



[2015] JMSC Civ. 13

IN THE SUPREME COURT OF JUDICATURE OF JAMAICA

CIVIL DIVISION

CLAIM NO. 2012CD00059

BETWEEN	ANDRE TYRELL	CLAIMANT
AND	CORDEL BURRELL	1ST DEFENDANT
AND	DOWNSOUND RECORDS LIMITED	2ND DEFENDANT

Miss Analisa Chapman, attorney-at-law for the Claimant

Defendants absent and unrepresented.

Assessment of Damages- Breach of Copyright

Heard: July 2 and September 3, 2015

LINDO J. (Ag.)

[1] The claimant is a well known music producer, composer and audio engineer who has worked in the music industry for two decades. He is known in the music industry as “Rookie”. His claim concerns the musical work and the sound recording of that musical work which together he refers to as the *Superstar Rhythm*.

[2] The 1st defendant who is also known as “Skatta” is a local music producer and an in house producer for the 2nd defendant, a known record label and production company.

[3] On June 11, 2012 the claimant filed a claim form and particulars of claim against the defendants seeking the following remedies:

- i. A declaration that the claimant is the author and copyright owner of the *Superstar Rhythm* and that the whole or a substantial part thereof is contained in the *Street Hustle(Phone Cards, banana Chips)* song featuring the artiste Orane Wilson, also known as “Specialist” and in the *Street Hustle (Banana Chips)Rhythm*,

- ii. An order that the defendant cease and desist from any further unauthorized use of the claimant's *Superstar Rhythm*
- iii. An order that the defendants immediately rectify any and all accreditation information, including with collecting societies and in respect of the defendant's exploitation of the abovementioned Street Hustle song and the Street Hustle Rhythm in any format, to reflect the claimant as the writer/composer of his portion of the musical works contained in the said Street Hustle Song and Street Hustle Rhythm,
- iv. Damages
- v. An inquiry as to an Account of Profits
- vi. In the alternative, and at the claimant's election an order for all sums due upon taking such account of Profits
- vii. Additional statutory damages pursuant to the Copyright Act 1993
- viii. An order that the defendants at their sole expense and within five (5) working days of a judgment in the matter herein, issue a notice in the Entertainment section of the major local newspapers, and The Jamaica Star to the claimant, in a wording acceptable to this Honourable court, in respect of their unauthorized use of the claimant's Superstar Rhythm in the Street Hustle song and the Street Hustle Rhythm for same.
- ix. Costs, including attorneys' fees
- x. Interest at the prevailing Commercial Lending Rate

[4] The claim and particulars of claim were served on the defendants and they failed to acknowledge service or file a defence.

[5] On October 22, 2012, upon the application in respect of proceedings in default, the court made orders in terms of i, ii, iii, iv, vii, viii, ix and x above and on July 2, 2015 the matter came on for assessment of damages. The claimant provided proof of service of the formal order made on October 22, 2012. In addition, there was proof of service of the notice of the assessment of damages.

[6] As a consequence of the failure of the defendants to acknowledge service or file a defence to the claim, and in keeping with the principle in the case of **Winston Johnson v Norburt Lawrence** [2012] JMCA Civ. 3, they could not be heard in the assessment of damages, even if they had attended, save and except on the issue of costs.

[7] There is therefore no issue as to liability as the defendants are deemed to have admitted the matters set out in the particulars of claim and pursuant to the default judgment, the court is to determine the quantum of damages to be awarded in respect of the infringement of the Claimant's copyrights and of his moral rights, as well as the additional damages to be awarded against the defendants pursuant to section 32 (2) of the Copyright Act of Jamaica, 1993.

[8] The claimant Andre Tyrell gave evidence that he is the author and copyright owner of the well known dancehall beat or rhythm known as The "*Superstar Rhythm*". This rhythm he says received airplay on various local radio stations in 1999 and was officially released in 2000. He states that he is registered as the sole author and copyright owner and as a composer for the *Superstar Rhythm* with The Performing Rights Society for Music collecting society based in the United Kingdom (PRS).

[9] He states that the *Superstar Rhythm* has been featured in a number of popular songs and at all material times he has been credited as a writer and/or producer and that in or around 2011, the defendants without his authorization created a musical rhythm known as "Street Hustle Rhythm" which was a reproduction or adaptation and/or derivative work of the whole or a substantial part of his Superstar Rhythm and the 1st defendant registered an interest for himself for the infringing song as a composer/author and failed to acknowledge his authorship and copyright ownership in respect of the Superstar Rhythm that had been used in the infringing song.

[10] He notes also that in or about October 2011 the 1st defendant and his publishing company falsely lodged and claimed 100% share in the musical composition for the infringing song with the American Society of Composers Authors and Publishers (ASCAP) under the titles "*Street Hustle*" and "*Phone Cards and Banana Chips*" and he

lodged his “writer/composer interest” in the *Street Hustle* song and his registrations were never disputed by the defendants.

[11] The claimant said he sought to lodge a conflicting registration with PRS for Music noting his interest in the infringing song after receiving the court order in 2012 and discovered that the 2nd defendant apparently registered the infringing song under different names and licensed the infringing rhythm which contained an adaptation of his *Superstar* rhythm, for a Digicel advertising campaign for which the advertisements ran in heavy rotation on radio stations in Jamaica in 2011 and 2012.

[12] He states that the defendants have been credited for the infringing song and the infringing rhythm and he has never been credited for the use of his *Superstar* Rhythm in the infringing song and in the infringing rhythm. He does not recall seeing any audio-visual advertisements featuring the infringing rhythm and there has been no evidence of any, hence he states that the licence in question relates to a transcription licence.

[13] He further states that had he been duly and properly approached by the defendants to use and licence his work for the Digicel advertising campaign he would have charged a fee of “at least \$1.2 for the right to do so” and that the infringing *Street Hustle* song was extremely popular during the time of the advertising campaign and was used in two advertising commercial or advertising spots, one for 30 seconds and the other for 47 seconds which ran in heavy rotation on radio stations throughout Jamaica.

[14] Miss Chapman, Counsel for the claimant submitted that although infringement of copyright is a well known tort, the principles generally used in the assessment of damages for infringements, although compensatory, are not applied as strictly. She cited the United Kingdom Court of Appeal case of **Stovin-Bradford v Volpoint Properties Limited** [1971] 3All ER at 579 as noting that in these cases “damages are at large and cannot be precisely measured”

[15] She indicated that in Kohn on Music Licensing, 3rd Ed. 2002 at page 776, it is noted that “the fee structure for nearly all synchronization licence permitting the exhibition of licensed music in theatres or on television, or both, is a flat fee- the motion

picture of television producer will pay a one-time flat dollar amount for the term of the licence regardless of the number of copies of the film made or how many times the film is exhibited during the term.”

[16] Counsel also submitted that a flat fee is generally applied to transcription licences for radio commercials regardless of the number of times the radio advertisement is aired during the campaign period.

[17] Counsel expressed the view that in an assessment of this nature “the court is often left to bargain hypothetically between the copyright owner and the infringer, so that the infringer is not left to benefit from his infringement by ascribing or negotiating any licence fee he chooses, including one that is lower than what the copyright owner would have charged for the use of his work”. She stated that similarly, a copyright owner is not able to ascribe any licence fee that he wishes, but it should be an amount that he would have reasonably and fairly charged.

[19] She further stated that \$1.2m is a reasonable sum for a transcription licence of this nature noting that fees are subject to negotiation. She indicated that there are reasonable and relevant factors that the claimant would have taken into account in charging a licence fee .One such factor she noted was that the campaign was for Digicel, a major corporate entity and telecommunications provider in Jamaica, and such entities tend to have higher budgets and that using an existing popular song for an advertising campaign general attracts a premium cost.

[20] Counsel submitted that although the claimant may not have known the value of the advertising campaign budget, he would have known and could reasonably have concluded that given that the rights being licensed were in respect of a current, extremely popular song, it was far from a low budget advertising campaign. She added that this is more so in light of the fact that the campaign took place during an extremely important and “once in a lifetime year” for Jamaica in the 2012 Olympic year which merged with the “Jamaica 50” celebrations.

[21] She further submitted that the popularity of the claimant’s rhythm cannot be in dispute based on the claimant’s evidence and that the use of the claimant’s rhythm in

the advertising campaign was due to that fact. She added that there is a cyclical element involved as the popularity of the claimant's rhythm contributed to the popularity of the infringing Street Hustle/Phonecards song, the popularity of which in turn contributed to the popularity of the claimant's rhythm.

[22] Another factor counsel pointed to was that the claimant's hit rhythm which was previously associated with the "hard core dancehall industry and prominent dancehall performers and acts for songs...with Spragga Benz and Lady Saw...Sean Paul and a plethora of other dancehall songs..." was now going to be used as an advertising jingle and as stated by the claimant, would become "watered-down once people begin associating it with a particular ad".

[23] She therefore expressed the view that the claimant would have been more than entitled to charge a premium fee which would offset any perceived and "double edged" benefits derived from radio airplay and although he would have been entitled to charge a much higher fee, his fee of \$1.2m does not contain much of a premium and remains more than reasonable.

[24] Counsel also noted that the claimant stated that creating music for a jingle is not on par with "the nature, success and memorability of his Superstar rhythm" and this is an accurate and more than reasonable factor to take into account when licensing one's music. She added that monies \$500,000.00, received by the claimant for creating a jingle for the Lucky 5 campaign should only be viewed as a basic fee for creating such a jingle.

[25] Miss Chapman also submitted that the range of rates put forward in the music business and licensing publications demonstrate that licensing a song or music for an advertising campaign is "far from an inexpensive endeavour and that intellectual property rights are given due value"

[26] She further stated that it cannot be disputed that the claimant's work is a substantial contribution to the infringing song and the infringing rhythm and that a licence fee of US\$5,000.00 and royalty payments of 40% of any monies received or due to the defendants from the exploitation, including sub-licensing agreements in respect of

the use of the infringing song and or rhythm, is a reasonable licence fee for the claimant to have charged and that compensatory damages under this head should be awarded “in a similar vein”

[27] Counsel noted that in the alternative, the claimant had stated that if he were not charging for royalties under this hypothetical bargain, he would have charged a flat fee of US\$15,000.00 for the non-exclusive licence to use his rhythm in the Infringing Song and the Infringing Rhythm in digital and physical (eg, compact disc) formats for a five year period. This she submitted would not be an unreasonable licence fee.

[28] She therefore expressed the view that the claimant should be awarded damages of (a) \$1,200,000.00, (b)US\$2,000.00 (the Jamaican equivalent discoverable by the weighted selling rate at the time of payment and (c)US\$5,000.00 (the Jamaican equivalent discoverable by the weighted selling rate at the time of payment) and 40% of any monies collected or due to the defendants from the exploitation, including sub-licensing agreements in respect of the use of the infringing song and or rhythm or in the alternative for payment of \$5,000.00 and 40% of royalties, US\$15,000.00 (the Jamaican equivalent discoverable by the weighted selling rate at the time of payment).

[29] In relation to the **additional damages** ordered by the court, counsel submitted that the defendant’s infringements of the claimant’s copyright is not in issue and the defendants have undoubtedly “blatantly and flagrantly” infringed the claimant’s copyright for their own commercial gain and benefit without due regard or concern for his rights. She noted that flagrancy and benefit to the defendant are express bases that justify the award of additional damages under Section 32(2) of the Act. On these bases alone, counsel submitted that the court should award significant additional damages.

[30] Counsel however added that the court is not limited to those factors when awarding additional damages under the Act. Quoting from the case of **Raben Footwear Pty Ltd v Polygram Records Inc** [1997] AIPC at page 19, she said that once: “...*the court is satisfied that any one or more of the circumstances set out in [the subsection] are present, it has a discretion to award such damages as it considers appropriate.*” She noted that the Australian High Court in **Raben** approved an award of \$15,000.00

for additional damages (54 times greater than the restitutory sum) further to the award for compensatory damages and stated that most of the cases cited in the case showed that the award for additional damages varied but were at least equivalent to or greater than the sum awarded for compensatory damages.

[31] Counsel also referred to statements made by the 1st defendant which she said are only a hint of the level of disrespect, arrogance and outright disregard by the 1st defendant noting that the statements and conduct are all the more damaging as they were published and the 1st defendant's attacks, lies and flippant view of the claimant's intellectual rights could be readily viewed throughout the world on the world wide web. She expressed the opinion that those factors alone warrant that the sum of \$6m should simply be a base point for the award of additional damages to be made in this case.

[32] In relation to **moral rights**, counsel for the claimant submitted that this addresses the right of the author of a copyright work to be identified as such and the right of an author to object to the derogatory treatment of his work and as such damages should be considered for the claimant not being properly credited as author or composer of his musical work contained in the infringing song or rhythm.

[33] I am satisfied that the claimant is the author and composer of the musical work and the sound recording of that musical work referred to as the *Superstar Rhythm* and in fact has been so declared by the court.

[34] I accept that the principles generally used in the assessment of damages for tortious infringements are not applied as strictly to instances of infringement of copyright. In determining what the award should be for general damages, I am persuaded by the UK Court of Appeal case of **Stovin-Bradford v Volpoint Properties Limited** (supra)[1971] 3 All ER at 579, referred to by counsel for the claimant, where the court noted that "*damages are at large and cannot be precisely measured*".

[35] I have also found guidance in authors **Copinger and Skone James** on Copyright 13th Ed. 1991(London, Sweet & Maxwell) where the authors note that "the burden is on the plaintiff to prove damage, but not to a degree of certainty".

[36] I also accept that the principle of *restitutio in integrum* applies to copyright infringement but the task involves much inference and conjecture, particularly as in the present case, one of the measures that has been approved is based on a hypothetical licence agreement.

[37] The Jamaican case of **Harbour View Cinema v Performing Rights Society** (1991) 28 JLR has confirmed that an established measure of damages for infringement of copyright is “*the licence fee which the [claimant] would have charged if the [defendants] did what they ought to have done*”. The court applied dicta from **Rose (Claude) v The Performing Rights Society** (1982) 19 JLR 276, where Wright JA. at page 315 stated:

“a party who willfully makes use of another’s copyright material for profit ought not to be in a better position than his competitor who respects the rights of the copyright holder and pays the appropriate licence fee...On this basis we accepted the licence fee which the appellant would in reality have been obliged to pay the respondent as appropriate basis for assessing the damages”

[38] In the cases cited above, however, the issue related to public performance licence fees, whereas in the case at bar one of the licences in question related to a transcription licence, i.e a licence to reproduce and record a work in timed synchronization with an audio work.

[39] I find that permission should have been obtained from the copyright owner, the claimant, in order for the defendants to authorize the transcription licence for the use of his musical works in the Digicel— radio commercial for the large communications corporation.

[40] The court therefore has to determine what is the transcription licence fee which would be due to the claimant, being the copyright owner of *Superstar rhythm*.

[41] Based on the cited authorities, I accept that a flat fee structure is to be applied to transcription licences for radio commercials. I also believe that there would be difficulty

in ascertaining the sum collected or due to the defendants from their exploitation of the infringing works. For the avoidance of doubt and to prevent the need for an ongoing accounting to determine the sum already paid or is now due to the defendants, it is my view that the sum awarded should, in fact, be a flat fee which would take into account the term of the hypothetical licence, as put forward by the claimant.

[42] The claimant in his evidence had stated that he would have charged a flat fee of **US\$15,000.00** for a five year period. I am of the view that that sum is reasonable and will therefore make an award in that sum.

[43] In relation to the sum to be awarded for additional damages under Section 32(2) of the Act, it is my view that the claimant has shown that he is entitled thereto as there is proof that the defendants have disregarded the order of the court made on October 22, 2012. I agree with the submission of Counsel that the evidence before the court demonstrates that the actions and/or inactions of the defendants have been nothing but “contemptuous, ...and/or calculated for their own selfish gain ...” and that they demonstrate a gross disregard and lack of remorse of the infringements they committed... This is not a case of mistake but of a blatant and unapologetic use of the claimant’s copyrights...”.

[44] As the court has a broad and unfettered discretion in relation to additional damages under the Act, I am of the view that the sum of **\$9,500,000.00** would be adequate compensation under this head, and I so award.

[45] For the infringement of the claimant’s moral rights, I find that the defendants are deemed to have admitted that they falsely claimed sole authorship and/or copyright ownership of the infringing rhythm and they have failed to credit the claimant’s authorship and copyright ownership. The claimant has stated that “there is great value to me to be recognized and associated with my creative works, many of which I have taken a considerable amount of time and effort to bring into this world.”. The claimant also in his evidence spoke to the “great pride” he took in creating the *Superstar Rhythm* and added “for anyone to take my work and claim it as their own or to fail to credit me...is a huge slap in the face...”. For this I find he should be awarded a sum as a

vindication of his moral rights, as well as showing that he ought to be accredited as the creator of the works.

[46] I believe an award of **\$2,500,000.00** is appropriate and would be reasonable compensation in the circumstances.

[47] Damages are therefore assessed and awarded as follows:

General /Compensatory damages awarded in the sum of US\$ 15,000.00, the Jamaican equivalent discoverable by the Bank of Jamaica weighted average selling rate as at the date of payment

Additional statutory damages pursuant to Section 32 (2) of the Copyright Act awarded in the sum of \$9,500,000.00

Damages for breach of moral rights awarded in the sum of \$2,500,000.00

Interest on the general damages and damages awarded for breach of moral rights is 14.99% from the date of service of the claim form to today

Costs to the claimant to be agreed or taxed.