

IN THE HIGH COURT OF SOUTH AFRICA  
TRANSVAAL PROVINCIAL DIVISION

Case no:

In the matter between

STEPHANUS GERHARDUS GRIESEL

Plaintiff

and

DISNEY ENTERPRISES INC

First Defendant

NU METRO HOME ENTERTAINMENT (PTY) LIMITED

Second Defendant

DAVID GRESHAM ENTERTAINMENT GROUP (PTY) LIMITED

Third Defendant

DAVID GRESHAM RECORDS (PTY) LIMITED

Fourth Defendant

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PARTICULARS OF CLAIM

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1.

1.1. The Plaintiff is Stephanus Gerhardus Griesel, a male adult acting in a representative capacity as the duly appointed Executor of the Estate of the late Solomon Masazeni Ntsele, also known as Linda (hereinafter referred to as "Linda").

1.2. The Plaintiff conducts business in partnership as a chartered accountant under the style Griesel Nel and has his principal place of business at 7 Centuria Park, von Willich Avenue, Centurion, Gauteng.

2.

- 2.1. The First Defendant is Disney Enterprises Inc, a company organised and existing under the laws of the State of Delaware, United States of America, having its principal place of business at 500 SO Buena Vista Street, Burbank, United States of America. The First Defendant was previously named The Walt Disney Company Inc.
- 2.2. The First Defendant conducts business as a producer and distributor of cinematograph films and is the owner of various intellectual properties which it licences to others for use by such other parties.
- 2.3. The First Defendant has no place of business in South Africa, or within the jurisdiction of the Honourable Court. The Plaintiff has founded jurisdiction against the First Defendant by attaching property belonging to the First Defendant located within the jurisdiction of the Honourable Court, more particularly by attaching the trade marks registered under the Trade Marks Act, 1993 in the name of the First Defendant and the copyright in the cinematograph film entitled THE LION KING, which copyright is registered in South Africa under the Registration of Cinematograph Films Act, 1967, under no 94/0106. The Honourable Court thus has jurisdiction over the First Defendant. A copy of the Court Order issued in case no. 16361/2004 is annexed and marked "A".

3.



3.1. The Second Defendant is Nu Metro Home Entertainment (Pty) Limited, a company organised and existing under the laws of South Africa, having its principal place of business at Gallo House, 6 Hood Avenue, Johannesburg Gauteng. The Second Defendant carries on business as the manufacturer and distributor of copies of cinematograph films in South Africa.

3.2. The Second Defendant is the South African licensee of the First Defendant in respect of various intellectual properties owned by the First Defendant, and more particularly in respect of the cinematograph film entitled THE LION KING.

4.

4.1. The Third Defendant is David Gresham Entertainment Group (Pty) Limited, a company organised and existing under the laws of South Africa, having its principal place of business at 59 Bowling Avenue, Kramerville, Sandton.

4.2. The Fourth Defendant is David Gresham Record Company (Pty) Limited, a company organised and existing under the laws of South Africa, having its principal place of business at 59 Bowling Avenue, Kramerville, Sandton.

4.3. The Third and Fourth Defendants carry on business in conjunction with each other *inter alia* as licensors under the copyright in various musical works and as manufacturers and/or distributors of sound recordings of musical works.

5.

- 5.1. Linda was at all material times domiciled in South Africa and was a South African citizen and permanent resident of South Africa.
- 5.2. Linda died on 8 November 1962. Upon his death his Estate was administered and wound up by the Office of the Bantu Affairs Commissioner, Johannesburg. The sole known assets in his Estate were the proceeds of a savings account at the Allied Building Society, Johannesburg in the amount of R148.00. These assets were distributed to his heirs and his Estate was closed. The Estate was administered under reference 1192/62.
- 5.3. In 2004 the existence of a hitherto unknown asset of the Estate of the late Linda became known to his surviving heirs. In order to deal with this asset the Estate of the late Linda was re-opened and one Hugh Melamdowitz ("Melamdowitz") was appointed by the Additional Magistrate, Johannesburg as the Executor of the re-opened Estate in March 2004. Annexed and marked "B" is a copy of his Certificate of Appointment.
- 5.4. On or about 22 June 2004, the Plaintiff was substituted for Melamdowitz as the Executor. Attached and marked "C" is a copy of his Certificate of Appointment.

6.



- 6.1. During or about 1938/39 Linda composed an original musical work, being the melody of a song entitled MBUBE. The musical work was recorded and copies of the sound recording of the work were issued to the public in South Africa during or about 1938/39. A copy of such sound recording may be inspected and played at the offices of the Plaintiff's attorneys of record during normal business hours.
- 6.2. The issuing of such sound recordings to the public in South Africa constituted the first occasion anywhere in the world when copies of the musical work MBUBE were issued to the public.
- 6.3. In the premises, Linda was the author of the musical work MBUBE and copyright subsisted in it by virtue of the provisions of Section 1 of the Third Schedule to the Patents, Designs, Trade Marks, and Copyright Act, 1916 (hereinafter referred to as the "1916 Act") read together with Section 143 of the 1916 Act.
- 6.4. In terms of Section 5(1) of the said Third Schedule, Linda was the initial owner of the copyright in the musical work MBUBE.
- 6.5. In terms of Section 3 of the said Third Schedule the term of the copyright in the musical work MBUBE would have endured for a period of 50 years after the death of Linda, (i.e. until 8 November 2012).

In the premises, and by virtue of the provisions of Section 41(1), read together with Sections 1, 2, and 3 of the Sixth Schedule to the Copyright Act 1965 (hereinafter referred to as the "1965 Act"), read together with Sections 3, 5, and 48(1) of the 1965 Act, copyright subsisted in the musical work MBUBE under the 1965 Act for a period terminating 50 years after the death of Linda, (i.e. until 8 November 2012), and the initial ownership of such copyright vested in Linda.

8.

In the premises, and by virtue of the provisions of Section 43 of the Copyright Act, 1978 (the "1978 Act"), copyright subsists under the 1978 Act in the musical work MBUBE for a period terminating 50 years after the death of Linda (i.e. until 8 November 2012), and the initial ownership of such copyright vested in Linda.

9.

9.1. On 14 January 1952 Linda executed a written Assignment of the copyright in the musical work MBUBE to Gallo (Africa) Limited. A copy of such Deed of Assignment is annexed and marked "D".

9.2. On 26 February 1952 Linda executed a further written assignment of the copyright in the musical work MBUBE to Gallo (Africa) Limited. A copy of such Deed of Assignment is annexed hereto and marked "E".



- 9.3. On 9 April 1952 Linda executed a further written assignment of the copyright in the musical work MBUBE to Gallo (Africa) Limited. A copy of such Deed of Assignment is annexed hereto and marked "F".
- 9.4. The said assignments of copyright were subject to the provisions of the proviso to Section 5(2) of the Third Schedule to the 1916 Act. Accordingly, notwithstanding their terms, the said Assignments vested in the Assignee, or any successor in title to the Assignee, ownership of the copyright in the musical work MBUBE only for a period comprising the lifetime of Linda and 25 years after his death, (i.e. until 8 November 1987).
- 9.5. Furthermore, in terms of Section 5(2) of the Third Schedule to the 1916 Act, as read with Section 144 of the 1916 Act, a reversionary interest in favour of the Executor of the Estate of Linda was created, which reversionary interest would take effect on 8 November 1987. On 8 November 1987 the Executor of the Estate of Linda would acquire full and complete ownership of the copyright in South Africa in the musical work MBUBE free of all licences or other encumbrances which might previously have existed.
- 9.6. In the premises, and by virtue of the provisions of Section 27(1) of the Sixth Schedule to the 1965 Act, the aforesaid limitation of the effect of the assignment of copyright was operative under the 1965 Act and the reversionary interest in the said copyright would have devolved on the Executor of the Estate of Linda, (i.e. on 8 November 1987).

9.7. Accordingly, the right of the Executor of the Estate of Linda to receive the ownership of the copyright on 8 November 1987 existed under the 1965 Act.

9.8. In the premises, and by virtue of the provisions of Section 43(a)(1) of the 1978 Act, the right of the Executor of the Estate of Linda to receive ownership of the copyright in the musical work MBUBE on 8 November 1987 continued to exist and on that date the Executor of the Estate of the late Linda became the owner of the copyright in the musical work MBUBE free of any licences or other encumbrances which might have existed prior to that date, and with the duty to administer that copyright as part of the Estate.

10.

By virtue of the foregoing, the Plaintiff is the owner of the copyright subsisting in the musical work MBUBE.

11.

11.1. In or about July 1950 one Pete Seeger, a resident of the United States of America, wrote a musical work called WIMOWEH. This work was a reproduction, alternatively an adaptation, of the musical work MBUBE or a substantial part thereof.

11.2. In or about 1961 George Weiss, Hugo Peretti and Luigi Creatre, residents of the United States of America, wrote a musical work entitled THE LION SLEEPS



TONIGHT. This work was a reproduction, alternatively adaptation, of the musical work MBUBE or a substantial part thereof and/or the musical work WIMOWEH.

- 11.3. In the premises the musical work THE LION SLEEPS TONIGHT embodies a reproduction, alternatively an adaptation, of the musical work MBUBE or a substantial part thereof and was copied directly or indirectly from that work.

12.

- 12.1. In or about 1992 to 1994 the First Defendant caused a cinematograph film entitled THE LION KING to be made in the United States of America. The First Defendant became the owner of the copyright in the cinematograph film THE LION KING and is currently the owner of such copyright.
- 12.2. In or about 2003 the First Defendant caused a cinematograph film entitled THE LION KING 3 – HAKUNA MATATA to be made in the United States of America. The First Defendant became the owner of the copyright in the cinematograph film THE LION KING 3 – HAKUNA MATATA and is currently the owner of such copyright.
- 12.3. The cinematograph film THE LION KING 3 – HAKUNA MATATA is for the present purposes an adaptation of the cinematograph film THE LION KING and both such cinematograph films are hereinafter referred to collectively as THE LION KING.

12.4. The First Defendant is a licensor of rights under the copyright in the cinematograph film THE LION KING.

12.5. The First Defendant has made or caused to be made multiple copies of the cinematograph film THE LION KING, *inter alia*, in South Africa. It has also distributed or caused to be distributed in South Africa copies of the cinematograph film THE LION KING on 35mm prints, videotapes and/or DVD discs.

13.

13.1. The musical work THE LION SLEEPS TONIGHT has been embodied in the cinematograph film THE LION KING and the said cinematograph film therefore contains a reproduction and/or an adaptation of the musical work MBUBE and/or a substantial part thereof.

13.2. Performing any act in relation to a copy of the cinematograph film THE LION KING entails performing that action in relation to a reproduction or adaptation of the musical work MBUBE and/or a substantial part thereof

14.

The Plaintiff has not authorised:



- 14.1. The making of a reproduction or an adaptation of the musical work MBUBE and/or a substantial part thereof in the cinematograph film THE LION KING by anyone.
- 14.2. The publishing, performing in public, broadcasting, causing to be transmitted in a diffusion service of the cinematograph film THE LION KING containing a reproduction or an adaptation of the musical work MBUBE and/or a substantial part thereof by anyone
- 14.3. In general the performing of any acts in relation to the cinematograph film THE LION KING containing a reproduction or an adaptation of the musical work MBUBE and/or a substantial part thereof by anyone.

15.

- 15.1. From a date unknown to the Plaintiff, the Second Defendant has without the licence of the Plaintiff reproduced in any manner or form, made adaptations of, performed in public, and/or caused to be transmitted in a diffusion service, the cinematograph film THE LION KING. In so doing it has acted in such manner in relation to the musical work MBUBE and/or a substantial part thereof.
- 15.2. In the premises, the aforesaid conduct of the Second Defendant has infringed, and is infringing the Plaintiff's copyright in the musical work MBUBE in terms of Section 23(1), read together with Section 6 of the Copyright Act, 1978.

- 15.3. The First Defendant has caused, authorised, instigated, and/or aided and abetted the aforesaid conduct of the Second Defendant and it has in so doing, infringed, and is infringing, the Plaintiff's copyright in the musical work MBUBE.

16.

- 16.1. From a date unknown to the Plaintiff, the Second Defendant has without the licence of the Plaintiff:

16.1.1. imported into South Africa for a purpose other than for its private and domestic use;

16.1.2. sold, let, or by way of trade offered or exposed for sale or hire in South Africa;

16.1.3. distributed in South Africa for the purposes of trade, or for any other purpose to such an extent that the Plaintiff is prejudicially affected;

copies of the cinematograph film THE LION KING, being infringing copies of the musical work MBUBE, with the knowledge that the making of such copies constituted infringement of the Plaintiff's copyright in the musical work MBUBE or would have constituted such infringement if the copies in question had been made in South Africa.



16.2. By virtue of the foregoing, the Second Defendant has infringed, and is infringing, the Plaintiff's copyright in the musical work MBUBE in terms of Section 23(2) of the Copyright Act, 1978.

16.3. The First Defendant has caused, authorised, instigated, and/or aided and abetted the aforesaid conduct of the Second Defendant and it has in so doing infringed, and is infringing, the Plaintiff's copyright in the musical work MBUBE.

17.

17.1. From a date unknown to the Plaintiff, the Third and Fourth Defendants have, without the licence of the Plaintiff, reproduced in any manner or form, made an adaptation of, published, performed in public, broadcast and/or caused to be transmitted in a diffusion service the musical work THE LION SLEEPS TONIGHT, and/or caused, authorised, instigated and/or aided and abetted another to do so. In doing so it has acted in such manner in relation to the musical work MBUBE and/or a substantial part thereof.

17.2. In the premises, the Third and Fourth Defendants have infringed, and are infringing, the Plaintiff's copyright in the musical work MBUBE in terms of Section 23(1), read together with Section 6, of the Copyright Act, 1978.

18.

18.1. From a date unknown to the Plaintiff, the Third and Fourth Defendants have without the licence of the Plaintiff:

18.1.1. imported into South Africa for a purpose other than its private and domestic use;

18.1.2. sold, let, or by way of trade offered or exposed for sale or hire in South Africa;

18.1.3. distributed in South Africa for the purposes of trade or for any other purpose to such an extent that the Plaintiff is prejudicially affected;

copies, in the form of records, tapes, compact discs and the like, of the musical work THE LION SLEEPS TONIGHT, being reproductions or adaptations of the musical work MBUBE and/or a substantial part thereof, with the knowledge that the making of such copies constituted infringement of the Plaintiff's copyright in the musical work MBUBE or would have constituted such infringement if the copies in question had been made in South Africa.

18.2. By virtue of the foregoing, the Third and Fourth Defendants have infringed, and are infringing, the Plaintiff's copyright in the musical work MBUBE.

19.



The Plaintiff's attorneys addressed letters of demand to the First, Second, Third, and Fourth Defendants drawing such Defendants attention to the unlawfulness of their conduct as aforesaid and calling upon them to desist from such unlawful conduct. Despite these demands, the Defendants have declined to furnish the Plaintiff with appropriate undertakings that they will refrain from acting unlawfully as aforesaid in the future. The Plaintiff apprehends upon reasonable grounds that the Defendants will not desist therefrom unless restrained by Orders of the above Honourable Court.

20.

The Defendants have at all times relevant hereto been aware of, or have had reasonable grounds to suspect, that copyright subsists in the musical work MBUBE.

21.

The Plaintiff apprehends upon reasonable grounds that the Defendants have in their possession copies of the musical work THE LION SLEEPS TONIGHT, being infringing copies of the musical work MBUBE.

22.

22.1. In the premises, the Plaintiff is entitled, in terms of the provisions of Section 24 of the 1978 Act, to payment of an amount calculated on the basis of a reasonable royalty which would have been payable under the circumstances by

a licensee in respect of the work or the type of work concerned, namely a musical work.

22.2. The said reasonable royalty would be calculated as follows:

22.2.1 In respect of records, tapes, compact discs and the like: 6,76% of the Published Price to Dealer (being the wholesale price of records, tapes, compacts discs and the like sold to retailers for distribution to the public);

22.2.2 Reproductions of the cinematograph film: 6,08% of the Published Price to Dealer (being the wholesale price of records, tapes, compacts discs and the like sold to retailers for distribution to the public);

22.2.3 Mechanical reproduction and synchronisation in the cinematograph films: all net sums received from the exploitation in the Republic of South Africa of the mechanical rights, reproduction rights and television synchronisation rights and all other rights in the musical work THE LION SLEEPS TONIGHT collected by or, alternatively, which ought to have been collected by, collecting agencies such as, but not limited to, SAMRO and NORM.



The Plaintiff is currently unaware of the Defendants' extent of use of the musical work THE LION SLEEPS TONIGHT. Once the Defendants have made full discovery, the Plaintiff will apply to amend these particulars of claim.

24.

The Plaintiff estimates that a reasonable royalty pertaining to paragraph 22.2.1 will amount to R5 million.

25.

The Plaintiff estimates that a reasonable royalty pertaining to paragraphs 22.2 and 22.3 will amount of R10 million.

WHEREFORE the Plaintiff claims:

1. An Order interdicting the First Defendant from infringing the copyright in the musical work MBUBE by performing the acts set out in paragraphs 15.1 and 16.1 above.
2. An Order interdicting the Second Defendant from infringing the copyright in the musical work MBUBE by performing the acts set out in paragraphs 15.3 and 16.3 above.

3. An Order interdicting the Third and Fourth Defendants **from** infringing the copyright in the musical work MBUBE by performing the acts set out in paragraphs 17.1 and 18.2 above.
4. An Order directing the First, Second, Third, and Fourth Defendants to deliver up to the Plaintiff for destruction all copies of the musical work THE LION SLEEPS TONIGHT and all plates used or intended to be used for making the foregoing in their possession or under their control.
5. An Order that, for purposes of determining the amount of a reasonable royalty to be paid to the Plaintiff by the Defendants, an enquiry should be held and that, if the parties cannot agree upon the procedure to be adopted, the Court should prescribe such procedures for conducting for such an enquiry as it considers necessary.
6. Costs of suit, including the costs of two Counsel.
7. Further and/or alternative relief.

DATED AT PRETORIA on this 2<sup>nd</sup> day of July 2004.

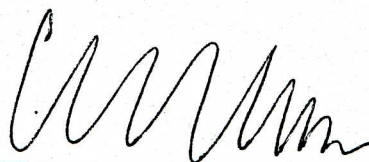
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R MICHAU

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COUNSEL FOR THE PLAINTIFF

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*plm*



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**SPOOR AND FISHER**  
Attorneys for the Plaintiffs  
c/o Van Zyl Le Roux Hurter  
13<sup>th</sup> Floor SAAU Building  
cnr Andries & Schoeman Streets  
PRETORIA  
LC3004421-23/OHD

IN THE HIGH COURT OF SOUTH AFRICA  
(TRANSVAAL PROVINCIAL DIVISION)

100  
REGISTRAR, SUPREME COURT, PRETORIA  
GRIFTER, HOOGGEREGSHOF, PRETORIA  
June  
29 July 2004

REGISTRAR, SUPREME COURT, PRETORIA  
GRIFTER, HOOGGEREGSHOF, PRETORIA

16361/2004  
Case no: 1636/2004

Before His Lordship Mr Justice Swart

In the matter of:

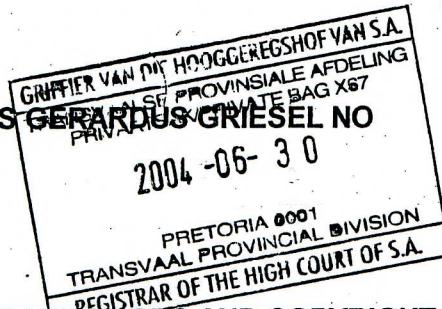
EX PARTE STEPHANUS GERARDUS GRIESEL NO

Applicant

and

THE REGISTRAR OF TRADE MARKS AND COPYRIGHT

Respondent



DRAFT ORDER

HAVING READ THE PAPERS AND HEARD COUNSEL FOR THE APPLICANT,  
THE FOLLOWING ORDER IS MADE:

1. The trade marks of Disney Enterprises Inc ("the Disney trade marks") as set out in annex A hereto, as amended, are attached in terms of the provisions of section 41 of the Trade Marks Act 194 of 1993.
2. The Respondent is ordered to endorse the register of trade marks to reflect that the Disney trade marks have been attached by the Applicant.
3. The cinematographic film THE LION KING and/or the copyright that subsists therein of Disney Enterprises Inc as identified by annex SG5 to the affidavit of Stephanus Gerardus Griesel and which has been registered in terms of the Registration of Copyright in Cinematograph Films Act, 1967 is attached.



4. The Respondent is ordered to endorse the Register of Cinematograph films operated in terms of the Registration of Copyright in Cinematograph Films Act, 1967 to reflect that the cinematographic film THE LION KING and/or the copyright that subsists therein has been attached by the Applicant.
5. The Applicant is ordered to serve this application, including the court order, by sheriff within 15 court days on Messrs Adams & Adams at Adams & Adams Place, 1140 Prospect Street, Hatfield, Pretoria, being the formal address for service recorded against the registered trade marks listed in annexure A hereto.
6. The Applicant is ordered to issue, out of the above Honourable Court, any action proceedings against Disney Enterprises Inc within 1 month of the date of this order, or any period which the above Honourable Court may, on application, allow, failing which the attachment will, ipso facto lapse.
7. The Applicant is granted leave to serve the action proceedings referred to in paragraph 6 above by way of edictal citation by delivery of copies of the Attachment Order and the Summons and Particulars of Claim on Disney Enterprises Inc at its principal place of business at 500 SO Buena Vista Street, Burbank, United States of America by a duly qualified United States attorney in private practice.
8. Disney Enterprises Inc is granted 1 month from date of service of the documents referred to in paragraph 7 above to file its intention of defending such action proceedings, after which the normal rules and time periods pertaining to actions shall apply.
9. Costs of this application are costs in the action.



BY ORDER

REGISTRAR OF THE ABOVE HONOURABLE COURT