



Neutral Citation Number: [2018] EWHC 3273 (Ch)

Case No: IL-2018-000205

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS
INTELLECTUAL PROPERTY LIST (CHANCERY DIVISION)

Rolls Building
Fetter Lane, London, EC4A 1NL

Date: 30 November 2018

Before :

MR JUSTICE ARNOLD

Between :

QUEENSBERRY PROMOTIONS LIMITED **Claimant**
- and -
(1) BRITISH TELECOMMUNICATIONS PLC **Defendants**
(2) EE LIMITED
(3) PLUSNET PLC
(4) SKY UK LIMITED
(5) TALKTALK TELECOM LIMITED
(6) VIRGIN MEDIA LIMITED

Jaani Riordan, instructed by **CMS Cameron**
McKenna Nabarro Olswang LLP, made written
submissions on behalf of the **Claimant**
The **Defendants** were not represented
The application was considered on paper

Approved Judgment

I direct that pursuant to CPR PD 39A para 6.1 no official shorthand note shall be taken of this Judgment and that copies of this version as handed down may be treated as authentic.

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MR JUSTICE ARNOLD

MR JUSTICE ARNOLD :

1. On 28 November 2018 I made an order on the application of the Claimant (“Queensberry”) requiring the Defendants to take measures to block, or at least impede, access by their customers to streaming servers (“Target Servers”) which deliver infringing live streams of footage of professional boxing matches staged by Queensberry (“Events”) to UK consumers. The application was supported by the First Defendant (“BT”), the Second Defendant and the Third Defendant and the other Defendants did not oppose it. My reasons for making the order were very similar to those I gave for making a similar order in *Matchroom Boxing Ltd v British Telecommunications plc* [2018] EWHC 2443 (Ch), which I shall not repeat. During the course of the application, however, a new issue arose which it is appropriate to address.
2. Queensberry intends to stage Events both in the UK and outside the UK. Under a Promotion Agreement between Queensberry and BT, BT will make and transmit broadcasts of the UK Events in the UK and specified overseas territories. The Promotion Agreement provides for the copyright in the clean feed to be jointly owned by Queensberry and Frank Warren. Accordingly, Queensberry was thus in a position to make the application as an owner of the copyright in that copyright work. It is well established that one joint owner of copyright can bring proceedings without joining the other owner(s).
3. So far as events outside the UK are concerned, Queensberry intends to make similar arrangements to those it has made with respect to the forthcoming Event on 1 December 2018, a match between Deontay Wilder and Tyson Fury which will take place in the USA. Showtime Networks Inc (“SNI”) has entered into agreements with Queensberry and third parties under which SNI will be the host broadcaster for that Event and will create, and be the owner of copyright in, the clean feed.
4. Queensberry had also entered into an agreement with SNI under which SNI purported to grant Queensberry an “exclusive licence” of the right to make applications under section 97A of the Copyright, Designs and Patents Act 1988 in relation to the clean feed and other copyright works owned by SNI. Queensberry relied upon this “exclusive licence” as enabling it to make the application. I was not convinced that this agreement had the desired effect, however. My reasons are as follows.
5. The starting point is Article 8(3) of European Parliament and Council Directive 2001/84/EC of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society (“the Information Society Directive”), which provides (emphasis added):

“Member States shall ensure that *rightholders* are in a position to apply for an injunction against intermediaries whose services are used by a third party to infringe a copyright or related right.”
6. The Information Society Directive does not define the expression “rightholder”. One might suppose, however, that it means an owner of one or more of the rights covered by Articles 2 to 4 of the Directive (reproduction, communication to the public and distribution).

7. Counsel for Queensberry relied upon Article 4 of European Parliament and Council Directive 2004/48/EC of 29 April 2004 on the enforcement of intellectual property rights (“the Enforcement Directive”), which provides:

“Member States shall recognise as persons entitled to seek application of the measures, procedures and remedies referred to in this chapter:

 - (a) all holders of intellectual property rights, in accordance with the provisions of the applicable law;
 - (b) all other persons authorised to use those rights, in particular licensees, in so far as permitted by and in accordance with the provisions of the applicable law;

...”
8. Chapter II of the Enforcement Directive includes Article 11, the third sentence of which requires Member States to ensure that “rightholders are in a position to apply for an injunction against intermediaries whose services are used by a third party to infringe an intellectual property right, without prejudice to Article 8(3) of [the Information Society Directive]”.
9. Counsel for Queensberry submitted that the third sentence of Article 11 of the Enforcement Directive was implemented by section 97A of the 1988 Act. That is not correct. Section 97A implements Article 8(3) of the Information Society Directive. Nevertheless, I accept that section 97A should be construed, so far as possible, consistently with Article 4 of the Enforcement Directive. Even if Article 8(3) of the Information Society Directive only permits the owners of the relevant rights to make an application, Article 11 third sentence of the Enforcement Directive read together with Article 4(b) requires Member States to ensure that licensees can do so where this is in accordance with national law.
10. Turning to section 97A, this simply provides that the High Court “shall have power to grant an injunction ...”. It does not specify who may apply for such an injunction. It is entirely consistent with the scheme of the 1988 Act, however, for both owners and exclusive licensees of copyright to be entitled to apply: see in particular section 101(1) cited below. Thus I would interpret section 97A in that manner purely as a matter of domestic law, but in my judgment that interpretation is supported by Articles 4(b) and 11 of the Enforcement Directive.
11. An “exclusive licence” is defined for this purpose by section 92(1) of the 1988 Act as meaning (emphasis added):

“a licence in writing signed by or behalf of the copyright owner authorising the licensee to the exclusion of all other persons, including the person granting the licence, to exercise a *right* which would otherwise be exercisable exclusively by the copyright owner.”

12. In my view it is tolerably clear from the wording of section 92(1), from its context in Chapter V of Part I of the 1988 Act (which is headed “Dealings with rights in copyright works” and includes section 90(2) concerning partial assignments of “things the copyright owner has the exclusive right to do”) and from the general scheme of Part I that the word “right” here refers to the exclusive right to do one of the acts listed in section 16(1) of the 1988 Act i.e. the acts restricted by the copyright in the work. Section 97A does not confer such an exclusive right, rather it provides a remedy for infringement.
13. Section 101(1) of the 1988 Act provides that an exclusive licensee has, except against the copyright owner, “the same rights and remedies in respect of matters occurring after the grant of the licence as if the licence had been an assignment”. Counsel for Queensberry submitted that it was possible to assign the “right” to make an application under section 97A and that it followed that that “right” could be the subject of an exclusive licence. I do not accept this. In my view an assignment of the “right” to make an application under section 97A is not a partial assignment of copyright falling within section 90(2) of the 1988 Act, since it is not an assignment of “one of ... the things the copyright owner has the exclusive right to do”. Again, section 97A does not confer an exclusive right to do anything, but provides a remedy.
14. It follows in my view that the “exclusive licence” relied upon by Queensberry was not an exclusive licence within section 92(1) and did not confer the same remedies as an assignment in accordance with section 101(1).
15. Counsel for Queensberry also submitted that the agreement in question should be construed as an exclusive licence of the rights of communication to the public and reproduction under the UK copyright in the clean feed whose scope was limited to the right to make an application under section 97A. I do not accept this either. The wording was clearly purporting to grant an exclusive licence of the “right” to make an application under section 97A and not of the rights of communication to the public or reproduction. Moreover, the exclusive right to broadcast the Event on 1 December 2018 in the UK had been granted to BT.
16. Finally, counsel for Queensberry submitted that the Court should make an order pursuant to its inherent jurisdiction applying equitable principles as expounded by the Supreme Court in *Cartier International AG v British Telecommunications plc* [2018] UKSC 28, [2018] 1 WLR 3259. I do not accept this either. In my judgment it would not in accordance with equitable principle to grant a remedy for copyright infringement to a person who was neither an owner of, nor an exclusive licensee of, the relevant copyright and who therefore lacked standing to bring a claim for infringement at law: compare *Oren v Red Box Toy Factory Ltd* [1999] FSR 785 at [42] (Jacob J) approved in *OBG Ltd v Allan* [2007] UKHL 21, [2008] AC 1 at [56] (Lord Hoffmann).
17. After I had communicated my concerns on these points to counsel for Queensberry, Queensberry dealt with the problem by taking an assignment of the right to bring these proceedings from SNI. In my view this gives Queensberry standing to make the application because it is an assignment by the copyright owner of the copyright owner’s cause of action under section 97A.