

TO : The Senate Committee on Trade and Investment

FROM : Intellectual Property Law Association of Nigeria (IPLAN)

SUBJECT : Bill for an act to repeal the Trade Marks act cap T13 laws of the Federation of Nigeria 2004 and enact the Trade Marks 2016 to provide for a comprehensive law relating to Trademarks and Related Matters

DATE: : 13 April, 2018

1. INTRODUCTION

- 1.1. We write further to the public hearing of the Bill for an act to repeal the Trade Marks Act Cap T13 Laws of the Federation of Nigeria, 2004 and enact the Trade Marks Act to provide for a comprehensive law relating to Trademarks and Related Matters (**‘the Bill’**) which took place on 28 March, 2018, and the request by the Senate Committee on Trade and Investment for written submissions from stakeholders on the Bill.
- 1.2. This memorandum is intended to discuss the position of IPLAN on the key provisions of the Bill.

2. DEFINITIONS

Court

- 2.1. Section 2 of the Bill defines “*Court*” to mean the High Court.
- 2.2. The said definition conflicts with the following provisions of law:
 - 2.2.1. Section 251(f) of the 1999 Constitution which provides that *notwithstanding anything to the contrary contained in the 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 causes and matters in respect of any Federal enactment relating to copyright, patent, designs, trademarks and passing-off, industrial designs and merchandise marks, business names, commercial and industrial monopolies, combines and trusts, standards of goods and commodities and industrial standards.*
 - 2.2.2. Section 7 (1)(f) of the Federal High Court Act CAP F12, Laws of the Federation 2004, which provides that *the Federal High Court shall to the exclusion of any other court have original jurisdiction to try civil causes and matters arising from any federal enactment relating to trademarks and passing off.*
- 2.3. It is therefore recommended that the definition of “*Court*” be amended to indicate “*Federal High Court*”.

Intellectual Property Office

- 2.4. The Bill defines “*Intellectual Property Office*” as having the meaning assigned to it in Section 2 of the Patents Act.
- 2.5. The reference to the Patents Act in Nigeria is erroneous for the following reasons:
 - 2.5.1. The current legislation on patents can be found in the Patent and Designs Act CAP P2 Laws of the Federation of Nigeria, 2004.
 - 2.5.2. Section 2 of the Patents and Designs Act does not contain any reference to the “*Intellectual Property Office*”.
 - 2.5.3. Rather, Section 3(4)(b) of the Patents and Designs Act provides that *not more than 3 months after making the application under subsection (1) of this Section, the applicant shall furnish the Registrar with a copy of the earlier application certified correct by the Industrial Property Office (or its equivalent) **in the country where the earlier application was made*** (emphasis ours).
 - 2.5.4. The Patent and Designs Act defines “*office*” as the Patents branch of the Federal Ministry of Trade, Federal Capital Territory, Abuja.
 - 2.5.5. We also note that the Bill does not provide for the establishment of an “*Industrial Property Office*” in Nigeria.
 - 2.5.6. All things considered, all references to the “*Industrial Property Office*” should be deleted and replaced by the “*Trademark Registry*”.
 - 2.5.7. Subject to consequential amendments to the Patent and Designs Act, the Bill should adopt the provisions contained in Part A of the Bill No. 41, Volume 13 for an Act to establish the Industrial Property Commission of Nigeria, repeal of Trademarks Act and Patents and Designs Act and make comprehensive provisions for the trademarks, registration and protection of trademarks, patents and designs, plant varieties, animal breeders and farmers rights and for other related matters, which purports to establish:
 - 2.5.7.1. A body to be known as the *Industrial Property Commission of Nigeria* (“**the Commission**”) which (a) shall be situated in the Federal Capital Territory, Abuja (b) shall be a body corporate with perpetual succession and a common seal (c) may sue and be sued in its corporate name; and (d) may acquire, hold or dispose of any property, movable or immovable, for the purpose of carrying out the following functions:
 - 2.5.7.1.1. *supervising the administration of the law relating to industrial property and ensuring rapid and co-ordinated development of industrial property;*

- 2.5.7.1.2. *liaising with organs of the government and other agencies for proper enforcement of industrial property rights;*
- 2.5.7.1.3. *monitoring and supervising Nigeria's position in relation to international conventions relating to industrial property matters and advising Government;*
- 2.5.7.1.4. *advising the government on matters relating to industrial property laws, its development, reforms and execution;*
- 2.5.7.1.5. *advising on terms and conditions for the conclusion of bilateral and multilateral agreements between Nigeria and any other country or organization, with respect to industrial property law or administration;*
- 2.5.7.1.6. *enlightening and informing the public on matters relating to industrial property;*
- 2.5.7.1.7. *maintaining an effective industrial property documentation and information centre;*
- 2.5.7.1.8. *carrying out such other duties that relate to industrial property as the Minister may direct;*
- 2.5.7.1.9. *doing all such things as are necessary to carry out the provisions of all laws relating to industrial property matters.*

2.5.7.2. *A Governing Council which shall be responsible for the formulation of policy for the Commission and for the discharge of other functions conferred on the Commission.*

2.5.8. The Bill to establish the Commission is pending at the House of Representatives and can be accessed by clicking on the link below:
<https://drive.google.com/file/d/0B9lU1XZ8LJ8mQIFxMmRsc3M5TUU/view>

Sign

- 2.6. The Bill defines a “Sign” to include *any letter, word, name, signature, numeral, device, brand, heading, label, ticket, shape, colour, aspect of packaging or any combination thereof; “trade” includes any business or profession.*
- 2.7. The definition of “Sign” is narrow and should be expanded, in accordance with international standards.
- 2.8. The following draft is proposed **“A sign includes any letter, word, name, signature, numeral, device, brand, heading, label, ticket, shape, colour, aspect of packaging, sound or scent or any combination thereof which is capable of being represented graphically or in any manner which enables the registry and the public to determine the clear and precise subject matter of protection afforded to the proprietor”.**

Trademark

- 2.9. The Bill defines “Trademark” to mean except in relation to a certification trade mark, any sign capable of being represented graphically and which is capable of distinguishing goods or services dealt with or provided in the course of trade by a person, from goods or services so dealt with or provided by any other person; “trade name” means the name or designation identifying and distinguishing an enterprise or its goodwill.
- 2.10. The definition could be better drafted in accordance with international standards.
- 2.11. The following draft is proposed **“A trademark means except in relation to a certification trade mark, any sign used, or proposed to be used, in the course of trade in relation to goods or services and capable of distinguishing the goods or services of one undertaking from those of other undertakings. References in this Act to a Trademark include, unless the context otherwise requires, references to a collective mark or certification mark”.**

Controller

- 2.12. The Bill contains copious references to “*Controller*” in Sections 5, 6, 7, 9, 10, 12, 13, 14, 16, 17, 18, 20, 21, 23, 24, 26, 41, 42, 43, 48, 58, 60, 61, 62, 65, 66, 67, 69, 74, 75, 76, 78, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 111, 116, 119, 120, 123, 130, 131, 133 and 139.
- 2.13. It appears that the “*Controller*” will be primarily responsible for the management and administration of trademarks in Nigeria.
- 2.14. However, the Bill fails to establish the office of or define the term “*Controller*”.
- 2.15. It is unclear whether the establishment of a *Controller* for the Commercial Law Department within the Federal Ministry of Trade is in accordance with existing Civil Service Rules in Nigeria.
- 2.16. All things considered and subject to the adoption of the comments contained in sub paragraph 2.5.7 above, we recommend the following:
- 2.16.1.1. The office of “*Controller*” should be formally established for the purpose of administering the proposed Commission. The office should also be defined in the Bill, for the purpose of clarity.
 - 2.16.1.2. Section 1 of the current Trademark Act which establishes the office of the *Registrar of Trademarks* be retained for the administration of the Trademark Registry.

3. GROUNDS FOR REFUSAL OF REGISTRATION

Geographical Indications

- 3.1. Section 8(7) provides that *notwithstanding subsection (2), a trade mark shall not be registered if it contains or consists of a geographical indication and the trade mark is used or intended to be used in relation to goods or services not originating from the place indicated in the geographical indication.*
- 3.2. Section 8(10) provides that *a trade mark shall not be refused registration by virtue of subsection (7) if the geographical indication in question has—(a) ceased to be protected; or (b) fallen into disuse, in its country of origin.*
- 3.3. However, the Bill does not contain any definition of the term “*Geographical indication*”.
- 3.4. The Ghanaian Trademark Act, the Ugandan Trademark Act and the Singaporean Act contain appropriate definitions of “*Geographical Indication*” that should be adopted for the purpose of this Section. The said definition must also include agricultural products, natural products and products of handicraft.
- 3.5. Furthermore, it is not in the best interest of brand owners in Nigeria for an unregistered mark to form the basis of a refusal.
- 3.6. The Bill should provide for the registrability of geographical indications and establish a Register for Geographical Indications.

Dilution

- 3.7. The provisions in the Bill on dilution do not appear to be suited to local circumstances in Nigeria. To this extent, they are likely to give rise to uncertainty in their application to commerce in Nigeria and needless litigation for interpretation and determination of its scope and applicability. For these reasons, it may be in the best interests of brand owners for the provisions to be deleted from the Bill.

Pseudo Names, Nicknames, Individual or Group Names, Aliases, Likeness

- 3.8. A new provision should be included to indicate that except with the consent of the owner(s), its/their heirs or successors pseudo names, nicknames, individual or group names, aliases, likeness, shall not be registrable as a trademark in Nigeria.

4. RELATIVE GROUNDS FOR REFUSAL OF REGISTRATION

- 4.1. The current provisions in the Trademark Act for refusal of registration are more suited to the local circumstances and should be retained.

5. EXAMINATION OF APPLICATION

5.1. Section 13(3) contains a typographical error and needs to be redrafted.

6. PUBLICATION AND OPPOSITION PROCEEDINGS

6.1. Section 14 does not contain any provision on the timeframe for filing notices of opposition against applications that are advertised.

6.2. For the purpose of certainty, notices of opposition should be filed within a definite timeframe after advertisement e.g. 2 months. Indeed, the current timeframe of 2 months, as contained in the Trademark Act is adequate and should be retained.

6.3. A new provision should be included to provide for personal service of opposition processes and the following draft is proposed:

“the Opponent shall personally serve a copy of the Notice of Opposition on the Applicant within 2 months from the date of publication of the Trademark Journal and shall within 14 days of such service, deposit a sworn affidavit of service at the Trademark Registry. It was also recommended that in the event of failure to comply with Section 48(3), the opposition will be deemed abandoned”.

6.4. The basis for the above recommendation is that (i) under the current system, the Commercial Law Department of the Ministry of Trade is responsible for serving opposition processes, which is at a cost (ii) the Commercial Law Department is currently experiencing serious administrative challenges which makes timely service impossible and (iii) if the responsibility is transferred by Statute to the parties with clear timelines and penalties for non-compliance (as proposed) delays should be eliminated and costs will be saved by the Commercial Law Department.

6.5. Section 14(1) provides that *where an application has been published, any person may, at any time before the registration of the mark, make observations in writing to the Controller as to whether the mark should be registered and the Controller shall inform the applicant of any such observations. Section 14(5) provides that a person who makes observations does not thereby become a party to any proceedings in relation to the application.*

6.6. There is no express provision for the commencement of proceedings against an applicant on the basis of the observations. As a result, the purpose and intendment of Section 14(1) is unclear. Furthermore, there appears to be no correlation between Section 14(1) and the proceedings referred to in Section 14(5).

6.7. Consequently, Sections 14(1) and (5) should either be amended for clarity or deleted.

7. RENEWAL OF REGISTRATION

7.1. Section 20 (7) provides that *upon the filing of a renewal application, if the goods in respect of such application to be renewed were classified under the “National Classification”, the renewal application shall be accompanied by an amendment to reclassify the goods from the “National classification” to the “International Classification”.*

7.2. The Bill defines “International Classification” to mean *the classification according to the Nice Agreement Concerning the International Classification of Goods and Services for the purposes of the Registration of Marks, of June 15, 1957, as may be revised from time to time.*

7.3. However, the Bill fails to define “National classification”. Without such a definition, the reference to “National classification” is unclear and subject to multiple interpretations. Alternatively, the reference to “National classification” may be deleted.

8. INFRINGEMENT

8.1. The wording of Section 5(2) of the current Trademark Act is sufficient for the purpose of infringement of registered trademarks in Nigeria and may be retained in place of Section 28(1) and (2) of the Bill.

9. ACTION FOR INFRINGEMENT

9.1. Section 32 (2) provides that *in infringement proceedings, all such reliefs by way of damages, injunctions, accounts or otherwise are available to the proprietor as are available in respect of the infringement of any other property right.*

9.2. A new section should be included to expressly empower proprietors or their solicitors to apply to the Court via *ex parte* applications for orders to inspect the premises where the infringing goods are known to have been kept and for the seizure of documents, goods or marks.

10. OFFENCES

10.1. A new section should be included to establish Trademark Inspectors for the purpose of monitoring, reporting and enforcing the Bill (similar to the appointment of Copyright Inspectors).

10.2. A further section should be included to empower the proprietor to apply to the Attorney-General for a fiat to prosecute causes and matters relating to any of the offences contained in Sections 49 to 55.

11. ENFORCEMENT MEASURES

11.1. The reference to “*Officer designated by the Comptroller*” in Section 56(2) should be deleted.

11.2. The reference to “*Magistrate*” in Sections 56(3), 56(3)(c) and 56(4)(b) should be replaced by “*Judge of the Federal High Court*”.

12. THE MADRID PROTOCOL

- 12.1. Section 57 (1) provides that the Minister may make regulations to give effect to the provisions of the Madrid Protocol or of any treaty, convention, arrangement or engagement relating to trade marks to which Nigeria is a party.
- 12.2. Constitutionally, it is the duty of the executive arm of government to negotiate and sign treaties.
- 12.3. Nigeria is not a party to the Madrid Protocol and the legislature cannot make laws on the Madrid Protocol if the Executive has not signed it.
- 12.4. Therefore, the references to “*Madrid Protocol*” and all other provisions that contain international registrations based on the Madrid Protocol should be deleted.

13. PROTECTION OF WELL-KNOWN MARKS

- 13.1. The Agreement on Trade-Related Aspects of Intellectual Property Rights (“**TRIPS**”) is the strongest of all IP treaties. Article 16(3) of the TRIPs Agreement expands Article 6bis of the Paris Convention to allow for the protection of well-known marks on non-competing goods and services by stating that “Article 6bis of the Paris Convention shall apply, *mutatis mutandis*, to goods or services which are dissimilar to those in respect of which a trademark is registered, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods and services and the owner of the registered trademark and provided that the interests of the owner of the registered trademark are likely to be damaged by such use. However, in order to qualify for the extended protection of Article 16(3), the famous mark must be registered.
- 13.2. Section 58 should be amended to provide for the requirement and processes for the registration of well-known marks in Nigeria in the interest of local brand owners.
- 13.3. Furthermore, reference to protection of well-known marks in Nigeria with or without registration should be deleted.

14. DISOBEDIENCE TO SUMMONS AN OFFENCE

- 14.1. Section 91(3) provides that any person who contravenes subsection (1) or (2), commits an offence and is liable on summary conviction to a fine of *Ten Thousand Dollars* and to imprisonment for one year.
- 14.2. The reference to “*Dollars*” should be amended to “*Naira*” and the amount stipulated as fine for the offence should be within the same bracket as other offences contained in the Bill.

15. BORDER ENFORCEMENT MEASURES

- 15.1. Sections 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113 contain provisions on the issuance of notices to the Comptroller of Customs of infringing goods which are expected to be imported and the extensive powers of the Comptroller of Customs in Nigeria to restrict the importation of goods, secure, seize, inspect, release, etc., infringing goods.
- 15.2. Whilst the provisions are in the interest of brand owners, we recommend that they purport to confer powers on the office of Comptroller of Customs which is established and regulated under a separate Act of the National Assembly, to wit: the Customs and Excise Act.
- 15.3. The Senate Committee on Trade and Investment may adopt the format under the 1973 Customs Order for Copyright in respect of the provisions on border enforcement.
- 15.4. Alternatively, the provisions may be amended as follows:
- 15.4.1. Section 89 be retained.
- 15.4.2. New provisions be included to recognize the discretion of the Comptroller for Customs to make regulations prescribing (a) the form in which notice to be given (b) payment of fees in respect of the notice (c) the giving of security as may be specified in respect of any liability or expense which the Comptroller for Customs may incur in consequence of the notice (d) incidental and supplementary provisions as the Comptroller for Customs consider expedient.
- 15.4.3. All other provisions that pertain to the powers and duties of the Comptroller for Customs under the Bill be deleted and passed as a subsidiary legislation to the Customs and Excise Act. ★ ★

16. PASSING OFF

- 16.1. Section 3 of the current Trademark Act provides that *no person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark; but nothing in this Act shall be taken to affect rights of action against any person for passing off goods as the goods of another person or the remedies in respect thereof.*
- 16.2. The above mentioned preservation of the right of passing off should be expressly provided in the Bill.

17. IMMUNITY OF OFFICERS

- 17.1. Section 116 which is titled “*Immunity of Officers*” provides that the Controller may issue Practice Directions relating to the procedures under this Act.
- 17.2. It is unclear what the purport of Section 116 is.



17.3. However, should the intention of the Bill be to confer upon the Controller, the power to make practice directions on immunity of offers, a similar pattern to the 1973 Customs Order for Copyright may be adopted.

18. CONCLUSION

This concludes our written submissions on the Bill. IPLAN is happy to meet with the Senate Committee on Trade and Investment, to discuss further, if need be.

Otu-Ekong Ukoyen
GENERAL SECRETARY

INTELLECTUAL PROPERTY LAW ASSOCIATION OF NIGERIA
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