DURAND ET CIE. (*Plaintiff*) .....APPELLANT;

AND

LA PATRIE PUBLISHING COMPANY LTD. (*Defendant*) ..... } RESPONDENT.

1960

*Mar. 9, 10, 11 Jun. 24

ON APPEAL FROM THE EXCHEQUER COURT OF CANADA

Copyright—Infringement—Broadcast of opera "Pelléas et Mélisande"—Whether copyright protected in Canada—Registration—Assignment—The Copyright Act, R.S.C. 1952, c. 55—History of Copyright legislation.

The plaintiff brought this action against the defendant for infringement of the copyright resulting from the broadcast of "Pelléas et Mélisande", an opera of which the plaintiff claimed to be the proprietor of both the

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

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copyright and the performing rights. The plaintiff had not registered the work, or otherwise complied with the Canadian copyright legislation in force in Canada prior to January 1, 1924. The Exchequer Court held that the authors had validly assigned their copyright and performing rights to the plaintiff's predecessors in title, but dismissed the action on the grounds that (1) the plaintiff had assigned its rights to sue directly to Sacem, a society of authors, etc., in France, and (2) that it had failed to comply with the requirements of s. 48 of the *Copyright Act*. The plaintiff appealed to this Court and the defendant cross-appealed against the finding that the plaintiff held the copyright and the performing rights.

Held: The appeal should be allowed and the cross-appeal dismissed.

The evidence made it clear that the plaintiff had not given Sacem the performing rights in this opera, and consequently the plaintiff was not precluded from suing for infringement. Furthermore, there was no evidence to support the finding that s. 48 of the Act applied to the plaintiff.

As to the cross-appeal. It was clear that s. 4 of the Act applied to rights acquired on or after January 1, 1924, and, therefore, the contention that the plaintiff had acquired rights under that section could not be supported. However, by virtue of the combined application of various Imperial statues, the Berne convention of 1885 and Canadian legislation in force in Canada prior to January 1, 1924, the plaintiff, as the successor in title to the authors, was entitled to the copyright and performing rights in the opera in the United Kingdom and throughout the British Dominions, including Canada. The plaintiff was also entitled to the substituted right provided for under s. 42 of the Act and such right was in force when the present action was taken.

APPEAL and Cross-Appeal from a judgment of Dumoulin J. of the Exchequer Court of Canada[1], dismissing an action for infringement of copyright.

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

G. F. Henderson, Q.C., and R. McKercher, for the defendant, respondent.

The judgment of the Court was delivered by

ABBOTT J.:—The present action was brought by appellant alleging infringement of copyright by reason of the broadcasting on March 12, 1950, of a series of records over Radio Station CHLP then owned and operated by the respondent. The broadcast consisted of a major portion of the well-known opera "Pelléas et Mélisande", of which the appellant claims to be proprietor of both the copyright and the performing rights.

[1] (1959), 19 Fox Pat. C. 93, 32 C.P.R. 1.

The relevant facts can be shortly stated. The opera in question, the lyrics of which were written by Maurice Maeterlinck and the music composed by Claude Debussy was first publicly performed at the Opéra Comique in Paris on April 30, 1902. At that time, Maeterlinck was a citizen of and resident in Belgium and Debussy a citizen of and resident in France. The appellant firm has been engaged for many years in France in the business of acquiring copyright in and promoting the licensing of literary, dramatic and musical works and, depending upon the character of the work, grants licences itself or does so through agents delegated by it to grant licences and to collect royalties. It bases its title to copyright and performing rights in the said opera upon an assignment from the authors dated March 31, 1905. Debussy died in 1918 and Maeterlinck in 1949.

It is common ground that appellant did not register the work in question under, or otherwise comply with, the Canadian copyright legislation in force in Canada prior to January 1, 1924, and that it had therefore acquired no copyright or performing rights in Canada prior to that date, apart from any such rights to which statutes of the United Kingdom then in force in Canada might entitle it.

The learned trial judge[1] found that the authors Maeterlinck and Debussy had validly assigned their copyright and performing rights to appellant's predecessors in title. There is ample evidence to support that finding and it should not be disturbed. He held however that while appellant was vested with the copyright to the work in question the present action must be dismissed because (1) appellant had assigned its rights to sue directly, to a society of authors, composers and publishers of music in France—known colloquially as SACEM—and (2) because it came within the provisions of s. 48 of the *Copyright Act*, R.S.C. 1952, c. 55, and had failed to comply with the requirements of that section.

Appellant appealed from that judgment, limiting its appeal to two issues namely, the findings (1) that appellant's action failed because of the application of s. 48

[1] (1959), 19 Fox Pat. C. 93, 32 C.P.R. 1.

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of the *Copyright Act* and (2) that it had vested a third party with the right of action. The respondent cross-appealed.

I shall deal first with the two issues raised in the main appeal. It was established in evidence that the authors Maeterlinck and Debussy were members of SACEM, that appellant had adhered to its statutes and by-laws, and that SACEM had authorized "Canadian Publishers and Authors Association of Canada Limited" a performing rights society doing business in Canada—known colloquially as CAPAC —to grant licences in Canada for works included in SACEM's repertoire. It was also established that in 1950 respondent had paid an annual fee to CAPAC which authorized respondent to broadcast all works included in the repertoire of that society. The Assistant General Representative of SACEM for the United States, Canada and Mexico, called as a witness, testified positively however, that "Pelléas et Mélisande" was not included in the repertoire of his society and that the society did not grant licences for the performing rights to that work. Aside from any other consideration, in the light of that evidence, I am unable with respect, to agree with the finding of the learned trial judge that, because of its arrangements with SACEM, appellant was precluded from suing respondent for infringement.

The learned trial judge also held that appellant came within the terms of s. 48 of the *Copyright Act*, R.S.C. 1952, c. 55, relating to performing rights societies. That section reads in part as follows:

> 48. (1) Each society, association or company that carries on in Canada the business or acquiring copyrights of dramatico-musical or musical works or of performing rights therein, and deals with or in the issue or grant of licences for the performance in Canada of dramatico-musical or musical works in which copyright subsists, shall, from time to time, file with the Minister at the Copyright Office lists of all dramatico-musical and musical works, in current use in respect of which such society, association or company has authority to issue or grant performing licences or to collect fees, charges or royalties for or in respect of the performance of its works in Canada.

There was no evidence that appellant "carries on in Canada the business of acquiring copyrights of dramatico-musical or musical works or of performing rights therein"

and, with respect, the learned trial judge was in error, in my opinion, in holding that the section applied to appellant.

This disposes of the main appeal but by its cross-appeal respondent has appealed against the finding of the learned trial judge that appellant holds the copyright and performing rights to the opera in question.

The existence of such rights depends upon the interpretation and effect to be given to the *Copyright Act*, 1921, c. 24 (now R.S.C. 1952, c. 55) and in particular to sections 4, 42, 45 and 47 of that Act. Appellant's contention that it was entitled to copyright in the work in question under s. 4 of the Act, in my opinion, cannot be supported. That section reads in part as follows:

> 4. (1) Subject to the provisions of this Act, copyright shall subsist in Canada for the term hereinafter mentioned, in every original literary, dramatic, musical and artistic work, if the author was at the date of the making of the work a British subject, a citizen or subject of a foreign country that has adhered to the Convention and the Additional Protocol thereto set out in the Second Schedule, or resident within Her Majesty's Dominions; and if, in the case of a published work, the work was first published within Her Majesty's Dominions or in such foreign country; but in no other works except so far as the protection conferred by this Act is extended as hereinafter provided to foreign countries to which this Act does not extend.

Reading the Act as a whole, it is clear, in my opinion, that s. 4 was intended to operate prospectively, and that it applies only to rights acquired on or after January 1, 1924, the date upon which the Act became effective. The scheme upon which the Act is drawn up is to deal with copyright law as it is to be under the Act when it comes into force, leaving for special treatment a subject which requires special treatment—namely, the grafting into the new and comprehensive code of law of all works in respect of which copyright, performing rights and common law rights existed under the old law; see *Coleridge-Taylor* v. *Novello & Co. Ltd.*[1] and Fox Canadian Law of Copyright, at p. 220. Such special treatment is provided by s. 42. That section and the First Schedule of the Act unconditionally preserved existing rights by providing

> Where any person is immediately before the 1st day of January, 1924, entitled to any such right in any work as is specified in the first column of the First Schedule, or to any interest in such a right, he is, as from that

[1] [1938] 3 All E.R. 506 at 509.

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date, entitled to the substituted right set forth in the second column of that Schedule, or to the same interest in such a 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 one entitled to copyright thereunder.

In order to be entitled to the substituted right under s. 42 and the First Schedule, a right must have subsisted immediately prior to January 1, 1924.

The Canadian *Copyright Act* in force prior to January 1, 1924 (the *Dominion Copyright Act*, 1875, 38 Vic. c. 88, carried forward with some amendments into the Revised Statutes of Canada 1906 as chapter 70) did not deal with performing rights—as distinct from copyright—in dramatic, musical, or dramatic-musical works, and under the Canadian legislation in force in 1902 (the 1875 Act with amendments) copyright in dramatic or musical works existed only if such works were registered under the Act and notice given on the printed work. As I have said, it is common ground that no such formalities were ever complied with in Canada. However, certain Imperial Statutes to which I shall refer presently, did deal specifically with performing rights, as distinct from copyright.

It follows that any performing right which appellant may have held in Canada prior to January 1, 1924, could only have existed by virtue of such Imperial Statutes. The Imperial Statutes having particular relevance are the *Dramatic Copyright Act*, 1833, 3-4 Will. IV, c. 15, the *Copyright Act*, 1842, 5-6 Vic. c. 45, the *International Copyright Act*, 1886, 49-50 Vic. c. 33, and an Order-in-Council passed in 1887, under the last mentioned Act, adopting the Berne Convention.

The *Dramatic Copyright Act*, 1833, was the first statute to grant the exclusive right to perform dramatic compositions. It conferred upon the author of any dramatic piece or his assignee the sole liberty of representing it, or causing it to be represented, at any place or places of dramatic entertainment in any part of the United Kingdom or the British Dominions but it did not touch musical compositions. The performing rights in musical compositions were protected for the first time by the *Copyright Act*, 1842, which enacted that the provisions of the *Dramatic Copyright Act*, 1833, and the *Copyright Act*, 1842, should apply

to musical compositions and that the sole liberty of representing or performing any dramatic or musical composition should endure and be the property of the author and his assigns for the term provided in the 1842 Act for the duration of copyright in books. That term was fixed as being the life of the author and seven years after his death or forty-two years, whichever should be the longer. Both the 1833 Act and the 1842 Act were made applicable to the British Dominions and called for registration at Stationers' Hall in London.

Prior to 1911 the right of foreigners to obtain copyright protection in the United Kingdom depended upon various Copyright Acts (including the Acts of 1833 and 1842 to which I have referred) and two International Copyright Acts, namely the *International Copyright Act,* 1844, 7-8 Vic. c. 12 and the *International Copyright Act,* 1886. Both these latter Acts provided for coyright protection to foreigners upon their complying with certain registration requirements, and were made applicable to all British Dominions. The *International Copyright Act,* 1886, was enacted following the International Conference held in Berne in 1885, and it empowered the Crown, by Order-in-Council, to adhere to the Convention agreed to at that Conference. Both France and Belgium were also adherents to the Convention. On November 28, 1887, an Order-in-Council was passed giving effect to the Berne Convention, which (translated into English) appears as a Schedule to the Order. As a consequence, under the *International Copyright Act,* 1886, and the Order-in-Council of November 28, 1887, the Berne Convention itself and the subsequent Act of Paris, were made effective in Great Britain, became part of the municipal law, and, as such, have been interpreted by the Courts; *Hanfstaengl v. Empire Palace*[1]. The same result followed in the British Dominions (including Canada) to which the Act of 1886 and the Order-in-Council were made applicable.

Counsel for respondent argued before us that notwithstanding the provisions of the *International Copyright Act,* 1886, and the Order-in-Council of 1887, registration was still required under the *Copyright Act,* 1842, and the *Dramatic Copyright Act,* 1833, and that such registration not

[1] [1894] 3 Ch. 109.

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having been made, no copyright existed under the said Acts. He relied for that proposition upon the opinion expressed by Sterling J. in *Fishburn v. Hollingshead*[1], but that decision was overruled by the Court of Appeal in *Hanfstaengl v. American Tobacco Company*[2], which held that in the case of foreign works to which the *International Copyright Act,* 1886, and the Order-in-Council applied, registration was no longer required.

The *Copyright Act,* 1842, the *Dramatic Copyright Act,* 1833, and the *International Copyright Acts,* were repealed by the *Copyright Act,* 1911, 1-2 Geo. V, c. 46, a consolidating and amending Act covering the whole subject of copyright. The 1911 Act did not extend to a self-governing Dominion unless declared by the legislature of that Dominion to be in force therein, but it conferred authority upon a Dominion legislature, to repeal (subject to the preservation of all legal rights existing at the time of such repeal) any or all enactments passed by the Imperial Parliament (including the Act of 1911) so far as operative within such Dominion. Pursuant to that authority, the Canadian *Copyright Act,* 1921, 11-12 Geo. V, c. 24, which was in large part based on the Imperial Act of 1911, and which came into force on January 1, 1924, repealed (1) all the Imperial enactments relating to copyright so far as their application to Canada was concerned and (2) all prior Canadian legislation upon the subject, saving of course any legal rights existing at the time of such repeal.

In *Routledge v. Low*[3], the Judicial Committee held that the Imperial *Copyright Act,* 1842, extended the protection of British copyright to all the British Dominions. Following the enactment of the Canadian *Copyright Act* in 1875, notwithstanding the fact that the Canadian Parliament had exercised its power under s. 91 of the *British North America Act,* 1867, to pass a statute relating to copyright, the Ontario Court of Appeal decided in *Smiles v. Belford*[4], that the *Copyright Act,* 1842, was also in force in Canada, and that decision was followed in *Black v. Imperial Book Co.*[5]. Appeal was taken to the Supreme Court of Canada in the *Imperial Book Company* case[6], but this Court dismissed

[1] [1891] 2 Ch. 371.
[2] [1895] 1 Q.B. 347.
[3] (1868), L.R. 3 H.L. 100.
[4] (1877), 1 O.A.R. 436 at 447.
[5] (1904), 8 O.L.R. 9.
[6] (1905), 35 S.C.R. 488.

the appeal upon other grounds and expressly refrained from expressing an opinion one way or the other upon the question as to whether *Smiles v. Belford* was rightly decided. Since the enactment of the *Copyright Act*, 1921, this constitutional question has of course become one of diminishing importance. *Smiles v. Belford*, however, has been consistently followed in the Canadian courts, accepted by the text writers and, in my respectful opinion, it correctly stated the law.

It follows that in my opinion (*i*) the *Dramatic Copyright Act*, 1833, the *Copyright Act*, 1842, the *International Copyright Act*, 1886, the Order-in-Council passed under the latter Act in November 1887, and the terms of the Berne Convention itself, all applied in Canada prior to January 1, 1924, and (*ii*) that under their combined application, immediately before that date the appellant, as the successor in title to Maeterlinck and Debussy, was entitled to the copyright and performing rights in the opera "Pelléas et Mélisande" in the United Kingdom and throughout the British Dominions, including Canada.

There remains the question as to whether appellant became entitled to the substituted right provided for under s. 42 of the *Copyright Act*, 1921, now R.S.C. 1952, c. 55. On this point the decision of the Judicial Committee in *Mansell v. Star Printing & Publishing Co. of Toronto Ltd.*[1] is of little assistance. The artistic copyright in issue in that case, subsisted in the United Kingdom under the *Fine Arts Copyright Act*, 1862, 25-26 Vic. c. 68, which was never in force in Canada, and copyright in Canada could only have existed therefore by registration under the Canadian Act of 1906 which had not been done.

In *Francis Day & Hunter v. Twentieth Century Fox Corporation*[2], however, the literay work concerned came under the Imperial *Copyright Act*, 1842, which was in force in Canada. The Judicial Committee was able to dispose of the controversy in that case upon another ground without deciding whether appellant was entitled to the substituted right under s. 42. However, it is to be observed that before dealing with that other ground Lord Wright at p. 197 after stating the arguments of counsel on this point, used the

[1] [1937] A.C. 872, 4 D.L.R. 1. [2] [1939] 4 All E.R. 192.

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expression "assuming, but not deciding, that the appellant company is entitled to the copyright in Canada which it claims". I might add here that the record in the present case shows that appellant had complied with the requirements of the *Copyright (Musical Compositions) Act*, 1882, 45-46 Vic. c. 40, which their Lordships held in the *Francis Day and Hunter* case extended to Canada by necessary implication and effect although not in terms extended to this country.

I am satisfied that the substituted right provided by s. 42 of the Act of 1921, does apply to copyright subsisting in Canada prior to January 1, 1924, by virtue of Imperial legislation in force in Canada prior to that date as well as to copyright subsisting by virtue of prior Canadian legislation, that in consequence appellant became entitled to that substituted right, and that such right was in force when the present action was taken.

In the result the appeal should be allowed and the cross-appeal dismissed. There would seem to be no necessity now to grant appellant the injunction asked for. No special damages were alleged or proved but appellant claimed the sum of $600 for what it describes as punitive damages. There appears to have been only one broadcast by respondent of the opera in question, and in the circumstances, I would award appellant damages in the sum of $600, the amount claimed in the action.

Appellant is entitled to its costs in the Exchequer Court and on the appeal and cross-appeal to this Court.

Appeal allowed and cross-appeal dismissed with costs.

Solicitors for the plaintiff, appellant; Quain & Quain, Ottawa.

Solicitors for the defendant, respondent; Gowling, Mactavish, Osborne & Henderson, Ottawa.