

**United Kingdom**  
Royaume-Uni  
Vereinigtes Königreich

**Report Q.182**

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**Database protection at national and international level**

**1. ANALYSIS OF CURRENT LEGAL SITUATION**

**1.1 Legislation**

*Is there any legislation in your country dealing specifically with databases? If so, please describe it.*

Yes. EU Directive 96/9 (the "Directive") was implemented in the United Kingdom by the Copyright and Rights in Databases Regulations 1997 (the "Regulations"), which came into effect on 1 January 1998.

The copyright aspect of the protection afforded to databases under the Directive was implemented by the Regulations amending the existing legislation, the Copyright, Designs and Patents Act 1988 (the "Act"). The database right (the *sui generis* protection) is provided by the Regulations.

**1.2 Definition of Database**

*Is there any definition of the term "database" in your country's legislation or case law? If so, does it extend both to electronic and non-electronic databases?*

Yes. Section 3A of the Act provides:

' "database" means a collection of independent works, data or other materials which-

- (a) are arranged in a systematic or methodical way, and
- (b) are individually accessible by electronic or other means.'

The definition of database is common to the Regulations and the Act, and applies equally to non-electronic and electronic databases.

**1.3 Copyright Protection of Databases**

**(a) Subject Matter**

*Does your country's law provide for copyright protection of compilations? If so, does it only cover collections of literary and artistic works or does it also cover compilations of data or material other than literary and artistic works?*

Yes. The legislation provides copyright protection for both compilations and databases. Database is defined above; it is less clear how a compilation is defined (although a compilation cannot be a database).

We will comment below where a different approach is taken to databases than to compilations.

Section 3(1) and 3A of the Act provide provides:

*“Literary, dramatic and musical works*

3(1) In this Part -

“literary work” means any work, other than a dramatic or musical work, which is written, spoken or sung, and accordingly includes -

- (a) a table or compilation other than a database,
- (b) a computer program,
- (c) preparatory design material for a computer program and
- (d) a database;

“dramatic work” includes a work of dance or mime; and

“musical work” means a work consisting of music, exclusive of any words or action intended to be sung, spoken or performed with the music.”. [emphasis added]

*Databases*

3A(1) In this Part “database” means a collection of independent works, data or other materials which -

- (a) are arranged in a systematic or methodical way, and
- (b) are individually accessible by electronic or other means.

(2) For the purposes of this Part a literary work consisting of a database is original if, and only if, by reason of the selection or arrangement of the contents of the database the database constitutes the author’s own intellectual creation.”

Copyright protection is available for collections of any works which are written, spoken or sung. Collections of artistic works are not included.

The definition of a database includes a collection of independent works, data and other materials. However it appears from 3A(2) that the requirement for intellectual creation applies only in respect of a literary work.

Further, the definition of literary work encompasses both a table or compilation and a database. There is no definition of a table or compilation provided by the Act, except to the extent that it explicitly does not include databases. It is uncertain what items would fall into the table or compilation category.

(b) *Criteria of Protection*

*If your country’s law provides for copyright protection of compilations is the protection limited to compilations which “by means of the selection or arrangement of their contents constitute intellectual creations”? Are there any supplementary criteria to selection and arrangement? What is the level of originality required for a compilation to be considered a work? Does hard work in gathering data, known alternatively as “sweat of the brow” qualify a compilation as original?*

The Act provides that a literary work consisting of a database is original if, and only if, by reason of the selection or arrangement of the contents of the database the database constitutes the author's own intellectual creation. This leaves open the possibility that the non-literary works (such as musical or dramatic works) do not need to meet such a threshold. The Act also requires the database, both compilations and databases, to be original. This concept of originality in copyright is a requirement that the work is independently created by the author (rather than copied). It is not used in the sense of novel or first in the field. In relation to the "sweat of the brow" question, to secure copyright it is necessary that something extra is added by the "sweat" to the product that the raw data did not possess (*Interlego AG v Tyco Industries Inc and others* [1988] 3 All ER 949).

For databases only (*i.e.* this requirement does not apply to compilations) there is a further threshold. The Act provides that a literary work consisting of a database is original if, and only if, by reason of the selection or arrangement of the contents of the database the database constitutes the author's own intellectual creation (section 3A(2)) of the Act).

(c) *Scope of Protection*

*What is the scope of copyright protection of a compilation? To which extent can a compilation be copied without infringing the copyright in the compilation?*

As above, the way that compilations (including non-database compilations) and databases have been included afforded protection in the existing Act is as literary works, and as such the protection afforded to compilations and databases is the same as for other literary works. The restricted acts are as follows:

- (e) to copy the work;
- (f) to issue copies of the work to the public;
- (g) to rent or lend the work to the public;
- (h) to perform, show or play the work in public;
- (i) to broadcast the work or include it in a cable programme service;  
and
- (j) to make an adaptation of the work.

Copying in relation to literary works means reproducing the work in any material form; this is expressly stated to include storing the work in any medium by electronic means. A compilation or database could be copied in an immaterial form without infringing, but it is difficult to see what form the copying would take.

The copyright protection extends to the whole or any substantial part of the work under the Act. This is divergent from the Directive which provides protection "in whole or in part". It is therefore possible for an insubstantial part of a compilation or database to be copied without infringing the copyright in that compilation or database.

## 1.4 *Sui generis Protection Databases*

### (a) *System of Protection and Subject Matter*

*Does your country's law provide for sui generis protection of compilations of data such as databases? If so, is registration of the database required to secure sui generis protection? Does your country's sui generis system only cover databases which do not meet the criterion of originality or is there cumulative protection also for original databases protected by copyright?*

Sui generis protection of databases is provided in the United Kingdom by the Regulations. There is no registration requirement. The Regulations provide cumulative protection, in that the sui generis protection is provided "whether or not the database or any of its contents is a copyright work, within the meaning of [the Act]".

### (b) *Criteria of Protection*

*If your country's law provides for sui generis protection of databases what are the criteria of protection? If "substantial investment" is one of the criteria of protection, what is the level of investment required for an investment to be considered substantial?*

Regulation 13(1) provides:

"A property right ("database right") subsists, in accordance with this Part, in a database if there has been a **substantial** investment in obtaining, verifying or presenting the contents of the database."

Substantial is defined as meaning substantial in terms of quantity or quality or a combination of both. Judicial guidance on this definition is awaited. It was considered briefly in *British Horseracing Board v William Hill* ([2001] EWCA Civ 1268). This case was the first case to consider the effect of the Regulations. At first instance Laddie J gave a wide interpretation to the Directive (and the Regulations). On appeal however guidance was sought from the ECJ. (For more information on this case see question 3). Moreover, in this case, attention was paid to recital 40 of the Directive which provides that the investment "may consist in the deployment of financial resources and/or the expending of time and effort and energy". However, in this instance there was no dispute over the substantial investment criterion, and consequently no real guidance has yet been provided.

(c) *Rights granted and Scope of Protection*

*If your country's law provides for sui generis protection of databases what are the rights granted to the database maker? If "extraction" and "re-utilisation" are covered by any right, how are these notions defined? What is the scope of the sui generis protection? If "substantial part" is relevant in determining the scope of protection, how is this concept defined?*

The database right is infringed if a person extracts or re-utilises all or a substantial part of the contents of the database. All of these terms are defined in the Regulations:

"extraction", in relation to any contents of a database, means the permanent or temporary transfer of those contents to another medium by any means or in any form;

"re-utilisation", in relation to any contents of a database, means making those contents available to the public by any means;

"substantial", in relation to any investment, extraction or re-utilisation, means substantial in terms of quality or quantity or a combination of both.

The Regulations further provide that the right would also be infringed by the repeated and systematic extraction or re-utilisation of insubstantial parts of the contents of a database which amounts to the extraction or re-utilisation of a substantial part of those contents.

(d) *Limitations and Exceptions*

*If your country's law provides for sui generis protection of databases are there any limitations or exceptions? If so, what are they (e.g. private use, scientific research, education, public security, government purposes)? Are there any compulsory licensing provisions under your country's sui generis protection regime?*

The Regulations provide for a fair dealing exception. To take advantage of the exception the user must be (1) an otherwise lawful user, (2) extracting the contents for the purpose of illustration for teaching or research (not for commercial reasons) and (3) the source must be indicated.

There is also provision for exceptions relating to Public Administration. The exceptions from the database right under this head are:

- (i) Parliamentary or judicial proceedings;
- (ii) Royal Commissions and statutory inquiries;
- (iii) Material open to public inspection or on an official register;
- (iv) Material communicated to the Crown in the course of public business;
- (v) Public records; and
- (vi) Acts done under statutory authority.

There are no compulsory licensing schemes under the Regulations.

(e) *Duration of Protection*

*How long is the duration of the sui generis protection?*

The database right expires at the end of a period of fifteen years from the end of the calendar year in which the making of the database was completed. Where additions, deletions or alterations are made to a database on an on-going basis then as long as the additions result in a database which is considered to be a substantial new investment then the database resulting has its own term of protection.

For databases created prior to the Regulations the protection subsists for a period of fifteen years beginning on 1 January 1998.

## 1.5 Possible Alternatives for sui generis System

### (a) Unfair Competition Law

*Does your country have a law of unfair competition? If so, does it have a role in the protection of databases? If so, to what extent?*

No. Under English law the closest equivalent is the doctrine of passing off. This doctrine may protect the goodwill or reputation of the database owner in his database. As an example, the telephone directory in the UK for businesses is called the Yellow Pages. It is published on yellow paper and is ordered in a structured way. Were a competitor to copy the contents of the directory including the groupings chosen (such as carpet cleaners, upholstery cleaners, professional cleaners), even without using the "Yellow Pages" trade mark, if the public were to think that the new directory was the "Yellow Pages" or was authorised, or licensed by "Yellow Pages", an action could possibly be brought in passing off.

The United Kingdom is subject to two competition regimes, at a European level Articles 81 and 82 of the EC Treaty apply, and at a national level, Chapters I and II of the Competition Act 1998 apply. Article 82 and Chapter II concern the abuse of a dominant position. If a database owner were in a dominant position there is a risk that by enforcing its database rights, its actions could contravene Article 82 of Chapter II. For example, British Telecommunications plc ("BT") may have a dominant position in the market. Until recently it had exclusive access to the database used for telephone enquiries. If BT had tried to enforce its database rights in relation to that database that may have amounted to the abuse of a dominant position.

Both competition law regimes potentially play a role in the exploitation of the database rights. The nature of the licences granted or agreements entered into with regard to development and distribution will be subject to these regimes. By way of example, Advocate General Antonio Tizzano has recently given guidance on when refusal to licence a database could constitute an abuse of a dominant position. The opinion was given as part of a referral to the ECJ in *IMS Health v NDC Health*. This is a German case, but the same competition issues arise. IMS manages a database containing information on pharmaceutical sales and prescriptions. The "1860 brick structure" of the database is protected by copyright in Germany. The products which utilise the IMS database all require this structure and consequently the opportunity for a competitor to operate in the secondary market, without the "1860 brick structure", is remote. The Advocate General held that the refusal to licence may constitute an abuse if:

- (i) There are no objective justifications for such refusal;

- (ii) The use of the product is essential in order to be able to operate in a secondary market, with the consequence that the refusal by the copyright holder allows it to eliminate all competition from the market; and,
- (iii) Such refusal prevents the development of a new product, and not simply prevents the old database from being reproduced.

(b) *Other means of Protection*

*Does your country provide for any other means of protecting databases? If so, in which legal areas and by which mechanisms (e.g. contract law)?*

Yes, there may be protection in the following legal areas:

- (i) There is protection under the common law if the database contains confidential information by an action for breach of confidence;
- (ii) The database owner can protect his database contractually; and
- (iii) The data within the database may be protected by:
  - data protection laws;
  - codes of practice applicable to specific sectors - such as the financial services industry;
  - data exclusivity periods in the pharmaceutical industry;
  - if it relates to employees, by employment law; and/or
  - the “right to privacy” in Article 6 of the European Convention on Human Rights.

## 2. PROPOSALS FOR ADOPTION OF UNIFORM RULES

### 2.1 *Legislation*

*Should legislation be enacted to deal specifically with databases? If so, should national legislation be enacted or is there a need for an international treaty on the protection of databases?*

See the answer to question 1.1 - the Regulations are specific to databases.

There is legislation dealing with databases specifically in the UK (see the answer to question 1.1). Our opinion is that it would be desirable for there to be harmonised international protection. Given the speed and ease at which data can now be transferred around the globe by electronic means it is important that the scope of the protection is international.

### 2.2 *Definition of Database*

*If you think that legislation should be enacted to deal specifically with databases what should the definition of “database” be? Should it extend to both electronic and non-electronic databases?*

See the answer to question 1.2.

Yes, the definition of database, should cover both electronic and non-electronic databases.

The definition of database should clarify whether compilations or tables are included and, if not, should specify what is meant by a “compilation” and a “table”.

### 2.3 *Copyright Protection of Databases*

*Do you think that copyright protection should be granted to databases? If so, what should the criteria of protection be? Do you think that the level of originality required for a database to be copyrightable should be low, so that “sweat of the brow” databases qualify as copyrightable? What should the scope of copyright protection be?*

Yes. Copyright protection should be granted to databases. The database should be original and “sweat of the brow” alone should not be sufficient. The protection should be commensurate with the author’s intellectual contribution and/or investment.

### 2.4 *Sui generis Protection of Databases*

#### (a) *System of Protection and Subject Matter*

*Do you think that sui generis legislation should be enacted to protect databases? If so, should there be a registration system to secure sui generis protection? Should the sui generis system only cover un-original databases or should there be the possibility to obtain cumulative sui generis protection also for original databases protected by copyright?*

Yes. We do not think that a system of registration is appropriate. Further, fewer formalities favour small to medium sized enterprises. Copyright protects databases which are original and are based on some intellectual input, whereas the sui generis right protection is based upon the investment made. Therefore the two means of protection may protect different things and should be cumulative.

#### (b) *Criteria of Protection*

*If you think that sui generis legislation should be enacted to protect databases, what should be the criteria of protection? If you think “substantial investment” should be one of the criteria of protection what should be the level of investment required for an investment to be considered substantial?*

The protection requirement ought to be “substantial investment”. The criteria used should include an assessment of the time and money expended, but also should factor in the completeness, accuracy and ease of utilisation of the database. How up-to-date the database is should be a relevant factor.

#### (c) *Rights granted and Scope of protection*

*What rights should be granted to the database maker? If you think that “extraction” and “re-utilisation” should be covered by the rights to be granted how should these notions be defined? If you think that “substantial part” should be relevant in determining the scope of protection, how should this concept be defined?*

The database maker should have the right to prevent unauthorised extraction (permanent or temporary transfer of contents) or re-utilisation (making the contents available to the public). These acts should be constrained to acts carried out by having direct access to the database.

“Substantial part” should be a fluid concept allowing a determination on the particular facts. Depending on the facts, a relatively small proportion of the database may have been copied, but this may nevertheless represent a “substantial part” of the original database. By way of example, if all those entries under “carpet cleaners” in the “Yellow Pages” are lifted from the directory and reproduced, then although that would represent only a fraction of the directory, it would nevertheless be a substantial part. Even if that section only contained, say, four entries, this may still be regarded as a “substantial part”, since there may be significant value in the information that there are only four “carpet cleaners” in that particular area.

It should be made clear whether “substantial part” requires some or all of the systematic or methodical arrangement of and individual accessibility found in the database.

(d) *Limitations and Exceptions*

*Should limitations and exceptions be granted? If so, which ones (e.g. private use, scientific research, education, public security, government purposes)? Should there be any compulsory licensing provisions?*

Yes. Exceptions should be given for private use, scientific research, education, public security, public administration. Compulsory licences should also be granted for historical data (such as census information) and data which has already been commercially exploited.

(e) *Duration of Protection*

*How long should be sui generis protection be?*

A 15-year term is appropriate. Guidance is required on how to treat databases which are being constantly updated. The recent William Hill case highlighted the difficulty of regular and systematic copying of insubstantial parts of a database, because if the database is regularly updated and qualifies for a new term after each update because it is a new database then the insubstantial parts are all being taken from different databases making proof of infringement impossible.

(f) *Assessment of existing sui generis systems*

*If your country already provides for sui generis protection of databases, do you think the system should be revised? If so, why and in what ways?*

See question 3. The United Kingdom is still waiting for judicial guidance on the interpretation of the sui generis protection of databases.

## 2.5 Possible Alternatives for a sui generis system

*If your country does not have unfair competition rules or if your country's unfair competition law does not have a role in the protection of databases do you think your law should be changed, so as to provide database protection on the basis of unfair competition law? Should there be any other means of protection databases which your country does not offer or not fully take into account? If so, which ones?*

### 3. **MISCELLANEOUS**

*The National and Regional Groups are invited to comment on any additional aspect which they find relevant with regard to the foregoing questions and the specific aspects of database protection.*

The United Kingdom has implemented the Directive and therefore databases are now afforded protection both under copyright law and *sui generis*. The main case to have examined how the Regulations work in practice is *British Horseracing Board v William Hill*. This case is yet to be resolved and on appeal reference was made to the ECJ for guidance. In the interim there is no clear guidance on how the Directive will be applied, especially given the much narrower approach to the extent of the database right adopted in Sweden and Holland.

The facts of the case are briefly as follows:

- (i) BHB maintain a database of the horse racing calendar including information on the runners, times of races and the weights carried. This information is updated daily and undergoes an expensive verification process. The annual cost to BHB of maintaining this database is £4 million. BHB seeks to recover some of its costs through licensing access to the database.
- (ii) William Hill used information originating from the BHB database (although indirectly) on their online betting site. The data included the names of the horses running and the race times.
- (iii) At first instance the judge found in favour of BHB, giving a broad meaning to the protection given by the Directive. The judge found that the information being extracted was a substantial part of the database (as it was the newest and most valuable information in the database, even though it did not represent a significant part of the database by size). The database was held to be a single database (despite the fact that it was constantly being updated) and the term of protection was constantly renewed as data was added.
- (iv) On appeal the extent of uncertainty caused by divergent approaches seen across Europe caused some concern to the Appeal judges. The actual questions referred are incorporated as appendix 1. The main points raised concerned:
  - (1) the meaning of a substantial part, evaluated qualitatively or quantitatively;
  - (2) the meaning of insubstantial parts;
  - (3) whether extraction and re-utilisation cover the scenario where the data is not obtained from the database directly; and

- (4) where there is a substantial change in the database such that it must be considered a new database, should that new database be considered as a separate database when examining whether there has been systematic and repeated extraction of insubstantial parts.

Until these issues have been decided, it is difficult to assess the impact of the new regime or to make suggestions as to improvements.

It is understood that similar questions have been referred in the joined cases of Case C-46/02 *Fixtures Marketing Limited v OY Veikkaus AB* and Case C-338/02 *Fixtures Marketing Limited v AB Svenska Spel*.

## Summary

In the United Kingdom, there is a *sui generis* right that confers protection upon databases. Cumulative copyright protection is also possible, but only if “by reason of the selection or arrangement of the contents of the database, the database constitutes the author’s own intellectual creation”. The *sui generis* right is based upon the EU Directive 96/9. The exact meaning of terms such as “substantial part”, “extraction” and “re-utilisation” is unclear, and forms the subject matter of an article 234 reference that is currently pending before the ECJ.

Broadly, the United Kingdom group favours a *sui generis* database right that protects the investment that has gone into the formation of the database, so long as there are wide provisions to allow use by, *inter alia*, educational, research and other non-commercial establishments. Moreover, commercial establishments ought to be allowed to use the data upon payment, *i.e.* compulsory licences would be available if the rights holder otherwise refused access. In summary, the *sui generis* database right ought to be more akin to a remuneration right, rather than a traditional copyright.

## Zusammenfassung

In Großbritannien existiert ein Schutzrecht *sui generis*, das Datenbanken rechtlichen Schutz verleiht. Auch ein kumulativer urheberrechtlicher Schutz ist möglich, aber nur, wenn die Datenbank von der Datenauswahl oder –anordnung her das geistige Werk des Urhebers ist. Das *Sui-generis* Recht stützt sich auf die EU-Richtlinie 96/9. Die genaue Bedeutung von Begriffen wie „wesentliche Teile“, „Entnahme“ und „Weiterverwendung“ ist unklar und wird zur Zeit unter Artikel 234 behandelt, der beim EuGH anhängig ist.

Grob gesagt befürwortet die Landesgruppe Großbritannien ein Datenbankschutzrecht *sui generis*, das die Investition schützt, die mit der Erstellung der Datenbank verbunden war, solange weiträumige Bestimmungen gelten, welche die Nutzung der Datenbank von *inter alia* Bildungsinstituten, Forschungsstätten und nichtkommerziellen Einrichtungen ermöglichen. Darüber hinaus sollte auch kommerziellen Einrichtungen die Nutzung der Daten gegen Entgelt gestattet sein, d.h. es würden obligatorische Lizenzen eingeführt, wenn der Urheberrechtinhaber ansonsten den Zugriff verweigert. Zusammenfassend kann gesagt werden, dass das Datenbankschutzrecht *sui generis* eher einem Vergütungsrecht ähneln sollte als dem herkömmlichen Urheberrecht.

## Résumé

Au Royaume Uni, il existe un droit *sui generis* qui confère une protection aux bases de données. Une protection cumulative des droits d'auteurs est également possible, mais uniquement si "en raison de la sélection ou de l'organisation du contenu de la base de données, ladite base de données constitue la création intellectuelle de l'auteur lui-même". Le droit *sui generis* est basé sur la Directive 96/9 de l'Union Européenne. La signification exacte de termes tels que "partie substantielle", "extraction" et "réutilisation" n'est pas claire, et forme le sujet de la référence de l'article 234 actuellement en instance devant la Cour de Justice européenne.

D'une manière générale, le groupe du Royaume Uni est partisan d'un droit *sui generis* pour les bases de données, qui protège l'investissement que représente la formation de la base de données, pourvu qu'il existe d'importantes dispositions permettant une utilisation, *inter alia*, dans un but de recherche éducative, et par d'autres établissements non commerciaux. De plus, les établissements commerciaux devraient avoir le droit d'utiliser les données moyennant paiement, c-à-d. que des licences obligatoires seraient disponibles si les détenteurs des droits refusaient toute autre forme d'accès. En résumé, le droit *sui generis* concernant la base de données devrait être considéré comme un droit de rémunération plutôt qu'un droit d'auteur traditionnel.

## APPENDIX 1

### Questions referred to the ECJ

1. May either of the expressions:
  - (a) 'substantial part of the contents of the database'; or
  - (b) 'insubstantial parts of the contents of the database'in Article 7 of the Directive include works, data or other materials derived from the database but which do not have the same systematic or methodical arrangement of and individual accessibility to be found in the database?
2. What is meant by 'obtaining' in Article 7(1) of the Directive? In particular, are the facts and matters in paragraphs 24-31 above capable of amounting to such obtaining?
3. Is 'verification' in Article 7(1) of the Directive limited to ensuring from time to time that information contained in a database is or remains correct?
4. What is meant in Article 7(1) of the Directive, by the expressions:
  - (a) 'A substantial part, evaluated qualitatively ... of the contents of that database'? and
  - (b) 'A substantial part, evaluated quantitatively ... of the contents of that database'?
5. What is meant in Article 7(5) of the Directive, by the expression 'insubstantial parts of the database'?
6. In particular, in each case:
  - (a) does 'substantial' mean something more than 'insignificant' and, if so, what?
  - (b) does 'insubstantial' part simply mean that it is not 'substantial'?
7. Is 'extraction' in Article 7 of the Directive limited to the transfer of the contents of the database directly from the database to another medium, or does it also include the transfer of works, data or other materials, which are derived indirectly from the database, without having direct access to the database?
8. Is 're-utilisation' in Article 7 of the Directive limited to the making available to the public of the contents of the database directly from the database, or does it also include the making available to the public of works, data or other materials which are derived indirectly from the database, without having direct access to the database?
9. Is 're-utilisation' in Article 7 of the Directive limited to the first making available to the public of the contents of the database?
10. In Article 7(5) of the Directive what is meant by 'acts which conflict with a normal exploitation of that database or unreasonably prejudice the legitimate interests of the maker of the database? In particular, are the facts and matters in paragraphs 40-47 above in the context of the facts and matters in paragraphs 32-35 above capable of amounting to such acts?
11. Does Article 10(3) of the Directive mean that, whenever there is a 'substantial change' to the contents of a database, qualifying the resulting database for its own

term of protection, the resulting database must be considered to be a new, separate database, including for the purposes of Article 7(5)?