68, 1939

No. 94 of 1938.

In the Privy Council.

ON APPEAL

FROM THE SUPREME COURT OF ONTARIO (APPELLATE DIVISION).

BETWEEN

FRANCIS DAY & HUNTER LIMITED (Plaintiffs) *Appellants*

AND

TWENTIETH CENTURY FOX CORPORATION LIMITED and FAMOUS PLAYERS CANADIAN CORPORATION LIMITED (Defendants) - *Respondents.*

Case for the Appellants.

RECORD.

1. This is an appeal from an Order of the Court of Appeal for Ontario (Middleton, Masten and Henderson, J.J.A.) dated the 13th of June, 1938, allowing an appeal from the decision of McEvoy, J., dated the 23rd of November, 1937, awarding the Appellants, the Plaintiffs in the Action, $1,046.34 by reason of the advertising, renting and exhibition of a cinematograph film entitled " The Man who Broke the Bank at Monte Carlo." p. 100. p. 99.

2. The Appellants are a limited company incorporated according to the Laws of England and carry on business as music publishers with their head office in London, England. The Respondents Twentieth Century Fox Corporation Limited are a limited company incorporated according to the laws of Canada carrying on business as the distributors and renters of cinematograph films with their head office in Toronto, Canada. The Respondents, Famous Players Canadian Corporation Limited are a limited company incorporated according to the laws of Canada carrying on business as the owners of cinematograph theatres with their head office in Toronto, Canada. p. 1, ll. 10, 11. p. 3, l. 27. p. 1, ll. 13-15. p. 3, ll. 31, 35. p. 1, ll. 15-17. p. 3, l. 32.

p. 3, ll. 5-19. 3. The action was commenced by the Appellants in respect of infringement of copyright and performing right by the Respondents of a musical work entitled " The Man who Broke the Bank at Monte Carlo." The said musical work consisted in a song, and the said title of such song, composed and written in or about the year 1892 by one, Fred Gilbert, a British subject, who died on the 12th April, 1903, and was first published in England on the 22nd April, 1892 by the firm of Francis Day & Hunter, the predecessors of the Appellants. The said musical work was registered at the Stationers Hall on the 18th March, 1893, and by divers mesne assignments the Appellants are entitled to a half share in the copyright and performing right thereof. This was so held by the trial Judge and no appeal was made from this finding.

p. 124, ll. 8-10. Ex. 4, p. 127. Ex. 5, p. 112. Ex. 5, p. 112. Ex. 3, p. 125. Ex. 4, p. 126. Ex. 6, p. 120. Ex. 7, p. 121. p. 98, ll. 20. 21.

4. The alleged acts of infringements consisted in the distribution and renting by the Respondents Twentieth Century Fox Corporation Limited and the advertising and exhibiting in public at the cinematograph theatres particularised in Schedules A and B to Exhibit 1 of the Respondents Famous Players Canadian Corporation Limited of the said cinematograph film entitled " The Man who Broke the Bank at Monte Carlo." The Appellants also claim that by reason of the premises the Respondents passed off the said cinematograph film as and for the work of the Appellants.

p. 129, ll. 16-25. p. 130, l. 24, p. 141, l. 26.

p. 6, ll. 35-38. 5. It was admitted by the Appellants at the trial that neither the music nor the words of the said musical work were advertised or reproduced in the said film by the Respondents. By Section 2 (v) of the Canadian Copyright Act, 1921, as amended by the Canadian Copyright Act of 1931, it is provided that " work " shall include the title thereof when such title is original and distinctive. It was contended by the Appellants that the Respondents had infringed the copyright and performing right in the said title " The Man who Broke the Bank at Monte Carlo " of the said Musical Work for the following reasons :—

(I) The said title is original and distinctive. This was so found by the trial Judge upon consideration of the evidence and was not over-ruled by the Court of Appeal.

p. 97, ll. 34, 35.

(II) The right conferred by Section 2 (v) of the Canadian Copyright Act, 1921, as amended by the Act of 1931 applies to all existing works in respect of which copyright was subsisting at the date at which the Act of 1931 came into force, and accordingly the said title is the subject of copyright if the said musical work as a whole was the subject of copyright at the said date. This was so held by the trial Judge and not over-ruled by the Court of Appeal.

p. 97, ll. 34, 35.

(III) That the said musical work as a whole was the subject of copyright at the said date by reason of the matters hereinafter

set forth. This was so held (except as to the performing rights) by the trial Judge but was over-ruled by the Court of Appeal. p. 98, ll. 20-23.

(IV) Copyright in a title is infringed if such title is applied to any work, albeit not of the same character as the original work, and that the copyright in the said title of the said musical work was infringed by applying it to the said cinematograph film and advertisements thereof. This was so held by the trial Judge, but over-ruled by the Court of Appeal. p. 96, ll. 44-46. p. 102, l. 19. p. 103, ll. 22, 23. p. 98, ll. 17-20. p. 103, ll. 1-4.

6. Section 42 Sub-section (1) of Chapter 32 of the Revised Statutes of Canada, 1927 (which in substance reproduces the Canadian Copyright Act of 1921 and is hereinafter referred to as " the present Copyright Act ") is as follows :—

" 42. Where any person is immediately before the first " day of January 1924 entitled to any such right in any work " as is specified in the first column of the First Schedule to this " Act, or to any interest in such right, he shall, as from that date, " be entitled to the substituted right set forth in the second " column of the Schedule, or to the same interest in such sub- " stituted right, and to no other right or interest, and such " substituted right shall subsist for the term for which it would have " subsisted if this Act had been in force at the date when the " work was made, and the work had been entitled to copyright " thereunder."

The material part of the Schedule is as follows :—

SCHEDULE.

Existing Rights.	Substituted Rights.
Both copyright and performing right.	Copyright as defined by this Act.
Copyright but not performing right.	Copyright as defined by this Act, except the sole right to perform the work or any substantial part thereof in public.
Performing right but not copyright.	The sole right to perform the work in public, but none of the other rights comprised in copyright as defined by this Act.

Section 42 Sub-section (5) of the present Copyright Act is as follows :—

> " (5) Subject to the provisions of this Act, copyright shall " not subsist in any work made before the first day of January, " 1924, otherwise than under, and in accordance with, the pro- " visions of this section."

Copyright is defined by Section 3 of the present Copyright Act as meaning " the sole right to produce or reproduce the work or any sub- " stantial part thereof in any material form whatsoever, to perform . . . " the work or any substantial part thereof in public . . . , and to authorise " any such acts as aforesaid."

Section 5 of the present Copyright Act is as follows :—

> " The term for which copyright shall subsist shall, except as " otherwise expressly provided by this Act, be the life of the " author and a period of fifty years after his death,"

a period which in this case does not expire until the 12th April, 1953.

7. If, therefore, any predecessor in title of the Appellants was immediately before the 1st January, 1924, entitled to copyright and performing right within the meaning of the first column of the First Schedule above mentioned in the said musical work or any interest in such a right he was thereafter entitled to copyright or an interest therein under the present Copyright Act for the extended period provided by the Act. This Statute does not require the performance of any act whether by way of printing or publishing in Canada or registration or otherwise as a condition precedent to the right to enforce copyright and by virtue of the said mesne assignments the Appellants would be entitled to relief in respect of the said infringements.

8. In the year 1892, at the date of the composition of the said musical work, copyright and performing right subsisted in Canada by virtue of the Imperial Copyright Act, 1842. This Act was repealed in England by Section 36 of the English Copyright Act, 1911, and in Canada by Section 47 of the present Copyright Act. After the year 1906, copyright, that is the right to produce and reproduce, but not the right to perform the work, could also be obtained in Canada by virtue of the Canadian Copyright Act, 1906, if the conditions therein imposed were fulfilled. Neither expressly nor by implication did that Act repeal or abrogate the Imperial Copyright Act, 1842. By Section 6 of the Canadian Copyright Act, 1906, the condition for obtaining copyright in a work under that Act was that the work should be printed and published or reprinted and republished in Canada, and by Section 11 of that Act no person was entitled to the benefit of that Act unless he had deposited at the Department of Agriculture three copies of

the work. It was admitted by the Appellants that neither of these conditions had been fulfilled with respect to the said musical work which accordingly was not the subject of copyright under the Canadian Copyright Act, 1906.

9. The Appellants submit that immediately before the 1st January, 1924, the date at which the present Copyright Act came into force the rights in the said musical work were as follows :—

(A) Copyright, apart from the right to perform, attached to it by virtue of the Imperial Copyright Act of 1842, but not by virtue of the Canadian Copyright Act, 1906.

(B) Performing right attached to it by virtue of the only Act granting performing right in Canada, that is, by Section 22 of the Imperial Copyright Act, 1842.

These two rights together comprise full copyright and the Appellants submit that such copyright (acquired by virtue of the Imperial Copyright Act, 1842) is such a right as has substituted for it copyright under the present Copyright Act by virtue of Section 42 of that Act.

10. The Court of Appeal held that the present Copyright Act preserved only rights subsisting in Canada by virtue of Dominion legislation and accordingly that no Canadian copyright subsisted in the said musical work after the present Copyright Act came into force. In coming to this conclusion the Court of Appeal considered themselves bound by the decision of His Majesty's Privy Council in the case of *Mansell v. The Star Printing & Publishing Company of Toronto Limited* (1937 A.C. 872). The Appellants humbly submit that the Court of Appeal were wrong in so holding and that the said decision on its true reading established only that there must have been subsisting an existing Canadian as opposed to an English or other copyright in order to obtain the substituted copyright under the present Act, and did not decide that such pre-existing Canadian copyright must have been acquired by virtue of Dominion legislation. In that case the subject-matter of the copyright consisted in pictures, to which no copyright attached by virtue of the Imperial Copyright Act, 1842. Copyright in pictures was first granted in England by the Fine Arts Copyright Act, 1862, which did not apply to Canada, and in Canada only by the Canadian Copyright Act, 1906. The provisions of Sections 6 and 11 of the latter Act had not been complied with and accordingly no Canadian copyright subsisted in the pictures at the date at which the present Copyright Act came into force. It was contended by the Plaintiff in that action that copyright in Canada under the present Copyright Act was subsisting because there was previously subsisting an English copyright. This contention was dismissed by Lord MacMillan as follows (1937 A.C. 872, at page 881) :— p. 102, ll. 1-19.

" It was strenuously argued that Section 42 (of the present " Copyright Act) in dealing with the case of any person ' entitled

" ' to any such right in any work as is specified in the first column
" ' of the First Schedule to this Act, or to any interest in such right '
" covered the case of a person who was entitled anywhere to
" copyright or an interest in copyright, and in particular the case
" of the Appellant, who asserted that he enjoyed in England before
" the 1st January, 1924, copyright or an interest in copyright in
" the pictures in question. Their Lordships cannot accept this
" reading. As they have just said, the copyright specified in the
" first column of the First Schedule must be existing copyright in
" Canada, for it is a new copyright in Canada that is to be substi- 10
" tuted for it. Like is to be substituted for like."

No suggestion is to be found that the Canadian copyright for which substitution is to be made is to be limited to one derived from Dominion legislation. It is the Appellants' contention that any Canadian copyright, however acquired, is one which falls within the first column of the First Schedule of the present Copyright Act.

11. The above contention of the Appellants is supported by a consideration of the performing right. The First Schedule of the present Copyright Act specifies performing right as one of the existing rights for which a right under the present Copyright Act may be substituted. But 20 performing right in Canada prior to 1924 was a right which had been granted by no Canadian Act but solely by the Imperial Copyright Act, 1842. It therefore follows that the right to perform given by Section 42 of the present Copyright Act, must be in substitution of a right which did not arise from Dominion legislation. The Appellants submit that there can be no reason in law why the performing right subsisting in Canada prior to 1924 solely by virtue of the Imperial Copyright Act, 1842, should have substituted for it performing right under the present Copyright Act, while the right, e.g., to multiply copies, subsisting in Canada by virtue of the Imperial Copyright Act 1842, should not have substituted for 30 it the corresponding right under the present Copyright Act, but should expire.

p. 96, ll. 44-46.

12. It was contended by the Respondents and so held by the trial Judge and not over-ruled by the Court of Appeal that performing right in Canada did not subsist in respect of the said musical work because of the provisions of the English Copyright (Musical Compositions) Act, 1882, Section 1 of which is as follows :—

" 1. On and after the passing of this Act the proprietor of
" the copyright in any musical composition first published after
" the passing of this Act or his assignee, who shall be entitled to 40
" and desirous of retaining in his own hands exclusively the right
" of public representation or performance of the same, shall print

" or cause to be printed upon the title-page of every published " copy of such musical composition a notice to the effect that the " right of public representation or performance is reserved."

The said musical work was first published after the passing of this Act, and it was admitted by the Appellants that at no time had the required notice been printed upon the title-page. The trial Judge held that the fact that Appellants had failed to print the required notice, and thereby lost the sole right to public performance in England, deprived the Appellants of that right in Canada. In so holding, the trial Judge followed the opinion, expressed obiter, of Rose, J., in the case of *Canadian Performing Right Society Limited v. Famous Players Canadian Corporation* (60 Ont. L.R. 280, at pages 283 to 286 and 287 to 291). The Appellants humbly submit that both the trial Judge and Rose, J., were wrong in so holding and that the English Copyright (Musical Compositions) Act, 1882, was purely domestic legislation affecting England, and that failure to comply with its provisions, which deprived a copyright owner of the sole right to perform in England, had no effect upon that right in countries to which this Act did not apply and that the Appellants are not debarred from relief in respect of any infringement of the performing right in the said musical work in Canada.

p. 130, ll. 14-18.
p. 96, ll. 44, 46.
p. 96, ll. 11-13.

13. In regard to performing right, the Appellants respectfully submit that the performing right in the said musical work has been infringed :—

(A) By throwing the title thereof upon the screen on every occasion on which the said film was exhibited,

(B) By exhibiting the film because the theme thereof reproduced the theme of the said title,

or by authorising the said acts.

The trial Judge, having held that the Appellants had no title to performing right in Canada, did not decide this question of infringement.

14. Upon the issue of passing off evidence was adduced at the hearing as to the reputation of the said musical work and the said title. The trial Judge held that the said title had a world wide reputation and that both it and the said musical work had a public reputation in Canada. There was further evidence that the producers of the said cinematograph film, The Twentieth Century Fox Film Corporation of New York who were the agents of the Respondents Twentieth Century Fox Film Corporation Limited, had attempted to purchase the said title from the Appellants for the purpose of applying to the said cinematograph film. This evidence was accepted by the trial Judge, who held that there had been a deliberate use of the said title, to the injury of the Appellants. The Court of Appeal held that there was no passing off by the Respondents of the said cinematograph film as and for the work of the Appellants,

p. 30, ll. 27, 30.
p. 94, ll. 25, 27.
p. 87, ll. 24-31.
p. 95, ll. 1-6.
p. 103, ll. 9-14.

but in the humble submission of the Appellants the trial Judge was correct in his finding of facts and that they are entitled to relief in respect of the issue of passing off.

15. Under the present Copyright Act, the owner of the copyright in a work which has been infringed is entitled to (A) damages under Section 20 for the infringement of copyright and (B) such share of the profits made by the infringer as the Court may decide to be just and proper under Section 20, Sub-section (4) enacted by the Canadian Copyright Amendment Act 1931.

p. 98, l. 19. As to (A) the trial Judge held that the damages, in which it is to be inferred were included damages for passing off, amounted to $350.

p. 48, l. 18 to p. 64, l. 14. p. 98, ll. 19, 20. As to (B) a considerable volume of evidence was adduced as to the profit made by the Respondents from the exhibition of the said cinematograph film in Canada and the trial Judge assessed the share to which it was just and proper that the owners of the copyright in the said musical work should be entitled, at $1742.70.

p. 98, ll. 20, 23. Since the Appellants claimed to be entitled only to a half interest in the copyright in the said musical work the trial Judge awarded them a sum of $1046.35, being half the total of the above two sums.

16. The Appellants humbly submit that this Appeal should be allowed for the following among other

REASONS.

(1) THAT the said title is original and distinctive and the proper subject of copyright in Canada.

(2) THAT the Canadian Copyright Act, 1931, conferred copyright upon the titles of copyright works in existence before the date at which that Act came into force.

(3) THAT at the date at which the present Copyright Act came into force, there were subsisting in the said musical work copyright and performing right for which could be substituted copyright and performing right under the present Copyright Act.

(4) THAT the Canadian Copyright Act, 1906, did not abrogate in Canada the Imperial Copyright Act, 1842.

(5) THAT failure to comply with the provisions of the English (Musical Compositions) Act, 1882, did not defeat performing right in Canada.

(6) THAT copyright in a title is infringed by the application of that title to a work of a different character from that of the work to which it was originally applied.

(7) THAT the performing right in a title is infringed by the performance of a cinematographic film containing that title or based on the theme of such title.

(8) THAT the Court of Appeal erred in holding that the Respondents had not passed off the said cinematograph film as and for the work of the Appellants.

10 (9) THAT the Court of Appeal erred in holding that the Appellants had not suffered the damages assessed by the trial Judge.

K. E. SHELLEY.

P. STUART BEVAN.

No. 94 of 1938.

In the Privy Council.

ON APPEAL

From the Supreme Court of Ontario

(*Appellate Division*).

BETWEEN

FRANCIS DAY & HUNTER LTD.

(Plaintiffs) - - - *Appellants.*

AND

TWENTIETH CENTURY FOX CORPORATION LIMITED and FAMOUS PLAYERS CANADIAN CORPORATION LIMITED

(Defendants) - - - *Respondents.*

Case for the Appellants.

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