

# The Extraction/Duplication Dichotomy: Constitutional Line-Drawing in the Database Debate

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*But the news element—the information respecting current events contained in the literary production—is not the creation of the writer, but is a report of matters that are ordinarily publici juris; it is the history of the day. It is not to be supposed that the framers of the Constitution, when they empowered Congress “to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries” intended to confer upon one who might happen to be the first to report a historic event the exclusive right for any period to spread the knowledge of it.<sup>1</sup>*

In 1991, the Court held in *Feist Publications Inc. v. Rural Telephone Service Co.*,<sup>2</sup> that the Intellectual Property Clause<sup>3</sup> of the Constitution did not empower Congress to protect the telephone white pages. Ever since, lobbyists have been trying to persuade Congress that the labor of information gatherers should instead be protected under the Commerce Clause.<sup>4</sup> Their European counterparts have succeeded in getting protective legislation passed.<sup>5</sup> Because *Feist* repeatedly emphasizes the constitutional nature of the requirement that factual compilations must be “original” in order to be protected under copyright law,<sup>6</sup> the discussion whether Congress can overrule *Feist* has focused on the nature and scope of the originality requirement.<sup>7</sup> To

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<sup>1</sup> *Int'l News Serv. v. Associated Press*, 248 U.S. 215, 234 (1918) (quoting U.S. CONST. art. I, § 8, cl. 8).

<sup>2</sup> 499 U.S. 340 (1991).

<sup>3</sup> U.S. CONST. art. I, § 8, cl. 8 (“Congress shall have [the] Power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.”).

<sup>4</sup> See, e.g., H.R. 3531, 104th Cong. (1996) (“Database Investment and Intellectual Property Antipiracy Act of 1996”); H.R. 2652, 105th Cong. (1998) (“Collections of Information Antipiracy Act”); H.R. 354, 106th Cong. (1999) (“Collections of Information Antipiracy Act”).

<sup>5</sup> Council Directive 96/9/EC of 11 March 1996 The Legal Protection of Databases, 1996 O.J. (L 77) 20.

<sup>6</sup> See *Feist*, 499 U.S. at 346 (“Originality is a constitutional requirement.”); Paul J. Heald, *The Vices of Originality*, 1991 SUP. CT. REV. 143, 144 (noting the seven places where the Court makes the point).

<sup>7</sup> See, e.g., Jane Ginsburg, *No “Sweat”? Copyright and Other Protection of Works of Information After Feist v. Rural Telephone*, 92 COLUM. L. REV. 338, 367–68 (1992); Heald, *supra* note 6.

clarify what “overruling” *Feist* might mean and to judge better the constitutionality of recent proposals to protect collections of information under the Commerce Clause, this article describes *Feist* as standing for two restrictive propositions: one which Congress may get around; one which Congress may not.

The most obvious restriction set forth in *Feist* is that unoriginal collections of facts are not protectable subject matter. The Court described the arrangement and selection of facts in the white pages as “mechanical,” “routine,” “practically inevitable,” an “age-old practice, firmly rooted in tradition,” “entirely typical,” “garden-variety,” and “obvious.”<sup>8</sup> Such a collection of information is entitled to no protection and may be freely duplicated and distributed. Although this holding caught some by surprise,<sup>9</sup> the Court’s emphasis on originality has not been the main target of lobbyists who have since sought to increase protection for collections of information. Why? Because few collections of information are so utterly lacking in originality that they flunk the *Feist* test: “the requisite level of creativity is extremely low; even a slight amount will suffice.”<sup>10</sup> The requirement that a collection of information display some originality in its selection, coordination, or arrangement is not a huge stumbling block to information gatherers.<sup>11</sup>

Instead, it was the Court’s insistence that “no author may copyright his ideas or the facts he narrates,”<sup>12</sup> that has become the target of recent legislative proposals. This alternative holding in the case, that the free use of facts and ideas is “the most fundamental axiom of copyright law,”<sup>13</sup> has provoked a call to arms from data protection advocates. The Court reiterates the point again and again<sup>14</sup> in the opinion

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<sup>8</sup> *Feist*, 499 U.S. at 362–63.

<sup>9</sup> See *Ill. Bell Tel. Co. v. Haines & Co.*, 905 F.2d 1081, 1086 (7th Cir. 1991) (holding telephone white pages were protected by copyright law), *vacated by* 499 U.S. 944 (1991), *rev’d*, 932 F.2d 610 (7th Cir. 1991).

<sup>10</sup> *Feist*, 499 U.S. at 345; *id.* at 359 (referring to the “narrow category of works in which the creative spark is utterly lacking or so trivial as to be virtually non-existent”).

<sup>11</sup> See, e.g., *CDN, Inc. v. Kapes*, 197 F.3d 1256 (9th Cir. 1999) (holding collection of coin values protected); *CCC Info. Servs., Inc. v. Maclean Hunter Mkt. Reports*, 44 F.3d 61 (2d Cir. 1994) (holding collection of used car values protected); *Key Publ’ns v. Chinatown Today Publ’g Enters., Inc.*, 945 F.2d 509, 514 (2d Cir. 1991) (holding directory of Chinese businesses in New York sufficiently original).

<sup>12</sup> *Feist*, 499 U.S. at 344–45.

<sup>13</sup> *Id.* at 344.

<sup>14</sup> *Id.* at 344 (“facts are not copyrightable”); *id.* at 345 (“Rural wisely concedes . . . that ‘facts and discoveries, of course, are not themselves subject to copyright protection.’” (quoting Brief for Respondent at 24)); *id.* (“uncopyrightable facts”); *id.* (“facts are not copyrightable”); *id.* at 347 (“The first person to find and report a particular fact has not created the fact. . . .”); *id.* at 347–48 (“Census data therefore do not trigger copyright because these data are not ‘original’ in the constitutional sense. The same is true of all facts . . .” (citation omitted)); *id.* at 348 (“[Facts] may not be copyrighted and are part of the public domain available to every person.” (quoting *Miller v. Universal City Studios, Inc.*, 650 F.2d 1365, 1369 (5th Cir. 1981))); *id.* at 350 (“Facts . . . may

and makes clear that even if a collection of facts is original in its arrangement, coordination, or selection, the individual facts themselves may be extracted and used without authorization.<sup>15</sup> This aspect of the decision makes it very difficult for a gatherer of facts—once the collection has been made public—to prevent appropriation of the fruit of its labor under federal copyright law.

The protectionist strategy, of course, has been to abandon the Intellectual Property Clause as the basis for statutes proposed to restrict public access to facts. The opinion in *Feist*, claim proponents of database antipiracy legislation, says nothing about what Congress can do under the Commerce Clause, and surely the broad modern scope of that clause permits fact gathering to be regulated as an important incident of interstate commerce. This article, elaborating on a more ambitious project,<sup>16</sup> examines the extent to which Congress can avoid the dual holdings of *Feist* by exercising its Article I power to regulate interstate commerce. Since the Intellectual Property Clause is a *grant* of power to Congress, the interpretation of its language to narrow the commerce power is an argument for constraint by implication. The first section of the article briefly summarizes the Court's jurisprudence in the area of implied limitations on congressional power and describes the constitutional principles likely to govern any attempt to get around *Feist*. Those principles are then applied to the recently proposed "Collections of Information Antipiracy Act."<sup>17</sup> The sources the Court finds most relevant in implied constraint cases—history, the structure of the Constitution, and its own pronouncements—suggest that Congress could rely on the Commerce Clause to grant thin protection to unoriginal collections of information, but is constitutionally constrained from prohibiting the extraction and use of facts contained in a compilation, regardless of whether the compilation is original. The article concludes with an illustration of the difficulties inherent in constitutional line-drawing.

## I. THE BIG PICTURE—OTHER IMPLIED CONSTRAINTS ON CONGRESS

In recent years, the Court has been extremely active in going beyond the literal terms of the constitutional text to establish principles that restrain the federal legislative power. In cases like *Printz v. United States*,<sup>18</sup> *New York v. United States*,<sup>19</sup>

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not be copyrighted.”).

<sup>15</sup> *Id.* at 348 (“The mere fact that a work is copyrighted does not mean that every element of the work may be protected. . . . Others may copy the underlying facts from the publication . . .”); *id.* at 350 (“raw facts may be copied at will”).

<sup>16</sup> See Paul J. Heald & Suzanna Sherry, *Implied Limits on Legislative Power: The Intellectual Property Clause as an Absolute Constraint on Congress*, 2000 U. ILL. L. REV. 1119, 1119.

<sup>17</sup> H.R. 354, 106th Cong. (1999).

<sup>18</sup> 521 U.S. 898 (1997) (holding that Congress may not require executive branch of state government to perform background checks on potential buyers of handguns).

<sup>19</sup> 505 U.S. 144 (1992) (holding that Congress may not require states to take responsibility

*Alden v. Maine*,<sup>20</sup> *Seminole Tribe of Florida v. Florida*,<sup>21</sup> *Railway Labor Executives' Association v. Gibbons*,<sup>22</sup> *Plaut v. Spendthrift Farm*,<sup>23</sup> and *Lujan v. Defenders of Wildlife*,<sup>24</sup> the Court has described and elaborated on the principles that underlie the Tenth and Eleventh Amendments, the Bankruptcy Clause, and Article III, in order to imply constraints on Congress that are barely tethered to the constitutional text.

In a lengthy article, Suzanna Sherry and I have documented the sources that the Court examines in making the complex determination whether Congress is impliedly restrained from regulating commercial activity.<sup>25</sup> We applied the methodology the Court uses in implied constraint cases to the Intellectual Property Clause<sup>26</sup> and found the following principles to be relevant in construing the scope of Congress's general legislative power:

1. **The Suspect Grant Principle:** *Scrutiny under the Intellectual Property Clause is only triggered when Congress effects a grant of exclusive rights that imposes monopoly-like costs on the public;*
2. **The Quid Pro Quo Principle:** *A suspect grant may only be made as part of a bargained-for exchange with potential authors or inventors;*
3. **The Authorship Principle:** *A suspect grant must initially be made to either the true author of a writing or to the party responsible for a new advance in the useful arts;*
4. **The Public Domain Principle:** *A suspect grant may not significantly diminish access to the public domain.*<sup>27</sup>

We found that the history and structure of the Intellectual Property Clause, the structure of the Constitution itself, and the Court's interpretation of the clause,

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for the disposal of low-level radioactive waste).

<sup>20</sup> 527 U.S. 706 (1999) (holding that Congress may not force an unconsenting state to defend against a private federal suit brought in its own courts).

<sup>21</sup> 517 U.S. 44 (1996) (holding that Congress may not abrogate state sovereign immunity pursuant to the Commerce Clause in a private suit brought in federal court).

<sup>22</sup> 455 U.S. 457 (1982) (holding that Congress may not pass bankruptcy laws under its Commerce Clause power that are not uniform).

<sup>23</sup> 514 U.S. 211 (1995) (holding that Congress may not direct federal courts to reopen cases that have come to a final judicial conclusion).

<sup>24</sup> 504 U.S. 555 (1992) (holding that Congress may not grant standing to sue in federal court to someone who has not suffered an "injury-in-fact").

<sup>25</sup> See Heald & Sherry, *supra* note 16. In addition to examining the structure of the Constitution and its own pronouncements about the meaning of the text, the Court looks to English legal history, colonial practices, state practices under the Articles of Confederation, debates at the constitutional convention and in the state ratification conventions, reaction to early judicial decisions, and early congressional precedent when it determines Congress is impliedly constrained from acting. *Id.* at Part I.A–C.

<sup>26</sup> *Id.* at Part II.

<sup>27</sup> *Id.* at Part II.B.6.

strongly suggested that Congress does not have an unrestricted power to grant exclusive property rights at the public's expense to whomever and under whatever terms it wants.

## II. PRINCIPLES OF CONSTITUTIONAL WEIGHT AND PROTECTION FOR COLLECTIONS OF INFORMATION

Congress has only rarely passed legislation that conflicts with the principles elucidated above.<sup>28</sup> Fierce interest group pressure, however, has Congress currently contemplating a form of protection for collections of information that would be unconstitutional.

### A. *The Legislation: House Bill 354*

Recently proposed bills have gone far beyond attempting to eliminate the originality requirement described in *Feist*. In fact, pending legislation does not even mention the originality issue or expressly state that unoriginal collections of information may not be copied. Instead, protection is aimed directly at preventing the use of facts themselves. House Bill 354, for example, would impose liability on:

Any person who makes available to others, or extracts to make available to others, all or a substantial part of a collection of information gathered, organized or maintained by another person through the investment of substantial monetary or other resources, so as to cause material harm to the primary market or related market of that other person . . . .<sup>29</sup>

The act would broadly define "collection of information"<sup>30</sup> and would also impose liability on "[a]ny person who extracts all or a substantial part of a collection of information . . . so as to cause material harm to the primary market" of the information gatherer.<sup>31</sup> The essence of the proposed wrong is not copying or creating a substantially similar work, but rather "extracting" information or "mak[ing it]

<sup>28</sup> In our article we were willing to conclude only that two other statutes clearly contravened the principles underlying the Intellectual Property Clause. See *id.* at 1167–74 (arguing that the Copyright Term Extension Act of 1998, 17 U.S.C. § 304(b) (Supp. IV 1998), is unconstitutional); *id.* at 1178–81 (arguing that the Copyright Restoration Act, 17 U.S.C. § 104A (1994 & Supp. IV 1998), is unconstitutional).

<sup>29</sup> Collections of Information Antipiracy Act, H.R. 354, 106th Cong. § 1402(a) (1999).

<sup>30</sup> *Id.* § 1401(1) ("'[C]ollection of information' means information that has been collected and has been organized for the purpose of bringing discrete items of information together in one place or through one source so that persons may access them."); *id.* § 1401(2) ("'[I]nformation' means facts, data, works of authorship, or any other intangible material capable of being collected and organized in a systematic way.").

<sup>31</sup> *Id.* § 1402(b).

available," protection that has never been provided by copyright law either before or after *Feist*.<sup>32</sup>

Consider the plight of Jane who creates a website listing the times and locations of movies showing in twenty major cities. Several thousand potential moviegoers visit her site every day, and therefore, advertisers are willing to pay her a monthly fee to display their ads on her webpages. Rather than make hundreds of phone calls each day to movie theaters to learn what is playing, she subscribes to a major newspaper in each metropolitan area and consults the show times listed therein. Because she is competing directly with the newspapers in their primary market,<sup>33</sup> under the rules proposed by House Bill 354, Jane would be liable to each newspaper on three different theories: for making the information "available to others," for extracting "to make [it] available to others," and for mere extraction of information.<sup>34</sup> To emphasize the breadth of the proposed regime, it seems likely that under the bill Jane could also be liable to the theaters if instead of getting show times from newspapers, she extracted the information telephonically from the theaters' answering machines.

Needless to say, this theory of liability is unprecedented and poses potentially grave problems for business people who regularly consult sources like real estate guides, airline websites, consumer goods pricing guides, credit reports, and the yellow pages to conduct their business. The legislation would, however, seem to be within the modern understanding of Congress's power to regulate interstate commerce. The question is therefore squarely raised whether Congress is impliedly prevented from enacting House Bill 354 under the principles animating the Intellectual Property Clause.

### B. *Does House Bill 354 Constitute a Suspect Grant?*

After an extensive examination of the historical record,<sup>35</sup> Professor Sherry and I concluded that the principles underlying the Intellectual Property Clause apply not only to legislation expressly containing the words "copyright" and "patent," but to any grant of exclusive property rights in intangibles that imposes significant costs on

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<sup>32</sup> See Paula Baron, *Back to the Future: Learning from the Past in the Database Debate*, 62 OHIO ST. L.J. 879, 899 (2001); cf. 17 U.S.C. § 102(b) (1994) ("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 . . ."); *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53 (1884) (defining "original work" in such a way as to preclude the protection of facts).

<sup>33</sup> H.R. 354, § 1401(3) ("['P]rimary market' means all markets in which a product or service which incorporates a collection of information is offered; and in which a person claiming protection with respect to that collection of information under section 1402 derives or reasonably expects to derive revenue, directly or indirectly.").

<sup>34</sup> See *id.* § 1402(a)-(b).

<sup>35</sup> See Heald & Sherry, *supra* note 16, at 1141-67.

consumers (legislation that would have looked suspicious to the framers and ratifiers of the Constitution).<sup>36</sup>

This is not to say, however, that House Bill 354 is necessarily a suspect grant. First of all, the proposed rights are not absolutely exclusive. Proposed section 1403 privileges some “reasonable” (but not all) extractions for the purposes of “illustration, explanation, example, comment, criticism, teaching, research, or analysis.”<sup>37</sup> Individual items of information are not protected, although “the repeated or systematic making available or extracting of individual items” is actionable.<sup>38</sup> Independently gathering of information “by means other than extracting it” is permitted,<sup>39</sup> as are certain acts of verification.<sup>40</sup> Finally, some extracting of information for the purposes of news reporting is allowed, although liability may attach if the information extracted is “time sensitive and has been gathered by a news reporting entity, and making available or extracting the information is part of a consistent pattern engaged in for the purpose of direct competition.”<sup>41</sup>

In spite of the safe harbors provided by the proposed law, it almost certainly establishes rights that are “exclusive” in the constitutional sense. Absolute exclusivity can hardly be the original understanding of the word used in the constitutional text. First of all, Anglo-American law has never established totally exclusive rights in any sort of property. Even the strongest rights in real property are tempered by rules of eminent domain, nuisance principles, and various emergency doctrines. More importantly, copyright law was assumed by the framers to establish “exclusive rights” in the constitutional sense, and it has historically permitted an even wider variety of

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<sup>36</sup> It would be quite odd to construe the restrictive language of the Clause only to constrain Congress’s ability to regulate inventors and authors of new and original works. Why would the framers have intended Congress to be limited in the kinds of rewards it could give to truly inventive and creative people, while granting it absolute *carte blanche* to reward the makers of unoriginal works or users of old technology? A difficult drafting concern animated the framers: how best to prevent Congress from replicating the evils visited upon the public by the Elizabethan practice of granting monopolies in everyday products to successful courtiers and by later restrictions on learning resulting from the printing monopoly granted to the Stationer’s Company? It is unlikely that the framers intended for Congress to be able to avoid the reach of the clause simply by invoking non-traditional forms of entitlement phraseology. In fact, it seems clear from history that the framers were most worried about the granting of entitlements to unpatentable and uncopyrightable subject matter.

<sup>37</sup> H.R. 354, § 1403(a). “Reasonableness” is to be determined in light of five factors: (1) the extent to which the use is noncommercial or nonprofit; (2) whether the amount extracted is “appropriate”; (3) the good faith of the extractor; (4) whether the extraction is transformative; and (5) the effect on the primary market of the information gatherer. *Id.*

<sup>38</sup> § 1403(c).

<sup>39</sup> § 1403(d).

<sup>40</sup> § 1403(e).

<sup>41</sup> § 1403(f).

unauthorized uses than the scheme proposed in House Bill 354.<sup>42</sup>

To illustrate how copyright law is less restrictive than current proposals to protect databases, consider section 107 of the Copyright Act,<sup>43</sup> which codifies a fair use doctrine that is more permissive than the “reasonable” uses permitted under proposed section 1403(a) of House Bill 354. The fair use doctrine allows some wholesale verbatim copying by competitors,<sup>44</sup> an act not permitted under House Bill 354. In addition, unlike the proposed act, copyright law does not protect the literary equivalent of “individual items of information,” e.g. individual words and short phrases.<sup>45</sup> Copyright law, again, seems less restrictive in this regard than House Bill 354, since it allows the repeated use of unprotected words and short phrases without liability, while repeated extraction of individual items of information is actionable under the proposed law.<sup>46</sup> As under the proposed bill, independent acts of creation are permitted under copyright law, but as far as the news reporting privilege is concerned, copyright law seems more liberal in the uses it allows. The proposed act creates a limited right to the exclusive reporting of “hot news,”<sup>47</sup> a type of protection that the Court has already opined is not available under copyright law.<sup>48</sup> Finally, the absence of other user friendly copyright doctrines, like the idea-expression dichotomy and the originality requirement, from House Bill 354 further demonstrates how the rights it would establish are more exclusive than those granted by traditional copyright law.

House Bill 354 would establish rights that are also exclusive in a purely economic sense. As Professors Reichman and Samuelson have pointed out:

Proponents of the *sui generis* [information gathering] right [insist] that third parties

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<sup>42</sup> See NATIONAL RESEARCH COUNCIL, A QUESTION OF BALANCE: PRIVATE RIGHTS AND THE PUBLIC INTEREST IN SCIENTIFIC AND TECHNICAL DATABASES 9 (2000) (comparing the exclusivity of copyright law with *sui generis* protection for databases); J. H. Reichman & Paul F. Uhlir, *Database Protection at the Crossroads*, 14 BERKELEY TECH. L.J. 793, 800–06 (1999).

<sup>43</sup> See Copyright Act, 17 U.S.C. § 107 (1994) (permitting otherwise infringing uses under a four-part test that examines the purpose and character of the unauthorized use, the nature of the copyrighted work, the amount taken, and the effect of the use on the market for the copyrighted work).

<sup>44</sup> See *BellSouth Adver. & Publ'g Corp. v. Donnelley Info. Publ'g, Inc.*, 999 F.2d 1436 (11th Cir. 1993) (en banc) (permitting Donnelley to copy names, addresses, and phone numbers from the BellSouth yellow pages in order to create a competing work); *Sega Enters. Ltd. v. Accolade, Inc.*, 977 F.2d 1510 (9th Cir. 1992) (permitting wholesale copying of computer object code in order to discover its public domain elements for use in competing products).

<sup>45</sup> *Mathew Bender & Co. v. West Publ'g Co.*, 158 F.3d 674, 683 (2d Cir. 1998) (“‘Words and short phrases such as names [and] titles . . . mere variations of typographic ornamentation [or] lettering’ are not copyrightable.” (quoting 37 C.F.R. § 202.1(a) (1998))).

<sup>46</sup> H.R. 354, 106th Cong. § 1403(c) (1999).

<sup>47</sup> *Id.* § 1403(f).

<sup>48</sup> See *Int'l News Serv. v. Assoc. Press*, 248 U.S. 215 (1918).



always remain free to generate their own databases. But this opportunity exists only for data that are legally available from public sources and whose cost of independent regeneration is not prohibitively high in relation to the gains expected from the exercise. As for proprietary data not legally available for second comers to exploit, there is no opportunity to avoid the originator's exclusive rights to prevent extraction or re-use of existing data. Even the most avid apologists for the E.C. Directive concede that in such cases the investor's exclusive rights necessarily vest in the data as such.<sup>49</sup>

Because of the frequent functional impossibility of independently gathering data, the proposed bill would give the possessor of information an unprecedented right to control its use. This ability to control provides the mechanism by which it would impose costs on consumers. When a single entity controls access to data, it is elementary economics that the cost of access will rise. The combination of significant exclusivity and the imposition of significant costs triggers scrutiny under the principles behind the Intellectual Property Clause.

### C. *Is the Quid Pro Quo Requirement Met?*

Although House Bill 354 would make a suspect grant of rights to information gatherers, this alone does not make it unconstitutional. It simply means that the legislation must comport with the principles underlying the Intellectual Property Clause as justified by its history and the structure of the Constitution. It bears repeating that virtually all of the costly grants of exclusive rights Congress has made in the past are consistent with these principles and are therefore constitutional.<sup>50</sup>

Professor Sherry and I have argued that although the Constitution demands a quid pro quo for the public when Congress makes a grant of exclusive property rights to a private party, the grant need not be efficient. As long as the public receives *something* in return for the "embarrassment"<sup>51</sup> of the grant of exclusive rights, the Quid Pro Quo Principle underlying the clause is satisfied. In theory, the public benefit offered by House Bill 354 is increased incentives for the creation of collections of information. At least one set of familiar economic assumptions suggests that the granting of exclusive rights will provide incentives for information to be gathered.<sup>52</sup>

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<sup>49</sup> See J.H. Reichman & Pamela Samuelson, *Intellectual Property Rights in Data*, 50 VAND. L. REV. 51, 89 (1997).

<sup>50</sup> In addition to the obvious examples of copyright and patent law, Professor Sherry and I have defended the Orphan Drug Act, 21 U.S.C. § 360aa-ee (1994) (allowing for exclusive rights to be obtained to some unpatented drugs), and anti-bootlegging legislation, 17 U.S.C. § 1101(a) (1994) (protecting unfixed, and therefore uncopyrightable, musical performances). We would also argue that exclusive rights granted in things like radio frequencies, fisheries, and airline routes also satisfy the principles we elucidate.

<sup>51</sup> *Graham v. John Deere Co.*, 383 U.S. 1, 10-11 (1966) (quoting Thomas Jefferson's description of the relationship of patent rights to the public interest).

<sup>52</sup> See *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141 (1989).

Even foes of *sui generis* database protection admit that legislation might possibly stimulate the production of collections of information.<sup>53</sup> Although serious doubts exist whether this particular form of legislation is necessary or efficient,<sup>54</sup> the rights Congress is considering granting are clearly premised on the recipient creating something new (if not necessarily original). Congress may be buying us something we do not need, but the legislation is structured as an attempt to buy us something. This is enough to satisfy the Quid Pro Quo Principle.

#### D. *Is the Authorship Principle Satisfied?*

Although Congress must reward the “true” author of a work (for example, it could not announce tomorrow that all copyrights in future American novels belong to Random House), Professor Sherry and I could find no historical evidence that the framers of the Constitution were worried about the protection of works that lacked what the *Feist* court called “originality.” Although the framers were aware of the severe damage done by the Elizabethan practice of granting monopolies to courtiers who had done nothing inventive and granting to the Stationer’s Company the sole right to print works it did not write, we could find no criticism of early practices that granted copyright protection to the creators of new works that lacked a significant level of originality.<sup>55</sup> In other words, we concluded that the authorship principle would prevent Congress from rewarding John with a copyright on a compilation assembled by Jane,<sup>56</sup> but would not prevent Congress from granting Jane protection for a compilation assembled by Jane, even if it were unoriginal in its selection or arrangement. In other words, we believe that Congress could use the Commerce Clause to get around one of the holdings of *Feist*—that unoriginal compilations of facts are completely without protection.

#### E. *Is the Public Domain Principle Satisfied?*

Arguing that Congress may constitutionally provide thin protection for collections of information, however, is not quite the same as asserting that it may grant exclusive rights to the underlying facts themselves. The public domain principle prevents Congress from significantly limiting access to two categories of items that

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<sup>53</sup> See Reichman & Samuelson, *supra* note 49, at 64–69.

<sup>54</sup> See *id.*; Jane Ginsburg, *The Copyright, Common Law, and Sui Generis Protection of Databases in the United States and Abroad*, 66 U. CIN. L. REV. 151, 152 (1997) (“*Sui generis* legislation, therefore, may not be necessary to supply incentives to compile information products.”).

<sup>55</sup> See, e.g., Baron, *supra* note 32.

<sup>56</sup> The work for hire doctrine, 17 U.S.C. §§ 101 & 201(b) (1994 & Supp. IV 1998), seems to pose this problem in the context of employees paid to create copyrighted works for their employers. We discuss this issue in Heald & Sherry, *supra* note 16, at 1190–91.

inhabit the public domain: (1) facts, ideas, scientific principles, laws of nature, and the like; and (2) inventions and works of art whose legal term of protection has expired.<sup>57</sup> As Professor Sherry and I have stated earlier about both kinds of items:

The principle of an inviolable public domain is the necessary implication of the constant emphasis in history and in precedent—and in the wording of the Clause itself—on the requirement that grants be for a limited time. . . . We cannot find any evidence in English legal history that the Crown ever asserted the power to grant exclusive rights over such things, and if it did, such a power surely did not survive the Statute of Monopolies. Given the suspicion with which the framers viewed any monopoly, they certainly could not have intended to grant Congress the power to grant exclusive rights over facts or theorems. We have every reason to think that the framers considered both sorts of inhabitants of the public domain equally available for any public use.<sup>58</sup>

The Court has also insisted on the inviolateness of the public domain, opining that “Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available.”<sup>59</sup> If Congress cannot grant the heirs of Elias Howe exclusive rights to sewing machine technology described in long-expired patents, surely it cannot grant rights to the facts, ideas, or principles underlying that technology. Only very recently, in response to intense interest group pressure, has Congress begun to consider restricting access to facts and information through the granting of exclusive rights.<sup>60</sup>

In order to determine whether the framers intended to give Congress the power to prevent the mere “extraction” and “mak[ing] available” of information from compilations of facts, we heed the Court’s admonition to pay close attention to English legal history and the state of legal doctrine at the time of the Constitutional Convention.<sup>61</sup> According to Paula Baron’s very insightful article in this volume, history suggests precisely the distinction between wholesale duplication (which may be prohibited by Congress) and extraction (which may not be prohibited by Congress) that this paper argues is embodied in the Intellectual Property Clause. After examining a host of historical cases, she concludes, “The effect of the decisions in the premodern cases was that a published work was open to legitimate use by others,

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<sup>57</sup> See Reichman & Uhler, *supra* note 42, at 834–35 (“[N]o one can constitutionally oblige all persons not to use facts or ideas that have been made available to the public.”).

<sup>58</sup> Heald & Sherry, *supra* note 16, at 1165–66.

<sup>59</sup> *Graham v. John Deere Co.*, 383 U.S. 1, 6 (1966).

<sup>60</sup> The Court recently noted in *Alden v. Maine*, 527 U.S. 706, 744–45 (1999), that long-term congressional reticence is relevant in construing the meaning of the Constitution. Therefore, Congress’s refusal for two hundred years to create an extraction right bears on whether the Intellectual Property Clause can be construed to allow such a right.

<sup>61</sup> *Id.* at 715–30.

provided that the work was not essentially a republication of the original.”<sup>62</sup> She notes that early cases protected the public domain by allowing free extraction of facts, but not by absolutely denying protection to unoriginal collections of information. Works of little or no originality were protected under the law, but only from wholesale replication and republication.

The cases Baron discusses are very sensitive to the dangers of protecting information as such. In *Sayre v. Moore*,<sup>63</sup> for example, Lord Mansfield found no liability when “the defendant had taken the body of his sea charts from the plaintiff’s work, but had made many alterations and improvements to it.”<sup>64</sup> Other early cases involving the fair abridgement doctrine—which allowed second comers far greater liberty to borrow than the modern fair use doctrine does—express a similar reticence to provide a cause of action for mere extraction.<sup>65</sup> This comports with Justice Story’s early understanding that copyright law did not give the author the right to prevent a translation of his work:

[The author’s] exclusive property in the creation of his mind, cannot be vested in the author as abstractions, but only in the concrete form which he has given them, and the language in which he has clothed them. When he has sold his book, the only property which he reserves to himself, or which the law gives to him, is the exclusive right to multiply in copies of that particular combination of characters which exhibits to the eyes of another the ideas intended to be conveyed.<sup>66</sup>

It is unlikely that the framers’ views on the freedom to extract information were substantially different from their contemporaries’ (as evidenced by the fact that the inclusion of the Intellectual Property Clause in the final draft of the Constitution was accomplished without debate or dissenting vote).<sup>67</sup>

The relevant evidence suggests that the framers and ratifiers of the Constitution would have been appalled by legislation denying the public the right to extract or make available facts contained in a published collection of information. English law for at least fifty years before the Constitutional Convention, and American law for at least two hundred years following it, consistently denied authors the right to prevent the mere extraction of facts they collected. In accordance with the Public Domain

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<sup>62</sup> Baron, *supra* note 32, at 925.

<sup>63</sup> *Sayre v. Moore*, sitting after Hil. 1785, at Guildhall, cor. Lord Mansfield C.J., *discussed in Cary v. Longman* 1 East, 358, 361, 102 Eng. Rep. 138, 139(b) (1801).

<sup>64</sup> Baron, *supra* note 32, at 925.

<sup>65</sup> See *Dodsley v. Kimmersley*, 1 Amb. 403, 27 Eng. Rep. 270 (1761); *Gyles v. Wilcox*, 2 Atk. 141, 26 Eng. Rep. 489 (1740).

<sup>66</sup> *Stowe v. Thomas*, 23 F. Cas. 201, 206–07 (C.C.E.D. Pa. 1853) (No. 13,514) (holding that German translation of *Uncle Tom’s Cabin* not infringing), *quoted in* Baron, *supra* note 32, at 919.

<sup>67</sup> The lack of controversy is an indication that they did not think they were creating a new and unfamiliar regime.

Principle, Congress may protect a collection of information from wholesale replication for resale, but it may not protect facts from mere extraction.<sup>68</sup> Congress therefore cannot use the Commerce Clause to get around the holding in *Feist* that facts per se may not be protected.

F. *An Illustration: BellSouth Advertising & Publishing Corp. v. Donnelley Information Publishing, Inc.*

Although it is easy to state the proposition that Congress may prevent the duplication of a collection of information, but may not forbid the mere extraction of facts, the line between duplication and extraction will be difficult to draw in actual cases. After all, a massive extraction (technically short of exact copying) followed by republication looks a lot like the sort of behavior copyright law has traditionally prevented. This paper will not attempt to identify precisely when over-extraction and republication should be treated like illegal copying intended to generate a substantially similar work. Instead, *BellSouth Advertising & Publishing Corp. v. Donnelley Information Publishing, Inc.*,<sup>69</sup> is provided as a clear example of one place where the Constitution draws a line between activity Congress can and cannot prevent.

In *BellSouth*, Donnelley decided to compete with BellSouth in the market for yellow pages directories in the Miami area. It obtained a copy of the BellSouth Miami yellow pages and gave it to a data entry company who “created a computer database containing the name, address, and telephone number of the subscribers [from which] Donnelley printed lead sheets, listing information for each subscriber, to be used to contact business telephone subscribers to sell advertisements and listings in the Donnelley directory.”<sup>70</sup> Donnelley then used this information to compile its own competing directory. Donnelley conceded that BellSouth had a valid compilation copyright on its product,<sup>71</sup> but argued that it did not engage in the wholesale republication of BellSouth’s work. The court found that “Donnelley did not copy . . . the textual or graphic material from the advertisements in the BAPCO directory, the positioning of these advertisements, the typeface, or the textual material

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<sup>68</sup> Another pending bill seems more consistent with this reasoning. See Consumer and Investor Access to Information Act of 1999, H.R. 1858, 106th Cong. (1999).

It is unlawful for any person or entity, by any means or instrumentality of interstate or foreign commerce or communications, to sell or distribute to the public a database that—(1) is a duplicate of another database that was collected and organized by another person or entity; and (2) is sold or distributed in commerce in competition with that other database.

*Id.* § 102.

<sup>69</sup> 999 F.2d 1436 (11th Cir. 1993) (en banc).

<sup>70</sup> *Id.* at 1439.

<sup>71</sup> *Id.*

included by BAPCO to assist the user . . . [or] the page by page arrangement or appearance of its competitor's directory in creating its own work."<sup>72</sup> The Eleventh Circuit found that Donnelly had not violated federal copyright law, while affirming prior precedent that photocopying and selling the BellSouth yellow pages would have constituted an infringement.<sup>73</sup>

The opinion illustrates the distinction that this article argues is of constitutional significance. The Eleventh Circuit affirmed that the duplication and resale of compilations of facts is wrongful, but permitted the extraction and use of facts found in a compilation to create a new competing work. As Baron demonstrates in her article, this distinction has a long historical pedigree, dating back before the ratification of the Constitution. This distinction, embodied in the Public Domain Principle, must be observed by Congress, even when it attempts to regulate pursuant to its commerce power. It is a distinction that would be violated were Congress to pass House Bill 354 or any other protection for collections of information that premises liability on mere extraction or use. Although the line-drawing will often be difficult, the distinction should operate much like the venerable idea/expression dichotomy, which permits the extraction of ideas from a copyrighted work, but does not permit the copying of the particular expression of those ideas.<sup>74</sup> The problem addressed in idea/expression cases parallels that found in the extraction/duplication cases—how to allow free use of the public domain elements embodied in a work while protecting the work as a whole from copying.

### G. *Two Problems Lurking*

One recent case and one older case raise more difficult issues of line-drawing under the public domain principle.

#### 1. *Creative Facts?*

The Ninth Circuit recently held in *CDN, Inc. v. Kapes*<sup>75</sup> that individual facts brought into being as a result of creative choices may be protected under copyright law. In *CDN*, a newsletter published a compilation of wholesale coin values for a wide variety of different kinds of coins. Some of the wholesale values announced by CDN were used by Kapes in the process of calculating different retail values for the same coins posted on his website. In a decision that does not address the issue of

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<sup>72</sup> *Id.* at 1445.

<sup>73</sup> *Id.* (citing *S. Bell Tel. & Tel. Co. v. Associated Tel. Directory Publishers*, 756 F.2d 801 (11th Cir. 1985)).

<sup>74</sup> See *Baker v. Selden*, 101 U.S. 99 (1879) (holding that idea of accounting system could not be protected, but narrative description of system in book form was protected by copyright law); 17 U.S.C. § 102(b) (1994) (codifying that ideas may not be protected).

<sup>75</sup> 197 F.3d 1256 (9th Cir. 1999).

infringement, the court held that the individual prices for each coin reflected creative judgments and could be protected even after *Feist*.<sup>76</sup> Interestingly, the court does not address the issue whether the compilation as a whole exhibited originality as to the selection of the coins priced or the arrangement of the prices in the list.

Had the case been brought in the Eleventh Circuit, the originality of the coin prices would have been irrelevant because Kapes did not copy and republish CDN's coin prices, but rather used them to create a new work (a different retail price list). The Ninth Circuit, however, may be willing to rule that the use of even a single "original"<sup>77</sup> coin price would constitute an infringement. Such a possibility is worth thinking about. Could the Ninth Circuit (or Congress via House Bill 354<sup>78</sup>) define a new type of "fact," one that is not in the public domain because it was the sole creation of its owner? Imagine an investment banker who spends days calculating a figure for the value of a target corporation's good will.<sup>79</sup> One could argue that he is the "creator" of his unique figure in a sense that the telephone company is not when it reports the numbers of its customers in a directory. In other words, should we draw a distinction between people who gather information and those who generate unique figures from their own independent research,<sup>80</sup> especially when the second sort of figures constitute personal opinions of value?

Although making the distinction is tempting, the relevant legal history provides no support for an exception for "creative facts." In one of the most well-known pre-Convention cases, *Sayre v. Moore*,<sup>81</sup> Lord Mansfield found that substantial borrowing from existing copyrighted sea charts was permissible. Charts are quintessentially factual, yet they are very creative works that demand substantial independent labor and judgment to construct. At the same historical moment as *Sayre*, the fair abridgement doctrine permitted substantial extraction from works far

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<sup>76</sup> *Id.* at 1260.

<sup>77</sup> Even if a single datum could be original for the purposes of *Feist*, CDN's prices are poor candidates for special status. CDN did not rely exclusively on primary research to arrive at a wholesale price, but like Kapes used information generated by others. *Id.* "CDN's process to arrive at wholesale prices begins with examining the major coin publications to find relevant retail price information. . . . CDN also reviews the online networks for the bid and ask prices posted by dealers." *Id.*

<sup>78</sup> Multiple extractions of single bits of data would be actionable under the bill. H.R. 354, 106th Cong. § 1403(c) (1999).

<sup>79</sup> For a sense of how difficult and creative this work is, see GORDON SMITH, TRADEMARK VALUATION (1997); Paul Heald, *Money Damages for Corrective Advertising: An Economic Analysis*, 55 U. CHI. L. REV. 629 (1988).

<sup>80</sup> I would not include the NBA or the NFL in this category; sports leagues generate data, e.g. scores, merely as a by-product of their primary business activity.

<sup>81</sup> *Sayre v. Moore*, sitting after Hil. 1785, at Guildhall, cor. Lord Mansfield C.J., discussed in *Cary v. Longman* 1 East, 358, 361, 102 Eng. Rep. 138, 139(b) (1801).

more creative than maps. These, and other cases discussed in Baron's article,<sup>82</sup> suggest that the framers' notion of what constituted the public domain was quite expansive, perhaps even more expansive than ours today. Although the investment banker mentioned above can make a more appealing claim to the fruits of his labor than can the phone company, there is little historical evidence to suggest that the framers empowered Congress to treat them differently. The investment banker must rely on trade secret law.

## 2. *A Hot News Exception?*

An exception based on the holding in *International News Service v. Associated Press*<sup>83</sup> (*INS*) is easier to justify. In *INS*, the Court upheld a very brief injunction (measured in hours) preventing International News Service from taking facts reported by the Associated Press and using them in its own stories. The injunction was narrowly tailored to preserve only the time-sensitive value of the facts as news and not to establish a significant property right in the facts themselves (as the Court notes in the quote that begins this article). International News was permitted under the ruling to extract the facts as soon as they were reported by the Associated Press, but it was required to delay several hours before reporting them in its own publications. The public and other commercial entities could treat the reported facts as entering the public domain as soon as they were reported. Even the strongest dissenter in the case, Justice Brandeis, thought that Congress had the power to provide such limited protection to news gatherers.<sup>84</sup>

It is difficult to see how the decision in *INS* makes significant inroads into the public domain.<sup>85</sup> The rule facilitates the prompt reporting of data to the public. In fact, it only protects data that has been made widely available for unrestricted public use. The category of users who are restricted from using data is very small, and the restriction is very temporary.<sup>86</sup> The protection provided for hot news is perhaps the only defensible section in House Bill 354, which as a whole is designed to provide near absolute control over data to private parties who have no obligation to ever make their information useful or accessible to the public.

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<sup>82</sup> See Baron, *supra* note 32.

<sup>83</sup> 248 U.S. 215 (1918).

<sup>84</sup> *Id.* at 256. The basis of the Court's decision was federal common law of unfair competition. Brandeis thought the Court should leave to Congress the decision whether news gatherers needed to be protected. *Id.* at 266–67.

<sup>85</sup> See Reichman & Samuelson, *supra* note 49, at 139–45 (arguing the *INS* model is preferable to the model enacted in the European database directive).

<sup>86</sup> *Id.* at 143–44 (noting, with approval, that a historian could feel free to write a book using precisely the same information that International News Service was temporarily prohibited from using).



### III. CONCLUSION: A USEFUL ANALOGY

Whether intellectual property scholars have traditionally talked about it in these terms or not, the idea/expression dichotomy makes a distinction of constitutional significance.<sup>87</sup> Although the line between unprotectable ideas and protectable expression is notoriously difficult to draw, courts step into the breach time and again in order to give effect to the Public Domain Principle underlying the doctrine. The doctrine ultimately prevents Congress from giving private parties the right to control ideas. If Congress insists on enacting unprecedented and historically anomalous legislation granting private parties the right to control facts that they gather, then the courts will be called upon to develop an analogous doctrine recognizing an extraction/duplication dichotomy. It too will be fuzzy at its edges and occasionally frustrating to apply, but courts have historically shown a willingness and ability to enforce this distinction. What Congress and the courts must remember is that the distinction is of constitutional significance.

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<sup>87</sup> See M.B. NIMMER & DAVID NIMMER, *NIMMER ON COPYRIGHT* § 1.10 (1998).

