A T LEAST SINCE the U.S. Supreme Court’s landmark decision in Baker v. Selden, 101 U.S. 99 (1880), it has been settled that copyright protects particular forms of expression, but not the underlying ideas that are expressed. That distinction is made explicit in § 102(b) of the 1976 Copyright Act: “[I]n no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.”

Under the doctrine of “merger,” where an idea and its expression are inseparable—that is, the idea can effectively be expressed in only one way—copyright protection will yield to the principle that ideas may not be monopolized. But where does the idea stop and the expression begin? A highly abstract idea—a play presenting a murder mystery—can be expressed in thousands of ways, each copyrightable. Very specific ideas—e=mc²—can only be expressed practically in one way. As one court put it, the merger doctrine “has understandably given rise to bewildering problems of interpretation as to whether copying has been of protected expression or of the unprotected ideas underlying the expression.” CCC Information Servs. Inc. v. Maclean Hunter Market Reports Inc., 44 F.3d 61, 69 (2d Cir. 1994).

In two circuit court decisions rendered over the past several months, these issues played out in the mundane context of parts-numbering systems. In both decisions—one an en banc ruling issued over a stiff dissent—the courts denied copyright protection, finding that “idea” merged with “expression.” While the subject matter is arcane, these cases illustrate inherent tensions among basic principles of copyright law.

No copyrightability for categorization system

Southco Inc. is a manufacturer of rivets, latches, handles and “fasteners.” Its fasteners—products used to fasten two panels together—achieved particular recognition in the subcontracting of work on computers and telecommunications equipment, where they are often specified for use. Southco developed a system of categorizing and referring to the fasteners, to be used by its employees and customers. The system assigns a parts number to each fastener, so that a person who knows a number can easily discern the characteristics of the product, and a customer who knows what kind of fastener is required for a particular job can determine the number of the product that fills the need. According to the system, certain digits in the parts number represent the type of part (for example, a screw); others denote thread size, material (steel or aluminum) and the finish on the knob of the fastener.

In 1999, Southco sued Kanebridge Corp., a distributor of competitive (and usually cheaper) fasteners, alleging that Kanebridge had infringed Southco’s copyright when it used 51 different Southco parts numbers in “comparison charts” designed to show that its fasteners were interchangeable with Southco products. Kanebridge claimed that use of the parts numbers is essential to allow effective competition with Southco. A Philadelphia federal district court granted Southco a preliminary injunction. A 3d U.S. Circuit Court of Appeals panel reversed in 2001, finding that the parts numbers were not copyrightable. Southco Inc. v. Kanebridge Corp., 258 F.3d 148 (3d Cir. 2001). On remand, the district court ultimately granted summary judgment dismissing the claims. On a second appeal, a different panel reversed the summary judgment, holding that a declaration submitted by a Southco engineer who had designed fasteners and assigned them parts numbers raised questions of fact over whether the choice of parts numbers

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“involves at least a modicum of creativity.” 324 F.3d 190, 197 (3d Cir. 2003).

The 3d Circuit granted en banc review, and the United States submitted an amicus brief supporting Kanebridge. In December 2004, more than five years after the suit was brought, the en banc court reversed the second panel, holding that the copyright claim was properly dismissed. 390 F.3d 276 (3d Cir. 2004).

Eight of the 13 en banc judges joined in a majority opinion, rejecting copyrightability on two independent grounds. First, the majority found that the parts numbers could not satisfy even the weak creativity requirement imposed by the Copyright Act. As the Supreme Court held in Feist Publications Inc. v. Rural Telephone Service Co., 499 U.S. 340 (1991), while the creativity requirement is not “stringent,” there nevertheless is “a narrow category of works in which the creative spark is utterly lacking or so trivial as to be virtually nonexistent.”

Southco’s numbers fell in that category: “[T]he Southco product numbers are not ‘original’ because each number is rigidly dictated by the rules of the Southco system. Because ideas may not be copyrighted, Southco does not assert any claim of copyright in its numbering system, but instead focuses on the part numbers themselves. The numbers, however, do not reflect any creativity.” Once the system is in place, products can be “numbered without the slightest element of creativity. Indeed, if any creativity were allowed to creep into the numbering process, the system would be defeated.” 390 F.3d at 282.

Second, the majority held that the numbers are “excluded from copyright protection because they are analogous to short phrases or the titles of works”—categories the U.S. Copyright Office refuses to accept for registration on the ground that they are not sufficiently original. Longstanding Copyright Office practice, the majority found, “merits deference.” Id. at 285, 286.

Two dissenting judges saw the idea/expression divide differently. Southco’s idea, in their view, was “the use of a code to describe products,” not the use of the particular “predetermined numbers” required by the system. Therefore, the choice of the numbers was not a mechanical application of the system, but an original “expression” of the idea—one of many ways that a numbering system could be designed. The two dissenters (joined by three other members of the court) also disagreed that the “short phrases” rule barred copyright protection. Given their originality, the dissent believed that the numbers should not be excluded from copyright simply because they are concise.

A similar result—denial of copyright protection—was reached in another case on March 30. In ATC Distribution Group Inc. v. Whatever It Takes Transmissions & Parts Inc., 402 F.3d 700 (6th Cir. 2005), ATC had created a transmission parts catalog that categorized parts by brand, transmission type and type of part. It sued a competitor that issued a nearly identical parts catalog.

The panel affirmed summary judgment dismissing ATC’s copyright claims: “[A]ll of the creative aspects of the ATC classification scheme are...ideas. ATC cannot copy the prediction of how many types of sealing ring will be developed in the future, its judgment that O-rings and sealing rings should form two separate categories of parts, or its judgment that a new part belongs with the retainers as opposed to the pressure plates.” 402 F.3d at 707. The “particular numbers allocated to each part do not express any of the creative ideas that went into the classification scheme in any way that could be considered eligible for copyright protection.” Id. at 709.

But there is also contrary authority

It would be hazardous to conclude, however, that taxonomies have no hope of receiving copyright protection. Southco and ATC did not disturb two earlier decisions that recognized copyright claims for similar works. The 7th Circuit, in American Dental Association v. Delta Dental Plans Assoc., 126 F.3d 977 (7th Cir. 1997), upheld copyright protection for a taxonomy that classified dental procedures into groups, assigning each procedure a number as well as a description. The taxonomy qualified as original because of the many choices that had been made in picking particular numbers and grouping procedures. These “choices [are] original to the author of a taxonomy, and another author could do things differently.” Id. at 979.

In CCC Information Services Inc., supra, Maclean published the Automobile Red Book, which featured projections of the values of “average” examples of used cars sold in different regions of the country, breaking out values by make, model number, body style and engine type. While conceding that the entries simply expressed Maclean’s “idea” of the value of each car, the 2d Circuit still extended copyright protection.

Rather than simply defining Maclean’s “idea” and then comparing it to the plaintiff’s “expression,” the 2d Circuit took a more nuanced approach. It wrote that use of the merger doctrine to block infringement claims and keep “ideas free from private ownership is far greater” for ideas “directed to the understanding of phenomena or the solving of problems, than for those that merely represent the author’s taste or opinion.” As subjective matters of opinion, Maclean’s views on used car values were, on this test, deserving of copyright protection. They were “ideas of the weaker category, infused with opinion; the valuations explain nothing, and describe no method, process or procedure.” 44 F.3d at 71, 73. The dental taxonomy at issue in American Dental might also be considered a work “infused with opinion.”

It is unlikely that there will ever be a clear test to separate public domain “ideas” and protectable “expression.” Courts will continue to be skeptical about copyright claims based on mechanical classification systems—particularly when copyright arguably is used to inhibit competition—and receptive to the argument that creativity should be rewarded with a copyright.

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