

## **An Analysis of the Registration of Trademarks Under Nigerian Law**

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### **Abstract**

Creativity and innovation are proven drivers for economic growth and competitiveness. Research has shown that economic growth is closely related to how well the economy encourages, stimulates and fosters creativity and innovation. Nigeria, being Africa's most populous nation, has the largest economy in the continent, and a fast-growing services sector with an increasing need for consumer goods. This factor alone makes trade mark registration important. Furthermore, with the dawn of a new economic and socio-political environment in Nigeria at the turn of the century, there has been an increasing consciousness for the protection of intellectual properties and trademarks. Unfortunately, the registration of Intellectual Properties and trademarks is hampered by an archaic and not very efficient administrative system in Nigeria. Most of Nigeria's IP laws are old and out of sync with the trends in the 21st Century global market place. The current laws fail to contemplate, and therefore do not provide means, for the protection of new developments and innovations in intellectual property. For instance, the Trade Marks Act was enacted in 1965 is a replica of the UK Trade Marks Act (1938), which as detailed as it was, scholarly opinion agreed that it was poorly drafted and deficient in many respects. That notwithstanding, and in an attempt to further raise awareness of the public on the issue, this article analyses the registration of trademarks in Nigeria while highlighting the outdatedness of the existing law.

**Keywords:** Trademark, Intellectual Property, Nigeria, Creativity, Innovation

### **Introduction**

Intellectual Property rights are those legal rights associated with creative effort or commercial reputation and goodwill. Trademark is an aspect of Intellectual Property which deals with the protection of goodwill attached to marketing products. Trademark has long been used by

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manufacturers and traders to identify their goods and distinguish them from goods made by others. Intellectual Property and trademarks are very important as creativity and innovation are proven drivers for economic growth and competitiveness. Research has shown that economic growth is closely related to how well the economy encourages, stimulates and fosters creativity and innovation (BASCP, 2015). Furthermore, Intellectual Property is critical to almost all types of organisations. An organisation's name and logo set it apart from other organisations. Intellectual property, as an asset, is incredibly valuable and copyrighted works can be a potential source of revenue when organisations decide to license or sell their materials (e.g. online courses, trainings, merchandise, etc.). Trademarks also provide a way in which organisations can brand themselves in order to attract customers, supporters, volunteers, sponsors/donors, etc. Since trademarks are crucial to the promotion of trade and economic development, it is no surprise that most developed countries often update their trade mark laws to reflect modern trends. Unfortunately, the same thing cannot be said of trade mark laws of many developing countries such as Nigeria (Olatunji, 2016). The focus of this article is on the registration of trademarks in Nigeria.

### **Meaning of Trademark**

Trademark as a concept has been defined by Statutes, case laws and different writers. However, the most authoritative definition was the one given by the Trade Marks Act (1965) (Currently being cited as, Cap T13, Laws of the Federation of Nigeria, 2004) it has been defined as:

*Trademark means, except in relation to certification mark, 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 a registered user to use the mark whether with or without any indication of the identity of that person and means in relation to a certification mark, a mark registered or deemed to have been registered under the Act.*

## *An Analysis of the Registration of Trademarks Under Nigerian Law*

However, the above definition despite its authoritativeness, does not cover certain marks such as colour, taste, packaging etc. It is therefore submitted that the definition given by the Act does not reflect the current trend of technological advancement. Trademark is also defined as any sign that individualizes the goods of a given enterprise and distinguishes them from the goods of its competitors (World Intellectual Property Organization, 2017). The Supreme Court defined trademark in the case of *Feredo Ltd v. Ibeto Industries Ltd (2004)* as a distinctive picture which would indicate to a particular purchaser of an article bearing it, the means of getting an article with the same trademark on it.

Another writer (Ameh, 2014) defines trademark as a feature that differentiates a product from others by use of symbols or signs to enable a consumer to make a choice. It is however submitted that the above definition is arguable because trademark goes far beyond enabling a consumer to make a choice; it guarantees quality and ensures that the goodwill of a business remains intact; it also distinguishes the goods of one person from another; it directly connects a good to its producer; it, therefore, goes beyond seeing it from consumers perspective alone.

### **Historical Development of Trademark in Nigeria**

According to Bently (2008), some accounts of the history of trademarks law trace the origin of trademark protection to Greek or Roman times, and other accounts of the British history locate the origins of British trademark law in the medieval guilds. In order to properly trace the historical development of trademark in Nigeria, it is important to briefly highlight different phases of its development in the United Kingdom. It must be pointed out, at this juncture, that the Trade Marks Act (1965) is a replica of the UK Trade Marks Act (1938), which as detailed as it was, scholarly opinion agreed that it was poorly drafted and deficient in many respects (Olatunji, 2016)

The historical development of trademark in England started when the demands for legal protection against imitation of works were made and acceded to during the early years of industrialization. The courts of equity took the lead in this regard. The case of *Hogg v. Kirby (1803)* is instructive.

The injunction granted in the case was not founded on copyright, but on the power a court of equity has, to restrain one person from carrying on a trade or from publishing a work, under a fraudulent representation that such trade or work is that of another. Hitherto, the actions for deceit and passing off were already common in the common law courts but they proved inadequate as they do not afford effectual protection.

The period between 1860 and 1910 witnessed the development of many of the characteristic features of modern trademark law: a legal understanding of a trademark as a sign which indicates trade origin, the establishment of a central registry in 1876, and the conceptualization of the trademark as an object of property (Bently, 2008). However, England did not establish a comprehensive system for trademark protection until 1905 (Colston, 1995). Prior to the 1905 Act, The Merchandise Mark Act which focused on provisions dealing with deceptive indications was passed in 1862. The Trade Mark Registration Act was also passed in 1875. The 1905 Act was amended in 1919 and 1937 and eventually, a new Act was passed in 1938. The 1938 Act was repealed and re-enacted in 1994. As expected, the 1994 Act has been drafted in such a way as to reflect modern trends.

In pre-colonial Nigeria, marks were used to identify agricultural implements and cultural artefacts of particular manufacturers in certain parts of the country are distinguished by signs braided on them. In Nigeria, marks had been in use before any contact with Europeans. Marks gave information such as the origin of a product or a person; the status, or group to which a person or product belonged; or events in a person's or group's life (Waziri, 2013). In this period, proprietors do not register as practised today. For instance, Sodipo (1997) confirms that Kano cloths from Nigeria could be identified by its deep blue or indigo characteristics. Many works of art in brass, bronze, clay or wood had characteristics which are used to identify their origin. Examples are works of art from NOK that often have two holes made in the head; while those from Ife, had two or more heads at the top. In the south-eastern part of the country, stones carving of antiquity exist with the characteristics of being carved with human features. Pottery and other handicrafts from producing areas of the country could also be identified and distinguished by various characteristics. In those times, there was no registration system and there was also no remedy for infringement. What the trademark did was to denote the source of the product.

## *An Analysis of the Registration of Trademarks Under Nigerian Law*

After the amalgamation of the Northern and Southern Protectorates, the Trademark Ordinance of 1914 became applicable in Nigeria from 1914 till independence in 1960. After independence, the Ordinance was then repealed and replaced by the Trade Marks Act of 1965. As stated earlier, the 1965 Act was based on the United Kingdom Trade Marks Act of 1938, with minor differences in terms of the numbering and certain administrative sections which are not applicable in Nigeria (Waziri, 2013). The Nigerian Act does not recognise packaging and presentation of goods as part of trademark. It does not also recognise service marks. The UK Act of 1938, from whom Nigeria copied her trademark law was repealed and re-enacted to accommodate the demands of a modern and changing society.

However, in order to cover the gap in the law resulting from non-inclusion of certain marks, the Minister for Commerce and Industry is given powers under section sections 42 (1) and 45 (1) of the Trade Marks Act (1965) to issue regulations expanding the classification for the purposes of registration of trademarks. Currently, Nigerian law classifies goods into the thirty-four International classes, for the purpose of registration.

### **Registration of Trade Marks Under the Act**

The eligibility both in terms of marks and proprietorship, and the procedure for registration of trade marks have been laid down by the Act. However, as held in the case of *Patkun Industries V Niger Shoes Manufacturing Company Ltd (1988)*, failure to register a mark does not preclude its proprietor from using it as an unregistered mark. In fact, according to Section 3 of the Act, although a proprietor of an unregistered mark cannot sue for its infringement, nothing precludes him from maintaining an action under the principle of passing off. This was also the decision of the court in *Ayman Enterprises Ltd. V. Akuma Industry Ltd (2003)*. Further, The Court of Appeal made a distinction between infringement of trade mark and passing off in the case of *Virgin Enterprises Ltd V. Richday Beverages Nig. Ltd (2009)* thus:

"There is a distinction between passing-off and infringement of Trade mark. An action for infringement of trademark is a statutory remedy conferred on the registered proprietor of a registered trade mark for the enforcement of his right to use the trademark in relation to the goods for which the mark has been. An action for passing-off is an action for deceit for colourable imitation of a mark adopted by a person in relation to his goods which has acquired distinctive reputation in the market as referring to the goods belonging to or produced by that person only. An action for passing-off is common law remedy and the plaintiff need not establish title for the same. What he is required to show is that his goods have distinctive features.

Therefore, it can be easily submitted that registration *is sine qua non* to an action for infringement.

Under the Trade Marks Act, registration is divided into two parts called: Part A and Part B. Part A registration requires a mark to be distinctive before it qualifies for registration; while distinctiveness is not requirement for registration under part B. We shall now discuss the conditions for registration under the two parts.

### **Registration under Part A**

For a trademark to be registrable under Part A of the register, Section 9 (1) of the Trade Marks Act has provided that it must consist of at least one of the following essential particulars:

- (a) *The name of the company, individual or firm represented in a special or particular manner;*
- (b) *The signature of the applicant for registration or some predecessor in business;*
- (c) *An invented word or 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 specification, a geographical name or surname;*
- (e) *Any other distinctive mark.*

## *An Analysis of the Registration of Trademarks Under Nigerian Law*

There is however a proviso to the above provision to the effect that a name, signature, other than such that falls within paragraph (a) to (d) of the above section will not be registered under paragraph (e) except upon evidence of distinctiveness.

Therefore, the most common feature that can be pinpointed from the above section is that it must be distinctive. The next question that arises is what the term 'distinctive' mean. Commenting on the term, the Supreme Court in *Feredo Ltd V Ibeto Industries Ltd (2004)* held, Per Tobi JSC, thus:

"An essential element of a device claimed to be a trademark is that it identifies the goods of a particular merchant and distinguishes them from the goods of others. A word, symbol, shape or colour serving this purpose is said to be distinctive. Certain marks are inherently distinctive while others only acquire distinctiveness over time. A distinctive mark may lose its distinctiveness overtime and become generic"

Thus, it can be understood that 'distinctive' means that special characteristic that a thing has which makes it distinguishable or different from other things (Waelde et al., 2014). Furthermore, Section 9 (2) of the Act also provides a guide on the meaning of distinctiveness:

*For the purpose of this section, 'distinctiveness' means adapted in relation to the goods in respect of which a trademark is registered or proposed to be registered to distinguish goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the course of which no connection subsist...*

The effect of the above provision is that the Registrar in considering an application must consider both its inherent distinctiveness and the extent to which it was shown by evidence to be distinctive. Generally, a trademark is understood to be inherently distinctive if it is arbitrary or fanciful or imaginary (Waziri, 2013).

## Registration under Part B

The registration of trademarks under Part B does not necessarily have to be distinctive; all that is needed is that it must be capable of distinguishing itself in the future. Section 10 of the Trade Marks Act has provided for what is needed for a mark to be registered under Part B thus:

- 10(1). *In order for a trade mark to be registrable in Part B of the register, it must be capable, in relation to the 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 the registration.*
- 10(2). *In determining whether a trade mark is capable of distinguishing as aforesaid, the tribunal may have regard to the extent to which:*
  - a. *The trademark is inherently capable of distinguishing as aforesaid; and*
  - b. *By reason of the use of the trade mark or any other circumstances, the trade mark is in fact capable of distinguishing as aforesaid.*
- 10(3). *A trade mark may be registered in Part B notwithstanding any registration in Part A in the name of the name of the same proprietor of the same trade mark or any part or parts thereof.*

Thus, the law foresees that distinctiveness may be acquired overtime. In such an instance, for a plaintiff to maintain a successful infringement claim, he must prove the reputation/goodwill of his mark i.e. a plaintiff has to prove a reputation or goodwill attached to the goods under the trademark

name sufficient for the members of the public to be misled by the defendant's conduct into thinking that they are securing the goods of the plaintiff. To acquire distinctiveness through usage of product, the case of *Feredo Ltd v. Ibeto Industries Ltd (2004)* is very instructive. The court held that:

"The element of distinctiveness is consonant to or predicated on some age by way of long or extensive user. What constitutes long or extensive user is a question of fact to be determined in the light of the circumstances of the case. It is certainly not the age of Methuselah. Once the trademark, by frequent use, has acquired a notoriety in the trade to the common knowledge and common and easy identification of persons in the trade, it will be said to have acquired the character of distinctiveness."

### **Difference between Part A and Part B Registration**

Certain provisions in the Act shows that marks registered in Part B are inferior to that of Part A. Although Section 6 of the Act provides that registration of trademark in Part B of the register confers same rights as under Part A, Section 6 (2) of the Act thereof provides that in an action for infringement of a trade mark registered in Part B, the court should not grant an injunction or other relief if the defendant thereto establishes to 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 some person entitled as a proprietor or as a registered user to use the mark.

Section 14 (2) of the Act pointed another difference between Part A and Part B registration. Section 14 (1) has provided inter alia that a trade mark registered in Part A shall after seven years be deemed as valid in all respect unless if the registration was obtained by fraud or the mark is scandalous or deceptive. Section 14 (2) on the other hand, expressly excludes a Part B trademark

from the benefits of the said provision. In other words, its validity can be challenged at any point in time.

Finally, it is important to note that Part A and Part B registration has long been abolished in other jurisdiction such as Ghana, England and South Africa because of the insignificance of the difference (Mordi, 2011).

### **Registrable Marks and Non-Registrable Marks**

The general rule is that all marks can be registered provided they do not offend the provisions of the law, contrary to public policy or morality. The Act has only provided for limitations.

Although a mark may be distinctive or capable of distinctiveness, registration will be automatically not granted for some reasons. The owner of a registered trade mark may also object to the registration of a mark that might likely conflict with his own mark. The following are the grounds upon which a registration will be refused:

1. **Deceptive or Scandalous Mark:** It is unlawful to register a trademark or any part of a trademark the use of which would by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection. A mark can also not be registered if it is scandalous or immoral.
2. **Identical and Resembling Marks:** No trademark can be registered in respect of any goods or description of goods that is identical with a trademark belonging to a different proprietor and already in the register in respect of the same goods or description of goods or that so nearly resembles such marks to be likely deceive or cause confusion
3. **Names of Chemical Substances:** The Act contains a restriction on registration of names of chemical substances.
4. **Immorality or Public Policy:** Any mark that have corrosive effect to public morality or one which is otherwise contrary to public policy may not be registered. E.g. In the case of *Connection v. Sutton (2000)*, Ruttee J. expressed deep distaste for the claimants registered mark 'FCUK'. However, it should be noted that what constitute an immoral

mark in this regard, is a question of fact to be determined by the circumstances of the case. Thus, it is only where it is very plain that an accepted principle of morality has been offended that the registration should be refused (Ameh, 2014).

The Act also has a restraint on the use of the Arms of Nigeria or of a State in connection with any trade, call or profession by any person, without the authorisation of the appropriate authority.

## **Conclusion**

The Nigerian Trade Marks Act was generously copied from the 1938 United Kingdom Act and so it is still catering for the era in which it was enacted and does not meet the current demands of the modern society for registration of trademarks such as packaging, and colours which should ordinarily be protected but are not protected. Stakeholders have repeatedly pointed out the fact that in other advanced climes, reforms of the laws have been carried out severally to enhance protection, eliminate onerous statutory provisions and ensure conformity with new innovations. As Nigeria increasingly becomes an important economic hub both in the West African sub-region and in the African continent as a whole, protection of the rights subsisting in IPs created in the country is not only strategic to the nation's current drive to develop its non-oil sector but also central to its overall economic growth and development goals.

It is well known that economic growth is closely related to how well an economy encourages, stimulates and fosters creativity and innovation. A critical factor in maximizing the value of this creativity and innovation is a clear legal and regulatory system that recognizes the importance of the underlying Intellectual Property (IP) and establishes and protects the property rights of the creators, inventors and innovators. It is high time the Nigerian Government paid close attention to reinventing the legal framework currently governing IP in the country. Policies must be directed towards stabilizing the economy to stimulate growth, drive innovation and create jobs.

It is submitted that in the quest for a total restructuring of the system, there are lessons to be learnt by Nigeria from emerging markets such as China and India, where IP has contributed immensely to the harnessing of talents; development of technical know-how; specialization in the production

and exportation of modern technologies and overall growth and development of the economy. In a research from European Commission (2015, p.10), landmark improvements have been noticed in India's IP regime; for example, India joining the international trade mark system's Madrid Protocol in 2013, the creation of comprehensive e-filing services, customs services' enforcement, co-operation between various enforcement departments, and improved IPR awareness amongst officials. The Indian Patent Office has also taken actions in recent years by digitalizing operations and hiring additional patent examiners.

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