Database operators settle copyright suit

Freelance writers to get up to $18m from class action

By Globe Wire Services  |  March 30, 2005

NEW YORK -- A group of companies that operate electronic databases have agreed to pay freelance writers up to $18 million to settle copyright infringement claims brought under a class action lawsuit, according to a settlement disclosed yesterday.

The settlement covers claims brought against the companies by three groups representing freelance writers: the National Writers Union, the Authors Guild, and the American Society of Journalists and Authors.

The plaintiffs claimed that the database operators, including ProQuest Co., Reed Elsevier Group's LexisNexis database, as well as The New York Times Co., and Dow Jones & Co., used articles from freelance writers in databases without the authors' permission. The case was boosted by a 2001 Supreme Court ruling that said the principles of copyright protection also applied to online distribution of editorial content.

A motion for approval of the settlement was filed last week in federal court in New York, said Gerard Colby, president of the National Writers Union.

"We are going for preliminary approval before the judge, which we expect to get," Colby said. "All the defendants and all the plaintiffs are in agreement on the terms."

The writers' representatives said in a press release that under the settlement, publishers have agreed to pay writers up to $1,500 for stories in which the writers had registered the copyrights.

Writers who failed to register their copyrights will receive up to $60 per article, the writers' group said.

"This is a substantial settlement, and, if approved, it will vindicate freelance writers who deserve compensation and control for their work in the electronic marketplace," said Nick Taylor, president of the Authors Guild, another writers' group involved in bringing the case.

Times Co., publisher of The New York Times and The Boston Globe, said in a statement it is "pleased that this issue has been resolved and believes the agreement is fair to all parties involved."