THE REPUBLIC OF UGANDA

IN THE HIGH COURT OF UGANDA AT KAMPALA

(COMMERCIAL COURT DIVISION)

CIVIL SUIT NO. 71 OF 2014

KAWERE GODFREY PLAINTIFF

VERSUS

NEW VISION PRINTING AND PUBLISHING ::::::: DEFENDANT

BEFORE: HON. LADY JUSTICE ANNA B. MUGENYI

JUDGEMENT

BRIEF FACTS

The plaintiff's claim against the defendant lies in copyright infringement for which the plaintiff seeks damages, a share in the proceeds of sale, a permanent injunction, interest and costs of the suit.

The brief facts of the case are that the plaintiff who is a fine artist, sculptor and designer of artworks as well as the proprietor, founder and manager of a private museum called Kawere African museum created, drew and made a painting comprising 4 kings of Buganda kingdom. These images were put together in an art piece and the plaintiff had never licensed, authorised or consented to the use of his artworks for any reason. He displayed the said painting along with others in his private museum. The defendant published a book titled "Ekitibwa Kya Buganda: Ebyafaayo By'obwakabaka Okumala Emyaka 800" wherein it allegedly illegally reproduced the plaintiff's painting without his license, authorisation, acknowledgement and/or consent. It is alleged that the defendant further copyrighted the said book and all its contents. The plaintiff claims copyright over that image being its author and contends that he is entitled to a share of the proceeds of each sale of work. He also claims that the defendant had unlawfully used the painting for commercial gain and not for public benefit or fair use.

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REPRESENTATIONS

The plaintiff was represented by M/S Muganwa, Nanteza & Co. Advocates while the defendant was represented by M/S K&K Advocates.

SUBMISSIONS

Counsels for both parties agreed to file written submissions within set timelines but failed to comply with the agreed schedule. The Court proceeded to consider the pleadings and evidence on court record as well as relevant laws in arriving at its Judgment.

JUDGEMENT

During the trial the parties filed a joint scheduling memorandum and agreed on the following issues for resolution.

- 1. Whether the defendant infringed on the plaintiff's copyright in the suit painting/artwork
- 2. Whether the defendant has any reasonable defence to the claim
- 3. Whether the plaintiff is entitled to the remedies sought.

Issue one

Whether the defendant infringed on the plaintiff's copyright in the suit painting/artwork

Section 4 (1) of the Copyright and Neighbouring Rights Act, 2006 grants protection to the author of works specified in Section 5 where such work is original and is reduced into material form. It provides

"The author of any work specified in section 5 shall have a right of protection of the work, where work is original and is reduced to material form in whatever method irrespective of quality of the work or the purpose for which it is created"

Section 5 (f) of the Copyright and Neighbouring Rights Act, 2006 provides for works of drawing, painting, photography, typography, mosaic, architecture, sculpture, engraving, lithography and tapestry.

In the instant case the plaintiff testified that he is the author of a painting that the defendant used in its publication without his consent. Section 2 of the Copyright and Neighbouring Rights Act, 2006 defines the word "author" as follows:

"means the physical person who created or creates work protected under section 5 and includes a person or authority commissioning work or employing a person making work in the course of employment;"

In the absence of evidence to the contrary, the plaintiff qualifies to be the author of the work since he created the painting and has been displaying it in his private museum for the museum's visitors to see. He brought the canvas that had the painting to Court and the same was admitted in evidence and marked as **P.Exh 4**. The defendant did not object to its admission.

Under Section 9 (f) of the Copyright and Neighbouring Rights Act, the Plaintiff as the author has the exclusive right to authorise other persons such as the Defendant to make a derivative work, if any. However, the evidence of the plaintiff (PW1) shows that this consent was never obtained or received from him and therefore the defence was unavailable to the Defendant. The plaintiff testified that he only got to know that the image of his painting had been used when he obtained a copy of the book published by the defendant. The plaintiff further testified that his copyright in that image was infringed and the defendant copyrighted every part of the book not to be reproduced without its authority.

Section 46 (1) of the Copyright and Neighbouring Act provides that:

Infringement of copyright or neighbouring right occurs where, without a valid transfer, licence, assignment or other authorisation under this Act a person deals with any work or performance contrary to the permitted free use and in particular where that person does or causes or permits another person to:-

- a) reproduce, fix, duplicate, extract, imitate or import into Uganda otherwise than for his or her own private use;
- b) distribute in Uganda by way of sale, hire, rental or like manner; or
- c) Exhibit to the public for commercial purposes by way of broadcast, public performance or otherwise.

Further in the case of Ssebagala v MTN (U) Ltd & Anor HCCS NO 283 OF 2012 Justice Madrama stated that;

"To constitute infringement of the copyright within the meaning of section 46 of the Copyright and Neighbouring Rights Act, the Plaintiff must demonstrate that the Defendant has duplicated or reproduced the copyright material for commercial purposes or for sale."

In the instant case, the plaintiff demonstrated to Court how the image of his painting was used by the defendant without his consent in a book that was purposely for commercial use. The defendant on its part, through DW1, admitted using the image and testified that they retrieved the image from their archives and there was no way of telling that it belonged to the plaintiff so that credit could be given to him. **DW1** further testified that the image was stored under the name Charles Opolot a journalist working with the defendant who had taken a photograph of the image at an exhibition in 1999.

From the fore going, I find that the copyright of the plaintiff was infringed upon by the defendant when he made a derivative work of the painting in form of a photograph without the plaintiff's (author's) consent and never acknowledged that the plaintiff was its creator. Instead the defendant copyrighted the text and the illustrations as its own to the detriment of the plaintiff.

Issue two

Whether the defendant has any reasonable defence to the claim

On this issue, the defendant claims that it used the picture because they had it in their archives and that it was for public benefit. The defendant's defence is that the picture was saved under the name of their journalist Charles Opolot and there was no way to connect it to the plaintiff. The plaintiff on the other hand testified that he brought it to their knowledge and all they did was attempt to apologise and justify their actions.

The plaintiff as the author is entitled to moral rights meaning the right to claim authorship as provided in **Sections 10 of the Copyright and Neighbouring Rights Act, 2006**. **Section 10** is applicable to the Plaintiff's situation since he is the author of the painting.

Section 10 (c) of the Copyright and Neighbouring Rights Act preserves the moral right of the author of the works including literary works to object to and

seek relief in connection with any distortion, mutilation, alteration or modification of the work. In other words the author of the primary work must have consented to the derivative work to be created. In the absence of the Plaintiff's consent, the Defendant did not have a defence and the image remained the property of the plaintiff.

Further, section 7 of the Copyright and Neighbouring Rights Act, 2006 provides for the right of protection to copyrights and lists works that are not protected which do not include the kind of work that the plaintiff originated. The defence of public benefit therefore is not applicable to the defendant.

The defendant could have claimed "fair use" under Section 15 (2) (a) of the Copyright and Neighbouring Rights Act but unfortunately they printed the work for commercial purposes which is inconsistent with the spirit of that section. The books were being sold at a market price of Ugx 10,000/=. For that reason the test of fair use is not applicable to the Defendant.

I find that the defendant has no valid defence to the plaintiff's claim.

Issue three

Whether the plaintiff is entitled to the remedies sought

The plaintiff prayed for the following orders against the defendant,

- a) A declaration that the plaintiff is the sole owner of a copyright in the artwork/painting
- b) A declaration that the defendant infringed on the plaintiff's copyright
- c) An order that the plaintiff is entitled to a share in all proceeds of each sale of his infringed art work
- d) An order that the defendant delivers up records and accounts for all proceeds of sale from the infringed work
- e) An order for compensation in damages for copyright infringement
- f) An order against the defendant to cease and desist from any further infringement of the plaintiff's copyright
- g) Interest on (c) and (e) above at commercial rate from the date of judgement until full payment thereof.
- h) Costs of this suit
- i) Any other relief that this Honourable court may deem fit.

Having ruled as I did above in Issues 1 and 2, the prayers for orders as in (a) and (b) are accordingly granted.

In the case of Obsessions Company Ltd vs. Warid Telecom (Uganda) Limited HCCS No. 373 of 2010, Justice Wangutusi held that:

"The Plaintiff sought an injunction. This suit was based on infringement. In cases of infringement, even where damages are not proved, the injunction will issue. Since it was my finding that infringement had occurred, Court finds an injunctive order restraining the Defendant, her agents, assignees and transferees from further acts of infringement of the Plaintiff's copyright appropriate."

In the instant case, I find that the plaintiff is entitled to injunctive relief as prayed for in (f) above.

Entitlement to the proceeds from the sale of the infringed work

The plaintiff, in his plaint, did not plead a specific sum of monies that comprised proceeds from the sale of the infringed work and neither did he avail evidence of the proceeds from the said sales if at all during the trial. The plaintiff however prayed for an order that the defendant delivers up records and accounts for all proceeds of sale from the infringed work.

The defendant, through DW2, availed inter alia computer generated copies of tax invoices, credit notes and a schedule reflecting the profitability analysis from the sale of the books in issue. The documents were not prepared by DW2 herself and neither were they signed by an authorised official of the defendant rendering their authenticity doubtful and could not therefore be relied on by Court.

DW2 testified to the effect that the defendant produced 20,280 books worth Ugx 124,707,019/= of revenue, but that about 280 books were written off while those worth Ugx 7,576,279/= were not sold. She testified further that the defendant did not make any profit due to various losses incurred, but in cross examination she testified that there were some monies that had not been declared and also failed to convince court that it charged itself money worth Ugx 50,000,000/= for advertising the book in its own New Vision newspaper thereby rendering her testimony contradictory and unreliable. No evidence of the above-mentioned 280 books was adduced in Court either.

Both defence witnesses also claimed that they still had copies in the store that had not been sold and they had resorted to give them out as complimentary copies. No evidence of this allegation was availed to Court by the defendant.

It is trite law that special damages must not only be specifically pleaded but must also be strictly proved. The plaintiff did not plead nor adduce any evidence of proceeds received from sale of the books in issue or any monies lost to it. The defendant's documentary evidence in this respect cannot be relied to conclude that it made a loss in the transaction in issue.

In the premises this Court does not find special damages proved and I accordingly decline to award the same.

Damages for copyright infringement

Discussing damages in cases of infringement, <u>Copinger & Shame James on</u> <u>Copyright 13th Edition Pg 343</u> states:

"The measure of damages is the depreciation caused by infringement to the value of the copyright as a chose in action. Thus if the Defendant has dealt with the Plaintiff's copyright as if he had a licence the Defendant ought to pay as damages an amount equivalent to the fair fee or royalty which he would have to pay for licence to do the acts, which he has done and damages may be said to be at large."

Further in the case of Claydon Architectural Metalwork Ltd vs. DJ Higgins and sons [1997] FSR 475 it was held that the normal measure of damages for copyright infringement is the amount by which the value of copyright as a chose in action has been depreciated.

In the instant case the plaintiff testified that his painting had only been used in his private museum and that he had no intentions of using it outside of the museum. He stated thus;

"Ever since I finished making the painting I have never given anyone permission to use it... Yeah but what happened come the year 2013 the defendant out of the blue went out without asking permission from me and printed a hundred and hundreds of copies of my painting, embedded them in books and sold them out in great numbers eventually pocketing the profits. As if that was not enough my Lord, the defendant went further and declared in

writing that the copyright of my painting had also become theirs and I had to ask for written permission from them to use it."

The plaintiff further testified to the effect that the items he has in his museum are not sold but he makes income from the museum by charging entry fees for visitors; making copies/replicas of items therein and selling them to the various visitors. He stated that instead the books published by the defendant were packaged as history books and sold in major bookshops and newspaper stalls and at a coronation ceremony at which the said book was launched.

As earlier seen, there was no evidence to show that the defendant had acquired any permission from the plaintiff to make a derivative work out of his painting in the form of a photograph. The artistic work of the plaintiff is protected by copyright which was infringed by the defendant and therefore the defendant is guilty of infringement of the plaintiff's copyright. Not only was the plaintiff deprived of his right to use his painting for any purpose, but he was also robbed of the opportunity of unfolding his painting to a bigger public at his own time and advantage. Hence he is entitled to compensation in damages.

The defendant's witnesses, as earlier stated, claimed the defendant produced about 20,000 (less 280 books that were written off) copies of the books in issue of which about 12,000 were sold resulting in proceeds of Ugx 129,283,298/=. The copies returned were allegedly worth Ugx 7,576,279/= resulting in sales worth Ugx 121,707,019/= only. The defendant further claimed that all profits were wiped out by various costs incurred by it in publishing and marketing the said books resulting in a loss. The plaintiff on the other hand did not know the exact number of books published and sold but claimed the defendant printed hundreds of books containing his painting, sold the same and pocketed all the profits.

As earlier stated, the defendant did not adduce concrete evidence in proof of alleged costs incurred and the documents adduced to prove delivery of the books to customers among others were allegedly issued by a commercial officer who was not DW1 or DW2; were photocopies with unclear writings on them and appeared to have been made in respect of a publication referred to as "kabaka's magazine". The Court for the reasons aforesaid is in doubt of the authenticity of the said documents and will not rely on the same.

Given the circumstances in which the books in issue were sold i.e. the coronation ceremony of the Kabaka of Buganda, at major bookshops and stalls in the country and from which the plaintiff himself claimed he bought his copy (which evidence the defendant did not deny) as well as the period over which

the said books could have been sold and in the absence of evidence to prove sales of the defendant by the plaintiff, this Court is agreeable with the testimony of the defence witnesses that about 20,000 copies were likely to have been produced though proof of sales of about 12,000 books was not substantiated by the defendant.

This Court is therefore left with no option but to award general damages based on its discretion and from a starting point that is grounded on the admission of the defendant that it produced/published about 20,000 books which were priced at a cost of Ugx 10,000/= as indicated on the cover of the book resulting in possible revenue of Ugx 200,000,000/=. This Court is also of the view that the plaintiff is not concerned with the purported costs voluntarily incurred by the defendant especially since they allegedly resulted in a loss on its part.

Ordinarily, the parties should have entered an agreement in which both would agree on the royalty percentage payable by the defendant to the plaintiff but this was not the case. According to Harlsbury's Laws of England, volume 9(2), Fourth Edition Reissue page 275, para 410 where the plaintiff cannot show that he lost sales to the defendant, the Court may assess the damages on the basis of a reasonable royalty.

This Court therefore is of the considered opinion that a royalty percentage rate of 25% is reasonable in the circumstances and if the above mentioned potential sales and revenues there from are subjected to the said rate, a sum of Ugx 50,000,000/= is deemed as satisfactory compensation payable by the defendant to the plaintiff. I accordingly award the said sum as general damages in favour of the plaintiff.

In respect of the prayer for Interest on the share of all proceeds at commercial rate from the date of judgement until full payment thereof, I am unable to award the same on the share of the proceeds since the same was not proved.

However, in respect of the prayer for interest in respect of general damages, section 26 (2) of the Civil Procedure Act provides for interest in civil cases and the said award is discretionary. Considering that the transaction in issue was not one in which the plaintiff paid money to the defendant and no agreement was made on rate of interest to be imposed on either party, I will award the plaintiff interest at court rate from the date of judgement till payment in full.

It is trite law that **costs** shall follow the event and the plaintiff being the successful party is accordingly awarded the same.

In conclusion, judgment is entered in favour of the Plaintiff in the following terms:

- a. It is declared the Plaintiff is the sole owner of a copyright in the painting and that the Defendant is guilty of infringement of the Plaintiff's copyright.
- b. A Permanent injunction against the Defendant, assignees and transferees restraining them from further acts of infringement of the Plaintiff's copyright issues.
- c. The Plaintiff is awarded compensation in damages for copyright infringement in the sum of Ugx 50,000,000/=
- d. Interest on general damages at court rate from date of judgment till payment in full
- e. Costs of the suit.

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HON.LADY JUSTICE ANNA B. MUGENYI

DATED: 16/11/2018

Judgment delivered in the presence of:

- 1. Mr. Ocaya Thomas for the Defendant.
- 2. The Plaintiff.

C/C – Ms Wakooli Harriet.

Festo Nsenga – Deputy Registrar

22nd November, 2018 - 11:00 a/m