

COPYRIGHT

INFRINGEMENT

Appeals from Federal Court (F.C.) judgment (2016 FC 294), supplemental judgment (2016 FC 387) granting respondent's (Canadian Standards Association or CSA) application for copyright infringement, enjoining appellants (Knight Co.) from continuing infringement, ordering them to deliver up to respondent all infringing copies of 2015 version of *Canadian Electrical Code, Part I* (Code), ordering appellant P.S. Knight Co. Ltd. to pay statutory damages, granting respondent its costs — In supplemental judgment, F.C. quantifying those costs in amount of \$96,336.00, ordering them to be paid by Knight Co. — CSA federal not-for-profit corporation, engaged in developing, testing, certifying voluntary standards — Publishing Code since 1927 — Copyright in 2015 Code registered in favour of respondent — Knight Co. commercial competitor of respondent — Publishing Electrical Code Simplified (ECS), i.e. simplified version of CSA Code — Letter sent by CSA in 1969 giving Peter Knight (former president and director of Knight Co.) permission to quote from the CSA Electrical Code — In 2010, respondent terminating any existing licence with Knight Co. to reproduce excerpts from Code — Knight Co. reproducing, threatening to distribute complete, identical copy of 2015 Code at one-third price — Respondent initiating application under *Federal Courts Rules*, SOR/98-106, rr. 61, 300, *Copyright Act*, R.S.C., 1985, c. C-42 giving rise to judgments under appeal herein — Under federal law, Code not a regulation, need not be published by federal government, although appropriate authority having to ensure its accessibility — Code not an enactment within meaning of *Interpretation Act*, R.S.C., 1985, c. I-2, *Reproduction of Federal Law Order*, SI/97-5 — F.C. finding, *inter alia*, that respondent entitled to presumptions of ownership, validity created by *Copyright Act*, s. 34.1(2)(a) — Rejecting arguments that CSA not exercising sufficient skill, judgment in compiling works of others, that Code not sufficiently original to justify copyright protection — Finding that Knight Co. version of Code not published for educational purposes, but as competitive commercial undertaking — Main issues whether F.C. erring in finding that: copyright subsisting in Code; Crown not owning copyright in Code; in absence of Crown copyright, CSA owning copyright in Code; whether F.C. erring in finding that appellants not establishing defence of fair dealing; — F.C. not erring in concluding that copyright subsisting in 2015 version of Code — Any writing may be subject of copyright in Canada so long as it is original, including laws, regulations as recognized by *Copyright Act*, s. 12 — Phrase “rights or privileges of the Crown” therein preserving “the Crown’s rights and privileges of the same general nature as copyright” — This provision functioning as exception to general principle in *Copyright Act*, s. 89 — Statutes, regulations made available to public by or under direction or control of federal, provincial, territorial government departments — Therefore falling within ambit of s. 12 — Public policy militating in favour of recognizing CSA’s copyright in Code — Impairing CSA’s ability to generate revenue might negatively impact continued existence of common national standards in areas where consistency important — F.C. having evidence before it to establish requisite originality of 2015 Code — Fact that amendments to 2015 Code developed by committee not preventing it from being copyrighted — F.C. not erring in concluding that Crown not holding copyright in Code — Absence of Crown control or direction over preparation, publication of Code — No such control or direction extrapolated from statutory scheme — Neither Crown nor any government department setting any guidelines about form Code is to take — Crown not asserting right or privilege over Code; appellants cannot do so in Crown’s place — Although Crown having common law right akin to copyright allowing it to print, publish certain works of legislative nature, that right not extending to works incorporated by reference, including Code — At federal level, in all provinces, Code incorporated by reference into regulations, rather than into an Act, order-in-council or proclamation — Therefore falling outside scope Crown’s common law right to print, publish — That right not enabling Crown to deprive those in respondent’s position of their

statutory rights under *Copyright Act* — F.C. not erring in concluding that respondent owning valid copyright in 2015 Code — Erring in finding that presumption in *Copyright Act*, s. 34.1(2)(a) applicable — However, this error of no consequence because presumption in s. 34.1(2)(b) applying to respondent — While respondent cannot be considered Code’s “author”, it can be its “publisher or owner” for the purposes of s. 34.1(2)(b) — F.C. ought to have found that registration of 2015 Code done in ordinary course of business, thereby providing alternate presumption of respondent’s ownership of copyright in 2015 Code under *Copyright Act*, s. 53(2) — F.C. not erring in finding that appellants not establishing elements required to make out defence of fair dealing — While F.C. conflating separate portions of test for defence of fair dealing, this not providing basis for intervention as F.C. reaching only possible conclusion on these facts, namely, that appellants’ use of Code not fair — Appellants meeting first step of fair dealing test because dealing was, at least partly, for allowable purpose — However, second part of test not met — Six factors identified in *CCH Canadian Ltd. v. Law Society of Upper Canada*, 2004 SCC 13, [2004] 1 S.C.R. 339 overwhelmingly supporting conclusion that appellants’ dealing not fair — No basis for interfering with F.C.’s costs award — Appeals dismissed — *Per* Webb J.A. (dissenting): Issue in this case whether person, other than Crown, authoring a document or otherwise acquiring copyright in a document, retaining right to prevent another person from publishing that document after its incorporation into laws of Canada — Since Code incorporated by reference into *Canada Oil and Gas Installations Regulations*, SOR/96-118 (Regulations) with significant consequences for failure to comply with it, Code part of laws of Canada — There should be no difference with respect to application of Crown’s right to publish between incorporating Code by reference or copying, pasting entire Code into Regulations — Because implications of failure to comply with Code same whether Code set out in full in Regulations or incorporated by reference, Crown prerogative should apply to entire Code — Crown, not separate organization, should have right to determine how, by whom Code is published — Once Crown adopted Code, by incorporating it by reference into Regulations, Crown, not respondent would have sole right to determine who could publish Code — Crown prerogative applying to Regulations — Code considered part of text of Regulations — As a result, Crown prerogative also applying to Code — Respondent should not have right to prevent P.S. Knight Co. Ltd. from publishing Code any more than it should have right to prevent Crown from publishing it — Having greater access to law at reduced price cannot be considered contrary to public policy — Because incorporating Code by reference into Regulations resulting in Code being considered part of text of Regulations, *Reproduction of Federal Law Order*, SI/97-5 would allow P.S. Knight Co. Ltd. to publish Code — P.S. Knight Co. Ltd. having right to raise issue of Crown prerogative in this case — However, Crown prerogative to publish Order in Council adopting Regulations already exercised — Code incorporated by reference in Regulations, therefore part of Regulations — Since *Reproduction of Federal Law Order* permitting any person to copy any enactment, Crown already granting P.S. Knight Co. Ltd. right to copy Code.

P.S. KNIGHT CO. LTD. V. CANADIAN STANDARDS ASSOCIATION (A-90-16, A-121-16, 2018 FCA 222, Gleason and Webb JJ.A., judgment dated December 7, 2018, 78 pp.)