

The Legal Regime for International Trade Mark Protection: An Introduction

Nobody has any rights to represent his goods as the goods of somebody else.¹

Introduction

In recent decades, the world has globalized at a rapid pace bringing hitherto unimaginable developments to different facets of life, socially, economically and otherwise. This trend has impacted virtually all aspects of human endeavour, especially in the areas of commerce, information technology and dissemination, technology acquisition, cross-border travels, mass communication and international politics. In the commercial arena, the movement of goods and services across international borders has been made relatively seamless through the availability of instant information courtesy of the internet. Furthermore, due to the ease of information flow via the internet, the phenomenon of electronic commerce (E-commerce) has also gained global ascendancy within a short space of time. This development has eased bottlenecks early-on associated with international movement of goods and services, especially in transactions between developed and developing countries.

One of the major offshoots of globalized commerce has been the heavy global dependence on the continuous flow of information and transfer of technology to sustain and uplift international trade. This does not imply that pre-21st century global trade transactions were entirely devoid of the effect of information and

¹ Per Lord Halsbury in *Reddaway v. Banham* (1896) cited in Catherine Colston, *Principles of Intellectual Property Law* (1999) 199, 309.

technology, however, the 21st has literally proved to be the crescendo-age that has reconfirmed the invaluable utility of information and technology in global trade transactions. There have been several technology-induced developments that have occurred in the global commercial and allied sectors, including the globalization of the print and broadcast media (including the revolutionary cable media) and other communication genre. This has implicated extensive and expensive investments in developing and deploying physical and intangible resources across states' borders. With all these developments, the need has arisen, unlike ever before, for the protection of investors' businesses and other related proprietary interests, especially in foreign countries. One of these interests, and the subject of this paper, is their intellectual property.

Specifically, this paper introduces and discusses the issue of international trade mark protection in the context of the Madrid Protocol on the Protection of Trade marks. In laying the foundation for the detailed discussions that follow, section 1 of the paper discusses, in general, the meaning and scope of intellectual property. Section 2 is a brief introduction on the subject of trade marks, while section 3 deals with trade mark protection in Nigeria. Section 4 deals in detail with the regime of international trade marks protection, while section 5 is the conclusion.

1. The Meaning and Scope of Intellectual Property

To a large extent, the term intellectual property (IP) has become ubiquitous in common usage among IP practitioners and academics. In its scope, the field of intellectual property covers the array of proprietary interests that include copyright, patents, trade marks, geographical indicators, and confidential information, among others. It should be noted that in the 21st century era of globalization and commercialization of diverse proprietary interests, the ambit and limits of intellectual property rights are steadily expanding. This implies that

there is no urgent need to precisely define the term 'intellectual property'. For the present purposes however, a working definition suffices. According to Cornish and Llewelyn, the term IP or intellectual property rights (IPRs) has become the fashionable means for describing research results and other original ideas, whether or not they fall within what was originally considered intellectual property.² In essence, the term IP has assumed more of a generic-descriptive connotation that describes the degree of protectable proprietary interests or rights at any point in time, instead of being a term that stipulates absolute limits that delineates such interests or rights. In essence, it could be said, literally speaking, that in technologically-advanced 21st century environment, the categories or classes of IPRs are not closed.

In contemporary usage, the term IP is taken to represent more than the traditional trinity of patent-copyright-trade mark, because the scope of IP is continually expanding. According to the World Intellectual Property Organization (WIPO), the term IP 'refers to creations of the mind: inventions, literary and artistic works, and symbols, names, images, and designs used in commerce.'³ WIPO categorizes the IP regime into two parts: 'industrial property', which is a term used to describe 'inventions (patents), trade marks, industrial designs, and geographic indications of source'. The second category is 'copyright', which covers 'literary and artistic works, including books, 'poems and plays, films, musical works, artistic works such as drawings, paintings, photographs and sculptures, and architectural designs.' It is to note that the WIPO classification does not comprehensive enough to include aspects of IP such as confidential information or trade secrets.

² See William Cornish and David Llewelyn, *Intellectual Property: Patents, Copyrights, Trade marks and Allied Rights* (5th ed. 2003) 3.

³ See the WIPO website at <http://www.wipo.int/portal/index.html.en> at 13 September 2007.

Leaving the conceptual aspects of IP, this paper is principally concerned with the aspect of IP relating to the protection of trade marks in the context of international regime trade marks protection. The paper's major theme will explore the key international instruments in cross-border trade marks protection, and for the present purposes, the Madrid Agreement on Trade marks and the Madrid Protocol on Trade marks. There are other international instruments, for instance, the Paris Convention, that protect areas of IP that includes trade marks and patents.

2. A Primer on Trade marks

The learned authors of Kerly's Law of Trade Marks and Trade Names define a 'trade mark' as a sign which distinguishes particular goods or services particular to one undertaking from the goods or services of other undertakings.⁴ In the same manner, section 67 of Nigeria's *Trade Mark Act 2004*⁵ describes a trade mark as '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 rights either as proprietor or as registered user to use the mark...' (See generally *Maersk Line & Anor v. Addide Investment Limited & Anor*.⁶ See also *Ferodo Limited v. Ibeto Ind. Limited*).⁷ In essence, the major function of trade marks is to ensure that anyone who is not the proprietor or registered user of a particular mark or a licensee thereof, should not be allowed to benefit from the goodwill attaching or potentially attaching to the trade mark in question.⁸ This also implicates the fact that no other trade mark should be allowed to be identical or nearly resemble, either graphically, in

⁴ See David Kitchin et al, *Kerly's Law of Trade Marks and Trade Names* (14th ed. 2005) 10.

⁵ See the *Trade Mark Act* Cap T13 Laws of the Federation of Nigeria 2004.

⁶ (2002) NWLR Pt. 778, 317, 381.

⁷ (2004)5 NWLR Pt. 866, 317, 347.

⁸ See F.O.Babafemi, *Intellectual Property: The Law and Practice of Copyright, Trade Marks, Patents and Industrial Designs in Nigeria* (2006) 187-188.

colour, or in terms of design or get-up, a registered trade mark so as to deceive or confuse the ordinary members of the public. This is for commercial expediency and to forestall the possibility of actual or potential passing-off⁹ on the established reputation of other trade marks or brands. This tallies with the WIPO's description of a 'trade mark' as a distinctive sign which identifies certain goods or services as those produced or provided by a specific person or enterprise.'¹⁰

The philosophy behind the registration of trade marks is predicated on the need for consumers to be able to distinctly identify and purchase a product or service because its nature and quality, indicated by its unique trade mark, meets their needs.¹¹ The foundational aspect of trade mark definition is that any mark that qualifies as such should be able to distinguish particular goods or services from the others, by being distinctive enough so as to be easily discernable as relating to a particular product or service. According to the authors of Halsbury's Laws of England, the lack of distinctiveness in a proposed trade mark is one of the reasons for non-registration by the appropriate states' authorities. As is also applicable under Nigeria's trade mark regime, the distinctive nature of registerable trade marks must also be established.

In the context of the present discussions, it could be said that by their very nature, the regime of trade marks were necessitated or are the by-products of market enterprise and market place competition.¹² This is because the whole essence for trade mark protection is aimed at isolating and appropriating the reputation or anticipated reputation of a particular product or service solely for

⁹ A detailed discourse on passing-off is outside the scope of this paper. However, for further insight on the issue, see generally Dennis Odigie, *Modern Law of Torts in Nigeria* (2003) 143 et seq.

¹⁰ See WIPO website above note 3.

¹¹ Ibid.

¹² See Colston above note 1 at 343.

the benefit of the proprietor of the trade mark, the registered user or licensee. This being so, trade marks then act to identify goods and services in particular ways, and in so doing, help to attach a definite label of individuality to these goods and services. The individuality goes ahead to augment the establishment of the quality and/or reputation of the goods and services bearing the marks.¹³ This reputation needs not be positive or continually positive, since some trade marks may be pointers, albeit unwittingly, to the brand that should be avoided by consumers, and in such instances, the marks would have acted to negatively project the brand. This scenario was exemplified by the Firestone trade mark during the time that Firestone tyres malfunctioned heavily and led to several roll-over deaths when mounted on Ford SUVs in the United States.¹⁴ The ultimate result was the rejection of Firestone tires by consumers and the eventual liquidation of the brand.

In commercial terms therefore, trade marks themselves, especially the well-established or popular ones, could be the basis for continued business success, while trade marks that have reputation or credibility problems could lead to the ruination of an otherwise thriving business. This highlights the importance of protecting trade marks both locally and internationally, especially those considered by consumers of the product or service as having positive reputation that is linked to quality. In Nigeria, examples of this category of trade mark includes Peak, Guinness, Bournvita, Star, Omo, Jik Coke, Sony, Five Alive, Sharp, Durex, Michelin, Close-Up, Dunlop, Tom Tom , Panadol, to mention but a few.

¹³ Ibid.

¹⁴ See Dominique Turpin, 'Communicating in a Crisis' in European Business Forum at <http://www.ebfonline.com/Article.aspx?ArticleID=74> at 2007.

3. Trade Marks Protection in Nigeria in Brief

In Nigeria, the Trade Marks Act¹⁵ is the primary legislation for the registration and protection of trade marks. To register a trade mark in Nigeria, the applicant has to file the necessary application, provide a representation of trade mark and pay the necessary fees at the Trade marks Registry administered by the Federal Ministry of Commerce. Once the trade mark is considered registrable by the Registrar of Trade Marks, the application is accepted and published in the *Trade Marks Journal* to allow for possible objection from the members of the public. If a period of two months lapses and no objection to the proposed mark is received by the Registrar, the mark will be registered and will be valid for an initial period of seven years, renewable ad-indefinitum thereafter for fourteen years at a time.

In Nigeria, the Trade Marks Act strives to protect the rights of the proprietor(s) or the registered user(s) of trade marks. As highlighted above, the moral for protection under the Act, as elsewhere globally, is that no other mark(s) should be allowed to imitate or so closely resemble registered marks so as to deceive members of the public when making their choices. Sections 9 and 10 of the Act specify the level of distinctiveness required for any mark(s) to be registerable, while sections 11 and 13 of the Act prohibits the registration of mark that are deceptive, scandalous or identical to an already registered mark. The Act preserves the common law action in passing-off against any person that uses a mark or get-up of a mark that resembles those of a registered trade mark. The issue of whether actions in passing-off is still solely based on common law or has been integrated into the Act has been contentious recently and the Supreme Court has returned what appears to be two conflicting decisions on the issue. See

¹⁵ Cap T13 Laws of the Federation of Nigeria 2004.

generally the cases of *Omnia Nigeria Limited v. Dyktrade Limited*¹⁶ and *Ayman Ent. Limited v. Akuma Industries Limited*.¹⁷

From the above discussions, it is essentially clear that the gravamen of the trade mark regime in Nigeria, and arguably globally, is simply to avoid the situation where businesses or individuals unjustly 'reap from others' sweat and reputation' without due authorization and without adequate compensation negotiated and paid or payable to the right holders. In the present era of globalized commerce and ever-shrinking global marketplace, this philosophy also implicates the fact that any registered mark, especially those that have or are deemed to have positive market appeal, must be protected from unauthorized exploitation both within and outside any country's borders. However, while the process for the protection of trade marks within a country's border is pretty straightforward and regulated by relevant domestic legislation, the process for international protection involves several logistical, domestic and international legal instruments and is more complex. That aspect is discussed below.

4. The International Dimension to Trade Mark Protection

Being part of the valuable interests that dominate international commercial transactions, Intellectual Property Rights (IPRs) have also been affected by the recent increased pace in the wave of globalization. This has been as a result of the emergent global consensus that gravitates towards the formulation of common mechanisms to protect IPRs across states' borders. This had culminated in the adoption of the *Agreement on the Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement)* in 1994 by the states parties to World Trade

¹⁶ (2007) 15 NWLR Pt. 1058, 576

¹⁷ (2003) 13 NWLR Pt. 836 22.

Organization (WTO).¹⁸ The effect of the TRIPS Agreement was to consolidate the globalization of intellectual property as an integral part of the international commercial regime. In doing this, articles 15 through 21 of the TRIPS Agreement stipulate guidelines to guide states in formulating their respective domestic IPRs protective regimes. It is noteworthy that the TRIPS incorporates, by express mention, the *Paris Convention on the Protection of Industrial Property 1883*, (the *Paris Convention*) as amended, which had long made provisions, albeit somewhat onerous, for cross-border intellectual property protection.

In substantive terms, as obtainable within the domestic arena, the regulatory regime that governs the protection of trade marks across borders is aimed at protecting the intellectual property of registered owner of marks from infringement outside the mark's country of origin. In this respect, the more recent rules regulating this area are intended to harmonize the process of registering and enforcing trade marks against infringements across borders. This is where the relevance of the *Madrid Agreement Concerning the International Registration of Marks 1891* (as variously amended) and its *Protocol*, the *Paris Convention*, and other relevant international instruments manifests. There are similar provisions, with varying variations, across the provisions of these instruments, all relating to the registration and protection of diverse bundles of intellectual property rights. Some of the provisions of the relevant international instruments are discussed below.

i. The Paris Convention

The Paris Convention is aimed at protecting what it called 'Industrial Property,' which is a term that was used to describe the bundle of proprietary interests that

¹⁸ The TRIPS Agreement is the Annex 1c of the Agreement establishing the World Trade Organization signed in Marrakesh Morocco in 1994.

are today classified as 'Intellectual Property.' For instance, article 1(2) of the Convention states that it is meant to protect matters relating to object patents, utility models, trade marks, trade names, and indication of source,¹⁹ among others. The Convention constitutes its members into the Union for the Protection of Industrial Property (The Paris Union) to facilitate the seamless registration of proprietary interests of members within the territories of other member countries.

One of the primary objectives for the creation of the 'Paris Union' could be gleaned from the provisions of article 2 of the Convention, which provides for 'National Treatment' for all its members. In brief, the principle of 'National Treatment' requires that, in dealing with matters falling within the purview of the Convention, for instance, the registration of trade marks, a member state is mandated to treat the citizens of other member states the way it treats its own citizens without any form of discrimination, provided that those foreigners fulfil the conditions imposed by the states concerned on its own citizens. The implication of the 'National Treatment' requirement in the Convention is that, for members, there are no 'locals' and no 'foreigners' in terms of the conditions required for registration and protection of intellectual property rights within the territories of the members of the Union.

With specific reference to trade marks, article 4 of the Paris Convention gives a six month priority to a person who has filed an application for trade mark protection in one country of the Union on subsequent application in the jurisdiction of other members. It is to note that under the Convention, the conditions for filing an application are to be determined by each country's domestic legislation,²⁰ even though non-filing in a country of origin does not

¹⁹ 'Indication of Source is also severally called Geographical Indication or Appellation of Origin'.

²⁰ See article 6(1) of the Convention.

constitute a ground to refuse an application in the other countries of the Union.²¹ Under article 3 of the Convention, nationals of countries outside the Union, but who are domiciled or have real and effective commercial interests within the territory of a country of the Union are to be treated like members of the Union. This is meant to complement the National Treatment provision and water down the effect of nationality in the content of the Convention.

From the above discussions, it must be said that in relation to trade marks, it is doubtful whether the relevant provisions of Paris Convention, without more, could be efficiently relied on to administer and protect marks in the present globalized international commercial arena. This is because the Convention requires individual filing of applications in different countries of the Union, even though it reserves priority for marks already existing in the territory of a member state of the Union. In this present day and age, it must be considered onerous, and in fact extremely unrealistic, for a trade mark owner, for example, to prepare and file individual applications to protect the mark in all the countries where protection of the mark is sought. It is in this respect that resort must be had to the Madrid Agreement and Protocol.

ii. The Madrid Agreement

The Madrid Agreement and its Protocol relate specifically to the international registration and protection of trade marks and are meant to simplify and standardize the regime of cross border protection of trade marks. Article 1 of the Agreement establishes a Special Union (SU) of the members. Under the Agreement, registration is by filing the trade mark in question at the International Bureau of Intellectual Property (IBIP) under the aegis of the World

²¹ See article 6(2) of the Convention.

Intellectual Property Organization (WIPO).²² This is to be done through the intermediary of the relevant trade mark office in the mark's country of origin, that is, the national office in the country where the person applying to register the mark(s) is deemed to be domiciled. It is also important to note that under the Madrid Agreement, the indices for domicile of a person for purposes of the SU are virtually on all fours with those stated above under the Paris Convention, including the factor where a person has investments in industrial or commercial establishment within a foreign country.²³

Article 4 of the Madrid Agreement stipulates the effect of international registration of marks. In the main, from the date of an international registration of any trade mark at the IBIP, the protection of the mark becomes effective in all contracting countries as if the mark has been registered locally in each of these countries. As an extension to this provision, article 4*bis* of the Agreement provides that where a locally registered mark is subsequently registered at the IBIP, the latter international registration shall be deemed, without prejudice to rights already acquired under the earlier local registration, to have replaced the national registration. On request by the IBIP, this development would have to be noted by the local office that registered the mark.²⁴ However, it should be noted that where authorized by local legislation, a country may refuse to validate a mark within its territory if there are grounds, compatible with its local trade mark legislation that makes such marks unregistrable.²⁵ It is however imperative that the local office has to notify the IBIP within one year, of its reasons for so acting, failing which it loses the right to exercise the option to decline giving effect to any such mark.

²² See article 1(2) of the Agreement.

²³ See article 2 of the Agreement.

²⁴ See article 4(2)*bis* of the Agreement.

²⁵ See articles 5(1)(2) of the Agreement. The local office so doing will communicate its decision and the grounds for such decision to the IBIP.

In terms of the ambit of protection in relation to protected marks, article 6(1) of the Madrid Agreement stipulates that a registered mark is valid for a term of twenty years and is renewable for another 20 years, on terms.²⁶ However, it is to note that once a mark has been registered internationally for 5 years, it becomes independent of the mark earlier registered in the country of origin and assumes its own distinct identity as an international mark.²⁷ However, this provision will not be available if within five years of the international registration the local mark no longer enjoys protection within the country of original registration.²⁸

Finally, the Madrid Agreement reserves the right of the proprietor of any trade mark, at any time, to renounce the international protection for the mark in any particular country by notifying the office of origin. The local office will then communicate the renunciation to IBIP for onward communication to the countries concerned. In essence, the implication of this provision is that the proprietor of a mark could extend or limit the scope of international protection on the mark by selecting the countries within which effect are to be given to the mark in question at any particular time.

iii. The Madrid Protocol

Allied to the Madrid Agreement on trade marks is the Madrid Protocol. As an international instrument on trade marks, the Madrid Protocol represents a more modern addition that complements the Madrid Agreement in the area of international trade mark protection. The protocol was first adopted in 1989 and amended in 2006. As noted above, the Madrid Agreement and the Protocol have

²⁶ See articles 6(1) and 7 of the Agreement.

²⁷ See article 6(2) of the Agreement.

²⁸ See article 6(3) of the Agreement.

some identical provisions, while some of their provisions seem contradictory. This issue of their seeming inconsistent provisions will be discussed further below.

Article 1 of the Protocol provides that Contracting parties to the Protocol, whether they are existing members of the Madrid Agreement or not, shall be members of the same Union to which the members of the Madrid Agreement belong to. The provisions in the Madrid Agreement relating to the effect and modalities for international registration of trade marks and the right of a Contracting Party to decline to give effect to a registered mark within its territory are, to a large extent, replicated in the Protocol.²⁹ In all, the Protocol complements the Madrid Agreement and the Paris Convention in several respects.

This above notwithstanding, as noted above, there are some provisions in the Madrid Agreement and the Protocol that appear to contradict one another. It is unclear why this is so. A few examples will suffice for the present purpose.

It has been noted that article 6(1) of the Madrid Agreement stipulates a term of twenty years for registered marks, while article 7 provides for a renewal term of another twenty years. In contrast to these provisions, article 6(1) of the Protocol provides for a validity period of ten years for registered marks, while article 7(1) of the Protocol also provides for a renewal period of ten years. From the above provisions, it is unclear what step(s) to adopt when interpreting these seemingly inconsistent provisions or how they are to be applied. It is arguable, however, that the provisions of the Madrid Agreement would trump those of the Protocol being that the Protocol is deemed to have derived its existence from the Agreement. This position is supported by article 9*sexies* of the Protocol captioned 'Safeguard of the Madrid (Stockholm) Agreement, which, in brief, provides that

²⁹ See articles 2 to 5 of the Protocol.

with respect to an international application or registration where the office of origin is in a state that is a party to the Madrid Agreement and Protocol, then the provisions of the Protocol shall have no effect in any other country that is also a party to both of these instruments.

Having said the above, it is to note that the above submission is somehow contradicted by the qualifier-provision in article 1 of Protocol. In describing the membership of the Union under the Protocol, article 1 provides in part, that the parties that belong to the Union include 'the states party to this Protocol...even where they are not party to the Madrid Agreement Concerning the International Registration of Marks...' It is arguable that the phrase 'even where they are not party to the Madrid Agreement...' presupposes that the Madrid Protocol could be used as a stand alone instrument on international trade mark protection. This appears a stretch because, as a rule, Protocols, especially international ones, are usually predicated on substantive Treaties or Agreements. For instance, relevant to this present discourse, the Black's Law Dictionary defines a Protocol as 'a treaty amending and supplementing another treaty.' This implies that in ordinary sense or usage, Protocols do not exist as substantive documents in their own right. This might explain why the Madrid Protocol is headed, 'Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks.' Whatever be the case, however, the operating factor should be the effectiveness of the Madrid system as a whole, and if such is enhanced by the combination of the Agreement and the protocol, then any procedural issues or defects could be dealt with by an amendment.

5. Conclusion: The Domestic Relevance of the Madrid System

As noted above, the Madrid System that regulates international registration of trade marks greatly simplifies the processes for registering trade marks across

several states' borders. Even though the regime of trade marks registration under the Paris Convention grants priority to marks already registered in one jurisdiction for subsequent registration in another jurisdiction, there was still the need for a fresh application during latter registrations. Conversely, the Madrid System ensures a single registration for all purposes with the possibility for adding future territories to the registration. There is also the possibility to discontinue the applicability of the registered mark in any jurisdiction anytime after registration. Overall, the Madrid System dispenses with the need for independent or fresh applications in different countries each time an applicant desires to protect a particular mark in such countries.

In Nigeria, the utility of the Madrid System can only be appreciated on the presumption that that are brands that could be registered internationally. Without doubt there are such brands, some of which were mentioned above. However, it is noteworthy that Nigeria is not a party to the Madrid System since it has not acceded to either the Madrid Agreement or the Protocol, and it is unclear why this has been the case in the present globalized commercial environment.³⁰ This notwithstanding, Nigerians can still have access to and benefit from the Madrid System by virtue of article 2 of the Madrid Agreement which has adopted members of countries that are parties to the Paris Convention, to which Nigeria is a member, if they are within the territories of the Special Union and fulfil the conditions stipulated under article 3 of the Paris Convention. This is unnecessary and avoidable hardship and retards the benefits emanating from one of the most progressive intellectual property regimes of this century.

³⁰ African countries that are members of the Madrid System include Algeria, Botswana, Egypt, Kenya, Lesotho, Liberia, Mozambique, Morocco, Namibia, Sudan and Zambia.

Finally, the Madrid System has simplified the process of international trade marks registration and enforcement. It is left for entrepreneurs and relevant rights holders in Nigeria and elsewhere to make use of such a system, while the Government should immediately accede to the System for Nigerians to enjoy the full benefits without more.