. Rural Telephone* and the European Union's subsequent efforts to draft the Database Directive. However, little discussion exists on how the United States has worked with the World Intellectual Property Or-

1. See infra note 3 and accompanying text.
2. Feist Publications, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 363 (1991). Feist Publications, Inc., specializes in publishing area-wide telephone directories that include both white pages and yellow pages. *Id.* at 342. Feist Publications attempted to license Rural Telephone's white pages directory that covered a particular region in Kansas. *Id.* at 343. However, Rural Telephone refused to provide its competitor with any information. *Id.* As a result, Feist Publications simply copied the desired information from Rural Telephone's white pages without Rural's permission. *Id.* at 343-44. Rural Telephone did not appreciate this procurement and proceeded to sue Feist Publications for copyright infringement. *Id.* at 344. The lawsuit found its way to the United States Supreme Court, which held that Rural Telephone's white pages directory, along with all of the listings within it, were left totally unprotected by copyright law. *Id.* at 362-64.
ganization ("WIPO") to create a comprehensive form of international database protection, and what has motivated it to do so. This comment focuses on these two questions.

On March 11, 1996, the European Union launched a new form of intellectual property protection for databases by passing the long awaited Database Directive. As enacted, the Directive establishes a form of comprehensive database protection within the European Union that exceeds the current level provided by U.S. law. Under the Directive, European Union database companies are legally protected from competitors downloading or copying their compilations of raw data, while most U.S. companies are not. The U.S. database industry now fears it cannot compete with the European database industry on a level playing field due to the lack of U.S. protection.

In response, the Clinton Administration has presented the issue of international database protection to WIPO for multilateral treaty negotiations. WIPO, a specialized agency within the United Nations system, held a Diplomatic Conference in December of 1996 to address international

4. WIPO is a specialized agency, within the United Nations system, that administers multilateral intellectual property treaties. WIPO, WORLD INTELLECTUAL PROPERTY ORGANIZATION: GENERAL INFORMATION 7-8 (1996) [hereinafter WIPO GENERAL INFORMATION].

5. The term "comprehensive database protection" in this comment refers to a form of legal protection that guards both the format and the raw data within a database from unauthorized copying.

6. Unless specified otherwise, "database" shall mean a "collection of works, data or other independent materials arranged in a systematic or methodical way and capable of being individually accessed by electronic or other means." Directive, supra note 3, at 24. This definition includes works that are primarily compilations of facts, such as the white pages directory discussed in Feist, 499 U.S. at 345.


8. See Feist, 499 U.S. 340. See also infra note 38 and accompanying text (discussing the Supreme Court's holding in Feist).

9. See discussion infra Part II.B.4. See also discussion infra Part IV.A.1 (discussing the growing concerns within the United States database industry).


11. WORKING GROUP ON INTELLECTUAL PROPERTY RIGHTS, INTELLECTUAL PROPERTY AND THE NATIONAL INFORMATION INFRASTRUCTURE 147-53 (1995) [hereinafter White Paper]. The United States, along with 150 other nations, is a member of WIPO. WIPO GENERAL INFORMATION, supra note 4, at 10. See infra Part II.C.2 for a detailed discussion of WIPO's role in forming multilateral treaties that protect intellectual property rights.
database protection, among other copyright issues. During the conference, Member States of WIPO were expected to negotiate for database protection in two different international agreements: a protocol to the Berne Convention (hereinafter “Berne Protocol”), and a new treaty (hereinafter “New Instrument”).

Prior to the Diplomatic Conference, the Clinton Administration proposed treaty language on database protection for WIPO to consider. The United States’ initial proposal provided database protection through the Berne Protocol. But in May of 1996 the Administration submitted a second proposal, which called for sui generis database protection to be provided in a New Instrument. The Administration couched its second proposal in terms of the general need to enhance international copyright protection for the digital age. However, by providing such a broad justification, the


13. WIPO Press Release No. 103, supra note 12. At the time this comment went to press, the Diplomatic Conference had yet to convene.

14. The Berne Protocol and a New Instrument are two different forms of international agreements or treaties which the United States could enter through WIPO to enhance international database protection. WIPO Press Release No. 103, supra note 12. See discussion infra Part II.C.3 for a detailed explanation of the Berne Protocol and a New Instrument.


17. For the purposes of this comment, “sui generis database protection” is a non-copyright, custom-crafted intellectual property law designed to protect the factual elements within a database that United States copyright law leaves unprotected. PAUL GOLDSTEIN, COPYRIGHT’S HIGHWAY: FROM GUTENBERG TO THE CELESTIAL JUKEBOX 215 (1994). An example of sui generis protection is the legal right of a database compiler to protect against unfair or unauthorized extraction of facts or data from the database. Directive, supra note 3, art. 7(1), at 25.


United States failed to address the following questions: 1) Why is it important for the United States to establish international *sui generis* database protection; and, more importantly, 2) how would multilateral treaty provisions in the Berne Protocol and a New Instrument create a comprehensive form of international database protection? 20

This comment answers both of these questions by addressing several critical sub-issues. Part II of this comment first explains how the U.S. Supreme Court planted the seeds for the United States' database dilemma with its decision in *Feist*. 21 Part II then discusses the European Union's efforts to develop the Database Directive and examines the Directive's effect on the U.S. database industry. 22 Next, Part II explains the difference between the Berne Protocol and a New Instrument, as well as summarizes the Clinton Administration's proposals and treaty-making policies regarding international database protection. 23

However, as Part III points out, both U.S. treaty proposals have left important database protection and treaty-forming issues unanswered. 24 To address these issues, Part IV clarifies the United States' primary objective and possible rationale in promoting international database protection 25 and analyzes why certain treaty proposals would never achieve U.S. objectives. 26

Finally, this comment proposes a comprehensive form of international database protection utilizing both the Berne Protocol and a New Instrument. By following this path, the United States will enjoy a harmonized form of database protection that serves the interests of the American taxpayer, the database industry, and the U.S. government alike. 27 This comment then concludes that despite the present absence of greater domestic protection, the United States should negotiate for a comprehensive form of international database pro-

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20. Id.
21. See discussion infra Part II.A.
22. See discussion infra Part II.B.
23. See discussion infra Part II.C.
24. See discussion infra Part III.
25. See discussion infra Part IV.A.
26. See discussion infra Part IV.B.
27. See discussion infra Part IV.B.
tection that protects the U.S. database industry from the risk of international piracy.\textsuperscript{28}

II. BACKGROUND

A. The Fear of Feist

All databases consist of two basic elements, the selection and arrangement of data, i.e., the format, and the data itself.\textsuperscript{29} Prior to the 1991 decision in \textit{Feist}, many database companies falsely assumed that copyright laws provided comprehensive protection for both database elements.\textsuperscript{30} Rural Telephone made this same assumption when it unsuccessfully sued \textit{Feist} Publications for the verbatim copying of the Rural Telephone white pages directory.\textsuperscript{31} Today, because of the Supreme Court’s ruling in \textit{Feist}, reliance on copyright law as a comprehensive form of database protection has diminished.\textsuperscript{32}

The current canvas of U.S. copyright law does not protect raw facts.\textsuperscript{33} Yet, much of the data within a database consists of raw facts.\textsuperscript{34} Thus, most data remains unprotected under U.S. copyright law. This lack of protection for facts applies to all works of authorship, whether the work is a book or a database.\textsuperscript{35} The Copyright Act of 1976 expressly allows protection in the United States to reach all “original works of

\begin{enumerate}
\item \textsuperscript{28} See discussion \textit{infra} Part VI.
\item \textsuperscript{29} IIA Perspective, \textit{supra} note 10, at 5. For example, the white pages directory in a telephone book consists of both a format and data. The directory is formatted alphabetically by name, and the data includes names, phone numbers, and addresses. \textit{Feist} Publications, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 343 (1991).
\item \textsuperscript{30} Baila Celedonia, \textit{From Copyright to Copycat: Open Season on Data}, \textit{Publishers Wkly.}, Aug. 16, 1991 at 34.
\item \textsuperscript{31} \textit{Feist}, 499 U.S. at 344. See \textit{supra} note 18 and accompanying text for a description of the facts in \textit{Feist}.
\item \textsuperscript{32} IIA Perspective, \textit{supra} note 10, at 11.
\item \textsuperscript{33} \textit{Id.} at 10-11
\item \textsuperscript{34} \textit{Goldstein, supra note 17.}
\item \textsuperscript{35} The Copyright Act of 1976 extends copyright protection to compilations such as databases, but only to a limited extent. 17 U.S.C. § 103(b) (1988). Section 103(b) of the 1976 Act provides, in pertinent part, that “[t]he copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material.” § 103(b).
\end{enumerate}
authorship," but no corner, stitch, or pocket of the copyright canvas stretches far enough to protect facts themselves.\footnote{36} 

All applications or theories of copyright law, such as "sweat of the brow" or "industrious collection," that attempt to protect facts alone, contradict the Supreme Court's ruling in \textit{Feist}.\footnote{37} The Court held that such broad protection of facts would undermine the constitutional cornerstone upon which the confines of U.S. copyright law have been built: originality.\footnote{38} Simply put, facts (whether they are included in a book or compiled in a database) do not meet the originality requirement of U.S. copyright law.\footnote{39} 

But this lack of protection for facts does not necessarily exclude all elements of a database from copyright protection. Copyright protects an author's factual compilation to the extent that his or her selection, coordination, or arrangement of the facts is original.\footnote{40} In other words, you may not copy facts from a database if, in the process, you would consequently copy the database's original format. 

Originality, as the term is used in copyright, imposes two requirements on an author seeking copyright protection: A work must be original to the author (as opposed to copied from other works), and it must possesses at least some mini-

\footnote{36. 17 U.S.C. § 102(a) (1988).}
\footnote{37. \textit{Feist Publications, Inc. v. Rural Tel. Serv. Co.}, 499 U.S. 340, 341 (1991). Section 102(b) of the 1976 Copyright Act provides: "In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work." 17 U.S.C. § 102(b) (1988).}
\footnote{38. \textit{Feist}, 499 U.S. at 346. Lower courts used the "sweat of the brow" and "industrious collection" theories to extend copyright protection to compilations that were the products of hard work, regardless of their originality. \textit{Id.} at 352. But in \textit{Feist}, the Supreme Court held that it was unconstitutional for such theories to protect the raw facts under U.S. copyright law, because there was no originality in the selection, coordination, or arrangement of raw facts. \textit{Id.}}
\footnote{39. \textit{Id.} at 351 (stating that "originality is a constitutional requirement."). See U.S. Const. art. I, § 8, cl. 8.}
\footnote{40. \textit{Feist}, 499 U.S. at 356. Congress enacted § 103 of the Copyright Act of 1976 "to make it clear that copyright in a compilation did not extend to the facts themselves." \textit{Id.}}
\footnote{41. \textit{Id.} at 358. Section 103(b) of the 1976 Copyright Act provides in pertinent part: "The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right on the preexisting material." § 103(b).}
mal level of creativity. It is possible for an author to format factual data in an original manner. However, authors never create facts; therefore, facts themselves cannot qualify as original works of authorship.

Even if a compiler of a database selected or arranged facts in a creative format, any resulting copyright would only protect the database's format to the extent that its selection or arrangement was original. "The mere fact that a work is copyrighted does not mean that every element of the work may be protected." As a result, copyright protection of databases is rather thin, because the facts themselves remain unprotected elements within the work.

But what is the commercial significance of this lack of protection for facts? It depends on the nature of the work. Non-fiction books, like most literary works, enjoy "thick" copyright protection, despite the lack of protection for facts. For example, the authored text of Copyright's Highway, by noted copyright scholar Paul Goldstein, is protected by copyright, whereas the alphabetical compilation of people, companies, cases, and other facts in the index remains unprotected. Therefore, copying the index of facts does not infringe the book's copyright. Fortunately, for Professor Goldstein's pecuniary interests, the majority of the book's contents and commercial value is in the authored text, which makes the lack of copyright protection for the index commercially insignificant.

42. Feist, 499 U.S. at 345. The Court held that the selection of the white pages directory "lacks the modicum of creativity necessary to transform mere selection into copyrightable expression." Id. at 362.

43. No author, including the compiler of a database, may claim that the facts compiled are original, "because facts do not owe their origin to an act of authorship." Id. at 347.

44. Id. at 348.

45. Id.

46. Id. at 349. "[T]he copyright in a factual compilation is thin." Id.


48. Goldstein, supra note 17.

49. Feist, 499 U.S. at 363. The Court in Feist expressly stated that "there is nothing remotely creative about arranging names alphabetically in a white pages directory." Id. Therefore, it follows that listing facts alphabetically in an index also lacks minimal creativity by the author, thereby leaving the format or arrangement of the index unprotected by copyright law.

50. Id.
However, this same lack of protection for facts in a database is not at all insignificant. In fact, most of a database’s contents and commercial value lies in the compiled facts.\(^5\) Consider for example a telephone book, such as the one discussed in *Feist*.\(^2\) A white pages directory is a database, as it arranges names, telephone numbers, and other data in a “systematic or methodical” alphabetical list.\(^3\) The white pages directory is a significant portion of any telephone book, and the use of the directory is central to the commercial value of the telephone book as a whole.\(^4\) This value to users is one of the main reasons a telephone company invests the time and money necessary to compile and include the white pages in its telephone book.\(^5\) Yet, there is no way under U.S. copyright law for the telephone company to protect this investment from competitors.\(^6\)

However, unlike a standard, alphabetized white pages directory,\(^7\) the format of most databases will include some degree of original selection or coordination, providing the database with a thin layer of copyright protection.\(^8\) Nevertheless, this thin layer offers little solace to the database industry. In *Feist*, the Court expressly stated that “only a compiler’s selection and arrangement may be protected; the raw facts may be copied at will.”\(^9\) As a result, copyright protection for a database often ends where the database’s value begins.\(^10\)

Herein lies the fear for most database compilers and the database industry as a whole.\(^11\) With such a thin layer of protection, the threat of piracy may discourage the develop-

51. GOLDSTEIN, supra note 17, at 211.
52. The central issue in *Feist* was whether the copyright protection of Rural Telephone Services’ telephone book extended to names, addresses and phone numbers as they appeared in the white pages directory. *Feist*, 499 U.S. at 342.
53. See supra note 6 (defining the term “database”).
55. Id.
56. Id. at 350.
57. The alphabetical listing of a white pages directory “is not only unoriginal, it is practically inevitable.” Id. at 363.
58. “[T]he vast majority of [database] compilations will satisfy the test of originality in selection, coordination or arrangement,” thereby establishing at least a thin layer of copyright protection that prohibits “verbatim copying.” IIA Perspective, supra note 10, at 10.
60. GOLDSTEIN, supra note 17, at 12.
61. IIA Perspective, supra note 10, at 5.
ment of commercially valuable databases.\textsuperscript{62} Why spend the
time and money necessary to compile a database when com-
petitors can copy and exploit it for their own profit?\textsuperscript{63} Under
this school of thought, the consumer is the ultimate victim of the \textit{Feist}
decision, because no one will be willing to compile the data the consumer needs.\textsuperscript{64}

Although the database industry and legal scholars alike
believe databases “get less protection from copyright than
their producers need to support the expense of data collection
and assembly,”\textsuperscript{65} there is arguably no need for greater \textit{legal}
protection. The reason for this is twofold.

First, there are alternative, non-legal solutions to
database protection, referred to as “post-\textit{Feist} business stra-
tegies,” that could be improved.\textsuperscript{66} These protective strategies
include encryption, contractual restrictions, and maximizing
existing copyright protection by selecting or arranging the
data in an original format.\textsuperscript{67} The Information Industry Asso-
ciation (a trade group that represents and lobbies for leading

\begin{itemize}
\item[62.] Data and databases “get less protection from copyright than their pro-
ducers need to support the expense of data collection and assembly.” \textsc{Gold-
stein, supra} note 17, at 211.
\item[63.] \textit{See generally} \textsc{IIA Perspective, supra} note 10 (discussing current con-
cerns in the database industry). “The issue before the information industry is
whether the protection provided under current copyright law, buttressed by
contract and other non-copyright strategies [of protection], singly or in com-
bination, outweighs the potential risks that some perceive in committing re-
sources to the development of databases in the post-\textit{Feist} environment.” \textit{Id.} at
14.
\item[64.] “\textit{Feist’s} result may well serve as a disincentive to companies considering
the compilation of factual databases.” \textsc{ProCD, Inc. v. Zeidenberg}, 908 F. Supp.
640, 647 (W.D. Wis. 1996). Reminiscent of \textit{Feist}, the district court in \textsc{ProCD}
found Zeidenberg innocent of copyright infringement after he uploaded \textsc{ProCD’s}
CD-ROM telephone listings onto the Internet. \textit{Id.} at 640.
\item[65.] \textsc{Goldstein, supra} note 17, at 211. The IIA Perspective also states that
“the substantial investment involved in . . . databases might not be adequately
secured other than by new, general statutory language that would restrict or
eliminate the ability of others to copy all or a substantial part of their content.”
\item[66.] IIA Perspective, \textit{supra} note 10, at 11.
\item[67.] \textit{Id.} at 11. An August 1991 article in \textsc{Publishers Weekly} predicted that
the fear of \textit{Feist} was unrealistic.
\end{itemize}

[T]he fear that . . . the business of compilers has been destroyed is
unrealistic. After all, non-copyright protection, such as contract and
trade-secret law remains. Also, unique access to timely information
will allow some compilers to continue to license their databases to
others. And for most directories and databases, at least some form of
compilation copyright protection continues.

\textsc{Celedonia, supra} note 30, at 34.
has even suggested that due to post-Feist business strategies, commercially valuable databases have continued to proliferate in the United States despite the lack of greater legal protection.\textsuperscript{69}

The healthy state of the U.S. database industry leads to the second argument against increasing the legal protection for databases. Many members of the legal community believe that the present level of intellectual property protection afforded by copyright is sufficient, and anything greater would actually stifle economic growth.\textsuperscript{70} The most common support for this view is found in the rapid proliferation of multimedia information on the Internet.\textsuperscript{71} Although all original works of authorship found on the Internet are protected by copyright,\textsuperscript{72} all lists, compilations, and databases on the Internet are subject to the same thin layer of copyright protection established in \textit{Feist}.\textsuperscript{73}

Arguably, this thin layer of protection is one of the driving forces that has allowed the Internet and its surrounding industry to grow at such an explosive and productive rate.\textsuperscript{74}

\begin{itemize}
\item \textsuperscript{68} G\textsc{oldstein}, \textit{supra} note 17, at 213.
\item \textsuperscript{69} IIA Perspective, \textit{supra} note 10, at iv.
\item \textsuperscript{70} \textit{See} E\textsc{ric} S\textsc{lachter}, \textsc{i}ntel\textsc{llectual} P\textsc{roperty} P\textsc{rotection} R\textsc{egimes} in the \textsc{age} of the \textsc{internet} (1995) (on file with the Santa Clara University Law Library).
\item \textsuperscript{71} \textit{See id.} at 3. The Internet is a massive international network of independent computer systems designed to allow the systems to communicate with each other through text, sounds, and graphics. \textit{See} Dennis W. Chiu, \textsc{c}omment, \textsc{O}bscenity on the \textsc{i}nternet, 36 \textsc{s}anta \textsc{c}lara \textsc{l.} \textsc{r}ev. 185, 185 n.12 (1995) and accompanying text.
\item \textsuperscript{72} \textit{But see} United States v. LaMaccia, 871 F. Supp. 535 (D. Mass. 1994), in which the district court ruled the defendant could not be held liable for \textsc{c}riminal copyright infringement. Defendant established a computer bulletin board on the Internet and encouraged his Internet correspondents to exchange copyrightable software for free via the bulletin board. \textit{Id.} at 536. The court held that copyright law provided the full range of penalties available for criminal copyright infringement actions, but that criminal copyright law could not cover defendant's \textsc{n}oncommercial activities. \textit{Id.} at 544-45.
\item \textsuperscript{73} Copyright protection under \textit{Feist} would be thin for a digital database on the Internet, because it would only protect the database to the extent that its format was original, leaving the raw data unprotected. \textit{Feist} v. \textit{P}ublications, \textit{Inc.} v. Rural Tel. Serv. Co., 499 U.S. 340, 349 (1991). What exactly should constitute infringement of protected works when in \textsc{d}igital form, however, remains in question. It is the primary topic of debate surrounding the Clinton Administration's proposed amendments to Title 17 of the 1976 Copyright Act. \textit{See} White \textit{Paper, supra} note 11, app. 1, at 2 (proposing the inclusion of "transmission" in the definition of "distribution" under 17 U.S.C. § 106(3)).
\item \textsuperscript{74} The Internet today connects more than 45,000 separate networks and 25 to 30 million users in more than 100 countries, and is growing at the rate of
As a result, rather than fearing *Feist*, members of the Internet industry have reason to embrace it. But whether or not the database industry's fear of *Feist* is justified is a minor concern for the purposes of this comment.\(^7\)

The point is that the fear exists and has consequently fueled the legislative fires necessary to forge non-copyright, *sui generis* protection of the facts and data compiled in databases. The fear was not confined to the United States, and as a result legislation for greater database protection came from an unexpected source, the European Union.\(^7\)

Although this fear was sparked in 1991, domestic legislation for *sui generis* database protection was not proposed in the United States until May of 1996 by Congressman Carlos Moorhead's Database Investment Act.\(^7\)

In Europe, the same fear had surfaced as early as 1988,\(^7\) and the cries for legislative action were answered much earlier.\(^7\)

As a result, the Database Directive now requires the European Union's fifteen Member States\(^7\) to provide for a *sui generis* form of database protection in their respective countries before January 1997.

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750,000 new users per month." Fred H. Cate, The First Amendment and the National Information Infrastructure, 30 WAKE FOREST L. REV. 1, 16 (1995).

75. See infra Part IV (analyzing the need for *sui generis* protection of databases). But see generally J. H. Reichman, Electronic Information Tools — The Outer Edge of World Intellectual Property Law, 17 U. DAYTON L. REV. 797 (1992) (discussing increased protection for commercially valuable information that is of low-level authorship).

76. *Goldstein, supra* note 17, at 214.


78. *See* Copyright and the Challenge of Technology — Copyright Issues Requiring Immediate Action: Green Paper from the Commission of the European Communities, COM(88)172 final at 6 [hereinafter Green Paper]. The European Community feared it had fallen far behind in the electronic information service industry, with France, Germany, and England accounting for only 7% of the 1985 global market, which was more than 5 billion worldwide U.S.D. *Id.*

79. *See Narayanan, supra* note 3, at 469-72.

80. As of January of 1995, there were fifteen Member States of the European Union: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Italy, Ireland, Luxembourg, Netherlands, Portugal, Spain, Sweden, and the UK. IAN BARNES & PAMELA M. BARNES, THE ENLARGED EUROPEAN UNION 32 (1995).

B. The EU Database Directive

In 1992, the European Commission issued a timely counter to the *Feist* decision in the form of its Proposal for a Council Directive on the Legal Protection of Databases. The 1992 Proposal became the subject of international debate and certain provisions underwent extensive revisions, including the form, scope, and term of protection.

1. The Initial Form of Protection Conflicted with United States Law

The 1992 Proposal provided for two levels of database protection. The first tier provided copyright protection to the extent that the selection or arrangement of data was original. The second tier directed Member States to prevent the unauthorized extraction or re-utilization of data within a database.

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82. The European Commission is within the legislative branch of the European Union. *Barnes*, *supra* note 80, at 15. It is responsible for drafting directive proposals and amended proposals, which are then passed onto the European Council and Parliament for joint consideration. *Id.*


84. See discussion *infra* Part II.B.1-3 (discussing the revision process of the 1992 Proposal).

85. See *Narayanan, supra* note 3, at 472-77 (discussing in detail the various substantive provisions of the Proposed Database Directive).

86. See *infra* notes 89 and 90 and accompanying text.

87. 1992 Proposal, *supra* note 83, art. 2(3). Article 2(3) of the 1992 Proposal provides in pertinent part that "[a] database shall be protected by copyright if it is original in the sense that it is a collection of works or material which, by reason of their selection or their arrangement, constitutes the author's own intellectual creation." *Id.* This standard is subject to the same originality requirements set by *Feist*. See discussion *supra* Part II.A.

88. 1992 Proposal, *supra* note 83, art. 2(5). The Commission rejected the *sui generis* approach for protection in its 1992 Proposal, because its implement-
Although the Commission attempted to distinguish this new form of protection from copyright law, it failed to base it on a *sui generis* right distinctly separate from copyright. Consequently, it was possible that European Union Member States would have used copyright law to protect against the unfair extraction of raw data. Such an application of copyright law would have placed the second tier's protective scope in direct conflict with U.S. copyright law in light of the *Feist* decision.

2. British Opposition to the Directive's Initial Scope and Term of Protection

The 1992 Proposal limited the scope of protection in both tiers to electronic databases, and held the term of protection in the second tier to just ten years. The United Kingdom's (hereinafter "UK") database industry, which accounted for 60% of the European Union's 1993 database business, found the term and scope provisions very disconcerting.

A strong British coalition, led by the Confederation of British Industry, the Direct Marketing Association and the Periodical Publishers Association, lobbied against the 1992 Proposal. The coalition claimed that the two-tier system as devised would drastically reduce the existing level of database protection under British copyright law.

Particularly troubling was the proposal's limitation to electronic databases only. As a result, it was unresolved how non-electronic works, such as database printouts or...
printed directories, would be protected. 98 In addition, the proposed ten-year term of protection was far below the fifty-year term of protection the UK had achieved under British copyright law. 99 Consequently, the UK pushed the Commission to increase the term and scope of protection closer to the level allowed under British law. 100

3. The Final Form, Scope, and Term of Protection

The European Union minimized conflicts with U.S. and British law by making significant amendments to the 1992 Proposal, 101 which culminated in the adoption of the Database Directive. 102 The European Union Member States are now bound to bring their law into compliance with the Directive 103 before January 1, 1998. 104

As with prior proposals, the Directive divides protection into two tiers. 105 The first tier protects databases under copyright law to the extent that the selection and arrangement of the data is original. 106 This form of copyright protection re-

98. Cobb, supra note 94, at 30, 31. Such ambiguity could exclude certain forms of non-electronic, computer generated works from protection that would have remained protected under existing British copyright law. Id.

99. Id. at 30. The UK lobbyists argued that a ten-year term of protection against unfair extraction is insufficient, because "[i]t does not allow sufficient time for database owners to recoup their investment, it might deter future investment in major database projects and it ignores the fact that databases are continuously updated so that at the expiry of the ten-year period the data held could be completely changed." Id. at 30, 31.

100. Id.


102. Directive, supra note 3, art. 16(1), at 27.

103. Maastricht Treaty, supra note 81, art. 189(b), at 269. Choosing the exact form and methods of compliance with a directive is left up to the individual Member States. Maastricht Treaty, supra note 81, art. 189(b), at 269.

104. Directive, supra note 3, art. 16(1), at 27.

105. Id. art. 3 and 7(1), at 25.

106. Id. art. 3, at 25. The copyright protection provision of the Directive provides in pertinent part:

1. [D]atabases 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 . . . shall not extend to their contents and shall be without prejudice to any rights subsisting in those contents themselves.

Id.
mains consistent with the first tier in the 1992 Proposal. However, the Commission did make significant changes to the Directive’s final version. In particular, the Commission expanded the scope of protection in both tiers to include all forms of databases, rather than limiting protection to electronic databases.

In addition, the Commission eased international conflicts by amending the form and term of protection in the second tier. By including article 7.1 in the Directive, the Commission eliminated a source of possible conflict with U.S. copyright law. This provision expressly requires Member States to base the second tier of protection on a sui generis right that is separate from copyright law, thereby avoiding any conflict with the Feist originality requirement. In addition, the Commission extended the term of protection from ten to fifteen years, which allows database compilers to protect their data for a longer period of time.

The revamped second tier also directs the Member States to protect databases against the unfair extraction of all or a substantial portion of the database’s contents. The end result provides database compilers with a stronger form of protection, while minimizing conflict of law issues. Most importantly, the Directive makes a clear distinction between copyright protection for a database’s format and the sui generis right to protect the data itself. This distinction will allow U.S. law to interface with the Directive’s sui generis right without conflicting with Feist.

107. See supra note 87 and accompanying text.
109. Id. art. 7(1), at 25.
110. Id.
111. See supra notes 37-39 and accompanying text.
113. Id. art. 7(1), at 25. Article 7(1) of the Directive provides:

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 acts of extraction and/or re-utilization of the whole or substantial part, evaluated qualitatively and/or quantitatively, of the contents of that database.

Id.

114. See supra note 39 and accompanying text.
4. The Directive's Reciprocity Requirement

The availability of this new form of protection remains quite limited. The Directive includes a reciprocity requirement that currently restricts enjoyment of the *sui generis* right to European database companies.\(^{115}\) In order for a U.S. database company to enjoy the directive's *sui generis* protection, one of two things must happen: 1) The company must either have a "continuous link with the economy of one of the Member States," or 2) the United States must provide an equivalent form of protection for European Union databases.\(^{116}\) Consequently, database companies outside the European Union are not protected by the Directive's second tier unless their own country provides European companies with equivalent protection.\(^{117}\)

Many U.S. database companies currently fall into this classification and fail to satisfy the reciprocity requirement. Therefore, the U.S. database industry fears it will have trouble competing with the more protected European database companies due to its failure to meet the Directive's reciprocity requirement.\(^{118}\) But what is so unique about the Directive's two-tiered approach that makes it so attractive to the U.S. database industry? The following section will explain.

5. The Dynamics of the Directive's Comprehensive Two-Tier Approach

The cumulative effect of the Directive's two-tier approach is quite dynamic. When applied to a database that exhibits

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115. Directive, *supra* note 3, art. 11, at 26-27. The Directive as amended defines the beneficiaries of the *sui generis* protection as 1) nationals of a Member State, 2) companies with their principal place of business within a Member State, or 3) companies within non-member countries with whom the Council agrees to extend reciprocal protection. *Id.*

116. *Id.*

117. *Id.* See also discussion in [*infra* Part II.C.5.a] (discussing the application of the reciprocity doctrine). Any attempt by the United States to provide such reciprocal protection would have to remain independent of copyright law in order to avoid conflicting with the Supreme Court's ruling in *Feist*. *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 352 (1991). In *Feist*, the Supreme Court made copyright protection of raw facts within a database unconstitutional. *Id.* But see Narayanan, *supra* note 3, at 484-91 (arguing that the United States could constitutionally extend copyright law to protect databases against unfair extraction).

at least some degree of originality in its selection and arrangement of data (as do most), the database's owner will benefit from two separate layers of protection. The first layer will protect the database's format under copyright law to the extent that the data's format is selected or arranged in an original manner. This term of protection for the format can last as long as fifty to seventy-five years, depending on the duration of copyright protection within each European Union Member State.

The second layer will prohibit database users from extracting all or a significant portion of data from the database for a period of fifteen years, assuming the concerned party can show he or she has made a substantial investment in compiling the data. Had the second tier of protection cross-pollinated with the first by using copyright law, the rules for protecting raw data and the database's format could have become quite muddled. For example, allowing copyright law to protect unoriginal data would require courts to make an exception to the originality requirement. Such a development could prompt courts to form further exceptions to the originality requirement, which in turn could lead to uncertainty in the law's application for practitioners and ad hoc decisionmaking by the courts.

However, the European Union steered clear of this slippery slope by basing the unfair extraction provision on a sui generis right separate from copyright. By making this clear separation between legal principles, the Directive avoids confusing infringement of the sui generis right with copyright infringement. Member States and their courts can also formulate a separate test for infringement excep-

119. See supra note 58 and accompanying text.
120. In order to benefit from the second tier of protection, however, the database owner must prove that he/she has made a substantial investment in the database. Directive, supra note 3, art. 7(1), at 25.
121. See supra note 106 and accompanying text.
122. See supra note 113 and accompanying text.
123. IIA Perspective, supra note 10, at 17 (discussing the possibility of prejudicing copyright law by forming additional protection for databases).
124. See supra note 113 and accompanying text.
tions that will not limit or expand copyright’s fair use defense.

In short, the Directive’s two-tiered approach protects both the original format and unoriginal data within a database. The end result is a comprehensive protective framework that maintains a clear distinction between copyright and the *sui generis* right. The U.S. database industry, however, is still waiting for the United States to somehow craft this same comprehensive form of protection for U.S. database companies to enjoy.

C. The United States’ Approach to International Database Protection

1. Ambiguities in the Clinton Administration’s Database Agenda

As of October of 1996, the United States had not increased its level of database protection, neither domestically nor abroad. However, the Clinton Administration’s White

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126. Any legislation or case law creating exceptions to the *sui generis* right would have to fit within the parameters established in Article 9 of the Directive, which provides:

Member States may stipulate that lawful users of a database which is made available to the public in whatever manner may, without the authorization of its maker, extract or re-utilize 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.

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

Directive, supra note 3, art. 9, at 26.


129. See discussion infra Part II.C.1.

130. The United States is signatory to the Agreement on Trade-Related Aspects of Intellectual Property Rights known as TRIPs, but the level of protection established for databases is no greater than the level provided by United States copyright law. Agreement on Trade-Related Aspects of Intellectual Property Rights, Including Trade in Counterfeit Goods, Dec. 15, 1993, § 1, art. 10(2), 33 I.L.M. 83, 87 [hereinafter TRIPs]. Article 10(2) of the TRIPs agreement provides:

Compilations of data or other material, whether in machine readable or other form, which by reason of the selection or arrangement of their
Paper on *Intellectual Property and the National Information Infrastructure*,\(^{131}\) does discuss *sui generis* database protection within its international agenda. The White Paper, a "national strategy for promoting the National Information Infrastructure,"\(^{132}\) looks to the Berne Convention\(^ {133}\) and WIPO to harmonize potential disparities in international database protection through either a Berne Protocol or a New Instrument.\(^ {134}\)

Unfortunately, the White Paper does not explain what the Berne Protocol and New Instrument are. Nor does it provide any insight into how the United States should negotiate for international database protection. Finding the answers to these questions begins with understanding the nature of WIPO. As a UN agency, WIPO plays an essential role in negotiating multilateral intellectual property agreements among its member nations.\(^ {135}\)

2. *The Emerging Role of WIPO*

WIPO was formed in 1967 in Stockholm, Sweden, and grew into a specialized agency of the United Nations by 1974.\(^ {136}\) As of January 1996, WIPO administered eighteen intellectual property treaties and Unions from its headquarters in Geneva, Switzerland.\(^ {137}\) Its stated objectives are “to promote the protection of intellectual property throughout the world through cooperation among States” and “to ensure administrative cooperation among the intellectual property Unions.”\(^ {138}\) As of January 1, 1996, there were 157 member nations of WIPO working towards this goal.\(^ {139}\) Both the


\(^{132}\) *Id.* at 2.


\(^{135}\) WIPO administers the Berne Convention as well as seventeen other international treaties and Unions concerning the protection of intellectual property rights. WIPO GENERAL INFORMATION, *supra* note 4, at 7-9.

\(^{136}\) *Id.*

\(^{137}\) *Id.* at 8-9.

\(^{138}\) *Id.* at 7.

\(^{139}\) *Id.* at 10.
United States and all fifteen Member States of the European Union are members of WIPO and signatories to the Berne Convention.\footnote{140. \textit{Id.} at 10-11.}

Although WIPO does not directly take part in drafting or negotiating new treaties, it often administers and facilitates the revision and formation of treaties within its jurisdiction.\footnote{141. WIPO \textit{General Information}, \textit{supra} note 4, at 67.} In the area of international copyright protection, WIPO is involved in updating the Berne Convention through the Berne Protocol as well as preparing new treaties to address copyright-related concerns outside the scope of the Berne Convention.\footnote{142. \textit{Id.} at 68.}

WIPO initiated negotiations for this process in Geneva, where delegations from WIPO Member States and non-governmental WIPO organizations, also referred to as NGO's, convened to form the Committee of Experts.\footnote{143. Computer & Communication Industry Association, \textit{Special Report, CCIA's Participation in the Final Session of the WIPO Experts Committee}, at 1 (on file with the Santa Clara Law Library) [hereinafter \textit{CCIA Report}]. CCIA is a WIPO accredited non-governmental organization headquartered in Washington, D.C. \textit{Id.}} Actually, two Committees were formed; one for the Berne Protocol, an agreement which would expand the protective scope of the Berne Convention, and the other for the New Instrument, a separate treaty to create new protection for the rights of performers and producers of phonograms, which includes all musical recordings.\footnote{144. \textit{Committee of Experts}, \textit{supra} note 19, at 1-2.}

The Committees met jointly in Geneva on several different occasions to discuss various international copyright issues, including the following: computer programs, sound recordings, broadcasting and satellite communication, distribution rights, digital transmission, photographic works, and last but not least, databases protection.\footnote{145. \textit{See generally id.}} After each session, the Committee issued written reports, which contain detailed summaries of the proceedings.\footnote{146. \textit{Id.} at 26.} These reports summarize treaty proposals, as well as the delegations' response to such proposals.\footnote{147. \textit{Id.}}
The United States has taken an active role in WIPO’s negotiation process and was among eighty other nations on the Committees of Experts.\textsuperscript{148} However, the United States has not always played such an active role among the Berne Union Nations. Before becoming a member of the Berne Union in 1989, the United States was unable to participate in such Berne Convention treaty negotiations.\textsuperscript{149}

3. The Berne Convention: The Difference between a Berne Protocol and a New Instrument

On March 1, 1989, the United States ended a century-old stand off and joined the longest running treaty on international copyright protection—the Berne Convention.\textsuperscript{150} In its present form, the Berne Convention does not protect databases per se.\textsuperscript{151} Nevertheless, it is possible for the Berne Union countries to establish protection for works, such as databases, that are not yet expressly protected by the Berne Convention. There are several ways Berne Union countries could create new provisions or agreements that would provide express protection for databases.

a. Revisions and Amendments to the Berne Convention

One way to bring database protection into the Berne Convention would be to revise or amend it. Substantive revisions and amendments to the Berne Convention require unanimity in votes cast by all Berne Union countries present.\textsuperscript{152} This process is quasi-legislative, as it binds all the Berne Union countries to new substantive duties.\textsuperscript{153} But the una-

\textsuperscript{148}. The United States was one of 84 nations to attend the Committee of Experts Final Session in May of 1996. \textit{Id.}

\textsuperscript{149}. A “Berne Union country” is a country party to the Berne Convention. Berne Convention, \textit{supra} note 133, art. 1. As of January 11, 1996, there were 117 Union countries. WIPO \textsc{General Information}, \textit{supra} note 4, at 51.

\textsuperscript{150}. \textsc{David Nimmer}, \textit{Special Supplement: Impossible Realities in 1 Nimmer on Copyright} 96 (1995). The Berne Convention was first formed in 1886. \textit{Id.}

\textsuperscript{151}. \textsc{But see} Berne Convention, \textit{supra} note 133, art. 2(5) (providing protection for collections of works to the extent that the selection and arrangement of their contents constitute intellectual creations). It is arguable whether “protection for collections of works” can be interpreted to include protection of compilations of facts or data. Berne Convention, \textit{supra} note 133, art. 2(5).

\textsuperscript{152}. Berne Convention, \textit{supra} note 133, art. 27(3).

\textsuperscript{153}. \textsc{1 Oscar Schachter & Christopher C. Joyner}, \textsc{United Nations Legal Order} 121 (1995).
nimity requirement makes this process rather laborious and difficult to achieve. Fortunately, Berne Union countries can also enter individual agreements among themselves when they do not wish to bind all the nations within the Berne Union.\textsuperscript{154}

\textbf{b. Protocols to the Berne Convention}

Such individual agreements are termed protocols, which can establish particular substantive obligations, like express copyright protection for databases, between two or more Berne Union countries.\textsuperscript{155} A Berne Protocol does not require the unanimous approval of all Berne Union countries, as does an amendment.\textsuperscript{156} Only the countries entering into the protocol must agree on the new provisions, and only they are bound.\textsuperscript{157} However, Article 20 of the Berne Convention sets two important limitations on Berne Protocols.\textsuperscript{158} First, Berne Protocols may not contain provisions that are contrary to those found in the Berne Convention.\textsuperscript{159} Second, they must “grant to authors more extensive rights than those granted by the Convention.”\textsuperscript{160} In other words, Berne Union countries could not use a protocol to reduce their copyright obligations to each other, nor could they form protocols that contradict pre-existing Berne Union obligations. The formation of such protocols would effectively subvert the unanimity requirement for amendments.

\textbf{c. New Instruments}

Fortunately, there is a third way for two or more Berne Union countries to establish new treaty obligations while avoiding the protocol’s Article 20 limitations and the amendment’s unanimous approval requirement. This third treaty option is called a New Instrument. Berne Union countries and non-Union countries alike, who are united in their resolve can step outside the limits of the Berne Convention and form a new agreement, or New Instrument.\textsuperscript{161} A New Instru-

\textsuperscript{154} Berne Convention, supra note 133, art. 20.
\textsuperscript{155} SCHACHTER \& JOYNER, supra note 153, at 92.
\textsuperscript{156} Berne Convention, supra note 133, art. 20.
\textsuperscript{157} Id.
\textsuperscript{158} Id.
\textsuperscript{159} Id.
\textsuperscript{160} Id.
\textsuperscript{161} SCHACHTER \& JOYNER, supra note 153, at 72.
ment is a new treaty, which by its terms remains separate from the Berne Convention.\textsuperscript{162}

Although a New Instrument does not have to conform to the same Article 20 limitations as a Berne Protocol, it may not undermine the principles of copyright law guaranteed by the Berne Convention.\textsuperscript{163} If WIPO allowed such treaties to form, the New Instrument might conflict with the provisions in the Berne Convention. Such an outcome would be counterproductive to WIPO's stated objectives,\textsuperscript{164} thereby factionalizing rather than harmonizing world intellectual property protection.\textsuperscript{165} The New Instrument referred to in the Clinton Administration's White Paper is one of the new treaties currently under negotiation within WIPO.\textsuperscript{166} WIPO's Committee of Experts has proposed a New Instrument to protect the rights of performers and producers of audio recordings, a form of protection which is not provided by the Berne Convention.\textsuperscript{167}


In general, U.S. treaty-making consists of two basic steps: negotiation and ratification.\textsuperscript{168} The Executive Branch has the authority to negotiate treaties, but two thirds of the Senate must consent to the negotiated terms before the treaty is ratified and binding upon the United States.\textsuperscript{169} Therefore, the President and his Administration hold the reigns and are free to guide negotiations in any direction they believe the Senate will follow. To ensure that the WIPO treaty negotiations addressed database protection, the Clin-

\begin{footnotes}
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162. \textit{Id.}
163. To form a treaty that conflicts with the Berne Convention would conflict with WIPO's stated objective. \textit{See supra} text accompanying note 138.
164. \textit{See supra} text accompanying note 138.
165. WIPO \textit{General Information, supra} note 4, at 7.
167. \textit{Id.}
169. \textit{Id.}
\end{footnotes}
ton Administration proposed treaty language that included database protection provisions.\textsuperscript{170}

On November 29, 1995, the United States sent treaty language to Dr. Arpad Bogsch, Director General of WIPO.\textsuperscript{171} The language proposed protecting databases under the Berne Protocol to the extent that U.S. copyright law would allow.\textsuperscript{172} However, the initial proposal did not offer a new form of \textit{sui generis} protection for databases, which resulted in a rather thin layer of database protection.\textsuperscript{173} But on February 1, 1996, the European Union submitted a treaty proposal to WIPO, which did include \textit{sui generis} database protection.\textsuperscript{174} The European Union modeled many of its treaty provisions after the Database Directive.\textsuperscript{175}

Not to be outdone by the Europeans, the United States submitted a second treaty proposal on May 23, 1996 to WIPO at the Committee of Experts' final session.\textsuperscript{176} The U.S. proposal was made on the same day Congressman Moorhead intro-

\begin{footnotes}
\item[170] Article 2(3) of the United States' 1995 November Proposal for a Protocol to the Berne Convention provides:

Collections of data or other material, in any form, which by reason of the selection or arrangement of their contents constitute intellectual creations are protected as such. Such protection does not extend to the data or the material itself and is without prejudice to any rights subsisting in the data or material contained in the collection.

Berne Protocol Proposal, \textit{supra} note 16, art. 2(3).

\item[171] The Director General is elected by WIPO's General Assembly as the executive head of WIPO. \textit{WIPO General Information}, \textit{supra} note 4, at 10.

\item[172] Berne Protocol Proposal, \textit{supra} note 16 (see accompanying letter to the Berne Protocol Proposal).

\item[173] \textit{See} discussion \textit{supra} Part II.A (discussing the thin nature of copyright protection for databases).


\item[175] As with the Database Directive, the European Union Treaty Proposal includes a 15 year term of protection against the unauthorized extraction of data from a database. \textit{Id.} art. 6(1), at 3.

\item[176] \textit{Committee of Experts, supra} note 19, at 26. The U.S. Proposal for \textit{Sui Generis} Protection of Databases provides:

Contracting Parties shall protect all databases that represent a substantial investment in the collection, assembly, verification, organization, or presentation of the database contents, whether or not such database is commercially available or otherwise made to the public, regardless of the form or medium in which the database is embodied, and regardless of whether the database or any of its contents are intellectual creations or are protected under other domestic legislation.

\end{footnotes}
duced the Database Investment and Intellectual Property Antipiracy Act of 1996, and was designed to protect against unauthorized data extraction from databases.

Like the European Union treaty proposal, the U.S. proposal included a *sui generis* form of protection to remain separate from copyright and other forms of legal protection. However, significant differences exist between the two proposals. Most noticeably, the U.S. proposal provides for a 25-year term of protection as opposed to the European Union's fifteen years and also requires national treatment to apply.

No matter what form of database protection the United States proposes, the same limitations of foreign policy on treaty formation apply. In addition to policy limitations, the U.S. Constitution requires two-thirds of the Senate to ratify all treaties negotiated by the Executive branch before such treaties become binding on the United States.

5. *United States Treaty-Making Policy: National Treatment and Self-Executing Treaties*

   a. *National Treatment vs. Reciprocity*

   National treatment is the cornerstone to the United States' treaty-making policy. The Clinton Administration has stated that "[a]t an absolute minimum, national treatment must apply to the minimum obligations established in

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179. U.S. *Sui Generis Treaty Proposal, supra* note 15, art. 7.1. The U.S. proposal provides:

   The protection under this [Instrument] shall be without prejudice to provisions concerning copyright, rights related to copyright of any other rights or obligations in the database or its contents, including laws in respect to patent, trademark, design rights, antitrust or competition, trade secrets, data protection and privacy, access to public documents, and the law of contract.

   *Id.*
180. *Id.* art. 6 and art. 11. See *CCIA Report, supra* note 143.
181. See discussion *infra* Part II.C.5.a (discussing the policy limitations on United States treaty negotiations).
182. U.S. CONST. art. II, § 2, cl. 2.
183. The White Paper defines national treatment as a guarantee that "under a nation's laws, a foreigner enjoys no lesser rights and benefits than a citizen of that nation receives, subject to the specific terms of the relevant international conventions." White Paper, *supra* note 11, at 140.
184. *Id.* at 150.
any agreement in WIPO." The Berne Convention expressly requires national treatment to apply to all copyrighted works under the Convention. Therefore, any additional rights and obligations created in the Berne Protocol would also enjoy national treatment as opposed to reciprocity.

The distinction between national treatment and reciprocity is quite significant. Under national treatment, any new form of database protection included in a treaty would require each member-nation to provide foreigners with the minimum level of protection established by the treaty in addition to whatever extra protection they might provide their own nationals.

Suppose for a moment that the United States and the UK formed a treaty that provided a certain level of database protection. If national treatment applied, and the British level of domestic database protection exceeded the level required by the treaty, a U.S. database company in Britain would enjoy the same level of protection as British nationals. On the other hand, if the level of database protection for British nationals fell below the minimum standard required by the treaty, the UK would have to provide U.S. database companies with the treaty’s higher level of protection. Under national treatment, U.S. companies would always receive the highest level of protection available, whether it was the minimum level provided by the treaty or the level established by Britain’s domestic laws.

Under reciprocity conditions, there would be no like guarantee that Britain’s higher level of protection would apply to U.S. nationals. If British protection exceeded the treaty’s minimum level, U.S. database companies could not benefit from the British protection unless the United States provided the same heightened level of protection for British nationals.

185. Id.
186. Berne Convention, supra note 133, art. 5(1). Article 5(1) provides: Authors shall enjoy, in respect of works for which they are protected under this convention, in countries of the Berne Union other than the country of origin, the rights which their respective laws do now or may hereafter grant to their nationals, as well as the rights specially granted by this Convention.

Id.
187. Id.
188. WIPO General Information, supra note 4, at 49-50.
This principle of "I'll scratch your back only as well as you scratch mine" violates the very spirit of national treatment by discriminating against foreign nationals based on a reciprocity requirement. Although the concept of national treatment is rather straightforward, the question remains as to what happens when the applicable U.S. law does not meet a treaty's minimum requirements; can U.S. treaty obligations directly increase the level of legal protection available in the United States? In short, the answer is no.

b. The Berne Convention is not a Self-Executing Treaty

The United States does not consider the substantive obligations within most treaties to be self-executing. In other words, most U.S. treaty obligations do not have the same effect as legislation and therefore cannot create new forms of legal protection within the United States. The United States Copyright Office has expressly stated that the Berne Convention is not self-executing upon the United States' domestic application of copyright law. Consequently, Berne Convention treaty obligations cannot directly increase the level of protection provided by the Copyright Act of 1976.

In 1988, Congress passed the Berne Implementation Act before ratifying the treaty a year later. Through this legislation, Congress intended to bring the Copyright Act of 1976 into compliance with the Berne Convention's substantive provisions that exceeded U.S. copyright protection. The end result was a virtually contemporaneous increase in U.S. copyright protection on the domestic and international level.

However, following the passage of the Berne Implementation Act, certain provisions within the Berne Convention still exceeded the level of protection provided under U.S. copyright law. For example, U.S. copyright did not protect an

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189. White Paper, supra note 11, at 140.
190. Harriet L. Oler, U.S. Adherence to the Berne Convention, in The U.S. Copyright Office Speaks 31 (Prentice Hall & Business 1992). A self-executing treaty is one which establishes domestic obligations for the parties entering into the agreement, thereby having the same effect as domestic legislation. Id.
191. Id.
194. Id.
author's moral rights to the same extent as the Berne Convention. Without moral rights, U.S. authors within the United States could not "object to any distortion, mutilation or other modification of, or other derogatory action in relation to" their works, as they could in other Berne Union countries.

Other discrepancies remained between the Berne Convention and U.S. copyright protection following the United States' 1989 entry into the Berne Union. For example, in 1989 the U.S. Copyright Act only protected architectural "diagrams, models, and technical drawings, including architectural plans," whereas article 2.1 of the Berne Convention included three-dimensional "works of architecture" among the protected subject matter of copyright. Not until 1990 did Congress bridge the gap between the two bodies of law by passing the Architectural Works Copyright Protection Act of 1990.

The Act broadened the scope of domestic copyright protection to include certain original, non-standard elements embodied in three-dimensional works of architecture. The House Report on the amendment identified the sole purpose of the Act as the need to "place the United States unequivocally in compliance with its Berne Convention obligations." The mere necessity of this Act illustrates that the Berne Convention is not self-executing upon U.S. law. Once a treaty has been ratified, it is up to the House of Representatives and the Senate to bring U.S. law up to speed with multilateral treaty obligations by passing federal legislation.

195. Berne Convention, supra note 133, art. 6. Moral rights for authors are independent of the author's economic rights and cannot be transferred. Id. The right exists to protect the author's creative signature that is inherent to the work, and any modification of the work that alters the author's creative signature infringes his or her moral rights. Id.
196. Id.
198. Berne Convention, supra note 133, art. 2(1).
200. Id. (amending § 101 of Title 17 to define the protected elements of an "architectural work").
III. IDENTIFICATION OF THE PROBLEM

As recommended by the White Paper, the United States has worked with WIPO to include database protection in recent multilateral treaty negotiations. However, neither the White Paper nor the U.S. treaty proposals articulate why the United States should pursue international database protection rather than simply adopt more protective domestic legislation. In addition, neither source explains how database protection in the Berne Protocol and a New Instrument will combine to protect United States interests. The following section analyzes various rationale for the United States' desire to establish international database protection.

IV. ANALYSIS

A. Identifying The United States' Rational for International Database Protection

1. The Unique threat to the United States Database Industry from Abroad

It may be possible under the power of the Commerce Clause for Congress to enact a form of *sui generis* database protection that would satisfy the Directive's reciprocity requirement. However, after enduring five years of post-*Feist* pressure, neither Congress nor the Supreme Court has increased the level of legal protection afforded to databases. Waiting for Congress to act is a risk the database industry does not want to take, because the longer

203. See discussion *infra* Part IV.
204. U.S. CONST. art. I, § 8, cl. 3.
205. See Narayanan, *supra* note 3, at 492 (arguing that the U.S. has the power to protect against unfair extraction under the Commerce Clause, as there is no intra-federal preemption).
206. Although the Supreme Court has not revisited the issue of copyright protection for databases since *Feist*, many federal circuit court decisions have applied the *Feist* originality test when assessing the copyrightability of various database compilations. See Warren Publ'g, Inc. v. Microdos Data Corp., 67 F.3d 276 (11th Cir. 1995); CCC Info. Servs. v. Maclean Hunter Mkt. Reports, 44 F.3d 61 (2d Cir. 1994); Kregos v. Associated Press, 3 F.3d 656 (2d Cir. 1993); Bellsouth Adver. & Publ'g Corp. v. Donnelley Info. Publ'g, Inc., 999 F.2d 1436 (11th Cir. 1993); Key Publications, Inc., v. Chinatown Today Publ'g Enter., 945 F.2d 509 (2d Cir. 1991).
it takes for the Database Investment Act to become law, the longer the raw data within U.S. databases remains unprotected.

Meanwhile, under the Directive, European databases are protected against the unauthorized extraction of raw data. This disparity between U.S. and European Union database protection could give European database companies a distinct advantage. As long as the disparity lasts, European companies will be free to copy raw data within U.S. databases at will, while the data within European databases will remain protected by the Directive's sui generis right. Consequently, the U.S. database industry fears it can no longer compete on a level playing field as long as European database companies can legally extract raw data from U.S. databases.

This fear of international exploitation is quite different from the threat of domestic piracy. After Feist, all U.S. database companies faced a heightened risk of piracy. But at least the level of risk was the same industry-wide, and no one class of companies could claim a higher level of legal protection than another. This level playing field will no longer exist internationally once the Directive's sui generis right and reciprocity requirement become law among the Member States. Eventually, the Directive could enable the European database industry to compete as a protected class of companies. As such, the European database industry would have an advantage that no U.S. database company has ever enjoyed over another.

In response to this threat, the Clinton Administration has addressed the issue of international database protection

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207. U.S. Database Investment Act, supra note 77. At the time this comment went to print, the Database Investment Act had not become law.

208. The sui generis right protects the data or raw facts within European Union databases for 15 years. Directive, supra note 3, art. 10(1), at 26. Raw facts within United States databases, on the other hand, may be copied at will at any time. Feist Publications, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 350 (1991). It is true, however, that some United States companies will qualify for sui generis database protection in Europe if they have subsidiaries or significant business contact within the European Union. See Directive, supra note 3, art. 11, at 26-27.


210. See discussion supra Part II.A.

211. See discussion supra Part II.A.

212. See discussion supra Part II.A.

213. See supra note 83 and accompanying text (discussing how directives reach enactment by the European Union Member States).
in its White Paper. However, the Administration failed to clarify why it was so important to pursue international database protection. In short, the United States' primary objective should be to negotiate for a form of international database protection that levels the international playing field for U.S. database companies.

This section analyzes why meeting this objective quickly best satisfies the interests of the American taxpayer, the U.S. database industry, and the Clinton Administration. In addition, negotiating for a level of international protection that is higher than the level provided domestically is consistent with established U.S. treaty-making policy.

2. The American Taxpayer

"The international treaty-making process is usually not cheap and may in fact be enormously expensive." As the international market for intellectual property continues to grow in size and complexity, the cost and effort required to harmonize the law through the treaty process will only increase. The longer the United States waits to negotiate intellectual property treaties, the deeper the federal government must dip into the taxpayer's pocket. Acting proactively and pushing for a suitable international agreement, the United States can cut the cost of the treaty-making process.

Of course, rushing into an agreement or treaty that provides an insufficient level of protection would only result in greater expense. Due to the high cost of modern treaty-making, it is now more important than ever to proceed strategically and consider carefully which type of agreement will best provide the desired level of protection. Any shortcomings in database protection that remain after the current round of WIPO negotiations may leave the international playing field tipped in the European Union's favor.

If this were the case, and the U.S. database industry was indeed exploited, the United States would be forced to re-

215. See discussion supra Part II.C.5.b.
216. SCHACHTER & JOYNER, supra note 153, at 73.
217. Id.
218. Id.
219. Id.
220. See discussion supra Part IV.A.1.
221. See supra note 115 and accompanying text.
negotiate the database issue down the road to protect its database industry from further harm. Therefore, failure to meet the European Union's level of protection during the current round of negotiations may simply increase the cost of legal harmonization.

Failure to negotiate now for international database protection may also weaken the United States' hand in future negotiations. If European Union database companies were given sufficient time and opportunity to exploit the U.S. database industry under the Directive's reciprocity requirement, the European Union may disfavor international harmonization with its higher level of database protection. Why would European Union nations want to agree to a treaty that would eliminate its competitive advantage? If this were the case, convincing the European Union Member States to part with the advantages of reciprocity would have its price. The United States would have to sweeten the pot with economic incentives, paid for by American taxpayers.

However, if WIPO facilitates comprehensive international database protection before European Union nations really have time to implement the Directive, the European Union database companies will not have a chance to take advantage of their more protective law. Therefore, the sooner national treatment applies to a comprehensive form of international database protection, the less negotiation costs the American taxpayer.

3. The Advantages of International Harmonization to the Database Industry

The U.S. database industry is also likely to benefit financially from international database protection that is equivalent to the level of protection provided by the European Union Directive. At the very least, U.S. database companies require a level international playing field. An increase in domestic database protection should not be their primary con-

222. This standard consists of the Directive's second tier of sui generis database protection. See supra note 113 and accompanying text.

223. See supra note 115 and accompanying text.

224. A treaty on database protection based on national treatment would act to trump the Directive's reciprocity provision by requiring European Union nations to provide the same heightened level of sui generis protection to U.S. database companies. See discussion supra Part II.C.5.a.
cern, because there is no unique threat from within the fifty states.\textsuperscript{225}

Since the \textit{Feist} decision in 1991, the U.S. database industry has grown rapidly.\textsuperscript{226} This reality, more than anything, undercuts the argument that the fear of \textit{Feist} alone will prevent companies from investing in domestic database development. Unlike the fear of \textit{Feist}, however, the unique threat of the Directive may create a protected class of European companies with whom the U.S. database industry could find it difficult to compete.\textsuperscript{227}

\textbf{a. The Importance of Establishing International Sui Generis Protection}

The European Union's database industry claims it has not enjoyed such a prosperous growth rate as that of the United States.\textsuperscript{228} In fact, in its Green Paper on database protection, the European Union cited the need for industry growth as a primary reason for developing greater protection.\textsuperscript{229} What better way to protect existing databases and facilitate growth, than to enable European Union database companies to safely exploit existing U.S. resources? As long as the United States has no means to provide an equivalent level of protection for European Union databases, European Union companies could continue to extract valuable data from U.S. databases while remaining protected from similar exploitation by U.S. database companies.

The United States can eliminate this threat by forming a multilateral treaty with the European Union and other interested nations to extend \textit{sui generis} protection to databases. As long as the international agreement is based on national treatment rather than requiring reciprocity,\textsuperscript{230} the U.S. database companies seeking protection within the European Union would receive at least the same level of \textit{sui generis} protection as European Union nationals.\textsuperscript{231}  

\textsuperscript{225} See supra note 67 and accompanying text. 
\textsuperscript{226} White Paper, supra note 11, at 153. 
\textsuperscript{227} See discussion supra Part IV.A.1. 
\textsuperscript{228} Green Paper, supra note 78, at 5. 
\textsuperscript{229} Id. 
\textsuperscript{230} See discussion supra Part II.C.5. 
\textsuperscript{231} See discussion supra Part II.C.5.a.
b. The Importance of Expanding the International Copyright Standard

The U.S. database industry would also benefit from a multilateral agreement that provided copyright protection for databases among other Berne Union countries. Although the European Union Directive does not require reciprocity for copyright protection to apply to U.S. database companies,\textsuperscript{232} there is good reason to include a copyright provision in the Berne Protocol.

Using the Berne Protocol to extend copyright protection to a database's format could further existing efforts to create an international standard. Member Nations of the World Trade Organization who have entered the TRIPs agreement are already bound by this international standard.\textsuperscript{233} They are obligated to provide a minimum level of copyright protection for the original selection and arrangement of data.\textsuperscript{234} Providing for this same protection in the Berne Protocol would extend the same international standard to Berne Union countries outside the European Union that are not bound by TRIPs.\textsuperscript{235} China, for example, is obviously not a member of the European Union, nor is it signatory to TRIPs.\textsuperscript{236} China is, however, a member of the Berne Convention and could therefore sign onto the Berne Protocol and be bound by its substantive copyright requirements.\textsuperscript{237}

Berne Union countries such as China, which are not bound by TRIPs or the European Union Directive, are currently not obligated by the Berne Convention to provide any copyright protection for the original formatting of U.S. databases.\textsuperscript{238} Therefore, the Berne Protocol is an effective way to bring select nations within the Berne Union into compliance with the same minimum standard of copyright protection established in TRIPs and the European Union Direc-

\begin{itemize}
  \item \textsuperscript{232} See supra note 115 and accompanying text.
  \item \textsuperscript{233} See TRIPs, supra note 130 and accompanying text.
  \item \textsuperscript{234} See id.
  \item \textsuperscript{235} Like the Berne Convention, TRIPs requires member nations to afford national treatment to each other. See supra note 130, art. 3.
  \item \textsuperscript{236} See supra note 130.
  \item \textsuperscript{237} WIPO GENERAL INFORMATION, supra note 4, at 8.
  \item \textsuperscript{238} But see supra note 205.
\end{itemize}
U.S. database companies would benefit from greater global copyright protection to the extent that the Berne Protocol increased the number of nations in compliance with the international standard.

4. How the Clinton Administration Benefits from Establishing International Database Protection

Perhaps the primary interest for any first-term Administration is self-preservation through the re-election of the President. The White Paper has made increased international database protection a part of the Clinton Administration's political agenda. The United States' largest commercial database companies are also a potential source of significant campaign contributions. Consequently, the Administration would pay a substantial political price if it failed to at least negotiate for international, *sui generis* database protection as promised.

5. Lack of Sui Generis Protection at Home Does Not Limit the United States' Negotiation Process

The current lack of *sui generis* database protection within the United States does not prevent it from negotiating multilateral treaty obligations that include *sui generis* database protection. U.S. treaty obligations can be negotiated independently from domestic law, because the treaty obligations are not self-executing.

The creation of new intellectual property rights through treaty formation often prompts Congress to enact equivalent domestic legislation. This chain reaction may raise a question of legislative control; that is, which branch of the federal government ultimately controls the domestic level of intellectual property protection, Congress or the Administration negotiating a new treaty? But one thing is clear, the Executive Branch and the Senate can form treaties that will place new forms of intellectual property protection on the legislative

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239. This is assuming that the Berne Union countries that are not presently bound to an international standard for copyright protection would, in fact, sign onto the Berne Protocol.
241. *Id.*
agenda. Both the Berne Convention and TRIPs established new forms of copyright protection that prompted Congress to amend the 1976 Copyright Act.

B. Why There is no Single-Treaty Solution to the United States' Database Dilemma

The Clinton Administration originally supported the Committee of Experts' decision to address international database protection in the Berne Protocol as opposed to in a New Instrument. However, as a part of the Berne Convention, the Berne Protocol can only provide new forms of copyright protection, subject to the inherent limitations of Article 20 of the Berne Convention. Consequently, any form of database protection that the United States proposes for the Berne Protocol must be limited to copyright protection. In order to conform to this requirement, the United States' initial proposal for database protection followed the form of copyright protection established in Feist and lacked the sui generis protection found in the European Union Directive.

It would be impossible to include a sui generis form of protection in the Berne Protocol. It legally does not fit. The legal foundation of the Berne Convention is based on copyright law. Any rights arising under the Berne Convention through an Article 20 protocol must stem from the author's right to protect his or her work as an original creation. This originality requirement excludes the sui generis protection of data within a database, just as Feist limits the protective reach of U.S. copyright law. Therefore, it is impossible to fit the non-copyright, sui generis tier of the Directive's protective framework within the Berne Protocol.

Then why not build the Directive's two-tiered approach in a New Instrument that is separate from the Berne Conven-

244. See supra note 193.
246. See discussion supra Part II.C.4.
247. See discussion supra Part II.C.3.b.
248. See supra note 46 and accompanying text.
249. See supra note 106 and accompanying text.
250. See supra note 35 and accompanying text.
tion? In a separate treaty, the *sui generis* provision would not be subject to Article 20 limitations\(^{251}\) and would not conflict with the originality requirement of copyright law.\(^{252}\) Unfortunately, this single-treaty approach is also an impossibility. In order to equal the Directive’s two-tiered form of protection, the first tier would have to be based on copyright law.\(^{253}\) But the whole point of forming the New Instrument was to step outside of copyright law and escape its limitations on *sui generis* database protection. Therefore, without copyright law as a foundation, there would be no legal basis upon which to build the first-tier’s copyright protection. Failure to include this first tier would leave the selection and arrangement of a database’s format less protected from international exploitation, allowing countries such as China to ignore the international copyright standard.\(^{254}\)

It appears at first glance the Clinton Administration was between a rock and a hard place in trying to achieve what was its primary objective: to use copyright law and a *sui generis* form of protection to guard both the database’s format and the raw data on the international level.\(^{255}\)

**V. Proposal**

Fortunately, there is indeed a way to achieve comprehensive international database protection. In order to best protect the interests of the American taxpayer, the U.S. database industry, the Clinton Administration, and satisfy U.S. treaty-making policy, the United States has negotiated for the same type of comprehensive database protection provided by the European Union Directive’s two-tiered approach. Although neither the Berne Protocol nor a New Instrument could provide both forms of database protection on its own, the two treaties combined can sufficiently protect the format and raw data within a database on the international level. The simple solution is to break the two forms of database protection apart and negotiate for two separate international agreements. Accordingly, it is crucial for the United States to negotiate for copyright protection in the Berne Protocol and

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251. See discussion *supra* Part II.C.3.b.
252. See *supra* note 39 and accompanying text.
253. See *supra* note 106 and accompanying text.
254. See discussion *supra* Part IV.A.3.a.
255. See discussion *supra* Part IV.A.
sui generis protection in a separate New Instrument for the Sui Generis Protection of Databases.

The European Union would have to sign onto both the Berne Protocol and the New Instrument, and national treatment must apply, for this approach to be ideal. If both agreements are successfully negotiated, and the U.S. Senate ratifies the New Instrument (which, in effect, is an entirely new treaty requiring consent from two-thirds of the Senate), the protective framework would operate just like the European Union Directive.256

This solution provides two separate layers of database protection for signatory countries of both agreements.257 Copyright protection in the Berne Protocol protects the database's format to the extent that the format's selection or arrangement of the facts is original. At the same time, it does not effect any additional, non-copyright forms of data protection.258 Meanwhile, separate protection from the New Instrument for the Sui Generis Protection of Databases prohibits database users from extracting all or a significant portion of the database's raw data.259 By separating the tiers of protection into two different agreements, neither form of protection increases or reduces the protective scope of the other.260 The end product conforms with the United States' objective to create a comprehensive form of international database protection equivalent to the level provided by the European Union Directive. Ultimately, U.S. taxpayers, the U.S. database industry, and the Clinton Administration are likely to benefit from this approach by reducing the risk of international database piracy.261

This international solution also enables the House of Representatives to wait and consider whether it should support federal legislation for the sui generis protection of databases without leaving U.S. database companies totally unprotected from international piracy. As long as the New Instrument for the Sui Generis Protection of Databases is not ratified as a self-executing treaty, Congress would have the

256. See discussion supra Part II.B.5.
257. See discussion supra Part II.B.5.
258. See supra note 170 and accompanying text.
259. See supra note 113 and accompanying text.
260. See discussion supra Part II.B.5.
261. See discussion supra Part IV.A.
opportunity to once again assess whether or not it should pass domestic legislation that complies with U.S. treaty obligations.\textsuperscript{262} The Senate may express its approval of greater database protection by ratifying the treaty, leaving the House of Representatives with the role of gatekeeper to decide whether domestic legislation is necessary.

The House must exercise great discretion before passing domestic legislation that conforms with new treaty obligations, otherwise its role will be reduced to rubber-stamping bills that conform with the Senate's international agenda. The House thus ensures that treaty provisions negotiated by the Executive Branch and ratified by the Senate are not used to railroad federal legislation through Congress at the expense of domestic interests. Such vigilance should apply whether the legislation is for the \textit{sui generis} protection of databases or any other area of intellectual property law. In the case of database protection, Congress may refuse to increase the level of domestic protection on the grounds that it would reduce the public's access to facts and data currently in the public domain.

\textbf{VI. CONCLUSION}

Establishing a comprehensive form of international database protection is important for numerous reasons, many of which are discussed above. But most importantly, an effective international standard among WIPO Member States will quickly harmonize the different standards between U.S. copyright law and the European Database Directive. Once international harmonization occurs, Congress may then find it necessary to pass the Database Investment Act to bring U.S. law into compliance with U.S. treaty obligations.\textsuperscript{263} These new obligations are likely to result from the Senate's eventual ratification of the New Instrument for the Sui Generis Protection of Databases.

Presently, the international, rather than domestic, threat of database exploitation poses the greatest risk to the

\textsuperscript{262} Congress waited two years before passing the Architectural Works Copyright Protection Act of 1990 after the Senate ratified the Berne Convention in 1989. See discussion \textit{supra} Part II.B.5.b.

\textsuperscript{263} U.S. Database Investment Act, \textit{supra} note 77.
U.S. database industry. In reality, it is the European Union, rather than the *Feist* decision, that has set the agenda for international database protection by enacting the Database Directive. The unavailability of the Directive's *sui generis* form of protection to U.S. database companies has placed the U.S. database industry at a competitive disadvantage. Therefore, in order to level the international playing field, it is necessary for the United States to negotiate for database protection with the Directive's comprehensive, two-tiered approach in mind. Only by forming copyright protection for a database's format (provided by the Berne Protocol) and *sui generis* protection for raw data (provided by a New Instrument), will WIPO achieve the Directive's comprehensive form of database protection and reduce the unique threat of international exploitation for the U.S. database industry.

W. Matthew Wayman*

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264. See discussion *supra* Part IV.A.1 (discussing the United States' growing concern with international database piracy).

265. See discussion *supra* Part IV.A.1

266. See discussion *supra* Part II.B.5 (discussing the comprehensive nature of the Directive's two-tiered approach).

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