

END OF THE ROAD FOR INFRINGING PHOTOGRAPHS, APPEAL COURT RULES

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PRECIS: An appeal court confirmed a permanent injunction ordering RTI Turbo to remove a set of photographs from its website. The court found that RTI, which had argued that the respondent had no rights in the photographs, had confused two distinctive rights: the copyrights in a photograph and the rights in the photographed objects.

In *RTI Turbo Inc v Canada Allied Diesel Company Ltd* (2007 QCA 1420; 2007-10-15) the Québec Court of Appeal has affirmed a trial judge's decision (2005 CANLII 39802; 2005-10-25) to issue a permanent injunction ordering the appellants to remove contentious photographs from their website and to stop using them in violation of the respondent's copyright. The appellants claimed that the respondent had no rights in the photographs and that they were not artistic works and therefore not protected by the Copyright Act.

Canada Allied Diesel Company Ltd (CAD) specializes in the fabrication, reconstruction and repair of diesel and locomotive engines. It also distributes engine components and offers various associated services. RTI Turbo Inc remanufactures diesel and locomotive engines. Ogunfowora Toyin and Ronnie Wallace were employed by CAD until December 2000. They then created their own business (RTI) where they applied the expertise they had acquired while working for CAD.

CAD asked the trial judge for an injunction to:

- prohibit the appellants from using its trademark;
- prohibit the appellants from using photographs owned by CAD; and

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- order the removal of these photographs from RTI's website.

CAD submitted that the appellants acted in violation of the Copyright Act and the Trade-marks Act. CAD further asked that the appellants be ordered to pay C\$25,000 in damages as well as the costs.

Before the trial judge, the appellants:

- argued that CAD did not own the photographs;
- denied the use of CAD'S trademark;
- called upon their right to free competition; and
- asserted that CAD'S action was abusive and vexatious.

Toyin and Wallace both claimed C\$50,000 in compensatory damages and RTI claimed C\$50,000 in compensatory and punitive damages.

After reviewing the photographs on the website and hearing the various testimonies, the trial judge came to the conclusion, in accordance with Sections 2, 3 and 13 of the Copyright Act, that CAD did own copyright in the photographs, which had been taken by CAD employees and published on CAD's website. By publishing the photographs on their website without CAD's consent, the appellants had violated CAD's copyright in the photographs. Moreover, Toyin, who was responsible for the website's development, and Wallace, a shareholder in and administrator of RTI, should have known that publishing these photographs violated CAD's copyright. The court issued a permanent injunction ordering RTI, Toyin and Wallace to withdraw the photographs from RTI's website and to cease all use of any photograph belonging to CAD. The court fined the appellants C\$5,000 in costs, with interest and additional compensation. The court also granted CAD C\$10,000 in damages, with interest and additional compensation. The court found no unauthorized use of CAD's trademark.

RTI, Toyin and Wallace appealed the decision. The Court of Appeal rejected the appeal with costs for the following reasons:

First, the court found that the appellants confused two distinctive rights: the copyrights in a photograph and the rights in the photographed objects. Justices Pelletier, Bich and Côté noted that in order to hold a copyright in a photograph under the Copyright Act, it is not necessary to have rights in the objects portrayed in the photograph.

Second, the court analyzed the question of qualification for copyright and the concept of 'original works'. The court states that with regard to the Copyright Act, creativity is not necessary for a work to be recognized as original. As the Supreme

Court of Canada decided in *CCH Canadian Ltd v Law Society of Upper Canada* (1004 SCC 13) a utilitarian work may benefit from the act's protection as long as the work is original. An original work results from the author's talent and judgement.

According to the court a factual analysis is necessary to determine if a work is original and protected by the Copyright Act. As established in *Betaplex inc v B&A Construction Ltée* (2006 QCCA 886; 2006-06-27), such an analysis is a mixed question of facts and law.

The issue at trial was not whether the contentious photographs were copies or reproductions of protected works. All the trial judge had to decide was if the photographs of useful objects resulted from the author's talent and judgement. In respect to the applicable judicial norm, Justice Langlois found that they were original works. For the appeal to be granted, the appellants, who questioned the trial judge's perception of the originality of the photographs, needed to establish that the trial judge had made a manifest and determining error.

The court found that the trial judge rightfully exercised her discretionary power regarding the extra judiciary fees, as provided specifically in the Copyright Act. The court decided not to pronounce itself on the question of damages and additional compensation as the appellants did not contest the amount of damages.

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