

TRADE MARKS PROTECTION AND ENFORCEMENT IN NIGERIA: PROSPECTS FOR NATIONAL DEVELOPMENT

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INTRODUCTION

Sometime in the year 2007, the Federal Government unveiled a blueprint for the actualization of Nigeria's desire to be among the top 20 countries of the world by the year 2020.¹ In the realization of this vision, it is expected that the real² and services sectors of the economy would lead the charge in this effort by growing the Gross Domestic Product (GDP) of the country.

In the contemporary world, as has been evident since the industrial revolution, the economic development of any country is tied to technological advancement. In a related manner, technological advancement itself is a product of innovation. Innovation, which results from intellectual activity in the industrial, scientific, literary and artistic fields, is generally rewarded through the protection offered by intellectual property rights,³ one of which is the trade mark. It is against this background that this paper seeks to highlight and discuss the ways by which trade marks could encourage industrial activity leading to the realization of the vision 20: 2020. The paper shall undertake an examination of the existing legal framework for the administration and enforcement of trade mark rights in Nigeria, with a view to identifying those areas where amendments are urgently needed, if Nigeria is to fully harness the potential of the trade mark system. Finally recommendations would be proffered, which are aimed at addressing the problems created by the lapses in the existing framework.

UNDERSTANDING TRADE MARKS

Trade marks administration, registration and enforcement in Nigeria is regulated by the Trade Marks Act.⁴ This statute is largely modeled after the Trade Marks Act (1938) of the United Kingdom. The Trade Marks Act (Nigeria) defines a trade mark as:

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¹This is what is commonly known as Vision 20:2020

² Reference to the industrial and manufacturing sectors of the economy

³ Intellectual Property Handbook: Policy, Law and use, WIPO Publication No. 489E (2nd Ed) 2004, p 3

⁴ Cap. T13 L F N 2004

*“... a mark used or proposed to be used in relation to goods for the purpose of indicating or so as to indicate a connection in the course of trade between goods and some person having the right either as a proprietor or as a registered user to use the mark, whether with or without any indication of the identity of that person, ...”*⁵

The Blacks Law Dictionary defines a trade mark as “a word, phrase, logo, or other graphic symbol used by a manufacturer or seller to distinguish its product or products from those of others.”⁶ A trade mark, therefore, is a sign which is capable of being represented by way of a mark, word, name, signature, or a combination of any of the afore mentioned, and which is capable of distinguishing the goods of one manufacturer from those of another.

From the foregoing definitions of what a trade mark is, it is clear that a trade mark is a mark of distinctiveness of some sort, meant to identify the goods upon which it is crested as those of the proprietor of the mark, or a registered user of the mark. Indeed, a trade mark has been described, quite rightly, as any sign or device used by a business enterprise to identify its goods and distinguish them from those made or carried by other.⁷ It has been described as any sign that individualizes the goods of a given enterprise and distinguishes them from the goods of its competitors.⁸

The latter description of trade marks is quite instructive as it strikes at the heart of the essence of the recognition and enforcement of trade mark rights. This is particularly against the backdrop of the fact that any system that emphasizes distinctiveness is competition – based, hence the need to distinguish goods amongst competitors. This much was admitted by the learned author, Cornish, when he stated that:

⁵ Section 67(1)

⁶ Garner, B.A. (Ed) 7th Ed (St. Paul, Minnesota; West Publishing Co , 1999) p.1500

⁷ World Intellectual Property Organization “Britannica Student Encyclopedia” (2006) p.68

⁸ WIPO Intellectual Property Handbook, op cit. 318

"As modern capitalism has grown, the drive to sell products and services by means of some brand or name has invaded more and more fields...

*Trade marks and names have become nothing more nor less than the fundament of most market-place competition."*⁹

Another writer, Colston, had equally described trade marks as a by-product of market enterprise and market place competition, identifying goods and services the same way names identify individuals and companies.¹⁰

There is clearly a consensus of opinion that the trade mark system is one of the hallmarks of a capitalist economy. This is because the capitalist economy is competition-driven, and a competition-driven economy fuels innovation. It is upon this basis that the trade mark system allows an individual who has developed an innovative idea or product to enjoy proprietary right and pecuniary benefit over, and from his work. The trade mark, which is one of the classes of intellectual property, affords this kind of protection and advantage for innovation.

FUNCTIONS OF A TRADE MARK

In addition to serving as a means of distinguishing and identifying goods by their marks, trade marks serve a number of economic uses. They are as follows:

1. **Origin Indicator** - Trade marks serve as indicators of the trade source from which goods and services originate.¹¹
2. **Quality Assurance** - A trade mark, very often, symbolizes qualities associated with certain goods and services. It ensures that the goods

⁹ Cornish, W.R. "Intellectual Property: Patents, Copy right, Trade Marks and Allied Rights (2nd Ed) (London: Sweet and Maxwell, 1989) p. 392

¹⁰ Colston, C. "Principles of Intellectual Property Law" (London: Cavendish Publishing Ltd, 1999) p.26

¹¹ Cornish notes that commercially valuable associations between a place and type of goods are frequently developed by use of the place name. For instance, in England it is common to hear of Roquefort cheese, Dover dairy, etc. See generally Cornish, op. cit. 444. In the case of Nigeria, it is also easy to associate certain places with specific agricultural produce. For instance there is Ofada rice, Miango yam, Nasarawa yam (which is currently being exported to the United Kingdom). However, where this is the case, issues arise as to whether a single farmer or trader from that area can secure a vital advantage over the others by acquiring monopoly over the trade mark by the name of the locality.

measure up to the standard that goods with that mark usually, or ought to have.

3. **Incentive for Competition** – Trade Marks provide an incentive for companies and businesses to invest in maintaining or improving on the quality of their products. In an economy where reputation affects profitability, it is unlikely that manufacturers and producers would turn out products that are sub-standard. This leads to healthy rivalry between competitors in order to be able to control a larger percentage of the market.
4. **Increasing Revenues from Sales** – With a trade mark, consumers may be willing to pay higher prices for goods if they are convinced that the goods or products and its qualities and features as communicated by the trade mark, are worth the price.¹²
5. **Ensuring Compliance with Safety and Technical Specifications** – A trade mark can serve as an indicator of compliance with safety and technical specifications. In this regard, collective marks provide evidence of membership of a group of individuals or businesses engaged in a particular industry, thereby authenticating the quality of the products. In a similar manner, certification marks certify that goods or other products comply with a safety standard or some technical specification.
6. **Trade Marks as Assets** – Over the years, trade marks have become an important asset in arrangements between companies. They are valuable assets factored into mergers and acquisitions between major corporations, even exceeding the value of their physical assets.¹³

TRADE MARKS REGISTRATION IN NIGERIA

In Nigeria, trade marks are registered pursuant to the Trade Marks Act. The Act requires the classification of goods for which trade marks may be obtained. In the event that there is a dispute regarding the class to which the goods for which the mark is sought to be registered belongs, the Registrar

¹² It has been reported that Asahi Brewers had earlier observed that Japanese consumers value innovation. It, therefore, promoted the concept that its new trade mark “Dry” beer was the latest innovation in beer, thereby creating a new product. This campaign claimed to have “completely changed Japanese beer” offering an alternative taste. The Japanese consumer now prefers the light and dry taste, which enable the company to corner the top market for the first time in 2001. See generally information on Asahi Beers V. Asahi Dry Mark at <http://www.asahibeer.co.jp/English/Company-e/superdry>

¹³ An example of this is the craft of US\$13 billion acquired by Philip Morris as a result of the recognition of its long established brand name, which was more than 600% of its book value

of Trade Marks shall make the determination and his decision shall be final.¹⁴ This section gives the Registrar unfettered discretion in resolving any such disputed that may arise. This is particularly as the Registrar is not required to be guided by any principles or other considerations in arriving at his decision, which is final on the issue. The applicant in such a situation is left without a remedy in the event that he is dissatisfied with the decision of the Registrar, and he is compelled to abide by that decision. It is the opinion of the present writer that the discretion given to the Registrar on such matters is too wide, and it is subject to abuse. If Nigeria is to have a trade mark system that is investor – friendly, then an applicant should be given the right to have a second opinion. This could be done by rendering the Registrar's decision on such matters subject to review by the Tribunal¹⁵ within the shortest possible time. This would go a long way in ensuring that the Registrar's decision on such matters is neither whimsical, nor capricious.

Under the Act, registration of a trade mark may be obtained either under Part A or B of the Register. Registration under Part A requires that the mark sought to be registered is distinguishable from other marks.¹⁶ On the other hand, registration under Part B is obtainable if the mark is capable of distinguishing the goods of one person from those of others.¹⁷ It must be stated straightaway that registration of a trade mark is not automatic as there are a number of conditions that must be satisfied before a mark can be registered.

Registration of Mark in Part A

For a mark to be registered in Part A of the register, it must be distinctive in the sense that it may contain or consist of at least one of the following essential particulars. That is to say:

- a. The name of a company, individual, or firm, represented in a special or particular manner;

¹⁴ Section 4. A similar section under the Trade Marks Act (UK) was given judicial interpretation in the case of *Cal V. Test Trademark* (1967) ESR 29, 44 restating the finality of the Registrar's decision

¹⁵ The Tribunal means the Registrar or the Court i.e. the Federal High Court as the context or circumstances may require. See section 67 (1) of the Trade Marks Act. In this case, the tribunal would be the Federal High Court exercising appellate jurisdiction over the decision of the Registrar

¹⁶ Section 9(1)

¹⁷ Section 10(1)

- b. The signature of the applicant for registration or some predecessor in his business;
- c. An invented word or invented words;
- d. A word or words having no direct reference to the character or quality of the goods, and not being, according to its ordinary signification, a geographical name or surname;
- e. Any other distinctive mark.¹⁸

A trade mark for registration in Part A may, therefore, be the name of a company, an individual, or a firm represented in a special manner. This suggests that the name must be crafted in a manner that would distinguish it from the name simply expressed in writing. For instance, the name may be represented in cursive. This would give it a distinctive quality such as to differentiate it from the same name describing another person, who is not the proprietor of the trade mark constituted by that name, likewise, the provisions permitting the registration of the signature of the applicant or his predecessor in the business. Such a signature provides a means of distinguishing the goods of the proprietor of the mark from those of his competitors in the industry.

One of the criteria for registrability of a mark in Part A is that the mark must neither be a geographical location (according to its ordinary signification), nor a surname. This condition excludes the use of the name of a known place. What this means is that registration of a trade mark that identifies goods or other products with the place of origin or production is unobtainable. This is a clear departure from the position of the law on the point in the United Kingdom,¹⁹ and it has the effect of denying businesses the opportunity of taking advantage of the goodwill available to goods and other products emanating from a particular geographical location. For instance, it is widely known that the varieties of rice grown in Nigeria, that is the Benue and Ofada rice, have a unique taste and quality. Research by Propcom, a United Kingdom Department for International Development Programme, has revealed that a massive potential exists for the export of Ofada rice to Europe and the United States.²⁰ For the farmers and agro

¹⁸ Section 9(1)

¹⁹ Section 9(1)(d) of the Trade Mark Act of the United Kingdom allows the registration of a trade mark if the word is a geographical name according to its ordinary signification, upon sufficient proof of distinctiveness, see generally Cornish, *op cit.* 444

businesses engaged in the cultivation and processing of Ofada rice to compete profitably on the international market, they should be able to obtain trade marks for their respective brands. However, it is necessary to have some measure of distinctiveness between various brands. This can be done by ensuring that any such trade mark proposed for registration is a name that is sufficiently distinctive. In other words, there must be some other word or name, in addition to the geographical location where the produce is cultivated, that would render the particular brands capable of being distinguished from other brands of the produce cultivated in those areas.²¹ Doing so not only has the potential of growing the nation's foreign exchange earnings and stabilizing its balance of payments, it has the capacity to boost economic tourism. This is because when a geographical location is globally recognized as the origin or source of a particular product, it attracts tourists who want to visit that location out of curiosity, or for other reasons. That is the extent to which trade marks carrying the name of a geographical location can promote such a place if it is widely known as the source of a qualitative product or produce.

Furthermore on registrability, the Act provides that any other mark that is distinctive may be registered under Part A.²² Distinctiveness under the Act means:

*"adopted in relation to the goods in respect of which a trade mark is registered or proposed to be registered, distinguish goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to use within the extent of the registration."*²³

²⁰ See "Lucrative export opportunities exist for Ofada rice" at <http://www.tradeinvestnigeria.com/news>. Retrieved on 22/9/10

²¹ Interestingly in the United Kingdom, there are some recognized trade marks brands of Ofada rice such as "Royal siblings" "Coalgate's Ofada rice" and "Ultimates Ofada rice." See <http://ofadaricemarketers.files.wordpress.com/2009/07/rsibs> and <http://www.nairaland.com/attachments>. Retrieved on 22/9/10

²² Section 9(1) (c)

²³ Section 9(2)

In the United Kingdom (which has similar provisions relating to distinctiveness), in the case of non - word marks under Part A, a device that is common to a trade will not usually be considered as being adapted to distinguish a particular trader's goods. The determination of the question whether it is so "adapted to distinguish" would depend on evidence, which may be found in the marks already in the register.²⁴

Registration of Mark in Part B

In the case of registration under Part B, for a mark to be registrable thereunder, the Act provides that it must:

*" . . . be capable, in relation to goods in respect of which it is registered or proposed to be registered, of distinguishing goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to use within the extent of registration."*²⁵

Registration under Part B does not require the "distinctiveness" prescribed under Part A. It suffices that the mark is capable of distinguishing the goods with which the proprietor is connected in the course of trade or business from goods of which no such connection exists at all. In the determination of the question whether a mark is capable of making this distinction as required under section 10(1), the Tribunal may have regards to the extent to which to which –

- a. The trade mark is capable of distinguishing the goods that are connected to the proprietor in the course of trade; and
- b. By reason of the use of the trade mark or of any other circumstances, the trade mark is indeed capable of distinguishing the goods that are connected with the proprietor in the course of trade.²⁶

²⁴ Cornish, op. cit 441

²⁵ Section 10(1)

It is clear from the provisions of section 10(1) that the mark must be capable of differentiating the goods that the proprietor is associated with in the course of his trade. This suggests that the mark must be intended to distinguish those goods that the proprietor deals with in the course of his trade or business. Any mark intended for goods outside those that the proprietor deals with in the ordinary course of his trade or business will not be registered. What is more, the Act provides for the registration of a mark in Part B notwithstanding any registration in Part A in the name of the same proprietor or of the same trade mark or any part or parts thereof.²⁷ It cannot but be observed that, having regard to the provisions of sections 9 and 10 of the Act read together, registration under Part A is comprehensive enough and offers better protection of the rights of the proprietor.²⁸ The imperative of having registration under Part B of the register is called into question. In the view of the present writer, Part B of the register does not serve any useful purpose. This is because the essence of the trade marks and the protection that they offer is to distinguish the goods of the proprietor from those of his competitors. The criteria for registration under Part A have adequately taken care of this core essence of trade marks. Registration under Part B does not add to or create a new class of rights enforceable beyond that which is available under Part A. Rather, the determination of the rights accruing to a proprietor of a trade mark registered under Part B can only be made after applying subjective tests. It is time that registration under Part B is done away with in order to have a clear and objective system for the protection and enforcement of trade mark rights, rather than the subjective system that is entrenched by Part B.

The Procedure for the Registration of Trade Marks

The procedure for the registration of a trade mark begins with an application made in writing to the Registrar of Trade Marks.²⁹ The Registrar may accept the application absolutely or subject to any amendments,

²⁶ Section 10(2)

²⁷ Section 10(3)

²⁸ This view is re – enforced by the provisions of section 6(2) which states that: "In any action for infringement of the right of the use of a trade mark given by such registration as aforesaid in Part B of the register, no injunction or other relief shall be granted to the plaintiff if the defendant establishes to the satisfaction of the court that the use of which the plaintiff complains is not likely to deceive or cause confusion or to lead to the belief in a connection in the course of trade between the goods and the person entitled either as proprietor or as a registered user to use the trade mark." In other words, the protection offered by registration under Part B is qualified

²⁹ Section 18(1) Trade Marks Act

modifications, conditions or limitation as he may think right.³⁰ The decision to either accept or refuse the application is usually made after a search of the register to determine whether there is any registered trade mark that is likely to conflict with the trade mark, which is subject of the application. In the event that the application is accepted, whether conditionally or absolutely, the Registrar shall cause a notice of the application to be published in the Trade Marks Journal.³¹ This publication is to allow members of the general public who have any objection to the application to do so. An objection to the application may be made within two months from the date of publication, and the notice of opposition shall be made in writing and shall include the grounds of the objection.³² Upon receipt of the notice of objection, the Registrar shall send a copy of every such notice to the applicant, who shall be entitled to respond, within one month from the date of the receipt of the objection, by way of a counter – statement.³³ If the applicant fails to send a counter – statement, he is deemed to have abandoned his application.³⁴

After hearing the parties and considering the evidence, the Registrar shall decide whether, and subject to what conditions or limitations, if any, the registration is to be permitted.³⁵ The decision of the Registrar is subject to appeal,³⁶ and after hearing the parties the court may permit the trade mark proposed for registration to be modified in a manner not substantially affecting its identity.³⁷ It shall thereafter be advertised in the Trade Marks Journal before being registered.³⁸ Where the application is unopposed and the time for the presentation of notice of opposition has expired, or the application was opposed but has been decided in favour of the applicant, the Registrar shall register the trade mark with effect from the date of acceptance of the application. This protects an applicant who may have presented his application but did not complete the process of registration against a rival claimant who may desire the mark or like – mark and

³⁰ Section 18(2)

³¹ Section 19(1)

³² Section 20(1) and (2)

³³ Section 20(3)

³⁴ Ibid.

³⁵ Section 20(4)

³⁶ Section 21(1)

³⁷ Section 21(5)

³⁸ Ibid.