

LEGAL UPDATE

INTELLECTUAL PROPERTY

CASE COMMENT:

Global Yellow Pages Ltd v Promedia Directories Pte Ltd and Anor matter [2017] SGCA 28

David Llewelyn was appointed *amicus curiae* by the Court of Appeal for this important case that was heard by a five member court headed by the Chief Justice (who gave judgment on behalf of the court).

The Court of Appeal held that the “creativity” (as opposed to the “sweat of the brow”) approach applies in Singapore in determining if copyright subsists in a work. The Court of Appeal also laid down important principles to be applied when deciding on subsistence of copyright in compilations, on fair dealing and on groundless threats of copyright infringement.

The case involved an appeal by Global Yellow Pages Pte Ltd (“**GYP**”) against the trial judge’s dismissal of its claim for copyright infringement by a competitor Promedia Directories Pte Ltd (“**Promedia**”). GYP claimed that copyright subsisted in editions of its white pages, yellow pages, online directories, as well as some of their component parts, and that Promedia’s use of them to check the accuracy of its own directories was not fair dealing. GYP also appealed against the trial judge’s finding that its letters of demand amounted to groundless threats of copyright infringement.

Key principles of copyright law

The Court of Appeal took the opportunity to reiterate the following key principles of copyright law:

1. Liability for infringement of copyright turns on the related issues of subsistence and infringement. The orthodox method of analysis poses three questions in sequence: whether

copyright subsists in a work; whether the copyright has *prima facie* been infringed; and whether any defences apply.

2. Copyright protects not ideas, facts or data as such, but their expression. While copyright would subsist in compilations of facts if the selection or arrangement of those facts constitutes an intellectual creation, the copyright protection conferred would be “thin”.
3. The method of analysis described above is heavily influenced by what it is in a work that attracts copyright protection, especially where infringement and fair dealing are concerned. There is a nexus between the originality, skill and effort that goes into a work, and the substantiality of copying required to establish infringement. Thus, although copyright may subsist in a factual work as a whole, there would be no infringement of such copyright unless the work as a whole is copied, or a substantial portion of that aspect of the work that attracts copyright protection in the first place is copied. In other words, the thinner the copyright protection, the more substantial the copying must be before a finding of infringement will be made.

Subsistence of copyright in compilation works

The Court of Appeal, agreeing with the *amicus curiae*, held that for copyright to subsist in any literary work, there must be an authorial creation that is causally connected with the engagement of the human intellect, i.e. the application of intellectual effort, creativity or the exercise of mental labour, skill or

judgment. Where compilations are concerned, the Court of Appeal stated that the “creativity” approach is to be adopted and that the compiler must exercise sufficient creativity in the selection or arrangement of the factual material within the compilation. The resulting copyright is a “thin” one and would only protect the “original expression” in the form of the selection or arrangement of the material. What constitutes sufficient intellectual effort is a question of “fact and degree” and it is impossible to prescribe what constitutes a minimum level of creativity. Nonetheless, the Court of Appeal noted that algorithmic collection or arrangement of data alone would not cross the creativity threshold.

The Court of Appeal held that copyright did not subsist in the listings within each classification in GYP’s yellow pages as the selection of the contents lacked creativity and was mainly an exercise in fact discovery rather than authorship. As for the listings in the white pages directories, GYP’s sorting rules which departed from alphabetical arrangement only barely met the requisite level of creativity required to attract copyright protection. Such protection, therefore, is extremely thin and would only be infringed by the near wholesale taking of the white pages lists, arranged exactly as they were.

In relation to the fictitious entries (or seeds) created by GYP to detect and prove copying, the Court of Appeal held that copyright cannot subsist in a seed as it is not a literary work to begin with, and the creation of a fictitious name and telephone number falls short of the standard of creativity.

While businesses may invest a substantial amount of time and money in the collection of the data or facts contained in compilations, the misappropriation of such facts or data is simply not within the purview of copyright law. Instead, such protection would more

properly lie within the purview of *sui generis* database rights, which Parliament had considered during the 1998 amendments to the Copyright Act and consciously decided not to introduce in Singapore. GYP sought to argue that there is a lower standard of creativity required for protection in the case of factual compilations as compared to other authors’ works but the Court of Appeal considered that this would supplant the legislation and declined to find so. The Court of Appeal did however note the observation by the *amicus curiae* that database owners could use contracts to obtain a measure of protection.

Fair dealing

The Court of Appeal set out the following approach to determine whether a dealing with a copyright work is fair under Section 35(2) of the Copyright Act:

1. The *purpose and character of the dealing* requires the court to compare the purposes of the infringing work and the original work and assess whether the dealing is fair. This inquiry is heavily shaped by what it was in a work that attracted copyright and what was done with that aspect of the work. In general, the fact that the original and allegedly infringing works share the same purpose will tend to weigh against a finding of fair dealing, as will dealings driven by commercial exploitation. However, the commerciality of the dealing is only one of the factors to be considered and will not necessarily be fatal to a finding of fair dealing.
2. The *nature of the work* involves an examination of the value of the work and how close it is to the core of intended copyright protection. A finding of fair dealing is more likely in cases

which involve fact-based works with “thin” copyright as compared to fiction-based or unpublished works.

3. The *amount and substantiality of the portion used from the copyright work* involves an examination of the quantity and qualitative value of the materials used and whether it is reasonable in relation to the purpose of the copying.
4. The *effect of the use on the potential market or the value of the copyright work* considers the extent of the market harm caused by the alleged infringer’s action and also whether such conduct, if unrestricted and widespread, would result in a substantially adverse impact on the potential market for the original, taking into account the harm to the original and to the market for derivative works.
5. The *possibility of obtaining the work within a reasonable time at an ordinary commercial price* makes a finding of fair dealing less likely. This entails two inquiries: whether the defendant made reasonable investigations into the possibility of obtaining the work on reasonable terms, and if it was possible to obtain the works on such terms, whether he attempted to do so.

The Court of Appeal held that, although Promedia had scanned and photocopied GYP’s white pages directory listing into its temporary database, the copyright which subsisted in the selection and arrangement of the listings was very thin. Promedia’s dealing had nothing to do with the use of the arrangement of the data in the listings and was at best, incidental to commercial research. Promedia’s dealing also would not usurp the potential market for GYP’s works as GYP’s white pages were distributed freely and there

was no point in Promedia seeking a licence from GYP as all that they wanted was the factual content in the white pages, and that was not protected by copyright.

Groundless threats of copyright infringement

At trial, Promedia had successfully counterclaimed for groundless threats of copyright infringement. On appeal, the Court of Appeal agreed with GYP that the letters of demand sent were not threats and were justifiable.

The Court of Appeal reiterated its previous view that the relief for groundless threats of copyright infringement under Section 200(1) of the Copyright Act is discretionary. The Court’s task is to consider whether, in all the circumstances, there is any reason for it to grant relief upon a claim of a groundless threat founded on a failed allegation of infringement. This turns on the facts and circumstances of each case and relevant considerations include whether the action was warranted, whether any conceivable damage flowed from the demand having been made, what the costs consequence from the failed action were or would be, and whether relief was required at all.

In relation to GYP’s letters of demand, the Court of Appeal noted that the letters were neither unwarranted nor meant to chill Promedia’s legitimate activities. Although the threats were overbroad and not particularised, the work in the action was an iterative work with many components and sub-components in which different copyrights might independently exist. GYP had ample factual and legal basis to think that Promedia had copied a substantial amount of its work and could therefore be liable for copyright

LEGAL UPDATE

INTELLECTUAL PROPERTY

infringement, although on the facts this did not turn out to be so.

Implications

The Court of Appeal decision has important implications for the protection of compilation works and databases under copyright law in Singapore. As highlighted above, the Court of Appeal acknowledged that a measure of protection can be obtained using contract. Companies whose business involves the creation and commercialisation of factual compilations or databases may contact us for further advice.

Professor David Llewelyn is available to receive instructions through Acton Law.

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