

Examination of the Legal Effect of Regulation of Trademarks in Nigeria

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Abstract

Trademark as a branch of intellectual property contributes immensely to the economic growth and development of many nations around the world and Nigeria is not an exception. The aim of this paper is to examine the legal effect of registration of trademark with a view to enhancing the economic efficiency of the marketplace by making the products and producers easier to identify by consumers. The article adopts a doctrinal approach based on tracing the meaning and types of trademark, registrable and non-registrable trademark, reasons for trademark registration, procedure for registration of trademark, and the legal effects of registration of trademark in Nigeria. The article finds out that the law, practice, and procedures for registration of trademarks are provided for in the Nigeria Trademark Act. However, the provisions of the Act still remains as it was copied from the United Kingdom Trademark Act of 1938 without any substantial amendment to bring the provisions in tandem with international best practices. The paper therefore recommends that the relevant authorities should take concrete steps to review or amend the present Trademark Act to meet the growing trends in the international sphere. With this, it is expected that the practice of Trademark will blossom to an acceptable international standard in Nigeria.

Keywords

Trademark, Registration, Intellectual Property, Development, Effect

1. Introduction

Trademark is very crucial and contributes immensely to economic growth and development of many nations of the world and Nigeria is not an exception (Olugbenga and Suliyat, 2014/2015). Trademarks play an important role in industrialization and they have since become a key factor in the modern world of inter-

national trade and market-oriented economies. Industrialization and the growth of the system of the market-oriented economies allow competing manufacturers and traders to offer consumers a variety of goods in the same category.

The foundation upon which the law relating to trademark registration evolved is to prevent the deception of the public by offering goods as possessing some connection with a particular trade, which in fact does not. It is therefore a fundamental principle of law that an applicant, who wants to register his trademark must show that it is clearly distinguishable from others in the market. The rationale for this is to avoid public deception and to avoid the mark from being mistakenly taken as the trademark of rival traders (Ajakpovi, 2005).

The legal implication of trademark registration is to have exclusive right to use the mark, and if need be, assign the mark to another person for use. It confers on the registered proprietor the exclusive right to use the mark in relation to his goods or services (Ajakpovi, 2004). The status also confers on the registered proprietor the legal capacity to institute legal action for its infringement by an unauthorized user.

Granted the effect of globalization on every field of human pursuit including trademark practice, there is no doubt that the provisions of the Nigeria Trademark Act of 1965 have fallen short of the modern trends and advancement in technology in relation to Trademark registration regime. It is a fact that the practice of trademark registration is daily expanding and several innovations are being introduced globally. These innovations amongst others include registration of service marks and the emergence of registration of domain name orchestrated by the wide acceptability of internet practice. It is worthy of note, that the UK Act (United Kingdom Trademark Act of 1938) made no provisions for the registration of service marks, because of this and other inadequacies, the U.K. amended the 1938 Act in 1984 to accommodate the registration of service marks. This was further amended in 1994 to bring the U.K. Act at par with European Union. Today service marks are registrable in the U.K., but Nigeria is still saddled with the 1938 Act which makes no provision for the registration of service marks save the directive of the Minister of trade and investment in the year 2012 without a formal incorporation of this directive by amendment to the Trademarks Act (Akinlola, 2018). The benefit of registration of service marks is that it enhances the economic efficiency of the marketplace by making the product and producers easier to identify by consumers. Furthermore it is also used to brand identities and distinguish a service.

It is against this background that this article will discuss the legal effect of registration of Trademark in Nigeria. This paper is divided into seven sections, following this introduction which is the first section.

Section two examines the meaning and types of trademarks. It argues that the Trademark Act's¹ definition of Trademark appears ambiguous. Therefore, some salient words require clarification. For instance, what does the Act mean by "used

¹Cap T13 Laws of the Federation of Nigeria (LFN) 2004.

or proposed to be used” or “connection in the course of trade”? It further argues that notwithstanding the registrability of trademarks under Part A or Part B there are other certain categories of marks which can be registered under the Trademark Act. These include associated trademarks, certification trademarks, defensive trademarks, separate trademarks, and resembling trademarks registered as a series.

Section three discusses registrable and non-registrable trademarks. It argues that registrable marks are marks that can be represented graphically and capable of distinguishing itself from other proprietor’s goods and services while Trademarks which are not registrable are basically those which lack distinctiveness, which are likely to cause deception or confusion in the mind of the public.

Section four deals with reasons for trademark registration. It argues that the reason for trademark registration is to prevent the deception of the public by offering goods as possessing some connection with a particular trade, which in fact it does not. It is therefore a fundamental principle of law that an applicant, who wants to register his trademark must show that it is clearly distinguishable from other marks in the market. The rationale for this is to avoid public deception and to avoid the mark from being mistakenly taken as the marks of rival traders.

Section five focuses on the procedures for registration of Trademarks. It argues that under the extant trademark registration regime in Nigeria, the Registrar of Trademark has a wide discretionary power to determine which part of the trademark’s register should a mark be registered, he also has to determine any question arising therefrom.

The legal effect of registration of trademark was adumbrated in Section six. It argues that the legal implication of trademark registrable is to have exclusive right to use the mark and if need be, assign the mark to another person for use. It confers on the registered proprietor the exclusive right to use the mark in relation to his goods or services. It also confers on the registered proprietor the legal capacity to institute legal action for its infringement by an unauthorized user.

The seventh section concludes the article with a recommendation.

2. Meaning and Types of Trademark

2.1. Meaning

The term “trademark” means a mark used to distinguish goods (including services or goods related to the provision of services) of one business from those of others (Yoo, 2019). It can be any sign capable of being represented graphically which is used to distinguish goods and services of one undertaking from those of others (What Is a Trademark, 2022). Article 15 of the Agreement on Trade Related Aspects of Intellectual Property Rights² provides that:

²The Agreement on Trade Related Aspects of Intellectual Property Rights (later referred to as TRIPS Agreement) is an international legal agreement between all Member nations of the World Trade Organization (WTO). It sets minimum standards for the regulation by national government of many forms of IP as applied to nationals of other WTO Member nations. Nigeria Acceded to TRIPS Agreement on the 29th October 1993.

Any sign or combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting trademarks, such signs in particular words including personal names, letters, numerals, figurative elements, and combination of colours as well as any combination of such signs shall be eligible for registration as trademarks.

Thus, from the above definitions, it can be deduced that a trademark may consist of words (including personal names), a logo, or a combination of both. A mark also consists of figurative elements, letters, numerals or the shape of goods or their packaging. In any case, for trademark to be valid, the sign shall be distinctive and available and not prohibited by law (Fougere, 2019). Under Section 67 of the Trademarks Act³, a trademark means:

Except in relation to a certification trademark, 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 registered user to use the mark, whether or without any indication of the identity of that person, and means, in relations to a certification mark, a mark registered or deemed to have registered under *Section 43 of this Act*.

The TMA definition of trademark appears ambiguous. Therefore, some salient words require clarification. For instance, what does the Act mean by “used or proposed to be used” or “connection in the course of trade” as contained in the definition?

2.2. “Used or Proposed to Be Used”

The phrase “use or proposed to be used” means that the actual use of a mark is not a pre-condition before the mark can be accepted for registration. In other words, a mark will be accepted and registered as trademark if it has either been used before application for registration or there is a plan to use it after registration in future.

2.3. “Connection in the Course of Trade”

This implies that a proposed mark must be registered for the trade-related purposes. In *Imperial Group Limited v Philip Morris & Co. Ltd. (1982)*, it was held that the phrase ‘indicate a connection in the course of trade’ implied that there was an intention on behalf of the trademark user to make a profit and to establish trading good will. Thus, where a mark is proposed for registration with the intention of using it for religious or non-commercial purposes, it will not be registered even if it meets other requirements for registration (Olatunji, 2016). Regrettably, Nigerian court is yet to make a concrete pronouncement on the phrase under consideration. However, in *Aristoc Ltd. v Rysta Ltd. (1945)*, the

³Cap T13 Laws of the Federation of Nigeria 2004. Hereinafter referred to as “TMA”.

House of Lords held that a mark could not be registered for the services of laundry and mending of stockings rendered by the defendants because there was no evidence that such use would indicate a connection in the course of trade. The defendants were not the actual makers of the stockings; therefore, the court held that, they had no trade or business on which the proposed mark will be used if registered.

In the same vein, the definition of Trademark under the TMA apparently and expressly excludes service marks, well known marks and non-traditional marks which are accorded international recognition in trademarks law and practice. It is obvious that trademarks discourse cannot be taken in isolation because of the global implications. Therefore, it is trite to bring the other aspects of trademarks into focus in order to have a full appreciation of the subject matter under scrutiny.

2.4. Service Marks

Service mark is a word, phrase, symbol, or logo that is used to brand, identify, and distinguish a service (Trademark or Service Mark: What's the Difference?, 2022). The McDonald's brand name is an example of a registered service mark for restaurant service. Similarly, "Walmart" is a registered service for retail store services. Service mark is not recognized under the definition section of the TMA⁴ and therefore not registrable in Nigeria. However, Sections 42(1) and 45⁵ confer on the Minister of Industry, Trade, and Investment a discretionary power to make regulations empowering the Registrar of Trademarks to amend the register so as to be in compliance with any amended or substituted classification that may be prescribed. The TMA in Section 45(b) further clothed the Minister with the power to make regulation for classifying goods for the purposes of the registration of trademarks.

In the exercise of the power conferred by the Statute, the Minister made the 2007 Ministerial Regulation seeking to amend the Trademark Regulation of 1967. The Minister, by this Regulation, extended classes of goods from 34 to 45 in accordance with the Nice Classification of Goods and referred to the newly added 11 classes as, "intangible goods"—these are services⁶.

2.5. Well Known Marks

Well known mark plays an important role in global markets and in identifying symbols and signs that are widely known to the significant general public and enjoys a fairly high reputation. A mark is well known within a jurisdiction if it is well-known to persons interested in the goods or services to which the mark relates. Coca-Cola®, Microsoft® and Nokia are instances of well-known marks.

Generally, the position of the law is that registered trademarks grant protection in the country they are registered in, and it is territorial. It has effect only within the territorial boundaries of that country (*Smithkline Beecham Plc v Farmex Ltd.*, 2010). The territoriality principle is the idea that ownership of a

⁴Section 67 Trademark Act, Ibid.

⁵Trademark Act, Ibid.

⁶Olatunji O. A. note 12, 131-132.

trademark in one country does not confer to the owner the right to the use and protection of the mark in another country. However, well-known marks are usually protected, irrespective of whether they are registered or not, in respect of goods and services which are identical with, or similar to those for which they have gained their reputation. Several international legal instruments protect well-known marks. Most Critical instruments among them are appreciated hereunder which provides a set of global principle for the protections of marks:

2.6. Paris Convention and Well-Known Marks

The principle of well-known marks is anchored on Article 6 bis of the Paris Convention⁷ which provides that:

The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or cancel the registration, and to prohibit the use of a trademark which constitute a reproduction, an imitation, or translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well-known in that country as being already the mark of a person entitled to the benefits of this Convention and use for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.

An inference that can be drawn from the provision of Article 6 bis, Paris Convention is that a foreign trademark owner whose unregistered trademark (for goods or services), is well known locally, may object to the trademark registration that constitutes a reproduction, an imitation or a translation, and is liable to create confusion within member country of the Union (Paris Convention) and if the local legislation permits same. By implication, Article 6 bis of the Paris Convention provides an exception to the principle of territoriality of trademarks for well-known marks. In other words, if a trademark is well-known in a member country of the Paris Convention, it is entitled to protection even if the mark is not registered in that country. The protection of the well-known trademark results not from the registration or use, in the country in question, but from the mere fact of its reputation (Shaikh, 2022).

2.7. TRIPS Agreement and Well-Known Marks

TRIPS created a set of global principles for the protection of well-known marks. It mandated all WTO members to comply with Paris Convention, including Article 6 bis of the Paris Convention as regard to well-known mark earlier indicated. Thus, Article 16.1 of the TRIPS Agreement⁸ provides:

⁷An International Treaty for the Protection of Industrial Property signed in Paris, France on 20th March 1883. Nigeria became a party to the Convention on 2nd September 1963.

⁸The Agreement on Trade Related Aspects of Intellectual Property Rights (later referred to as TRIPS Agreement) is an International Legal Agreement between all member nations of the World Trade Organization (WTO). It sets minimum standards for the regulation by national government of many forms of IP as applied to nationals of other WTO member nations. Nigeria Acceded to TRIPS Agreement on the 29th October 1993.

The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights described above shall not prejudice any existing prior rights, nor shall they affect the possibility of Members making rights available on the basis of use.

Similarly, Article 16.2 of the TRIPS Agreement⁹ establishes a basic standard under which a Member State must determine a well-known mark as it states that "...in determining whether a trademark is well-known, members shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in the member state concerned which has been obtained as a result of the promotion of the trademark". Therefore, in determining a well-known mark base on the TRIPS requirement, due regard shall be given to the knowledge of the trademark in the relevant sector of the public, including knowledge which has been obtained as a result of the promotion of the trademark. In essence, the mark is not required to be known by all members of the public in the Member States, but only by the relevant sector of the public and the extent of which the mark has been promoted to such members of the public should be considered by the Member States. Relatedly, the TRIPS Agreement expanded the Paris Convention rules on well-known marks to dissimilar goods as it required members to provide protection for well-known marks outside the class of goods for which the well-known mark is registered¹⁰.

2.8. World Intellectual Property Organization (WIPO) Recommendation and Well-Known Marks

It should be noted that, while there is no commonly agreed details of what constitute a well-known mark, WIPO¹¹ Joint Recommendation concerning provisions on the protection of well-known marks¹² list a number of factors¹³ which determine whether a mark falls under the category of a well-known marks which include the degree of knowledge or recognition of the mark in the relevant sector of the public; the duration, extent and geographical area of any use of the mark; the duration, extent and geographical area of any promotion (publicity) of the mark; the duration and geographical area of any registration, and/or any application of the mark (worldwide); the record of successful enforcement of rights in the mark; and the value associated with the mark.

⁹Ibid.

¹⁰Ibid, Article 16.3.

¹¹World Intellectual Property Organization.

¹²Otherwise known as "WIPO Recommendation", 1999.

<https://www.wipo.int/pubdocs/en/marks/833/pub833.pdf> accessed 9th February 2022.

¹³Ibid, Article 2(1) of the TRIPS Agreement.

2.9. Well-Known Marks and EU Legislative Framework

Pursuant to the Paris Convention, the TRIPS Agreement and the WIPO Recommendation previously noted, the EU¹⁴ Directive 2015/2436/EC and The EU Regulation¹⁵ have now accorded recognition to well-known trademarks as relative grounds for refusal, in other words, as grounds for opposition. Hence, Article 8(2) (d) of the EU Directive 2015/2436/EC allows opposition based on trademarks which are well-known in a Member State, in the sense which the words “well-known” are used in Article 6 bis of the Paris Convention. What this implies is that well-known mark is recognized in the EU regional legislative framework on trademark.

The analysis of the above international instruments¹⁶ reveal that in most countries, well-known trademarks enjoy protection against signs which are considered a reproduction, limitation or translation of the mark provided that they are likely to cause confusion in the relevant sector of the public. It is this writer’s submission therefore that whether or not the principle of well-known mark should be fully accorded recognition and put into practice in Nigeria depends largely on the resolve of the stakeholders in the trademark industry taking into consideration the realities of the global trademark practice.

2.10. Non-Traditional Trademarks

Some jurisdictions enable trademarks applicants to protect certain non-traditional marks. The term “non-traditional marks” covers marks; other than work, figurative or complex marks, that are used to identify products or services. Non-traditional trademarks can generally be described as any type of trademark that does not fall within a pre-existing conventional category of trademark, and which may be difficult to register, although it can uniquely identify and distinguish commercial products or services (Oyelude, 2020). Instances of non-traditional marks are appearance (including colour and/or colour combination), motion, shape, sound, and scent. Others are taste, touch, 3D View of products and position marks.

Non-traditional trademarks can be divided into visible and non-visible. Visible non-traditional marks are colours, shapes, moving images, holograms, and position marks. Non-visible non-traditional marks include sounds, smells, tastes, and textures¹⁷. Non-traditional marks remain quite rare. Proof of acquired distinctiveness often will need to be exhibited to secure registration of non-traditional marks¹⁸. Other intellectual property rights (such as design) may be useful in protecting non-traditional elements of brands in some jurisdictions. For proper appreciation of non-traditional trademarks, it is pertinent at this stage to

¹⁴European Union.

¹⁵EU Community Trademark Regulation 2007/2009,

<https://euipo.europa.eu/ohimportal/eu-trade-mark-legal-texts> accessed 9th February 2022.

¹⁶Paris Convention, TRIPS Agreement, WIPO Agreement and EU Legislative Framework on Well-Known Marks.

¹⁷Ibid.

¹⁸Ibid.

examine few instances of marks from other jurisdictions in order to situate the context in its ideal perspectives.

2.11. Colour as Non-Traditional Mark

In general, the right to the exclusive use of a specific colour as a trademark on product packaging has met with a mixed response in some jurisdictions. Thus, in *Qualitex Co. v. Jacobson Products Co. Inc.* (1995) the United States Supreme Court held that a colour could meet the requirements for trademark registration. The court further held that “a special shade of green-gold” functioned as a trademark for dry cleaning pad. Similarly, colour trademarks have successfully been enforced in European Court (*BP Amoco Plc v John Kelly Ltd. & Anor*, 2001). Also, in *Libertel Groop BV v Benelux Merkenbureau*, the Applicant had applied for registration of the colour orange for communications, goods and services. The court held that colour marks are registrable based on acquired distinctiveness. However, the court in this case set out conditions for registrations to the effect that graphic representation of a colour mark must be “clear, precise, self-contained, easily accessible, intelligible, durable and objective”¹⁹.

2.12. Sounds as Non-Traditional Marks

Sounds may be a jingle or any piece of music or other sounds. It may be a short extract from a composition or an entire musical piece. In some cases, it may be a reproduction of an everyday sound perhaps in unusual circumstances²⁰. Cases of sound trademark include Metro Goldwyn Mayer (MGM) lion’s roar, the AFLAC DUCK quacking and Nokia’s Ring tone. In *Shielf Mark BV v Joost Kist h.o.d.n Memex*, the ECJ held that a sound is registrable provided that “it can be represented graphically, particularly by means of images, lines, or characters, and that its representation is clear, precise, self-contained, easily accessible, intelligible, durable and objective.

2.13. Non-Traditional Marks in South Africa and Kenya

Non-Traditional marks are also recognized and appreciated in South Africa. Taste, sound, smell, and scent marks are registrable within the jurisdiction, so long as the mark meets the requirement for registrability of trademark. Thus, in *Beecham Group PLC v Triomed (Pty) Ltd.* (2002), the court was of the view that while filing a single colour or shape, it must be proven by the applicant that the colour or shape functions as a trademark (distinctive) and will not create a monopoly (Onyilo, 2020).

2.14. Types of Trademarks

Notwithstanding the registrability of trademarks under Part A and Part B, there are other certain categories of marks which can be registered under the TMA. These include associated trademarks, certification trademarks, defensive trade-

¹⁹These are known as Sieckmann Criteria.

²⁰Fougere F. note 9.

marks, separate trademarks, and resembling trademarks registered as a series, herein under discussed.

2.15. Associated Trademarks

Where a trademark that is registered or proposed for registration is identical to another of its kind, in respect of identical or closely similar goods, and it is owned by the same proprietor, and it is likely to deceive or cause confusion if used by a person other than the proprietor, the Registrar may require that such mark be registered as an associated trademark²¹. Marks registered as associated trademarks may be assignable and transmissible only as a whole, and not separately, although such marks for all other purposes, shall be deemed to have been registered as separate trademarks²².

2.16. Certification Trademarks

Certification mark is a mark recognized under *Section 43 of the TMA*. It refers to marks which in the course of trade, distinguish goods that are certified by any person in respect of origin, material, method of manufacture, quality, accuracy or other characteristics from goods not so certified. Certification mark is registrable in Part A of the register in respect of those goods in the name of the proprietor. However, certification mark is not assignable or transmissible without the consent of the Minister²³.

2.17. Defensive Trademarks

A trademark registered defensively is a mark that was invented and is well-known so as to justify its defensive registration in other classes of goods alongside the class in which the class is ordinarily registered and it is actually being used (Babafemi, 2007). What this means is that owners of well-known marks are under the TMA²⁴ required to register such marks before they can enjoy protection in Nigeria.

2.18. Separate Trademarks

According to the Trademark Act²⁵, where the proprietor of a trademark claims to be entitled to the exclusive use of any part thereof separately, he may apply to register the whole and any such part as a separate trademark. The implication of this position was accorded judicial approval by the Supreme Court in *Ferodo Ltd. v Ibeto Industries Ltd. (2004)*, where the court was called upon to decide whether the registration of the wordmark “FERODO” equally conferred exclusivity on the proprietor in respect of the fanciful and ornamental coloured background design of the mark. The Supreme Court, per Dahiru Musdapher JSC

²¹Section 27(1), Trademark Act, Ibid.

²²Section 28, Trademark Act, Ibid.

²³Section 43(9), Trademark Act, Ibid.

²⁴Section 32, Trademark Act, Ibid.

²⁵Section 24(1), Trademark Act, Ibid.

(Rtd) was of the view that if protection was desired for the coloured background design, the proprietor ought to have registered it as a separate trademark assuming that the background designs and colouration would have been registrable as a mark under the TMA. The court held further that in absence of registration of the garnished, fanciful, and ornamental characters, Ferodo (appellant) cannot claim monopoly over the use of the mark.

The significance of the Supreme Court judgment in Ferodo's case is that, in consonance with *Section 24(2) of the TMA*, each separate trademark must satisfy all the condition of an independent trademark and will have all the incidents of an independent trademark subject, of course, to *Section 36(2)²⁶ of the TMA*.

2.19. Resembling Trademark Registered as a Series

The Trademark Act protects resembling trademarks registered as a series. Under *Section 25(1)²⁷*, where a person claiming to be the proprietor of several trademarks in respect of the same goods or description of goods resembling each other, yet differ only in respect of quality, price, place, name, colour, etc., he may register all the trademarks. Thus, in Nigeria, the Coca-Cola Company may be required to register its Coca-Cola, Coca-Cola Black Cherry Vanilla, Coca-Cola Cherry Zero, Coca-Cola Zero Caffeine Free, Diet coke with Lime, Diet coke with splenda, etc., in one registration as a series after each has been separately registered²⁸.

3. Registrable and Non-Registrable Trademark

3.1. Registrable Trademarks

Registrable marks are marks that can be represented graphically and capable of distinguishing itself from other proprietor's goods and services. A trademark must be registered in respect of particular goods or classes of goods and any question arising as to the class within which any goods fall shall be determined by the Registrar of Trademarks whose decision is final²⁹. The Register, in which trademarks are registered, is divided into Part A and part B respectively. Generally, for a proposed mark to be registrable under part A, it must be inherently distinctive³⁰. For mark to be inherently distinctive, *section 9(2)³¹* offers some explanation thus:

For the purpose of this section, "distinctive" means adapted, in relation to the goods in respect of which trademark is registered or proposed to be registered, to distinguish goods with which the proprietor of the trademark is or may be connected in the course of trade from goods in the case of

²⁶Section 36(2) stipulates that the use of the whole of a registered trademark shall be deemed to be also a use of any registered trademark, being a part thereof, in the name of the same proprietor.

²⁷Trademark Act.

²⁸Olatunji O. A. note 12, 133.

²⁹Section 4 TMA.

³⁰Section 9 TMA.

³¹Ibid.

which no such connection subsists, either generally or, where the trademark is registered or proposed to be registered subject to limitation, in relation to use within the extent of the registration.

The explanation offered by *Section 9(2) Trademark Act* as to the meaning of distinctiveness, with greatest respect, appears vague and barren leaving the trademark practitioners groping in the dark. Regrettably too, the word ‘distinctive’ appears not to have been adequately accorded judicial interpretation by Nigerian courts. However, the Supreme Court, Niki Tobi JSC (as he then was) in the case of *Ferodo Ltd. v Ibeto Industries Ltd. (2004)* provided some guide as to the meaning of “distinctiveness” where his Lordship stated that:

The element of distinctiveness is consonant to or predicated on some ... way of long or extensive use. What constitutes long or extensive use 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, it 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...

In any event, a learned author³² submitted that the effect of *Section 9(2) Trademark Act* is that the Registrar in considering an application to register a trademark, must consider both its inherent adaptability to distinguish and also the extent to which it is shown by evidence (if there is such evidence) to be distinctive. For a trademark to be registrable in Part A of the Register, other than a certificate trademark, it must contain at least one of the following essential particulars³³:

- 1) the name of the Company, individual or firm, represented in a special or particular manner;
- 2) the signature of the applicant for registration or some predecessors in his business;
- 3) an invented word or invented words;
- 4) 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 a surname; and
- 5) any other distinctive mark.

The “distinctive” test of trademark registrability under Part A was given judicial imprimatur in Nigeria in the case of *Trebor Nigeria Ltd. v Associated Industries Ltd. (1979)* where it was held inter alia, that the trademark of the defendants, a black elephant, was distinctive of the defendants’ goods and did not infringe that of the plaintiff.

Marks that are not sufficiently distinctive to qualify for registration in Part A of the Register may be registrable under Part B. Thus, registrability under Part B

³²Babafemi F. O. *Intellectual Property: The Law and Practice of Copyright, Trademarks, Patents, and Industrial Designs in Nigeria* (Justinian Books Limited: 2006) 182.

³³Section 9(1) (a)-(2) TMA.

is hinged on the capability of the mark to distinguish the product in respect of which it is sought to be registered (Ifeyinwa, 2020). In other words, marks that can only acquire distinctiveness through use under *Section 10 of the TMA* are registered in Part B. The implication of *Section 10 TMA* is that Part B mark does not have to be distinctive at the point of registration. All that is necessary is that it should be capable of becoming distinctive with use³⁴. As soon as it becomes distinctive, the owner of the Mark could make a fresh application to register it in Part A³⁵.

3.2. Non-Registrable Trademarks

Trademarks which are not registrable are basically those which lack distinctiveness, which are likely to cause deception or confusion in the mind of the public. Thus, a mark is not registrable where it has failed to differentiate itself from other goods or services.

It is important to state that although mark may be distinctive (registrable under Part A) or capable of distinctiveness (Registrable under Part B), application for registration of same may not be automatically granted. The Registrar of Trademarks not only has discretion to refuse marks that mislead or tends to cause confusion to the public and marks that consist of subject matter that hurt the religious senses of any class or sections of the people, BUT the TMA also prohibits some specific marks from registration. Therefore, marks that are not permitted under the Act to be registered are inter alia, deceptive, or scandalous marks³⁶; identical and resembling trademarks³⁷, except in the case of honest concurrent use or other special circumstances³⁸, names of chemical substances³⁹, and the Coat of Arms of Nigeria or a State or other emblem of authority⁴⁰.

4. Reason for Trademarks Registration

The foundation upon which the law relating to trademarks registration evolved is to prevent the deception of the public by offering goods as possessing some connection with a particular trade, which in fact it does not. It is therefore a fundamental principle of law that an Applicant, who wants to register his trademark must show that it is clearly distinguishable from other marks in the market. The rationale for this is to avoid public deception and to avoid the mark from being mistakenly taken as the marks of rival traders⁴¹.

According to Griffiths (2011), the rationale behind the protection of trademarks is that the owner has spent time and money in presenting a service or product to the consumer; and the owner should be able to protect this invest-

³⁴Section 10(2) TMA.

³⁵Babafemi F. O. note 43, 186.

³⁶Section II(a)-(b), Trademark Act, Ibid.

³⁷Section 13(1), Trademark Act, Ibid.

³⁸Section 13(2), Trademark Act, Ibid.

³⁹Section 12(1), Trademark Act, Ibid.

⁴⁰Section 62, Trademark Act, Ibid.

⁴¹Ajakpovi M. note 2, 641.

ment by being allowed to prevent others from using the trademark and profiting from the owner's investment. Trademark protection, therefore, significantly reduces consumer search costs since consumers do not have to spend time investigating the attributes of a particular brand because the trademark is a shorthand way of signifying the consistency or quality (IOWA State University, 2022).

Premised on the foregoing, one essential criterion qualifying a trademark's registration is that it should be "distinctive" (*Singer Manufacturing Co., Ltd. v. Loog*, 1880). Hence, the proper test to determine when a mark has become *public juris* is whether its use has ceased to deceive the public as to the maker of the article. Another factor qualifying a trademark for registration is that it must be "original". The "origin theory" is aptly captured in the definition given to marks in Section 67(1) of the *Nigerian Trademarks Act*. However, the theory admits exceptions under the English Law. For instance, where the goods in question, emanates from several legitimate producers, who are producing goods with different tastes, composition, or qualities for sale under the mark in different territories, the theory will not apply. This is called under the English law an "exhaustion theory"⁴². Exhaustion theory is the parallel sale of differing goods under one mark (Jain, 2009) (the case of *Champagne Heldsieul et Gemopolo S.A. v. Buxton*, 1930: 1 Ch. 33).

Under the English law and by virtue of exhaustion doctrine, the rights of an intellectual property owner terminate after an exercise of the rights by the owner. The exhaustion doctrine states that after the intellectual property owner has made a first sale of a commodity that embodies the owner's intellectual property, the owner no longer has the right to prohibit sales of that commodity (Ghosh, 2013) (Jeremy, 2003) (Ashwini Kr Bz., 2006) (Akinlola F. S. note 4, 150-152).

4.1. Procedure for Registration of Trademark

After ascertaining that the mark is registrable, a search should be conducted at the Trademarks Registry to confirm the availability of the mark. An application may still be made without conducting a search, but this stands the risk of being refused if it is discovered to be in conflict with an existing mark. Secondly, the following information: the name of the mark or specimen of the mark (in the case of a logo or device); full name and address of the Applicant; indication of the product class(es); and a power of attorney duly executed by the proprietor of the mark, authorizing a registered agent to register the trademark are then forwarded under a cover letter addressed to the Registrar of Trademarks, with an indication whether registration is sought under Part A or Part B of the register.

The applicant may request an opinion on distinctiveness from the registry. An acknowledgement is issued immediately the application is filed. An acceptance Letter will normally follow within three to four months after filing the applica-

⁴²The theory has no place under the Nigerian Trademarks Act; thus, a proprietor of a trademark enjoys exclusive right over his mark even after he has transferred his title to a buyer. This is clear derogation from the free market operation in commercial transaction.

tion, and after an initial examination possible conflict as being conducted by the registry. For the purpose of registration of trademark in Nigeria, a Registrar of Trademark is appointed with an office in the Federal Capital Territory, Abuja⁴³. The Registrar of trademark generally acts under the direction of the Honourable Minister of Trade and Investment. The Registrar also has an official seal, which is officially and judicially noticed⁴⁴.

The duties of a Registrar of trademark among others include maintenance of trademark register and to examine application for the registration of trademark⁴⁵. By virtue of *Section 19(1) of the Act*, when an application for registration of a trademark has been accepted by the Registrar, he shall publish the notice in the Trademark Journal. Anybody who wishes to oppose the application shall within two months from the date of the publication do so. Once there is no opposition filed challenging the application for registration within the statutory period allowed for third party, or where the opposition had been resolved in favour of the Applicant, the Registrar shall register the mark and issue to the Applicant a certificate of registration thereof. Such certificate is *prima facie* evidence of registration and afforded the proprietor all the rights and privileges under the Act. These rights and privileges cannot be realized on just presentation of application for registration. Conversely, in the United States of America and United Kingdom alike, once a mark has been searched and cleared, an application can be filed with the U.S. Patent and Trademark Office based either on use in commerce (commerce between two or more states or between a foreign country and the United States) or on the basis of intent-to-use (ITU) in the future (Susan, 2022). In the case of an ITU application, a registration will not issue until the mark is being used in commerce. The process of securing a registration takes approximately nine to twelve months to complete, depending upon the complexity of the issues encountered during examination. Once the trademark examiner has accepted the application for registration, it will be published in the Official Gazette of the U.S. Patent and Trademark Office for opposition purposes. During this 30-day period, the world is put on notice that anyone who believes he will be damaged by issuance of the registration may file an opposition to registration and make his case. If no opposition is filed, the registration will issue, and the applicant can from that point onward use the logo “®” to indicate registration in its packaging and printed materials⁴⁶.

Registration of a trademark or service mark with the U.S. patent and Trademark Office provides many advantages over relying solely on common-law rights, including the creation of certain presumptions under the law, such as the presumption that the registration and mark are valid, that the registrant has the exclusive right to use the mark, and that the registrant is the rightful owner of the mark. Federal trademark rights are also nationwide. Once a registration is

⁴³Section 1. Trademark Act, Ibid.

⁴⁴Section 1(2) and (4). Trademark Act, Ibid. See also Section 122 of Evidence Act, 2011.

⁴⁵Section 2. Trademark Act, Ibid.

⁴⁶Ibid.

issued, no one else can adopt the same or confusingly similar mark and claim he had no notice of the registration. By law, the registration constitutes constructive notice.

Under the extant Trademark registration regime in Nigeria, the Registrar of Trademark has a wide discretionary power to determine which part of the trademark's register should a mark be registered, he also has to determine any question arising therefrom⁴⁷. The Registrar's judgment in these issues can hardly be questioned once they are exercised in the best interest of smooth administration of trademark regime. The implication of the above is that while the Registrar of Trademark's power to determine registration of trademarks in Nigeria is subjective, that of the U.S. Patent and Trademark Office is transparent and objective. Quite apart from this, the trademark regime in the United States confers on an applicant or prospective user of trademark wide range of advantages than what obtains under the Nigerian Trademarks Act. For instance, an applicant showing an intent-to-use (ITU) a mark in future is protected under the U.S. law⁴⁸.

4.2. The Legal Effects of Registration of Trademarks

Registration of a trademark confers on the registered proprietor the exclusive right to use the mark in relation to his goods or services⁴⁹. The status also confers on the registered proprietor the legal capacity to institute legal action for its infringement by an unauthorized user. Accordingly, *Section 3 of the Nigerian Trademarks Act* provides *inter alia* that: "No person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trademark...".

The above provision is however subject to the right of an unregistered user to bring action for the tort of passing off with all its attendant conditionalities under the common law. For instance, the plaintiff in an action for the common law passing off of Trademark must *prima facie* establish that:

- 1) he enjoys sufficient goodwill in relation to the goods in question from members of the public;
- 2) the defendant's act in misrepresenting the goods or mark to the public is capable of misleading or is likely to mislead the public into believing that the goods or services are authorized by the plaintiff;
- 3) the defendant's acts will lead to actual or likely damage to him (*Reckitt & Colman Product Ltd. v. Borden Inc. & Ors (1990)*).

The above requirements are not necessary in the case of registered trademark; what is essential is proof of registration of the mark by the proprietor of the trademark. Furthermore, registration of a trademark also confers a personal proprietary right on the proprietor than the right conferred by passing-off (*Seven-Up Company & Other v. Warri Bottling Company, 1984*).

⁴⁷Section 4. Trademark Act, Ibid.

⁴⁸Akinlola F. S. note 4, pp. 152-154.

⁴⁹Ajakpovi M. note 2, p. 166.

Under the Trademarks Act, a proprietor of registered trademark has the right to either use the trademarks personally or assigns it to another person. Similarly, a registered trademark is capable of being transmitted to a beneficiary on the demise of the proprietor⁵⁰. Furthermore, the Trademark Act also confers right in varying degrees on the registered user to bring an action for any infringement of registered trademark, provided he had called upon the proprietor to do so, and he has defaulted after two months of such request⁵¹.

The right of the proprietor takes effect from the date of the filing of the application for registration⁵². However, infringement proceeding cannot be commenced before the date on which the trademark is in fact registered⁵³. Under the English law, only acts committed in the United Kingdom can amount to an infringement of the proprietor's exclusive right⁵⁴. Conversely, it seems that a proprietor of trademark in Nigeria can bring action for acts of infringement committed in foreign country. The support for this view is captured in the wording of *Section 5(2) of the Nigerian Trademark Act* which provides thus:

Without prejudice to the generality of the right to the use of a trademark given by such registration as aforesaid, that right shall be deemed to be infringed by any person⁵⁵ who, not being the proprietor of the trademark or a registered user thereof, using it by way of the permitted use, uses a mark identical with it or so nearly resembling it as to be likely to deceive or cause confusion, in the course of trade, in relation to any goods in respect of which it is registered, and in such manner as to render the use of the mark likely to be taken either:

- a. as being used as a trademark; or
- b. in a case in which the goods is used or in physical relation thereto or in an advertising circular or other advertisement issued to the public, as importing a reference to some person having the right either as proprietor or as registered user to use the trademark or goods with which such a person as aforesaid is connected in the course of trade.

from the foregoing, the emphasis on “any person” in the above provision is to show that the provision of *Section 5 of the Act* is binding on any person irrespective of their national identity, thus, if a non-Nigerian citizen infringes on a trademark registered under the Act, the applicant can bring action in Nigeria for such infringement leaving in this regard, the problem of enforcement of such judgment in foreign country. The enforcement of such judgment may not however pose any problem, particularly, where the trademark in question enjoys protection under *Section 44 of the Act*. This section gives right to a proprietor of

⁵⁰Section 26. Trademark Act, Ibid.

⁵¹Section 33. Trademark Act, Ibid.

⁵²Section 22(2). Trademark Act, Ibid.

⁵³Ibid.

⁵⁴Section 9(1) of the England Trademark Act, 1994.

⁵⁵Emphasis supplied.

trademarks to apply for protection of his mark in Convention Country⁵⁶.

In an action based on the statutory right conferred by registration of trademark the plaintiff must prove his title either as proprietor or as a registered user. This status entitles him to sue and prove that the defendant has acted or threatened to act in such a way as to infringe the right conferred by registration as defined in *Section 67 of the Trademarks Act*. Procedurally, it is the proprietor of a trademark that can institute action for infringement of trademark and not the trademark itself. In the case of *Maersk Line & Anor v. Addide & Anor (2022)*, the Supreme Court said *inter alia* that “a trademark cannot sue or be sued as it is not a juristic person, it is its proprietor that can sue or be sued.”

The major challenge that hitherto existed in an action for the infringement of a trademark in Nigeria was the issue of the court vested with the jurisdiction to entertain action for infringement of trademark in Nigeria⁵⁷. Hence, whenever a party seeks legal redress in the event of unauthorized use of his mark; he must seek proper forum to institute his action. This question has now been laid to rest under *Section 67(1) of the Trademarks Acts*, which defines the court to which the Act applies to mean “the Federal High Court”. This statutory provision has further received impetus under *Section 251(1) of the Federal Republic of Nigeria Constitution, 1999 (as amended)*, which now conferred on the Federal High Court exclusive jurisdiction to entertain action for the infringement of trademark and other intellectual properties (Fagbemi, 2011).

5. Conclusion

The legal implication of trademark registration is to have exclusive right to use the mark, and to, if need be, assign the mark to another person for use. The objective of trademarks registration is to enhance the economic efficiency of the marketplace by making the products and producers easier to identify by consumers.

This paper has therefore highlighted various inadequacies in the extant Trademark Act. The hope is that this will challenge the relevant authorities to take concrete step to review or amend the present Trademark Act to meet the growing trend in international sphere. With this, it is expected that the practice of trademark will blossom to an acceptable international standard in Nigeria.

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

⁵⁶Nigeria is a party to the Paris Convention and therefore under an obligation to give protection of intellectual property rights to citizens of countries of the union so that citizens of the nations to this Convention will, as regards the protection of intellectual property, enjoy in all countries of the union the advantages that their respective laws grant to their citizens, and without prejudice to the rights especially provided for by the Convention. See Paris Convention for Protection of Industrial Property 1883 revised in Lisbon 1953. Question: has the Paris Convention been domesticated in Nigeria? Will the convention be binding on Nigeria when it is not domesticated?

⁵⁷See in this connection the case of *Patkun Industries Ltd. v. Niger Shoes Manufacturing Co. Ltd (1988) 5 NWLR 138*; *IML, Chattering Nig. Ltd. v. IMNL International Messengers (Nig.) Ltd. (1977-1989) 2 IPLR 80* and *Ayman Enterprises Limited v. Akuma Industries Limited & Others (2003-2007) 5 IPLR 1* at 25.

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