

Current Developments – South Africa

Professor Owen Dean

University of Stellenbosch
Correspondent for South Africa

Jurisdiction of South African Courts in Respect of Foreign Infringements of Intellectual Property Rights

The issue of whether a South African court can adjudicate infringements of copyright perpetrated in foreign countries where the infringer is a local resident or *incola* of South Africa was considered and decided by the Supreme Court of Appeal in *Gallo Africa Ltd and Others v Sting Music (Pty) Ltd and Others* 2010 (6) 329 (SCA). Jurisdiction over foreign infringements is a matter which has been considered by a number of foreign courts, and more particularly, and most recently, by the United Kingdom Supreme Court in *Lucasfilm Ltd v Ainsworth* [2011] UKSC 39. This case was an appeal from the decision of the Court of Appeal in *Lucasfilm v Ainsworth* [2009] DWCA Civ1328.

In the *Gallo* case, Gallo sued Sting Music, a South African company, for copyright infringement in respect of a musical production called “Umoja” in respect of which Gallo claimed to be the owner of copyright in South Africa, as well as in several foreign countries. Sting Music performed, made recordings and cinematograph films of, and broadcasted the stage production in South Africa and in 19 other countries. Its activities in this regard were not authorised by Gallo hence the claim by Gallo that it is copyright subsisting in the various countries had been infringed.

Gallo brought an action against Sting in South Africa in which it claimed an injunction restraining the unauthorised acts and damages and/or royalties. To the extent that Gallo claimed copyright infringement in the foreign countries, it relied upon the copyright laws of each of those countries and it did not contend that Sting was infringing the South African *Copyright Act* by carrying out the various activities in the foreign countries. In its papers, Gallo proclaimed its intention of establishing copyright infringement in respect of the *Copyright Acts* of each of the foreign countries in respect of which relief was claimed.

Sting filed an exception to Gallo’s claim stating that the proceedings for copyright infringement instituted in a South African court may only be based on the provisions of the South African *Copyright Act* and that the Court did not have jurisdiction to adjudicate issues relating to

copyright infringement in foreign countries. The crisp issue was therefore whether a South African court can entertain and enforce a claim for infringement of a foreign copyright, against a defendant who is an *incola* of South Africa.

In its judgment, the Supreme Court of Appeal emphasised that jurisdiction depends on either the nature of the proceedings or the nature of the relief claimed, or in some cases, on both of these issues. It does not depend on the substantive merits of the case or the substantive defence relied upon by a defendant.

In advancing the jurisdictional issue, the defendants essentially claimed that the Court had jurisdiction to determine the dispute because the defendants were domiciled or resident in South Africa and were within the jurisdiction of the Court – s.19(1) of the *Supreme Court Act, No. 59 of 1959* confers jurisdiction on a High Court “over all persons residing or being in its area of jurisdiction”, and a court can grant an effective interdict against someone residing within its jurisdiction. The defendant also argued that the court can determine through expert evidence what the relevant foreign law is but the Court expressed the view that this point was of little relevance because it did not necessarily require evidence of foreign law – it may take judicial notice of foreign law insofar as such law can be ascertained readily and with sufficient certainty.

The Court was of the view that, although effectiveness lies at the root of jurisdiction and is the rationale for jurisdiction, it is not necessarily the criterion for its existence. (See *Ewing McDonald Ltd v M&M Products Co.* 1991 (1) SA 252 A 259D-E, 260 B-E). The right sought to be enforced is however relevant, and it may for instance arise from contract, delict or the *ratione rei sitae*. It depends on the nature of the right or claim whether the one ground or the other provides a ground for jurisdiction.

The Court quoted from C M Forsyth *Private Law* 4th Edition 167 Footnotes 64 and 65, in saying that domicile on its own may not be enough that is to say: “first there is the search for the appropriate ratio jurisdiction is; and then the court asks whether it can give an effective judgment ... [and] neither of these is sufficient for jurisdiction, but both are necessary for jurisdiction.” Taking these principles into consideration, the Court found that copyright, like other intellectual property rights, are territorial in nature and that the *situs* or situation of a copyright

