



Assessing the Legal and Institutional Challenges of Trademark Protection in Nigeria

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Abstract

The Nigerian government's goal for economic growth and increasing foreign investment has boosted commercial activity, necessitating the protection of Intellectual Property Rights (IPRs) in order to maintain a safe and competitive corporate environment. However, Nigeria continues to suffer from pervasive infringement, notably counterfeiting and piracy, which rob artists, producers, and inventors of the rewards of their labor and impede national progress. This research looks at the nature, historical evolution, and practice of intellectual property protection in Nigeria, with a particular emphasis on trademark enforcement. It examines the institutional architecture in charge of protecting IPRs and finds important difficulties such as ineffective laws, insufficient enforcement tools, limited institutional finance, and low public awareness. Despite the existence of legislative mechanisms aimed at reducing infractions, their impact is minor, emphasizing the need for stronger and more effective enforcement tactics consistent with worldwide best practices. Using a doctrinal research technique based on legislation, case law, and academic literature, the study examines the ramifications of ongoing IPR infringement as well as the limits of present regulatory procedures. The study indicates that a stronger intellectual property law in Nigeria is critical for increasing investor confidence, fostering local ingenuity, and promoting long-term economic growth.

Keywords: Assessing, Legal, Institutional Challenges, Trademark, Protection, Nigeria

Introduction

The basic function of intellectual property law, and, by extension, trademark rights, is to safeguard a person's work against exploitation. measures to safeguard trademark rights in Nigeria include statutory enactments and ratification of international treaties, the empowering of the necessary regulatory institutions, and other legal measures. Despite the significant efforts taken to increase trademark rights protection in Nigeria, numerous issues remain. A variety of issues contribute to the inadequate protection of trademark rights in Nigeria. Some of the hurdles reducing and restricting protection include corruption, a lack of knowledge, statutory and institutional challenges, enforcement issues, porous borders, a lack of know-how in finding and apprehending trademark violators, and so on. The following is a review of a variety of issues that affect the enforcement of trademark rights in Nigeria.

Challenges of Trademark Protection in Nigeria

Limited Legal Framework and Legislative Deficiencies to Checkmate Trademark Infringements

The Nigeria Trademarks Act is the primary piece of law that controls the registration and enforcement of trademarks in Nigeria. The Act, like other Nigerian legislation, is riddled with 'legion' of flaws that have hampered and impeded the enforcement of trademark rights in Nigeria. The Act, among other things, defines trademarks, the various types of registrable trademarks, the registration method for trademarks, conduct that constitute trademark violations in Nigeria, and the remedies available to trademark owners in the event of a violation. The Registrar of Trademarks receives, processes, and administers trademark registration applications at the

Trademarks Registry, which is part of the Federal Ministry of Trade and Commerce in Abuja. The Nigerian Trademarks Act specifies that registered trademarks have an initial term of seven (7) years, which can be renewed indefinitely for another fourteen (14) years. The legislation stipulates those applications for renewal be submitted no later than three (3) months after the due date.

Currently, the requirements of the Nigerian Trademarks Act apply solely to products. Simply said, trademarks for services cannot be registered directly. In addition to a proposed legislation now in existence to change the required requirement limiting trademark registration to just commodities, prospective trademark owners can sidestep this restriction by registering their trademarks under International Class 16. Despite these admirable efforts, the need of an express clause providing for the registration of service marks cannot be overstated. This argument is strengthened by the growth of service marks in Nigeria, which provides a strong statutory foundation for trademarks in Nigeria.

Challenge Of Enforcement

The lack of an effective deterrent enforcement mechanism poses a significant difficulty for intellectual property enforcement and, by extension, trademark owners in Nigeria. It appears that amending our trademark legislation alone will not provide optimal outcomes in protecting trademark holders unless the process for enforcing the law is also improved. (Banwao et al, 2015) Law enforcement officials, notably the Nigerian Police Force and the Nigeria Customs Service, require additional authority to carry out their policing and prosecuting duties. Experience has shown that insufficient funding, poor or outmoded equipment, and a lack of up-to-date skills in the use of current technologies among the rank and file of officers prohibit numerous initiatives to combat IPR infringement from yielding the intended results.

The courts, which act as agents in the enforcement of trademark rights, have not helped things. To put it mildly, the judicial procedure in Nigeria is sluggish. The procedures required in filing litigations, hearing the action, verdicts, and eventual appeals are time-consuming, which has prevented many prospective plaintiffs who have experienced trademark breaches from pursuing their claim.

Lack of Awareness on The Importance of Intellectual Property Rights and Detection of Possible Infringements.

Although knowledge of intellectual property rights, and by extension, trademark rights, is growing in Nigeria, the pace is still moderate in comparison to the fast worldwide advancements in this area (Caroline, 2001). There is a very low level of understanding of intellectual property rights among the general public and the educated (Nwabachilli, 2015) The infringers take advantage of the public's ignorance and commence their evil operations by affixing counterfeit trademarks to items or services, particularly rare products. With this set of people in situ, the risk of deceit or confusion is far higher than in the enlightened community. In some circumstances, an educated individual may be able to tell the difference between real and counterfeit trademarks. It does not preclude him from being a victim, but his odds are slim. In contrast, an illiterate customer just has a mental image or idea of what he wants and purchases it when he sees something similar. It may, as in most cases, be a counterfeit label on a product, such as medications, vehicle parts, or electrical and electronic gadgets.

It is worth noting that a lack of information about the existence and value of trademark rights does not only affect customers, but also manufacturers and trademark owners. It goes without saying that many trademark owners are completely uninformed of the existence of trademark rights and the enormous economic potentials that come with them, and as a result, they are clueless when their trademark rights have been violated (Nwabachilli, 2015).

In today's Nigerian marketplaces, several producers mimic established brands that have garnered reputation and goodwill over time in order to generate quick or easy money (Nwabachilli, 2015). Worse, ignorant buyers are unable to identify substandard and lower quality infringing items. With a limited educational background, customers find it difficult to detect counterfeit goods and hence are unable to submit them to the relevant authorities for the arrest of criminals.

Limited Enforcement Institutions.

This is also one of the contributing elements to Nigeria's inadequate trademark protection. Trademark enforcement in Nigeria is inadequate and inconsistent. Nigerian institutions such as the police and other law enforcement organizations suffer from low morale, inadequate training, and insufficient resources (Ameh, 2014) As a result, they are unable to effectively address the threat posed by trademark infringement. A major shortcoming is a poor understanding of the advantages of intellectual property rights among regulated distribution networks and consumers. Nigeria's overworked and undertrained police have little awareness of trademark rights. Companies

and individual producers frequently do not trust trademark 'protection' due to the weak enforcement mechanisms of the law.

The Federal High Court is solely responsible for protecting trademarks and other types of intellectual property. The Federal High Court is overburdened with federal revenue cases, and the court lacks adequate intellectual property expertise (Ameh, 2014). The number of cases before the Federal High Court may thus serve as a bottleneck for plaintiffs seeking to assert their trademark rights through the courts' civil jurisdiction. Furthermore, the Federal High Court's backlog of cases may delay criminal procedures against accused trademark offenders.

It is widely acknowledged that there are no efficient alternative dispute resolution processes for trademark infringement. Even though a few centers have been established, they are insufficient to address concerns related to intellectual property rights, notably trademarks. Trademarks can only be registered for items or classes of goods in which the mark's owner has or wants to gain a reputation for trading inside Nigeria. As a result, if products are solely sold outside of Nigeria, a trademark for those items cannot be registered in Nigeria unless the mark's owner intends to sell those goods within Nigeria. It should be emphasized, however, that in reality, the Trademarks Registry does not compel applicants to provide evidence of such purpose. It is thus quite simple for someone who has no right to a mark to have it registered as their own, especially as the legislation does not define who is eligible to seek to register a mark (Ameh, 2014).

Furthermore, those involved in the administration and enforcement of trademark rights are hampered by a lack of expertise because they are not often professionals. There is a dearth of staff to traverse the length and breadth of Nigeria and ensure successful functioning. The infrastructure for the operation of trademark rights is mainly undeveloped. Information technology is still in its early stages of development, which limits regulatory authorities' ability to effectively monitor trademark breaches. It is thus not out of place to claim that thousands of trademark breaches have gone undiscovered.

The police, NAFDAC, Customs, and other regulatory organizations tasked with discovering and preventing trademark infringement have a personnel deficit. They do not have enough workers to travel the length and width of Nigeria to address trademark infractions.

Inadequate Sanctions for Infringement.

Trademark violations are also punished or conducted under the Penal Code. Section 60 (Cap 345 Laws of the Federation of Nigeria) of the Trademark Act stipulates that:

If any person makes or causes to be made a false entry in the register or a writing purporting to be a copy of an entry in the register, or produces or renders or causes to be produced or tendered in evidence any such writing, knowing the entry or writing to be false, he is guilty of an offense punishable by imprisonment for not more than seven years if convicted on indictment.

Under section 61 of the Trademark Act:

any person who makes a representation that an unregistered trademark is registered, or that a registered trademark is registered in respect of goods for which it is not registered, or that registration confers exclusive right when in fact, it does not shall be liable on summary conviction to a fine not exceeding 200 Naira.

The Merchandise Marks Act which is *in parametria* to the United Kingdom Merchandise Marks 1887, on its part in Section 3(1) of the Merchandise Marks Act creates the offence of product counterfeiting. Section 4 dealing with "forged trademark", provides that:

A person forging trademark is one who (a) without the assent of the owner of the trademark, makes that trade mark or a mark so closely resembling that trademark as to be calculated to deceive or, (b) falsifies any genuine trade mark, whether by alteration, addition, effacement, or otherwise, any trademark or mark so made or falsified in this Act referred to as a forged trademark.

It further stipulates that "in any prosecution for forging a trademark, the burden of proving the assent of the proprietor shall lie on the defendant". Anyone convicted of an infraction under the Act before the High Court faces a two-year jail sentence, a fine, or both. If convicted in a Magistrate's court, the individual may face six months in jail or a fine of N100. Apart from the order for delivering up that the courts may issue at the end of a civil action for infringement, the Merchandise Marks Act provides for forfeiture of the items in respect of which prosecution was filed, if the accused person is proved guilty. Though the Act does not clearly state so, it is common practice for the goods to be destroyed when a forfeiture order is issued by the court. The Copyright Act clearly

allows for forfeiture, delivery to the owner of the copyright, or entire destruction at the discretion of the court, regardless of whether the accused infringer is convicted.

Sections 372 to 380 of the Penal Code create several crimes comparable to the Merchandise markings Act, such as counterfeiting a property mark, creating a fraudulent mark, and interfering with property markings. Prison terms range from one to three years, with the option of a fine or both. The Penal Code's sanctions are so light that they are ineffective in deterring infringers. It should be noted that trademark forgery has the potential to profit infringers millions of Naira, whereas the law allows for a lower fine and/or a relatively short prison sentence. With these and other ambiguities, punitive sanctions have not provided enough protection for trademark owners.

Non-Provision for Certain Registrable Marks

To begin, no portion of the current Trademark Act includes service marks. This is due to the absence of a clause in the United Kingdom Trademark Act of 1938, which served as the basis for the Nigerian Trademark Act. However, it should be noted that in March 2007, the then-Minister of Commerce, by ministerial order issued pursuant to the powers conferred by sections 42 and 45 (1) (b) of the Nigerian Trademark Act, increased the classes under which a trademark could be registered from 34 to 45, in accordance with the provisions of the 9th edition of the Nice Classification of Goods. As a result, service marks in those classes were registrable beginning on that day. Although the Minister's action to expand the classes under which trademarks can be registrable is commendable, it should be noted that the act of the minister merely expands the classification of goods, not the extension of registrable goods to service marks, as the wording of the Trademarks Act has remained unchanged, referring only to goods, and not services (Agabi, 2012).

Furthermore, the current trademark regime in Nigeria does not recognize a number of distinctive signs, color or color combinations, sounds, taste and smell marks, 3-dimensional signs as the shape of the goods or their packaging, such as the dimensional signs of Honda, Mercedes-Benz, Toyota, Peugeot, and so on. Others are respectable distinguishing slogans that may be registered in other jurisdictions like as the United Kingdom and the United States of America. It's not as if those identifiable and recognized signs were granted registrable trademark status by legislative fiat. They achieved the rank via the virtue and appeal of commercial need, trade expediency resulting from the amazing rise and complexity in the degree of global commercial and industrial activity. The exclusion of these vital indices of trade from the list of registrable trademarks under our law and practice is a pointer to the volume of potential marks that could not find their way into our register, to the frustration of proprietors, to the loss of revenue, and to our handicap in effecting our obligation at the level of various international cooperation initiatives on trademarks in particular and intellectual property in general (Oguamanam, 2021).

Although Nigeria has signed the Paris Convention for the Protection of Industrial Property and the TRIPS Agreement, these international obligations must be domesticated locally before they may be enforced. At the time, it only has a compelling impact in Nigeria (Ameh, 2014). These treaties have been ratified by nations including China, the United States, and South Africa. Under these necessary treaties, a 'well-known Trademark' is protected regardless of whether the trademark is registered or utilized inside the territory of the ratifying nation. This is not the situation in Nigeria, where the emphasis is on the use of the trademark in Nigeria, as well as the limiting application and registration of the mark exclusively with reference to the "invented word or words" (Ameh, 2014).

Jurisdictional Challenges in Relation to Domain Names

Internet activities are not protected under Nigerian law. This was reflected in United States of America legislation. Our existing trademark legislation is territorially based, which means that the protection of trademark owners does not extend outside Nigeria. However, as the number of corporate transactions and international commercial operations grows, territorial law may be unable to keep up with the present trend of globalization. Modern communication technology is frequently cited as the driving force behind the rapid globalization of markets and professions.

The internet integrates the capabilities of email, fax, phone, video, graphics, credit card, and archive systems into a single, low-cost, global interactive computer network. This network connects clients, professionals, dealers, brokers, market quotation vendors, banks, governments, and others in an electronic environment that knows no sovereign, is beyond the grasp of any single regulator, recognizes no geographical limits, and applies no specific law. An information highway without road signs, lights, or traffic officers.

The popularity of the internet has grown to the point where a whole business has emerged with the main goal of providing effective connections to the electronic network. Domain names are increasingly being utilized by electronic technology companies such as banks, educational institutions, financial organizations, and private and

public firms to do business. The expansion of the World Wide Web has resulted in an increase in trademark infringement accusations and litigation involving the internet.

Indeed, the internet has emerged as the most recent source of trademark infringement. In domain name conflicts, the party trying to secure the domain name usually invokes their trademark rights. In most cases, the domain name corresponded to the company's well-known brand. However, this information alone is inadequate to support a trademark infringement claim. A trademark registration provides protection against third-party unlawful use of the company or product name, as well as protection for the trademark owner through damages and cease and desist claims. The appraisal of a company or a trade or service mark is heavily reliant on its online websites.

The corporate website is an essential component of a modern business or brand image. This applies regardless of the likelihood or relevance of ecommerce operations, since even businesses with no real or potential for online sales are appraised based on their website. This is a severe problem since domain names have no boundaries or sovereign in terms of infringement on the internet. There will be jurisdictional issues in the prosecution and enforcement of trademark rights involving domain names.

Recommendations and Prospects of Trademark Protection in Nigeria.

The need of taking practical and intentional actions to safeguard trademarks in Nigeria cannot be overstated, given the problems of trademark protection in Nigeria mentioned above. The proposals outlined below, if completely implemented, will help and support the Nigerian Government in promoting and strengthening the practice of trademarks and other kinds of intellectual property rights in Nigeria; hence, it is proposed that:

- a. The government should raise knowledge about intellectual property rights among both educated and illiterate individuals in society.
- b. Trademark enforcement in Nigeria is weak and inconsistent due to low morale, poor training, and limited resources, hindering efforts to combat trademark infringement. It is therefore proposed that the financing of government entities responsible for trademark protection be strengthened.
- c. Improve the efficacy of law enforcement measures to increase trust in trademark protection among companies and manufacturers.
- d. Professional Internet watch services should monitor for infringing conduct on behalf of rights holders to prevent future infringements.
- e. Creating laws with harsh penalties for infringers can prevent trademark violations and protect intellectual property rights overall.
- f. The establishment and institutions of Government to checkmate Trademarks violation and the strengthening of already existing institutions will go a long way to prohibit Trademark violation in Nigeria.

Conclusion

Overall, it is clear that the issues of intellectual property rights in general, and trademark infringement in particular, cannot be completely eliminated in a growing society, since technological advancements, the usage of the internet, and other reasons may all contribute to such acts of violation. When the Nigerian government takes intentional and deliberate steps to protect trademarks, infringement would be significantly reduced.

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