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“Enforcing Intellectual Property Rights in Nigerian Courts”

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### Abstract

*There is no point in making comprehensive provisions for the protection of various intellectual property rights without a corresponding comprehensive system for enforcing the same when the rights are or about to be infringed. Therefore, an accessible, sufficient and adequate system/procedure is paramount in any worthwhile intellectual property system. Right holders must be granted means to enforce their rights just as is obtainable in other forms of tangible and intangible properties. To this end, all intellectual property systems need an effective judicial system that is empowered to deal with both civil wrongs and criminal offences while being presided over by adequate number of judges with the requisite experience in intellectual property law. This paper therefore examines: the raison-d’être for protecting intellectual property rights; the various enforcement mechanisms via the courts; sanctions and remedies for infringement of intellectual property rights amongst other incidental matters. The paper concludes with a call for the review of the sanctions for infringing intellectual property rights.*

**Key Words:** Enforcement, Intellectual Property Rights, Civil Remedies, Criminal Sanctions, Nigerian Courts.

### 1. Introduction

The expression ‘Intellectual Property’ (IP) is taken to mean the legal rights which may be asserted in respect of the product of the human intellect.<sup>1</sup> It is a private property right. Intellectual property law protects the creation of human mind and human intellect and it is divided into two branches, namely industrial property law and copyright law. Industrial property law protects the inventions while copyright law protects literary, musical and artistic works, cinematography films, sound recording and broadcasts as well as creations in the field of neighbouring rights.<sup>2</sup> These legal rights can be infringed upon when the same rights granted to the right holder are exploited by a third party without the owner’s consent or permission. Therefore, like every other legal property rights, the infringements on intellectual property rights are enforceable in a court of law as well as other procedures. There are several enforcement mechanisms a right holder can employ in enforcing his rights. These include Alternative Dispute

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<sup>1</sup> J. Philip and A. Firth, *Introduction to Intellectual Property Law* (London GB: Butterworths, 2001) p. 4.

<sup>2</sup> *Ifeanyi Okoyo and Anor v. Prompt & Quality Services and Anor* [2003 – 2007] 5 IPLR 117 at 130, paras. D-F., per Kasim J. (FHC).

Resolution, Civil and Criminal Litigation via the courts, administrative procedures and self-help. This paper, however, focuses on the enforcement procedure via the courts.

## 2. Protection of Intellectual Property Rights

Intellectual Property Rights (IPRs) are statutorily granted and protected. These rights are exclusive rights and attached to them is the right to exclude third parties from dealing with the protected work unless with the permission of the right holder. Under the Agreement on Trade-Related Aspects of Intellectual Property Rights, seven different forms of intellectual property rights have been identified and made available.<sup>3</sup> However, under Nigerian laws four sets of these rights were statutorily provided for, to wit: copyright, industrial design, trademarks and patents.

Several arguments have been adduced to explain the rationale behind the granting of these exclusive rights. An economy’s growth, the creation of employment, social, technical, commercial and cultural progress, all depend, to some extent, on the genesis, and then the exploitation of new ideas, techniques, products and processes. Protecting the creation and development of ideas lies at the heart of intellectual property law. The purpose of doing so is to stimulate and increase the creation, development and dissemination of the ideas necessary for progress. This can be done by preventing the value of an idea being misappropriated by others. This can be regarded as the public justification for intellectual property rights.<sup>4</sup> Other justifications for the grant of intellectual property rights are: new ideas will be stimulated if the creator is rewarded for the effort and expenditure of creation; the investment needed to develop the idea for a commercially viable proposition is protected from unfair competition; dissemination of the new idea is enhanced if its exploitation does not lay it open to immediate imitation, thus ensuring public access to new knowledge and ideas. Whereas, without protection, the natural alternative would be to turn to secrecy and thus deprive the public of the idea.<sup>5</sup> These are public interest justifications for granting exclusive rights to intellectual property.

There are also private justifications for the grant of intellectual property rights. The reason behind grant of IPRs is that creators - whether author, inventor or designer - have a

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<sup>3</sup> These are: Copyright and Related Rights, Trademarks, Geographical Indications, Industrial Designs, Patents, Layout-Designs (Topographies) of Integrated Circuits, Protection of Undisclosed Information.

<sup>4</sup> C. Colston, *Principles of Intellectual Property Law* (London GB: Cavendish Publishing Ltd., 1999) p. 20.

<sup>5</sup> *Ibid.* p. 21.

natural right to the results of their labours. This is hinged on the theory of John Locke as stated in *The Second Treatise on Government* that everyone has a property in the labour of his own body and that the appropriation of an unowned object arises out of the application of human labour to that object.<sup>6</sup> Any private justification for intellectual property rights must take into account the public interest in fair access to, and use of an idea. That is to say, the other side of enforcing intellectual property rights is the right of the public to access to knowledge.

### **3. Jurisdiction of Court to Enforce Intellectual Property Rights**

The preamble to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) shows the desire of the Members to ensure that measures and procedures to enforce intellectual property rights do not themselves become barriers to legitimate trade. The Agreement recognizes the need for new rules concerning the provision of effective and appropriate means for the enforcement of trade-related intellectual property rights, taking into account differences in national legal systems. The TRIPS Agreement in its Part III laid out certain provisions which serve as minimum standards in enforcement of intellectual property rights. Article 41 adumbrates the general obligations on Members concerning the enforcement of intellectual property rights. Members are to ensure that enforcement procedures, comprising of civil and administrative procedures, criminal procedures as well as border measures, are in place so as to permit effective action against any act of infringement of IPRs. Inclusive in these enforcement procedures are expeditious remedies to prevent infringements and remedies which constitute a deterrent to further infringements. Procedures concerning the enforcement of intellectual property rights shall be fair and equitable, not unnecessarily complicated or costly and should be speedy. Both parties must be given fair hearing before final decisions are reached.<sup>7</sup>

The TRIPS Agreement did not however place an obligation on member states to put in place judicial systems solely for the purpose of the enforcement of intellectual property rights other than those already in existence in the member states. Nigeria in compliance with the TRIPS Agreement did not set up a judicial system solely for the purpose of enforcing intellectual

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<sup>6</sup> Cited in C. Colston, *ibid.* p. 21.

<sup>7</sup> Art. 41 para. 1, 2 and 3 TRIPS Agreement.

property rights. Thus, the subject matter jurisdiction to hear intellectual property cases is given under the Nigerian Constitution exclusively to the Federal High Court.

Section 251(1) of the Constitution of the Federal Republic of Nigeria 1999 (as Amended 2011) (CFRN) provides that “Notwithstanding anything to the contrary contained in this Constitution . . . the Federal High Court shall have and exercise exclusive jurisdiction to the exclusion of any other court in civil causes and matter:”

Any Federal enactment relating to copyright, patent, designs, trademarks and passing-off, industrial designs and merchandise marks, business names, commercial and industrial monopolies, combines and trusts, standards of goods and commodities and industrial standards.<sup>8</sup>

It is apparent that any civil matter bordering on intellectual property can only be commenced at the Federal High Court and no other court is permitted by law to entertain such matters. This provision is also substantially similar to the provisions of section 7 of the Federal High Court Act.<sup>9</sup> It is therefore a puzzle that the Nigerian Supreme Court made some inconsistent ratio in the past. In *Patkum Industries Ltd. v. Niger Shoes Manufacturing Co. Ltd.*<sup>10</sup> the court held that the “the Federal High Court has jurisdiction in an action for passing-off arising out of a registered trademark. The court left open the issue regarding which court will entertain a case of passing-off of an unregistered trademark. Fifteen years later, the court filled the lacuna in *Ayman Enterprises Ltd. Akuma Industries Ltd.*<sup>11</sup> where it held that an action of passing-off of an unregistered trade mark goes to the State High Court, while that of a registered trademark goes to the Federal High Court. This last minute ratio only made false input into the decision of *Patkum Industries Ltd. v. Niger Shoes Manufacturing Co. Ltd.*<sup>12</sup> In our humble opinion, it was totally wrong in the face of existing law to provide a dichotomy between registered and unregistered trademarks. Ogbuabor and Anya wrote that the decision in *Ayman Enterprises Ltd. Akuma Industries Ltd.*<sup>13</sup> is null and void to the extent of its inconsistency with the Constitution.<sup>14</sup> It was

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<sup>8</sup> Section 251 (1) (f)

<sup>9</sup> Cap F12 *Laws of the Federation of Nigeria (LFN)*, 2004.

<sup>10</sup> [1988] 5 NWLR (Nigerian Weekly Law Reports) (Pt. 93)138 S.C.

<sup>11</sup> [2003] 13 NWLR (Nigerian Weekly Law Reports) (Pt. 836) 22 S.C.

<sup>12</sup> *Supra*.

<sup>13</sup> *Supra*.

<sup>14</sup> C.A.Ogbuabor and S.N. Anya, “Jurisdiction in Actions for Infringement of Trade Marks and Passing Off in Nigeria.” *The Nigerian Juridical Review*, Vol. 11 (2013) pp. 83-114.

in *Omina (Nig.) Ltd. v. Dykrade Ltd.*<sup>15</sup> that the Supreme Court stated the right position of the law that the Federal High Court has jurisdiction in action for passing-off arising out of or relating to trademark whether registered or unregistered. Further in section 251(3) of the CFRN the Federal High Court also has and exercises jurisdiction and powers over criminal causes and matters in respect of which jurisdiction is conferred by subsection (1) of section 251.<sup>16</sup> The criminal jurisdiction of the Federal High Court has been stated not to be exclusive to the Federal High Court. This is because the section did not employ the phrase “exclusive” or “to the exclusion of any other court” as used in subsection 1 of section 251. Thus, since the Constitution is silent as to its exclusivity, it is presumed that both the Federal and State High Courts have concurrent jurisdiction.<sup>17</sup> What is not prohibited is deemed permitted.

Reading the provisions of the Constitution in isolation, it can be imputed that any intellectual property matter that borders on criminal infringement, other courts aside the Federal High Court shall have the jurisdiction to hear such a matter. In Nigeria however, this is not the practice. All the intellectual property laws specifically conferred jurisdiction on its subject matter on the Federal High Court.

Section 46 of the Copyright Act provides that “the Federal High Court shall have exclusive jurisdiction for the trial of offences or disputes under this Act”. Section 67 of the Trademarks Act in interpreting “court” as used under the Act states that “‘court’ means the Federal High Court”. The use of the word “means” is restrictive and admits of no other court or further inclusion. Similarly, section 32 of the Nigerian Patents and Designs Act defines court to mean the Federal High Court. Therefore, by these provisions it can safely be concluded that only the Federal High Court is bestowed with the jurisdiction to hear and determine causes and matters, whether criminal or civil, relating to intellectual property<sup>18</sup> in Nigeria.

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<sup>15</sup> [2007] 15 NWLR (Nigerian Weekly Law Reports) (Pt.1058) 276 S.C.

<sup>16</sup> This provision is *in pari materia* with the provisions of s. 7(2) of the Federal High Court Act which provides that “The Court shall also have and exercise jurisdiction and powers in respect of criminal causes and matters arising out of or connected with any of the matters in respect of which jurisdiction is conferred by subsection (1) of this section”.

<sup>17</sup> J. A. Agaba, *Practical Approach to Criminal Litigation in Nigeria 2<sup>nd</sup> edn*, (2014) pp. 203 – 210. See also, *Abbas v. Commissioner of Police* [1998] 12 NWLR (Pt. 577) 308; *Mandara v. Attorney-General of the Federation* [1984] 1 SCNLR 311.

<sup>18</sup> Copyright, Trademarks, Patents and Industrial Designs.

Another interesting point on the jurisdiction of the Federal High Court is that criminal matters are commenced and concluded summarily. The Federal High Court Act provides that all criminal causes or matters before the Federal High Court shall be tried summarily.<sup>19</sup> Summary trial envisages a speedy trial without undue regard to technicalities and unwarranted delaying procedures. Thus, when it comes to criminal trials, the Federal High Court operates on the same frequency with the Magistrate’s Court which adopts summary trial procedure as well. Summary trial procedure requires the prosecution to file a charge sheet only, and that is sufficient to commence the trial, without the need to file the proof of evidence and other documents unless requested by the defendant.<sup>20</sup> It is stated that cases tried summarily are short and fast and are disposed of in a prompt and simple manner. The information to be attached to the charge to be tried summarily is a scanty summary of the evidence the prosecution would rely on. This procedure is a volte-face on the procedure adopted in trial on information used in the State High Courts. Itanyi and Anya had earlier written that summary trial violates the right to fair hearing, i.e. the right to be given reasonable time and material to prepare their defence.<sup>21</sup> Granted, the summary trial is attended with much less formality and is conducted with much more speed, this may not always impede the right of the criminal defendant to fair hearing. Where the defendant is dissatisfied with the nature or quantity of information attached to a charge in a summary trial, he is entitled to apply to the court for an order directing the prosecution to provide more facts to the accused persons.<sup>22</sup> The argument that summary trial breaches the defendant’s right to prompt and detailed information on the nature of the offence against him and the right to be given adequate time and facility for the preparation of their defense may not be tenable in all cases. Summary trial does not entail that the whole gamut of the trial must be commenced and concluded in a day. There are still rooms for adjournments. Serious offences like treason, terrorism, corruption, money laundering and the like are all tried summarily in Nigeria; why not copyright infringement? Again, summary trial procedure does not undermine the *onus probandi* on the prosecution in proving the guilt of the defendant. We submit the adoption of summary

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<sup>19</sup> S. 33(2) Federal High Court Act.

<sup>20</sup> *Ralph Uwazuruike & 6 Ors v. The Attorney General of the Federation* [2013] 10 NWLR (Nigerian Weekly Law Reports) (Pt.1361) 105 S.C.

<sup>21</sup> N. Itanyi and S. N. Anya, “Is Summary Trial of Copyright Crimes Consistent with Right to Fair Hearing?” *Int. J. Private Law*, Vol. X No. 2017

<sup>22</sup> *Ralph Uwazuruike, supra.*

trial procedure in prosecuting criminal defendants charged with intellectual property infringement is *in tandem* with Article 41 of TRIPS Agreement.

#### **4. Conferment of Intellectual Property Rights Infringement in Court**

Since most of the various rights conferred on IPR holders are similar in nature, they are enforced in essentially the same way – by an action in court for infringement of the right. Such an action for infringement can be brought when infringement has already started, or at an earlier stage when infringement is threatened. In general, the law allows one whose rights are infringed to choose when to sue, subject to limitation of time. The right holder most times is the policeman of his rights.

Infringements of intellectual property rights can arise in two instances: the civil and the criminal infringement. Therefore, enforcement of rights can as well be done via either civil or criminal litigation process. Although, marked differences exist between the civil and the criminal enforcements, both of them essentially work towards the goal of preserving the integrity of a given intellectual property, albeit with different methods and outcomes. Whereas civil actions are aimed at seeking remedies such as damages, injunctions and other civil remedies directly against infringers by the right-owner, criminal actions in form of prosecution are taken by an IPR holder/public authority or by its fiat against infringers on behalf of the right owner with a view to securing an injunction and conviction. The distinction does not only address the organic dichotomy in the enforcement platform but more particularly it deals with the tensions in the various interests implicated in the intellectual property across the private-public divide. The subsistence and interplay of private and public interests therefore necessitates the delineation of responsibilities in the enforcement of IPRs.<sup>23</sup> IPRs are fundamentally private rights statutorily granted, private litigation as a form of enforcement is therefore a natural and ideal forum for settling disputes between parties, and thus it is an anathema to involve government in enforcing IPRs. Government responsibility comes in because of the criminalization of IPR infringement; it

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<sup>23</sup> A. Adebambo, “The Logic of Intellectual Property Enforcement” This Day Daily Newspaper of 29 Nov. 2014. Available at <http://www.thisdaylive.com/articles/the-logic-of-intellectual-property-enforcement/195300/>. Last accessed 27 June 2016.

is an offence against the State thus a government commission like the Nigerian Copyright Commission takes charge of enforcing criminal infringement of IPR.

Of all the principal intellectual property statutes in Nigeria, the Copyright Act presents a classic case of the only intellectual property law available for public enforcement and to directly maintain criminal enforcement or prosecution of copyright infringement. All the other laws on intellectual property mostly provide for civil infringement and enforcement of rights. The infringement provisions under these various laws will now be examined.

Section 15 Copyright Act (CA) painstakingly enumerates the different acts that can amount to civil infringement of copyright. Infringement occurs whenever somebody exercises any of the rights reserved exclusively for the copyright owner without authorisation. Section 15(1) (a) CA provides for acts that amount to direct infringement of copyright. The section prohibits the doing of any act which is controlled by copyright without the authorisation of the owner of copyright. Section 15(b – g) CA provides for acts that amount to indirect infringement of copyright. By the provisions of the section, the infringement need not be intentional; neither is there any requirement for knowledge that the infringer is committing an infringement on someone else’s copyright.<sup>24</sup> However, section 16(3) CA provides for what could be termed “innocent infringement”. By the provisions of that section, if a defendant proves that he was unaware and had no reasonable grounds for suspecting that copyright subsists in the work he infringed on, then the right holder can only be entitled to account of profits but not damages. This remedy so allowed, cannot take care of a copyright owner whose work has been greatly pirated, though innocently. The fact of innocence does not remove the injury. The remedy of accounts of profits hardly ever restores the plaintiff to the position he would have been without the infringement. Pirates are criminals and will never willingly give up all profits made.

Section 20 of the Act provides for acts that amount to criminal infringement of copyright; it constitutes offences for the acts and stipulates penalties. Section 20(1) provides for the primary criminal infringement that deals with the making or importation of the infringing works while

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<sup>24</sup> *Performing Rights Society v. Brady UDC* [1930] AC 377; *Hanfetaengl v. Baines & Co. Ltd* [1895] AC 20. Except for s. 15(1) (f) which makes an exception.

section 20(2) provides for acts that have to do with selling, distributing *etc.*, of infringing copies, and that is the secondary infringement. An important qualification to the offences is the degree to which the accused knowingly commits the infringement and the burden upon the complainant to establish such knowledge.

The requirement for proof of guilty intent will be very difficult for the prosecution especially as against secondary infringers. In *Federal Republic of Nigeria v. Asika*<sup>25</sup> the difficulty of securing a conviction under this section was illustrated. The defendant had been charged with the offence of unlawfully offering for sale, infringing copies of works in which copyright subsists. Pirated copies were discovered in the defendant’s shop by the publisher’s representative who then purchased a copy and was issued with an invoice. In court, the defendant strongly maintained that he did not know that the copies of the work sold by him were pirated copies and that was why in his innocence he sold a copy to the publisher’s representative. The defendant gave the name of one Kenneth said to be his supplier but the said Kenneth could not be traced. The court acquitted the defendant for lack of knowledge. This scenario would almost always be repeated in any criminal infringement proceeding and therein lies the inadequacy of the law. The law should go beyond requiring the intention of the defendant to violate a right and take as proof of guilt the fact that the copyrighted was actually pirated.

Sections 20(4) and (5) CA have far-reaching provisions. They are aimed at curbing and discouraging infringement but however contain a legal conundrum. The sub-sections provide for forfeiture and destruction of ‘infringing’ properties before conviction. Such forfeiture and destruction are even allowed where no substantive action has been instituted in court against the alleged infringer. The court can make the order if the properties appear to be infringing copies of the works. The use of the word ‘appears’ entails discretion on the part of the judge and shows that such an order can be made without a hearing. Forfeiture that follows conviction is just. But to forfeit the copies and plates of the defendant, when he is not or has not yet been convicted appears unjust. The law leans against the taking away of personal property except where the taking away results from proceedings that gives full fair hearing to the defendant.

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<sup>25</sup> Suit No. FHC/K/2 CR/92. See also the dictum of the court in *Plateau Publishing Co. Ltd. v. Adophy* [1986] 4 NWLR (Pt. 34) 295.

Section 22 CA provides for offences by bodies corporate which include firms or other association of persons. The provision against corporate bodies that normally finance infringement is commendable. It is also commendable that no officer of the corporate body can hide under the corporate veil to perpetrate infringement of copyright. Thus, the body corporate and any of its officer responsible for the infringement can be held liable, proceeded against and punished accordingly. The defence of ‘lack of knowledge’ is also available for any officer who can prove the same or who can prove that he exercised all due diligence to prevent the commission of such offence. It is noteworthy to state that the proviso lays the burden of proof of knowledge or lack of it on the accused.

Civil and criminal actions against infringers may be taken simultaneously in respect of the same infringement under the Act.<sup>26</sup> Thus, while the Nigerian Copyright Commission (NCC) prosecutes an infringer of copyright, the right holder can simultaneously maintain a civil action against the infringer claiming damages or the like.

Section 25 CA codified the rule enunciated in the case of *Anton Pillar K.G. v. Manufacturing Processes Ltd*,<sup>27</sup> known as Anton Pillar Order. A plaintiff may under the section, bring an *ex parte* application supported by affidavit showing reasonable cause for suspecting the presence in any premises of items used or intended to be used for making infringing copies of his work. The court, if satisfied, may authorise the applicant to enter the premises at any reasonable time with an officer not below the rank of Assistant Superintendent of Police in pursuance of the order to seize, detain and preserve any infringing copy or contrivance and to inspect any or all documents in custody or under the control of the defendant. It is also an offence punishable with a fine of one hundred naira on conviction to knowingly give false information under this section. The Act allows *ex parte* applications because the plaintiff may have *bona fide* and reasonable grounds for believing that if notice of the application to court is given to the defendant, the latter will destroy, hide or dispose of relevant documents and works. Such applications as this may be heard by the judge in chambers to obviate the likelihood of the infringer getting a hint of the

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<sup>26</sup> S. 24 Copyright Act.

<sup>27</sup> [1976] Ch. 55.

order before its execution. Though there has been opposing arguments on the use of Anton Pillar Orders,<sup>28</sup> this order is aimed at curbing infringement of copyright in its early stage.

The Trademarks Act provides mostly for civil infringement. The rights conferred by the registration of a trade mark on the proprietor are the right to exclusive use and the right to sue for infringement.<sup>29</sup> In other words, registration is *prima facie* evidence of title to the particular trademark so registered and entitles the holder or proprietor/owner of such mark to institute an action to protect its breach.<sup>30</sup> This exclusive right conferred under section 5(1) Trademarks Act is subject to any conditions and limitations to which the registration is subjected.<sup>31</sup>

A trademark is infringed where a person, other than the proprietor or registered user of the trademark, who is not permitted to use the mark, uses a mark identical with the registered trademark 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 as being used as a trademark or as importing a reference to the registered trademark.<sup>32</sup>

In determining whether a trademark has infringed another, it is the offending trademark that is considered to discover if a person, when he sees the offending trademark in the absence of the one breached, and in view of his general recollection, is likely to be deceived into thinking that the trademark before him is the authentic one.<sup>33</sup> In order to found infringement of a trademark, the intention of the defendant need not be fraudulent or deliberate. Thus, the phrase “likely to deceive” as used in Trademarks Act does not necessarily imply fraud or anything of like nature on the part of the defendant. The relevant consideration is the likely effect of the trademark on members of the consuming public. Therefore, where the mark is likely to confuse

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<sup>28</sup> *Group Danone Societe Des Eaux De Volvic v. Voltic (Nig.) Ltd* Suit No. SC 223/2002 Judgment delivered by the Supreme Court of Nigeria on 7 March 2008. It has been argued that such orders breach the inhabitant’s right to privacy and except for the order so made, such entry into his premises would amount to trespass.

<sup>29</sup> *Dyktrade Ltd. v. Omnia (Nig.) Ltd* [2000] 12 NWLR (Pt. 680) 1; *The Procter and Gamble Company v. Global Soap and Detergent Ind. Ltd & Anor* [2013] 2 NWLR (Pt. 1336) p. 461.

<sup>30</sup> *International Tobacco (Nig.) Ltd & 2 Ors v. British American Tobacco (Nig.) Ltd & Anor* [2009] 6 NWLR (Pt. 1138) 577.

<sup>31</sup> *Virgin Enterprises Ltd Richday Beverages (Nig.) Ltd* [2009] 12 NWLR (Pt. 1156) 498.

<sup>32</sup> S. 5(2) Trademarks Act.

<sup>33</sup> *International Tobacco (Nig.) Ltd v. British American Tobacco, supra; Alban Pharmacy Ltd v. Sterling Products International Inc.* [1968] All NLR 300.

the public, the likelihood of deceit is deemed to be present. The foregoing factor is of paramount importance as a considerable number of people are illiterates in Nigeria; this is more so when what will not deceive an educated, diligent and careful purchaser may probably mislead the illiterate.<sup>34</sup> For the purposes of the infringement of a trademark it is not all the features contained in the mark that are important. Not all the components are to be considered as forming part of the trademark. The resemblance giving rise to infringement must lie in the basic idea of the mark.<sup>35</sup> In *Ferado v. Ibeto*<sup>36</sup> the Nigerian Supreme Court held that the basic idea of a mark includes any inscription on it and the entire background. On the MTN logo for instance, the inscription MTN alone does not make up the basic idea, which also includes the yellow background of the logo.

A civil action lies in practically all cases of infringement of a trademark. The proprietor of a trademark can bring an action to prevent the registration of a mark similar to or resembling his own registered mark by another person. He can also institute an action if the mark which infringes his own mark has already been registered. Indeed, where the two marks resemble or nearly resemble each other as to be likely to deceive or cause confusion, the proprietor of a trademark is likely to succeed in an action for infringement.<sup>37</sup>

The only criminal offence created by the Trademarks Act is as regards the Trademarks register. Sections 60 and 61 criminalise falsification of the register and false representation of a mark as registered. The penalty for the latter is a fine of only Two Hundred Naira (₦200) and the former is an imprisonment not exceeding seven years upon conviction.

The Nigerian Patents and Designs Act contains only civil infringements. Thus all actions are instituted by the right holder. The right holder also has the onus of policing his right so as to avoid exploitation/infringement by third parties. A patent right is a negative right, in that it is a right granted to the patentee (patent owner) to preclude others from exploiting his patented product or process.<sup>38</sup> A registration of an industrial design confers upon the registered owner the

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<sup>34</sup> See the dictum of the court in *International Tobacco (Nig.) Ltd. v. British American Tobacco (supra), United Kingdom Tobacco Co. Ltd. v. Carreras* (1931) 16 NLR 1.

<sup>35</sup> *Procter & Gamble Co. v. Global Soap & Detergent Ind. Ltd & Anor, supra.*

<sup>36</sup> [2014] 5 NWLR (Nigerian Weekly Law Reports) (Pt.866) 317 S.C.

<sup>37</sup> F. O. Babafemi, *Intellectual Property: The Law and Practice of Copyright, Trademarks, Patents and Industrial Designs in Nigeria* (Nigeria: Justinian Books Ltd, 2006) p. 233. See also *Savage v. Allen* [1936] 13 NLR 34.

<sup>38</sup> S. 6 Patents and Designs Act Cap. P2 LFN, 2004

right to preclude any other person from doing any of the exploitative acts prejudicial to the registered owner, adumbrated under section 19(1) (a-c) of the Patents and Designs Act.

However, the exploitative acts in relation to patents and designs can only amount to infringement when they are done for commercial or industrial purposes, thus doing any of the acts for personal or family use or for a gift to another does not amount to infringement. Infringement of a patentee’s right or design owner’s right occurs when another person without the licence of the patentee or design owner, does or causes the doing of any of the exploitative acts which that other person is precluded from doing.<sup>39</sup> An infringement of the rights of a patentee or design owner is actionable at the suit of the patentee or design owner as the case may be and in the event of being successful at the court, they are entitled to damages, injunction, accounts of profits or other similar orders the court may deem fit to make in the circumstance.

### **5. Criminal Sanctions for Intellectual Property Rights Infringement**

As herein-before noted, criminal sanctions can only be found in Copyright Act and Trademarks Act. Section 20(1) of the Copyright Act penalizes direct (primary) infringement of copyright with a fine not exceeding ₦1, 000 for every copy dealt with or to a term of imprisonment not exceeding five years or to both such fine and imprisonment upon conviction. The infringing acts under this head are the making, importing of infringing works or having in possession any device used for the making of any infringing copy of any such work. Sub-section 2 of the same section 20 penalizes indirect (secondary) infringement with a fine of ₦100 for every copy dealt with or to a term of imprisonment not exceeding two years or to both such fine and imprisonment. The infringing acts under this head includes the selling, hiring, having in possession for the purposes of trade, any infringing copy of the work. The penalty for distributing infringing copies of a copyrighted work for commercial purposes is a fine of ₦100 for every copy or imprisonment for six months or both such fine and imprisonment.

These fines are manifestly low. Thus, where for example the original copy of a book costs ₦10,000 and the defendant pirates several copies of it and sells them, when caught, he is liable to pay only ₦100 on each copy dealt with. This is notwithstanding the huge patronage and

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<sup>39</sup> *Ibid.* s. 25.

profits he may have made from selling the infringing works. Another problem here is how to calculate “for every copy dealt with”. Definitely, no defendant will tell you the exact amount of copies pirated; the number will be grossly reduced and this will undermine the right of the copyright owner. Thus, there are court decisions such as these: *NCC v. Nwali Sunday*,<sup>40</sup> where the defendant was convicted for book piracy and sentenced to a fine of ₦300; *NCC v. Tecony Systems Nig. Ltd*,<sup>41</sup> where the defendant was convicted for software infringement and sentenced to a fine of ₦3,200; *NCC v. Ali A. Bala*,<sup>42</sup> where the defendant was convicted for book piracy and sentenced to ₦100 fine or three months imprisonment, and so many other similar decisions.

Under the Trademarks Act, the sole offence is as regards the Trademarks register. Section 60 and 61 criminalize falsification of the register and false representation of a mark as registered. The penalty for the latter is a paltry fine of ₦200 and the former is an imprisonment not exceeding seven years upon conviction. The above clearly shows that the Act is too archaic to thrive in modern day realities of Nigeria. The obvious reason is that the ₦200 fine for such a criminal act of false representation is far too small; the criminal act is not just an infringement of rights but also has hazardous effects on consumers especially if the mark relates to a food or a drug item or other risky items.

These penal sanctions resulting from the criminal trial of IPR infringement have nothing to do with the right holder; it does not compensate the right holder. Fines are pecuniary punishment resulting from criminal trials and are paid into state treasury. Imprisonment is the incarceration of a convicted criminal/infringer, for a specified period. These two forms of punishments have no pecuniary benefit to the IPR owner; it is therefore based on this that civil remedies were provided for.

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<sup>40</sup> (Unreported Suit No. FHC/L/153c/13 Judgment delivered by Federal High Court Lagos Division) delivered on 18 June 2013.

<sup>41</sup> (Unreported Suit No. FHC/L/368c/11 Judgment delivered by Federal High Court Lagos Division) delivered on 1 March 2012.

<sup>42</sup> (Unreported Suit No: FHC/ABJ/CR/127/2013 at the Federal High Court Abuja, FCT Division.)

## 6. Civil Remedies for Intellectual Property Rights Infringement

All the intellectual property laws allow for civil action against infringers. Thus there are remedies the right holder can seek from the court to redress the harm done to him or to stop the impending harm to be done to him. Some of these remedies are briefly discussed here.

Injunctions are equitable remedies. The order of injunction is granted based on trite principles which the applicant must prove to the satisfaction of the court. Where the IPR owner becomes aware of any or perceived infringement, they ought to act fast so as to forestall further damage to their rights. However, before an injunction is granted, the applicant must undertake that if in the end their action fails, they will compensate the defendant for the interference to the defendant’s business effected by the injunction. Thus, there are several kinds of injunctions that can be sought at various stages of IPR enforcement from the courts.

Interlocutory injunction will often be granted by the court in order to preserve the *status quo* until the determination of the suit. Thus, instead of waiting till the end of the trial before actions can be taken, the court may be asked to act at once, and to grant at the outset an injunction against infringement lasting until the trial of the action. Unless the evidence fails to disclose that the plaintiff has any real prospect of success at the trial, the court will consider whether the balance of convenience lies in favour of granting or refusing an interlocutory injunction. An important consideration in weighing the balance of convenience is whether the plaintiff or the defendant will be adequately compensated in damages if an interlocutory injunction is either wrongfully refused or wrongfully granted.<sup>43</sup> Lord Wilberforce in *Hoftman-La Roche & Co. AG v. Secretary of State for Trade and Industry*<sup>44</sup> said that “the object of this injunction is to prevent a litigant who must necessarily suffer the law’s delay from losing by that delay the fruit of his litigation.” The whole idea is to freeze the situation before damages can flow, pending a subsequent trial on the merits.<sup>45</sup> In *American Cyanamid Co. v. Ethicon Ltd.*<sup>46</sup> the plaintiffs were the holders of a patent for absorbable surgical sutures and they were displeased

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<sup>43</sup> White, Jacob & Davies, *Patents Trademarks, Copyright and Industrial Designs 2<sup>nd</sup> edn*, (London: Sweet & Maxwell, 1978) p. 6 -7.

<sup>44</sup> [1975] AC 295 at 355.

<sup>45</sup> G. I. Uloko, “A Critical Appraisal of the Remedies in Intellectual Property Litigations in Nigeria”, *Nigerian Journal of Public Law* Vol. 1 No. 1. p. 270.

<sup>46</sup> [1975] AC 396, [1975] 1 All ER 504.

when they realized that the defendants were proposing to put in the market a similar and allegedly infringing product. The House of Lords granted the interlocutory injunction to plaintiff thereby preventing the defendant from proceeding with their plans.

Perpetual Injunction is granted at the end of the trial in which the infringement of the plaintiff’s right is established. This injunction protects the proprietary rights or interest of the plaintiff *ad infinitum*.

The Mareva injunction is available to a right holder. It is a freezing order, sought and granted *ex parte*, restraining a defendant from removing the assets from jurisdiction. This ensures that the fruit of the judgment is not tampered with or destroyed.<sup>47</sup> This is a heady remedy in enforcement of IPR infringement. This injunction may be granted pending the determination of the infringement action in court. It is sometimes combined with the Anton Piller order for effectiveness.<sup>48</sup>

Anton Piller injunction emerged from the case of *Anton Piller KG v. Manufacturing Processes Ltd.*<sup>49</sup> The purpose of this injunction is to restrain the defendant from destroying material evidence in his possession and which is valuable to the success of an action. This is allowed under section 25 CA.<sup>50</sup> It is granted where the applicant believes or has reasonable cause to believe that an infringement activity is ongoing inside particular premises.<sup>51</sup> The applicant must be in the company of a police officer not below the rank of Assistant Superintendent of Police (ASP) to search the premises.

The usual procedure in any action for infringement is that the issue of liability is decided first. The issue of how much compensation the defendant must pay will only arise if the plaintiff wins. The plaintiff may decide to pursue his claim in damages or account of profits.

Damages refers to a primary remedy for infringement and it is a pecuniary monetary satisfaction awarded by the court to the plaintiff for his financial loss occasioned by the

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<sup>47</sup> See *Third Chandris Shipping Corporation v. Unimarine SA* [1979] 2 All ER 592.

<sup>48</sup> See *McDonald v. Graham* [1994] RPC 407.

<sup>49</sup> [1976] Ch. 55 at p. 61.

<sup>50</sup> It has been argued that there is a subtle difference between s. 25 and an Anton Piller Order *stricto sensu*. See J. Asein, *Nigerian Copyright Law & Practice 2<sup>nd</sup> edn.* (Abuja: Books & Gavel Publishing, 2012) p. 321.

<sup>51</sup> See *Ferodo v. Unibros Stores* [1980] FSR 499.

infringement of his rights. Damages are presumed as the natural consequence of the defendant’s action. Thus, proof of actual or special damages is not absolutely necessary. There is no standard for the assessment of damages in intellectual property law cases,<sup>52</sup> although the court may follow the general standard of awarding damages in tort.

Where an action of infringement of copyright is proved or admitted, the court may award additional damages if it is satisfied that effective relief would not otherwise be available to the plaintiff, having regard (apart from all other factors) to the flagrancy of the infringement, and any benefit shown to have accrued to the defendant by reason of the infringement.<sup>53</sup> This was applied by the Court in *Peter Obe v. Grapevine Communications Ltd.*<sup>54</sup> in increasing the plaintiff’s damages from the Five Million Naira (₦5,000,000) sought to Ten Million Naira (₦10,000,000). As to the measure of damages, so many factors are considered by the court including lost royalties.<sup>55</sup> Thus, the plaintiff is entitled to exact compensation for any monetary damage he has actually suffered that can be fairly attributed to the infringement.

The primary aim of the remedy of accounts of profits is to prevent unjust enrichment and it is not available to a plaintiff who has otherwise been adequately compensated in damages for the infringement, the general principle being that an account of profits is a condonation of the alleged infringement.<sup>56</sup> Where a defendant raises a defence of innocent infringement under section 16(3) CA, the plaintiff will not be entitled to damages but can be granted an order for account of profits. The defendant is thus ordered to render account and pay over to the plaintiff all profits realized from the exploitation of the IPR. It is the infringer’s profits that matter not the plaintiff’s loss and this will be a guide to the court regarding the measure of damages to award.

Delivery up will be ordered against the defendant to hand over all infringement articles to the plaintiff. These may be destroyed, forfeited or converted for the plaintiff’s use. This is known as conversion right under section 18 CA.<sup>57</sup>

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<sup>52</sup> G. I. Uloko, *op. cit.*, p. 270.

<sup>53</sup> S. 16(4) Copyright Act.

<sup>54</sup> [2003-2007] 5 IPLR; 40 NIPJD [FHC 1997] 1244/1997.

<sup>55</sup> *Beddings Holdings Ltd v. INEC & 5 Ors* Suit No. FHC/ABJ/CS/816/2010.

<sup>56</sup> J. Asein, *op. cit.*, p. 314; *Potton Ltd. v. Yorkdose Ltd.* [1990] FSR 11.

<sup>57</sup> *Haritz Ibezim Okilo v. Dick Francis & Anor.* [2003- 2007] 5 IPLR 230 at 244 -245, per Ukeje J. (FHC Lagos).

## 7. Conclusion

The enforcement provisions in the various intellectual property laws and the sanctions therein are not mere paper tigers. The laws protect the works of the intellect of the individual, hence any infringement on that right is frowned at by the law. Some of these infringements amount to crime against the State. There is no clear cut reason behind the intention of the legislature for not expanding criminal sanctions to patents and industrial designs infringement. The reason for the protection of IPRs *vis-a-vis* copyright and trademarks applies *mutatis mutandis* to patents and designs as well. The sanctions under the Copyright Act and Trademarks need to be reviewed upwards to serve as the deterrent measures they ought to be. To sum up, the enforcement procedure of IPR infringement under Nigerian laws appears fairly satisfactory. The courts are urged to rise up to the challenge and always protect the rights of the IPR holder subject only to overriding public interest where necessary.