



Advancing Industry's View On Intellectual Property Since 1920

Ron Marchant
Chief Executive
The Patent Office
Concept House
Cardiff Road
Newport
South Wales
NP10 8QQ

10 March 2005

Dear Ron,

ECJ decisions on the database right

The TMPDF views the recent decisions of the ECJ on the database right with consternation. I refer to the case of *British Horseracing Board and others v William Hill* and the *Fixtures Marketing* cases. We are very concerned that, despite the advice from this Federation and others, the UK government did not intervene in the proceedings before the ECJ.

As interpreted by the European Court the *sui-generis* database right is very much more limited than had been thought by any in this country, in two different ways. First, the very restricted interpretation of what constitutes "obtaining" for the purposes of earning the right means that much of the investment leading to the creation of a database will not count towards earning it protection under that right, at least if the database is not entirely constructed from pre-existing external data. Secondly, even when a database does enjoy protection under the database right, the requirement that infringement should occur only when a substantial part has been taken has been applied in a way that will create an almost insurmountable hurdle to proving infringement for most commercial databases of significant size.

The consequence is that the right is altogether more slender than had been intended by the UK when it agreed to the adoption of the database directive. Officials told us at the time that, although some sweat-of-the-brow databases would lose copyright protection, the loss would be made good by the new *sui-generis* database right, which would give protection essentially equivalent to that previously afforded to such compilations under UK copyright. The only exception would be as to term, where the provision on rolling updates would go far towards mitigating the loss. That, we were told, was the advice that had been given to ministers. Very commendably, officials wrote to industry circles to explain their thinking - see the attached Patent Office letter of 11 July 1995. The Government's view remained the same in 1999; as the minutes of the first meeting of the Database Market Strategy Group explain, "the Government felt vindicated in its efforts to preserve, as far as it could, the *status quo*".

Fifth Floor, 63-66 Hatton Garden, London EC1N 8LE
Tel: 020 7242 3923 Fax: 020 7242 3924
admin@tmpdf.org.uk www.tmpdf.org.uk

However, it is clear under the decisions that many databases previously thought to be protected by the database right are in fact unprotected and can be reproduced *in toto* by others for free. Even databases that might earn the database right will be vulnerable because it will not be an infringement to extract or re-utilise quantities that on any British view would be considered substantial.

The outcome is that protection enjoyed prior to the database directive by British databases has simply evaporated. From a UK perspective that is doubly unfortunate, because the UK database industry, established under the UK's original broader copyright system of protection, was the most successful and dynamic in Europe, as Dr Kim Howells stated at the first meeting of the Database Market Strategy Group.

We believe that where the fundamental basis on which the UK supported a directive is under attack in the ECJ, the UK is under a duty to defend its view of the directive by intervening. The government should be ready to adopt a much more robust approach than has guided it in the past. In the William Hill case three other governments intervened to support a restrictive interpretation and the absence of the UK meant that UK view of the meaning of the directive had no representation at the government level.

We know that the Patent Office received pleas to intervene on the various database cases during 2002, and the Federation wrote to support intervention - see the attached letter of 24 December 2002, which pointed out the dangers that a successful challenge would pose to both subsistence of the database right and the scope of infringement.

As to the database right, we hope that the UK will be active in the forthcoming Commission review of database directive and will seek to re-establish the scope of the database right to match what it had originally expected it to cover.

On the more general question of intervention before the ECJ, we hope that in the future the UK will be more responsive to requests to intervene.

Yours sincerely,

Mike Jewess
President.

enc



Advancing Industry's View On Intellectual Property Since 1930