



Trinity Term
[2011] UKSC 39
On appeal from: [2009] EWCA Civ 1328

JUDGMENT

Lucasfilm Limited and others (Appellants) v Ainsworth and another (Respondents)

before

Lord Phillips, President
Lord Walker
Lady Hale
Lord Mance
Lord Collins

JUDGMENT GIVEN ON

27 July 2011

Heard on 7, 8 and 9 March 2011

Appellant

Jonathan Sumption QC
Michael Bloch QC
Alan Bryson
(Instructed by Harbottle &
Lewis LLP)

Respondent

Alastair Wilson QC
George Hamer
(Instructed by S C Andrew
LLP)

LORD WALKER AND LORD COLLINS (with whom Lord Phillips and Lady Hale agree)

Introduction

1. The first Star Wars film (later renamed “Star Wars Episode IV – A New Hope” in order to provide for “prequels” as well as sequels) was released in the United States in 1977. It was an enormous commercial success. It won an Oscar for best costume design. This appeal is concerned with intellectual property rights in various artefacts made for use in the film. The most important of these was the Imperial Stormtrooper helmet to which the trial judge (Mann J) referred in his judgment ([2008] EWHC 1878 (Ch), [2009] FSR 103, paras [2] and [121]):

“One of the most abiding images in the film was that of the Imperial Stormtroopers. These were soldiers clad in white armour, including a white helmet which left no part of the face uncovered... The purpose of the helmet was that it was to be worn as an item of costume in a film, to identify a character, but in addition to portray something about that character – its allegiance, force, menace, purpose and, to some extent, probably its anonymity. It was a mixture of costume and prop.”

The parties are agreed that for the purposes of this final appeal the helmet can be taken as the paradigm case that will be decisive of the outcome.

2. The facts are set out in the judge’s clear and thorough judgment. For present purposes a brief summary will suffice. The film’s story-line and characters were conceived by Mr George Lucas. Between 1974 and 1976 Mr Lucas’s concept of the Imperial Stormtroopers as threatening characters in “fascist white-armoured suits” was given visual expression in drawings and paintings by an artist, Mr Ralph McQuarrie, and three-dimensional form by Mr Nick Pemberton (a freelance scenic artist and prop-maker) and Mr Andrew Ainsworth (who is skilled in vacuum-moulding in plastic). Mr Pemberton made a clay model of the helmet, which was adapted several times until Mr Lucas was happy with it. Mr Ainsworth produced several prototype vacuum-moulded helmets. Once Mr Lucas had approved the final version Mr Ainsworth made 50 helmets for use in the film. These events all took place in England. Although Mr Lucas and his companies are based in California he had come to live in England while the film was made at Elstree (there was also filming on location in Tunisia).

3. The first appellant is a Californian corporation owned by Mr Lucas. The second appellant is an English company owned by Mr Lucas. The third appellant is a Californian corporation responsible for the group's licensing activities; it is wholly owned by the first appellant. Between them these three companies own copyrights in the artistic works created for the Star Wars films, and they can be referred to generally as "Lucasfilm". Apart from the huge commercial success of the Star Wars films, Lucasfilm has built up a successful licensing business which includes licensing models of Imperial Stormtroopers and their equipment. This litigation has come about because in 2004 Mr Ainsworth, the principal respondent in this appeal, used his original tools to make versions of the Imperial Stormtrooper helmet and armour, and other artefacts that it is not necessary to detail, for sale to the public. The second respondent is a private company owned by Mr Ainsworth but for practical purposes Mr Ainsworth can be treated as the only respondent.

4. Mr Ainsworth sold some of the goods that he produced (to the value of at least \$8,000 but not more than \$30,000) in the United States. In 2005 Lucasfilm sued Mr Ainsworth in the United States District Court, Central District of California, and in 2006 it obtained a default judgment for \$20m, \$10m of which represented triple damages under the Lanham Act. The whole judgment remains unsatisfied. Lucasfilm also commenced proceedings in the Chancery Division of the English High Court. The re-amended particulars of claim put forward a variety of claims under English law, including infringement of copyright (paras (1) to (10) of the prayer for relief); a claim for enforcement of the United States judgment to the extent of \$10m (para (11)); and claims under United States copyright law (paras (12) to (17)).

5. The trial occupied 17 days during April and May 2008. In his judgment delivered on 31 July 2008 Mann J dismissed all Lucasfilm's claims based on English copyright law (together with some other claims that are no longer pursued). He held that the helmet made by Mr Ainsworth was a substantial reproduction of original work carried out by Mr McQuarrie and other persons working for Lucasfilm. But the English copyright claims failed because the helmet was not a work of sculpture and Mr Ainsworth had defences (to a claim that he was reproducing Mr McQuarrie's work) under sections 51 and 52 of the Copyright Designs and Patents Act 1988 ("the 1988 Act"). The judge also dismissed Mr Ainsworth's counterclaim based on his own claim to copyright in the helmet.

6. The judge held that the United States judgment was unenforceable for want of personal jurisdiction over Mr Ainsworth and his company. But he held that Lucasfilm's United States copyright claims were justiciable in England and that Mr Ainsworth and his company had infringed those rights.

7. The Court of Appeal ([2009] EWCA Civ 1328, [2010] Ch 503) agreed with the judge that the United States judgment is unenforceable, and there is no further appeal on that point. The Court of Appeal also agreed with the judge that any intellectual property rights in the helmet belong to Lucasfilm, and this Court has refused Mr Ainsworth permission to cross-appeal on that point. The issues that are open in this Court are whether the helmet was a sculpture and the defences under sections 51 and 52 of the 1988 Act (on all of which the Court of Appeal agreed with the judge) and justiciability in England of the United States copyright claims (on which the Court of Appeal disagreed with the judge). The issues on sections 51 and 52 arise only if the helmet was a sculpture (and so an artistic work) within the meaning of the 1988 Act. In the Court of Appeal Lucasfilm abandoned its alternative contention that the helmet qualified as an artistic work because it was a work of artistic craftsmanship.

Part I: English copyright law issues

Current statutory provisions

8. The Court has been taken to the full legislative history but it is better to start with the current legislation, that is the 1988 Act. Under section 1(1)(a) copyright is a property right which subsists in original literary, dramatic, musical or artistic works. Other works, including films, come in under section 1(1)(b) and (c). By section 4(1) “artistic work” means, for copyright purposes,

“(a) a graphic work, photograph, sculpture or collage, irrespective of artistic quality,

(b) a work of architecture being a building or a model for a building,
or

(c) a work of artistic craftsmanship.”

By section 4(2) “sculpture” includes a cast or model made for purposes of sculpture.

9. Sections 51 and 52 are in Part I, Chapter III of the 1988 Act (acts permitted in relation to copyright works). Chapter III contains a variety of exemptions from liability on general grounds, including fair dealing (sections 29-31) and educational, archival and other public purposes (sections 32-50). Section 62

contains a general exemption for buildings, sculpture and works of artistic craftsmanship on permanent public display.

10. Section 51 (design documents and models) as amended provides as follows:

“(1) It is not an infringement of any copyright in a design document or model recording or embodying a design for anything other than an artistic work or a typeface to make an article to the design or to copy an article made to the design.

(2) Nor is it an infringement of the copyright to issue to the public, or include in a film or communicate to the public, anything the making of which was, by virtue of subsection (1), not an infringement of that copyright.

(3) In this section –

‘design’ means the design of any aspect of the shape or configuration (whether internal or external) of the whole or part of an article, other than surface decoration; and

‘design document’ means any record of a design, whether in the form of a drawing, a written description, a photograph, data stored in a computer or otherwise.”

11. Section 52 (effect of exploitation of design derived from artistic work) provides as follows:

(1) This section applies where an artistic work has been exploited, by or with the licence of the copyright owner, by -

(a) making by an industrial process articles falling to be treated for the purposes of this Part as copies of the work, and

(b) marketing such articles, in the United Kingdom or elsewhere.

(2) After the end of the period of 25 years from the end of the calendar year in which such articles are first marketed, the work may be copied by making articles of any description, or doing anything for the purpose of making articles of any description, and anything may be done in relation to articles so made, without infringing copyright in the work.

(3) Where only part of an artistic work is exploited as mentioned in subsection (1), subsection (2) applies only in relation to that part.

(4) The Secretary of State may by order make provision –

(a) as to the circumstances in which an article, or any description of article, is to be regarded for the purposes of this section as made by an industrial process;

(b) excluding from the operation of this section such articles of a primarily literary or artistic character as he thinks fit.

(5) An order shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

(6) In this section –

(a) references to articles do not include films; and

(b) references to the marketing of an article are to its being sold or let for hire or offered or exposed for sale or hire.”

12. These two sections operate so as to limit (in different ways) the influence of literary or artistic copyright on other persons’ freedom to make and market three-dimensional objects. Section 51 applies where the end-product of a design document or model is not an artistic work. It provides a more principled answer to the problem to which the House of Lords gave a radical and controversial solution in *British Leyland Motor Corporation Ltd v Armstrong Patents Co Ltd* [1986] AC 577 while the Bill which became the 1988 Act was before Parliament. Section 52 applies (subject to exceptions specified by the Secretary of State) where there is an

artistic work, but that work has been exploited (with the consent of the copyright owner) by industrial production of copies to be marketed.

13. The Copyright (Industrial Process and Excluded Articles) (No 2) Order 1989 (SI 1989/1070) (“the 1989 Order”), made under section 52(4) of the 1988 Act, provides (para 2) for an article to be regarded as made by an industrial process if it is one of more than 50 articles which are to be treated as copies of a particular artistic work (and are not together a set). The Order also provides (para 3(1)(a)) for the exclusion from section 52 of “works of sculpture, other than casts or models used or intended to be used as models or patterns to be multiplied by any industrial process.”

Legislative history: before the 1911 Act

14. These provisions (and especially sections 51 and 52) are difficult to understand without reference to their legislative history. Unfortunately the history is itself quite complicated. The Copyright Act 1911 (“the 1911 Act”) was (as Lord Bridge observed in *British Leyland* [1986] AC 577, 619) “the first attempt to provide a comprehensive code of copyright protection”. Section 1(1) of the 1911 Act was in terms similar to those of section 1(1)(a) of the 1988 Act, (except that the words “irrespective of artistic quality” did not appear in the 1911 Act), and it may give the impression of embodying a well-proportioned symmetrical principle providing equal protection to every form of human creativity. Any such impression would be misleading. When the 1911 Act was passed there had already been two centuries of legislative history, starting with the Copyright Act 1709 (“the 1709 Act”), and for most of that time it was the protection of printed words – published literary works – that was the law’s principal concern. Moreover the original legislative purpose of laws on literary copyright was the protection of the commercial interests of stationers (the early publishers) and booksellers, and the control of unlicensed (and possibly subversive) publications, rather than the vindication of the legal and moral rights of authors. There are useful summaries of the history of English copyright law in *Copinger and Skone James on Copyright*, 16th ed (2010), paras 2-08 to 2-42, and *Cornish, Llewelyn and Aplin, Intellectual Property: Patents, Copyright, Trade Marks and Allied Rights*, 7th ed (2010), paras 10-01 to 10-41.

15. The 1709 Act protected literary works, books and other writings. During the 18th century protection was extended (by statute) to engravings and (by a liberal interpretation of the 1709 Act) to musical and dramatic compositions. Three-dimensional works of art were brought within the scope of copyright by a statute enacted in 1798, 38 Geo III c 71, but it was very badly drafted and offered little practical protection (Lord Ellenborough said in *Gahagan v Cooper* (1811) 3 Camp 111, 113 that “The statute seems to have been framed with a view to defeat its own

object”). This Act was replaced by the Sculpture Copyright Act 1814 (“the 1814 Act”). The class of protected works was described in discursive terms, starting with

“any new and original sculpture, or model, or copy, or cast of the human figure or human figures, or of any bust or busts, or of any part or parts of the human figure, clothed in drapery or otherwise,”

and continuing in broader terms, referring to “any matter being subject of invention in sculpture.” The sculpture was required to bear the maker’s name and the date when it was made. Paintings, drawings and photographs were not protected until the Fine Arts Copyright Act 1862 (“the 1862 Act”). The 1862 Act required registration as a condition of protection. Architectural works were not protected until the 1911 Act (which also introduced works of “artistic craftsmanship” into the definition of “artistic work” in section 35 of that Act).

16. The 1814 Act remained in force until the coming into force of the 1911 Act, and was until then the only statute that gave long-term copyright protection to any three-dimensional works. During the 19th century the rapid expansion of mechanical mass-production produced an obvious need for industrial designers and manufacturers to be protected against unfair competition by copying of their designs. Parliament decided that protection should be provided by a new right which was (rather confusingly, as the Court of Appeal said in para [24] of its judgment) called copyright, but which differed in two respects from literary and artistic copyright. First, the proprietor was required to register his design. Second, the period of protection was much shorter. Those were the essential features of the scheme introduced by the Copyright of Designs Act 1839, repealed and replaced by the Designs Act 1842. Earlier legislation granting copyright to the design of a range of printed textiles was repealed and replaced by the new system of registration, but copyright in sculpture under the 1814 Act was preserved.

17. The law as to registered designs was amended by the Copyright of Designs Act 1850, was further amended and consolidated by Part III of the Patents, Designs and Trade Marks Act 1883 (“the 1883 Act”) and finally (as regards legislation before the 1911 Act) was further amended by the Patents and Designs Act 1907 (“the 1907 Act”). Most of the detail of this history is irrelevant for present purposes. But it is to be noted that although the periods of protection for registered designs were progressively extended, they were always much shorter than the period for literary or artistic copyright. It is also to be noted that after an uncertain start in the early statutes, a design for a work of sculpture was excluded from the statutory definition of “design” (section 60 of the 1883 Act and section 93 of the 1907 Act).

18. Only one judicial decision on the 1814 Act calls for mention, that is *Britain v Hanks Bros & Co* (1902) 86 LT 765. Wright J held that copyright protection as sculpture was available to what the report refers to as “toy metal models of soldiers on horseback, or mounted yeomen.” The models were designed and made by William Britain, a partner in the plaintiff firm. The report does not say how large the models were, but they were evidently large enough for each to have stamped on it the maker’s name and the date of its manufacture. There was expert evidence, which the judge accepted, that the models were “artistic productions, in that the anatomy is good, and that the modelling shows both technical knowledge and skill.” The judge seems to have regarded the case as near the borderline, but was prepared to hold that the models were entitled to protection.

19. The Court of Appeal observed (para [59]) that it is “difficult . . . to take too much from this case.” A minor point in the appellants’ case is that that is just what the Court did (para [82]) in describing the *Britain* models as “highly crafted models designed to appeal to the collector but which might be played with by his children.”

Legislative history: the 1911 Act and afterwards

20. The introduction by the 1911 Act of full copyright protection for “a work of artistic craftsmanship” was ascribed by Lord Simon, in *George Hensher Ltd v Restawile Upholstery (Lancs) Ltd* [1976] AC 64, 89-91, to the influence of the Arts and Crafts movement inspired by William Morris and John Ruskin. Lord Simon’s view (at p 91) was that the expression is a composite phrase which must be construed as a whole, and that view has had recent support from the High Court of Australia (*Swarbrick v Burge* (2007) 232 CLR 336).

21. Section 22 of the 1911 Act provided as follows:

“(1) This Act shall not apply to designs capable of being registered under the Patents and Designs Act 1907, except designs which, though capable of being so registered, are not used or intended to be used as models or patterns to be multiplied by any industrial process.

(2) General rules under section 86 of the Patents and Designs Act 1907 may be made for determining the conditions under which a design shall be deemed to be used for such purposes as aforesaid.”

The test for production by an industrial process was (by rule 89 of the Designs Rules 1920, and so far as now material) the same as that in the 1989 Order (mentioned in para [13] above).

22. The effect of the double negative in section 22(1) can be more easily understood, as Viscount Maugham observed in *King Features Syndicate Inc v O & M Kleeman Ltd* [1941] AC 417, 427, if it is rewritten:

“This Act shall apply to designs capable of being registered under [the 1907 Act], which are not used or intended to be used as models or patterns to be multiplied by any industrial process. With that exception this Act shall not apply to designs capable of being registered under [the 1907 Act].”

The main issue in that case (which was concerned with “Popeye” dolls derived from published comic strips enjoying artistic copyright) was the time at which the intention of use for industrial production had to be formed. The Lords decided that the intention must have been there from the start.

23. The Patents and Designs Act 1919 amended the 1907 Act by substituting for the definition in section 93 of the 1907 Act a new definition of “design” which referred to features applied “by any industrial process” and did not make an express exception for a design for a sculpture. Because of the way that section 22 of the 1911 Act was framed, this had the effect of withdrawing from works of sculpture their specially privileged position in relation to mass-production of copies. Its effect was illustrated by *Pytram Ltd v Models (Leicester) Ltd* [1930] 1 Ch 639. The Boy Scouts Association commissioned a model of a wolf-cub’s head which was to be used to produce a permanent mould for the production of large numbers of papier-maché models to be attached to the top of wooden poles. Clauson J dismissed the plaintiff’s claim to copyright in the original model. He accepted that the model was a work of sculpture, but it was not automatically exempt from registration under the 1907 Act as amended, and it did not come within the exception in section 22(1) because (p 647) “The whole point in the preparation of this model was to enable the plaintiffs to supply totem poles in large quantities.”

24. After the second world war there was a legislative shift back again. In 1947 the Swan Committee recommended that works of sculpture should again be excluded from registrable designs. The Registered Designs Act 1949 provided (section 1(3) and (4)) for exclusions from registration of articles which were primarily literary or artistic in character. Rule 26(1) of the Designs Rules 1949 (SI 1949/2368) excluded “works of sculpture other than casts or models used or

intended to be used as models or patterns to be multiplied by any industrial process.” This wording (now reproduced in the 1989 Order) followed section 22(1) of the 1911 Act and must be construed in line with the House of Lords’ decision on that section in *King Features*.

25. The 1911 Act was repealed by the Copyright Act 1956 (“the 1956 Act”). Section 10 of the 1956 Act (special exception in respect of industrial designs) restated the boundaries between copyright and design right. As amended by the Design Copyright Act 1968, section 10(3) set a 15-year limit on copyright protection for any work in respect of which a corresponding design could have been registered under the 1949 Act. But section 10(4) made an exception for designs excluded from registration by rules made under the 1949 Act; and rule 26 of the Designs Rules 1949 has now been replicated by rule 26 of the Registered Designs Rules 1989.

26. The 1956 Act introduced the words “irrespective of artistic quality” into para (a) of its definition of “artistic work” in section 3(1). This was, it seems, as a result of maps, charts and plans being reclassified by the 1956 Act as artistic rather than literary works. The new wording sits rather uneasily with “works of artistic craftsmanship” in para (c) of the same definition. In *Hensher* [1976] AC 64, 94, Lord Simon suggested an explanation which some may not find wholly convincing. But it is common ground that in copyright cases the court is not concerned with passing judgment on the merits of either literary or artistic works.

27. The Court of Appeal drew two general conclusions from its own survey of the legislative history (which occupies paras [21] to [39] of the judgment). The first ([40] and [41]) was that there is little or no assistance as to the meaning of “sculpture” in the 1988 Act to be derived from the relationship between copyright and registered design rights. The second ([42] and [43]) is that “design” and “artistic work” are different concepts. Apart from unregistered design right (introduced by Part III of the 1988 Act), design right statutes are concerned with features that have visual appeal. Copyright protection depends on a work falling within a particular category specified in the 1988 Act: “It does not depend upon a further analysis or identification of its design features.”

The meaning of “sculpture”

28. Both the judge and the Court of Appeal undertook a full review of English and Commonwealth authority as to the meaning of “sculpture”. They rightly concluded that some first-instance decisions gave them no real assistance, and it is unnecessary to go into them again. The judgments that call for discussion are (in chronological order) those of the Court of Appeal of New Zealand in *Wham-O*

Manufacturing Co v Lincoln Industries Ltd [1985] RPC 127, [1984] 1 NZLR 641; of Falconer J in *Breville Europe Plc v Thorn EMI Domestic Appliances Ltd* [1995] FSR 77; of Laddie J in *Metix (UK) Ltd v G H Maughan (Plastics) Ltd* [1997] FSR 718; and of Angel J (sitting in the Supreme Court of the Northern Territory) in *Wildash v Klein* (2004) 61 IPR 324.

29. Before discussing these four cases it is appropriate to make a further brief reference to the decision of the House of Lords in *Hensher* [1976] AC 64. Since Lucasfilm is no longer contending that the helmet is a work of artistic craftsmanship it is unnecessary to make much further reference to *Hensher*, which Mann J discussed at some length, drawing attention to the difficulty of identifying the true principle of the decision. The reason why that contention has been abandoned is stated (para 22(2) of the appellants' printed case) to be that section 4(1)(c) of the 1988 Act is intended to comprise articles whose purpose is primarily functional, and which cannot therefore qualify as sculpture. The relative significance of the functional and the artistic is central to this appeal. The speeches in *Hensher*, difficult though they are, show a general inclination to start with the ordinary meaning of the words of the statute (see Lord Reid at p 78, Lord Morris at p 81, Viscount Dilhorne at pp 86-87, Lord Simon at p 91 and Lord Kilbrandon at p 97), however much they differed as to the application of that principle. The same approach is called for in relation to the meaning of "sculpture".

30. In *Wham-O* the Court of Appeal of New Zealand was concerned with frisbees (light plastic discs used in outdoor games because of their aerodynamic qualities). Lincoln made and marketed in New Zealand frisbees which were alleged to infringe Wham-O's copyright in design drawings, wooden models, moulds and the final plastic moulded products. The relevant parts of the Copyright Act 1962 of New Zealand were similar but not identical to those of the 1988 Act. At first instance Moller J held that the wooden models were copyright as sculptures and that the moulds and final products were engravings. The Court of Appeal upheld this result, while holding that the final products were not sculptures (a point left open by the judge). Much of the judgment is taken up with reasoning leading to the rather surprising conclusion that the moulds and final products were engravings. The finding that the wooden model of a frisbee - and that alone - was a sculpture seems to have been based mainly on the fact that only the model had been made by hand, and the moulds and final products had been made industrially. Davison CJ stated ([1985] RPC 127, 157):

"It seems to us inappropriate to regard utilitarian objects such as plastic flying discs, manufactured as toys, by an injection moulding process, as items of sculpture for the purposes of the Copyright Act."

31. The *Breville* case was concerned with sandwich toasters. Copyright was claimed for plaster shapes made for the production of die-cast moulds of the heating plates (which were required to have the same scalloped shape as was to be impressed on the toasted sandwiches). Falconer J held that there had been no infringement, but went on to express the view that the plaster shapes were protected by copyright. He stated (at p 94):

“I do not see why the word ‘sculpture’ in section 3 of the Copyright Act 1956 should not receive its ordinary dictionary meaning except in so far as the scope of the word is extended by section 48(1) which provides that ‘sculpture’ includes any cast or model made for purposes of sculpture.”

In reaching this conclusion he relied on the part of the *Wham-O* decision which recognised copyright in the wooden model of a frisbee. He also relied on the Concise Oxford Dictionary’s definition of “sculpture”:

“Art of forming representations of objects etc or abstract designs in the round or in relief by chiselling stone, carving wood, modelling clay, casting metal, or similar processes; a work of sculpture.”

32. Falconer J was a very experienced intellectual property judge but in *Breville* he seems to have overlooked the significance of the words “for purposes of sculpture” in the statute and the significance of the first word, “Art”, in the dictionary definition. That was the view of the Court of Appeal (para [66]):

“The same [‘far removed from the creation of expressive form’] goes for the plastic shapes considered by Falconer J in the *Breville* case [1995] FSR 77. No ordinary citizen – indeed no ordinary lawyer – would regard a sandwich toaster or any part of it as a work of sculpture – even if it did produce ‘scalloped’ sandwiches. So why should a copyright lawyer take a different view? A total or almost total emphasis on the manner of creation, as in the *Breville* case and *Wham-O* case [1985] RPC 127 produces a result which offends common sense and in our view is wrong. There must, as Mann J said, be some element of artistic expression however unsuccessful.”

33. The point about “for purposes of sculpture” is underlined by some observations earlier in the judgment of the Court of Appeal (paras [49] and [50], and again at para [70]) as to the word “sculpture” being applicable both to a process and to a product (terms familiar to intellectual property lawyers). Over the

centuries statues and other works of art cast in metal have been produced by what is basically a three-stage process: first by making a model in clay or some other malleable material; then by taking a mould from the model; and then by casting, that is, pouring molten metal into the mould to produce the work of art (followed no doubt by appropriate finishing). Copyright protection is therefore extended (currently by section 4(2) of the 1988 Act) to a cast or model made for purposes of sculpture. But not every product of industrial casting or moulding is sculpture. As the Court of Appeal observed (para [50]):

“Casting or moulding is an industrial process commonly used where the end product is made of plastic or metal of some kind. It is used in the production of millions of ordinary household objects, none of which would usually be described as sculptures. A motor car is but one obvious example. Some would have qualified for protection as registered designs so as to be excluded under section 22(1) of the 1911 Act. But would they have qualified as ‘sculpture’?”

34. *Metix* can be taken more shortly. It was a case in which Laddie J rightly rejected a claim to artistic copyright in moulds used for making cartridges used in conjunction with flow mixers (the judge described them as looking like double-barrelled hyperdermic syringes). Laddie J, another very experienced intellectual property judge made some general observations (at pp 721-722):

“The law has been bedevilled by attempts to widen out the field covered by the Copyright Acts. It is not possible to say with precision what is and what is not sculpture, but I think Mr Meade was close to the heart of the issue. He suggested that a sculpture is a three-dimensional work made by an artist’s hand. It appears to me that there is no reason why the word ‘sculpture’ in the 1988 Act, should be extended far beyond the meaning which that word has to ordinary members of the public.”

Mr Meade’s formulation as recorded by Laddie J seems to be the only suggested definition or near-definition that has not attracted adverse comment from any quarter.

35. *Wildash v Klein* (2004) 61 IPR 324, like *Metix*, is of interest not so much for what it decides as for its discussion of general issues (including the notion of copying of part, which is not an issue here). The case was an unfortunate dispute between two women, each of whom made craftwork depicting local wildlife for sale at markets. Initially they cooperated but later each accused the other of copyright infringement. The craftworks were made of wire but also (and here the

summaries in the judgments below are rather sparse) glass rods, glass nuggets, copper foil and other materials. The judge held that they were sculptures or, alternatively, works of artistic craftsmanship. The judge cited the Court of Appeal of New Zealand in *Wham-O* (“sculpture should in some way express in three-dimensional form an idea of the sculptor”) and also Laddie J in *Metix*. In connection with copying the judge also cited Lord Hoffmann’s cryptic observation about foxes and hedgehogs in *Designers Guild Ltd v Russell Williams (Textiles) Ltd* [2000] 1 WLR 2416, 2423, describing it as an allusion to an essay written in 1953 by Sir Isaiah Berlin; in fact Sir Isaiah was alluding, as has Professor Ronald Dworkin in his latest book, *Justice for Hedgehogs* (2011), to a saying attributed to Archilochus in the 7th century BC

“πολλ’ οἶδ’ αλωπηξ, ἀλλ’ ἐχίνοσ ἐν μεγά

(the fox knows many things, but the hedgehog one big thing.)”

The judgments of Mann J and the Court of Appeal

36. It was primarily from these authorities that Mann J derived what he called “guidelines, not rigid requirements” as to the meaning of sculpture in the 1988 Act. These are set out in nine numbered sub-paragraphs in para 118 of his judgment. The Court of Appeal quoted this paragraph in full, [2010] Ch 503, para [54], and was generally in agreement with it. As the guidelines are readily accessible we will not quote them again.

37. The first three note (as did the House of Lords in *Henscher* [1976] AC 64) that normal English usage is important, though not determinative. The fourth guideline (“no judgment is to be made about artistic worth”) is in the text of section 4(1)(a) of the 1988 Act, and is common ground. The Court is not to set itself up as an arbiter of artistic merit. But it is concerned with artistic purpose (“the artist’s hand”). The fifth guideline (“not every three-dimensional representation of a concept can be regarded as a sculpture”) is also uncontroversial, at any rate if “concept” is understood as covering any idea, functional as well as artistic (Mr Bloch QC challenged it in the Court of Appeal, but it is consistent with the appellants’ printed case in this Court, especially paras 7 and 14).

38. In the courts below as in the parties’ written and oral submissions in this Court, the argument has centred on the right approach to three-dimensional objects that have both an artistic purpose (of some sort) and a utilitarian function (of some sort). These issues are addressed in the rest of the judge’s guidelines. The

appellants' printed case gives some world-famous examples: the caryatids which form part of the Erechtheion at Athens; the Medici tombs in the sacristy of San Lorenzo in Florence; the Trevi fountain in Rome. These seem to be rather special cases, not because of their outstanding merit but because they all have a strong architectural element, and the fact that a work of architecture is functional does not disqualify it from copyright protection. Other artefacts mentioned in the case, such as the Ribchester helmet in the British Museum or a decorated medieval suit of armour, would come more naturally under the head of works of artistic craftsmanship, together with fine furniture, musical instruments, silverware and ceramics. But the appellants have made clear that it is no longer part of their case that the Imperial Stormtrooper helmet was a work of artistic craftsmanship.

39. Instead, the appellants contend that the helmet had no practical function at all. Their case is that it is sculpture because its purpose is wholly artistic. Para 7 of their printed case puts it in these terms:

“In the present case, the question of functionality does not arise, because the articles in question have no functional purpose whatever. The Stormtroopers' helmets and armour did not exist in order to keep their wearers warm or decent or to protect them from injury in an inter-planetary war. Their sole purpose was to make a visual impression on the filmgoer. They are therefore artistic works.”

40. Mann J saw it differently. He stated (para [121], and here we are picking up the quotation in the first paragraph in this judgment):

“It was a mixture of costume and prop. But its primary function is utilitarian. While it was intended to express something, that was for utilitarian purposes. While it has an interest as an object, and while it was intended to express an idea, it was not conceived, or created, with the intention that it should do so other than as part of character portrayal in the film. That, in my view, does not give it the necessary quality of artistic creation inherent in the test suggested by Laddie J.”

41. The Court of Appeal took the same view (paras [79] and [80]):

“Mr Bloch seeks to avoid our example of a real soldier's helmet being used as a prop in a film by stressing the fictional and imaginary nature of the stormtroopers and what they were . . .

But that argument confuses the fictional nature of the stormtrooper with his physical depiction in the film. Although invented, the helmet and armour are still recognisable as such and have a function within the confines of the film as the equipment of the stormtrooper.”

Discussion

42. In this Court the appellants have challenged the reasoning of the judge and the Court of Appeal. Mr Sumption QC said that it was eccentric of the judge to describe the helmet’s purpose as utilitarian, and that the Court of Appeal could find it to have a functional purpose only by treating it as having the same functional purpose as a real helmet “within the confines of a film”.

43. This is quite a puzzling point. The Star Wars films are set in an imaginary, science-fiction world of the future. War films set in the past (*Paths of Glory*, for instance, depicting the French army in the first world war, or *Atonement* depicting the British Expeditionary Force at Dunkirk) are at least based on historical realities. The actors and extras in the trenches or on the beaches may be wearing real steel helmets, or (because real steel helmets of the correct style are unobtainable in sufficient numbers) they may be wearing plastic helmets painted khaki. In either case the helmets are there as (in the judge’s words) “a mixture of costume and prop” in order to contribute to the artistic effect of the film as a film. They are part of a production process, as Laddie J said in *Metix* at p 721, citing Whitford J in *Davis (J & S)(Holdings) Ltd v Wright Health Group Ltd* [1988] RPC 403, 410-412. In this case the production process was the making of a full-length feature film.

44. It would not accord with the normal use of language to apply the term “sculpture” to a 20th century military helmet used in the making of a film, whether it was the real thing or a replica made in different material, however great its contribution to the artistic effect of the finished film. The argument for applying the term to an Imperial Stormtrooper helmet is stronger, because of the imagination that went into the concept of the sinister cloned soldiers dressed in uniform white armour. But it was the Star Wars film that was the work of art that Mr Lucas and his companies created. The helmet was utilitarian in the sense that it was an element in the process of production of the film.

45. Those were the concurrent findings of both the judge and the Court of Appeal, in paras [121] and [80] of their respective judgments. The type of judgmental conclusion that often has to be reached in intellectual property cases – on issues such as obviousness, inventiveness, and copying – are matters on which

appellate courts should be slow to interfere with the judgment of the trial judge. In *Designers Guild* [2000] 1 WLR 2416, 2423-2424, Lord Hoffmann observed that there were two reasons for this. The first is that the judge has, and the appellate court has not, seen and heard the witnesses. Lord Hoffmann continued,

“Secondly, because the decision involves the application of a not altogether precise legal standard to a combination of features of varying importance, I think that this falls within the class of case in which an appellate court should not reverse a judge’s decision unless he has erred in principle: see *Pro Sieben Media AG v Carlton UK Television Ltd* [1991] 1 WLR 605, 612-613. I agree with Buxton LJ in *Norowzian v Arks Ltd (No 2)* [2000] FSR 363, 370 when he said: ‘where it is not suggested that the judge has made any error of principle a party should not come to the Court of Appeal simply in the hope that the impression formed by the judges in this court, or at least two of them, will be different from that of the trial judge.’”

That applies with extra force in the case of a second appeal. To the same effect are Lord Hoffmann’s observations in *Biogen Inc v Medeva plc* [1997] RPC 1, 45, which are too well known to need repetition.

46. The Court of Appeal (para [78]) relied on Lord Hoffmann’s observations in *Designers Guild*, and in our view it was right to do so. During the 17 days of the trial Mann J heard evidence about the helmet and the other artefacts from numerous different witnesses. Long and thorough as his judgment is, he may not have recorded every nuance that contributed to his conclusion. He did not err in law or reach an obviously untenable conclusion, and the Court of Appeal was right to uphold his decision on this point.

47. We would uphold the judgments below very largely for the reasons that they give. But (at the risk of appearing humourless) we are not enthusiastic about the “elephant test” in para [77] of the Court of Appeal’s judgment (“knowing one when you see it”). Any zoologist has no difficulty in recognising an elephant on sight, and most could no doubt also give a clear and accurate description of its essential identifying features. By contrast a judge, even one very experienced in intellectual property matters, does not have some special power of divination which leads instantly to an infallible conclusion, and no judge would claim to have such a power. The judge reads and hears the evidence (often including expert evidence), reads and listens to the advocates’ submissions, and takes what the Court of Appeal rightly called a multi-factorial approach. Moreover the judge has to give reasons to explain his or her conclusions.

48. There is one other matter to which the Court of Appeal attached no weight, but which seems to us to support the judge's conclusion. It is a general point as to the policy considerations underlying Parliament's development of the law in order to protect the designers and makers of three-dimensional artefacts from unfair competition. After reviewing the legislative history the Court of Appeal took the view (para [40]) that there was no assistance to be obtained from the relationship between copyright and registered design right. We respectfully disagree, especially if the relatively new unregistered design right is also taken into account. It is possible to recognise an emerging legislative purpose (though the process has been slow and laborious) of protecting three-dimensional objects in a graduated way, quite unlike the protection afforded by the indiscriminate protection of literary copyright. Different periods of protection are accorded to different classes of work. Artistic works of art (sculpture and works of artistic craftsmanship) have the fullest protection; then come works with "eye appeal" (*AMP Inc v Utilux Pty Ltd* [1971] FSR 572); and under Part III of the 1988 Act a modest level of protection has been extended to purely functional objects (the exhaust system of a motor car being the familiar example). Although the periods of protection accorded to the less privileged types have been progressively extended, copyright protection has always been much more generous. There are good policy reasons for the differences in the periods of protection, and the Court should not, in our view, encourage the boundaries of full copyright protection to creep outwards.

Sections 51 and 52

49. The appellants accept that if the helmet did not qualify as a sculpture within the meaning of the 1988 Act, then Mr Ainsworth had a defence under section 51 to any infringement claim based on Mr McQuarrie's graphics, and section 52 does not arise. The Court of Appeal dealt with these sections, for completeness, in paras 83 to 98 of its judgment. It is unnecessary to cover the same ground again. We would dismiss the appeal so far as it is based on the English law of copyright.

Part II: Whether a claim against a defendant domiciled in England for infringement of a foreign copyright is justiciable

The decision of the Court of Appeal and the issue on the appeal

50. The issue on this aspect of the appeal is a narrow one, whether the English court may exercise jurisdiction in a claim against persons domiciled in England for infringement of copyright committed outside the European Union in breach of the copyright law of that country. That issue has raised two questions. The first question is whether a claim for infringement of a foreign copyright is non-justiciable. The second question only arises if the answer to the first question is in

the affirmative: the question would then arise whether the English court is in any event required to accept jurisdiction by virtue of Council Regulation (EC) No 44/2001 on jurisdiction and the enforcement of judgments in civil and commercial matters (the Brussels I Regulation), article 2, which provides that, subject to the terms of the Regulation, persons domiciled in a Member State shall be sued in the courts of that Member State.

51. The Court of Appeal decided that the claim for breach of the United States copyright was non-justiciable. It held that the rule in *British South Africa Co v Companhia de Moçambique* [1893] AC 602 that the English court has no jurisdiction to entertain an action for the determination of the title to, or the right to possession of, foreign land, or the recovery of damages for trespass to such land, was an example of a general principle which applied not only to foreign land, but also to claims for infringement of foreign intellectual property rights, including copyright, irrespective of whether issues of title or validity were involved; and irrespective of whether the rights required registration (such as trade marks or registered designs) or not. It also held that article 2 of the Brussels I Regulation did not require the English court to exercise jurisdiction.

52. The substantial question on this aspect of the appeal is whether, as Lucasfilm contends, the Court of Appeal was wrong, as a matter of law and policy, to extend to foreign copyrights the common law rule in the *Moçambique* case that actions for damages for infringement or invasion of property rights in foreign land are not justiciable.

The foreign land rule and its application to intellectual property: British South Africa Co v Companhia de Moçambique and Potter v Broken Hill Pty Co Ltd

53. Some legal archaeology is necessary for an understanding of how the law developed to the point where the English courts, at first instance and in the Court of Appeal, decided that claims for infringement of foreign copyright were not justiciable in England.

British South Africa Co v Companhia de Moçambique

54. The decision in the *Moçambique* case is the authoritative foundation for the rule that the English court “has no jurisdiction to entertain an action for (1) the determination of the title to, or the right to the possession of, any immovable situate out of England ... or (2) the recovery of damages for trespass to such immovable” (*Dicey, Conflict of Laws*, 1st ed (1896), pp 214-215, Rule 39). The rule has for long been subject to an exception where there is a contract, or an

equity, between the parties, which the courts of equity will enforce: *ibid*, p 216; *Penn v Lord Baltimore* (1750) 1 Ves Sen 444.

55. As the House of Lords noted, in the United States there is a similar local action rule (based on *Livingston v Jefferson*, 15 Fed Cas 660 (CCD Va, 1811), Marshall CJ on circuit) for actions to determine title: see *Hay, Borchers & Symeonides, Conflict of Laws*, 5th ed (2010), para 7.7. But the current prevailing view in the United States is that the local action rule does not apply to actions for trespass to foreign land: Restatement Second, *Conflict of Laws*, section 87 (1971). It seems also that that part of the rule which denies jurisdiction for trespass to foreign land had no counterpart outside common law countries (*Rabel, Conflict of Laws: A Comparative Study*, 2nd ed, (1960) vol 2, p 47; *Wolff, Private International Law*, 2nd ed (1950), p 92; and for the position in France see *Audit, Droit International Privé*, 6th ed (2010), para 346), and, as will be seen, although the House of Lords refused to reconsider the trespass rule, it no longer applies at least as regards land in other Member States of the European Union.

56. The speeches of Lord Herschell LC and Lord Halsbury (and, in the Court of Appeal, of Lord Esher MR, whose dissenting judgment was upheld in the House of Lords) are substantially based on *Story's Conflict of Laws*. The essence of the decision is that jurisdiction in relation to land is local (that is, the claim has a necessary connection with a particular locality) as opposed to transitory (where such a connection is not necessary) and that it is contrary to international law, or comity, for one state to exercise jurisdiction in relation to land in another state. Lord Esher MR said ([1892] 2 QB 358, 398):

“...an action *quare clausum fregit* cannot be entertained by an English Court in respect of an alleged wrongful entry on land situated abroad; and ... the ground of the inability is ... no consent of other nations by way of comity to the exercise of such jurisdiction can be inferred.”

57. Lord Herschell LC and Lord Halsbury relied in particular on Story's quotation (*Story, Conflict of Laws*, section 553, from the 1st edition in 1834 to the 8th edition in 1883) of a translation of a passage in Vattel's *Droit des Gens*, which concluded that, in the case of an action relating to an estate in land, or to a right annexed to such an estate: [1893] AC at 622, 631:

“in such a case, inasmuch as property of the kind is to be held according to the laws of the country where it is situated, and as the right of granting it is vested in the ruler of the country, controversies

relating to such property can only be decided in the state in which it depends.”

58. In *Hesperides Hotels Ltd v Aegean Turkish Holidays Ltd* [1979] AC 508 Lord Wilberforce said (at p 537) that the foreign land rule involved “possible conflict with foreign jurisdictions, and the possible entry into and involvement with political questions of some delicacy;” and Viscount Dilhorne said (at p 541) that: “Questions of comity of nations may well be involved”.

59. The leading cases all involved unusual factual situations in which the claim had major political ramifications, and in which, therefore, issues of international law and comity were engaged. The Moçambique company was a Portuguese company (with substantial British ownership) effectively in control of Mozambique and Cecil Rhodes’ British South Africa Co was effectively in control of Southern Rhodesia. The *Moçambique* case was a battle between them over mines in territories which were claimed by Portugal. In *Hesperides Hotels* the plaintiffs were Greek Cypriot hotel owners who were seeking to establish that their hotels in Northern Cyprus had been illegally requisitioned by the authorities of the unrecognised Turkish Federated State of North Cyprus. Similarly, in the leading case on the related, and more general, principle that the courts will not adjudicate upon the transactions of foreign sovereign states, *Buttes Gas and Oil Co v Hammer (No 3)* [1982] AC 888, Occidental Petroleum was endeavouring to establish that Buttes and the Ruler of Sharjah had fraudulently deprived Occidental of the benefit of its oil concession in the neighbouring emirate of Umm al Qaywayn.

Potter v Broken Hill Pty Co Ltd

60. It is inevitable that any discussion of the justiciability of claims for infringement of foreign intellectual property rights must begin with the influential decision in *Potter v Broken Hill Pty Co Ltd* [1905] VLR 612, affd (1906) 3 CLR 479, which is generally (but not entirely accurately) regarded as based on an extension of the *Moçambique* rule to actions for infringement of patents. At a time when patents were granted by the several States in Australia, Potter obtained a patent in Victoria for the separation of metals from sulphide ores and a patent for the same process in New South Wales. Potter claimed that (as well as a threatened infringement of the Victorian patent in Victoria) the defendant company (now BHP Billiton) had infringed the New South Wales patent at its mine in New South Wales. Broken Hill denied novelty and utility, but also said that an action for the infringement in New South Wales of a New South Wales patent was not justiciable in the Victorian courts. The question of justiciability was argued as a preliminary matter before the Full Court of the Supreme Court of Victoria, which decided by a majority that the claim was not justiciable, and an appeal to the High Court of Australia was dismissed.

61. As already mentioned, the decision is generally regarded as based on the *Moçambique* rule. Although the *Moçambique* rule is one of the elements in the conclusion of the High Court, an examination of the way in which the case was argued, and of the reasoning of the High Court, shows that it is a decision extending the act of state doctrine to foreign patents. There are four strands to the conclusions reached by the Full Court and the High Court of Australia. The first strand is in the judgment of Hodges J (with whom Hood J concurred) in the Full Court. That strand is based on that aspect of the *Moçambique* rule which turns on the distinction between local and transitory actions. He considered that the patent had a definite locality: Potter claimed in effect that in no building and on no land in New South Wales could the company use his invention. It was a claim made in respect of a defined area, the whole of which was outside the jurisdiction of the court in Victoria.

62. The second strand is found only in the judgment of Hood J in the Full Court, but it finds an echo in later English decisions, and that is that the action was precluded by what became known as the first branch of the rule in *Phillips v Eyre* (1870) LR 6 QB 1, namely that an act done abroad was only actionable in England if it was actionable as a tort according to English law, that is, was an act, which if done in England, would be a tort. The rule as then understood showed what became the first limb of the rule as the second limb in these terms: “An act done in a foreign country is a tort if it is *both* (1) wrongful according to the law of the country where it was done, *and*, (2) wrongful according to English law, ie, is an act which, if done in England, would be a tort” (*Dicey, Conflict of Laws*, 1st ed (1896), Rule 175, p 659). Hood J considered that the rule was not satisfied because Potter could not show that, if the act had been committed in Victoria, it would have been actionable there, because infringement of a New South Wales patent in Victoria was not actionable in Victoria: the act of Broken Hill, “ ‘using and working’ certain alleged inventions in New South Wales – even though it be wrong by the law of that State, would not be actionable if committed here” (at p 631).

63. The third strand is found in the reliance on the *Moçambique* case by the High Court of Australia. Both Griffiths CJ and Barton J said that the question did not depend on the distinction between local and transitory actions. They (and the third member of the court, O’Connor J) took their inspiration from those parts of the speeches in the House of Lords, and of the dissenting judgment of Lord Esher MR in the Court of Appeal, which emphasised that rights in immovables were created by the exercise of the sovereign power of the State, and that controversies relating to such property could only be decided in that State. So also, they reasoned, the comity of nations required a similar rule for patents: especially (1906) 3 CLR 479, 495, 502.

64. The appeal was first argued in November 1905, but the report shows (at p 486) that on 27 February 1906:

“The matter was, at the desire of the Court, further argued on the point whether the Courts of one State can enquire into the propriety or validity of an attempted exercise of the sovereign power of another State.”

65. As a result there is a fourth, and decisive, strand in the decision, namely the act of state doctrine. The classic statement of the act of state doctrine was enunciated by Fuller CJ in the United States Supreme Court in *Underhill v Hernandez*, 168 US 250, 252 (1897):

“Every sovereign State is bound to respect the independence of every other sovereign State, and the Courts of one country will not sit in judgment on the acts of the government of another done within its own territory. Redress of grievances by reason of such acts must be obtained through the means open to be availed of by sovereign powers as between themselves.”

66. This principle had its origin, as appears clearly from the decision of the lower court in that case, in the decision of the House of Lords in *Duke of Brunswick v Duke of Hanover* (1848) 2 HLC I, 17, in which it was said: “the courts of this country cannot sit in judgment upon an act of a sovereign, effected by virtue of his sovereign authority abroad ...”: see *Underhill v Hernandez*, 65 F 577 (2d Cir 1895). As re-stated by the United States Supreme Court, the act of state doctrine was re-imported into English law in *Luther v Sagor* [1921] 3 KB 532 (CA).

67. All three members of the High Court of Australia quoted and applied *Underhill v Hernandez* and it is the act of state doctrine, rather than the *Moçambique* rule, which is the essential foundation of the judgments in the High Court. Thus Griffith CJ said that if a government had granted a monopoly in respect of an alleged invention which was not new, the government must have been misled: at pp 498-499. Barton J thought that the whole subject matter of the action was excluded from the cognizance or competence of Victoria, and its courts could not sit in judgment to determine whether such rights were validly granted: at p 503. O'Connor J said that a court could not enquire into the validity of a patent, any more than it could enquire into the validity of a concession granted by the Czar: at p 513.

68. Consequently the effect of the decision in *Potter v Broken Hill Pty Co Ltd* was to apply the *Moçambique* rule and, especially, the act of state doctrine to actions for patent infringement. It received no attention in the English case-law until it was mentioned by Lord Wilberforce in *Hesperides Hotels Ltd v Aegean Turkish Holidays Ltd* [1979] AC 508, 536 as authority for the proposition that the *Moçambique* rule applied in Australia. It was only from the 1980s that it came to be regarded as a significant authority in the field of transnational intellectual property litigation: *Def Lepp Music v Stuart-Brown* [1986] RPC 273; *Tyburn Productions Ltd v Conan Doyle* [1991] Ch 75 (both copyright cases).

Subsequent developments

69. There have been major developments since the decisions in the *Moçambique* case and *Potter v Broken Hill Pty Co Ltd*, which have to a significant extent undermined them, and to which it is now necessary to turn.

70. The questions to which these developments are relevant are these: (1) whether there is a distinction between actions to determine title and/or validity and actions for infringement of rights; (2) whether there is a distinction between actions for infringement which raise issues of title and/or validity and actions for infringement which do not; (3) whether there is a distinction between intellectual property rights which require registration or prior examination and those which do not, and in particular whether there is a relevant distinction between copyright and other intellectual property rights, especially patents; (4) whether the conflict of laws rules relating to tortious conduct abroad have undermined the older decisions; and (5) whether the act of state doctrine has any relevance to actions for infringement of intellectual property rights.

The Moçambique rule

71. To the extent that the principles in *Potter v Broken Hill Pty Co Ltd* were based on that part of the rule in the *Moçambique* case which precluded actions for damages for infringement of property rights (in that case damages for trespass), they have been fatally undermined so far as English law is concerned. That part of the rule was confirmed by the House of Lords in *Hesperides Hotels Ltd v Aegean Turkish Holidays Ltd* [1979] AC 508. The House of Lords not only refused an invitation to depart from that part of the rule, but also extended it by holding that it applied when no question of title was involved. Lord Wilberforce said (at p 541) that questions of comity might well be involved, and it had to be for Parliament to change the law.

72. That invitation was taken up, and that part of the *Moçambique* rule was abolished by section 30(1) of the Civil Jurisdiction and Judgments Act 1982, which came into force in 1982, and provides:

“The jurisdiction of any court in England . . . to entertain proceedings for trespass to, or any other tort affecting, immovable property shall extend to cases in which the property in question is situated outside that part of the United Kingdom unless the proceedings are principally concerned with a question of the title to, or the right to possession of, that property.”

73. There was a parallel development in European law which also confirms, broadly, that the foreign land principle in the European Union is concerned only with actions to establish title. That development began with the Brussels Convention on jurisdiction and the enforcement of judgments in civil and commercial matters, which was signed in 1968 and came into force for the six original EEC Member States in 1973. The Brussels Convention was enacted into United Kingdom law by the 1982 Act and the relevant provisions came into force in 1987, and are now contained in the Brussels I Regulation (Council Regulation (EC) No 44/2001). The effect is that the *Moçambique* rule has been superseded, as regards land in other Member States, by what is now Article 22(1) of the Brussels I Regulation.

74. Article 22(1) (formerly article 16(1)(a) of the Brussels Convention) provides that the courts of the Member State in which the property is situated have exclusive jurisdiction, regardless of domicile,

“in proceedings which have as their object rights in rem in immovable property or tenancies of immovable property.”

75. The European Court has confirmed that what is now article 22(1) must not be given an interpretation broader than is required by its objective: and that actions for damages based on infringement of rights in rem or on damage to property in which rights in rem exist do not fall within its scope: Case C-343/04 *Land Oberösterreich v ČEZ as* [2006] ECR I-4557, para [26] et seq.

76. The consequence is that in the United Kingdom the trespass aspect of the *Moçambique* rule has no application as regards land in other Member States, and (subject to the controversial question of the applicability of article 2) can only apply to land outside the Member States where a question of title is involved: see

Dicey, Morris & Collins, Conflict of Laws, 14th ed (2006), vol 2 paras 23-025—23-027.

The rule in Phillips v Eyre

77. As has been seen, in *Potter v Broken Hill Pty Co Ltd*, in the Full Court of the Supreme Court of Victoria, Hood J considered that the action was precluded by the first branch of the rule in *Phillips v Eyre*, ie that Potter could not show that, if the act had been committed in Victoria, it would have been actionable there, because infringement of a New South Wales patent in Victoria was not actionable in Victoria. The effect of the first limb of the rule in intellectual property cases was expressed in *Dicey & Morris, Conflict of Laws*, 12th ed (1993) (the last edition before the law was changed), vol 2, at p 1516:

“Nor can the holder of a French patent, trade mark or copyright sue in England for its infringement in France. Since the French patent, trade mark or copyright is territorial in its operation and the act complained of would not be a tort if committed in England, it cannot be brought within [the first limb of the rule in *Phillips v Eyre*].”

78. In consequence it was held in *Tyburn Productions Ltd v Conan Doyle* [1991] Ch 75 that it was not possible to bring an action in England for infringement (or, as in that case, an action for a declaration of non-infringement) of United States copyright. The first limb of the rule in *Phillips v Eyre* was also employed by Sir Nicolas Browne-Wilkinson V-C in *Def Lepp Music v Stuart-Brown* [1986] RPC 273 to deny a claim in England for breach of a United Kingdom copyright in the Netherlands, but a shorter answer to the claim would have been that United Kingdom copyrights are purely territorial and do not, by United Kingdom law, confer any rights abroad: see, eg *Norbert Steinhardt & Son Ltd v Meth* (1960) 105 CLR 440.

79. But the rule in *Phillips v Eyre* was first eroded by case-law and then abolished by statute. Following the lead of Lord Wilberforce and Lord Hodson in *Boys v Chaplin* [1971] AC 356, in *Red Sea Insurance Co Ltd v Bouygues SA* [1995] 1 AC 190 the Privy Council decided that the first limb of the rule in *Phillips v Eyre* could be displaced so that an issue might be governed by the law of the country which with respect to that issue had the most significant relationship with the occurrence and with the parties. That exception was applied in *Pearce v Ove Arup Partnership Ltd* [2000] Ch 403, in which the Court of Appeal held that a claim in England for infringement of a Dutch copyright was not defeated by the first limb of the rule in *Phillips v Eyre*, because the issues had the most significant relationship with the Netherlands. Accordingly, the court held that Dutch law was

the applicable law and not the combination of English law and Dutch law required by *Phillips v Eyre*. In *KK Sony Computer Entertainment v Van Veen* (2006) 71 IPR 179 (High Court of New Zealand), MacKenzie J held (in reasoning which is not entirely clear) that, in a claim for infringement of United Kingdom and Hong Kong copyrights, the first limb of the rule in *Phillips v Eyre* was satisfied.

80. The rule in *Phillips v Eyre* was abolished by the Private International Law (Miscellaneous Provisions) Act 1995. In principle the law of the place of infringement applies: 1995 Act, section 11(1). Consequently, so far as English proceedings are concerned, that basis for the decisions in *Potter v Broken Hill Pty Co Ltd* and *Tyburn Productions Ltd v Conan Doyle* has disappeared, and the rule in *Phillips v Eyre* is no impediment to actions in England for infringement of foreign intellectual property rights.

The act of state doctrine

81. In the United States the act of state doctrine has been used as a basis for non-justiciability of foreign trade mark and patent rights. The Court of Appeals for the Second Circuit held in *Vanity Fair Mills Inc v T Eaton Co Ltd*, 234 F 2d 633, 646 (2d Cir 1956), cert den, 352 US 871 (1956) that a United States federal court should not rule on the validity of a Canadian trade mark because (among other reasons) the act of state doctrine precluded determination of the acts of a foreign sovereign done within its own territory, and to rule on validity would create conflicts with Canadian administrative and judicial officers.

82. The act of state doctrine was also invoked more recently in the United States as a ground for refusing to allow the addition of claims for infringement of parallel foreign patents to claims for infringement of United States patents, in litigation in which validity was in issue: *Voda v Cordis Corp*, 476 F 3d 887 (Fed Cir 2007). The majority of the court (Gajarsa CJ, Prost CJ concurring) said (at p 904):

“the act of state doctrine may make the exercise of supplemental jurisdiction over foreign patent infringement claims fundamentally unfair. As “a ‘principle of decision binding on federal and state courts alike,’ ” the act of state doctrine “requires that, in the process of deciding, the acts of foreign sovereigns taken within their own jurisdictions shall be deemed valid.” *W S Kirkpatrick & Co, Inc v Envtl Tectonics Corp, Int’l*, 493 U.S. 400, 406, 409 ... (1990) ... In this case, none of the parties or amicus curiae have persuaded us that the grant of a patent by a sovereign is not an act of state. ... Therefore, assuming arguendo that the act of state doctrine applies,

the doctrine would prevent our courts from inquiring into the validity of a foreign patent grant and require our courts to adjudicate patent claims regardless of validity or enforceability.”

83. The act of state doctrine was held not to apply where, in a dispute arising out of a patent licence, the issue was one of interpretation of the patent, and not of validity: *Fairchild Semiconductor Corpn v Third Dimension (3D) Semiconductor Inc*, 589 F Supp 2d 84, 98 (D Me 2008).

84. So also, in the case of copyright infringement, it has been held that the act of state doctrine has no application because there is no need to pass on the validity of acts of foreign government officials. In *London Film Productions, Ltd v Intercontinental Communications, Inc*, 580 F Supp 47, 49 (SDNY 1984) the District Court held that the plaintiff could sue for infringement of its foreign copyright in films. The court accepted Professor Nimmer’s view that the act of state doctrine was not engaged: in adjudicating an infringement action under a foreign copyright law there was no need to pass upon the validity of acts of foreign governmental officials, since foreign copyright laws did not generally incorporate administrative formalities which had to be satisfied to create or perfect a copyright. In *Frink America, Inc v Champion Road Machinery Ltd*, 961 F Supp 398 (NDNY 1997) it was held that dismissal of a claim for infringement of Canadian copyright was not warranted because US and Canada were signatories to the Berne Convention, which bars administrative formalities, and therefore there was no question of passing on acts of foreign government. Contrast *ITSI TV Productions, Inc v California Authority of Racing Fairs, Inc*, 785 F Supp 854, 866 (ED Cal 1992).

85. But in the Commonwealth *Potter v Broken Hill Pty Co Ltd* appears to stand alone in using the act of state doctrine as an impediment to actions for infringement of foreign intellectual property rights. In *Voda v Cordis Corpn*, above, Circuit Judge Newman, dissenting, rightly pointed out (at p 914) that not every governmental action and not every ministerial activity is an act of state. In *Mannington Mills, Inc v Congoleum Corpn*, 595 F 2d 1287, 1293–94 (3d Cir 1979) the Court of Appeals for the Third Circuit was “unable to accept the proposition that the mere issuance of patents by a foreign power constitutes ... an act of state.”

86. It has been said that the grant of a national patent is “an exercise of national sovereignty” (Jenard Report on the Brussels Convention (OJ 1979 C59 pp 1, 36), and the European Court has emphasised that the issue of patents necessitates the involvement of the national administrative authorities (Case C-4/03 *Gesellschaft für Antriebstechnik mbH & Co KG (GAT) v Lamellen und Kupplungsbau Beteiligungs KG (LuK)* [2006] ECR I-6509, para [23]). But in England the foreign

act of state doctrine has not been applied to any acts other than foreign legislation or governmental acts of officials such as requisition, and it should not today be regarded as an impediment to an action for infringement of foreign intellectual property rights, even if validity of a grant is in issue, simply because the action calls into question the decision of a foreign official.

European law and intellectual property rights

87. Two important developments in European law have undermined any argument that there is a substantial policy reason for the view that actions for infringement of intellectual property rights cannot be brought outside the State in which they are granted or subsist.

88. First, article 22(4) of the Brussels I Regulation (formerly article 16(4) of the Brussels Convention) provides that, in proceedings concerned with the registration or validity of patents, trade marks, designs, or other similar rights required to be deposited or registered, the courts of the Member State in which the deposit or registration has been applied for, has taken place or is deemed to have taken place, have exclusive jurisdiction irrespective of the domicile of the defendant. This is an exception to the general domicile rule of jurisdiction, and has to be construed strictly. It applies only to intellectual property rights which are required to be deposited or registered, and does not apply to infringement actions in which there is no issue as to validity.

89. The European Court has emphasised that article 22(4) is only concerned with cases in which a question of validity arises. It has made the following points: the basis for article 22(4) is that the courts of the Contracting State in which the deposit or registration has been applied for or made are best placed to adjudicate upon cases in which the dispute itself concerns the validity of the patent or the existence of the deposit or registration; but it does not apply in proceedings which do not concern the validity of the intellectual property right or the existence of the deposit or registration and these matters are not disputed by the parties, for example, a patent infringement action, in which the question of the validity of the patent allegedly infringed is not called into question; it would apply if the question of validity were raised by way of defence in infringement proceedings; the concern for the sound administration of justice is all the more important in the field of patents since, given the specialised nature of this area, a number of Contracting States have set up a system of specific judicial protection, to ensure that these types of cases are dealt with by specialised courts; the exclusive jurisdiction is also justified by the fact that the issue of patents necessitates the involvement of the national administrative authorities: Case C-4/03 *Gesellschaft für Antriebstechnik mbH & Co KG (GAT) v Lamellen und Kupplungsbau Beteiligungs KG (LuK)* [2006] ECR I-6509, para [16] et seq.

90. Article 22(4) does not in terms apply to intellectual property rights outside the Member States. It is not necessary for present purposes to delve into the question whether it may be applied by analogy (or “reflexively”) to non-Member States. What it shows is that there is a fundamental distinction between intellectual property claims which involve the registration or validity of intellectual property rights which are required to be deposited or registered, and those which are not.

91. The second relevant piece of European legislation does not apply to the present proceedings because it came into force only on 11 January 2009, but it also shows clearly that there is no European public policy against the litigation of foreign intellectual property rights. Regulation (EC) No 864/2007 of the European Parliament and of the Council on the law applicable to non-contractual obligations (Rome II) applies wherever in the world a tort was committed. It plainly envisages that actions may be brought in Member States for infringement of foreign intellectual property rights, including copyright. Recital (26) states:

“Regarding infringements of intellectual property rights, the universally acknowledged principle of the *lex loci protectionis* should be preserved. For the purposes of this Regulation, the term ‘intellectual property rights’ should be interpreted as meaning, for instance, copyright, related rights, the *sui generis* right for the protection of databases and industrial property rights.”

92. As regards choice of law, article 8 provides:

“Infringement of intellectual property rights

1. The law applicable to a non-contractual obligation arising from an infringement of an intellectual property right shall be the law of the country for which protection is claimed.

2. In the case of a non-contractual obligation arising from an infringement of a unitary Community intellectual property right, the law applicable shall, for any question that is not governed by the relevant Community instrument, be the law of the country in which the act of infringement was committed.

...”

Other proposals

93. These developments in European law are mirrored in proposals within the American Law Institute, which favour adjudication of foreign intellectual property rights, at least where issues of validity are not in issue. The American Law Institute's *Intellectual Property: Principles Governing Jurisdiction, Choice of Law, and Judgments in Transnational Disputes* (2008) apply to transnational civil disputes which involve (inter alia) copyrights, patents, trademarks, and other intellectual property rights (section 102) and note the controversy over the question of the justiciability of intellectual property rights (Reporters' Notes 4 and 5). Section 211 provides that the court must have subject-matter and personal jurisdiction. Comment *b* states:

“There is substantial sentiment that issues regarding the validity of a registered right, particularly a patent right, should be adjudicated in the courts of the State in which the right is registered. Only this State is competent to cancel the registration. ... Nonetheless, the Principles do not include a blanket prohibition on the adjudication of matters involving a foreign State's registered rights, because separating adjudication of validity from infringement can have substantive ramifications. Separate resolutions can prevent a court from hearing all of the evidence relevant to the action and from using its understanding of how a technology is utilized to inform its decision on the scope of the right. Bifurcating validity and infringement can also increase the parties' costs.”

94. The draft Principles for Conflict of Laws in Intellectual Property, 2011, prepared by the European Union Max Planck Group on Conflict of Laws in Intellectual Property contain no specific provision for actions for infringement of foreign rights abroad, but it is implicit in the Principles that they envisage such actions: (a) the primary rule of jurisdiction in the Principles is habitual residence (Part 2, section 1), and (b) the primary law applicable to infringement is the law of the State for which protection is sought (Part 3, section 6).

The English and foreign authorities on justiciability of intellectual property claims

95. A number of distinguished judges have expressed the view that the English court cannot, or should not, exercise jurisdiction in claims for infringement of foreign intellectual property rights, such as patents (*Mölnlycke AB v Procter & Gamble Ltd* [1992] 1 WLR 1112, 1118, per Dillon LJ; *Plastus Kreativ AB v Minnesota Mining and Manufacturing Co* [1995] RPC 438, 447, per Aldous J) or trade marks (*LA Gear Inc Ltd v Gerald Whelan & Sons Ltd* [1991] FSR 670, 674, per Mummery J). But prior to the decision of the Court of Appeal in the present proceedings the only directly relevant decisions were the decisions of Vinelott J in

Tyburn Productions Ltd v Conan Doyle [1991] Ch 75, of Laddie J in *Coin Controls Ltd v Suzo International (UK) Ltd* [1999] Ch 33, and of the Court of Appeal in *Pearce v Ove Arup Partnership Ltd* [2000] Ch 403.

96. In *Tyburn Productions Ltd v Conan Doyle* [1991] Ch 75 Vinelott J applied the *Moçambique* rule in the light of *Potter v Broken Hill Pty Co Ltd* to what was in effect a prospective negative declaration relating to potential copyright infringement in the United States. The action was by a television company for a declaration that the daughter of Sir Arthur Conan Doyle had no rights under the copyright, unfair competition, or trademark laws of the United States to prevent the company from distributing a Sherlock Holmes television film. It was conceded on behalf of the television company that no distinction could be drawn for the purpose of the case law between patents and other intellectual property rights including copyright. Vinelott J also supported his conclusion by reliance on the first limb of the rule in *Philips v Eyre*: infringement of an American copyright was not a tort in English law and the first limb could not be satisfied. In *R Griggs Group Ltd v Evans* [2004] EWHC 1088 (Ch), [2005] Ch 153, Vinelott J's decision was criticised by Mr Peter Prescott QC, sitting as a Deputy High Court judge, who distinguished it by applying the exception to the *Moçambique* rule whereby jurisdiction could be exercised if there were a contract or an equity between the parties: the judge allowed an amendment to a pleading on the basis that the court in the exercise of its equitable in personam jurisdiction could order a person who had acquired property situate abroad with sufficient notice of an earlier obligation to transfer the property to another to assign that property to its equitable owner, and that it would not be a breach of comity to adjudicate in personam on rights to foreign intellectual property (copyright) arising out of a contract.

97. Patents were the subject of the decision of Laddie J in *Coin Controls Ltd v Suzo International (UK) Ltd* [1999] Ch 33, in which he held that the court had no jurisdiction to try claims for infringement of German and Spanish patents for two reasons: the first was that the claims were not justiciable under the *Moçambique/Potter v Broken Hill Pty Co Ltd* principles. The second was that the claims were concerned with validity and within what is now article 22(4) of the Brussels I Regulation.

98. In *Pearce v Ove Arup Partnership Ltd* [2000] Ch 403 Mr Pearce claimed that the defendants had infringed his English and Dutch copyrights in his drawings and plans for a town hall by copying them in designing the Kunsthal in Rotterdam. There was no issue about existence or validity of the copyrights. The sole factual question was whether his drawings and plans had been copied. On the question of the justiciability of the claim for infringement of the Dutch copyright, the court had personal jurisdiction over the defendants by virtue of their domicile in England (because they were additional parties for the purposes of what is now article 6(1) of the Brussels I Regulation). It was not suggested that what is now article 22(4)

applied, since the proceedings were for infringement of copyright and no question of deposit or registration arose. The effect of what is now article 22(1)) was that the *Moçambique* rule no longer applied within the Member States, and that where proceedings in relation to intellectual property fell outside what is now article 22(1), the general rules of jurisdiction applied, and there was no room for an objection of non-justiciability. The common law rule of choice of law applied because the relevant events occurred before section 11 of the Private International law (Miscellaneous Provisions) Act 1995 came into force in 1996, but (as mentioned above) the court disapplied the first limb of the rule in *Phillips v Eyre* in favour of the law of the country which with respect to that issue had the most significant relationship with the occurrence and with the parties, which was Dutch law.

Foreign authorities

99. In the United States the local action rule has been used as a ground for refusal to add claims for infringement of foreign patents to a United States patent infringement action: *Voda v Cordis Corp*, 476 F 3d 887 (Fed Cir 2007), discussed above in connection with the act of state doctrine. The majority said (at pp 901-902):

“the local action doctrine informs us that exercising supplemental jurisdiction in this case appears to violate our own norms of what sovereigns ordinarily expect. Courts derived the local action doctrine from the distinction between local and transitory actions beginning with *Livingston v Jefferson*, written by Justice John Marshall riding Circuit. 15 F. Cas. 660 (C.C.D.Va. 1811). ... [T]he local action doctrine served to prevent courts from adjudicating claims for trespass or title to real property.

The territorial limits of the rights granted by patents are similar to those conferred by land grants. A patent right is limited by the metes and bounds of the jurisdictional territory that granted the right to exclude. ...

Therefore, a patent right to exclude only arises from the legal right granted and recognized by the sovereign within whose territory the right is located. It would be incongruent to allow the sovereign power of one to be infringed or limited by another sovereign's extension of its jurisdiction. ...”

100. Claims for infringement of foreign copyright have been held in New Zealand and South Africa to be non-justiciable. In *Atkinson Footwear Ltd v Hodgskin International Services Ltd*, (1994) 31 IPR 186 (High Court of New Zealand) Tipping J followed the *Tyburn Productions Ltd* decision and in *Gallo Africa Ltd v Sting Music (Pty) Ltd* [2010] ZASCA 96, 2010 (6) SA 329 the Supreme Court of Appeal of South Africa applied the decision of the Court of Appeal in the present case. But in *KK Sony Computer Entertainment v Van Veen* (2006) 71 IPR 179 MacKenzie J in the High Court of New Zealand declined to follow *Atkinson Footwear* and held that a claim for infringement of foreign intellectual property rights (in that case breach of United Kingdom and Hong Kong copyright in PlayStation 2) was justiciable if no question of the existence or validity of those rights was in issue.

Conclusions on the justiciability question

101. The issue on this appeal is a very narrow one because the appellants do not take issue with the application of the *Moçambique* rule to intellectual property so far as it is limited to patents and other intellectual property rights dependent on the grant or authority of a foreign State, and to cases where what is in issue is the validity of the patent, as opposed to its infringement.

102. As recorded by Mann J, the trial judge ([2008] EWHC 1878 (Ch), [2009] FSR 103, at [272]), the dispute relating to the United States copyright was as follows. The subsistence of copyright and ownership of all drawings was accepted by Mr Ainsworth, although the existence of some drawings was disputed. Infringement was denied so far as some drawings are concerned, on the footing that they were not copied, or not copied closely enough. Because three dimensional items were produced, it was argued that under United States law there was no infringement because copyright in the drawings would not be infringed by the production of a utilitarian or functional device. Lucasfilm claimed copyright in physical helmets and armour, which was disputed by Mr Ainsworth because they were said to be functional or utilitarian. According to the judge, at one stage it had also been suggested that if there was copyright it was vested in Mr Ainsworth and not in Lucasfilm, but this point was not ultimately persisted in.

103. Although at trial the infringement arguments sometimes merged into a subsistence argument, the substantial dispute has always been about the ownership of the relevant copyrights and their infringement rather than about their subsistence.

104. Were these claims justiciable? Mr Ainsworth argued that the principle behind the *Moçambique* rule (as extended in *Hesperides* to include actions in

which no issue of title arises) still subsists and applies to claims for infringement of all foreign intellectual property rights, including copyright, because such claims are essentially “local” and must be brought in the place where the rights have been created, irrespective as to whether there is any claim to title. But to describe the claims as “local” is simply to beg the question whether as a matter of law they must be brought in the place where the rights originate and are effective.

105. We have come to the firm conclusion that, in the case of a claim for infringement of copyright of the present kind, the claim is one over which the English court has jurisdiction, provided that there is a basis for in personam jurisdiction over the defendant, or, to put it differently, the claim is justiciable. It is clear that much of the underpinning of the *Moçambique* rule and the decision in *Potter v Broken Hill Pty Co Ltd* has been eroded. All that is left of the *Moçambique* rule (except to the extent that it is modified by the Brussels I Regulation) is that there is no jurisdiction in proceedings for infringement of rights in foreign land where the proceedings are “principally concerned with a question of the title, or the right to possession, of that property.” So also article 22(1) of the Brussels I Regulation does not apply to actions for damages for infringement of rights in land.

106. The basis for what remains of the rule was said by the House of Lords in the *Moçambique* case to be that controversies should be decided in the country of the situs of the property because the right of granting it was vested in “the ruler of the country” and in the *Hesperides* case to be the maintenance of comity and the avoidance of conflict with foreign jurisdictions. It is possible to see how the rationale of the *Moçambique* rule can be applied to patents, at any rate where questions of validity are involved. For example the claims might touch on the validity of patents in sensitive areas, such as armaments, and that no doubt is part of the rationale for article 22(4) of the Brussels I Regulation. But it is very difficult to see how it could apply to copyright. It is true that copyright can involve delicate political issues. Thus in a very different context Brightman J had to deal with the international consequences for copyright protection of the *samizdat* circulation in the Soviet Union of Solzhenitsyn’s *August 1914* without having been passed by the Soviet censor: *Bodley Head Ltd v Flegon* [1972] 1 WLR 680. But such cases can be dealt with by an application of the principles of public policy in appropriate cases.

107. Nor do the additional matters relied on in *Potter v Broken Hill Pty Co Ltd* lead to any different conclusion. The rule in *Phillips v Eyre* has gone. There is no room for the application of the act of state doctrine in relation to copyright in this case, even if (contrary to the view expressed above) actions of officials involved with registration and grant of intellectual property rights were acts of state. The requirement to apply for copyright registration in the United States is limited to the “copyright in any United States work” which in practice means that published

works first published outside the United States are exempted from compliance with US registration provisions. In the present case the copyrights were treated as United States works and were registered. Registration is a pre-requisite to proceedings in the United States: United States Copyright Act, section 411. But the unchallenged evidence before the judge in this case was that registration was not a prerequisite to subsistence but only to suit, and it was possible to register at the time of suit. Consequently the provision is purely procedural. That has been confirmed recently by the United States Supreme Court, which has held that federal courts have subject matter jurisdiction to approve a class action settlement where some of the authors are not registered, because section 411 is not a jurisdictional rule: *Reed Elsevier Inc v Muchnick*, 130 S Ct 1237 (2010).

108. There is no doubt that the modern trend is in favour of the enforcement of foreign intellectual property rights. First, article 22(4) of the Brussels I Regulation only assigns exclusive jurisdiction to the country where the right originates in cases which are concerned with registration or validity of rights which are “required to be deposited or registered” and does not apply to infringement actions in which there is no issue as to validity. This can rarely, if ever, apply to copyright. Second, the Rome II Regulation also plainly envisages the litigation of foreign intellectual property rights and, third, the professional and academic bodies which have considered the issue, the American Law Institute and the Max Planck Institute, clearly favour them, at any rate where issues of validity are not engaged.

109. There are no issues of policy which militate against the enforcement of foreign copyright. States have an interest in the international recognition and enforcement of their copyrights, as the Berne Convention on the International Union for the Protection of Literary and Artistic Works shows. Many of the points relied on by the Court of Appeal to justify the application of the *Moçambique* rule in this case as a matter of policy would apply to many international cases over which the English court would have jurisdiction and would in principle exercise it, especially the suggestion that questions of foreign law would have to be decided. It was also said by the Court of Appeal that enforcement of foreign intellectual property law might involve a clash of policies such that a defendant may be restrained by injunction from doing acts in this country which are lawful in this country. But such an injunction will be granted only if the acts are anticipated to achieve fruition in another country, and there is no objection in principle to such an injunction. Nor is there any objection in principle, as the Court of Appeal thought, to a restraint on acts in another country. Extra-territorial injunctions are commonly granted here against defendants subject to the in personam jurisdiction. The Court of Appeal also thought that it was relevant that there was no international regime for the mutual recognition of copyright jurisdiction and of copyright judgments, but this is no reason for the English court refusing to take jurisdiction over an English defendant in a claim for breach of foreign copyright.

110. It follows that *Tyburn Productions Ltd v Conan Doyle* was wrongly decided and that on this aspect the decision of the Court of Appeal in these proceedings cannot stand.

The Owusu v Jackson point

111. If the Court of Appeal was right to hold that the claim was in principle non-justiciable, a further question would arise whether nevertheless, in the light of the decision of the European Court in Case C-281/02 *Owusu v Jackson* [2005] ECR I-1383, the English court must grant a remedy against Mr Ainsworth, who is domiciled in England for the purposes of what is now Article 2 of the Brussels I Regulation. In *Owusu v Jackson* the European Court decided that an action in England arising out of events in Jamaica could not be stayed as against an English defendant in favour of the Jamaican courts on the ground of forum non conveniens. That was because the English defendant was domiciled in a Member State for the purposes of article 2, and the assignment of jurisdiction to that State applied also as between Contracting and non-Contracting States (now Member and non-Member States). In this case the Court of Appeal distinguished *Owusu v Jackson* on the basis that it did not apply to cases where the English court held that it had no subject-matter jurisdiction.

112. Lucasfilm argues that it would be inconsistent with the *Owusu* principle for the English court to decline to decide a particular issue on the ground that it is not justiciable under English law, because (in particular) the Brussels I Regulation is concerned with subject-matter jurisdiction as well as personal jurisdiction; it is concerned with achieving the uniform application of common principles regarding jurisdiction across the European Community, and it would not be consistent with that object if national courts were able to decline jurisdiction on principles of non-justiciability. Although in argument it was stressed that the argument was one of lack of jurisdiction rather than non-justiciability, in substance the real point of the argument is that if Lucasfilm were right, then the Brussels I Regulation would require the English court to adjudicate on other matters which have hitherto been regarded as non-justiciable, such as “the transactions of foreign sovereign states” which were held to be non-justiciable in *Buttes Gas and Oil Co v Hammer (No 3)* [1982] AC 888, 931; and that to require the English court to so adjudicate would be contrary to international law (or, perhaps more accurately, put the United Kingdom in breach of international law).

113. In view of the conclusion on the main point, this issue (on which a reference to the European Court might be required) does not arise and there is no need to express a view on it.

114. We would therefore allow the appeal on the justiciability issue.

LORD MANCE

115. For the reasons given by Lord Walker and Lord Collins in their combined judgment, I agree that the appeal fails on the first issue (sculpture) and succeeds on the second (justiciability of a claim for infringement of a foreign copyright). I express no view about the application or scope of the doctrine of act of state in relation to issues of validity of foreign intellectual property rights which (unlike copyright) may be said to depend upon state grant.