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No. 25 of 1937.

In the Privy Council.

ON APPEAL

FROM THE COURT OF APPEAL FOR ONTARIO.

BETWEEN—

A. VIVIAN MANSELL (Plaintiff) *Appellant*

— AND —

THE STAR PRINTING AND PUBLISHING COMPANY OF TORONTO, LIMITED (Defendant) *Respondent.*

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CASE FOR THE APPELLANT.

RECORD.

1. The Plaintiff appeals from the Order of the Court of Appeal for Ontario (Latchford C.J.A., Middleton and Macdonnell J.J.A.) dated 27th January, 1937, dismissing, without reasons, the Plaintiff's appeal from the order of Rose C.J.H.C. dated 11th July, 1936. p. 16. p. 6.

2. The Plaintiff is a publisher of fine art colour prints, residing in London, England, and doing business throughout the world. He sells colour prints in large quantities for use in the manufacture of fancy boxes, greeting cards, calendars, etc., and for framing. The Defendant publishes in Toronto a weekly newspaper known as the "Star Weekly" consisting of a number of sections of which the rotogravure section is one. Part of this rotogravure section is in colour. p. 18, ll. 9-10. p. 18, ll. 30-31. p. 1, ll. 7-16. p. 4, l. 19.

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3. Between the months of March and July, 1932, the Defendant published in colour thirty-eight pictures in which the Plaintiff claims copyright.

These pictures are listed in Schedule A to the Plaintiff's Statement of Claim. At the trial the Plaintiff abandoned his claim to pictures numbered 2, 21, 22 and 27 on that Schedule. The Chief Justice of the High Court of Ontario heard evidence at Toronto on pp. 2, 3.

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APPELLANT'S CASE.

pp. 7 to 15. October 14th, 15th, 16th, 17th and 18th, 1935, and reserved judgment until July 11th, 1936. In written reasons for judgment he found
p. 9, l. 40. that the Plaintiff was entitled to copyright in pictures numbered 29, 33 and 35 of Schedule A, and awarded to the Plaintiff the sum of
p. 15, l. 12. $600.00 in respect of the Defendant's publication of these three
p. 9, l. 45. pictures, i.e. $200.00 per picture. The trial judge however rejected the Plaintiff's claim in respect of the remaining thirty-one pictures on the ground that the Plaintiff had in them no copyright in Canada at the time of their publication by the Defendant.

4. The three pictures in which the trial judge found that copyright subsisted were all painted after the Canadian Copyright Act of 1921 (10-11 Geo. V. Ch. 24) came into force on 1st January, 1924; the remaining thirty-one pictures in which copyright was not found to subsist were painted before 1st January, 1924.

5. Defences other than the absence of copyright in the Plaintiff's pictures were raised at the trial but were decided in favour of the Plaintiff and the findings of the trial judge are such that the only question involved in this appeal, apart from the quantum of damages, is:—

> Is the Plaintiff entitled to copyright in Canada in the thirty-one pictures painted before January 1st, 1924?

6. Chapter 32 of the Revised Statutes of Canada, 1927, is substantially the same as the Canadian Copyright Act of 1921 and in this Case references to sections of "the present Copyright Act" are to the sections of the Revised Statute. Prior to the Canadian Copyright Act of 1921, the Canadian Copyright Act in force was that which appears as chapter 70 of the Revised Statutes of Canada, 1906, which in this Case is referred to as "the Act of 1906."

7. Section 42 sub-section (1) of the present Copyright Act is as follows:—

> "42. Where any person is immediately before the first day "of January, One thousand nine hundred and twenty-four, "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 a right, he shall, as from that date, be entitled to the "substituted right set forth in the second column of that "Schedule, or to the same interest in such substituted 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.
Copyright.	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 "One thousand nine hundred and twenty-four, otherwise than "under, and in accordance with, the provisions of this section."

8. If, therefore, the Plaintiff was immediately before January 1st, 1924 "entitled to [copyright in the said 31 pictures] or to any "interest in such a right" he is now entitled to copyright under the present Copyright Act. That 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 the Plaintiff therefore is entitled to relief in respect of the said 31 pictures.

9. In the Act of 1906:—

(a) Section 8 of that Act provided that every work, of a description with which the said 31 pictures comply, should be "entitled to copyright" when printed or published or reprinted and republished in Canada.

(b) Section 6 provided that "the condition for obtaining "such copyright" should be the printing and publishing or reprinting and republishing in Canada.

(c) Section 4 gave to the author or his legal representatives "the sole and exclusive right of reproducing the work for a term "of 28 years from the time of 'recording the copyright' in the "manner directed by the Act."

(d) Section 17 made "the right of an author to obtain a "copyright" assignable.

(e) Section 18 enabled the assignee "to obtain such "copyright."

(f) Section 11 enacted that no person should be "entitled "to the benefit of the Act" unless he had deposited copies and recorded the copyright in the manner prescribed.

10. Accordingly under the Act of 1906 there were three stages:—(i) An author, from the mere fact of authorship, was given

an assignable "right to obtain copyright" (ii) By complying with certain formalities he could "obtain copyright" (iii) By complying with further formalities he could secure the right of enforcing copyright. But it is submitted he was at all times "entitled to "[copyright] or to an interest in [copyright]" within the meaning of Section 42 of the present Copyright Act, because he had at all times the "right to obtain copyright."

This view is confirmed by the language of Section 51 of the Act of 1906 (which section never actually came into force) which provides:—

"51. If any person entitled to copyright of a work under "this Act:—

"(a) neglects or fails to take advantage of its provisions; or,

"(b) having obtained copyright thereunder, ... "fails to print and publish the work in Canada in "sufficient numbers . . . . .

"the Minister may grant a license . . . . . "

This section recognises a clear distinction between the inherent right to obtain copyright and the benefits conferred by the Act upon a person who has obtained and recorded his copyright.

11. The Plaintiff had not prior to January 1st, 1924, printed or published any of the said thirty-one pictures in Canada and had not recorded or registered his copyright therein under the Act of 1906 and it was held that in consequence the Plaintiff had now no copyright in Canada, having regard to the provisions of the present Copyright Act.

12. A similar point was decided but in the contrary sense and in the Plaintiff's favour, by Neville J. in *Savory v. World of Golf (1914) 2 Ch. 566.* It was there held that a picture which had not been registered under the Fine Arts Copyright Act, 1862 (25-26 Vict. ch. 68) was nevertheless entitled to copyright under the Copyright Act, 1911.

13. The trial judge came to the conclusion that there were sufficient differences between the language of the Fine Arts Copyright Act, 1862 and the Act of 1906 to make the decision in *Savory v. The World of Golf* not directly applicable, but he omitted to give reasons why the general principles underlying that decision were not applicable. The relevant portion of his judgment is as follows:—

"The copyright of these [the said 31] artistic works had not "been recorded. Therefore, the exclusive right of reproduction, "which under Section 4 [of the Act of 1906] ran from the time "of the recording, had not come into existence. Moreover, the

"condition stated in Section 6 for 'obtaining' copyright had not "been complied with. Therefore, the case of *Savory v. The "World of Golf* upon which Counsel for the Plaintiff placed "great reliance is not in point."

14. The Plaintiff humbly submits that the learned judge has confused

(a) the "exclusive right of reproduction," or

(b) the "obtaining" of copyright

both of which require the doing of certain acts, with

(c) the inherent right of an author or his assignee of being "entitled to copyright," i.e. the right to "obtain a copyright."

This latter right was, by the Act of 1906, vested in an author or his assignee without the doing of any act beyond the authorship and the assignment, and, it is submitted, is a sufficient right to come within the words of Section 42 and the Schedule of the present Copyright Act. The Plaintiff was immediately before January 1st, 1924 "entitled to copyright" under the Act of 1906. He accordingly became correspondingly entitled to copyright under the present Copyright Act. The latter Act gives to a person entitled to copyright thereunder the right to enforce his copyright without the previous compliance by him of any conditions or formalities whatsoever. It is submitted, therefore, that the Plaintiff is entitled to enforce his copyright in the said thirty-one pictures under the present Copyright Act.

15. The present Copyright Act was intended to preserve existing rights of copyright and to enlarge them, as appears from a general comparison of the language of the present Copyright Act with the Act of 1906. Under the Act of 1906 the proprietor of a work could at any time have "obtained" copyright by printing and publishing in Canada in accordance with Section 6, and have secured the exclusive right of reproduction under Section 4 by recording in the specified manner. But if the decision of the learned Judge and the Court of Appeal are right, a person who, prior to January 1st, 1924, failed to print and publish in Canada, and to record his copyright in works then existing, is entirely deprived of all his rights in such works by the present Copyright Act. For by the express language of Section 42 sub-section (5), the only way by which copyright can subsist in respect of works made before January 1st, 1924, is under the provisions of Section 42, which necessarily requires that a right of, or interest in, copyright shall be subsisting in such works immediately prior to that date. Neither printing and publishing in Canada, nor registration or recording, subsequent to January 1st, 1924, will have any effect on the subsistence of copyright under the

present Copyright Act. The Plaintiff submits that a construction which leads to a result so inconsistent with good sense should be rejected in favour of the construction set forth above.

16. By Section 45 of the present Copyright Act, no person shall be entitled to copyright in any artistic work otherwise than under and in accordance with the provisions of that Act or of any other statutory enactment for the time being in force. Section 47 of the same Act provides that "all enactments relating to copyright passed "by the Parliament of the United Kingdom are, so far as they are "operative in Canada, hereby repealed, provided that this repeal "should not prejudicially affect any legal rights existing at the time "of the repeal." The Imperial Copyright Act of 1911 did not apply to Canada at the time it was brought into force in Great Britain, but Section 25 provides machinery making it applicable to self-governing Dominions. By Section 25, sub-section (2), the Secretary of State may certify that legislation passed in a self-governing dominion confers rights substantially identical with those conferred by the Imperial Act of 1911, and thereupon, the dominion "shall for the "purposes of the rights conferred by this Act, be treated as if it were "a dominion to which this Act extends." Such a certificate was given on the 6th day of December, 1923 (Statutory Rules & Orders, 1923, page 168) and Canada was thereafter to be treated for the purposes of the rights conferred by the Imperial Act of 1911 as if it were a dominion to which that Act extended. From the date of publication of the certificate, therefore, the Plaintiff became entitled to copyright in Canada by virtue of the Imperial Act of 1911, apart altogether from Canadian statutes.

17. Under the present Canadian Copyright Act, the owner of the copyright where there has been an infringement, is entitled to (a) damages under Section 20 for the infringement of copyright, (b) damages for conversion under Section 21, and (c) such share of the profits made by the infringer as the Court may decide to be just and proper under Section 20 (4) enacted by the Copyright Amendment Act of 1931 (21-22 Geo. V. Ch. 8, Sec. 7).

As to (a), the trial judge held that damages must be nominal, since the Plaintiff's business in Canada was small at the time of the infringement and the Defendants publication did not circulate to any appreciable extent in England. The Plaintiff submits that this reasoning is erroneous, for the infringement has rendered the Plaintiff's pictures unmarketable and the copyright therefore valueless. Accordingly the Plaintiff has suffered substantial damage under this head, notwithstanding that he may not have lost any immediate sales at the time of the infringement.

p. 13, l. 24.

As to (b) the Defendant reproduced approximately 250,000 copies of each of the pictures to which the Plaintiff claims copyright, and

Ex. 20, p. 122.

damages under (b) should therefore be assessed on the basis that the Defendant has converted 250,000 copies of each of the Plaintiff's pictures.

As to (c), at the trial, to avoid a lengthy accounting as to profits, it was agreed by Counsel that an estimate of the net profits made by the Defendant from the sale of the offending issues of the Star Weekly should be prepared by the President of the Defendant Company and such estimate was filed as Exhibit 24 in a sealed envelope. The trial judge did not open this envelope and did not consider the actual profits made by the Defendant from the sale of the issues of the Star Weekly in which the Plaintiff's pictures appeared, although he states that the amount was said to be substantial. He did however assess damages for three pictures, which are admittedly far from the best of those in suit, at the rate of $200.00 per picture.

p. 91, ll. 8-24.
p. 13, l. 34.
p. 13, l. 33.
p. 13, l. 6.

18. The Plaintiff submits that the sum awarded as damages was estimated upon an erroneous basis and is too small and asks that a substantially larger amount per picture shall be awarded or that the matter may be remitted to the High Court of Ontario for the damages to be reassessed in accordance with the principles applicable.

19. The Appellant submits that the Appeal should be allowed for the following among other

REASONS

(1) Because the trial judge erred in holding that the Appellant had no copyright in Canada in the thirty-one pictures set out in Schedule A to the Plaintiff's Statement of Claim, under the provisions of the present Canadian Copyright Act.

(2) Because the trial judge erred in holding that the Appellant had no copyright in Canada in the aforesaid thirty-one pictures, under the Imperial Copyright Act of 1911, and the certificate under Section 25 (2) thereof dated 6th December, 1923.

(3) Because the trial judge refused to take into consideration in assessing damages the profits earned by the Respondent from the sale of issues of the "Star Weekly" in which pictures, of which the Appellant owns the copyright, appeared.

(4) Because the trial judge failed to allow the Appellant to recover damages for the infringement of his copyright in the thirty-one pictures aforesaid.

K. E. SHELLEY.

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