

1955
Feb. 1-4, 7
1957
Aug. 9

BETWEEN:

CIRCLE FILM ENTERPRISES IN-
CORPORATED

PLAINTIFF;

AND

CANADIAN BROADCASTING COR-
PORATION

DEFENDANT.

Copyright—Copyright Act, R.S.C. 1927, c. 32, ss. 20(3), 36(2)—The Copyright Amendment Act, 1931, S. of C. 1931, c. 8, s. 7—Certificate of registration of copyright prima facie evidence of ownership by person registering certificate—Where plaintiff's title to copyright put in issue author of work presumed to be owner of copyright, unless contrary proved—Difference between prima facie evidence and proof.

The plaintiff brought an action against the defendant for infringement of copyright. In its statement of claim it alleged that it was the owner of the copyright in a work called "Golgotha", of which the author was one Chanoine Joseph Reymond, a French citizen, resident in Paris, and that the defendant had infringed its rights by broadcasting it by means of television from its station in Toronto. In its statement of defence the defendant denied that the plaintiff was entitled to any copyright in the work. Counsel for the plaintiff relied on a certificate of registration of copyright issued by the Commissioner of Patents who certified that the copyright in the published literary work entitled "Golgotha" by Chanoine Joseph Reymond, of Paris, France, was registered in the Register of Copyrights kept at the Copyright Office on February 5, 1952, in the name of the plaintiff and that under section 36(2) of the *Copyright Act* the certificate of registration was, in the absence of evidence to the contrary, sufficient proof of the plaintiff's entitlement to the copyright. Counsel for the defendant submitted that section 20(3) of the *Copyright Act* as amended in 1931 applied in the circumstances of the case and that under it the onus of proof of the plaintiff's title to the copyright, since it was not the author of the work, lay on it and was not discharged by the mere filing of the certificate of registration. As an alternative to his submission counsel for the plaintiff sought to prove the plaintiff's title to the copyright by producing certain documents and proving their execution through the evidence of the president of the plaintiff.

Held: That there is a difference between *prima facie* evidence and proof.

2. That in an action for infringement of copyright, where the plaintiff is not the author of the work in which he claims the copyright and the defendant puts in issue the plaintiff's title to it, the onus of proof that the author of the work is not the owner of the copyright rests on the plaintiff and cannot be discharged merely by filing a certificate of registration of copyright in his name.
3. That the execution of the documents produced on behalf of the plaintiff was not lawfully proved and the plaintiff has not proved its title to the copyright.
4. That the plaintiff's action must be dismissed.

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ACTION for infringement of copyright.

The trial was held before the President of the Court at Ottawa.

Redmond Quain, Q.C., and *Hector Soublière* for plaintiff.

E. G. Gowling, Q.C., and *W. R. Jackett, Q.C.*, for defendant.

The facts and questions of law raised are set out in the reasons for judgment.

THE PRESIDENT now (August 9, 1957) delivered the following judgment:

This is an action for damages for infringement of copyright. The plaintiff alleges, *inter alia*, that it is the owner of the copyright in a work called "Golgotha", the author of which was Chanoine Joseph Reymond, a French citizen, resident in Paris, and that the defendant infringed its rights in April of 1953 by broadcasting it by means of television from its station in Toronto. The plaintiff claims damages in the sum of \$20,000 on the ground that the television showing reduced the value of the work for cinema performances and television and other purposes. It also claims punitive damages of \$1,000 and an injunction.

In its statement of defence the defendant, *inter alia*, denies that the plaintiff is entitled to any copyright in the said work and thus puts in issue the plaintiff's title to the copyright in it. If this issue is resolved against the plaintiff that is the end of its case.

Counsel for the plaintiff relied on a certificate of registration of copyright, filed as Exhibit 9, and section 36(2) of the *Copyright Act*, R.S.C. 1927, Chapter 32. The certificate was issued by the Commissioner of Patents who certified that the copyright in the published literary work entitled

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"Golgotha" by Chanoine Joseph Reymond, of Paris, France, was registered under Serial No. 95504, in Register of Copyrights No. 25, kept at the Copyright Office, on the 5th day of February, 1952, in the name of Circle Film Enterprises Inc., of Hollywood, California, U.S.A., and that the first publication of the work was made May 4, 1934, April 12, 1935, and March 25, 1937, in Paris, France. Section 36(2) of the *Copyright Act* provided:

36. (2) A certificate of registration of copyright in a work shall be *prima facie* evidence that copyright subsists in the work and that the person registered is the owner of such copyright.

and it was submitted on behalf of the plaintiff that the registration of the certificate was, in the absence of evidence to the contrary, sufficient proof of its title to the copyright in question. Indeed, counsel for the plaintiff based its case on this submission.

Counsel for the defendant, on the other hand, relied on section 20(3) of the *Copyright Act*, as amended by section 7 of *The Copyright Amendment Act*, 1931, Statutes of Canada, 1931, Chapter 8, which, so far as relevant, provided:

20. (3) In any action for infringement of copyright in any work, in which the defendant puts in issue either the existence of the copyright, or the title of the plaintiff thereto, then, in any such case:

- (a) The work shall, unless the contrary is proved, be presumed to be a work in which copyright subsists: and
- (b) The author of the work shall, unless the contrary is proved, be presumed to be the owner of the copyright;

and it was submitted on behalf of the defendant that this provision specifically applies in the circumstances of this case and that under it the onus of proof of the plaintiff's title to the copyright in question, since it was admittedly not the author of the work in which it subsisted, lay on the plaintiff and was not discharged by the mere filing of the certificate of registration on which it relied.

Thus the basic issue in the case is a narrow one, namely, whether the mere filing of a certificate of registration by a plaintiff who is not the author of the work in which he claims copyright is sufficient proof, in an action for infringement of copyright where the plaintiff's title to the copyright is put in issue, to rebut the statutory presumption raised by section 20(3) that the author of the work is the owner of the copyright in it.

I have no hesitation in determining this issue against the plaintiff. There are several reasons for doing so.

The issue is of considerable importance but it is comparatively novel and there is little judicial authority bearing on it. The most direct judicial pronouncement is that of Ferguson J. in *Reliance Shoe Co. Ltd. v. Campbell Soup Co. Ltd. and Toronto Broadcasting Co. Ltd.*¹ In that case the plaintiff sought an injunction against the defendants restraining them from broadcasting a radio programme under a name in which it claimed a copyright by assignment. It registered its alleged copyright and relied upon the registration as *prima facie* evidence that copyright subsisted and that it was the owner of it. Ferguson J. rejected this submission. At page 84, he said:

I do not think the plaintiff's position is sound because although s. 36 of the *Copyright Act*, R.S.C. 1927, c. 32, makes the certificate of registration of copyright *prima facie* evidence that copyright subsists in the work, and that the person registered is the owner of such copyright, s. 20 makes it clear that in any action for infringement of copyright, if the existence of the copyright is put in issue the *prima facie* presumption raised by s. 36 no longer holds, and the onus is on the plaintiff to establish the existence of the copyright.

I am in substantial agreement with this opinion except that I do not accept the statement that section 36(2) raises a *prima facie* presumption in favor of the person referred to in the certificate of registration. In my judgment, the section does not go that far.

It was unsound to say, as counsel for the plaintiff did, that sections 20(3) and 36(2) of the *Copyright Act* are in conflict with one another. They are not. The Act must be read as a whole and full and fair effect given to each of the sections. The adoption of counsel for the plaintiff's submission would do violence to this fundamental principle of construction for it would, in effect, render section 20(3) meaningless. If it were right all that a person claiming copyright, in a work of which he is not the author, would have to do before bringing an action for infringement of copyright would be to apply for a certificate of registration of copyright and file it. When it is seen how easy it is to obtain such a certificate the unreasonableness of the submission becomes apparent. All that an applicant for registration has to do is to make an application in accordance with Form H. of *The Copyright Rules*, made and established by Order in Council P.C. 3932, dated September 2, 1948. In this form

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¹ (1951) 13 C.P.C. 82.

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the applicant gives his name and address and declares that he is the owner of copyright in the original work, giving its title, the name and address of the author and the date and place of its first publication. The applicant's signature need not be witnessed and he is not required to verify his statements by affidavit or statutory declaration. He need not give any particulars of how he derived his title from the author. On the filing of the application and payment of the required fee the Commissioner of Patents issues the certificate applied for. The Copyright Office does not make any enquiry or search and does not take any responsibility for the truth of the statements in the application. Rule 29 makes the applicant responsible for them. Rule 32 requires that the application shall be signed by the applicant or a duly authorized agent. In the present case it was signed by the plaintiff's solicitor and no evidence was required or given of his authority to sign for the plaintiff. Under the circumstances, it would be unreasonable to assume that the mere filing of a certificate, obtained in this manner, would, in a case within the specific terms of section 20(3), be sufficient proof to establish the contrary of the statutory presumption raised by that section. An interpretation leading to such a result, which in effect would nullify the specific provisions of section 20(3), is so unreasonable that, in the absence of terms clearly compelling its adoption, it ought not be attributed to Parliament.

Moreover, while section 36(2) is general in its terms section 20(3) provides for a specific situation, namely, an action for infringement of copyright in a work in which the defendant puts in issue either the existence of the copyright or the title of the plaintiff to it. Where only the title of the plaintiff to the copyright is put in issue, as in the present case, the section establishes that the author of the work shall be presumed to be the owner of the copyright, unless the contrary is *proved*. Thus in a case where the plaintiff is the author of the work there is a presumption in his favor that he is the owner of the copyright in it. This is in accord with the principle that authorship of a work is the basis of copyright in it. In such a case, if the defendant puts the title of the plaintiff in issue the onus of proof that the plaintiff has parted with the copyright lies on the defendant. But under section 20(3), as amended in 1931, where the plaintiff is not the author of the work but claims copyright by

assignment or otherwise from the author there is no presumption in his favor. On the contrary, the presumption is that the author is the owner and this continues unless the contrary is *proved*. In such case, the onus of contrary proof is on the plaintiff. It would be anomalous if this onus of proof could be discharged by the mere filing of a certificate obtained in the manner described.

In this connection it is significant that, while section 36(2) speaks of the certificate of registration as *prima facie* evidence, section 20(3) establishes the presumptions specified by it unless the contrary is *proved*, and it is well established that there is a difference between *prima facie* evidence and proof: *vide*, for example, *Ontario Equitable Life and Accident Co. v. Baker*¹.

Moreover, section 36(2), making a certificate of registration, obtained by an application for it without verification of the allegations of fact in it, *prima facie* evidence that the declaration of ownership of copyright made by the applicant himself is true is a provision of an exceptional nature not contained, for example, in the English Act or required by the Berne or Rome Conventions. Under the circumstances, its application should not be extended beyond its express terms. There is no need or justification for giving it the large interpretation submitted by counsel for the plaintiff.

Accordingly, I find that in a case to which section 20(3) applies, that is to say, in an action for infringement of copyright, where the plaintiff is not the author of the work in which he claims the copyright, and the defendant puts in issue the plaintiff's title to it, the onus of proof of the contrary of the presumption that the author of the work is the owner of the copyright in it rests on the plaintiff. If he is to succeed in his action he must establish according to the rules of evidence the transaction or transactions by which he derived his title to the copyright from the author, its presumed owner, and he cannot discharge the onus which section 20(3) lays on him merely by filing a certificate of registration of copyright in his name. It is intended by the section that a defendant who has put the plaintiff's title in issue should have an opportunity of testing the proof of title put forward on the plaintiff's behalf. The issue raised by it must be determined as section 20(3) provides and

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¹ [1926] S.C.R. 297.

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cannot be determined by resort to section 36(2). The plaintiff may file the certificate as *prima facie* evidence but it is not sufficient to constitute the contrary proof required by section 20(3) in a case to which it specifically applies.

The basic issue in the case having been thus determined against the plaintiff it was incumbent on it to prove its title to the copyright in question. Counsel for the plaintiff sought to do so by producing certain documents in the course of his examination of Mr. S. Waagenaar, the president of the plaintiff, and proving their execution through him. In doing so he made it clear that this course was an alternative one and taken only in the event that his contention of reliance on section 36(2) of the *Copyright Act* should not be accepted by the Court. I shall set out the attempted chain of title and then deal with the question whether there was sufficiency of proof. The alleged chain started from Chanoine Joseph Reymond, a resident of Paris, who was said to be the author of the scenario of the film "Golgotha". The documents on which counsel relied and which he filed as exhibits, subject to objection by counsel for the defendant, are enumerated as follows, namely, an assignment from Chanoine Joseph Reymond to La Societe Ichthys Films, dated May 4, 1934, of all rights of film adaptation of the scenario "Golgotha" with dialogues in any language; an assignment, appearing to be in the nature of a pledge, from La Societe Ichthys Films to La Societe Films Union, dated November 12, 1934; a transfer from Jean Lepicard, said to be the trustee in bankruptcy of La Societe Films Union, to Leon Izembart, dated March 14, 1938; a transfer from Leon Izembart to A.C.I. Films, dated August 10, 1939, of all the films and film rights said to have formerly belonged to La Societe Films Union and to have been received from the trustee in bankruptcy; a transfer from Chanoine Joseph Reymond to Leon Chalus, dated November 9, 1951, of the right to adapt his work "Golgotha" to television; an assignment from Leon Chalus to A.C.I. Films, dated November 12, 1951, of the rights said to have been received from Chanoine Reymond; an assignment from A.C.I. Films to S. Waagenaar, dated April 6, 1948, of all its rights in respect of "Golgotha" in the United States and Canada and all its rights in respect of its contract with one George McL. Baynes; and an assignment from S. Waagenaar to the plaintiff, dated June 26, 1950, of all his

rights in respect of "Golgotha". These documents were filed in the Copyright Office after the action had started and certificates of such recording were filed as exhibits.

Mr. Waagenaar gave evidence in respect of some of the documents to the effect that he recognized some of the signatures in them, for example, those of Chanoine Joseph Reymond, Leon Izembart and Leon Chalus. Counsel for the defendant objected to the filing of the certificates of the recording of the assignments subsequently to the commencement of the action but it is not necessary to deal with his objection in view of the fact that the filing of the certificates would not have added any strength to the plaintiff's claim of title even if they had been filed before the commencement of the action. No presumption arises from the recording of an assignment.

But counsel for the defendant's objection that the plaintiff has not proved that it is the owner of the copyright is serious. Indeed, it is unanswerable. The objection was two-fold; firstly, that the execution of the documents was not lawfully proved and, secondly, that even if their execution was proved it was not clear what the rights of the plaintiff were.

It should be kept in mind that in this case the defendant has put in issue the plaintiff's title to the copyright said to have been infringed and that the parties are at arms length. The defendant is, therefore, entitled to have the issue which it has deliberately raised determined strictly according to law. Moreover, the plaintiff has made a claim for a large amount of damages and it cannot complain that its claim is resisted. A chain is no stronger than its weakest link so that if the plaintiff fails to establish any one link in it the chain of title fails altogether.

It was proved that Chanoine Joseph Reymond was alive at the date of the trial. It is an elementary rule that the best evidence procurable must be given of the facts sought to be proved: *vide* 13 Hals., Second Edition, page 528, para. 591(2). Since it is established that he was alive at the date of the trial his evidence that he signed the transfer from himself to La Societe Ichthys Films, dated November 12, 1934, would have been the best evidence of its execution and such evidence was procurable for it could have been obtained on commission. The fact that a commission would have been expensive is no answer to the defendant's objec-

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tion for if the plaintiff had succeeded its costs of the commission would have been recoverable. This failure to prove the transfer from Chanoine Reymond to Ichthys Films is sufficient of itself to substantiate the defendant's objection and destroy the plaintiff's claim.

But there is a further flaw in the proof of title. Apart from the fact that the alleged transfer from Jean Lepicard as the trustee in bankruptcy of La Societe Union Films to Leon Izembart, dated March 14, 1938, was not proved by the signature of Jean Lepicard, there is no proof that Union Films was in bankruptcy or that the French law of bankruptcy had been complied with in such a way as to warrant the transfer to Leon Izembart. This difficulty is further complicated by the fact that the rights of Union Films appeared to have come to it by way of pledge from Ichthys Films and there is no proof of how such pledge matured into ownership if such was the case.

And it was also proved that Leon Izembart was alive at the date of the trial from which it follows that the alleged transfer to A.C.I. Films, dated August 10, 1939, was not proved by the best evidence procurable, since the evidence of Leon Izembart could have been obtained on commission. There are other defects of proof of a similar nature.

What I have said is sufficient to show that the plaintiff has not proved its title to the copyright in question. This makes it unnecessary to consider the other objection raised by counsel for the defendant, namely, that even if the execution of the documents had been proved they would not establish the plaintiff's right to the copyright claimed by it.

Since the plaintiff has failed to prove its title to the copyright it is not necessary to consider whether there was any infringement of copyright by the defendant or any of the other issues that might otherwise have had to be dealt with.

And I am of the view that, under the circumstances, I should not deal with the question of damages or attempt to assess them beyond saying that, in my judgment, the amount claimed by the plaintiff was excessive.

It follows from what I have said that the plaintiff's action must be dismissed with costs.

Judgment accordingly.

N.B. The judgment herein was reversed by the Supreme Court of Canada [1959] S.C.R. 602.