



Trademarks In Nigeria: An Overview

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ABSTRACT

This paper addresses trademark as an aspect of intellectual property law in Nigeria. The objective of the paper is to determine the impact of trademark on the Nigerian economy. The doctrinal approach is to be done by gathering relevant legal materials on the topic under consideration. The trademark situation 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. This paper recommends the need for a sound, up to date and user friendly trademark law to stimulate and foster national creativity and innovation. An effective trademark regime not only requires the enactment of an adequate trademarks law but also the full complement of the regulatory institution or governance mechanism that is saddled with the responsibility for the administration and enforcement of the law

Keywords: Trademarks, intellectual property law, industrial property

1.0 INTRODUCTION

A 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. Put at its simplest, a trademark is some type of sign which distinguishes the product or service of one manufacturer or service provider from another.¹ It is the symbol through which consumers identify and become familiar with particular product and therefore make repeated purchase. Trademark protection is enforced by the courts, which in most systems have the authority to block trademark infringement.

A business can succeed only if customers buy its products or use its services. One of the most important functions of marketing and advertising is to create demand, not just for a particular type of product, but for the advertiser's or marketer's own goods. Trademarks (e.g. words, pictures, combination of words and images, even sounds or fragrances) are important tools in identifying the business that provides the goods and services. A good trademark makes the product stand out.²

It is pertinent to note that Nigeria is still a major importer of technology and finished goods. In this circumstance, its citizens have of necessity become familiar with several international brand names, trademarks and industrial designs, etc, which sometimes are unfortunately being imitated by unscrupulous businessmen. Following the market practice in most other countries, the Nigerian laws permit a prospective foreign investor to protect his property interest in any trademark, patent, design or copyright even before completing the other formalities for establishing a business in Nigeria.³

It is against this background that this paper intends to look at trademark as one of the fields of intellectual property in Nigeria. To effectively do that, the paper is divided into five parts. Part one is the introduction.

¹ Anne-Marie Mooney Cotter, *Intellectual Property Law: Professional Practice Guide*, London: Cavendish Publication Ltd, 2003, p.7.

² Dana Shilling, *Essentials of Trademarks and Unfair Competition*, New York: John Wiley & Sons Inc, 2002, p.1.

³ <<http://www.nipc.gov.ng/importantdocument/protection/intellectual>>accessed on 17/10/16.

Part two will provide a conceptual clarification of some terms, where intellectual property, industrial property, patent and copyright will be defined. Part three will look at some government departments that are charged with intellectual property rights protection in Nigeria. Part four will look at the types and function of trademarks. Finally, part five will come up with conclusion.

2.0 Conceptual Clarification of Terms

For a proper understanding trademark, it is imperative to have a cursory look at copyright and patents. It is equally imperative to first of all understand what intellectual property and industrial property are all about in view of the obvious fact that intellectual property affects economic growth and its protection has been an international policy concerned.

2.0.1 Intellectual Property

Intellectual Property is an aspect of the law that has been described as "a branch of the law which protects some of the finer manifestations of human achievements".⁴ We are in the digital age now where intellectual property rights (IPRs) are more susceptible to infringement, thus advancement in computing, biotechnology, telecommunication and other inventions require intellectual property protection. Society is dynamic and the law is supposed to conform to the dynamism of the society. The growing transformation of this field of the law has been described in the words of Adewopo as "relative obscurity into public consciousness where students, commentators and almost everyone including a hawker on the street can talk about the evil in a counterfeit Panadol or polo bag or pirated compact disc (CD), book or computer software"⁵.

It is important to remark that as technology has advanced, industries have been victims of their own success, because with greater advances in technology have come easier methods for duplicating that same technology and associated products. For instance, the introduction of video recorders to customer markets also brought with it the capacity to duplicate video tapes, bringing about potentially massive copyright piracy problems.

It is however important to point out that the ideological foundations of intellectual property law is that it promotes and encourages creativity, research and innovations by allowing authors and inventors exclusive rights or a sort of temporary monopoly to exploit their works and inventions for a period with the backing of legal enforcement mechanism and the subsequent disclosure to the public domain for the common wheel.⁶

Thus, the use of the term 'property' to describe intellectual products implies the existence of rights and remedies in respect of the property and any unwarranted interference with it. Intellectual property, therefore, is concerned with identifying and policing permissible and impermissible dealings with intellectual products, usually by reference to the consent of the right holder, at least in the first instance.⁷

From the above definition, one can differentiate between intellectual property rights and tangible property, i.e. property rights over physical entities, in three dimensions. Firstly intellectual property rights eventually expire, leaving the subject matter without an owner and so free to be used or exploited by anyone, while tangible property rights last in perpetuity. Secondly, no one can compel you to lend your physical property to others so that they might benefit from it, whereas with certain forms of intellectual property compulsory licenses can be granted to third parties by a body other than the owner, to exploit the

⁴ Cornish W.R, *Intellectual Property: Patents, Copyright, Trademarks and Allied Rights*, 3rd Ed, London: Sweet and Maxwell Ltd, 1996, p.3.

⁵ Adewopo A, According to Intellectual Property: A Pro-Development Vision of the Law and the Nigerian Intellectual Property Law and Policy Reform in the Knowledge Era, 5th Inaugural Lecture, Nigerian Institute of Advanced Legal Studies (NIALS), Lagos, 2012, p. 1.

⁶ Akintola S.O, *Intellectual Property Right Issues Arising from Biomedical Research: Problems and Challenges for Nigerian Law*, University of Ibadan Law Journal, Vol. 1, No. 1, 2011.

⁷ Macqueen, H, Wealde, C, and Laurie, G, *Contemporary Intellectual Property Law and Policy*, New York: Oxford University Press Inc., 2008.

property in question. Thirdly, all forms of intellectual property must qualify for protection according to stringent criteria which vary depending on the kind of property right that is being sought. This is not true of physical property which assumes the quality of property by sheer existence.⁸

The world Intellectual Property Organization (WIPO) - a United Nations specialized agency, which was signed at Stockholm in July 14, 1967, defines intellectual property as referring "to creations of the mind: inventions; literary and artistic works; and symbols, names, images, and designs used in commerce".⁹

According to WIPO, IP is divided into two categories:

- a) Industrial Property, which includes inventions (patents), trademarks, industrial designs geographical indications of sources; and
- b) Copyright, which includes literary and artistic works such as novels, poems and plays, films, musical works, artistic works such as drawings, paintings, photographs and sculptures, and architectural designs. It also includes performing and recording rights.¹⁰

Nigeria is a signatory to the Universal Copyright Convention of 1952 and the Berne Convention of 1886 for the protection of literary, musical and artistic works. Nigeria became a member of the Berne Union in 1993. The Rome Convention of 1961 provides protection to producers of phonograms and broadcasting organization. The Patent Cooperation Treaty (PCT) facilitates patent filing in different PCT member states, using a streamlined procedure. Nigeria also became a member of the World Intellectual Property Organization in 1995. Nigeria is also a treaty member to the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) of 1994.

The following government departments in Nigeria are charged of intellectual property rights protection and management as well as technology information; the Federal Ministry of Industry, Trade and Investment is responsible for the registration and administration of trademarks, patents and industrial designs; the "Nigerian Copyright Commission is responsible for the protection and administration of all copyrights and related rights and interests; National Office of Technology Acquisition and Promotion (NOTAP) is in charge of the introduction of key technologies, therefore it provide policies on acquisition, promotion and development of technology licensing and acquisition of foreign technology by Nigerians and Nigerian enterprise. Its subordinate Patent Information and Documents Center (PIDC) provide information to enterprises and research institutes for free. National Agency for Food and Drug Administration and Control (NAFDAC) is to control and regulate the importation, exportation, manufacture, advertisement, distribution, sale and user of food, drugs, bottled water, cosmetics, etc, with a view to eradicating counterfeit and fake drugs unwholesome processed food, etc. The Nigerian Broadcasting Commission (NBC) is responsible for regulating the broadcast industry in Nigeria i.e television, radio, cable and satellite transmissions and the National Film and Video Censors Board (NFVCAB) which assesses, classifies and registers film and video works and the film outlets across the country, monitors the films and film outlets.

2.0.2 Industrial Property

The broad application of the term 'industrial' is clearly set out in the Paris Convention for the protection of industrial property of 1883 in Article 1 (3) thus:

Industrial property shall be understood in the broadest sense and shall apply not only to industry and commerce proper, but likewise to agricultural and extractive industries and to all manufactured or natural products, for example, wines, grain, tobacco leaf, fruit, cattle, minerals, mineral waters, beer, flowers, and flour.¹¹

⁸ Ibid. p. 7.

⁹ WIPO Website at <<http://www.wipo.int/about-ip/en>> accessed on 12/10/16.

¹⁰ Ibid.

¹¹ Art. 1(3) of Paris Convention of 1883.

In that sense, it is not appropriate to interpret 'industry' as (the manufacturing industry). Following this, industrial property is a concept that is associated with enterprises. It refers to the protection of industrial property rights, which, as seen above, are the rights that protect patents, trademarks, and industrial designs. Industrial property assists in developing and shaping a nation's industrial capacity. It is concerned with inventive and innovative activities, and how new quality and improved products get into the markets. It helps in improving the productive capacity of the people, the quality and quantity of manufacturing processes and economic development of a state.¹²

The main areas of intellectual property protection in Nigeria are patents, industrial designs, trademarks, copyright and neighboring rights and business names.. The system of trademark registration is governed by the Trademark Act 1965,¹³ while patents and designs registration are governed by Patents and Designs Act, 1970.¹⁴ Business names are regulated by the Companies and Allied Matters Act (CAMA), 1990.¹⁵ Nigeria has no legislation for Geographical Indication (GI). GI is administered as part of Trademarks.¹⁶

There are two schools of thought on the role of intellectual property rights in economic growth of a country. The first school argues that intellectual property rights are necessary to stimulate research and develop economic growth which, in turn, contributes to poverty reduction. Stimulation of invention and new technologies, will increase agricultural, technological and, or industrial production, and also promote domestic and foreign investment, facilitate technology transfer and improve the availability of medicines necessary to combat diseases. This school of thought takes the view that there is no reason why a system that works for the developed countries could not do the same in developing countries.¹⁷

The second school of thought argues the opposite view. They opine that intellectual property rights do little to stimulate invention in developing countries, because the necessary human and technical capacity may be absent in some of these developing countries. They also argue that intellectual property rights are ineffective at stimulating research to benefit poor people because they will not be able to afford the products, even if developed.¹⁸

This implies that countries not conducting innovative research or conducting a limited amount would enjoy few, if any, of the benefits of intellectual property protection because an innovation sector through which intellectual property rights affect economic growth is absent. As an analogy, consider a town with few, if any, motor vehicles. If the town passes a law against lead emissions, the law is likely to have no appreciable effect on lowering pollution levels in the region (pollution arising instead from other sources). Similarly, countries would not experience the growth effects of intellectual property rights unless a significant domestic research base exists or unless foreign multinationals are present that transfer research knowledge into the country. Given the costs of creating an intellectual property right system, the low returns to providing intellectual property rights (owing to lack of innovation) act as a disincentive to creating such a system.¹⁹

We have seen above that the term intellectual property covers a variety of fields, and in our attempt to render a definition, we have stated that it is not only restricted to industrial property which comprises of patents, utility models, trademarks, service marks as mentioned in the Paris Convention of 1883, but also includes copyright which gives protection to literary and artistic creations as provided for in the Berne Convention. There is no iota of doubt that what amount to intellectual property changes from time to time as old rights are extended to cover some new areas and a times, entirely new rights are created. As a result of this, no discussion of the fields of this branch of law would be exhaustive.

¹² George, I.B, *Economics*, 5th Ed, Prentice-Hall, Englewood Cliff, 998, p. 355.

¹³ Found in Cap. T13 Laws of the Federation of Nigeria, (LFN), 2004.

¹⁴ Found in Cap. P2 LFN, 2004.

¹⁵ Found in Cap. C20 LFN, 2004.

¹⁶ See section 43(1) of the Trademark Act Cap. T13 (Certification Trademarks) LFN. 2004.

¹⁷ Akintola, S.O, op. cit, (n. 6) at 100.

¹⁸ Ibid.

¹⁹ Park and Ginarte, Intellectual Property Rights and Economic Growth, a paper presented at the Western Economic Association International, 70th Annual Conference, San Diego, California, 1995.

2.0.3 Patent

Patents, also referred to as patents for invention, are the most widespread means of protecting the rights of inventors. Simply put, a patent is the right granted by government to an inventor (a patentee) or his assignee to prevent others from making, selling, distributing, importing or using their invention, without licenses or authorization for a fixed period of time. By granting an exclusive right, patents provide incentives to individuals, offering them recognition for their creativity and material reward for their marketable inventions. These incentives encourage innovation, which in turn contributes to the continuing enhancement of the quality of human life. In return for the exclusive right, the inventor must adequately disclose the patented invention to the public, so that others can gain the new knowledge and can further develop the technology. The disclosure of the invention is thus an essential consideration in any patent granting procedure.

The patent system is so designed as to balance the interests of inventors and the interests of the general public. In addition to sufficient disclosure of the invention, there are three requirements (although details differ from country) that determine the patentability of an invention: novelty, non-obviousness and industrial applicability.²⁰

In some countries protection is provided for utility models (or petty patents). The novelty criteria for utility models are less stringent and are typically granted for small, incremental innovations. Their term of protection is far shorter than for regular invention patents (typically four to seven years) duration.

In order to encourage people to invest their time, resources and intellect into creative activities or new technology in the advancement of mankind, it is necessary to give them incentive. This is normally done by conferring temporary monopoly to allow the patentee recoup the cost of investment and reap a profit in return for making publicly available the knowledge upon which the invention is based.

It has been argued that patents contribute significantly to technological development as it facilitates the transfer of technology from technologically developed countries to developing countries.²¹ In Nigeria, the Patents and Designs Registry is saddled with the registration and other ancillary matters with respect to patents.

2.0.4 Copyright

Copyright is defined as the right of literary property as recognized and sanctioned by positive law. An intangible, incorporeal right granted by statute to the author or originator of certain literary or artistic productions whereby he is invested, for a specified period, with the sole and exclusive privilege of multiplying copies of the same and publishing and selling them.²²

Copyright is the right which the creator or an original creative/academic work has against the whole world, usually for the duration of his/her lifetime and for some time afterwards, in preventing unauthorized acts of reproduction of such a work. It is not a registrable right in some countries (Nigeria inclusive) in the sense that it comes into existence by mere reason of creating the original work and not by registration. It is therefore a negative right, which affirms an existing/inherent right of a person by preventing the doing of an act by other persons. The essence is that other persons may do any of the prohibited acts only by the authorization of the right owner.

The following Classes of work are protected under the current Nigerian Copyright Act;

- 1) Literary works - books, computer programmes, letters, reports, tables/compilations etc
- 2) Artistic works - paintings, maps, diagrams, sculpture, photography, Architectural drawings etc
- 3) Musical works - compositions and accompaniments
- 4) Cinematographic films - films
- 5) Sound tracks - sound recordings

²⁰ Utility in use in US where industrial applicability applies to UK.

²¹ This is still a subject of intense debate among various scholars.

²² Henry Campbell Black, M.A, et al, *Black's Law Dictionary*, 6th ed. St. Paul, Minn, USA: West Group Publishing Co. 1990, p. 809.

6) Broadcasts - radio, television, satellite cable, wireless, etc²³

Generally, for all categories of work, the author is entitled to a perpetual, inalienable and imprescriptible moral right which is two-fold; Firstly, paternity right - right to claim authorship and to be identified as author of the work. Secondly, integrity right - right to object to distortion, mutilation, modification of, or derogatory action on, the work where such action would prejudice author's honour and reputation.²⁴ Thus, copyright protectable by the Act is not the idea in the works but the form in which the idea is expressed.²⁵ copyright protection is limited to the lifetime of the author plus 70 years after his death in the case of literary, artistic and musical works, or plus 50 years after first publication or broadcast in the case of cinematographic films, photography, sound recording and broadcast.²⁶ Copyright shall not, however, include right to control *inter alia* fair dealing for purposes of research, private use, criticism or review of educational broadcast.²⁷

Trademark, patents and copyrights are independent rights and the claiming of one does not preclude the claiming of any other. All these rights may apply to a single product. Take a computer, for example. The interior mechanism may be protected by patent. During the statutory patent term, anyone who makes, uses, or sells the computer's patented mechanism or its equivalent is liable for patent infringement. The computer's instruction manual and software programs may be protected by copyright. During the author's life plus seventy years, anyone who makes a copy substantially similar to the copyrighted work is liable for copyright infringement. The name of the computer may be protected by trademark. Trademark law, unlike patent and copyright law, confers a perpetual right, subject to certain conditions. So long as the trademark continues to identify a single source, the user of a confusingly similar mark is liable for trademark infringement.

2.0.5 Trademark

Section 67 of the Trademarks Act defines a trademark as follows:

...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 the goods and some person having the right either as proprietor or as registered user to use the mark, whether with or without any indication of the identity of that person...

This definition has been said to be unnecessarily complicated and restrictive.²⁸ However, this criticism notwithstanding, the definition may be broken down into several components. First, the trademark must consist of a mark, which has been defined as including a device, brand, heading, label, ticket, name, signature, letter, numeral, or any combination thereof.²⁹ Secondly, registration may be based on (prior) use or it may be futuristic in which case an intent to use will suffice as a basis for the application.³⁰ Therefore, unlike patents and designs, prior use or publication of the mark by the applicant is not a barrier to trademark registration. On the contrary, it is an advantage, as it may thereby have become distinctive.³¹ In Nigeria, a mark which is not already being used is registrable, provided 'it is proposed to be used' within the meaning of section 18(1) and 67 of the Act. This phrase has been interpreted to mean that the applicant must have an intention or proposal to use the mark in the reasonably foreseeable future.³²

²³ Section 1, Cap. C28, LFN, 2004.

²⁴ Section 12 Cap. C28, LFN, 2004.

²⁵ Jegede J.K, Course Handbook on Company Law and Practice, Abuja: Nigerian Law School, 1999, p.124.

²⁶ See 1st Schedule of Cap. C28, LFN, 2004.

²⁷ See 2nd & 3rd Schedule of Cap. C28, LFN, 2004.

²⁸ The Working Paper on the Reform of Intellectual Property Law (Nigerian Law Reform Commission, Lagos, 1990) p. 153.

²⁹ See also section 18(1) which provides rules concerning registration by any person claiming to be the proprietor of a trademark used or proposed to be used by him.

³⁰ Trademarks Act, section 67.

³¹ Article 15(3) of the TRIPS Agreement precludes any mandatory requirement of prior use as a condition precedent to registration.

³² See *John Batt & Co. v. Dunnet & Anor* (1899) AC 428.

In order to keep with global economic trends and challenges relating to intellectual property, Nigeria has signed up to various international treaties and conventions with the intention of creating an avenue for the rapid development and appreciation of intellectual property, brand names and quality products as an intangible business asset.

In line with the above, Nigeria is now a member of the Paris Convention for the protection of Industrial Property of 1883, which was the first international agreement on the protection of intellectual property rights. It deals with only industrial property as other forms of Intellectual Property Rights (IPR) were considered non-industrial in nature. The convention conveys protection of trademarks, patents and industrial designs.³³

Even though trademarks are regulated by each country independently, because goods travel beyond country borderlines and bear trademarks, trademark law has international implication. The 1883 Paris Convention for the protection of industrial property was the first major international treaty designed to help the people of one country obtain protection in other countries for their intellectual creations, in the form of industrial property rights. The Madrid Agreement concerning the international registration of marks (1891) offers trademarks owners the possibility to protect a trademark internationally. Both treaties are administered by the World Intellectual Property Organization (WIPO). Established in 1970, WIPO is an international organization dedicated to helping ensure that the rights of creators and owners of intellectual property are protected worldwide, and that inventors and authors are therefore recognized and rewarded for their ingenuity.

The object of most trademark laws, therefore, is to permit an enterprise by registering its mark to obtain an exclusive right to use its license and assigned mark. It thereby prevents fraudulent practice where non-owners of a registered Trademark copy and use such a trademark without the consent and authority of the owner of the trademark or its registered proprietor or licensor of the registered trademark.

Broadly speaking, trademarks have several functions, from the perspective of an owner, a trademark is the right to put a product for which a trademark is registered or on which the trademark is attached by the mark into circulation for the first time. From the view point of the customer, a trademark serves the following functions:

- designates the origin of a product or service
- indicates a particular standard of quality
- represents the goodwill of the manufacturer
- protects the consumer from confusion
- Identification with a particular trade and for distinguishing or differentiation.³⁴

Unlike other jurisdictions like the United Kingdom, Ghana and South Africa, the Nigerian Trademarks Act does not cover service marks in its definition of what constitutes a trademark for registration purposes.³⁵ Likewise the Federal High Court has an exclusive jurisdiction in matters relating to registered trademarks, while a cause of action in tort only lies for persons with unregistered trademarks under the legal head of passing off, actionable at the State High Courts.

CONCLUSION

As observed earlier, a trademark is used by manufacturers and traders as a marketing tool to identify and distinguish competing goods in the market. The role that the trademark system play in the industrial, technological, trade, investment³⁶ and generally economic progress and development has long been

³³ Ibigbami V.M & Orji C.U, 2009, a Review of the Nigerian System of Intellectual Property In: CAS-IP NPI 2009, Institutionalization of Intellectual Property Management: Case Studies from Four Agricultural Research Institutions in Developing countries, CAS-IP, Rome, Italy.

³⁴ World Intellectual Property Organization, background Reading Material on Intellectual Property, p.145.

³⁵ See section 67(1) of the Trademarks Act.

³⁶ Companies in Nigeria such as Nestle, Glaxo Smithkline, Patterson Zochonis (PZ), AND Procter & Gamble are producing many of their products under licenses.

recognized by many countries. The protection afforded trademarks results in more creations and investment leading to new and improved products, a climate that supports and promotes economic prosperity.

A sound, up to date and user friendly trademark laws are required to stimulate and foster national creativity and innovation. Government need to push for policies and strategies that will support and encourage indigenous creative activity, local entrepreneurs, access to funding for innovative research and the right legal atmosphere for creativity to flourish³⁷.

From the foregoing, we have seen the inadequacies of the current trademarks Act, both on the limit and scope of what amount to trademarks, the absence of legislation on the registration of service marks, and the need to encourage and stimulate indigenous creative efforts, removing impediments to international trade, and review of national intellectual property laws.

Arising from this, there is the urgent need to reform the current Nigerian Trademarks Law. Not only are its provisions archaic and outdated, some of its provisions are ambiguous, lacked clarity and cannot cater for modern commercial activities as enshrined in the Agreement on Trade Related Aspects of the Intellectual Property Rights System (TRIPS).³⁸

³⁷ Ibid.

³⁸WTO/TRIPS Agreement 1994.