

LEGAL REGIME ON TRADEMARKS IN NIGERIA: LESSONS FROM THE UNITED STATES OF AMERICA, UNITED KINGDOM AND INDIA

By

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ABSTRACT

Trademark in modern times has assumed greater significance as a branch of intellectual property law. It guarantees rights over goods and services of a manufacturer as against unfair imitation by other persons. Trademark protection is enforced by the courts, which in most systems have the authority to block trademark infringement. There are various Statutes such as the Copyright Act, 1988, Trademarks Act, 1967 (TA), Patents and Designs Act, 1971 which are enacted to deal with these problems. However, the TA in Nigeria has remained so for over four decades without any amendment or enactment of a new Act despite the rapid changes in trading and consumer practices as well as the local commercial conditions in which trademarks are usually deployed or used. The dissertation examined the legal regime on trademarks in Nigeria, the United States, the United Kingdom and India and the lessons to be drawn from these jurisdictions. The doctrinal research methodology was adopted by considering primary sources of law and secondary sources of law on the topic under consideration. The dissertation found that there are several legal and institutional frameworks on ground in Nigeria relevant to trademarks. However, these laws have number of discrepancies that hampered the adequacy and effective protection of intellectual property rights. Trademark Act in Nigeria had inherent statutory problems in Section 67 based on definition of "trademark" itself. The section provides ambiguous definition of "trademark" which is quite confusing. Further Section 14(1)(2) creates confusion in that the dichotomy of registration in Part A and B of the register is uncalled for. The dissertation also found that there are deficiencies in enforcement mechanism of institutional framework, too, for example, lack of unity of command of different agencies, such as copyright inspectors, National Office for Technology Acquisition and Promotion. The ineffectiveness of enforcement systems are commonly attributed to a lack of human resources, funding and practical experience in intellectual property enforcement by relevant officials. The dissertation concluded that the provisions of the trademark law fall short of the modern trends and advancement in technology in the fields of trademarks regime. Therefore, it was recommended that the ambiguity in Section 67 of the Trademark Act be recasted to give clear meaning to the inherent statutory problems. Similarly section 14(1)(2) of the TA relating to option for registration in either Part A or B to be harmonized appropriately. Service marks and consumers' rights should be provided in the TA for the benefit of service providers. The fight against infringement of trademarks should be a coordinated one, involving all the relevant stakeholders and dealing with all various intellectual property rights. Such

ministries like Trade and Investment, Science and Technology, Justice and other agencies such as Nigerian Copyright Commission, and National Office for Technology Acquisition should all work together. Government at all levels should provide adequate funds for the agencies with the responsibility of administration, promotion, enforcement and prosecution of intellectual property rights to enable them carry out their mandates effectively.

Keywords: *Legal, Lessons, Nigeria, Trademarks, Regime*

Introduction

For trademarks owners, imitation is not the highest form of flattery, it can be a serious threat instead. Concerted efforts have been made over the years at promoting intellectual property (IP) rights in Nigeria with some positive results being achieved.¹ However, these efforts have been hampered by low public awareness about what IP rights are protected under the law;² ineffective mechanisms for the protection and enforcement of such rights; inadequate penalties for infringements; official corruption and lack of coordination among the various agencies of government involved in the development and protection of IP rights.³

Broadly speaking, there are two classes of IP namely: Copyright and Industrial Property. While copyright is concerned with literary, musical and artistic creations, Industrial Property cover rights in patents, trademarks, industrial designs, utility models, plants and animal varieties and so on.⁴ Essentially, IP rights are exclusive proprietary rights granted by law to the owners thereof, over intangible assets which are innovative products of the brain or the mind, as opposed to personal or real properties.⁵ IP Law therefore encompasses the body of rules and regulations governing the creation, acquisition and protection of the foregoing rights as well as adjudication over allegations of their infringements. Concrete efforts at developing the Nigeria's indigenous trade mark regime began to materialize shortly after the country attained independence in the early 1960s and have remained a work-in- progress till date.⁶

The concept of property has changed significantly over time. It is scientifically defined,⁷ as the jural relationship between two or more persons in relation to a thing. That is, the right to use and

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¹ Copyright Act, 1988, Cap C28, L.F.N, 2004. (CA)

² Trademarks Act, 1967, Cap. T13, L.F.N, 2004. (TA)

³ O Femi and O Oluwatoba, 'Strengthening Intellectual Property Rights and Protection in Nigeria' <<https://www.mondaq.com>> accessed 16 March 2020.

⁴ *Ibid.*

⁵ *Ibid.*

⁶ Femi and Oluwatoba (n 3)

⁷ Y Aboki, *Economic and Cultural for Copyright Protection: A Decade of Copyright Law in Nigeria* (Abuja: Nigerian Copyright Commission 2002) 76.

enjoy it. This includes the right to exclude others from using the thing. To many, especially laymen, when talk of property, what normally comes to mind is a tangible property, such as a house, a vehicle, electronic gadgets and so forth. Aboki held that in some cases both legal practitioners and laymen rarely think of modern forms of property, such as, copyright, patents and trademarks which are called intellectual property. These properties are not less important than other properties. They need the protection of law just like other forms of property not only at national level but at international level.⁸

In the current era of globalization and liberalization in the world economy, a nation must be able to harness her ideas, inventions, innovations and creative works towards technological advancement and global competitiveness.⁹ To nurture national talents, Nigeria requires identification of her researchers and inventors, creation of an enabling environment and to initiate strategies to protect all the stakeholders and their creative works.¹⁰ These creative works constitute *corpus juris* in general called intellectual property. It is intellectual property because unlike other properties created by nature or modeled by physique and labour, intellectual property is one created as a result of intellect. It is a different area of property. Like other forms of property, intellectual property such as trademarks, patents and copyrights have problems with political and socio-economic contents, for example, piracy, plagiarism and so on. At present, both at national and international planes, there are laws and conventions prohibiting offences touching intellectual property. But alas! Offences bordering intellectual property such as piracy, imitation and counterfeiting are on the increase. Nigeria is not an exception.

The need for intellectual property protection cannot be over-emphasized. Such legal protection accorded to various species of intellectual property do not only encourage the owners of such rights to engage their creative intellect in more creativity for the utility of the society, but it also serves as an incentive to others that have creative minds to put their creative intellect into use too. Without legal protection, it is doubtful if any reasonable person would dissipate energy into creating intellectual property for public consumption. For example, there would have been no privilege to have books such as *Introduction to Legal Research Methodology*, *Law of Banking in Nigeria*, *Law of Crimes in Nigeria*, *Material and Cases on Public International Law* and so forth. In other words, creativity would not be attractive or considered worth pursuing by many. This is because if after all the efforts, such as physical execution, intellectual exertion, investment of time, money and other resources put into creation of intellectual property, the property is thrown into public domain for the society to use as it pleases and with the author or inventor of the property getting nothing in return from the society. The society would be the worse for the absence of creative zeal in the

⁸ *Ibid.*

⁹ *Ibid.*

¹⁰ *Ibid.*

circumstance, because it would have been deprived of the utility of most of the artistic, literary, musical and others creative works of the authors we enjoy today.¹¹

The utility of the various species of intellectual property to the society has been aptly put by Keane as "...Without trademark protection consumer would be deprived of a means of assessing quality and standards of goods..."¹²

This quotation highlights the importance of legal protection of intellectual property for society to benefit. The field of intellectual property law is essentially related to the protection against theft of virtually all the intangible products of human intellect or creativity.¹³ It protects the exclusive rights of the author, inventor or other creator in the product of his intellectual or inventive creativity. The story of development of intellectual property is, by and large, that of growth of international trade and commerce, and conflicts arising therefrom. It encompasses such legal concepts as copyright, trademarks, patents and design rights and it also includes rights against disclosure of trade secrets and unfair competition. It is a category of intangible rights protecting commercially valuable products of the human intellect.

As the issue pertaining to intellectual property rights (IPRs), its protection and enforcement continue to be a major factor in global trade its impact on the level of domestic innovation, foreign direct investment and consequently economic growth cannot be over emphasized. It is imperative that nations pay attention to this very important kind of 'property' as its control and management may end up defining the nation's economic wellbeing. For developing nations, the issue is even more important as they are largely less technologically advantaged and need to put in place the right measures in order to catch-up with the more developed countries.¹⁴ For developing countries to effectively take control and maximize IPRs in their jurisdictions they need to properly understand the possible impact IPRs protection and enforcement or lack of it can have on their economy. They need to know if they will be better off with having a tight IPRs protection and enforcement regime or if they are better off having a weak regime. It is after such understanding that they can define the right strategies and put together appropriate policies that will best suit their economic aspirations including encouraging innovation and attracting foreign direct investment.

Scholars seem to be in accord that the introduction of patent law in Nigeria by Britain 'was never designed to encourage indigenous inventive activities, or local research and development, but rather to assist the protection of relevant technology for the exploitation of minerals and other

¹¹ Aboki (n 7).

¹² T M Keane, *Irish Competition Law and the Treaty of Rome: An Overview* (Copyright World 1995) 17.

¹³ M J Umaru, 'The Scope and Sources of Intellectual Property Law in Nigeria' [2006] (24) *Ahmadu Bello University Law Journal*, 37-38.

¹⁴ B C Primo and Others, *Intellectual Property Rights and Economic Development* (Washington: World Bank, manuscript, Bank Discussion Papers 2000) 412.

resources of interest and value to the colonial system and administration'.¹⁵ Although the trade mark regime evolved at a time when Nigeria had gained independence, it appears that it is meant to serve the interest of foreign inventors. There are reports, which show that the increased activity in patent application in Nigeria, is dominated by foreign corporations in order to capture the Nigerian market for their products.¹⁶ According to these reports, pharmaceutical, oil and gas, information technology, telecommunication and mining industries are the most active sectors as far as patent application in Nigeria is concerned.¹⁷ The implication of this trend is the existence of patents for high priced products that will be beyond the reach of the poor majority in Nigeria and the near absence of generic products that would be affordable to the poor populace.

Legal Regime on Trademarks in Nigeria: Lessons from the United States of America, United Kingdom and India

This heading will examine Nigeria's trade mark regime drawing lessons from the United States of America, United Kingdom and India.

The Legal Regime on Trademarks in Nigeria

Intellectual property protection relating to trade marks in Nigeria can be traced back to the colonial era when the English Trademarks Act was introduced into the colonies as an Ordinance even before the amalgamation of Northern and Southern Protectorates to form what is now called Nigeria, in 1914.¹⁸ With the amalgamation of the Northern and Southern Protectorates in 1914, the existing statutes applicable to the respective protectorates were repealed by the Supreme Court Ordinance of 1914. This Ordinance also made English Law almost in the same terms with the repealed legislation to be extended or applicable to the whole Nigeria. The relevant English law comprises of common law, doctrine of equity and statutes of general application, which were Acts of British Parliament enacted on or before 1st January 1900.¹⁹ However, the first intellectual property law to be extended to Nigeria was the Trade Marks Promulgation of 1900 which was promulgated by the High Commissioner of the Protectorate of Southern Nigeria. It was an adaptation of the Trade Marks Act of 1888 subsisting in the United Kingdom as at that

¹⁵ S A Yauri, 'The Patent System in Nigeria' [2012] (34) *World Patent Information*, 213-215; O T Adekibi 'The Multinational Corporation and Monopoly of Patents in Nigeria' [1988] (16)(4) *World Development*, 511-526.

¹⁶ C Bull, 'Increase in Patenting Activity: Nigeria A Good Proxy', <<http://www.iam-media.com/reports/Detail.aspx?g=9474294e-fc8c-4622-935d-a9a25ea3089a>> accessed 16 March 2020; U Ephraim, 'Lets Talk numbers: Nigeria's Patent Growth Statistics', <<http://nlipw.com/lets-talk-numbers-nigeria-patent-growth-statistics/>> accessed 16 March 2020.

¹⁷ *Ibid.*

¹⁸ A Zunia, 'Review of the Nigerian System of Intellectual Property' <<http://zunia.org/post/a-review-of-the-nigerian-system-of-intellectual-property>> accessed 20 June 2022.

¹⁹ M J Umaru, *Intellectual Property Law in Nigeria: An Introduction* (Sokoto: Usmanu Danfodiyo University Press 2011) 94.

time. This 1900 promulgation went through series of reviews, repeals and amendments before the present Trade Marks Act was enacted in 1965.²⁰

Registration

Any person in Nigeria wishing to be registered as the proprietor of any particular expression is required by law to apply to the registrar for that expression to be registered in the register as a trade mark. Prior to the formal application, such a person may apply to the registrar for advice as to whether the trade mark appears to the registrar *prima facie* to be inherently adapted to distinguish, or capable of distinguishing as the case may be.²¹ An application for registration having received approval under section 17 of the Trade Mark Act, 1967 (TMA), or the applicant not electing to go through that process, shall be made in writing and addressed to the registrar for registration either in Part A or Part B of the TMA.²² The registrar may refuse the application or may accept it absolutely or subject to such amendments, modifications, conditions or limitations, if any as he might think. The registrar is obliged under the TMA to publish the particulars of any application accepted in the trade marks journal published under section 6 of the TMA. The essence of this is to give notice to the world and invite opposition to the registration of that expression from interested parties.

The decision of the registrar is subject to appeal by the parties. The court shall hear the parties and the registrar and shall determine if the registration shall be granted or not.²³ Section 22 (1) of the TMA posits that the registrar shall, after all oppositions have been cleared, register the trade mark either in Part A or Part B. On the registration of the trade mark, the registrar shall issue to the applicant a certificate of registration. However, where registration is not completed within one year, by default of the applicant, the registrar may after giving notice to the applicant treat the application as abandoned. Section 23 (1) of the TMA puts the duration of the trade mark to be seven years and can be renewed from time to time. On application by the proprietor of a trade mark, the registrar shall renew the registration of the trade mark for a period of fourteen years from the date of expiration of the original registration. The registered owner has the exclusive right to use the trade mark.

The right that accompanies a registered trademarks is also recognized by our courts. For instance in *Zeneca Ltd v Jagal Pharma Ltd*,²⁴ it was held that a trade mark, when registered, will entitle the proprietor to sue or institute an action for any infringement of the trade mark. Registration entitles the proprietor to the exclusive use of the trade mark and also right to sue for

²⁰ *Ibid*, 95.

²¹ Trade Marks Act, 1967 (as amended) s 17.

²² *Ibid*, s 18(1).

²³ *Ibid*, s 21.

²⁴ (2007) All FWLR 940.

passing-off the goods of the proprietor. In *Merskline v Addide Investment Ltd*²⁵ it was held by the Federal High Court that an action cannot be commenced by or against a trade mark as it is not a juristic person. It is its proprietor that can sue or be sued. The rights granted to the proprietor of a trade mark registered under the TMA are defined in sections 5(1) and 6(1).

Effect of Registration and Non-Registration

Registration of a trade mark confers on the registered proprietor the exclusive right to use the mark in relation to his goods or services.²⁶ The statute also confers on the registered proprietor the legal capacity to institute legal action for its infringement by an unauthorized user. Accordingly, section 3 of the Trade mark Act provides *inter alia* that: “No person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark...” The above provision is however subject to the right of an unregistered user to bring action for the tort of passing off with all its attendant conditionalities under the common law. Under the TMA, a proprietor of registered trade mark has the right to either use the trade marks personally or assigns it to another person. Similarly, a registered trade mark is capable of being transmitted to beneficiary on the demise of the proprietor.²⁷ Although a mark may be distinctive (or, where registration in Part B is concerned, capable of distinctiveness) registration will not be automatically granted. The Registrar not only has the discretion to refuse, but the Act also contains specific prohibitions upon registration.

The use of unregistered marks has effects. The use of unregistered marks works finely in an instance where the use of the unregistered trademark predates the use or registration of the registered trademark (Principle of Prior Use). The principle is hinged on goodwill and reputation. In *American Cyanamid Co. v Vitality Pharmaceuticals Ltd*.²⁸ the Supreme Court of Nigeria, relying on section 7 of the TMA, held, per G. Karibi-Whyte, J.S.C. that “*the proprietor or registered user of a trademark is not entitled to interfere with an existing trademark, even if, identical with, or nearly resembling its own if it has been in continuous use before the use of or registration of his own trademark.*”

While the court in *American Cyanamid* recognized unregistered trade marks in Nigeria, it is important to note two vital points: (i) Before a court will recognize an unregistered trademark in Nigeria, the court must have determined that the unregistered trademark has become well-known and enjoys goodwill in the relevant market where the trademark is in dispute; and (ii) the burden of proof of the unregistered trademark being well-known and having goodwill in the *relevant* market falls on the shoulders of the proprietor making such claim. The same principle applies to

²⁵ (2002) 11 NWLR 778 @ 223.

²⁶ M Ajakpovi, ‘The Internet Intellectual Property Rights and Legal Framework for E-Commerce in Nigeria’ [2004] (8)(1-2) *Modern Journal of Finance and Investment Law*, 166.

²⁷ TMA 1967, s 26.

²⁸ (1991) 2 NWLR (Pt. 171) 15.

businesses-putting them in certain risks as owners of the unregistered trademark. For marks to work, they have to be unique, rooted in solid legal foundations, and thoroughly protected to reduce risk and maximize commercial value.

Although Nigeria operates a 'first-to-file' system, an unregistered trademark, however well-known cannot afford grounds for opposition proceedings.²⁹ Nothing beats trademark registration, regardless of how big or small a brand is. The hallmark of trademark registration is the bundle of exclusive rights that is granted under the law. Section 5 of the TMA grants exclusive right on a registered user of a mark, including the right to exclusive use of the mark in relation to the products and services. This means that businesses have the right to prevent others from using an identical or confusingly similar trademark for the same goods or services or description of goods or services in respect of which the first trademark was registered. Basically, the business enjoys the monopoly of use that comes with registration if it is unregistered. This will put the business in a better legal position to prevent or address the unauthorized use of the mark by third parties.

Registrability and Validity of Registration

Registrability and validity of registration are covered under sections 9-16 of the TMA. In order that trademarks might receive protection, it must be (a) distinctive rather than descriptive, (b) it must be affixed to a product that is actually sold in the market place and (c) it must be registered with the Patents and Trade Mark Office. The different kinds of requirements need to be distinguished, firstly requirements that relates to the basic function of a trade mark. First is the function to distinguish the products or services of one enterprise from the products or services of other enterprises. That is, a trade mark must be distinctive or capable of distinguishing different products. The second kind of requirement relates to the possible harmful effects of a trade mark, if it has a misleading character or if it violates public order or morality.

Section 9 of the TMA refers to the conditions for the registrability of trademark. Section 9(1) provides five essential particulars at least one of which must be present for a mark to be registrable in Part A of the register. The first four particulars as listed in paragraphs (a) to (d) of the subsection are fairly straight forward from the point of view of their application to particular cases being considered for registration, but the fifth particular as stated in paragraph (e) which reads "any other distinctive mark" has presented difficulties. The term "distinctive" is defined in section 9(2) to mean, for the purposes of this section "adapted...to distinguish goods with which the proprietor of the trademark is or may be connected in the course of trade from goods in which no such connection subsists..."

²⁹ *Nabisco Inc. v Allied Biscuits Company Ltd* [1998] NGSC 8.

Factors to be taken into account by the Registrar or the Court in determining whether a trademark is so adapted to distinguish are specified in subsection (3) and these are the extent to which the mark is inherently adapted to distinguish and the extent to which, by reason of the use of the trademark or of any other circumstances, the trademark is in fact adapted to distinguish. One fact to be discerned in section 9 is that as in the laws of all other countries the fundamental pre-requisite for registrability is distinctiveness of a mark. For example, in the case of *Ferodo Ltd. v Ibeto Industries Limited*,³⁰ the appellant sued the respondents claiming that the respondents were infringing their trademark by way of graphic representation of their product contained in a packet being marketed and known as “Ferodo”. The appellants further claimed that a graphic design which is configurative in nature belong to it. The respondents argued that for such graphic design to amount to trademark it must have been registered separately.

Procedure and Duration

Registration of trademarks in Nigeria is done at the Trademarks, Patents and Designs Registry, of the Federal Ministry of Industry, Trade and Investment ("Registry"). An applicant is required to appoint an accredited agent to conduct the registration on his behalf through a power of attorney in the prescribed form. The accredited agent is required to conduct an availability search at the Registry, to determine whether the mark is available under the relevant class. Where the trademark is not in conflict with any existing trademark, under the relevant class, the accredited agent can proceed to register the mark. Where the search reveals that no similar mark is on the register in respect of the class of goods concerned, this may be a pointer to availability of the mark. Where the outcome of the search is successful, a dully filled application form will be submitted along with the prescribed fees.

Upon acknowledgement of the application, the trademark will be examined by the Registry to confirm its distinctiveness and to ensure that it is not in conflict with any previously registered trademark. After the examination has been carried out, the Registrar of Trademarks may refuse or accept the mark. In practice, where an application is refused, the grounds for the refusal is usually put down in writing by the registrar and an applicant who is dissatisfied with the refusal may appeal to the Federal High Court which shall after listening to both parties make an appropriate order whether the application is to be accepted.³¹ When an application for registration of a trade mark has been accepted by the Registrar, he shall publish the notice in the Trade Mark Journal.³² Anybody who wishes to oppose the application shall within two months from the date of the publication do so. Where no objection is filed against the registration of the trademark or where

³⁰ (1999) 2 NWLR 509.

³¹ TMA 1967, s 32.

³² *Ibid*, s 19(1).

such objection is withdrawn or overruled, the applicant will be issued a Certificate of Registration by the Registry.

The duration of a trademark is provided for in section 23 of the TMA. If a trade mark was registered before the inception of the TMA, it shall be valid for fourteen years after which it can be renewed for another fourteen years. But if it has been registered at the time of the TMA, it is protected for seven years after it can be renewed. Renewal of a trademark is very paramount because where a mark which is for renewal has not been renewed, even after the Registrar of Trademarks has sent notice in the prescribed manner to the proprietor of the trademark, the trademark may be removed from the register. However the registrar seldom removes the mark.

Assignability and Transmission of Trademark

A registered trademark may be assigned in the same way as other personal property such as houses, vehicles, land and so on. Section 29 of the TMA provides that:

Subject to the provisions of this Act, the persons for the time being entered in the register as proprietor of a trademark shall, subject to any rights appearing from the register to be vested in any other person, have power to assign the trademark, and to give effectual receipts for any consideration for an assignment therefore.

One of the judicial authorities relating to this provision is *A.B. Chami & Co. Ltd. v W.J. Bush & Co. Ltd*³³ where it was held that in the event of assignment of a registered trademark, there must be evidence of the fact of assignment. Application made to the Registrar to register the Deed and the certificate of assignment issued by the Registrar. The details of the assignment will then be registrable (although the document evidencing the assignment need not be adduced provided the assignor and assignee sign the form) and will be subject to essentially the same rules concerning registration. The mark may be assigned in whole or in part, for all or some of the specified goods or services, or for the use of the mark in a particular manner or a particular locality.

The proprietor of a trademark also has a right of transmission. According to section 26(1) and (2) a registered trademark is transmissible either in connection with the goodwill of a business or not. Subsection (2) further provides that: “a registered trademark shall after the commencement of this Act be assignable and transmissible in respect either of all the goods in respect of which it is registered, or was registered, as the case may be, or of some (but not all) of those goods”. Section 30 of TMA states that where a person becomes entitled by assignment or transmission he shall on

³³ (1996) F.H.C.L.R. 115.

application made to the registrar to have his title registered and upon receipt of the application and proof of title of the applicant, the registrar shall register him as the proprietor thereof.

Dissolution of Trademarks

Where a trade mark is registered but not used for five years it could be taken over by another producer after a period of one month before the date of the new application. Also, another producer could use original proprietor's trade mark where he (the proprietor) feels he has no bonafide use of the trade mark.³⁴ Therefore, the two scenarios in which a successful application for the removal of trademark on the ground of non-use can be made are: where there was no bona fide intention *ab initio* to use the mark in relation to any goods or services and it has in fact not been used in relation to any goods or services for a period of one month before the application for removal, and where there may have been an initial bona fide intention to use the mark in relation to goods or services, a continuous period of five years and one month has elapsed during which the mark has not been used in relation to any goods or services for which it was registered.

From the foregoing, two important issues are worthy of attention. First, proof of prior use is not required for the registration of trade mark in Nigeria. A mark may only be removed if after registration, there is no evidence of either a bona fide intention to use the mark for a period of one month, or an actual use of the mark for a period of five years and one month after registration. The second is that, under the TMA, it is actually the person who seeks that a mark be removed from a Register that must prove either lack of either bona fide intention to use or actual use within the stipulated period.

International Arrangements

The TMA provides that anyone who has applied for protection for a trade mark in a convention country or his legal representative or assignee shall be entitled to registration of his trade mark under the Act in priority to other applicants; and the registration shall have the same date as the date of the application in the convention country, (not more than six months in other convention countries).³⁵

Infringement of Trademarks

The rationale for the registration of a trademark is, of course, the prevention of the unauthorized use of the registered mark. It is clearly spelt out what constitutes an infringement of trademark. The TMA provides thus:

³⁴ TMA 1967, ss 31-37.

³⁵ TMA 1967, s 44.

Without prejudice to the generality of the right of the use of a trademark given by such registration as aforesaid, that right shall be deemed to be infringed by any person who, not being the proprietor of the trademark or a registered user thereof using it by way of the permitted use, uses a mark identical to deceive or cause confusion, in the course of trade in relation to goods in respect of which it is registered, and in such manner as to render the use of the mark likely to be taken either-

(a) as being use as a trademark or

(b) in a case in which the use is use upon the goods or in a physical relation thereto or in an advertising circulator or other advertisement issued to the public, as importing a reference to some person having the right either a reference to some person having the right either as proprietor or as registered user to use the trademark or to goods with which such a person as aforesaid is connected in the course of trade.³⁶

The essence of trademark infringement action is proof that consumers are likely to be confused about the sources of products or services in the market place. In determining whether confusion between related goods is likely, some factors may be relevant. They include: the strength of the mark, the proximity of the goods, similarity of the marks, and evidence of actual confusion. A civil action shall lie in virtually all infringement cases; the proprietor of a trademark can by action restrain the registration of a mark similar to or resembling his own registered mark by another. He can also maintain an action if the infringing mark has already been registered. The proprietor succeeds in an action for infringement where the two marks resemble or nearly resemble each other as to be likely to deceive or cause confusion.³⁷ It is the proprietor who can sue or be sued.³⁸ An action cannot be commenced by or against a trade mark as it is not a juristic person. It is its proprietor that can sue or be sued.

In the case of *Beecham Group Limited v Esdee Foods Nig. Ltd.*,³⁹ the plaintiffs were the registered proprietors of the trade mark “lucozade” in respect of their chemical substance used for medicine and pharmacy. They were also registered proprietors of the trade mark “lucozade” in respect of substance used as food ingredient. The trade marks were registered in 1946 and have been used since then. In 1981, the defendants are marketing and did register a non-alcoholic beverage using the trademark “gluco-said drink”. The court held that the striking similarity in the sound of the

³⁶ TMA 1967, s 5(2).

³⁷ *Goltschalk & Co Ltd v Spruce Manufacturing Co Ltd* (1956) 1 F.S.C 42 VOL. 1.

³⁸ *Maersk Line v Addide Investments Limited* (2002) LPELR-1811.

³⁹ (1980) F.H.C.L 17

names “lucozade” and ‘gluco-said’ is bound to affect persons with “imperfect recollections, the incautious, and the illiterate as well as those who may place an order by phone”.⁴⁰

On appeal to the Court of Appeal, the court stated that the criterion for determining whether or not there is an infringement of a trademark is that the mark complained of must not, when compared with what is already registered, deceive the public or cause confusion. The justices unanimously agreed with the reasoning of the lower court and held that the word “gluco-said” in sound is confusing to ‘lucozade’ and will undoubtedly mislead the public. A possible conclusion to be made in the light of the above decisions is that to discern differences in trademarks is more a question of caution and carefulness than of literacy.

Remedies for Infringement of Trademarks

The most common remedies that the courts typically grant regarding an infringement of a trademark are Damages, Injunction, Anton Piller Order, Delivery-up and in some cases, Account for profits. Damages are monetary compensation usually meant to compensate the plaintiff for losses he might have incurred due to the defendant’s infringement of his trademark.⁴¹ Damages generally are money claimed by or ordered to be paid to a person as compensation for loss or injury.⁴² In other words, damages are the sum of money that a person wronged is entitled to receive from the wrongdoer as compensation for the wrong. The court’s grant of damages as a civil remedy generally and particularly in an action for trademarks infringement may take any of these forms; general and special damages, exemplary or punitive damages and nominal damages.

General damages are losses that flow naturally from the defendant’s conduct, and its quantum need not be pleaded or proved as it is generally presumed by law. Accordingly, evidence that will assist the court must be given if the plaintiff obtains substantial damages under this head of claim. Conversely, special damages are damages which the law does not presume but must be specifically pleaded and proved. In *Dumes (Nig.) Ltd. v Ogboli*,⁴³ the Supreme Court emphasized thus:

It is axiomatic that special damages must be strictly proved and (unlike general damages, where, if the plaintiff establishes in principle his legal entitlement to them, a trial judge must make his own assessment of the quantum of such general damages)... so far as special damages are concerned, a trial judge cannot make his own individual assessment but must strictly on the evidence before him which he accepts as establishing the amount to be awarded.

⁴⁰ *Beecham Group Limited v Esdee Foods Nig. Ltd* (n 21).

⁴¹ F O Babafemi, *Intellectual Property* (2nd edn, Justinian Books 2006) 286.

⁴² *Gari v Seirafina (Nig.) Ltd.* (2008) 2 NWLR (Pt. 1070) 1, 26.

⁴³ (1973) 3 U.I.L.R. 306 at 311.

On another lane, exemplary or punitive damages are not intended to compensate the plaintiff but to punish the defendant and deter him from similar behavior in the future.⁴⁴ On a claim for exemplary or punitive damages, the trend of both judicial and juristic opinion is that the court may award additional damages for such matters as each case's circumstances may warrant, and the amount to be awarded must not be excessive.⁴⁵ Furthermore, nominal damages are awarded in those cases where the plaintiff establishes a violation of his rights by the defendant, yet, he cannot show that he suffered any actual damage due to the defendant's wrongdoing or where damage has been proved, but no evidence has been given to its extent so that the award of compensatory damages is impossible.⁴⁶ A very instructive case wherein the civil remedy of damages for trademark infringement was made recourse to is *Beecham Group Ltd. v Esdee Food Products (Nig.) Ltd.*⁴⁷

One remedy that the courts usually grant to a plaintiff under the statutory provisions is an injunction. In its simplest meaning, an injunction mandates or forbids the doing of a specified act, and the whole essence of the remedy is to ensure that justice is done to parties in a lawsuit.⁴⁸ Since damages may not always be adequate, an injunction is usually an added remedy. It is granted by the court to prevent a person from doing or continuing to do a wrong. An injunction can be granted before trial upon affidavit evidence or even ex parte where there is a very urgent need to stop an infringement. It is also possible to obtain an injunction to prevent a threat to infringe.⁴⁹ In the case of *Primrose Nigeria Limited v Mr. Atul Singh*,⁵⁰ the plaintiff had claimed against the defendants an injunction to restrain the defendants from disturbing and hindering the plaintiff in the course of its business and also a total sum of 41.5 million Naira (forty-one million, five hundred thousand naira) as general and special damages. However, the defendants objected to the court assuming jurisdiction over the matter because the particulars of claim did not disclose any cause of action against the defendants.

An Anton Piller Order is an order which can be given ex parte for inspection, photographing and delivery up of infringing materials in the possession or control of an infringer. In normal ex parte application, the plea is based on urgency and secrecy. In the *locus classicus* case wherein the order was first issued, i.e. the notorious case of *Anton Piller KG v Manufacturing Process Ltd.*⁵¹ The

⁴⁴Babafemi (n 24) 109.

⁴⁵ *Masterpiece Investments Ltd. v Worldwide Business Media Ltd.* (1997) F.H.C.L.R 496.

⁴⁶Babafemi (n 24) 110.

⁴⁷ (1980) F.H.C.L.R 177.

⁴⁸ *Adedeji v Eso* (2011) LPELR-CA/1/110/2008.

⁴⁹ *Soul Publications Ltd. v Sweet Hearts Publication Ltd.* (1997) F.H.C.L 369.

⁵⁰ (1998) F.H.C.L 116; *Saraki v Kotoye* (1992) 9 NWLR (Pt.264) 156.

⁵¹ (1976) Ch 55.

plaintiff manufactured and supplied its English agents and computer components through the defendants. It had reason to suspect that the defendant disclosed its trade secrets to competitors. The court considered the effect of a civil search order (as opposed to a criminal search warrant). In effect, the court ordered *ex parte* the defendant to allow the plaintiff entry to his premises to inspect documents. Similarly, in *Ferodo Limited v Unibros Stores*,⁵² an Anton Piller Order was granted. In this case, the plaintiffs who were the sole distributors in Nigeria of Ferodo Linings claimed that their products were being sold by the defendants who were not their customers. Delivery up is another remedy for trademark infringement. Delivery up is a remedy usually granted by the courts. When granted, infringing goods will be delivered up to the plaintiff to be destroyed. This relief was granted in *Beecham Group Ltd. v Esdee Food Products (Nig.) Ltd.*⁵³ The court, having found that the defendant's product marked "GLUCOS-AID" drink infringed upon the plaintiffs drink marked "LUCOZADE", held, *inter alia*, that the defendants should deliver upon oath for destruction all the goods, cartons, wrappers, blocks, discs or stamps bearing any mark or get up that would be in breach of the injunction which had been granted.

Jurisdiction

Jurisdiction is the authority of a court to decide a matter instituted before it by litigants. Jurisdiction is fundamental to the exercise of judicial power vested in a court and action without jurisdiction, no matter how well conducted must eventually come to nullity.⁵⁴ Under the Nigerian legislation, the functions of the court are critical to resolving trademark issues and the subject matter jurisdiction to hear intellectual property cases is exclusively given to the Federal High Court by the CFRN. The CFRN is supreme and its provision binds all persons and authorities throughout the country and any law that is inconsistent with the provisions of the CFRN shall be void to the extent of such inconsistency with the provisions of the CFRN.⁵⁵ Thus, section 251(1) (F) of the CFRN provides that:

Notwithstanding anything to the contrary contained in this Constitution and in addition to such other jurisdiction as may be conferred upon it by an act of the National Assembly, the Federal High Court shall have and exercise jurisdiction to the exclusion of any other court in civil cause and matters...(arising from) any Federal enactment relating to copyright, patent, design, trademarks and passing off...

⁵² (1980) F.S.R 489.

⁵³ (1981) F.H.C/L 177.

⁵⁴ *Funduk Engineering v McArthur* (1993) 4 NWLR (Pt 329) 640.

⁵⁵ CFRN 1999, s 1.

Form the above provision of the CFRN, it is apparent that any civil matter anchored on trademark can only be commenced at the Federal High Court. The provision makes no dichotomy between registered and unregistered trademark in Nigeria and this position stands notwithstanding anything to the contrary contained in the constitution. Similarly, the Federal High Court Act provides that the Federal High Court shall to the exclusion of any other court have original jurisdiction to try civil cases arising from “any Federal enactment relating to copyright, patent, designs, trademarks and passing-off...”⁵⁶ In addition, section 3 of the TMA empowers a trademark owner to institute action against any person for passing off and the TMA specifically defined court to mean the Federal High Court.⁵⁷ The litany of legislations cited above appears to have vested exclusive jurisdiction on the Federal High Court on matters relating to infringement of trademarks.

However, in Nigeria, over the years, the litigants have been faced with a dilemma over issues of the exercise of exclusive or concurrent jurisdiction by the Federal and State High Courts in cases involving infringement of trademarks in view of the inconsistent decisions of the Nigerian Supreme Court. Thus, in *Patkun Industries Ltd v Niger Shoe Manufacturing Co Ltd*,⁵⁸ the Supreme Court held that the Federal High Court has jurisdiction in action for passing-off of registered trademark. It was the view of the apex court that where a common law right has been enacted into statutory provisions, it is the statutory provisions so made that resort must be had for such rights and not the common law. In other words, the Supreme Court decision in *Patkun's* case is anchored on the provision of section 3 of the TMA which allows a trademark owner to enforce his rights against any persons for passing-off his goods.

The Law and Practice on Trademark in Other Jurisdictions

This section examines the law and practice of trademarks such as registration, infringement and remedies in other jurisdiction with a view to determining what lessons can be learned from these jurisdictions for purposes of applying the lessons in Nigeria.

Registration

In the United States of America (USA), the Lanham Act⁵⁹ provides that an application for registration of a trade mark shall include the applicant's domicile and citizenship, the date of the applicant's first use of the mark, the date of the applicant's first use of the mark in commerce. *Section 3* of the Lanham Act further makes it possible for the registration of service marks in the same manner and with the same effect as are trademarks. It follows that both service marks and trade marks in the USA enjoy equal protection under the law once registered. Furthermore, the

⁵⁶ Federal High Court Act 1973, s 7(1).

⁵⁷ TMA 1967, s 67.

⁵⁸ (1998) 5 NWLR (Pt. 93) 138.

⁵⁹ Trademarks Act, 1946 (as amended)

Lanham Act also provides for the registration of collective and certification marks. The Lanham Act⁶⁰ provides that subject to the registration of trademarks, so far as they are applicable, collective and certification marks, including indications of regional origin shall be registrable. The procedure for registration of such trademark is simplified in the sense that an owner of the trademark is required to request for registration of such mark by paying the prescribed fee with an application filed in the Patent and Trademark Office.

In the United Kingdom (UK), an application for registration of a trade mark is made to the registrar and the application shall contain a request for registration of a trade mark, the name and address of the applicant, a statement of the goods or services in relation to which it is sought to register the trade mark, and a representation of the trade mark⁶¹. Also, under the Trade Marks Act, 1994, a person applying for registration of a trade mark shall state that the trade mark is being used, by the applicant or with his consent, in relation to those goods or services, or that he had a *bona fide* intention that it should be so used⁶². Under the TMA, a trade mark shall be registered for a period of ten years from the date of registration subject however, to a renewal for a further period of ten years.

The UK TMA makes a registered trade mark a property right obtained by virtue of the registration of such mark with the attendant rights and remedies for any infringement. In the UK, a trade mark when registered shall be registered as of the date of filing of the application for registration and that date shall be deemed for the purposes of the TMA to be the date of registration. This is a welcome development in that the right of a proprietor of a trade mark over the mark sought to be registered is activated upon the filing of the application for registration. It therefore means that a proprietor has a right to maintain an action against any infringer even before the application for registration is approved.

This approach is different in Nigeria, where the right of a proprietor over the mark accrues only upon registration of the trade mark. Therefore, while the registrar will be considering the application for registration, an infringer can infringe on the said mark and leave the applicant with only a right in passing off other than the remedy provided by the law.

Section 49 of the UK TMA makes provision for registration of collective marks. It states that a collective mark is a mark which is described as such when it is applied for and is capable of distinguishing the goods and services of members of the association which is the proprietor of the mark from those of other undertakings. It also provides that an association of manufacturers, producers, suppliers of services or traders which has the capacity in its own name to enter into

⁶⁰ S. 4

⁶¹ S. 32 Trade Mark Act, 1994 (TMA)

⁶² S. 32 (3) TMA

contracts and to sue or be sued, a legal person governed by public law may be registered as the proprietor of a collective mark⁶³.

In India, an application for registration can be by physical filing or by electronic filing. Where an applicant applies for physical registration, the filing fee is 10, 000 rupees whereas if an applicant elects to apply electronically, the fee is reduced by 10 per cent.

Infringement of Trade mark

The various Trade mark laws of the USA, UK and India all provide for infringement of trade mark which is duly registered. It is clear that the element of all trade mark is its distinctive nature. In the USA trade mark infringement is a violation of the exclusive rights attached to a trade mark without the express authorization of the trade mark owner. Thus, the infringement occurs when the infringer uses a mark which is identical or similar to the trade mark owner.

In the UK, section 10 (1) of the TMA states that a person infringes a registered trade mark if he uses in the course of trade a sign which is identical with the trade mark in relation to goods or services which are identical with those for which it is registered. Furthermore, under the TMA, a person infringes a registered trade mark if he uses in the course of trade a sign where because (a) the sign is identical with the trade mark and is used in relation to goods or services similar to those for which the trade mark is registered, or (b) the sign is similar to the trade mark and is used in relation to goods or services identical with or similar to those for which the trade mark is registered, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the trade mark⁶⁴.

Furthermore, the TMA provides that where the risk exists that the packaging, labels, tags, security or authenticity features or devices, or any other means to which the trade mark is affixed could be used in relation to goods or services and that use would constitute an infringement of the rights of the proprietor of the trade mark, a person infringes a registered trade mark if the person carries out in the course of trade any of the following acts (a) affixing a sign identical with, or similar to, the trade mark on packaging, labels, tags, security or authenticity features or devices, or any other means to which the mark may be affixed, or (b) offering or placing on the market, or stocking for those purposes, or importing or exporting , packaging, labels, tags, security or authenticity features or devices, or any other means to which the mark is affixed⁶⁵.

⁶³ S. 49 (1) (a) (b) Trade Mark Act, 1994

⁶⁴ S. 10 (2) Trade Marks Act, 1994

⁶⁵ S. 10 (3B) Trade Marks Act, 1994

What constitutes infringement in the UK as provided by the TMA is broad and well captured. This is different in Nigeria where Section 5 (2) of the Trade Marks Act, 1967⁶⁶ adopted a restrictive and ambiguous definition of what constitutes an infringement.

Lessons from Other Jurisdictions

The current definition of trade mark under the TMA is verbose, restrictive and inelegantly drafted. Despite its length, it fails to include non-traditional marks such as smell, shape, labels and packaging, all of which are now being used by traders, especially in developed countries, to denote the origin of their products and services. It is therefore imperative that this definition be simplified and extended to cover the essentials, as has been done in the trade mark laws in countries such as the US, UK and India, where qualification for registration is determined by the twin factors of capability to distinguish and capability of graphical representation.⁶⁷

The basis of trade mark infringement in Nigeria is out of date and restrictive when compared to what is obtainable in more advanced trade mark jurisdictions. For instance, infringement will only occur under the TMA if a person, not being the proprietor or registered user of the mark, uses a mark identical to, or closely resembling, the registered mark in relation to any goods for which the mark is registered.⁶⁸ This kind of definition ignores the need to protect some marks which have acquired reputation over a long period of time. It also fails to recognize other nuances of trade mark infringement. Under the UK TMA 1994, for instance, infringement will occur in any of the following circumstances: where a mark identical to the registered trade mark is used on identical goods or services: there is no need to prove likelihood of confusion in this situation as the existence of confusion is presumed; or where either a mark identical to the registered trade mark is used on similar goods or services, or a mark similar to the registered trade mark is used on identical or similar goods or services: in which case likelihood of confusion on the part of the public must be proved to succeed; or where a mark identical or similar to the registered trade mark is used on dissimilar goods: it must be proved that the registered mark has a reputation in the UK, the mark is used without due course and the use takes unfair advantage of, or is detrimental to, the distinctive character or repute of the registered mark.⁶⁹ The above expression of what amounts to infringement under the UK jurisdiction is wide enough to cover cases of normal infringement and other special cases of infringement such as dilution (by blurring or tarnishment) and cyber-squatting.

In India there is a high respect to the courts order which has to be followed by every citizen and if any person disobeys such an order that it is called contempt of such court order and such person

⁶⁶ Cap. T13. LFN, 2004

⁶⁷ *ibid*, s 1(1).

⁶⁸ TMA 1967, s 5(2).

⁶⁹ UK TMA 1994, ss 10(1)–(3).

can be punished by imprisonment or fine or both. In a situation where the court passes an order of permanent or interlocutory injunction or any other decree against the defendant and if the defendant contempt's such order by disobeying the same or continuing with the wrong of infringement or passing off, then the court may pass an order of detention against such defendant in a prison.⁷⁰ In *Esso Sanitation v Mascot Industries*⁷¹ the Delhi High Court held that that the judgment debtors use of the trademark 'Osso' was contempt of the court order as the court earlier had restrained and stopped the use of the plaintiffs trademark 'Essco' as the use of 'Osso' mark was deceptively similar to the plaintiffs trademark. The court detained the defendant in the Prison under civil order as the defendant even after giving an opportunity to stop continued using the disputed mark.

The Indian courts under the trademarks law has always given equal protection to both domestic as well as foreign trademarks proprietors by following the rule of law which can be apparently seen and understood by the judgments passed by the courts and also by the Trademark's administrative authorities under the trademarks legislation.⁷² This is very important and appreciating thing done by the courts as India is a a signatory to TRIPS and also Madrid protocol where India has a reciprocity agreement signed to protect the trademarks of members of these agreements, hence by passing fair judgment and giving utmost justice to the trademark proprietors of foreign countries, the TMA 1999 of India is playing a vital role in achieving the objectives of the TMA 1999 of India and Trade Mark Rules of 2017 of India.

Nigeria can follow the path of the United States in extending its domestic trademarks regulation well beyond its borders. International standards being used to resolve primarily American disputes can be found in section 43(d)(2) of the Lanham Act. For instance, in issues concerning domain names, the US Congress, like the Department of Commerce, recognized the international (and thus jurisdictionally elusive) nature of the domain name system. It should be noted that domain name infringement does not exist under Nigerian law since protection of internet materials is yet to be enacted. However, trademark registration or passing off may be used in cases of marks only. Rather than defer to non-national and international standards and institutions, the US Congress saw the non-national nature of domain name registration as an enforcement problem to be addressed. Thus, when it enacted the Anti cybersquatting Consumer Protection Act 1999, it also introduced *Section* 43(d)(2) of the Lanham Act. Under this provision, the owner of a mark who cannot obtain jurisdiction over the alleged cyber squatter may file an action in rem against the domain name itself in the judicial district in which the domain name registrar that registered the domain name is located. This provision, in particular, has enabled U.S. mark owners to obtain relief against cyber squatters from around the world, effectively extending the reach of U.S.

⁷⁰ Order 39 of CPC 1908.

⁷¹ (1982)PTC(302)DEL.

⁷² *Milment Ophtho Industries & Ors v Allergan Incorporation* [2004(28) PTC (585) SC].

trademark laws well beyond the United States. Another area where registration of trademarks in Nigeria differs from other jurisdictions is that the trademark registry tends to refuse the registration of a trademark due to the existence of a prior trademark application. This approach can be said to be rather restrictive. In the United States of America, a trademark application would be refused based on the existence of an existing trademark rather than the mere existence of a prior application. It would be more desirable for Nigeria to adopt this approach and notify the proprietor of the existence of a prior registration rather than resort to immediate refusal of registration.

Furthermore, in the UK an applicant acquires a proprietary right in the mark from the date of submission of the application for registration and can maintain an action against any infringer. The Nigerian Trade Marks Act does not have this protection as the applicant only acquires a right only upon registration. Nigeria should adopt this approach also to effectively protect ownership of trademarks giving the rapid expansion of economic activity in the twenty first century. Nigeria should also take the advantage of signing up to the Madrid Protocol which affords legal protection for international trade mark registration. Nigeria should also adopt the first to use system in the registration of trade mark as obtain is obtainable in the USA and UK.