

1959
Jan. 30
*May 27

CIRCLE FILM ENTERPRISES
INCORPORATED (Plaintiff)

}

APPELLANT;

AND

CANADIAN BROADCASTING COR-
PORATION (Defendant)

}

RESPONDENT.

ON APPEAL FROM THE EXCHEQUER COURT OF CANADA

Copyright—Infringement—Literary work—Film—Plaintiff not author but assignee—Plaintiff's title put in issue—Presumption arising from certificate of registration—Evidence—Burden of proof—Admissibility of copies of assignment—Damages—Copyright Act, R.S.C. 1927, c. 532, as amended.

The plaintiff, as assignee of the copyright in a religious film named "Golgotha", claimed damages for infringement by the defendant. The ownership of the copyright was put in issue by the defendant. The plaintiff relied upon a certificate of registration of copyright in its name and the presumption arising under s. 36(2) of the *Copyright Act*. The defendant relied upon the presumption of s. 20(3) of the Act that the author is presumed to be the owner of the copyright. The trial judge dismissed the action.

Held: The appeal should be allowed and the action maintained.

*PRESENT: Taschereau, Cartwright, Fauteux, Abbott and Judson JJ.

A certificate of registration under s. 36(2) is evidence to show that the author is not the owner. There was in this case no evidence apart from the statutory presumption in s. 20(3)(b) that the author was the owner. The case, therefore, on the inter-relation of these two sections, came to the tribunal of fact merely with this evidence, that the plaintiff was, *prima facie*, and the author was not, the owner of the copyright. This was evidence to the contrary within s. 20(3)(b) and with its production, the presumption disappeared as a rule of law. There was only one piece of evidence, the certificate of registration. Having produced it, the plaintiff had adduced some evidence in support of its case, sufficient to compel the tribunal of fact to act in its favour in the absence of any evidence to contradict it, and had satisfied its onus of proof.

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Quite apart from the certificate, there was evidence here to rebut the presumption of s. 20(3)(b). The two photostatic copies of two assignments from the author were admissible evidence to rebut the presumption of ownership in the author. The plaintiff's president testified that the originals were in the hands of the author, who did not wish to part with them, and based his testimony as to the authenticity of the signature upon his long personal knowledge of the persons involved and their signature. It was open to the plaintiff to submit proof in this way.

The amount of damages claimed was excessive. The only loss proved was the loss of the fee that the defendant had inadvertently paid to the wrong person. The plaintiff was, therefore, entitled to that fee or in the alternative to a reference to the Exchequer Court for an assessment of damages at its own risk as to costs.

APPEAL from a judgment of Thorson P. of the Exchequer Court of Canada¹, dismissing an action for damages for infringement of copyright. Appeal allowed.

R. Quain, Q.C., and *R. Quain, Jr.*, for the plaintiff, appellant.

D. S. Maxwell and *G. W. Ainslie*, for the defendant, respondent.

The judgment of the Court was delivered by

JUDSON J.:—The appellant, who claims to be the owner of the copyright in a religious film named "Golgotha", sued the respondent for infringement. The film was based upon a scenario written in 1934 by Canon Joseph Raymond, a citizen of France. All rights of film adaptation of the scenario and all television rights are claimed by the appellant, whose title depends upon a long series of assignments, most of which were executed in France. In the first place, the appellant asserts that its title is proved under s. 36(2) of the *Copyright Act* by virtue of the production of a

¹[1957] 28 C.P.R. 5, 17 Fox Pat. C. 15.

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certificate of registration of copyright under that Act. The respondent in its statement of defence put the ownership of the copyright in issue and asserts that s. 20, subs. (3), operates in its favour and that under this subsection the author is presumed to be the owner of the copyright. The first question, therefore, is one of the interaction of these two sections of the *Copyright Act*. There can, of course, be no possible conflict when the plaintiff is the author of the work in which copyright is claimed, but in this case the plaintiff is admittedly not the author and the plaintiff's title is put in issue.

The judgment under appeal¹ holds that if s. 20(3) applies and the plaintiff is not the author but an assignee, he must prove his chain of title from the author down, and that he cannot discharge the onus of proof by the mere production of a certificate of registration under s. 36(2) of the Act, such registration being insufficient to constitute the contrary proof required by s. 20, subs. (3), of the Act. The attack on this proposition is the central point of the appeal. Section 20, subs. (3) reads:

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; . . .

Section 36(2) reads:

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.

The difficulty results from the amendment to the *Copyright Act* enacted by 1931 c. 8, s. 7, which repealed the old section having to do with presumptions in favour of the plaintiff in a copyright action. The old section of the Act

¹[1957] 28 C.P.R. 5, 17 Fox Pat. C. 15.

had been in force since 1921 and was in terms identical with the English legislation. From 1921 to 1931 the Canadian *Copyright Act* provided:

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In any action for infringement of copyright in any work, the work shall be presumed to be a work in which copyright subsists and the plaintiff shall be presumed to be the owner of the copyright, unless the defendant puts in issue the existence of the copyright, or, as the case may be, the title of the plaintiff, . . .

In this form, if the presumption stands, not being put in issue by the defence, there is no conflict between ss. 20(3) and 36(2). If the presumption disappears, by being put in issue, then certain other presumptions, not relevant here but having a plain and recognizable function, appear. Why the legislation was changed to make the author the presumed owner when the title of the plaintiff is put in issue, I do not know. It seems to add nothing to the rights of an author and it may be a serious handicap to any other plaintiff. A plaintiff, if it is an assignee, may meet the presumption by proving its chain of title but where, as in this case, the plaintiff claims through a number of *mesne* assignments, most of which were executed in a foreign country, the burden of proof may become intolerably heavy. The important question is whether it can meet that presumption by the production of a certificate of registration under s. 36(2), which certifies that copyright in the work in question, the author of which is Canon Joseph Raymond of Paris, France, was registered on the 5th day of February, 1952, in the name of the Circle Film Enterprises Incorporated, the plaintiff in this action.

Registration first came into Canadian copyright legislation in the Act of 1921. It disappeared from the English legislation in 1911. It is permissive in character and the subsistence of copyright in no way depends upon registration, but its proof and proof of ownership are plainly intended to be facilitated by the enactment of s. 36(2).

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That this was the object of s. 36(2) is indicated in the judgment of this Court in *Massie & Renwick Ltd. v. Underwriters' Survey Bureau Ltd.*¹, per Duff C.J., when he said:

Certificates of registration have been produced for these plans which, under sections 36(2) and 37(6), constitute *prima facie* evidence that copyright subsists in the work and that the persons registered were the owners of such copyright. This *prima facie* case has not been met.

Is it met in the present case by the appeal to the presumption mentioned in s. 20(3)(b) that the author is presumed to be the owner of the copyright? I take the operation of a presumption of this kind to be as stated by Wigmore on Evidence, 3rd ed., s. 2491(2):

It must be kept in mind that the peculiar effect of a presumption "of law" (that is, the real presumption) is merely to invoke a rule of law compelling the jury to reach the conclusion *in the absence of evidence to the contrary* from the opponent. If the opponent *does* offer evidence to the contrary (sufficient to satisfy the judge's requirement of some evidence), the presumption disappears as a rule of law, and the case is in the jury's hands free from any rule.

In spite of the difficulty created in 1931 when the presumption in favour of the plaintiff was changed to a presumption in favour of the author, my opinion is that a certificate of registration under s. 36(2) is evidence to show that the author in this case is not the owner. There is no evidence apart from the statutory presumption in s. 20(3)(b) that he is the owner. The case therefore, on the interrelation of these two sections, comes to the tribunal of fact merely with this evidence, that the plaintiff is, *prima facie*, and the author is not, the owner of the copyright in question. This is evidence to the contrary within s. 20(3)(b) and with its production, the presumption has disappeared as a rule of law. There is only one piece of evidence and that is the certificate of registration. There are no evidentiary facts behind s. 20(3)(b) which, of their own weight, can lead to an inference of ownership of the copyright remaining with the author. In a case where there is evidence to contradict the certificate, then its weight may be affected, but in the absence of any such evidence, its weight is not to be minimized because no proof of title is required in the application for registration and because the Copyright Office assumes no responsibility for the truth of the facts asserted in the application and

¹[1940] S.C.R. 218 at 238, 3 C.P.R. 184, 1 D.L.R. 625.

conducts no independent examination. A plaintiff who produces this certificate has adduced some evidence in support of his case, sufficient to compel the tribunal of fact to act in his favour in the absence of any evidence to contradict it.

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In my opinion, therefore, by the production of this certificate and in the absence of any evidence to the contrary, the plaintiff in this case has satisfied the burden of proof, both the primary burden—that which rests upon a plaintiff as a matter of substantive law and is sometimes referred to as the risk of non-persuasion—and also the secondary burden, that of adducing evidence; *Smith v. Nevins*¹ and *Ontario Equitable v. Baker*². On this ground the dismissal of the action should be set aside and judgment entered for the plaintiff.

As an alternative to reliance upon the certificate, the plaintiff attempted to prove a complete chain of title from the author down. The defendant objected to the admissibility of all these documents. They were, however, admitted subject to the objection, considered by the learned President and rejected by him as falling short of proof of ownership of the copyright and as offending the Best Evidence Rule. I do not think it necessary to examine them in detail or to enquire into the basis for their rejection except in the case of two documents, which in my opinion are clearly admissible. These are two assignments from Canon Raymond, the first to La Société Ichthys Films covering rights of film adaption of the scenario, and the second, a subsequent confirmatory assignment of the television rights from Canon Raymond to one Chalus, the then owner of the copyright under the first assignment. The president of the plaintiff corporation testified that the originals of these documents were in the hands of Canon Raymond or his lawyers and that they did not wish to part with them. The witness did produce photostatic copies of these assignments, the first manually signed as an original by Canon Raymond, and the second similarly

¹ [1925] S.C.R. 619 at 638, [1924] 2 D.L.R. 865.

² [1926] S.C.R. 297 at 308, 2 D.L.R. 289.

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signed by both Canon Raymond and Chalus, and he also testified to the authenticity of these signatures, based upon a long personal knowledge of these men and their signatures. This is admissible evidence to rebut the presumption of ownership in the author. The defendant, relying solely on the presumption, is setting up the ownership of Canon Raymond and on this evidence the author had parted with ownership and there is not the slightest evidence of its reacquisition by him. It is open to the plaintiff to submit proof in this way and the fact that it might have taken out a commission for the oral examination of Canon Raymond does not destroy the admissibility of the evidence. Therefore, quite apart from the certificate, there is evidence in this case to rebut the presumption raised by s. 20(3)(b).

The learned trial judge did not assess the damages. I agree with his statement that the amount claimed by the plaintiff was excessive because there was no evidence that the capital value of the work as a film for exhibition in motion picture theatres had been seriously affected by its use on television. The meagre earnings of this film over a long period show that it had no great earning capacity either in or out of a theatre. The only loss proved was the loss of the fee that the Broadcasting Corporation inadvertently paid to the wrong person. I would allow the appeal and direct that judgment be entered for the plaintiff in the amount of this fee, together with the costs of the trial and the appeal. If the plaintiff is not satisfied with this determination of the case, it will be referred back to the Exchequer Court for an assessment of damages, untrammelled by the option given to the appellant, but at the appellant's own risk as to costs.

Appeal allowed with costs.

*Solicitors for the plaintiff, appellant: Quain & Quain,
Ottawa.*

*Solicitor for the defendant, respondent: W. R. Jackett,
Ottawa.*
