



THE SUPREME COURT OF APPEAL OF SOUTH AFRICA

**MEDIA SUMMARY OF JUDGMENT DELIVERED IN THE SUPREME
COURT OF APPEAL**

FROM The Registrar, Supreme Court of Appeal

DATE 20 March 2013

STATUS Immediate

***Please note that the media summary is for the benefit of the media and
does not form part of the judgment.***

***LYKES LINES LTD v VEREENIGING MEAT PACKERS (279/2012) [2013]
ZASCA 18 (20 MARCH 2013)***

Today the SCA dismissed an appeal by the appellant, a shipping line, Lykes Lines Limited, LLC against the judgment and order of the full court of the Kwa-Zulu Natal high court. The full court had upheld an appeal by a meat processing company, Vereeniging Meat Packers (Pty) Ltd, which had been ordered by a single judge to pay to the shipping line, damages in the sum of US\$21 601.25 for the container which was stolen in a hi-jacking incident en route from the port of Durban to the City Deep Cold Storage, in City Deep, Johannesburg.

The container had been conveyed from Montreal, in Canada to Durban by the same shipping line in terms of a contract of carriage the shipping line had entered into with Vereeniging Meat Packers.

At the trial the single judge of the KwaZulu Natal high court, Pietermaritzburg had found that the Vereeniging Meat Packers were liable to compensate the shipping line. But on appeal to the full court of the KwaZulu-Natal high court, it was found that the shipping line had failed to prove that it was the entity that bore the risk of loss in respect of the container. It was neither the owner nor lessee of the container. The shipping line had relied on certain internal arrangements within the shipping corporate group, in terms of which, loss of containers leased by the shipping group were attributed to the shipping line which was carrying the container at the time of the loss. The full court found that this internal arrangement did not establish that there was a binding contract between the shipping line and the holding company, entitling the shipping line, Lykes Lines Limited, LLC to claim damages for the loss of the container. The SCA agreed and accordingly the appeal was dismissed.