

THE REPUBLIC OF UGANDA
IN THE HIGH COURT OF UGANDA AT KAMPALA
(CIVIL DIVISION)
CIVIL SUIT NO. 197 OF 2008

PROF. GEORGE W. KAKOMA :::::::::::::::::::::::::::::::::::PLAINTIFF

THE ATTORNEY GENERAL :::::::::::::::::::::::::::::::::::DEFENDANT

BEFORE: THE HONOURABLE MR. JUSTICE YOROKAMU BAMWINE

JUDGMENT

The plaintiff's suit against the defendant is for recovery of damages, compensation and royalties for infringement of copyright, for a permanent injunction restraining further infringement and costs of the suit.

It is not in dispute that the plaintiff composed and wrote a musical composition which he entered into an open competition for adoption as a national anthem. He was thereafter declared winner and his composition was adopted as Uganda's National Anthem.

The issues for determination are:

1. *Whether the plaintiff has a copyright in the music comprised in the National Anthem and if so whether there is infringement of the plaintiff's copyright by the defendant.*
2. *Whether the Government is legally obliged to pay compensation or royalties to the plaintiff.*
3. *Remedies, if any.*

When the case came up for conferencing on 03/09/09, both parties indicated to court that they were considering an out of court settlement. The case was put on hold till 18/05/2010 when it again came up for conferencing and the parties still talked of a possible settlement. They nonetheless agreed that the issues be determined on legal arguments, unless a settlement is reached in a period of two weeks. None was reached. Hence this judgment.

Counsel

Mr. Roscoe Ssozi for the plaintiff

Ms. Christine Kahwa for the defendant

Issue No. I: Whether the plaintiff has a copyright in the music comprised in the National Anthem and if so whether there is infringement of the plaintiff's copyright by the defendant.

CAUSE OF ACTION

As I understand it, cause of action simply means the facts that entitle a person to sue. The cause of action may be a wrongful act, such as the alleged infringement herein, or the harm resulting from a wrongful act, as in the tort of negligence. Either way the plaintiff must show that the plaintiff enjoyed a right, that the right has been violated and that the defendant is liable; *Auto Garage vs Motokov (No.3) [1971] E.A 514*.

Needless to mention, a right is a legally protected interest.

Learned Defence Counsel's argument on this point is that the right that would have accrued to the plaintiff from the composition is non-existent due to the nature of the contract that was entered into. She argues that it follows from the facts that the plaintiff entered into a competition organized by the Government of Uganda for the composition of the national anthem; that the plaintiff participated; and, that he was accordingly paid Shs.2,000/=.

Hence the submission that the plaintiff has no cause of action against the defendant.

In view of the issues framed for determination, I do not think that learned counsel was justified to raise this objection. I am saying so because the issues as framed would take care of it.

Be that as it may, it is trite that whether a plaint discloses a cause of action must be determined upon perusal of the plaint alone, together with anything attached so as to form part of it, and upon the assumption that any express or implied allegations of fact in it are true.

See: Jeraj Shariff vs Chotai Fancy Stores [1960] E.A 374 at p.375.

I have perused the plaint and its annexures. The plaintiff's cause of complaint is introduced and well elucidated in paragraph 4 of his plaint. The long and short of it is that he enjoyed a right, that is, a copyright in a musical composition, that the copyright has been infringed, and that the defendant is liable for the infringement. This in my view constitutes a reasonable cause of action. Whether or not the claim is genuine is a matter for investigation in the context of issues framed for determination.

For this reason alone I find no merit in the objection and I disallow it.

I now turn to the plaintiff's contention that at the time of the said composition he was not in the employment of the defendant and that no contract was entered into by the parties in respect of the said composition.

PROOF

In law a fact is said to be proved when the court is satisfied as to its truth. The evidence by which that result is produced is called the proof. The general rule is that the burden of proof lies on the party who asserts the affirmative of the issue or question in dispute. When that party adduces evidence sufficient to raise a presumption that what he asserts is true, he is said to shift the burden of proof: that is, his allegation is presumed to be true,

unless his opponent adduces evidence to rebut the presumption. The standard of proof is on the balance of probabilities.

EVIDENCE

I have already indicated that the parties opted for legal arguments. Neither party adduced oral evidence.

What then is the plaintiff's evidence in support of his claim?

The answer is contained in the plaint and its annexures, particularly annexure 'C', a letter from him to H.E. The President of the Republic of Uganda dated January 13, 1997. In this letter he makes a number of assertions:

1. *That early in 1962 an open competition for the composing of our National Anthem was advertised.*
2. *That no conditions were attached to the would-be winning entry.*
3. *That his was declared the winner.*
4. *That he was given a token of Shs.2,000/= as a mark of appreciation.*
5. *That a year or two later, the government realizing this was copyright material, wrote asking him to surrender his copyright to them.*
6. *That he referred the matter to his lawyers who responded and wrote back to the Government demanding a fee of £5000 only before he could sign off his copyright. That the political turmoil that followed left the matter unsettled until Amin's regime came to power.*
7. *That in January 1975 he went into self-exile with his family and taught at Kenyatta University until NRA government came to power in 1986, when there was the chance to have the matter raised again.*
8. *That the Ministry of Justice took up the matter and presented a Cabinet Memo which was turned down on a flimsy ground that compensating him would create a precedent.*

COPYRIGHT LAW

Copyright is the set of exclusive rights granted to the author or creator of an original work, including the right to copy, distribute and adopt the work. These rights can be licensed, transferred and/or assigned. Copyright lasts for a certain time period after which the work is said to enter the public domain.

COMMISSIONED WORKS

As a general rule, copyright in a commissioned work belongs to the author, in the absence of an express or implied term to the contrary. Where the contract is unclear as to the rights of the Commissioner to use the work, the courts may imply the grant of an appropriate right. And if the lacuna can be satisfied by the grant of a licence rather than an assignment of the copyright, then the court will imply the former.

See: Intellectual Property Law by Jennifer Davis, Butterworths Core Text Series, at p.97.

In the instant case, the parties failed to agree at the conferencing as to whether or not the plaintiff was at the time of the said competition in the employment of the defendant. The plaintiff has specifically denied being in the employment of the defendant at the material time. Under Section 103 of the Evidence Act, the burden of proof as to any particular fact lies on that person who wishes the court to believe in its existence. In the absence of any evidence provided by the defendant that the plaintiff was at the material time its employee, it (the defendant) has failed to discharge the burden of proof placed on it by law. The plaintiff has in these circumstances proved on the balance of probabilities that at the time of the competition he wasn't an employee of the defendant. Therefore, himself and not the defendant owned the copyright at inception.

As to whether a contract was entered into by the parties in respect of the said competition, I would note that a contract is a legally binding agreement. Every contract involves an agreement but not every agreement amounts to a contract. The element which converts an agreement into a legally enforceable contract is the intention of the

parties to enter into legal relations and thereby bind themselves to carry out the agreement.

As a general rule, an agreement arises as a result of offer and acceptance.

In the instant case, it is an admitted fact that the plaintiff composed the impugned musical composition. He entered it into an open competition for adoption as a national anthem, implying that he knew very well what the defendant needed the composition for. He was thereafter declared the winner and his composition was adopted as Uganda's national anthem after necessary adaptation. There was in my view, an *offer* and *acceptance* within the meaning of the two words in the context of *Carlill vs Carbolic Smoke Ball Company (1893) 1 Q.B.256*. It is not necessary to go into the facts and holding in that case.

It is trite that a number of other requirements must be satisfied for an agreement to be legally binding:

1. *There must be consideration.*
2. *The parties must have an intention to create legal relations.*
3. *The parties must have capacity to contract.*
4. *The agreement must comply with any formal legal requirements. In general, no particular formality is required for the creation of a valid contract. It may be oral, written, partly oral and partly written, or even implied from conduct.*

I would add, however, that certain transactions are, valid only if effected by deed.

For example, under common law and also the Copyright and Neighboring Rights Act, Act 19 of 2006, for the transaction to be effective in the case of an assignment of copyright or exclusive licence, it must be in writing and signed by or on behalf of the present copyright owner. The law is couched in mandatory terms. No evidence of an assignment in writing has been adduced by either party, implying that there was non-compliance with the law.

As I will show later, failure to execute a formal assignment would not ipso facto vitiate the contract.

5. *The agreement must be legal.*
6. *The agreement must not be rendered void either by some common law or statutory rule or by some inherent defect.*

In my view the transaction between the plaintiff and the defendant as regards the adaptation of the plaintiff's musical composition into national anthem does satisfy all the above requirements.

A commissioned design is one commissioned for money or money's worth. In the instant case, there is evidence of a payment of Shs.2,000/= by the defendant to the plaintiff in connection with his composition. In law this amounted to consideration. Without consideration, what the parties promised each other remains a *nudum pactum* ('a bare promise') which cannot be enforced through the courts. In all these circumstances, in the absence of any pleading and proof that the transaction has since been rendered void either by some common law or statutory rule or by some inherent defect, such as an operative mistake, court is satisfied that it (the transaction) is legally binding. There was intention to enter into legal relations and thereby bind themselves to carry out the agreement.

What then is the effect of non-compliance with the law as to transfer of Copyright ownership?

In *Warner vs Gestetner Ltd [1988] EIPR D-89*, Warner, an expert in the drawing of cats, agreed orally to produce some drawings to be used by Gestetner to promote a new product at a trade fair. Gestetner subsequently used the drawings for promotional literature, and Warner complained that this went beyond the agreement and infringed his Copyright. Warner remained the owner of the copyright in the drawings because it had not been assigned to Gestetner. However, Whitford J. found that he could imply a term

granting beneficial ownership of the copyright to Gestetner. Thus in that case, the Copyright had two owners, one at law and one at equity, and Gestetner, as beneficial owner, could deal with the work as it wished, Warner's legal interest in the Copyright being of little practical significance (although infringement actions are much less effective if brought by a beneficial owner without the legal owner being joined as a party).

[Source: **INTELLECTUAL PROPERTY** by David Bainbridge, 5th Edn. at p.81].

The concept of two owners, one legal and the other beneficial, is used more commonly in the law of real property. In *Pyrali Shunji Ganji & 3 others vs Coffee Development Authority Court of Appeal Civil Appeal No.37 of 1997* the appellants were registered owners of the suit property. They agreed to sell it to a third party. The sale agreement contained important stipulations, the salient one being that the sale was subject to the appellants obtaining the requisite consent to transfer by the completion date. Consent to transfer was obtained and a transfer deed was executed. However, the transaction was not completed as by law required because of the expulsion of the appellants from the country by the then Military Government. They had left the matter to their advocates to complete but the advocates were also equally affected by the expulsion. The court held that once the consent to transfer was obtained, the deal was through; that non-registration was inconsequential; that once the transfer was in place it created a contract inter parties since the time of registration was not of essence.

In *Kalani vs Kaur Civil Appeal No.22 of 1995* (unreported), the Supreme Court held that absence of registration of the instrument of surrender (or transfer as in that case) could not affect the parties to the contract; they would be bound by the contract.

Now, does this principle have application to intellectual property law?

The answer is yes, as the decision in *Warner vs Gestetner*, supra, clearly shows.

In another English authority, *Ironside vs Attorney-General [1988] RPC 197*, it was held that an agreement for the design of the reverse face of coins gave rise to an assignment in equity, or alternatively an implied licence.

[Source: INTELLECTUAL PROPERTY by D. Bainbridge, ibid, at p.82].

From the authorities, to be able to imply beneficial ownership, the creator of the work should have been paid a fixed sum rather than a royalty, as the latter is inconsistent with a transfer of ownership.

The two cases which I have cited above involved a lump sum payment. And so does the instant one. Applying the same principles to the instant case, it is plain to me that upon the defendant receiving the composition and adapting it to its own taste, it obtained an equitable interest in the Copyright material. In other words, there is a legal owner of the Copyright in our national anthem and an equitable owner. The legal owner is the intended assignor, the plaintiff, and the equitable owner the intended assignee, the defendant.

In view of this dual ownership of the Copyright, created as it were by the parties failure to execute a formal assignment in favour of the defendant, the question of infringement of the plaintiff's Copyright in the manner claimed by him does not arise because as learned counsel for the defendant has correctly put it, one cannot infringe on one's own property.

For reasons stated above, I would answer issue No.1 partly in the affirmative and partly in the negative as in practical terms neither party has exclusive rights in the music comprised in the national anthem and therefore none is infringing the copyright of the other. This in my view also disposes of issue No.2 which, for the avoidance of the doubt, I hereby answer in the negative.

What then is the way forward?

The usual result would be to dismiss the plaintiff's claim. However, this option does not appear to me to be a just solution in a situation where court is mandated to administer law and equity concurrently. For as long as neither party has exclusive rights in the music comprised in the national anthem, there will be no end to litigation and yet it is a cardinal principle in our judicial procedure that courts must, as much as possible, avoid multiplicity of suits.

In the plaintiff's letter to H. E. the President in 1997, annexure 'C' to the plaint, the plaintiff suggested a once for all down payment of Shs.40m or a house in Kampala so that he signs off his interest in the copyright. His proposal herein is a whopping £1,500,000 (approximately Shs.5.2 billion at the current exchange rate of Shs.3,500 per Pound Sterling). Whereas it is true that the composition has stood the test of time and it is a priceless source of pride for Uganda, the proposed figure is astronomical and extortionist, to say the least. In any case it is based on the plaintiff's erroneous view that he has exclusive rights over the anthem.

As the court observed in *African Highland Produce Ltd vs Kisorio [2001] I E.A.1*, it is the duty of the plaintiff to take all reasonable steps to mitigate the loss he has sustained consequent upon the wrongful act in respect of which he sues, and he cannot claim as damages any sum, which is due to his own neglect. The duty arises immediately a plaintiff realizes that an interest of his has been injured by breach of a contract or tort, and he is then bound to act as best he may, not only in his own interest but also the interest of the defendant. In the instant case the plaintiff filed this suit 46 years after the event. He has tried to justify the delay by citing the political turmoil at the time. He went into exile in 1975 and came back in 1986. There is evidence that soon thereafter he embarked on negotiations with the Government. This is apparent from the annexures to the plaint but negotiations between parties with a view to reaching an out of court settlement do not constitute a disability since this fact would not disable a party from filing the suit: *Allen Nsibirwa vs National Water & Sewerage Corporation HCCS No.811/92* reproduced in *[1995] VI KALR 4*.

Having said so, I am of the view that this case, belated as it is, gives us useful reference in terms of future conduct in cases of intellectual property. Our law promotes the progress of Science and useful arts by securing for a limited time to authors and inventors the exclusive right to their respective writings and innovations. Inventors are thus recognized and rewarded for their ingenuity. Whilst the law allows assignment of copyright to the client in commissioned works, the arrangement ought to be equitably negotiated and not coerced. There is an element of the latter tendency in the instant case.

From the authorities, courts have the power to order specific performance and require that a formal assignment or licence is drawn up between the parties. In the instant case, notwithstanding the fact that the main prayers in the plaint are not available to the plaintiff, it appears to me reasonable that the parties come to terms with the fact of non-compliance with the law and belatedly process a formal assignment of the copyright in accordance with Section 14 of the Copyright and Neighbouring Rights Act. This way they will end the duality of the Copyright ownership and bring the matter to a just end. I reckon that this shall now be at a cost to the defendant in view of the plaintiff's proven legal interest in the Copyright, however insignificant it may be in practical terms.

For the reasons stated above, I would disallow the plaintiff's prayers (i), (ii), (iii) and (v) and all such prayers that are inconsistent with my findings herein. I would, however, in accordance with prayer in no. (viii) for "*any other remedy that this honourable court may deem just and fitting*" take into account the Shs.2,000/= paid to him in or about 1962, the inordinate delay in filing the suit, the time taken and effort expended on the song, and the current presumed value of the composition to both parties, award to the plaintiff a sum of Shs.50,000,000/= (fifty million only), payable to him as he signs off the residue of his interest in the copyright in favour of the defendant for its exclusive use thereafter.

The award shall attract interest at the commercial rate of 25% per annum from the date of judgment till payment in full. I would also award the taxed costs of the suit to the plaintiff.

Orders accordingly.

Dated at Kampala this 30th day of July 2010.

Yorokamu Bamwine

JUDGE

30/07/2010

Mr. Roscoe Ssozi

Mr. Joseph Bossa for plaintiff

Ms. Christine Kahwa for defendant

Plaintiff present

Court:

Judgment delivered. This being Court Vacation, the 30 days within which to appeal to be reckoned from 15th August, 2010 when the Vacation ends.

Yorokamu Bamwine

JUDGE

30/07/2010