"REGISTRATION: TO BE OR NOT TO BE"

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Federal Government Interdepartmental Copyright Committee

by

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A. Introduction

In their recent paper entitled "Copyright in Canada: Proposals for a Revision of the Law", A.A. Keyes and C. Brunet recommend that the present permissive copyright registration system be excluded from a new copyright act and that copyright registration be abolished in Canada. This recommendation was made after a review of the present registration system in Canada, of the registration systems in other jurisdictions, and of the possibility of adopting an obligatory registration system. Considering the disruptive effects which abolition of the long persisting permissive registration system might have on the schema of copyright in Canada, the issue bears further review and discussion before endorsing the recommendation, or formulating an alternative one. Matters to be addressed will include: (a) the possible values of a registration system; (b) the present registration system in Canada: its strengths and weaknesses; and (c) alternative approaches to the present system which might be considered.

B. Possible Values of Registration

The original objective to be served by registration may be gleaned from the preamble to section II of the Statute of Anne

(8 Anne, Ch. 19, 1709), the precursor of present day Copyright legislation in Britain, Canada, Australia and the United States:

> "And whereas many Persons may through Ignorance offend this Act, unless some Provision be made whereby the Property in every such Book as is intended by this Act to be secured to the Proprietor or Proprietors thereof, may be ascertained, as likewise the Consent of such Proprietor or Proprietors for the printing or reprinting of such Book or Books may from time to time be known;"

The preamble was followed by Section II which provided for the registration of: (1) the title of books to be protected under the Act, and (2) the granting of consents to print and/or reprint (i.e. assignments and/or licenses of an interest in the copyright) to be similarly protected. Registration of copyright and of grants of interests in copyright continues today in Canada under our permissive registration system and has the same central purpose as its antecedent: to create a public record of copyright related information so that all shall know and respect the copyright in registered works.

Thus the register may facilitate the efforts of individuals involved in exploitation of works, by providing them with

information as to the existence of as yet unexploited works, or details of the forms of exploitation which have already taken place. Indeed, the Board of Trade of Metropolitan Toronto, in reviewing the Keyes-Brunet proposal to abolish the present registration system in Canada, stated that:

> "The Board believes that there are individuals who create copyright works who are reluctant to disclose their works to others for possible exploitation without some tangible proof that they are the owner of the copyright in the work."
>
> and
>
> "While it might be said that individuals possessing unpublished works could adequately protect their disclosure by contract, it is questionable whether an individual, who might have a work worthy of disclosure, has sufficient bargaining position adequately to protect his position or sufficient resources to afford the legal advice and services attendant upon such contracts".[1]

The Board viewed registration as providing a measure of security, whether real or apparent, as an indicia of copyright ownership in unpublished works. Though the Board recognized that alternate methods of protection, such as contract, could provide equal protection, it was felt that registration would encourage disclosure of unpublished works and thereby facilitate exploitation. The Association of Canadian Publishers, also in reviewing the Keyes-Brunet proposal, suggested that if a voluntary registration system could be maintained

without conflicting with the Berne Convention[2], and there is considerable doubt that it could, it might provide a useful register of assignments in the future, including assignments of territorial rights, assignments to collectives, etc. and useful prima facie evidence of copyright. Therefore registration may perform a function as a reference for ownership research and it may thereby facilitate exploitation of works registered.

A second use of registration relates to its possible value as evidence of ownership should litigation arise. One could utilize registration as evidence of the information in the registration, such as the existence of a work on a specific date, the name or title of the work, authorship, ownership of copyright etc. This aspect could be significant in reducing copyright infringement litigation, if registration were mandatory, and if it were accompanied by a complete deposit system such as that existing in the United States, because the register could then be conclusive of the facts registered.

There are other potential uses of registration. For example, it may be used as a method of enforcing compliance with other measures in the Act, or as a general bibliography or listing of works in specific

cultural areas, but it is submitted that the principal values of registration are its possible uses as an aid in title research and exploitation of works, and as evidence of the particulars registered. One should be cautious, however, and note that the potential uses of a system of registration derive directly from the amount, quality, and reliability of information gathered by it. If the information is defective or deficient in any aspect, then the usefulness of the system as a whole will be diminished.

C. The Present Canadian System of Permissive Registration; It's Strengths and Weaknesses

The Present Canadian System

The present system of registration in Canada may be divided into three areas for the purposes of discussion:

1. Permitted Registration of particulars of a work in which copyright subsists.
2. Permitted Registration of a grant of an interest in a copyright.
3. Mandatory filing by performing rights societies of lists of works under their authority and of statements of proposed royalties.

C.I.1. Permitted Registration of particulars of a work in which copyright subsists.

Section 37(1) of the Copyright Act provides that the Minister of Consumer and Corporate Affairs shall cause books called Registers of Copyrights to be kept at the Copyright Office in which may be entered the names or titles of works and the names and addresses of authors and such other particulars as may be prescribed. The Copyright Rules prescribe two separate forms for application to register a copyright, one, for unpublished works, which

demands no further particulars, and one for published works which requires the date and place of first publication to be revealed. The application forms consist of bare declarations as to these required particulars and it is perhaps significant that, under Rule 30 of the Copyright Rules, the Commissioner of Patents, who oversees and directs the affairs of the Copyright Office, is not responsible for any allegations in, or the validity of any document or instrument furnished to him. Further, Rule 36 provides that the Commissioner is permitted to acknowledge enquiries but is not required to furnish any information or advice on the records of the Copyright Office, on the Act and the Rules or any other question of law.

Sections 37 and 38 of the Copyright Act establish the permissive registration of copyright, by enabling such registrations to be made entirely at the option of the author, publisher or the owner of an interest in the copyright in a work. Under s. 38, the application for registration of a copyright may be made in the name of the author or his legal representative, by any person purporting to be the agent of either, and any damage caused by fraudulent or erroneous assumption of such authority is recoverable in court.

There is no statutory sanction or penalty for non-registration of a claim to copyright; one does not forfeit or forego copyright by neglecting to register such a claim. "It is sometimes called "automatic copyright", for without any act beyond the creation of a literary (or musical, dramatic or artistic) work, it is acquired by the author."[3] While there are no statutory penalties for non-registration, there are certain statutory advantages for registrants which make registration of a claim to copyright significantly attractive. First and foremost among these, registration provides a method of establishing the existence of copyright and its ownership. Under section 36 of the Act, a certificate of registration is evidence that copyright subsists in a registered work and that the person registered is the owner of this copyright. However the courts have interpreted this provision to mean that the certificate of registration is merely prima facie evidence of copyright and its ownership, and therefore subject to rebuttal.[4] Thus, while a certificate of registration is not conclusive evidence of ownership of a copyright it provides the registered owner with the advantage that, should litigation arise, his adversary would carry the burden of rebutting the presumptions arising from the certificate.

A second statutory advantage of registration is established in section 22 of the Copyright Act:

> "22. Where proceedings are taken in respect of the infringement of the copyright in any work and the defendant in his defence alleges that he was not aware of the existence of the copyright in the work, the plaintiff is not entitled to any remedy other than an injunction in respect of the infringement if the defendant proves that at the date of the infringement he was not aware, and had no reasonable ground for suspecting that copyright subsisted in the work; but if at the date of the infringement the copyright in the work was duly registered under this Act, the defendant shall be deemed to have had reasonable ground for suspecting that copyright subsisted in the work."

Thus registration of a claim to copyright serves as constructive notice to all of the claim to copyright and the ownership thereof. Without such registration the plaintiff's remedies would be limited to an injunction. Further, production of a copyright registration certificate during infringement litigation effectively shifts the onus of proof to the defendant in that he must then labour under the double task of disproving the subsistence of copyright and the registration of claim with respect thereto at the time of the alleged infringement, and that the plaintiff held the copyright at that time.[5] The shifting of the onus of proof is important for an owner of a copyright since it simplifies his task in litigation considerably and enables him to pursue a wider range of remedies.

C.I.2. Permitted Registration of a grant of an interest in a copyright.

Subsection 40(1) of the Copyright Act states that:

> "40.(1) Any grant of an interest in a copyright either by assignment or licence may be registered in the Registers of Copyrights at the Copyright Office, upon production to the Copyright Office of the original instrument and a certified copy thereof, and payment of the prescribed fee."

This creates a regime of permissive registration of any grant of an interest in a copyright. Unlike the regime of copyright registration, there is no suggestion as to who may effect registration and the only particulars required for registration are met by the submission of the original and a certified copy of the granting instrument. Unlike copyright registration, though a certificate of registration of the grant is furnished, it does not give rise to any presumptions as to ownership or copyright. The certificate is merely admissible evidence, under s. 36(1), without further proof or production of originals, that a certain grant was registered, but it is not proof that the grant of the interest is valid.

However, there is one statutory advantage created by registration of a grant of an interest in a copyright. This arises under Section 40(3) which provides that unless it is the first registered, a grant of an interest in a copyright will be void against any

subsequent bona fide (i.e. for valuable consideration without actual notice) grant which was registered. In other words grants of interests in a copyright will rank in their order of registration.[6] Hence, while registration of a grant of an interest in a copyright is permissive, the possible consequence of non-registration, i.e. the voiding of an unregistered grant as against a subsequent grant which was registered, makes registration the wisest course of action.[7]

3. Mandatory filing by performing rights societies of lists of works under their authority and of statements of proposed royalties.

Section 48 of the Copyright Act makes it mandatory for performing rights societies (PRS) in Canada, which carry on the business of acquiring copyrights in dramatico-musical or musical works or of performing rights in such works and licensing of such works for their performance in Canada, to file lists of all such works in their repertoires. In addition, each PRS must file annual statements of proposed licence royalty fees to be charged for the subsequent calendar year. These filings must be made to the Minister of Consumer and Corporate Affairs at the Copyright Office. The purpose of the mandatory filing system is to ensure the control and regulation of the performing rights societies.[8]

The system of mandatory filings was established in 1931 by the Copyright Amendment Act[9] following the creation of the Performing Right Society in England and of the American Society of Composers,

Authors and Publishers (ASCAP) in the United States. Today in Canada there are two licensed performing rights societies, CAPAC (Composers, Authors and Publishers Association of Canada Ltd.) and PROCAN (Performing Rights Organization of Canada, whose antecedent was BMI or, Broadcast Music Inc.) which administer broadcasting and performing rights or works within their repertoires, and distribute among their members the royalties charged for such uses, and generally represent the members' interests.

The purpose of the mandatory filing system is much different from that of a registration system in that the former is a mechanism to facilitate the regulation of collectives, while the latter is primarily intended to produce a public record of all works in which there is copyright. Therefore, while the record produced by the mandatory filing system parallels that produced by the registration system, their functions are disparate.

Therefore, for the purposes of the present discussion the voluntary registration system will not be considered to include the mandatory filing system,[10] and the latter will not be discussed further.

Strengths and Weaknesses

The principal weakness of the permissive registration system is that though a registration system is supposed to produce a useful and reliable information source relating to copyright, both the usefulness and reliability of the records produced by permissive registration system are questionable from a number of points of view. Perhaps one of the most succinct statements of the arguments on such issues was made by the Royal Commission on Copyright in 1875:

> "Those persons who suggest the abolition of registration have argued that it is of no practical utility; - that it cannot, as in the case of shares, ships or land, be conclusive evidence of title; that it cannot prove that the book registered was written by the person who registers it, or that it is not a piracy; - and that the owner can assert and prove his right quite as well by extrinsic evidence as by means of a registry. Those, on the other hand, who advocate registration, say that it is a useful system, because copyright is a species of incorporeal property, of which some visible evidence of existence is desirable; - that it may on occasions be a matter of public utility to know to whom certain books belong, and that by means of registration the public are enabled to ascertain the fact, and whether copyright in a book does exist. They argue further that another advantage which can and ought to be

> derived from registration is that the register might be made conclusive evidence of transfer or devolution of title; - and that it might afford to the country a complete list of all literary works brought out in this country. It is also said to be very probable that in the absence of registration English authors might find it difficult to enforce their rights in other countries. It is admitted to be a convenience to an author to be able, under an international convention, to produce as evidence a copy of the register, instead of being obliged to prove by witnesses his authorship and right".[11]

It is submitted that most if not all of these comments are as topical today as they were one hundred years ago. There would appear to be substance in the contentions of abolitionists that registration is not very useful since it does not provide conclusive evidence of title. The certificate of registration of copyright is merely prima facie evidence of the existence of a work, of the existence of copyright in it, and of the ownership of the copyright, and as such is completely open to rebuttal. Since there are no book deposit requirements, there can be no knowledge in the Copyright Office of the actual work and whether indeed the work really exists. Moreover, since

all that is known to the Office is that which appears on the application to register (author's name and address, title of work, type of work, date and place of first publication if published etc.) and there is merely cursory examination of the application, it is understandable why the Commissioner is by Rule 30 not responsible for the validity of documents furnished to him. The Commissioner must rely on the unsupported submissions of an applicant, and the truthfulness of such submissions is not authenticated. Thus there is an area of potential abuse in registration, since it could very easily be used to fabricate evidence or to gain a procedural advantage (due to the statutory presumptions and the effect of a certificate of registration) in anticipated litigation by making self-serving declarations in a registration application. It is a fact that even though the Copyright Office might doubt the validity of an application, registration will occur, in any event, if the applicant insists strongly enough, and so long as the application is complete and in the prescribed form.[12] Once registered, not only falsifications acquire an aura of official "approval", but they would also not easily be rectified since exclusive jurisdiction for rectification lies in the Federal Court.[13]

As noted, in so far as the registration of particulars of a claim to copyright and of a grant of interest in a copyright are permissive and not mandatory, the register remains an incomplete record of all works susceptible to registration. Of interest is the United States registration system where registration is a "prerequisite" to an infringement action. Even under this system the U.S. Copyright Office has indicated that no more than ninety per cent of copyrightable books, periodicals, maps, music and motion pictures were deposited and registered.[14] Can Canada expect to register a greater proportion, especially in view of the fact that our registration system is more "permissive" than the American one? One indication of the value of such registration is that, during the last decade, increases in the registration fees have led to radical drops in the number of applications for registration, and a large increase in the number of applications abandoned as shown in Table I infra. Moreover, a large number of potential registrations are not being made, and this results in a deficient register. As further evidence of this, one need only consider the steady decline in the number of registrations of grants of an interest in copyright, from two thousand in 1971 to little over two hundred in the fiscal year ending in March 1979. Surely this does not reflect the growth in the copyright industries during that same period. The only reasonable conclusion one can draw is that the incentives for registration are ineffectual.

TABLE I

COPYRIGHT STATISTICS[1]

Fiscal Year ending in	Number of Applications for Registration of Copyright Received	Number of Registrations of Copyright 2	Registration Fee	Number of Grants (Assignments) of a Copyright Interest Registered
1966	7,845	7,720	$3	2,180
1967	7,771	7,575	$3	1,566
1968	8,139	7,875	$3	1,863
1969	8,321	8,067	$3	2,050
	9,166	8,611	$3	1,713
1971	9,479	9,315	$3	2,035
1972	10,549	10,072	$3	1,501
1973	10,457	9,550	$3 until Dec. 31,1972-$10 thereafter	1,077
1974	9,475	9,209	$10	822
1975	8,199	8,123	$10	825
1976	8,862	8,235	$10	310
1977	9,473	9,384	$10	700
1978	9,427	9,266	$10	565
1979	8,908	8,430	$10 to 31 Oct '78-$25 after 1 Nov. '78	249

1. Collated from the Annual Reports of Consumer and Corporate Affairs.

2. The difference between the number of applications and the number of registrations represents the number of applications, either abandoned, or only registered in the following year.

There are those who would argue that despite its diminished value the registration system provides some benefit as indicated by the number of registrations still being made, and that since operating costs are minimal, it ought to be retained. It is submitted that the basic reason for the continued registrations is the statutory advantage in Section 36(2) vis-à-vis evidence of ownership of a copyright. As was observed by the Canadian Recording Industry Association:

> "The only reason why we would favour the retention of the present voluntary system would be to benefit from the presumptions in section 36(2). If those presumptions can be effectively replaced by amendment to section 20 (as indeed has been recommended in the working paper), then we see no objection in doing away with the present voluntary registration system."[15]

This was echoed by Malcolm E. McLeod, of Ogilvy, Cope, Porteous et. al.:

> "... The Working Paper considers that the presumptions and remedies recommended more than offset the benefits which a copyright owner will lose by the abolition of the voluntary registration system. ... if the presumptions and remedies created in the new Canadian Copyright Act are of sufficient value to an owner of copyright to more than compensate, the voluntary registration system is not necessary".[16]

What is significant, therefore, is that the benefits, which can be provided by the registration system, can also be provided by a much simpler mechanism namely, statutory presumptions. Such presumptions could, as suggested by Keyes-Brunet, include a rebuttable presumption that the plaintiff (rather than the author) owns the copyright in a work.[17] This would in effect give the plaintiff the same advantage he would have had, if his name had been registered as the owner of the copyright. The fact that the presumption is rebuttable affords a "safety-valve" in the case where the plaintiff is not the legitimate copyright owner.

Of course this would only be one of a number of presumptions which could be structured to help establish the existence and ownership of copyright in a work as well as any other factor which might be desirable. It is suggested that the construction of a comprehensive set of statutory presumptions could achieve the same ends as a registration system without the attendant costs.

The costs of administering the registration system, although not large, are increasing steadily as reflected by the increases in registration fees during the last decade. The Copyright Office, is intended to be self-supporting through its fees to registrants and other users. In 1978, in support of requests for increased registration fees it was estimated that the Copyright Office costs amounted to $130,000 for that fiscal year.

Since 1971 there have been only some 285 cases in the Federal Court where questions of copyright were at issue, predominantly infringement, each representing a potential use of a certificate of registration as evidence.[18] No statistics are readily available for other courts. While it is difficult to estimate the impact that registration might have had in each of these and other cases, it is noteworthy that the same impact would in all likelihood have been provided by strong statutory presumptions, without encountering the same costs associated with registration. One wonders whether it is cost efficient to maintain a less than complete registration system to provide evidence in such legal battles when a simpler mechanism exists.

Furthermore, registration was intended as a means of public notification of copyright, yet there is no active public notification of applications to register or other details entered in the register. The register actually serves a passive role. It is consulted in the main by those who wish to exploit copyrighted works. Inasmuch as the exploitation of copyright embodies private enterprise, if registration were abolished one could expect growth of private data banks and private information collection to fill the void, and to serve the special needs of those who exploit copyright. Such

information facilities could be advantageous since they could perform functions which the Copyright Office is now prohibited from performing. Thus the private information facilities could express opinion on the merits, copyright status and ownership of particular works. Other services could include comparisons for similarities in works, advice on possible copyright infringement, perhaps even aid in finding a market for the work. In short, private facilities could do many things which the Copyright Office cannot.

That the registration system suffers from a number of weaknesses and defects is undeniable, but in addition, it in itself constitutes a major problem. Canada adheres to two international conventions, firstly, the Berne Convention for the Protection of Literary and Artistic Works (the Berne Convention) at the level of its 1928 Rome Revision, and secondly, the Universal Copyright Convention (U.C.C.) at the level of the 1952 Geneva Text. The fact that under section 4 of the Copyright Act, copyright in Canada

arises "automatically" upon creation of the work, and the fact that registration is permissive and not a condition precedent for the existence of copyright are intended to reflect Canada's obligations under the Berne Convention, of which, Article 4(2) states:

> "The enjoyment and exercise of these rights shall not be subject to the performance of any formality; such enjoyment and such exercise are independent of the existence of protection in the country of origin of the work. Consequently, apart from the express stipulations of the present Convention, the extent of protection, as well as the means of redress secured to the author to safeguard his rights shall be governed exclusively by the laws of the country where protection is claimed."

However, while registration appears permissive in accordance with the Berne Convention in that it is not a required formality for the existence of a copyright or of a granted interest in copyright, registration of either provides certain statutory advantages as discussed earlier, to owners of copyright who have registered their claim. These statutory advantages, which are instrumental in the protection of the copyright, are specifically provided only where registration has taken place. This begs the question of whether the requirement of registration in order to enjoy all

of the benefits available under the Copyright Act conflicts with Article 4(2). The World Intellectual Property Organization (WIPO) Guide to the Berne Convention [19] in dealing with the Paris Text counterpart of Article 4(2) states that:

> "Here appear the other fundamental principles of the Convention. First and foremost protection may not be made conditional on the observance of any formality whatsoever. The word "formality" must be understood in the sense of a condition which is necessary for the right to exist - administrative obligations laid down by national laws which if not fulfilled lead to loss of copyright. Examples are: its registration with some public or official body; the payment of registration fees, one or more of these. If protection depends on observing any such formality, it is a breach of the Convention. However what is at issue here is the recognition and scope of protection and not the various possible ways of exploiting the rights given by the law.
> ... What one must look at is whether or not the rules laid down by the law concern the enjoyment and exercise of the rights".

Therefore, inasmuch as registration appears to be a formality under the Copyright Act upon which depends the scope of protection, and the exercise and enjoyment of copyright, it is submitted that the present registration system conflicts with Article 4(2) of the Berne Convention, and that in consequence, Canada is in dereliction of its international obligations under the Berne Convention. This submission is further

strengthened by a recent article by Mayer Gabay in the Bulletin of the Copyright Society of the U.S.A. In his discussion of registration vis-à-vis the Berne Convention, he perceived that though a registration system might be "permissive" in that registration is not a condition precedent for the acquisition of copyright, it could still offend the "no-formalities" Article of the Berne Convention, if the exercise of copyright nevertheless depended in some way upon registration. If what the law gives rise to is merely a bare right that is incapable of being exercised in a court of law until registration is effected, then this would seem to offend the "exercise" and the "enjoyment" of copyright contrary to the "no-formalities" Article.

> "As against this, the formalities imposed by the new Act as to notice, registration, and deposit, while in substance not prejudicially affecting copyright as such, do, in their practical effect, continue to play a certain role that could influence the "exercise" if not also the "enjoyment", of the rights set out in Art. 5(2) of the Berne Convention." [20]

Gabay acknowledged that there were certain counter arguments, most notably those postulated by Melville Nimmer.[21] Nimmer, a proponent of the registration system, argues that a formality prerequisite to litigation, but not a condition of copyright, may not be proscribed by the Berne Convention. However, he also admitted that his rather "finespun reasoning" would not

likely find judicial acceptance, and would much less likely be accepted by the members of the Berne Convention.

Significantly, both Nimmer and Gabay in effect confirm the interpretation offered in the WIPO Guide, which in turn lends credence to the Keyes-Brunet notion that the statutory advantages arising due to registration, cause the permissive registration system to be in conflict with the no-formalities Article of the Berne Convention.

While our permissive registration system appears to conflict with the Berne Convention, this may not be the case with the UCC, the other international convention to which Canada adheres. Under Article III of the U.C.C. a Contracting State may require formalities for both the acquisition and enjoyment of copyright in works first published in its territory, or works of its nationals wherever published. All other works protectable under the U.C.C. may escape the requirement by the simple mechanism of employing the so-called "UCC-notice" in the appropriate manner. This notice consists of an encircled "c" followed by the name of the copyright owner and the year of first publication. Proper use of the UCC-notice is deemed to constitute fulfillment of

any formalities required by any Contracting State under the U.C.C. The Canadian Copyright Act provisions with respect to permissive registration do not require formalities for the acquisition of copyright. These same provisions in effect require registration for the full enjoyment of all the statutory advantages under the Copyright Act and thereby require a formality for the enjoyment of copyright. Despite this the copyright Act does not conflict with the U.C.C. in these respects, since it merely does that which is permitted by the U.C.C.

In addition under Article III, a Contracting State may require a U.C.C. foreign national seeking judicial relief to comply with procedural requirements for bringing an action, to the extent that such requirements apply to the nationals of that Contracting State. The Copyright Act denies certain statutory advantages, relating to litigation, to non-registrants. It may thus be said that the requirement of registration as a condition for gaining the statutory advantages is tantamount to requiring compliance with a procedural matter for bringing an action, since without the statutory advantages the plaintiff's case may be harder to establish. However, since this "procedural requirement" is equally applicable to Canadian nationals as to nationals of other U.C.C. states, the permissive registration system does not offend the U.C.C. in this respect either.

Hence, the permissive registration system does not appear to offend the U.C.C. but it does offend the Berne Convention.

In sum then, the weaknesses of the present permissive registration system appear to outweigh its' strengths. The very nature of the permissiveness of registration leaves the completeness, accuracy and reliability of the information collected open to question, as does the lack of deposit and the cursory examination of the work to be registered. It is felt that the denial of the statutory evidentiary advantages of registration to non-registered copyright owners acts as an impediment to their exercise and enjoyment of copyright, and as such offends the Berne Convention. Furthermore, if the only remaining value of the registration system is a function of the statutory advantages, such advantages can be provided without the need for any registration system, by adding to and strengthening the presumptions in the Act.

D. Alternative Approaches

This section examines three alternatives approaches in relation to the international conventions, and the experiences in other countries.

(i) Obligatory Registration

Whereas permissive registration is understood as enabling an author or creator to choose whether or not to register his copyright without sanction, obligatory registration is understood as commanding registration to be made, with a sanction for non-compliance. In a truly obligatory registration system, registration is the condition precedent to acquisition of copyright or alternatively, failure to register implies loss of copyright.

Inasmuch as Canada adheres to the Berne Convention, a general obligatory registration system in canada would be impossible as it would run counter to the "no-formalities" requirement in Article 4(2) as discussed in section C.II.

Of course it would be possible, as suggested by Keyes and Brunet, to construct a bifurcated registration system where only works having Canada as their country of origin could be subject to obligatory registration, and works of foreign origin would escape this requirement. A bifurcated system would be undesirable in that it would effectively penalize

Canadian nationals and works first published in Canada by forcing them to comply with the registration formality while other UCC and Berne works would escape this requirement. Such a situation might conceivably cause authors for instance to avoid publication in Canada, thereby adversely affecting the Canadian publishing industry. There would undoubtedly be other undesirable repercussions throughout the copyright industries. In addition, a bifurcated system of obligatory registration would not be a complete record of all copyright matter before the Canadian public since it could not compel registration of foreign origin works which in any case form the majority of works to which Canadians are exposed. For these reasons, obligatory registration is given no further consideration.

(ii) Quasi-Permissive Registration

This section considers the American registration system as a possible alternative. That system can be characterized as "quasi-permissive" since, though copyright registration is permitted and does not constitute a condition precedent to the acquisition of copyright, it is a necessary prerequisite in order to maintain an action for copyright infringement.[23] A subtle aspect of the U.S. law to assess is that while section 408(a) states that "registration is not a condition of copyright protection", this is subject to section 405(a) which states that if the notice of copyright, which is required in all copies of a published works, was

omitted or was erroneous, copyright is inexorably lost, unless it is registered before or within 5 years of the publication without the required notice. Thus registration, while not otherwise a condition of the acquisition of copyright is by section 405(a), mandatory for the preservation of copyright where copyright notice was defective.

The 1976 American Copyright law was partly an attempt at "rapprochement" with the Berne no-formalities Article, but unfortunately, it failed to do away with an essential conflict between the U.S. law and the Berne Convention.[24] The scope of protection for copyright is subject to the registration formality in that registration of a copyright is a necessary prerequisite to the bringing of an infringement action. Furthermore, a claim of an interest in a copyright under a granting instrument (such as an assignment or license) must be recorded by registering the granting instrument before one may initiate an infringement action based upon it. In addition, recordation determines the priority between one transfer and another, and between a transfer of ownership and a non-exclusive license. As was observed by Gabay:

> "Registration is an essential "prerequisite to an action for copyright infringement and, likewise, a "prerequisite" to certain remedies for infringement. These provisions would certainly seem to offend the "exercise" of the rights (if not the enjoyment) vested in the copyright owner as determined in Art. 5(2) of the Berne Convention. It is true that registration is "permissive" and does not, under the 1976 Act, constitute a condition precedent for acquisition of copyright. But these factors merely give rise to a bare right that is incapable of being exercised in a U.S. court of law until registration is affected".[25]

Thus it is submitted that the American copyright registration system conflicts with the "no-formalities" Article of the Berne Convention. By the same token, the section 405(a) provision of mandatory registration to preserve a copyright would offend Article 4(2) since it represents a formality upon which depends the existence of a copyright.

With regard to transfers or assignments of copyright interests, though the provision appears permissive in that one may record the transfer, recordation is a prerequisite to an infringement suit and will determine

certain priorities. Though the recordation formality is not a condition of the existence of the subject copyright, the fact that it is a prerequisite to an infringement suit to protect the copyright, would seem to violate the "no-formalities" Article of the Berne Convention, despite argument to the contrary.[26]

There are two essential distinctions between the present Canadian permissive registration system and the new American quasi-permissive system. Firstly, whereas the Canadian system is not associated with any deposit requirements and involves mere cursory examination of the application submitted for registration, the American system has comprehensive deposit requirements and involves a substantive examination of both the application and the deposit. This distinction causes the American system to be more accurate and probative than its Canadian counterpart, but entails a large and expensive operation. Whereas in 1978-79 the Canadian system dealt with close to 9,000 applications to register, the American system was faced with 450,000.

In addition, while the Canadian system employs less than 10 people the American system requires over 600. The Canadian system's cost for 1977-78 was about 130,000 dollars. The American system's cost was over 8.3 million dollars for the same year and is projected at about 10.5 million dollars for 1980.[27] Moreover, the American system operates at a deficit which must be paid for by the general taxpayer. Hence while the American system may seem attractive from the point of view of accuracy of information recorded, it would involve substantial costs for Canada.

The second major distinction between the Canadian and American registration systems, is that in the latter, registration is a prerequisite to any infringement suit, but in the former, registration is not; it is merely a pre-condition to certain statutory advantages which help to provide a wider scope of protection and to enhance the exercise and enjoyment of copyright. In that the degree of conflict between the American system and the "no-formalities" Article of the Berne Convention appears more serious than that of the Canadian system, it is submitted that it would be inappropriate for Canada to adopt the American approach and thereby "increase" its degree of conflict with the Berne Convention..

For all these reasons, a quasi-permissive registration system such as that in the U.S. is not a viable alternative for Canada.

(iii) Abolition of Registration

There is nothing preventing the abolition of the present permissive registration system. In fact, neither of the two international conventions to which Canada adheres requires a registration system to be maintained. Moreover, there are very few Berne countries which do provide for any official registration. Indeed, Britain which is a member of the Berne Convention, and in whose Copyright Act are found the roots of the Canadian Copyright Act, has not had any registration system in its law since 1911. It is somewhat surprising then that the present Canadian Copyright Act, originally enacted in 1924, and apparently patterned after the 1911 British Act, contains a permissive registration system. The lack of a British registration system came about somewhat by accident in that the committee appointed to study the ramifications on the British Copyright Act of British adherence to the 1908 Berlin Revision of the Berne Convention exceeded its mandate and recommended the abolition of registration with respect to both domestic and foreign works.[28] The committee believed that the registration requirements were "anomalous, uncertain, and productive of great disadvantage and annoyance to authors with little or no advantage to the public".[29] The recommendation for abolition of registration was not accepted

willingly and between the time of the committee's report and the enactment of the new British Copyright Act in 1911, a proposal was made that Britain should adopt a system of voluntary registration with a feature that it should be effective as prima facie evidence of certain copyright related facts. By the time the 1911 Act was proclaimed, the voluntary registration proposal had been discarded on the basis that it would probably prove futile and the new law did not provide any measure at all with respect to registration of either copyright or of the grants of interests in copyrights.[30]

This situation has not changed in Britain, and though their Copyright Act has been amended several times since 1911 to enable accession to later revisions of the Berne Convention, and to the U.C.C., registration has been consistently rejected. This has not created any insurmountable problems in the commerce related to copyright and Britain has chosen to stay in the mainstream of Berne Convention countries which do not provide for any form of official registration. The slack left by abolition of registration was, for the most part, taken up by other sources of copyright information such as publishers, authors themselves or their societies, collectives administering interests in copyright, and libraries.[31] While this "system of establishing ownership of copyright, etc.

may not be entirely satisfactory in that it may involve extensive and duplicitous research and private data collection, it is thought that it is more efficient in the exploitation [32] of works than would be a formal voluntary registration system or even an obligatory registration system which might arguably better the full enjoyment of the benefits of copyright without enhancing the basic credibility of information produced. In addition, the British experience has established the viability of replacing registration by statutory presumptions:

> "English experience teaches us at least that when registration creates consequences advantageous to the particular registrant it may be replaced by some other mechanism. The English 1911 Act easily replaced the registration certificate with a statutory presumption to the same effect; and it easily met the publishers' requests for a registration certificate for customs enforcement functions with a provision that an ordinary letter should serve the same purpose.
>
> English experience further points out several instances where registration disadvantageous to the registrant is unnecessary. It is not the only method available to deter fraudulent suits, to give the public notice of copyright, to determine the expiration of protection, or to ferret out items for deposit"[33]

The situation is much the same in Australia which abandoned voluntary registration in 1968, after having imported it from Britain under the Commonwealth Copyright Act of 1912. Registration under the 1912 statute had been optional the only substantial benefit to the registered owner being availability of special summary remedies under the Act. "Registration had an advantage for the public in that it was possible to ascertain details of ownership by search, although the utility of the Register was diminished by the fact that registration was not compulsory".[34] While the Australians recognized the advantages of registration, in providing information as to the existence and ownership of copyright, they also appreciated the diminished quality of such information due to the optional nature of their registration. In addition, it was felt that Australia's international obligations as a Berne country, vis-à-vis the enjoyment and exercise of convention rights not being subject to any formality, limited its scope of action.[35] These two factors led to the 1968 abolition of optional registration in Australia.

The experiences of both Britain and Australia indicate that registration is not essential to the orderly commerce in copyright, since copyright related industries have flourished in those countries since its abolition.

E. Conclusion

The question addressed by this paper was whether to abolish the present registration system in Canada.

There are some values in a copyright registration system but they are essentially predicated on the information collected. The only certain method of ensuring complete and accurate information is through obligatory registration combined with deposit requirements. The present system in Canada is permissive, the examination of applications for registration is merely cursory and there are no deposit requirements. These defects cause registration to be inconclusive, incomplete and potentially unreliable. The same evidentiary advantages which might be associated with registration could be achieved, at no cost, through statutory presumptions.

The major drawback of the present registration system in Canada is that it conflicts with the "no-formalities" Article of the Berne Convention. Ideally, if Canada wished to have a complete copyright information system, it should adopt something parallel to the U.S. system. However an American-type system would more seriously conflict with the Berne Convention than does our present system. Thus the American system is not a viable alternative for Canada. Other commonwealth countries such as Britain and Australia, faced with similar problems in their registration systems have abolished registration, substituted staturory presumptions and their copyright industries have flourished.

For all the foregoing reasons, it is concluded that copyright registration in Canada ought to be abolished.

Footnotes

1. Brief from Board of Trade of Metro Toronto

2. The Berne Convention for the Protection of Literary and Artistic Works, henceforth referred to simply as the Berne Convention is one of the two international copyright conventions to which Canada adheres, the other being the Universal Copyright Convention or U.C.C.

3. Gribble v. Manitoba Free Press Ltd. (1931) 2 W.W.R. 501, (1931) 3 D.L.R. 648, (1931) 3 W.W.R. 570, 40 Man. L.R. 42, (1932) 1 D.L.R. 169.

4. Circle Film Enterprises Inc. v. Canadian Broadcasting Corporation 19 Fox Pat. C. 39, (1959) S.C.R. 602, 31 C.P.R. 57, 20 D.L.R. (2nd) 211
   Also see: Reliance Shoe Co. Ltd. v. Campbell Soup Co. Ltd et al 11 Fox Pat. C. 45, (1950) O.W.N. 495, (1950) 3 D.L.R. 863

5. The Canadian Law of Copyright and Industrial Designs, Carswell Co. Ltd., Toronto, 2ed, 1967, by H. G. Fox at page 316

6. Grants of interests in a copyright will rank in their order of registration, but registration cannot make a non-bona fide grant any more valid than it was to begin with. A non-bona fide grant is a non entity at the outset, as against a bona fide grant, and registering a "nothing" cannot transform it to a "something".

7. Obviously, three situations can arise in respect of two conflicting bona fide grants:

   1. both are registered; in which case Section 40(3) states that the one first registered prevails and the second registered is void as against the first, or

   2. both are unregistered; in which case the common law applies - i.e. the one first created or first in existence usually prevails and the second in existence is subordinate to the first, or

   3. one is registered, the other is not; in which case Section 40(3) would make the unregistered grant void against the registered one.

8. Supra, note 5, at pp. 525 and 529
   One can appreciate the need for control and regulation merely by considering that under the Copyright Act each PRS has a monopoly in its repertoire and if uncontrolled could use this monopolistic power indiscriminately. (eg. they could

set prices at will, control supply etc.). Such an uncontrolled monopoly could have devastating effects and should therefore be controlled in the public interest.

9. The Copyright Amendment Act C.8, S.C. 1931, amended by C. 28, S. 2, S.C. 1936 and C. 27, SS. 1 and 4, S.C. 1938 - see now R.S.C. 1970, C. 55 ss. 48 to 50 inclusive.

10. Somewhat mystifying is the reference, on page 205 of Copyright in Canada: Proposals for a Revision of the Law, (by A.A. Keyes and C. Brunet April, 1977) to the section 48 mandatory filing system which implied that it is part of the present registration system. If this were so, then to implement the abolition of registration system would imply leaving the PRS's unregulated. This appears to be illogical and we can therefore assume that Keyes-Brunet did not intend the mandatory filing system to be included as part of the registration system for the purposes of the possible abolition of the latter.

11. Copyright Commission: The Royal Commission and the Report of the Commissioners, 1878 (Cmd 2036) para. 136 at p. xxiii.

12. This fact was confirmed by R. Vadeboncoeur the Assistant Registrar of Copyrights in discussions during late May, 1979.

13. This is found in subsection 40(4) of the Copyright Act. Note that there as yet have been no reported cases of rectification.

14. Studies on Copyright, Rothman & Bobbs-Merrill, 1963 Study No. 17, The Registration of Copyright, by Prof. B. Kaplan, August 1958, page 33.

15. Brief from the Canadian Recording Industry Association.

16. Brief from Malcolm E. McLeod, of the law firm of Ogilvy, Cope, Porteous, et al.

17. Copyright in Canada: Proposals for a Revision of the Law, A.A. Keyes and C. Brunet. Consumer and Corporate Affairs Canada, April 1977, at p. 183.

18. This was as of May 31, 1979, from discussions with Paul Menard of the Registry Office at the Federal Court.

19. Guide to the Berne Convention for the Protection of Literary and Artistic Works (Paris Act, 1971) World Intellectual Property Organization, Geneva, 1978, at page 43 et seq.

20. Bulletin of the Copyright Society of the U.S.A. Vol. 26 No. 3 Feb. 1979, New York University Law Center - "The United States Copyright System and the Berne Convention" by Mayer Gabay, at pages 208 and 217.

21. The United States Copyright Law and the Berne Convention, by M.B. Nimmer, 26027 (BIRPI Publication, Geneva, 1966) also in
19 Stanford Law Review Feb. 1967 p. 499
Implications of the Prospective Revisions of The Berne Convention and The United States Copyright Law, by Melville B. Nimmer, at pages 512 & 513.

22. Supra, Note 17, at p. 205.

23. The Complete Guide to the New Copyright Law by the New York Law School Law Review, Lorenz Press, Dayton, Ohio, 1977: Copyright Notice, Deposit and Registration Under s. 22, by George Gottlieb & Barry A. Cooper, p. 75, at p. 88.

24. Supra, Note 20, at p. 217.

25. Supra, Note 20, at p. 208.

26. Supra, Note 20, at p. 209.

27. This information was obtained through the U.S. Copyright Office and from a publication on the hearings of a sub-committee of the U.S. Committee of Appropriations. The sub-committee dealt with Legislative Branch Appropriations for 1980 in the 1st session of the 96th H.R.

28. ASCAP Copyright Law Symposium Number Ten, Columbia University Press, New York, 1959, English Experience with Registration and Deposit, by Samuel A. Olevson, at p. 54.

29. Report of the Committee on the Law of Copyright 1909 (Cmd 4976) at p. 12.

30. Supra, Note 14, at p. 63.

31. ibid.

32. Supra, Note 14, at p. 63 - it was offered that "... if there were an official registry in England, lawyers would naturally insist that full searches be made; these on the one hand would slow down operations and on the other hand could not in the nature of things solve the marginal cases presenting hand legal questions. Moreover he felt, here echoing the copyright

committee report, that some price of uncertainty of legal relationships could well be paid for a system which avoided all formalities and therefore all possibilities of slipups forfeiting copyright".

33. Supra, Note 28, at p. 69.

34. Intellectual Property Law in Australia, by James Lahore, Butterworths, Sydney Australia, 1977 at p. 33.

35. Report of the Committee Appointed by the Attorney-General of the Commonwealth to Consider What Alterations are Desirable in the Copyright Law of the Commonwealth. Commonwealth Government Printer, Canberra, Australia, 1959, p. 85 et. seq.