

**Alliance Entertainment Singapore Pte Ltd**

v

**Sim Kay Teck and another**

[2007] SGHC 43

High Court — Suit No 797 of 2005  
(Summonses Nos 5478, 5489, 5531, 5587 and 5757 of 2006)  
Sundaresh Menon JC  
11, 12, 27 December 2006; 30 March 2007

*Civil Procedure — Striking out — Non-exclusive licensee of copyright commencing action for alleged infringement of copyright — Whether action to be struck out or whether non-exclusive licensee may amend pleadings and add copyright owners as plaintiffs to remain as party to action — Order 15 r 6(2)(b)(ii) Rules of Court (Cap 322, R 5, 2006 Rev Ed)*

*Copyright — Infringement — Non-exclusive licensee of copyright commencing action for alleged infringement of copyright — Whether non-exclusive licensee of copyright having title to maintain action for infringement of copyright — Nature of rights of non-exclusive licensee of copyright under Copyright Act — Sections 123, 124 Copyright Act (Cap 63, 2006 Rev Ed)*

**Facts**

The plaintiff was engaged in the business of licensing and distributing films and television serials. It contended that by virtue of a chain of contractual arrangements, it was the exclusive licensee in Singapore of copyright in certain works. The second defendant was also engaged in the business of importing and distributing films in various video formats. The first defendant was the managing director of the second defendant.

The plaintiff commenced this action against the defendants for an alleged infringement of the plaintiff's copyright in some of the works. Just before the commencement of the trial, the defendants filed an application to strike out the proceedings, contending that the plaintiff did not have title to maintain the action because it was not an exclusive licensee within the meaning of the Copyright Act (Cap 63, 2006 Rev Ed) ("the Act"). The plaintiff subsequently filed an application to amend its writ under O 15 r 6 of the Rules of Court (Cap 322, R 5, 2006 Rev Ed) ("the Rules") and to make the appropriate amendments to the statement of claim, in particular to add the copyright owners as plaintiffs in the action.

The issues before the court were: (a) the nature of the plaintiff's rights as a licensee and, in particular, whether a licensee that was not an exclusive licensee under the Act had title to sue; and (b) if not, whether the action should be struck out or whether the plaintiff should be allowed to make its proposed amendments and remain as a party to the action.

**Held, dismissing the plaintiff's application to amend the statement of claim and allowing the defendant's application to strike out the action:**

(1) A licence generally did not pass any title or proprietary interest or rights but merely made lawful that which would otherwise be unlawful. The plaintiff was not an assignee of the copyright and it was not an exclusive licensee under the Act. The plaintiff's rights as a matter of contract would be limited to the right to enforce its bargain against its counterparty. It could not avail itself of the statutory rights and procedures that had been created by the Act in favour of an exclusive licensee: at [21], [23], [30] and [31].

(2) The amendments to s 124 of the Act merely changed the default position so that in certain infringement proceedings, there was no need for the copyright owners or the exclusive licensee, as the case might be, to join the other party. The section did away with the requirement of joinder in such cases but it did not confer any right of action upon any party. That was achieved by s 123 of the Act. There was nothing in the Act to suggest that a party that was not an exclusive licensee nonetheless had any right of action. The position was not any different under the common law: at [48] and [52].

(3) The fact that the plaintiff might have suffered commercial losses or damages (even if proved), did not advance its position if the nature of its interest was such that it had no title to bring a claim against alleged infringers. The problems facing the plaintiff could not be overcome simply by adding the copyright owners as a matter of formality: at [57] and [58].

(4) The present case was not one where there was doubt as to the plaintiff's title to sue for a particular cause of action and the plaintiff then sought to add another party as co-plaintiff in order to better his position. The plaintiff simply had no title to sue. The purpose of the amendment to the statement of claim was to bring in parties in a wholly different capacity as owners of copyright and with quite different commercial interests in the litigation: at [67].

[Observation: An exclusive licensee took his rights to the exclusion of all others including the owner of copyright. When an exclusive licensee granted a sub-licence, he was acting on his own behalf and not as agent or on behalf of the copyright owner. There was no suggestion that in granting the sub-licence, the plaintiff's sub-licensors were acting on behalf of the copyright owners rather than on their own behalf. A statutory exclusive licensee could not himself grant a statutory exclusive licence by way of sub-licence: at [10] and [11].]

**Case(s) referred to**

*Alliance Entertainment Singapore Pte Ltd v Sim Kay Teck* [2006] 3 SLR(R) 712; [2006] 3 SLR 712 (refd)

*Ayscough v Bullar* (1889) 41 Ch D 341 (distd)

*Bodley Head Ltd v Flegon* [1972] RPC 587 (refd)

*Charlotte, The* [1908] P 206 (distd)

*Heap v Hartley* (1889) 42 Ch D 461 (refd)

*Henderson v Henderson* [1843–1860] All ER Rep 378; (1843) 3 Hare 100; 67 ER 313 (refd)

*Kinekor Films (Pty) Ltd v Movie Time* [1976] 1 SA 649 (refd)

*London Printing and Publishing Alliance, Limited v Cox* [1891] 3 Ch 291 (refd)

*Neilson v Horniman* [1909–1910] 26 TLR 188 (refd)  
*Performing Right Society Limited v London Theatre of Varieties* [1924] AC 1 (distd)  
*Sega Enterprises Ltd v Galaxy Electronics Pty Ltd* (1997) 39 IPR 577 (not folld)  
*Showell v Winkup* (1889) 60 LT 389 (distd)  
*Tan Yow Kon v Tan Swat Ping* [2006] 3 SLR(R) 881; [2006] 3 SLR 881 (refd)  
*Television Broadcasts Limited v Mandarin Video Holdings Sdn Bhd* [1984] FSR 111 (not folld)  
*Television Broadcasts v Seremban Video Centre Sdn Bhd* [1985] 1 MLJ 171 (not folld)  
*Young v Odeon Music House Pty Ltd* [1978] RPC 621 (not folld)

### Legislation referred to

Copyright Act (Cap 63, 2006 Rev Ed) ss 7, 123, 124 (consd);  
ss 121, 122  
Copyright (Amendment) Act 2004 (No 52 of 2004)  
Rules of Court (Cap 322, R 5, 2006 Rev Ed) O 15 r 6(2)(b)(ii) (consd)  
Copyright Act of 1956 (UK)  
Copyright, Designs and Patents Act 1988 (c 48) (UK) s 101A

*Wong Siew Hong and Teh Ee-Von (Infinitus Law Corporation) for the plaintiff;*  
*Tan Teng Muan (Mallal & Namazie), Sarbjit Singh Chopra (Lim & Lim) (instructed)*  
*and Sarbrinder Singh (Kertar & Co) for the defendants.*

30 March 2007

Judgment reserved.

### Sundaresh Menon JC:

1 “Copyright” is the term used to refer to certain intellectual property rights in a work. The bundle of rights that comprises copyright exists as a chose in action. In common with other species of property, it can be transmitted or dealt with by the copyright owner in a variety of ways. This can range from a complete assignment of the legal and/or beneficial title to an assignee to a variety of transactions where something short of title is conveyed. In some instances, it may simply be the grant of a licence or permission to enjoy the copyright in particular geographic areas either alongside with or to the exclusion of the owner of the copyright. The substantive question that arises in this case concerns the nature of the rights that were transmitted by the copyright owners in question to the plaintiff. This in turn gives rise to the question of whether the plaintiff is entitled to maintain these proceedings.

### Background and procedural history

2 The plaintiff, Alliance Entertainment Singapore Pte Ltd (“AESPL” or “the plaintiff”), is a company incorporated in Singapore. It is engaged in the business of licensing and distributing films and television serials. The

plaintiff contends that by virtue of a chain of contractual arrangements, it is the exclusive licensee in Singapore of copyright in certain works in various formats. The first of these works is a dramatised Taiwanese television series entitled “Meteor Garden 2” (“MG2”). There are two other works in question. These are “The Lord of the Rings: The Two Towers” (“TTT”) and “The Lord of the Rings: The Return of the King” (“ROTK”), referred to collectively as the “LOTR films”.

3 The second defendant, Dallas Entertainment Pte Ltd (“Dallas”), is also a company incorporated in Singapore. It is engaged in the business of importing and distributing films in various video formats, including discs in video compact disc (VCD) and digital versatile disc (DVD) formats as well as video tapes in video home system formats.

4 The first defendant, Mr Sim Kay Teck (“Mr Sim”), is the managing director of the second defendant. I refer to both defendants collectively as “the defendants”. Mr Sim is also the general manager of Spin Video Pte Ltd (“Spin”).

5 This is the latest in a series of actions involving overlapping, if not entirely common, parties. The first of these is Suit No 88 of 2003 (“Suit 88”), in which Spin was the defendant. In Suit 88, AESPL and three other plaintiffs (collectively “the Suit 88 plaintiffs”) brought an action against Spin for infringement of the plaintiffs’ copyright in MG2. The Suit 88 plaintiffs eventually obtained judgment by consent against Spin and damages were awarded in their favour.

6 The second set of proceedings is Suit No 978 of 2004 (“Suit 978”), where the same plaintiffs (*ie*, the Suit 88 plaintiffs) brought an action against Mr Sim and Dallas, who are the defendants before me as well, for an alleged infringement of the plaintiffs’ copyright in MG2. The action did not get to trial as it was struck out on the grounds that there was a failure to plead or establish the chain of title from the copyright owners to AESPL (the fourth plaintiff in the action). Moreover, it appeared in Suit 978 that there might be more than one sub-licensee, and, if this was so, AESPL could not maintain the action *qua exclusive licensee*. The action was therefore struck out. This led to the current action being brought.

7 Some time after these proceedings were commenced, in March 2006, the defendants applied to have them struck out on the grounds of estoppel and *res judicata*, it being contended that the court had already determined that AESPL was not an exclusive licensee. This application (“the March application”) did not succeed. In *Alliance Entertainment Singapore Pte Ltd v Sim Kay Teck* [2006] 3 SLR(R) 712 (“*Alliance*”), Andrew Ang J stated that he had made no finding in Suit 978 to the effect that AESPL was not an exclusive licensee. This matter was then set down for trial and it came before me on 11 December 2006. Just before the commencement of the trial, the defendants filed an application to strike out the proceedings, this

time contending that the plaintiff did not have title to maintain the action because it was not an exclusive licensee within the meaning of the Copyright Act (Cap 63, 2006 Rev Ed) (“the Act”). In response, the plaintiff made three submissions:

(a) First, the application ought to be dismissed because it fell within the broader definition of issue estoppel articulated in *Henderson v Henderson* [1843–1860] All ER Rep 378.

(b) Second, given the parliamentary intention behind the statutory amendment that enacted s 124 of the Act, the phrase “on behalf of the [copyright] owner” in the definition of an “exclusive licensee” found in s 7 of the Act ought to be given a robust interpretation and so encompass the plaintiff in this case.

(c) Even if the defendants were right in their contention that the plaintiff was not an exclusive licensee and so did not have title to maintain the action, this could easily be remedied by way of a formal amendment to include, as plaintiffs in the action, the copyright owners and, if necessary, the other parties in the chain of title because the defect alleged by the defendants was merely a formal one.

8 The matter was argued over two days. As to the first ground, it seemed to me that the argument was flawed. The essence of the plaintiff’s position was that because the defendants had failed in the March application, they could not now reopen the issue under the guise of challenging the plaintiff’s title to sue. This was flawed because the issue in the March application centred on whether these proceedings were untenable on the basis of *res judicata* given the earlier disposal of Suit 978, whereas the question in the present application concerned whether the plaintiff was an exclusive licensee and had title to sue, and, as noted by Andrew Ang J in *Alliance* (see [7] *supra*), this had yet to be decided. Counsel for the plaintiff, Mr Wong Siew Hong, accepted that a submission on the basis of *res judicata* in the present application could only be sustained if the same issue had in fact been resolved in Suit 978 and was being reopened now. It was apparent that the same issue had not been raised and disposed of in Suit 978. Furthermore, I was not convinced that the doctrine of *res judicata* operated so as to prevent a defendant who had successfully defended an action on the basis of one defence from running a different defence to resist a subsequent attempt to bring a related action. Mr Wong did not seek to persuade me otherwise.

9 As to the second point, Mr Wong initially submitted that the plaintiff was an “exclusive licensee” within the meaning of s 7 of the Act. That section defines an “exclusive licence” as:

[A] licence in writing, signed by or on behalf of the owner or prospective owner of copyright, authorising the licensee, to the exclusion of all other persons, to do an act that, by virtue of this Act,

the owner of copyright would, but for the licence, have the exclusive right to do, and “exclusive licensee” shall have a corresponding meaning.

10 Mr Wong initially submitted that in approaching this definition, a broad view should be taken of the words “by or on behalf of the owner ... of copyright”. There was no dispute that in respect of the instruments relied on by the plaintiff, in the case of MG2 as well as the LOTR films, these had not been issued by the copyright owners to the plaintiff. Upon further reflection, Mr Wong dropped this and conceded that the plaintiff was not an exclusive licensee within the meaning of the Act. Notwithstanding the concession, it is useful to set out some brief observations on this. The authors of *Copinger and Skone James on Copyright*, vol 1 (Kevin Garnett *et al* eds) (Sweet & Maxwell, 15th Ed, 2005) (“*Copinger*”) state as follows at para 5-204:

Two matters ... follow from the requirement that the licence be signed “by or on behalf of the copyright owner” – first, that a statutory exclusive licensee cannot himself grant a statutory exclusive licence by way of sub-licence. If such a grant is permitted by the terms of the head licence, it will of course create a valid contractual sub-licence, giving the sub-licensee protection in an infringement action brought by the copyright owner and contractual rights against his own licensor.

11 In my judgment, this is correct. An exclusive licensee takes his rights to the exclusion of all others including the owner of copyright. This is apparent from the words of the statute and it was so held in *Young v Odeon Music House Pty Ltd* [1978] RPC 621 (“*Young*”). When an exclusive licensee grants a sub-licence, he is acting on his own behalf and not as agent or on behalf of the copyright owner. In the present case, there is no suggestion at all that the consideration paid or payable by AESPL under the instrument pursuant to which it claims its licence is payable to the copyright owners. Further, and following from this, there is no suggestion that in granting the sub-licence, AESPL’s sub-licensors were acting on behalf of the copyright owners rather than on their own behalf. Indeed, it would be illogical for them to be acting on behalf of the copyright owners rather than on their own behalf. This is because there would then be more than one licensee with rights in Singapore unless the rights granted to the sub-licensor had been revoked and there is no suggestion of this being the case at all. This was also the effect of the judgment of Booysen AJ in *Kinekor Films (Pty) Ltd v Movie Time* [1976] 1 SA 649, where it was held that a licence granted by a prior licensee rather than by the copyright owner was not an exclusive licence within the meaning of the equivalent South African statutory provision, but only a contractual licensee. Faced with these arguments by Mr Tan Teng Muan, who appeared for the defendants, Mr Wong’s concession on this issue seemed well-advised.

12 What was then left was the third and last contention of the plaintiff. To enable the plaintiff to have ample opportunity to plead its case in a satisfactory manner, I was of the view that the appropriate course of action was for the plaintiff to file an application to amend its writ under O 15 r 6 of the Rules of Court (Cap 322, R 5, 2006 Rev Ed) (“the Rules”) and to make the appropriate amendments to the statement of claim. Mr Wong informed me that he intended to add New Line Productions Inc and Comic Ritz Production Co Ltd (collectively “the copyright owners”) as plaintiffs in the action. I refer to the amendments that Mr Wong wanted to make as “the proposed amendments”. I had anticipated that Mr Wong would demonstrate and set out in the proposed amendments the interest and title of each of the prospective plaintiffs.

13 An application to amend was filed and I heard this application on 27 December 2006. After hearing the parties, I directed them to submit further written submissions, which they subsequently did.

14 The issue before me by this stage was whether to allow the amendments or to disallow them and strike out the claim without prejudice to the right of anyone having title to commence fresh proceedings. In considering the central question of whether the proposed amendments suffice to save the plaintiff’s action from being struck out, the following issues came to the fore:

- (a) the nature of the plaintiff’s rights as a licensee and, in particular, whether a licensee that is not an exclusive licensee under the Act has a legal right or interest that can be asserted against third parties, *ie*, whether a licensee has title to sue; and
- (b) if not, whether the action should be struck out or whether the plaintiff should be allowed to remain as a party and the copyright owners be given leave to join as plaintiffs in the action.

### **The nature of a licensee’s rights**

15 Mr Wong accepted that the plaintiffs were not the assignees of the copyright in these works. As noted above, he also conceded, in the course of the arguments, that the plaintiff was not the exclusive licensee of the copyright in these works within the meaning of that term in the Act. However, he maintained that the plaintiff did have title to maintain the action, if necessary, by adding the copyright owners of the works in question as co-plaintiffs. According to him, this was sufficient to correct any flaw or irregularity in the proceedings.

16 It is useful here to briefly outline the chain of the arrangements pursuant to which Mr Wong asserts the plaintiff had certain rights. In the case of MG2, it appears that the copyright is owned by a company known as Comic Ritz Production Co Ltd (“Comic Ritz”), which is incorporated and existing under the laws of Taiwan. According to the statement of claim, a

company associated with Comic Ritz and known as Goldfield Pacific Ltd (“Goldfield”), a company incorporated in the British Virgin Islands, “was authorised to sub-license the exclusive rights to replicate and distribute MG2 by way of retail sale” in various formats in various territories outside Taiwan.

17 Goldfield licensed the exclusive rights it had in the territories of Singapore and Malaysia to a Taiwanese company known as Catalyst Logic Co Ltd (“Catalyst”), which in turn sub-licensed its rights to a Malaysian company known as Speedy Video Distributors Sdn Bhd (“Speedy”). Speedy then sub-licensed its rights in Singapore initially to the plaintiff’s holding company, Alliance Entertainment Asia Pte Ltd (“Alliance Asia”). That was later rescinded and, in its place, a fresh agreement was entered into under which Speedy granted a licence in Singapore to the plaintiff.

18 The statement of claim asserts that the plaintiff is the exclusive licensee of the rights to MG2 in Singapore and it appears that this is said to be so within the meaning of that term in the Act. That clearly was Mr Wong’s position to begin with, but, in the proposed amendments, the reference to the relevant provision of the Act has been deleted.

19 In relation to the LOTR films, the plaintiff asserts that New Line Productions Inc (“NLP”), a company incorporated and existing under the laws of the United States of America, is the owner of copyright. NLP licensed the exclusive rights to replicate and distribute the LOTR films in certain formats to New Line Home Entertainment Inc (“NLHE”), which in turn licensed its rights outside North America to New Line International Releasing Inc (“NLIR”). NLIR then granted an exclusive right to replicate and distribute these films in Singapore to the plaintiff. Again, the plaintiff’s case in the pleadings is that it is the exclusive licensee of the rights to replicate and distribute the LOTR films in video formats in Singapore, subject to the same observation I have made in the preceding paragraph as to the proposed amendments.

20 The subject matter of the claim is the alleged infringement of the plaintiff’s rights by the defendants.

21 It is useful to begin with the basics. As the defendants submit, it is trite that a licence generally passes no title or proprietary interest or rights, but merely makes lawful that which would otherwise be unlawful. In *Heap v Hartley* (1889) 42 Ch D 461, the English Court of Appeal distinguished between a licence, even an exclusive licence, and an assignment. The court recognised that a licence may be, and often is, coupled with a grant, and that grant may convey an interest in property. However, a licence by itself does not convey an interest in property and so does not give rise to any right enforceable against third parties. This is aside from any contractual rights the licensee may have against the licensor. The authors of *Copinger* at para 5-194 make the same point. *Heap v Hartley* was a patent case, but it



was held to be applicable to copyright in *London Printing and Publishing Alliance, Limited v Cox* [1891] 3 Ch 291. This was followed in *Neilson v Horniman* [1909–1910] 26 TLR 188.

22 This remained the position at common law until it was reformed by statute. By s 123 of the Act, an exclusive licensee is given the same rights of action as the owner of the copyright. The section further provides that an exclusive licensee is entitled to the same remedies as would have been the case if the licence had been an assignment. The effect of these statutory provisions is to confer upon an exclusive licensee the right to bring proceedings for infringement, and, although it could do so in its own name, it remained necessary, until recent statutory amendments, for an exclusive licensee bringing proceedings for infringement to join the owner of the copyright as a co-plaintiff or as a defendant, as the case may be. With the passage of these statutory amendments in Singapore in 2004 (see the Copyright (Amendment) Act 2004 (No 52 of 2004)), the position was further modified so that an exclusive licensee has been entitled since 1 January 2005 to proceed in its own name without joining the copyright owners, unless the court orders otherwise.

23 I do not see this brief overview of the general rights of a licensee and the distinction between a licence and an assignment as controversial. Mr Wong submitted that although the plaintiff is not a *statutory* exclusive licensee, it is nevertheless an exclusive licensee by *contract*. It may well be that, pursuant to the chain of contracts I have described above, certain rights were granted to the plaintiff. However, if the plaintiff is not an assignee of the copyright and if it is not an exclusive licensee under the Act, then the plaintiff's rights as a matter of contract would be limited to the right to enforce its bargain against its counterparty. Mr Wong submits, however, that a party that is conferred a licence by contract is entitled to bring proceedings by joining the copyright owners and, to that extent, it has title to sue for infringement of copyright, and it is to this that I now turn.

### ***Does a contractual licensee have title to sue?***

24 Mr Wong in his submissions states as follows:

A. ***Authorities Establish That Even Non-Exclusive Licensees Can Bring Action for Infringement***

4. Halsbury's Laws of England, at para 880 states:

*"A licensee, unless he is an exclusive licensee, cannot sue for infringement of copyright unless he joins the copyright proprietor as co-plaintiff in the action ..."*

5. This proposition follows from *Heap v Hartley* (1889) 42 Ch D 461 and *Neilson v Horniman* (1909) 26 TLR 188. It has been applied in Australia in *Young v Odeon Music House Pty Ltd* [1976] 10 ALR 153 and *Sega Enterprises v Galaxy Electronics Pty Ltd* (1998) 39 IPR 577;

and in the local cases of *TVB v Mandarin Video Holdings Sdn Bhd* [1984] FSR 111 and *Seremban Video Centre Sdn Bhd* [1985] 1 MLJ 171.

6. The cases cited admittedly discusses [*sic*] the issue of non-exclusive licensees but there is nothing in principle that excludes the application of the principle to an exclusive licensee that does not fall within the wording of Section 7 of the Copyright Act. There are no cases discussing the issue in the context of exclusive licensees who do not fall within the meaning of Section 7. This is because the old wording of Section [*sic*] requires that the copyright owner be joined except in certain circumstances (that are not relevant to the present discussion). Section [*sic*] 124 had been amended in 2005 so that exclusive licensees can bring action without having the [*sic*] join the copyright owners and this is the first case where the point had arisen for consideration.

7. It should be pointed [*sic*] that Section 124 does not create a substantive right in favour of an exclusive licensee but is merely procedural ... The section merely restates the substantive law and requires that, as a matter of procedure, an exclusive licensee must be [*sic*] join the copyright owner. Therefore, as a matter of general law, it is clear that the Plaintiff in this case does have an interest in the proceedings. The non-joinder of the copyright owner is not fatal: Order 15 Rule 6. The matter can be cured by joining the copyright owners New Line Productions, Inc and Comic Ritz Productions Co., Ltd – both of whom have given their consent to join in the proceedings as Plaintiffs.

25 This is at the heart of the plaintiff's submission, and to evaluate it correctly, it is necessary to separate some of the strands of the argument. What then are the rights of a licensee that is not an exclusive licensee under the Act (a "non-exclusive licensee")? In this regard, it is necessary to more closely examine a passage from an earlier edition of *Halsbury's Laws of England* ("*Halsbury's*") vol 9 (Butterworths, 4th Ed, 1974), which suggests that a licensee other than an exclusive licensee may bring proceedings as long as it joins the copyright owners. It is also necessary to examine the cases which have adopted this passage in support of the proposition that a non-exclusive licensee also has the right to sue for infringement as long as the copyright owner is joined as a co-plaintiff. But, first, it is useful at this stage to set out the relevant provisions of the Act. These are as follows:

#### **Interpretation of this Division**

121. In this Division —

“if the licence had been an assignment” means if, instead of the licence, there had been granted (subject to conditions corresponding as nearly as practicable with those subject to which the licence was granted) an assignment of the copyright in respect of its application to the doing, at the places and times authorised by the licence, of the acts so authorised;

“the other party” means —

- (a) in relation to the owner of the copyright — the exclusive licensee; and
- (b) in relation to the exclusive licensee — the owner of the copyright.

### Application

122. This Division shall apply to proceedings in relation to a copyright in respect of which an exclusive licence has been granted and is in force at the time of the events to which the proceedings relate.

### Rights of exclusive licensee

123. Subject to this Division, the exclusive licensee shall, except against the owner of the copyright, have the same rights of action as the owner of the copyright would have, and be entitled to the same remedies as he would be entitled to, by virtue of sections 119, 120 and 120A if the licence had been an assignment, and those rights and remedies are concurrent with the rights and remedies of the owner of the copyright under those sections.

### Joinder of owner or exclusive licensee as party

124. Where —

- (a) an action is brought by the owner of the copyright or by the exclusive licensee; and
- (b) the action, insofar as it is brought under section 119, relates, in whole or in part, to an infringement in respect of which the owner and the licensee have concurrent rights of action under that section,

the owner or licensee, as the case may be, shall be entitled to proceed with the action without joining the other party as a plaintiff or adding the other party as a defendant in the action, unless the court orders otherwise.

26 I begin by considering the rationale underlying the conferral of the procedural status upon an exclusive licensee which enables him to sue for infringement. In this regard, reference may be made to *The Modern Law of Copyright and Designs*, vol 1 (Hugh Laddie *et al* eds) (Butterworths, 3rd Ed, 2000) at para 24.5, where the authors point out that the conferral upon the exclusive licensee of the same rights and remedies as if the licence had been an assignment (see s 123 of the Act) was first enacted in the UK Copyright Act of 1956 (“the 1956 UK Act”) as a result of the recommendations of a copyright committee (“the Gregory Committee”) which had been appointed to inquire into what changes might be desirable to the copyright law of the United Kingdom, having particular regard to technological developments. The relevant portions of this report (United Kingdom, *Report of the Copyright Committee* (Cmnd 8662, 1952) (Chairman: H S Gregory)) are illuminating, and it states at para 276:

### 276. Licensee. Right to sue

[D]oubts have been expressed by the Courts whether ... a grantee [of an interest in the copyright by licence] could sue, at any rate without joining the copyright owner as a Defendant to the action. ... [H]aving regard to the duration and international nature of copyright, practical difficulties are found to exist because the copyright owner may not be readily available to be made a party to the action. We have come to the conclusion that it is desirable to make clear that *an exclusive licensee is entitled to sue for an infringement of the right comprised in his licence ...* We recommend accordingly. In the normal case, however, the copyright owner should be a party to the proceedings, either as Plaintiff or Defendant. ... [C]ases may arise in which an exclusive licensee may not be aware of the address of the present owner of the right. We recommend therefore that *power should be given to the Court to dispense with ... the necessity of naming him, where circumstances justify this course.* As a consequence of this, ... the copyright owner should retain the right to sue for infringement in his own right ... For the purposes of the present proposal we have used the expression “*exclusive licensee*” as meaning a person who has a licence exclusively of all others, including the copyright owner, to exercise the whole or any distinct part of the copyright in any defined territory and for a defined period. [emphasis added]

27 It is apparent that the procedural status conferred on an exclusive licensee arose from the need to address practical problems that might be faced, given the increasing international ambit and the very nature of copyright. At the same time, if, in each case, the right to sue could only be exercised with the copyright owners’ involvement, this could nullify the purpose of the amendment. To overcome this, it was envisaged that action could not only be initiated and maintained by the exclusive licensee, but could even proceed without the joinder of the copyright owners in the appropriate circumstances with the leave of court. Thus, in *Bodley Head Ltd v Flegon* [1972] RPC 587, the plaintiffs were given leave to proceed without the Russian dissident author, Alexander Solzhenitzyn, who was the copyright owner but who was then still living in Russia and could not conveniently be joined. However, it is also apparent from the passage of the report I have just cited that the intention was to make it explicit that an exclusive licensee could institute proceedings *albeit* that the copyright owners would ordinarily have to be joined.

28 It is pertinent to note that the Gregory Committee’s recommendations were made in respect of exclusive licensees as defined. This definition is substantially the same as that which currently appears in the UK Copyright, Designs and Patents Act 1988 (c 48) (“the CDA”), which has since replaced the 1956 UK Act, and the equivalent Australian and Singapore statutory provisions.

29 These rights are created by statute. It follows that these rights may be exercised in accordance with the statute by those in whose favour they are created. There is no gainsaying the fact that insofar as the plaintiff relies upon ss 123 and 124 of the Act, these rights are created in favour of an exclusive licensee and that is a term defined in s 7 of the Act.

30 If a plaintiff is not an exclusive licensee within the meaning of the statute, then I simply cannot see how it can avail itself of the statutory rights and procedures that have been created by the statute in favour of such a licensee.

31 It follows, in my view, that in so far as the plaintiff accepts that it is not a statutory exclusive licensee, it cannot avail itself of the unique procedural status and rights that are conferred by the Act on exclusive licensees.

32 Nor is this changed by the recent amendments to s 124 of the Act. All that does is to remove the requirement that leave of court be sought and obtained to enable an exclusive licensee to institute proceeding without joining the copyright owners. In that respect, the section reverses the onus in the sense that the court may be moved to order “the other party” (in the present context, the owner of the copyright) to be joined as a party to the proceedings, but it does not extend the procedural status that I have mentioned to a non-exclusive licensee.

33 The statutory regime thus holds no promise for the plaintiff who then submitted that at common law, a non-exclusive licensee has the right to sue, and since the statute does not deal with the rights or the status of such non-exclusive licensees, the common law position prevails. Before I consider the position at common law, it is helpful to note two points.

34 First, a new s 101A was inserted into the CDA in 2003 giving certain non-exclusive licensees the right to bring proceedings for infringement of copyright in limited circumstances. At the outset, it may be noted that this is at odds with the plaintiff’s suggestion that non-exclusive licensees in any case have title to sue under the common law. Indeed, if the plaintiff is right in its contention that non-exclusive licensees do have such title at common law, then it would seem that the effect of the 2003 statutory enactment was to cut down on the ambit of the rights licensees enjoyed at common law. That seems contrary to the underlying policy of enabling those other than the owner of the copyright to act against infringers.

35 Secondly, *Copinger* at para 5-194 states as follows:

The 1988 Act confers on the copyright owner the exclusive right to do the various acts restricted by the copyright.<sup>40</sup> An infringement of copyright occurs if one of those acts is done without his licence.<sup>41</sup> *A licence therefore passes no interest but merely makes lawful that which would otherwise be unlawful;*<sup>42</sup> *it is a permission which carries with it immunity from proceedings.*<sup>43</sup> *A mere licence from the copyright owner confers no proprietary interest on the licensee enabling him, for example,*

*to bring proceedings in his own name,*<sup>44</sup> unless coupled with the grant of some other interest, for example, the right to take property away.<sup>45</sup> *Statute apart, even an exclusive licence, which is merely the leave to do a thing coupled with a promise not to do, or give anyone else permission to do, that thing, gives the licensee no right to sue in his own name for infringement nor any other proprietary interest.*<sup>46</sup> *In copyright law, this general rule is altered by statute in the case of exclusive licences which comply with prescribed formalities.*<sup>47</sup> *The 1998 Act confers on such a licensee a procedural status which enables him to bring proceedings but otherwise the rule is unchanged: an exclusive licensee has no proprietary interest in the copyright.*<sup>48</sup> [emphasis added]

36 In my judgment, this is a correct statement of the law. Footnote 44 to the quoted text states:

The suggestions in *Young v Odeon Music House Pty Ltd* (1976) 10 A.L.R. 153 at 161, and *Sega Enterprises Ltd v Galaxy Electronics Pty Ltd* (1997) 39 I.P.R. 577, based on a passage in *Halsbury's Laws of England* (4th ed), Vol. 9, para. 880, that a non-exclusive licensee may sue for infringement if the copyright owner is joined as co-claimant, are submitted to be wrong, and based on a mistaken reading of *Neilson v Horniman*.

37 Yet, as will be apparent from the plaintiff's submissions quoted at [24] above, it is precisely these suggestions and the passage in *Halsbury's* alluded to in the footnote in question that the plaintiff now relies on in support of its case. An unfortunate coincidence, perhaps.

38 I turn to the authorities. In *Young*, the first plaintiff had a licence to distribute in Australia recordings supplied to him by the second plaintiff, the copyright owners. One of the issues that had to be determined was whether the first plaintiff was a proper party to the proceedings as the defendants had submitted that he was not an exclusive licensee. In connection with this issue, Bowen CJ stated at 630:

I do not see why a non-exclusive licensee is not a proper plaintiff in proceedings for breach of copyright provided he joins the owner of the copyright ...

39 The learned judge had relied on a passage in *Halsbury's*, vol 9 (Butterworths, 4th Ed, 1974) at para 880 in support of this proposition. This was the version Mr Wong relied on before me and which states:

A licensee, unless he is an exclusive licensee, cannot sue for infringement of copyright unless he joins the copyright proprietor as co-plaintiff in the action ... [footnotes omitted]

40 However, it should be noted that *Young* was also argued on the basis that the first plaintiff had to show he was an exclusive licensee. Indeed, Bowen CJ specifically dealt with this issue.

41 Bowen CJ in fact found that the terms of the licence agreement were such that it was to be construed as an exclusive licence. Thus, it is clear that the decision of the court on the issue of whether the first plaintiff was a proper party to the proceedings was founded on the fact that he was indeed found to be an exclusive licensee; it was argued in this manner and the court held accordingly. This diminishes the weight of the observation at [38] above on which Mr Wong relies. Further the observation in question was not fully reasoned by the court. In the circumstances, it is of little, if any, assistance in advancing a basis upon which one might conclude that a non-exclusive licensee could maintain and institute an action. It also wholly fails to consider how the traditional common law position that a licensee has no interest in the copyright and so cannot sue could be overcome; or why it was necessary to enact a statutory procedure to enable an exclusive licensee to bring an action; or on what basis in law a party that acquired a licence under a contract could rely upon that to bring an action against third parties.

42 I turn to *Sega Enterprises Ltd v Galaxy Electronics Pty Ltd* (1997) 39 IPR 577 (“*Sega*”), which, for the reasons that follow, appears to me to provide even less assistance. In *Sega*, Burchett J was dealing with the matter in the context of summary proceedings to strike out the claim. The learned judge found that it could not be said to be *unarguable* that the effect of certain provisions in the relevant licence was to confer a valid exclusive licence on the plaintiff, who was claiming in respect of a breach of copyright, along with the copyright owners. That was sufficient to dispose of the matter since a party that could establish it was an exclusive licensee would clearly have title to maintain the suit.

43 The question of whether a non-exclusive licensee could remain a party was argued. Burchett J expressed the view (at 581) that this had been “the subject of a considered dictum of Bowen CJ ... in *Young*”, and, after quoting from that case, which in turn made reference to the passage in the 1974 edition of *Halsbury’s* (at [39] *supra*), the learned judge said (at 582) that he could not see how, in the face of Bowen CJ’s *dictum* and the statement in *Halsbury’s*, he could strike out the proceedings as against the licensee. Plainly, this case cannot stand as an authority for the proposition that a non-exclusive licensee can indeed maintain a suit against an alleged infringer.

44 I turn to the passage from *Halsbury’s*. The passage cited and relied upon by Mr Wong is found in an earlier edition of *Halsbury’s*. Mr Tan drew my attention to the fact that the later editions state the proposition differently. In both *Halsbury’s*, vol 9(2) (Butterworths, 4th Ed Reissue, 1998) at para 180 and *Halsbury’s*, vol 9(2) (LexisNexis Butterworths, 4th Ed, 2006 Reissue) at para 179, the position is stated thus:

A licensee, unless he is an exclusive licensee, cannot sue for infringement of copyright *and even then* he must join the copyright

owner as [co-plaintiff] or as a defendant in the [action] ... [emphasis added and footnotes removed]

45 This is materially different in that the word “unless” in the 1974 version (see [39] above) has been replaced with the words “and even then”. This is not a change of a purely semantic nature, and, in its current formulation, it does not support the view that at common law, a non-exclusive licensee has title to sue for infringement of copyright. On the contrary, it is now made clear that a licensee other than an exclusive licensee cannot sue for infringement; and even an exclusive licensee must join the copyright owner as a party in the proceedings. Further, it is clear that this is a reference to an exclusive licensee falling within the statutory definition.

46 Mr Wong also cited two Malaysian cases. These are of no assistance. In *Television Broadcasts Limited v Mandarin Video Holdings Sdn Bhd* [1984] FSR 111 (“*Mandarin Video*”), the third plaintiff was found to be an exclusive licensee to reproduce certain films on video cassettes for sale/hire to the public in Malaysia. The court nonetheless considered what the position would have been if it were wrong on this and concluded that the third plaintiff would nonetheless have been a proper party so long as it joined the copyright owners as co-plaintiffs. The learned judge relied on the *dictum* of Bowen CJ in *Young* in support of this proposition.

47 In *Television Broadcasts v Seremban Video Centre Sdn Bhd* [1985] 1 MLJ 171, the court relied on the same passage in the 1974 edition of *Halsbury’s* that Mr Wong relied on as well as the *dictum* of Bowen CJ in *Young* and the like observation in *Mandarin Video*, and held that a non-exclusive licensee could sue in its own name if it joined the copyright proprietor. To the extent that these two cases suggest that a non-exclusive licensee may sue if it joins the copyright owners, they rely upon the cases and authorities that I have already considered and found to be unhelpful.

48 In my judgment, when one considers the relevant statutory provisions as a whole, it becomes clear that an exclusive licensee occupies a special position with rights of action and remedies that are concurrent with those of the copyright owner. This is what sets it apart from a non-exclusive licensee, and entitles the exclusive licensee under s 123 to bring an action against infringers and under s 124 to do so without joining the copyright owners. However, there is nothing in the statute to suggest that a party that is not an exclusive licensee nonetheless has any right of action. Nor, for the reasons that are helpfully set out in the extract from *Copinger* that I have quoted at [35] above, do I think the position is any different under the common law. The line of authority relied on by Mr Wong to suggest the contrary is not well-founded in principle for the reasons I have set out. Given Mr Wong’s acceptance that the plaintiff is not an exclusive licensee within the meaning of the Act and given that there was and is no dispute that it was not the owner of copyright in the works in question or an



assignee or anything other than a party claiming under a contractual licence, I am of the view that it has no title to bring these proceedings.

49 Mr Wong did, in the course of arguments, maintain that the plaintiff had *locus standi* to bring and maintain the action even if it did not fall within the definition of a statutory exclusive licensee under s 7 of the Act. He submitted that his client's position was analogous to that of an equitable assignee and that it was the beneficial owner of the rights of exploitation in Singapore and was thus analogous to the beneficial owner of the copyright in Singapore. Mr Tan objected to this by noting that some licence was being taken by Mr Wong with the categorisation of the precise nature of the plaintiff's interest. Be that as it may, the short point is that the only case raised on the pleadings is that AESPL is an exclusive licensee and it is thus neither necessary nor appropriate for me to consider the claim in the context of any other possible capacity.

50 The next question is what then is to be done with these proceedings. Mr Wong submitted that by joining the copyright owners in the action, the defendants' objections would no longer be tenable.

**Should the action be struck out or should the plaintiff be given leave to proceed by joining the copyright owners as co-plaintiffs in the action and amending the statement of claim?**

51 At the outset, I should say that Mr Wong's submission seems counter-intuitive. If the procedural status and rights conferred on an exclusive licensee are unique, then a non-exclusive licensee cannot sue for infringement, with or without the participation of the copyright owners. If a non-exclusive licensee can sue simply by joining the copyright owner and if this is all there is to it, then it is difficult to see what was achieved by the statutory scheme that purportedly confers rights on an exclusive licensee.

52 I formed the impression that Mr Wong's argument seemed to draw inspiration from the enactment of s 124. However, in my judgment, this was an unnecessary and unhelpful distraction. I have discussed the significance of s 124 at [32] above. All that section does is to change the default position so that in certain infringement proceedings, there is no need for the copyright owners or the exclusive licensee, as the case may be, to join the other party. The section does away with the requirement of joinder in such cases, but it does not confer any right of action upon any party. That is achieved by s 123. Accordingly, where the primary question is whether a party has a right of action under the Act, the relevant section is s 123. I have already held that s 123 confers such a right only upon an exclusive licensee within the meaning of the Act, and I have further held that, apart from s 123, a licensee has no right of action against an infringer whether at common law or otherwise. The plaintiff is not an exclusive licensee within the meaning of the Act, and it follows that the plaintiff

cannot, by joining the copyright owners, save its action against the defendants.

53 I should make it clear that the copyright owners would undoubtedly have a right of action (assuming they had not assigned their interest). However, that would be a quite different action and I imagine it would require quite substantial amendments to the pleadings. Here, it is relevant to examine the amendments that Mr Wong proposed to make in an attempt to save the proceedings. Some indication of how the proposed amendments were viewed by the plaintiff can be seen from the affidavit sworn by Mr Wong himself in support of the amendment application, in which he said: "I believe the amendments are not substantive in nature ...". This much certainly is true when the proposed amendments are considered. Whether the proposed amendments were sufficient is another matter.

54 As the plaintiff acknowledges that it is not a statutory exclusive licensee, the references to s 123 have been deleted, although it nonetheless maintains that it is an "exclusive licensee" in the draft amended statement of claim. I take this to mean that the plaintiff bases its claim upon its asserted status as an "exclusive licensee" by virtue of its contractual arrangements. To the extent that the plaintiff contends that by virtue of this, it was entitled to replicate or distribute the works in question, no issue is raised. However, it asserts that it has an entitlement at law to bring a claim for relief in respect of the alleged infringements even though it is not an exclusive licensee under the Act. In the light of the holdings I have already made, this cannot be right and its case as pleaded seems doomed to fail.

55 I do not see how that changes simply by joining the copyright owners as co-plaintiffs. If this is to be a copyright infringement action against the defendants, the copyright owners could well be proper plaintiffs, but the case would have to be pleaded on that basis. As it stands at the moment, the statement of claim contains averments, including those at paras 21, 28, 36 and 37 of the statement of claim, that "the plaintiff's copyright" has been infringed. Clearly, this was originally a reference to AESPL as the plaintiff. Conceivably, these references could now be construed to refer to the intended plaintiffs, namely, the copyright owners, but then this would be inconsistent with other parts of the statement of claim including, for instance, para 1 which states: "The plaintiffs are a company incorporated in Singapore", when the copyright owners are not, and paras 15 and 34 where it is averred that "the plaintiffs" are "the Exclusive Licensees in Singapore" when, clearly, the copyright owners are not. No mention is made in the statement of claim (including the proposed amendments) as to the nature of the case the copyright owners bring against the defendants because the only substantive amendment made to the original pleading, which was founded on a claim by the plaintiff as an exclusive licensee acting under s 123 of the Act, is to delete the reference to this section. Furthermore, if

AESPL is to be included in the definition of “plaintiff”, then it is difficult to see how it can be AESPL’s copyright that has been infringed since it is not a statutory exclusive licensee and thus does not have rights and remedies concurrent with those of the owner of the copyright.

56 These issues are brought into sharper focus in the light of the following paragraphs of Mr Wong’s written submissions:

14. In the event that the Court makes a finding that the defendants had indeed been selling pirated copies of the films in question, knowing them to be infringing copies, *it is Alliance who has suffered damage as a result of the infringement and accordingly, they ought to be entitled to recover damages from the defendants for their infringement in the form of loss of profits or an account of profits.*

15. *The copyright owners, having given Alliance the right to exploit the copyright in the 2 films, do not directly suffer any real or substantial loss or damage arising from the defendants’ actions. Thus, if Alliance is not a party to these proceedings, the situation may be that although the Court finds that the defendants had pirated the 2 films, the financial recovery by the Copyright Owners would be nominal. This would be perverse.*

[emphasis added]

57 It would seem to be the case from this that the copyright owners do not stand to suffer any real or substantial loss or damage from the defendants’ alleged actions. If this is correct, this may well raise some questions at least as to the nature of the remedy that the copyright owners may eventually seek. The fact that the plaintiff may have suffered commercial losses or damages (even if proved) does not advance the position if the nature of its interest is such that it has no title to bring a claim against alleged infringers.

58 In the light of all this, I do not accept that the problems facing the plaintiff can be overcome simply by adding the copyright owners as a matter of formality. With respect, it seems to me that insufficient thought was given to the proposed amendments. For this reason, I would not have been minded in any event to give leave to make the amendments in their present form.

59 This is sufficient for me to dispose of this matter, but, for the sake of completeness, there are some further strands in Mr Wong’s argument that I should deal with. Mr Wong submitted that there was no doubt that the copyright owners could commence and maintain an action for infringement, and if, in a *hypothetical* case commenced only by the copyright owners, an application was brought to join the present plaintiff as a party, the court would likely have exercised its discretion to allow the application under O 15 r 6(2)(b)(ii) of the Rules. Mr Wong then submitted that since that would be the result in the hypothetical case, the court should

strive to achieve the same net effect by allowing the copyright owners to be added to *these* proceedings. In so doing, the defect in the plaintiff's title to sue can be "cured".

60 In support of this, Mr Wong relied on my observation in *Tan Yow Kon v Tan Swat Ping* [2006] 3 SLR(R) 881 ("*Tan Yow Kon*") at [36] that:

[T]hese rules are there to save rather than to destroy, to enable rather than to disable and to ensure that the right parties are before the court so as to minimise the delay, inconvenience and expense of multiple actions. The [Rules] are to be construed with these purposes in mind.

61 It should go without saying that as much as the Rules are to be construed with these purposes in mind, the Rules are not to be ignored to enable the plaintiff to circumvent the need to plead a proper case and establish a valid cause of action.

62 I do not propose to express any view as to what the outcome might be in the hypothetical case mentioned by Mr Wong. I also do not propose to express any view on whether a party that has no title to bring an action can nonetheless be added as a plaintiff in circumstances where it has no entitlement to any relief against the defendants as a matter of law. These are all matters for another occasion. However, I will say that the argument advanced is flawed. If, indeed, the copyright owners had initiated an action against the defendants, and then sought to add the plaintiff as a necessary or proper party, assuming the plaintiff could show, as a matter of law, that it was a necessary or proper party, that would be true only *in relation to that action*. It does not follow that the copyright owners must be regarded as necessary or proper parties in this action and be joined accordingly when it does not appear from the proposed amendments that they are seeking any remedy for the reasons I have already set out and when the plaintiff itself has no right to maintain the action. Mr Wong's argument also overlooks the cautionary note I sounded in *Tan Yow Kon* ([60] *supra*) at [37] that:

[I]t would be counter-productive to approach [the court's] exercise [of its discretion] with fixed notions or ideas that might curb the court's ability to achieve the precisely appropriate solution in any given case. ...

63 The final strand of the plaintiff's case rests on the proposition that where there is some doubt about or defect in the plaintiff's title to sue, another plaintiff may be added in order to remedy this. The decisions in *The Charlotte* [1908] P 206, *Performing Right Society Limited v London Theatre of Varieties* [1924] AC 1 ("*Performing Right Society*") and *Showell v Winkup* (1889) 60 LT 389, which were relied on by the plaintiff, all deal with the owner in equity having to add the legal owner in order to "perfect" the title to sue or some variant of this. This is unremarkable and accepted practice, in that in order to obtain *final* judgment, the equitable owner must either perfect his title by taking an assignment from the legal owner or, alternatively, join the legal owner because of the risk to the defendant that

he will be exposed to a second claim by or under the legal owner, in particular, by a *bona fide* purchaser for value without notice claiming under the legal owner: see *Copinger* at para 5-186; and the discussion of Viscount Cave LC in *Performing Right Society* at 14–15. This type of case is clearly different from the one before me. The plaintiff has not advanced its claim *qua* equitable assignee. The only capacity which it has put forward is as an exclusive licensee pursuant to its contractual arrangements. However, if it is not an exclusive licensee within the meaning of the Act, in my judgment, it has no title to sue at all and the joinder of the owners of the copyright does nothing to remedy that.

64 Reliance was also placed on *Ayscough v Bullar* (1889) 41 Ch D 341, where the plaintiff brought an action to enforce a restrictive building covenant against the defendant. She had been in discussions with her brother, who was also her neighbour, and it was thought best that she proceed to sue by herself, although the brother also had the benefit of the covenant. After commencement of the action, the plaintiff was advised that there *might* be a *personal* bar preventing her from obtaining the relief she sought because she had derived the title to her house through the original covenantor (the predecessor of the defendant's title) and, thus, there had been a union of title (at some point in time) in the two properties belonging respectively to the defendant and the plaintiff. That being the case, there was some doubt whether the plaintiff was the right plaintiff and so she sought to add her brother as a co-plaintiff to the action.

65 The amendment was allowed by the English Court of Appeal. Lindley LJ analysed the case at 347 as one where:

[*The plaintiff*] finds out, not that she is wrong, but she begins to suspect that she can better prove her case if she can join her neighbour, who is also interested in the same building covenant, and she thereupon asks leave from the Court to add him as a plaintiff.

66 The court took into consideration a number of factors in allowing the amendment including the following:

- (a) the bar to her obtaining relief was a “personal” one;
- (b) it was not at all certain that she definitely could not bring the action, only that it might be better for the case to proceed if there was another plaintiff who was equally interested in the same covenant, against whom there clearly was no personal objection;
- (c) it was an honest *bona fide* mistake which was easy to make in such circumstances; and
- (d) no new and distinct cause of action was being substituted.

67 The present case is not one where there is doubt as to the plaintiff's title to sue for a particular cause of action and the plaintiff then seeks to add

another party as co-plaintiff in order to better his position. The plaintiff here has no title to sue. The purpose of the amendment is to bring in parties in a wholly different capacity as owners of copyright and, apparently, with quite different commercial interests in the litigation (see [56] above), and this is well outside the ambit of the facts of *Ayscough v Bullar*.

### Conclusion

68 I am satisfied that the plaintiff has no title to maintain the present action. I am also satisfied that this want of title will not be remedied by the mere formality of adding the copyright owners as plaintiffs. Nor do the proposed amendments to the statement of claim serve to overcome the objections. I also find the amendments unsatisfactory in any event for the reasons I have set out at [53]–[58]. In the premises, I dismiss the application to amend the statement of claim. It follows that I allow the defendants' application to strike out the action on the grounds that the plaintiff cannot maintain this action. It is a matter for the copyright owners as to whether they wish to initiate fresh proceedings. The defendants are entitled to the costs of the application and the action, which are to be taxed if not agreed.

Reported by Douglas Chi Qiyuan.

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