

10 Famous Nigerian Intellectual Property Disputes

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1. Virgin Enterprises Ltd. v. Richday Beverages (NIG.) Ltd.

Suit No: CA/L/550/15



By the late “90s, many credited the trademark “VIRGIN” with the United Kingdom incorporated company “the Virgin group of Companies” founded by Sir Richard Branson with names starting or incorporating the word “VIRGIN” i.e. Virgin Atlantic airline and Virgin Cola.

In 1999, although Virgin Enterprises Ltd (a member of the Virgin Group of Companies) had registered the trademark “VIRGIN” for aerated waters and other non-alcoholic drinks in Nigeria, Richday Enterprises, a Nigerian company, applied to the Federal Ministry of Commerce and Tourism to register “VIRGIN table water” and was issued an acceptance letter. Richday also registered “Virgin water Bottled” with the National Agency for Food and Drug Administration and Control (NAFDAC), and began selling the product in the Nigerian market.

In 2005, Virgin Enterprises Ltd filed a law suit against Richday and on May 22, 2009, Justice Regina Obiageli Nwodo found in favor of Virgin Enterprises Ltd stating that an average man would have been confused into believing the product labeled “Virgin Table Water” is a product of Virgin Enterprises. The court granted an injunction that restrained Richday, its directors and agents from infringing on Virgin Enterprise’s registered trademark through the use of the word VIRGIN in connection with the production and sale of bottled water.

2. Music Copyright Society (NIG) Ltd/GTE v. Nigerian Copyright Commission

Suit No: FHC/LC/CS/1163/12

Arguably the most famous but definitely controversial intellectual property dispute in Nigeria is the case of Musical Copyright Society of Nigeria (MCSN) v. Nigerian Copyright Commission (NCC).

MCSN and NCC had disputes over the collection of royalties which resulted in several litigation cases but on December 14, 2007, about 20 fully armed mobile policemen stormed the business premises of the MCSN without a search warrant. Two officials of MCSN were detained at the office of NCC without an arrest warrant or order of court. The NCC alleged that it had relied on its powers to enforce the Copyright Act inclusive of the powers to enter into any premises without warrant, inspect and seize documents relating to piracy, arrest and prosecute any suspect and generally exercise all powers and privileges of a police officer in the investigation and prosecution of copyright crime. According to NCC, MCSN was performing the functions of a collective management organization or collecting society, without its approval.



In a ruling delivered on March 18, 2013, Justice Yunusa, declared that the activities of MCSN is guaranteed by the Constitution of the Federal Republic of Nigeria and that MCSN's operations are legal and constitutional. The court awarded damages against NCC for N50 million Naira for what it termed "unlawful disruption and interference in MCSN's lawful business".

The legal tussle between the MCSN and NCC has amazed both local and international legal practitioners with several criminal charges and cases filed including: FHC/IKJ/CC/18/2012, FHC/IKJ/CR/19/2012, FHC/IKJ/CR/20/2012, FHC/L/353C/2012, FHC/L/352C/2012, FHC/L/351C/2012, FHC/L/CS/478/2008, FHC/L/CS/35/2008, CA/L/925/2011 and most recently FHC/L/CS/377/13.

3. International Tobacco (NIG.) Ltd. v. British American Tobacco (NIG.) Ltd.

Suit No: CA/IL/54/2007



During the early 90's, tobacco giants British American Tobacco (NIG) Ltd and Benson & Hedges (Overseas Ltd) had acquired a reputation as top tobacco brands in Nigeria. Together, they instituted this action against International Tobacco (NIG) Ltd in the Federal High Court in Nigeria for the infringement of the gold color on the Benson & Hedges cigarette pack.

The Federal High Court held that even if the gold color on the Benson & Hedges cigarette pack had not been expressly registered, the color had acquired distinctiveness since it had been in use for about 33 years and as such the subsequent use of the gold color for a similar product by International Tobacco was an infringement of the proprietary rights of British American Tobacco. The court however held that the infringement did not affect the goodwill of the British American Tobacco's product since evidence showed that its consumers were not deceived by the cigarette packs. Dissatisfied with the judgment of the Federal High Court, International Tobacco filed their Notice of Appeal. The Court of Appeal dismissed the appeal as lacking in merit.

4. Continental Pharmaceutical Ltd. v. Sterling Products Nigeria Plc. and SmithKline Beecham Plc. (1995)

In a legal battle that lasted for 16 years, the plaintiffs, who were manufacturers of a registered trademark comprising the eclipse logo with blue and white package design with the words "Conphamol" brought an action against the defendant for allegedly infringing on the salient features in the packaging of Conphamol, substituting only the words "Panadol" and "Panadol Extra" in the same style and font.



The plaintiff provided evidence to show that on November 10, 1981, it had registered Conphamol (RTM 40551) in Nigeria following prior search for conflicting marks at the Trademarks registry. The 1st defendant filed a counterclaim alleging that it was licensed by the 2nd defendant, SmithKline Beecham, owners of the well-known eclipse device with the words "Panadol" inscribed on it.

On Monday June 27, 2011, Justice James Tsoho of the Federal High Court sitting in Lagos, awarded ₦500 million against the defendants as damages for passing-off (part of a ₦1.2bn award) and for infringing on the plaintiff's registered trademark Conphamol and device in Class 5.

The judge also awarded ₦700 million as special damages for infringing on the copyright in the artistic work of the trademark and barred the defendants from importing, manufacturing, selling or supplying any analgesic preparation containing the active ingredient "Paracetamol" bearing the name Panadol or Panadol Extra in a container or any packaging with the logo closely resembling the plaintiff's registered trademark for Conphamol.

5. Ayman Enterprises Ltd. v. Akuma Industries Ltd. (1999)

Suit No: S.C.116/1999

On June 26, 1996, the plaintiff instituted an action against the defendants in the Federal High Court in Lagos for passing-off and also sought an injunction restraining the defendants from manufacturing, importing, selling or offering for sale or supply, wigs and hair attachments in any package or Get-Up bearing the name “*Original Queens*” or any other words so closely resembling the plaintiff’s trademark “*New Queen*”.

Prior to this action, the plaintiff had lodged an application at the Trademarks Registry in Abuja, Nigeria, for the registration of its brand name in Class 26 and had received an acceptance of the application (TP24575/95). The application was however pending registration at the time of this suit. The defendants’ trademark “*Original Queens*” was also not registered although an application had been filed at the Registry. The matter proceeded to the Supreme Court.

The core issue raised at the Supreme Court was whether the Federal High Court had jurisdiction to hear cases founded on passing-off of an unregistered trademark.

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“It seems to me that the jurisdiction of the Federal High Court to deal with actions on passing-off depends on the registration of trademarks as provided by Section 3 of the Trademarks Act...where the trademarks unregistered, as in the present case, then the cause of action for passing-off is in common law of tort and can now be brought in a State High Court.”

This decision was highly criticized and many legal practitioners expected a review of the courts decision and as expected, the Supreme Court re-examined the provisions of Section 3 of the Trademarks Act in the later case of Omnia Nigeria Ltd. v. Dyke Trade Ltd.

6. Niger Chemists Limited v. Nigeria Chemists and D.K. Brown (1961)

In the case of *Niger Chemists Limited v. Nigeria Chemists*, the plaintiff (well known as ‘Niger Chemists’) had carried on business as chemists and had several branches in Onitsha and other towns in Eastern Nigeria. The second defendant and his partners founded a firm carrying on exactly the same business in Onitsha under the name of ‘Nigeria Chemists’ and their only premises was on the same street as one of the plaintiff’s business. Both companies were registered with the Corporate Affairs Commission (CAC) in Nigeria. The plaintiff sued and the court granted an injunction against the defendant on the grounds that their use of the name ‘Nigeria Chemists’ was intended to deceive the members of the public into believing that there was a relationship between Nigeria Chemists and Niger Chemists.

The case establishes the principle that an action in passing-off may lie in cases of misuse of trade names, trademarks or the design get-up of the goods or businesses. Quoting Lord Cozens-Hardy MR in *Ewing v. Buttercup Co.* (1917) 2 Ch 1, Palmer J, held:

“I know of no authority, and I can see no principle, which withholds us from preventing injury to the plaintiff in his business as a trader by a confusion which will lead people to conclude that the defendants are really connected in some way with the plaintiff or are carrying on a branch of the plaintiff’s business.”

7. Patkun Industries Ltd v. Niger Shoes Manufacturing Co. Ltd. (1987)

Suit No. S.C. 189/1987

In this case, on appeal to the Supreme Court, the key issue was the interpretation of the proviso to Section 3 of the Trade Marks Act of 1965, which provides that:

“No person shall be entitled to institute any proceeding to prevent, or to recover damages for the infringement of an unregistered trade mark; but nothing in this Act shall be taken to affect rights of action against any person for passing off goods as the goods of another person or the remedies in respect thereof.”

The court had to determine whether or not that proviso preserved the common law right of action in passing-off as a common law remedy or whether the proviso had converted the remedy to a statutory one under the Trade Marks Act.

The Supreme Court held, among other things, that Section 3 of the Trade Marks Act gives a right of action in passing-off and that the right of action is derived from the Trade Marks Act and not from the common law.

“It is not correct to assume that a right of action enacted into a statutory provision is ineffective merely because it has its origin in the common law. This is not so. The common law tort of passing off in respect of other matters still exists ...”

“... but in respect of trade marks. In this country the right of action of passing-off relating to the infringement of registered trade marks is statutory and can be found only in Section 3 of the Trade Marks Act 1965.”

— *Per Karibi-Whyte, J.S.C. (P. 152).*

According to Karibi-Whyte, J.S.C.: In addition to the right of action conferred on the owner of a registered trademark, the statute has in this section conferred an additional right of action by preserving the right of action of passing-off in respect of such goods.

The true intendment and purpose of Section 3 of the Trade Marks Act, 1965 are that:

- (a) no person shall sue for infringement of an unregistered trade mark;
- (b) any person can sue for passing-off of a registered trade mark.

Interestingly, the Supreme Court’s interpretation of Section 3 of the Act, points to the fact that there are two types of passing-off. The first relating to unregistered marks and the second in relation to registered marks. The inference is that the infringement of a trademark would relate exclusively to registered trademarks while passing-off would cover cases of both registered and unregistered trademarks.

8. Omnia Nigeria Limited v. Dyketrade Limited (2003)

Suit No. S.C. 176/2003

Sometime in 1989, Dyktrade Limited initiated a trading venture with an Italian company to manufacture grinding stones for the washing of terrazzo floors and adopted the trademark “*Super Rocket*” for the grinding stones which it registered in Nigeria (No. 51136 in Class 19) on October 10, 1991.

Dyktrade sold substantial quantities of “*Super Rocket*” grinding stones all over Nigeria and had acquired substantial reputation and goodwill in the trademark. In December 1992,

Omnia Nigeria Limited began to import consignments of grinding stones branded “*Super Rocket*” and distributed and sold them.

Dyktrade Limited obtained an Anton Piller Order against Omnia Nigeria Limited and brought an action seeking to restrain the company and Directors/Officers from infringing the trademark “*Super Rocket*” and for passing off or enabling others to pass off grinding stones used for the purpose of terrazzo floors inscribed with the trademark “*Super Rocket*”.

The Supreme Court held that the Federal High Court has jurisdiction to hear and determine cases of passing off, whether or not these cases arise from registered or unregistered trademarks.

9. Ferodo Ltd. v. Ibeto Industries Ltd.

Suit No: SC/95/1999

While applying for registration of the trademark “*Ferodo*”, English company Ferodo Limited did not specify that the registration was sought for the accompanying design or garnishing — i.e., a red rectangle, at the upper end of which was a smaller black rectangle, inside of which the name “*Ferodo*” was printed in white.

Ibeto Industries subsequently introduced into the market its own brand of brake pads and linings, which it marketed under the trademark “*Union*” or “*Union SUPA*”. Ferodo Ltd contended that the trade dress “*Union*” was similar to the trade dress of its “*Ferodo*” and sued for passing off and infringement of its registered trademark.

On February 6, 2004, Justice Dahiru Musdapher delivering the lead judgement for the Supreme Court, held that Ferodo Ltd had registered the trademark “*Ferodo*” which could not by any manner be confused with “*Union*” or “*Union SUPA*” and that when a proprietor decides to garnish a trademark with other colorations and devices which make it appealing and decorative, it cannot be assumed that the fanciful and ornamental characters which color the package form part of the trademark.

In the absence of registration of the garnishing, the alleged use of the trade dress by Ferodo Ltd was held by the Court not to give them monopoly over the use of red cardboard paper.

10. The Case of My Pikin Baby Teething Mixture

Case No: FHC/L/70C/09



In Nigerian Pidgin, a language which is widely used across the country, the expression “*my pikin*” literally means “*my child*” and is often used as an endearment. But in 2008, *My Pikin Baby Teething Mixture* redefined those words completely.

Barewa Pharmaceutical Ltd, the manufacturer of *My Pikin Baby Teething Mixture*, sold a paracetamol-based syrup that killed 80 babies in 2008. This syrup was contaminated with engine coolant diethylene glycol.

On May 17, 2013, Justice Okechukwu Okeke of the Federal High Court in his judgement wound-up the company. The court also convicted two officers of the company for conspiracy and selling of dangerous drugs sentencing them to concurrent sentences of seven years for conspiracy to sell dangerous drugs and seven years for selling dangerous drugs.

What is unique about this case is the fact that it represent the first case in which NAFDAC secured an actual conviction through the courts.

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