

# The Trademark Lawyer

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## Business name rights for foreign companies in China

Mr. Zhenkun Fu and Ms. Brenda Zhao from Corner Stone & Partners analyze



CTC Legal Media

**PLUS**

Tish Berard – the 2018 INTA President – discusses key aspects of the 2018-2021 strategic plan, priorities for the year, and the Association's 2018 educational program.



- South American trademark rankings
- Italian SCC judgment
- Nigerian trademark law
- Trademark protection
- Online misuse
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Lara Kayode

# Trademarks in Nigeria

Lara Kayode from O Kayode & Co considers trademark law in Nigeria by looking closely at well-known marks rights, cease and desist letters, the customs process and much more.

**A**frica is vast – its 54 countries take widely varying approaches to IP enforcement and protection. With more than 2,000 languages spoken across the continent and expected GDP growth of 4.4 percent in 2017 according to the United Nations Economic Commission for Africa (UNECA), brand owners must have strong strategies in place and solid legal knowledge about this burgeoning market.

Nigeria is often referred to as the “Giant of Africa”, owing to its large population and economy. With approximately 186 million inhabitants, Nigeria is the most populous country in Africa and the seventh most populous country in the world. Being the most populous country with a high fertility rate, Nigeria has the third-largest youth population in the world, after India and China, with more than 90 million children under age 18.

## Trademarks under Nigerian law

### History:

Statutory protection of trademarks in the United Kingdom commenced with the promulgation of the Trademarks Registration Act of 1875. In Nigeria, the formal system of protection established by the colonial administration exist alongside the use of marks in agriculture, craft and other sectors to indicate ownership of goods.

The current Nigerian Trademark Act was promulgated five years after Nigeria’s independence (Trademarks Act 1965), which remains in force still today and is based on the UK 1938 TMA.

This mark provides for the protection of all registered marks without prejudice to the unregistered rights under the common law of passing off. Sections 3 and 8 TMA.

The administration of trademarks is vested in the Registrar of trademarks acting under the appropriate

direction of the relevant ministry – currently the Minister of Trade and Investment.

In accordance with the exercise of these powers, the Minister in 2007 undertook the amendment of the first and fourth schedules of the TM regulations, making new regulations to include service marks. Registration confers exclusive right to use the mark in relation to the class of goods and services for which it is registered. The Act spells out the provisions for infringement of a trademark, however there are certain steps to be taken.

There must be a registration subsisting and valid on the trademark register as emphasized in *Crysterlight Overseas Agency Ltd v. Yugolex Drugs Company Limited* 1997-2003 4 IPLR178.

There are a number of laws relevant to the protection and enforcement of intellectual property rights:

- The Trademarks Act Cap T13, L.F.N 2004
- Trade Malpractices Act (Miscellaneous Offences) Act Cap. T12, LFN 2004, Consumer Protection Council Act Chapter C25. LFN 2004
- Counterfeit and Fake Drug and unwholesome Processed Foods (Miscellaneous provision) Act Cap C34 LFN 2004
- Merchandise Marks Act Cap. M10 LFN 2004
- Standard Organization of Nigeria Act 2015 (as amended)
- Cybercrime Act 2015

## Trademark use

The Trademarks Act prescribes a period by which, if a mark is not used, it may become subject to removal via an application from any concerned person. The application can then be made either to the Nigerian Court or to the Registrar, provided that there is no pending court action related to the trademark.

If a concerned party applies to remove a registered trademark, he or she must prove either one of the following:

- That the trademark was registered without a *bona fide* intention by the applicant, that it should be used in relation to the goods for which it is registered, and that there has, in fact, been no *bona fide* use of the mark by any proprietor up to one month before the date of the application to remove the mark; or
- That a continuous period of five years or longer has elapsed during which the mark was registered and during which there was no *bona fide* use by the proprietor of the mark in relation to the goods for which it was registered.

## Résumé

**Lara Kayode, Founding Partner, O. Kayode & Co**

An active and former Board member of INTA, she has consistently served on various committees at INTA and is the current subcommittee chairperson of the Unreal Campaign committee ( MEASA) and a member of the Programme Advisory Council and the INTA President’s task force for SMEs and Entrepreneurs.



In order to fend off an application to remove a trademark based on non-use, the mark owner must ensure that they are actively using their marks in the jurisdiction in relation to the goods or services for which they have registered them. An owner cannot simply assert use: they must be able to prove it. There must be clear evidence showing that the mark has been used in the marketplace in relation to the goods. The use needs to be of a commercial nature and must be in the country in which the mark is registered. A claim of non-use cannot be defeated by proving that the mark has been used in neighboring countries.

Further, it would be best to show that the mark has been used in more than a token fashion so that where, for example, the mark is in relation to food, the frequency and amount would be a significant consideration. The sale of a box of olive oil bearing the trademark over the five-year period is not likely to convince the Registrar or a court that the mark was being used in a genuine commercial sense.

It should also be noted that, where a mark is registered with a broad specification of goods and/or services, the Registrar can make a determination that the mark has been used in relation to only some of the goods in the registration but not all. This would result in the registration being preserved in respect of the goods for which there

has been genuine use, but cancelled in respect of the remaining goods. Trademark owners must therefore seriously consider whether or not they will be using their mark in respect of all the goods or services for which they apply for registration.

In the same vein, extensive or successful use is not necessary to show *bona fide* use.

Genuine use depends on the facts of each case and the courts would have to consider the nature of the goods or services, the characteristics of the market and the frequency of use of the mark.

The Court of Appeal accepted this definition of genuine use in the case of *Procter and Gamble Company v Global Soap and Detergent Industries Limited* 55 NIPJD {CA 2012} 369/2008. The Court of Appeal held that s31(2)(a) of the Trademarks Act Chapter T13 Laws of the Federation 2004 which deals with non-use set out two requirements which must be satisfied concurrently.

These are:

- 1) the absence of a *bona fide* intention to use the mark at the time of registration; and
- 2) the absence of *bona fide* intention to use the mark up to one month before application to expunge the mark from the register.

The Court further stated that *bona fide* use includes advertisements issued by foreign media to the Nigerian public.

“ In order to fend off an application to remove a trademark based on non-use, the mark owner must ensure that they are actively using their marks in the jurisdiction. ”

### What is the approach to well-known marks?

Nigeria is a signatory to the Paris Convention; however, the convention has not been domesticated into local law. Section 32 of the Trademarks Act states that the owner of a mark must register it as a defensive trademark whether or not he/she uses it. Thus, well-known marks must be registered in order to receive protection. However, in other African countries which have domesticated the Paris Convention, well known marks may receive protection despite no registration.

### What is the best approach/strategy to address infringing activity?

There are various ways in which infringing activity can be addressed.

### Cease and desist letters

This may be sent in the first instance, which is written to the infringer. A further cease and desist letter may be issued to the infringer to stop infringement or be faced with legal action. This approach helps when presenting evidence before the court, as it demonstrates that litigation was not the first option for the trademark owner.

### Corporate Affairs Commission (CAC)

In a situation where a registered company name infringes upon a registered trademark, a trademark owner may write to the Registrar General of the CAC, stating that the trademark is registered to the trademark owner that another party is infringing the mark.

If CAC fails to take any action the infringer with the CAC joined in the suit may be sued at the Federal High Court.

Civil Action and Criminal actions are available respectively for trademark infringements at the Courts. Certain regulatory bodies have recently been empowered by Statute to institute proceedings against the infringers.

“ In a situation where a registered company name infringes upon a registered trademark, a trademark owner may write to the Registrar General of the CAC. ”

### Customs and the trademark owner

#### Are customs records automatic?

Customs recordal is not automatic. It is highly recommended that a Memorandum of Understanding (MOU) be entered into with the Customs office to ensure that a watchful eye is kept on products at relevant ports prior to entry in the country.

### Quick tips for enforcing IP rights in Africa:

#### 1. Register your IP

- Be aware of jurisdictions with a first-to-file basis of registration, with respect to trademarks and patents.
- Register patents using national systems where available and also systems such as the Patent Cooperation Treaty, where possible, to increase efficiency and reduce costs.
- Record copyrights

#### 2. Be active in enforcing your rights

- Approach relevant regulatory bodies
- Conduct market actions/raids
- Prosecute offenders: criminal and civil

#### 3. Engage in public sensitization

- Enlightenment campaigns
- Training seminars
- Student engagement sessions

#### 4. Employ packaging control measures, such as:

- Holograms
- Security codes
- Design details
- Coloration
- SMS codes

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